CITY DIFFERENT INVESTMENTS

CDIG: GLOBAL EQUITY ETF

Q2 2026

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Dear Fellow Investors,

Our City Different Investments Global Equity ETF (Nasdaq: CDIG) posted a modest gain in the second quarter, trailing a hot global market driven by AI euphoria. For the quarter, CDIG returned +3.25% MKT versus the MSCI All Country World Index[1] return of +14.93%. See more performance data in the accompanying table.

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For nearly 25 years, our team has managed global investments using our time-tested framework, which emphasizes business quality (based on our idiosyncratic parameters), valuation, and hypothesis/catalysts. Recall that CDIG is a highly focused portfolio of 20–30 holdings, selected globally, that we believe offer attractive investment potential. As a result, CDIG does not resemble any index, and maintaining a long-term time horizon is essential.

PERFORMANCE

As of June 30, 2026

NET PERFORMANCE	Q2 2026	YTD	1-Year	3-Year	Cumulative Since Inception	Expense Ratio
NAV	3.22%	2.88%	N/A	N/A	2.98%	0.75%
Market Price	3.25%	2.91%	N/A	N/A	3.06%	0.75%

Inception date of CDIG is September 16, 2025. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. The performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. For current fund holdings and performance data current to the most recent month end, please call 505.416.4550 or visit https://cdifunds.com/cdig/.

Market Price Return is calculated using the price that investors buy and sell ETF shares in the market. The market returns in the table are based on the midpoint of the bid/ask spread at 4 p.m. EST and do not represent the returns you would receive if you traded shares at other times. NAV Return represents the closing price of underlying securities..

Why have CDIG results thus far been underwhelming? There are two broad reasons for this. First, we had relatively lower weights in certain holdings that have outperformed strongly (e.g. ICON plc and Tidewater); in hindsight those could have been larger positions. Second, AI infrastructure and semiconductors have been on an absolute tear lately, but we are not heavily invested there. It has felt like quite a party going on in those sectors, and we were not invited! Nonetheless we maintain our long-term orientation and constructive outlook.

The strongest Q2 contributors to results were ICON plc (a new investment discussed below) and Talen Energy. Talen, an independent power producer, was notable as the shares recovered from Q1 weakness. We remain confident that electrification trends (driven by EVs, AI data centers, and manufacturing reshoring) will continue to benefit Talen in the years to come.

Our biggest detractor this quarter was Tidewater, a Texas-based owner of tugboats and offshore supply vessels for the energy industry. The U.S.–Iran ceasefire in June let the air out of energy and shipping stocks, but we believe that the multi-year supply-and-demand outlook for offshore vessels remains favorable. MercadoLibre, the leading e-commerce and fintech company in Latin

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America, also declined. Investors fret over its heavy investment spending and potential disruption from AI, but the business marches on.

MARKET DYNAMICS (as of July 31st, 2026)

Equity markets powered through a turbulent few months to log their best quarter in years, led by jaw-dropping gains related to the AI build-out. The S&P 500 and the MSCI ACWI each rose about 15% in Q2—their best showings since 2020[1]—and for semiconductor investors, it was one for the record books[2]: the semiconductor index (PHLX) posted its strongest quarter on record[3]. Interestingly, the Mag7 have gone sideways this year; the S&P 500 gains came from the "other 493" — industrials, banks, and healthcare companies have all contributed[4]. Above all, memory chip stocks stood out as high-bandwidth memory ("HBM") has become a scarce, critical input for AI data centers[5].

A recent theme affecting our portfolio is the unwinding of tensions in the energy/shipping/commodities sectors due to the Iran war. In mid-June, the United States and Iran signed a memorandum of understanding to end four months of fighting and reopen the Strait of Hormuz[6], through which roughly 20% of the world's oil and liquefied natural gas (LNG) normally passes[7]. Oil — which had spiked above $110 per barrel during the conflict — surrendered all its gains since the war broke out. But inventory depletions have been remarkable this year, and we wonder if this trend could reverse. For example, in Europe, natural gas storage levels are now far below normal[8], and in the US, the Energy Information Administration (EIA) reports that the Strategic Petroleum Reserve is at 317mm barrels, its lowest level since 1983[9]. Six months ago, the consensus called for an oversupplied energy market in 2026; three months ago, for a prolonged supply shock. We remain skeptical of short-term market forecasts.

PORTFOLIO CHANGES

ICON Plc (ICLR) was a new purchase and became the top contributor for the second quarter. Founded in 1990 by two Irish doctors, this Dublin-based provider of clinical research services and analytics saw its stock price clobbered over the past two years due to the triple whammy of: 1/ a post-COVID-19 demand slowdown; 2/ AI-related fears; and 3/ an accounting error that led to a minor restatement of results. However, our team has followed this industry since 2019, and we bought ICON eagerly in April once the valuation became compelling. Now the accounting error has already been fixed, and leading growth indicators, such as bookings and cancellations, are encouraging. Our research suggests that ICON could be a net beneficiary of AI due to proprietary data, domain expertise, and regulatory barriers, among other factors. A combination of an improving growth rate and a declining share count could boost ICON's valuation from here.

Elsewhere, we leaned against the market's mood swings, trimming Cameco (Canada’s uranium giant) into strength at the beginning of the quarter, and adding to MercadoLibre on weakness.

PORTFOLIO SNAPSHOT ON Jun 30, 2026

	CDIG
Median Market Cap	$9.6B
# of Holdings	26
Top 5 Holdings, % of Total	38.8%

Key Industry Sectors: Consumer Discretionary, Energy, and Utilities

CONCLUSION

The first half of 2026 served up a war, an oil shock, and an AI melt-up — precious little of which was forecasted by any humans, us included. We think this lends credence to our time-tested investment framework, which places little emphasis on political/macroeconomic factors and virtually no weight on short-term forecasts. We are optimistic about the future of our portfolio, which we construct based on our assessment of long-term, fundamental merits.

Thank you for your support and interest in City Different Investments and CDIG.

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Endnotes

[1] Reuters, "S&P 500, Nasdaq register best quarter since 2020," July 1, 2026

[2] MSCI Inc., *MSCI ACWI Index Factsheet (USD, Net Returns)*, data as of June 30, 2026

[3] Nasdaq, Inc., "July 2026 Review and Outlook," https://www.nasdaq.com/articles/july-2026-review-and-outlook

[4] Reuters, "Magnificent 7 results set to test broadening US stock market," July 29, 2026

[5] SK hynix Inc., "SK hynix Announces 2Q26 Financial Results," July 29, 2026

[6] U.S. Energy Information Administration, "EIA increases global oil production forecast after the opening of the Strait of Hormuz," Press Release, July 7, 2026

[7] U.S. Energy Information Administration, "The Strait of Hormuz is the world's most important oil transit chokepoint," *Today in Energy*, https://www.eia.gov

[8] EU Agency for the Cooperation of Energy Regulators (ACER), "The EU will need higher LNG imports to refill gas storage ahead of winter," July 7, 2026

[9] Reuters, "Oil stocks in US Strategic Petroleum Reserve fall by 5.1 million barrels to lowest level since 1983," July 20, 2026

IMPORTANT DISCLOSURES

[1] The index is unmanaged, does not incur fees or expenses, and is not available for direct investment.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. This and other important information are contained in the prospectus, which may be obtained by following the links Prospectus and Summary Prospectus or by calling +1.215.330.4476. Please read the prospectus carefully before investing. Investing involves risk. Principal loss is possible.

Equity Investing Risk. An investment in the Fund involves risks similar to those of investing in any fund holding equity securities, such as market fluctuations, changes in interest rates and perceived trends in stock prices. The values of equity securities could decline generally or could underperform other investments.

Management Risk. The Fund is actively managed and may not meet its investment objective based on the Adviser's, Sub-Adviser's, or portfolio manager's success or failure to implement investment strategies for the Fund.

REITs Risk. Equity REITs may be affected by changes in the value of the underlying properties owned by the trusts. Mortgage REITs are exposed to risks associated with changes in interest rates, changes in credit spreads, and declines in real estate values.

MLP Risk. Investment in securities of an MLP involves risks that differ from investments in common stock, including risks related to limited control and limited rights to vote on matters affecting the MLP, risks related to potential conflicts of interest between the MLP and the MLP's general partner, cash flow risks, dilution risks and risks related to the general partner's right to require unit-holders to sell their common units at an undesirable time or price. Certain MLP securities may trade in lower volumes due to their smaller capitalizations.

Foreign Investment Risk. Returns on investments in foreign securities could be more volatile than, or trail the returns on, investments in U.S. securities. Investments in or exposures to foreign securities are subject to special risks, including risks associated with foreign securities generally.

New Fund Risk. The Fund is a recently organized investment company with no operating history. As a result, prospective investors have no track record or history on which to base their investment decision.
The Fund is distributed by PINE Distributors LLC. The fund's investment advisor is Empowered Funds, LLC, which is doing business as ETF Architect. City Different Holdings LP, which is doing business as City Different Investments, serves as the Sub-adviser to the Fund. PINE Distributors LLC is not affiliated with ETF Architect or City Different Investments. ETFAC-5807355 -08/26

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