3-DS Discretionary Strategies Fact Sheet

CB3 Financial is a Registered Investment Advisor (RIA)

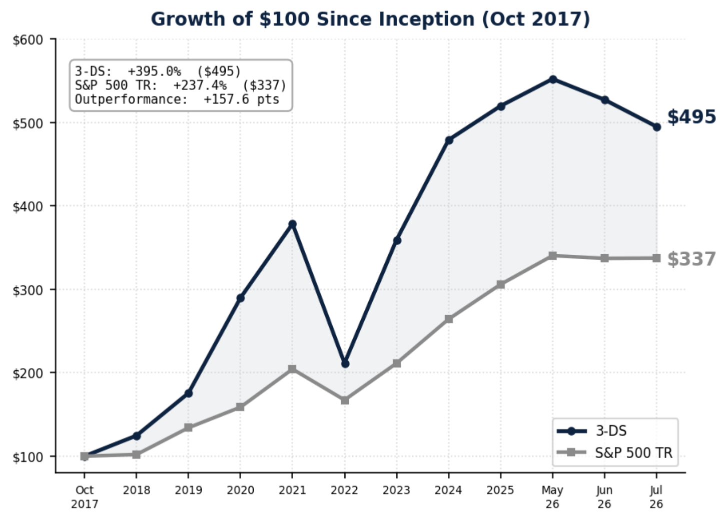
Performance as of July 31, 2026 | v043 | Generated August 2, 2026

The 3-DS (Discretionary Strategies) Overview:

DS utilizes a systematic, rules-based approach that aims to capitalize on trends in the "Magnificent Seven," Quantum Computing, leading Artificial Intelligence (A.I.), and space / disruptive names. DS targets aggressive growth with signal-driven exit discipline and a small options overlay (capped at 1% of equity) to manage downside. Minimum investment $125,000 with monthly rebalancing using the CB3 Three-Channel Signal System.

Cumulative Return & Key Statistics

Since Inception: Oct 2017 | Net of all fees and expenses | Benchmark: S&P 500 Total Return (CSI)



	3-DS	S&P 500
Recent Results		
JUL 2026	-6.10%	+0.10%
JUN 2026	-4.50%	-0.95%
MAY 2026	+8.33%	+4.25%
APR 2026	+8.06%	+10.42%
Since Inception	**+395.0%**	**+237.4%**
Key Metrics		
Outperformance	**+157.6 pts**	—
Annualized Return	+21.8%	+15.1%
Annualized Vol.	25.4%	16.4%
Max Drawdown	-44.1%	-23.9%
Sharpe Ratio	0.86	0.95
Sortino Ratio	1.56	1.53
Beta to S&P 500	1.27	—

Past performance does not indicate future results. S&P 500 total return sourced from CSI (SPX-I) index levels; since-inception S&P chained from the locked 5/31 figure.

July 2026 Review & Outlook

July was a down month for the concentrated book: **-6.10% net** (time-weighted to neutralize the one-time 1-CG in-kind transfer on 7/13) versus the S&P 500 total return of +0.10%. Leadership rotated out of the AI / quantum / space complex the strategy concentrates in — the quantum sleeve (QTUM), the semiconductor names (TSM, plus the equipment reversals in AMAT / INTC) and the space satellites (RKLB -36%, SPCX, BWXT) led the drawdown, while AMZN (new highs) and GOOG cushioned. All 16 names remained on a confirmed monthly BUY; the August cycle is a routine drift restoration to v043 targets.

Key Developments:

- Drift rebalance to v043 targets — restore TSLA to 6% floor, top up 7 satellites, trim 4 leaders; cash-neutral, no version change.
- July -6.10% net; 2026 YTD -4.73%; since inception +395.0% net vs S&P 500 +237.4% (+157.6 pts).
- Top July detractors: QTUM, TSM, AAPL, QQQ, RKLB. Cushions: AMZN, GOOG.
- 1-CG wind-down assets (~$267K) transferred in 7/13 and rotated into the DS model; return time-weighted to neutralize the flow.
- Hedge rolled early SEP → DEC (QQQ 570/500 put debit spread); capped at 1% of equity.
- RKLB and SPCX rebalanced to 2% and flagged as exit candidates for the September review.
- S&P 500 benchmark now sourced from CSI (single source); AOR benchmark discontinued.

Portfolio Statistics

Benchmark Acct	**$364,663.92**
Prior Month-End	**$113,852.51**
2026 YTD Return	**-4.73%**
# Holdings	**16 + Hedge + Cash**
Equity / Hedge / Cash	**98.0% / 1.8% / 0.2%**
Nitrogen Risk	**88 (Target: 85–95)**
Expense / Yield	**0.07% / 0.40%**
Rebalancing	**Monthly (CB3 3-Channel)**
Custodian	**Charles Schwab**
Min. Investment	**$125,000**

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Current Holdings Summary | v043 Effective August 3, 2026

All signals confirmed on the July 31, 2026 monthly close via CB3 Three-Channel (CSI) System

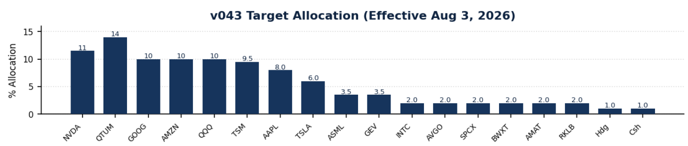
Ticker	Name	Target	Current	Signal	Action
QTUM	Defiance Quantum ETF	14.0%	14.8%	**BUY**	Trim to target
NVDA	NVIDIA Corporation	11.5%	11.6%	**BUY**	Trim (slight)
GOOG	Alphabet Inc. Class C	10.0%	10.4%	**BUY**	Trim (slight)
AMZN	Amazon.com Inc.	10.0%	11.2%	**BUY**	Trim to target
QQQ	Invesco QQQ Trust	10.0%	9.8%	**BUY**	Add (slight)
TSM	Taiwan Semiconductor Mfg.	9.5%	9.3%	**BUY**	Add (slight)
AAPL	Apple Inc.	8.0%	8.0%	**BUY**	Hold
TSLA	Tesla, Inc.	6.0%	4.9%	**BUY**	Increase — floor
ASML	ASML Holding N.V.	3.5%	3.1%	**BUY**	Add
GEV	GE Vernova Inc.	3.5%	3.3%	**BUY**	Add
INTC	Intel Corporation	2.0%	1.8%	**BUY**	Add
AVGO	Broadcom Inc.	2.0%	2.0%	**BUY**	Hold
SPCX	Space Exploration Tech.	2.0%	1.6%	**BUY***	Add — watch
BWXT	BWX Technologies	2.0%	1.9%	**BUY**	Add
AMAT	Applied Materials Inc.	2.0%	1.8%	**BUY**	Add
RKLB	Rocket Lab Corporation	2.0%	1.7%	**BUY**	Add — watch
Hedge	QQQ DEC Put Debit Spread	1.0%	1.8%	—	Hold
Cash	Money Market	1.0%	0.9%	—	Rebuild

Monthly Net Returns

Net of all fees and expenses | Inception: Oct 2017 | 2026 reconciled to verified Schwab statement

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2026	-1.33	-4.18	-4.02	+8.06	+8.33	-4.50	-6.10	—	—	—	—	—	**-4.73**
2025	+1.96	-9.05	-7.97	+1.19	+7.49	+5.60	+2.84	+0.68	+7.41	+4.16	-4.26	-0.20	**+8.49**
2024	-1.52	+7.90	+2.85	-5.08	+9.66	+3.70	-4.09	+1.67	+5.50	+1.02	+7.07	+1.60	**+33.36**
2023	+15.01	-2.46	+14.91	+4.23	+11.33	+7.03	+2.90	-1.77	-4.53	-2.65	+11.46	+1.31	**+69.83**
2022	-10.87	-6.60	+3.92	-20.21	-3.02	-9.60	+17.32	-5.15	-11.93	+1.63	+3.63	-10.52	**-44.11**
2021	+1.69	-1.47	+1.42	+8.25	-3.02	+7.09	+2.26	+6.63	-5.56	+9.48	+0.81	+0.56	**+30.57**
2020	+7.27	-5.46	-5.24	+20.50	+3.80	+9.67	+10.52	+13.01	-9.42	-2.14	+7.70	+4.95	**+64.96**
2019	+16.03	+1.87	+5.27	+8.01	-8.58	+7.18	-1.66	-5.92	-1.51	+5.54	+5.97	+4.98	**+40.89**
2018	+18.35	+1.64	-4.78	+4.49	+9.94	+4.41	-1.56	+9.60	-0.63	-14.07	-2.83	-9.56	**+11.23**
2017	—	—	—	—	—	—	—	—	—	+10.60	+0.63	+0.72	**+12.10**

* May 2026 is the balancing figure reconciling recorded Jan–Apr returns to the verified 5/31 statement value. July 2026 time-weighted (Modified Dietz) to neutralize the one-time 1-CG in-kind transfer (7/13). 2026 YTD (-4.73%) and since-inception (+395.0%) verified to Schwab. S&P 500 from CSI (SPX-I).



About Us

CB3 Financial, Inc. (est. 2006). Boutique RIA investing for our family office and select clients. Programs: 3-DS, 1-CG, 2-GI, 4-MP. **PM:** Charles Brown III, CMT — 30+ yrs. YouTube.com/cb3live.

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Strategy Details	
Investment Style:	Active, systematic (CSI)
Signal System:	CB3 Three-Channel (Mthly)
Rebalancing:	Monthly drift + strategic
Holdings:	16 + Hedge + Cash
Options Hedge:	QQQ put spread, cap 1%
Minimum:	$125,000
Custodian:	Charles Schwab
Inception:	October 2017

Strategy Profile

Designed for investors seeking aggressive growth from AI / Mag 7 / quantum / space themes who accept high volatility and deep drawdowns for high CAGR potential. **Risk:** highly concentrated and high-beta — the 2022 -44.1% and the July 2026 -6.10% illustrate the downside. Monthly CSI exit discipline and a 1%-of-equity hedge cap are the current risk framework.