

Clough Select Equity ETF (Ticker: CBSE)

Clough Hedged Equity ETF (Ticker: CBLS)



Clough Capital ETFs Performance Review & Market Outlook

Global capital markets delivered a modest advance in the first two months of 2026, as subdued earnings revisions, lingering inflation concerns, and uncertainty around the pace of Federal Reserve easing tempered risk appetite. The S&P 500 Index, a widely followed bellwether, gained only 0.67% year-to-date through February 28¹, reflecting a more hesitant tone after the strong rally of 2025 and a growing focus on valuation discipline.

Equity leadership remained narrow, but underlying dispersion across sectors and individual securities created fertile ground for active strategies. Ongoing investment in data centers, semiconductor capacity, and grid modernization continued to link technology with industrial demand, sustaining opportunities in energy, utilities, and related infrastructure even as broad indices moved sideways. Within this environment, the market narrative has continued to evolve from purely digital innovation toward a more capital-intensive buildout requiring substantial power generation, logistics capability, and specialized services—areas where our portfolios maintain meaningful exposure.

Economic data suggests an economy that is downshifting rather than contracting, with goods disinflation largely intact and services inflation gradually easing from elevated levels. The Federal Reserve has

signaled a willingness to begin cutting rates later in 2026, but the timing and pace remain data-dependent, contributing to episodic volatility across equities, rates, and credit. Treasury yields have traded in a relatively contained range, while credit markets have remained functional, with spreads that still reflect generally sound corporate balance sheets.

Against this more muted backdrop, both CBSE and CBLS delivered a very strong start to the year through February 28, 2026. CBSE's tilt toward large-cap equities with concentrated exposure to energy, industrials, and technology—anchored in North American issuers—benefited from continued strength in companies levered to energy infrastructure, drilling activity, and specialized engineering and services. CBLS, with its net long positioning complemented by a diversified short book in select technology and consumer names, capitalized on stock-level dispersion while seeking to manage overall market risk.

In combination, these exposures allowed the ETFs to participate meaningfully in the opportunity set despite the muted performance of broad equity indices, illustrating the value of our integrated framework that combines macro context, thematic research, and bottom-up security selection.

¹Source: Bloomberg as of 2/28/2026



The Clough Select Equity ETF

For the year-to-date period ended February 28, 2026, CBSE delivered a strong double-digit gain of +8.76% on a NAV basis, meaningfully outperforming the S&P 500 Index by ~8% and in-line with its World All-Cap Index benchmark in a generally muted market environment. This result underscores the benefit of CBSE's active positioning and security selection when broad indices advance only modestly.

Performance was driven by the portfolio's emphasis on companies tied to energy infrastructure, defense spending, and the ongoing build-out of global data-center capacity across energy, industrials, and technology holdings. North America remained the dominant exposure, allowing the strategy to focus on businesses benefiting from increased capital investment in power generation, grid modernization, and mission-critical equipment and services.

With a broad mandate and high-conviction, long-only approach, CBSE has continued to deliver attractive absolute and relative returns since inception, complementing its established record versus the S&P 500 Index and World All-Cap Index benchmark. CBSE may be a suitable option for an actively managed/core equity allocation in diversified model portfolios.



*Clough Select Equity ETF inception: 11/13/20. Performance represents past performance and does not guarantee future results. Investment returns and the principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Current performance as of the most recent month end is available by calling 855-393-0559. NAV returns are based on the ETF's net asset value, which represents the market value of the ETF's underlying investments minus liabilities divided by the ETF's outstanding shares.

**Morningstar Category Averages are designed to represent the average return of funds within their category over time. Morningstar Category Averages are equal-weighted category returns. The calculation is simply the average of the returns for all the funds in a given category. The standard average calculation is based on constituents of the category at the end of the period. Further information on Morningstar rankings can be found on page 5.

***As of 2/28/2026, the ETF received a 4-star overall rating, a 5-star 3-year rating, and a 4-star 5-year rating based on risk-adjusted returns out of 158, 158, and 147 funds, respectively, in the Global Small/Mid Stock Category. Further information on the Morningstar Rating™ can be found on page 5.

Top three contributors YTD 2026

Transocean Ltd. (RIG) provides offshore drilling services and contributed positively as improving offshore fundamentals, higher rig utilization, and tightening high-specification supply supported rising day rates and stronger earnings visibility, leading to a meaningful re-rating of the shares early in 2026.

Kratos Defense & Security Solutions Inc. (KTOS) designs defense and national-security technologies and added meaningfully to returns as robust U.S. and allied defense spending, growing interest in unmanned systems, and steady program execution reinforced confidence in the company's multi-year revenue and margin expansion trajectory.

TechnipFMC PLC (FTI) is a global provider of subsea and energy-infrastructure services, benefiting from rising offshore project awards, improving backlog quality, and greater visibility into long-cycle capital spending plans from major energy producers, which together supported strong year-to-date performance in the shares.

Top three detractors YTD 2026

Astera Labs Inc. (ALAB) develops connectivity solutions for data-center and artificial intelligence ("AI") infrastructure and detracted from results as post-IPO volatility, valuation consolidation, and mixed sentiment around near-term hyperscale spending led investors to reassess growth expectations and reduced appetite for higher-multiple semiconductor-adjacent names.

Sable Offshore Corp. (SOC) focuses on offshore oil and gas assets and weighed on performance as questions around project timing, commodity price swings, and some profit-taking after strong prior gains prompted a pullback in the shares despite a still-constructive multi-year offshore fundamentals backdrop.

New Fortress Energy Inc. (NFE) develops liquified natural gas ("LNG") and gas-to-power infrastructure and detracted as project-execution uncertainty, regulatory and political noise, and shifting investor preference away from complex, capital-intensive energy stories pressured the stock and overshadowed the long-term opportunity set.



The Clough Hedged Equity ETF

For the year-to-date period ended February 28, 2026, CBLS delivered a strong double-digit gain of +11.40% on a NAV basis, outpacing its World All-Cap Index benchmark by ~2% and its World All-Cap/UST 0-1 Yr 50/50 Index benchmark by more than 6%, and exceeding the S&P 500 Index by ~11%, despite operating with an average net exposure of ~60% during the period.

Results were driven by positive contributions from both the long and short books. Long positions in companies levered to energy infrastructure, defense spending, and data-center build-out benefited from ongoing capital investment in power, industrial capacity, and digital infrastructure. At the same time, the short book added value by targeting select technology and consumer names that lagged in a more discerning market tape.

With its hedged, high-conviction approach, CBLS continues to offer differentiated access to equity upside while seeking to manage overall market risk.



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*** As of 2/28/2026, the ETF received a 2-star overall rating, a 3-star 3-year rating, and a 2-star 5-year rating based on risk-adjusted returns out of 139, 139, and 115 funds, respectively, in the Equity Hedged Category. Further information on the Morningstar Rating™ can be found on page 5.

Top three contributors YTD 2026

Transocean Ltd. (RIG) provides offshore drilling services and contributed positively as improving offshore fundamentals, higher rig utilization, and tightening high-specification supply supported rising day rates and stronger earnings visibility, leading to a meaningful re-rating of the shares early in 2026.

Kratos Defense & Security Solutions Inc. (KTOS) designs defense and national-security technologies and added meaningfully to returns as robust U.S. and allied defense spending, growing interest in unmanned systems, and steady program execution reinforced confidence in the company's multi-year revenue and margin expansion trajectory.

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Top three detractors YTD 2026

Astera Labs Inc. (ALAB) develops connectivity solutions for data-center and AI infrastructure and detracted from results as post-IPO volatility, valuation consolidation, and mixed sentiment around near-term hyperscale spending led investors to reassess growth expectations and reduced appetite for higher-multiple semiconductor-adjacent names.

Moderna Inc. (MRNA) is a biotechnology company focused on mRNA-based vaccines and therapeutics, and the short position detracted as the shares moved higher on improving sentiment toward the pipeline and renewed interest in vaccine-related names, working against our short position during the period.

Rocket Cos Inc. (RKT) operates a mortgage and consumer-finance platform and weighed on results as higher-for-longer rate expectations, constrained housing affordability, and a slower-than-anticipated recovery in mortgage origination volumes pressured investor sentiment toward the shares.



Average net exposures in 2026+

Average net exposures in 2026+

Market Capitalization	
Small-Cap	12.0%
Mid-Cap	17.8%
Large-Cap	67.7%
Sector (Top 5)	
Energy	26.3%
Industrials	17.1%
Technology	15.4%
Consumer Discretionary	12.9%
Health Care	11.2%
Geographic	
North America	84.0%
South & Central America	5.1%
Western Europe	7.1%
Asia	1.0%

Long/Short	
Long	93.6%
Short	-34.5%
Market Capitalization	
Small-Cap	1.1%
Mid-Cap	9.6%
Large-Cap	48.4%
Sector (Top 5)	
Energy	18.7%
Industrials	13.3%
Technology	10.4%
Consumer Discretionary	9.1%
Materials	8.6%
Geographic	
North America	41.5%
South & Central America	8.0%
Western Europe	5.8%
South & Central America	3.9%

Top 10 Holdings as of 2/28/2026+

Quanta Services Inc	3.00%
Transocean Ltd	2.88%
Baker Hughes Co	2.81%
Select Water Solutions Inc	2.74%
Constellation Energy Corp	2.73%
Halliburton Co	2.69%
Sterling Infrastructure Inc	2.67%
BWX Technologies Inc	2.66%
Viking Holdings Ltd	2.66%
Southern Copper Corp	2.66%

Top 5 Long Holdings as of 2/28/2026+

Constellation Energy Corp	3.60%
Champion Homes Inc	3.21%
Service Corp International	3.01%
Alphabet Inc	2.97%
Transocean Ltd	2.94%

Top 5 Short Holdings as of 2/28/2026+

Snap Inc	-1.51%
Oracle Corp	-1.50%
Lululemon Athletica Inc	-1.43%
Equinix Inc	-1.41%
Sportradar Group AG	-1.34%

+Holdings and allocation data are subject to change without notice and are not a recommendation to buy or sell any security. Excludes cash positions. Calculated as a % of net assets.

Clough Select Equity ETF (CBSE) Performance Summary

Trailing Returns as of 2/28/2026	3 Month	YTD	1 Year	3 Year	5 Year	SI
ETF Performance						
Net Asset Value (NAV)	7.43%	8.76%	29.53%	23.03%	9.40%	16.08%
Market Price	7.48%	8.74%	29.50%	23.02%	9.33%	16.07%
Index Performance						
World All-Cap Index ¹	10.69%	8.93%	33.10%	15.15%	7.02%	9.87%
Peer Group Performance						
Morningstar Global Small/Mid Stock Category Avg ²	8.95%	8.40%	24.87%	10.93%	3.00%	6.28%
Morningstar Rating ^{TM 3}	--	--	--	★★★★★	★★★★★	--
ETF Rank Percentile ⁴	--	--	36%	2%	15%	6%
# of Investments in Category	--	--	168	158	147	158
Trailing Returns as of 12/31/2025	3 Month	YTD	1 Year	3 Year	5 Year	SI
ETF Performance						
Net Asset Value (NAV)	-4.20%	19.50%	19.50%	22.67%	11.21%	14.73%
Market Price	-4.19%	19.49%	19.49%	22.79%	11.18%	14.73%
Index Performance						
World All-Cap Index ¹	1.61%	21.47%	21.47%	13.59%	6.18%	8.38%
Peer Group Performance						
Morningstar Global Small/Mid Stock Category Avg ²	0.95%	15.27%	15.27%	10.35%	2.30%	4.83%
Morningstar Rating ^{TM 3}	--	--	--	★★★★★	★★★★★	--
ETF Rank Percentile ⁴	--	--	39%	5%	8%	6%
# of Investments in Category	--	--	177	166	150	166

Returns greater than one year are annualized.

ETF Gross Expense Ratio: 0.85% as of 2/27/2026. ETF inception: 11/13/2020.

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NAV returns are based on the ETF's net asset value, which represents the market value of the ETF's underlying investments minus liabilities divided by the ETF's outstanding shares. Market price returns are based upon the midpoint of the bid/ask spread at 4:00pm Eastern Time, when the NAV is normally calculated.

¹The Bloomberg World All-Cap Equal Weight TR Index ("World All-Cap Index") is an equal weighted equity benchmark that covers 99% market cap of the measured market. Performance information for each listed index is for illustrative purposes only and does not represent actual fund performance. Indexes do not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown. Indexes are unmanaged and an investor cannot invest directly in an index.

²Morningstar Category Averages are designed to represent the average return of funds within their category over time. Morningstar creates a category average daily total return index series, as well as monthly, quarterly, and annual averages of return and non-return data. Morningstar Category Averages are equal-weighted category returns. The calculation is simply the average of the returns for all the funds in a given category. In Morningstar, exchange-traded funds and open-end mutual funds are considered a single population for comparative purposes.

³The Morningstar RatingTM for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar RatingTM does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar RatingTM for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

⁴The rank percentile is based on total return within the Morningstar Global Small/Mid Stock Category.

Clough Hedged Equity ETF (CBL5) Performance Summary

Trailing Returns as of 2/28/2026	3 Month	YTD	1 Year	3 Year	5 Year	SI
ETF Performance						
Net Asset Value (NAV)	9.58%	11.40%	14.09%	13.28%	3.20%	8.80%
Market Price	9.59%	11.38%	14.10%	13.26%	3.15%	8.80%
Index Performance						
World All-Cap Index ¹	10.69%	8.93%	33.10%	15.15%	7.02%	9.87%
World All-Cap/UST 0-1 Yr 50/50 Index ¹	5.69%	4.68%	17.66%	9.82%	5.22%	6.56%
Peer Group Performance						
Morningstar Equity Hedged Category Average ²	2.01%	2.08%	12.59%	13.14%	8.18%	8.43%
Morningstar Rating ^{TM 3}	--	--	--	★★★	★★	--
ETF Rank Percentile ⁴	--	--	30%	45%	86%	32%
# of Investments in Category	--	--	157	139	115	139
Trailing Returns as of 12/31/2025						
ETF Performance						
Net Asset Value (NAV)	-3.47%	6.08%	6.08%	9.83%	3.83%	6.82%
Market Price	-3.48%	5.86%	5.86%	9.87%	3.80%	6.82%
Index Performance						
World All-Cap Index ¹	1.61%	21.47%	21.47%	13.59%	6.18%	8.38%
World All-Cap/UST 0-1 Yr 50/50 Index ¹	1.27%	12.44%	12.44%	9.10%	4.76%	5.83%
Peer Group Performance						
Morningstar Equity Hedged Category Average ²	1.38%	11.46%	11.46%	13.47%	7.89%	8.27%
Morningstar Rating ^{TM 3}	--	--	--	★★	★★	--
ETF Rank Percentile ⁴	--	--	86%	68%	80%	62%
# of Investments in Category	--	--	159	139	103	139

Returns greater than one year are annualized.

ETF Gross Expense Ratio: 1.89% as of 2/27/2026. ETF inception: 11/13/2020.

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³The Morningstar RatingTM for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar RatingTM does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar RatingTM for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

⁴The rank percentile is based on total return within the Morningstar Equity Hedged Category.

Investors should consider the investment objectives, risks, charges, and expenses of Clough Select Equity ETF (“CBSE”) and the Clough Hedged ETF (“CBLs”) (each, an “ETF” and collectively, the “ETFs”) carefully before investing. This and other information are contained in each ETF’s prospectus, which may be obtained by visiting www.cloughcloughcapital.com/etfs or by calling 855-393-0559. Please read the prospectus carefully before you invest.

The ETFs are NYSE listed ETFs and may trade at a price above or below each ETF’s NAV. Shares of the ETF may trade at a premium or discount to NAV and may be bought and sold throughout the day at their market price on the exchange on which they are listed. The market price may be at, above or below the ETF’s NAV and will fluctuate with changes in the NAV as well as supply and demand in the market for the shares. The market price of the ETF’s shares may differ significantly from its NAV during periods of market volatility. Shares of the ETF may only be redeemed directly at NAV by Authorized Participants, in very large creation units. There can be no guarantee that an active trading market for the ETF’s shares will develop or be maintained, or that their listing will continue or remain unchanged. Buying or selling shares of the ETF on an exchange may require the payment of brokerage commissions and frequent trading may incur brokerage costs that detract significantly from investment returns.

Investments in securities are not insured, protected, or guaranteed and may result in loss of income and/or principal. Diversification does not eliminate the risk of market loss. A long-term investment approach cannot guarantee a profit. All financial products have an element of risk and may experience loss. Past performance is not indicative of, nor does it guarantee future results. Purchases are subject to suitability, risk tolerance and any other investment limitations.

The ETFs are distributed by Paralel Distributors LLC. Paralel Distributors LLC and Clough Capital Partners L.P. (“Clough Capital”) are not affiliated.

Risk Factors
Investing involves risk. Principal loss is possible. The equity securities held in the portfolio may experience sudden, unpredictable drops in value or long periods of decline in value. This may occur because of factors that affect securities markets generally or factors affecting specific issuers, industries, or sectors in which the ETFs invests.

Short selling involves significant risks, including potentially unlimited losses if a security’s price rises, ongoing expenses, and counterparty risk. The ETF’s use of options for hedging or income may not be effective, may not fully protect against losses, and may result in additional costs or exposure to loss.

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