

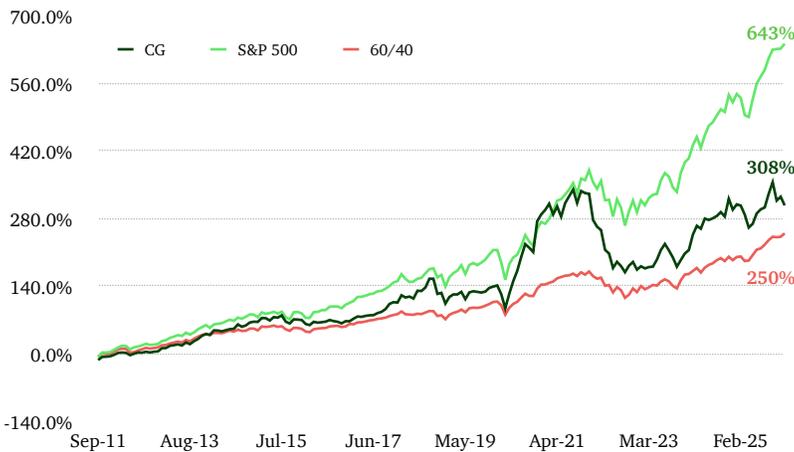


## The Capital Growth Strategies (CG) Overview:

CB3 “CG” trades primarily individual equities of mega-, large-, mid-, and small-cap companies. Risk management strategies are used to attempt to reduce losses in unfavorable market conditions. The primary risk management strategy is institutional level put option hedging spreads in the S&P 500 options as well as stop-losses in place with Monthly Time Frame signals.

## Cumulative Return & Key Statistics

Sep 2011 — Jan 2026



	CG	S&P 500	60/40
<b>Recent Results</b>			
MTD	-4.2%	1.5%	1.9%
YTD 2026	-4.2%	1.5%	1.9%
1-Year	-0.5%	16.3%	16.4%
5-Year	2.4%	101.0%	43.5%
<b>Since Inception</b>			
Total Return	308.0%	643.4%	250.3%
Annualized Return	10.2%	14.9%	9.1%
Annualized Volatility	17.1%	14.1%	9.8%
Max Drawdown	-38.9%	-23.9%	-20.1%
Sharpe	0.60	1.06	0.93
Sortino	1.06	1.91	1.62
Beta to S&P 500	1.02	-	0.66

Past performance does not indicate future results

## January Performance Review

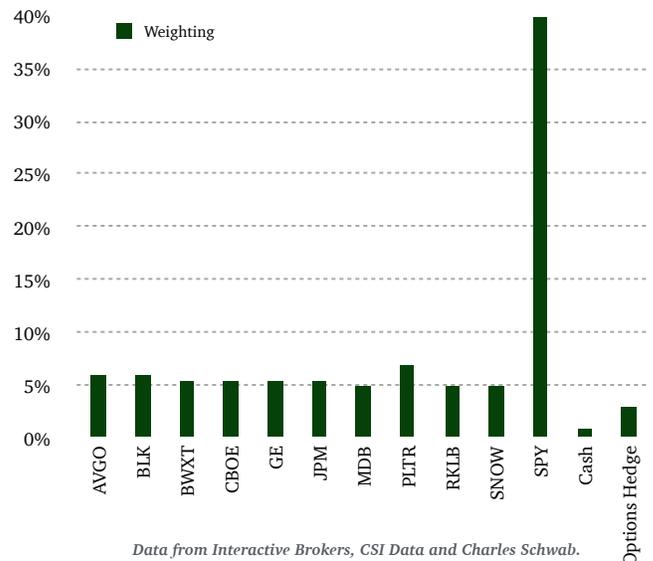
January was a challenging month for growth stocks, and CG felt that pressure. After **beta-testing our Core-Satellite framework for three months**, we used this period to complete a **significant structural upgrade** to the portfolio. The result is **CG v183**, the next phase of our Core-Satellite strategy.

The most important change is the introduction of a **40% Core allocation to the S&P 500 (SPY)**. A primary goal of this Core position is to **reduce benchmark drift** driven by the **outsized influence of the “MAG 7,”** which accounted for approximately 62% of the S&P 500’s total return last year. We also **increased our SPY put-spread hedge to 3% from 2.5%**, maintaining disciplined downside protection. Importantly, **our CB3 3-DS allocations remain unique**, preserving the distinct role of each strategy within the CB3 ecosystem.

The **1-CG Satellite sleeve** was streamlined from **17 positions to 10**, concentrating capital into our highest-conviction themes. Several positions were removed due to neutral or weakening technical signals. Others were trimmed to bring all Satellites to a more meaningful 5–7% range.

CG v183 is now **more focused, more resilient, and significantly improved** for 2026.

## Current Positions



Data from Interactive Brokers, CSI Data and Charles Schwab.



## CG Monthly Net Returns

Net of all fees and expenses

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2026	-4.18%												-4.18%
2025	2.75%	-0.61%	-4.59%	-6.92%	2.20%	5.77%	2.14%	1.02%	6.96%	5.62%	-8.37%	1.89%	6.69%
2024	2.28%	10.10%	5.33%	-1.69%	5.85%	-0.75%	0.90%	1.26%	2.09%	-2.33%	9.53%	-5.32%	29.45%
2023	2.51%	-1.53%	0.99%	0.29%	5.17%	6.83%	3.93%	-4.08%	-4.68%	-6.36%	5.01%	4.54%	12.20%
2022	-12.58%	-3.68%	-1.94%	-11.44%	-2.45%	-9.70%	4.56%	-3.03%	-4.49%	5.03%	2.71%	-5.47%	-36.40%
2021	2.38%	3.21%	-5.37%	4.27%	-5.22%	7.27%	3.45%	3.31%	-6.33%	6.02%	-1.00%	-0.33%	11.00%
2020	1.00%	-7.55%	-13.05%	15.47%	11.66%	8.52%	10.60%	8.82%	-2.26%	-2.79%	20.51%	3.74%	62.41%
2019	6.62%	2.46%	0.01%	2.37%	-6.61%	6.55%	1.07%	-0.58%	-0.62%	0.89%	3.33%	1.15%	17.17%
2018	7.24%	-2.02%	0.84%	-1.82%	7.51%	-0.22%	3.17%	7.62%	-0.03%	-12.27%	0.96%	-9.76%	-1.00%
2017	3.24%	2.60%	-0.49%	1.20%	0.66%	0.22%	2.29%	1.43%	3.03%	5.63%	1.72%	-0.37%	23.14%
2016	-4.83%	-1.43%	4.25%	-1.02%	0.54%	0.71%	2.03%	-1.34%	-0.81%	-1.98%	2.71%	-0.05%	-1.52%
2015	-0.22%	4.80%	-0.21%	-2.81%	4.22%	-0.62%	2.67%	-7.20%	-2.30%	5.22%	-0.28%	-0.52%	2.08%
2014	-1.11%	6.63%	-0.27%	-1.09%	1.66%	1.40%	0.45%	6.10%	-3.12%	1.80%	3.79%	1.05%	18.19%
2013	6.24%	0.25%	4.24%	1.06%	1.35%	-1.99%	5.52%	-2.92%	5.06%	3.56%	5.10%	2.61%	33.96%
2012	3.23%	4.21%	0.64%	-0.72%	-4.78%	3.28%	2.54%	-0.42%	1.89%	-1.47%	1.45%	0.80%	10.81%
2011									-12.57%	7.38%	0.48%	0.85%	8.81%

## CB3 Financial Investing Details

**Overview.** All CB3 trading programs remain 100% invested in the market at all times. Thus, CB3 utilizes 100% of client assets that have been allocated to us as the portfolio manager for our clients’ benefit. In unfavorable markets, the options hedging can be increased and equity allocation decreased. It is CB3 Financial’s position to be fully invested at all times, even when our target allocation may become more conservative.

**Strategy Specifics.** CG trades any asset class, any cap-weighted market size asset, and any sector where we believe we can deliver outperformance (alpha) over the S&P 500. 96% equities, 3% options hedging, 1% cash; 10-20 holdings, monthly trading signals (for portfolio adjustments) and 2-12% weightings per holding.

**Minimum Investment.** \$125,000.

**Annual Management Fees per Investable AUM, assessed monthly in advance.** \$125,000 - \$500,000: 1.5%; \$500,000 - \$1,000,000: 1.25%; \$1,000,000 - \$3,000,000: 1.0%; \$3,000,000 - \$5,000,000: 0.9% and \$5,000,000+: 0.85%.

## About Us

**Company Background.** CB3 Financial Group, Inc. was founded in 2006 by Charles and Alice Brown. We are a boutique firm, investing for our family office and on behalf of a small group of select clients. We offer three strategies, of which DS (Discretionary Strategies) is the most aggressive, followed by CG (Capital Growth), and GI (Growth and Income). All three programs utilize institutional-level advanced Put-Options Hedging at Charles Schwab. These strategies are designed to protect against harsh downside market moves that can happen very suddenly in today’s trading environment.

**Portfolio Manager, Charles Brown, III, CMT.** Mr. Brown has been trading commodities and stocks for 30+ years. He is a member of the CMT Association and has been awarded the Chartered Market Technician (CMT) designation. Prior to CB3, he previously had a successful career trading commodities with his boutique Commodity Trading Advisor (CTA) firm, TST Capital. He is a sought-after lecturer and commentator on financial topics and economic news, is recognized for his “accessible and easily-understandable” approach to explaining complex topics in his “everyman” conversational style. [YouTube.com/cb3live](https://www.youtube.com/cb3live) is the firm’s YouTube channel. Mr. Brown is also an accomplished musician, performing at Carnegie Hall in NYC at the age of 17. He continues to compose and perform today. He is a graduate of the Cincinnati Conservatory of Music.

### DISCLAIMER

Past performance does not guarantee future results. All investments and strategies carry the potential for both profit and loss. Different types of investments involve varying levels of risk. There is no guarantee that a specific investment or strategy will be suitable or profitable for an investor’s portfolio. Asset allocation and diversification will not necessarily improve an investor’s returns and cannot eliminate the risk of investment losses. CB3 Financial Group, Inc. is a State-Registered Investment Advisor in the State of Illinois, with registration exemptions in AL, CA, FL, GA, MI, MO, KS, SD and WI.