

# CLSE

## Convergence Long/Short Equity ETF

As of 12/31/2022

### Overview

Fund Ticker	CLSE
CUSIP	89834G760
Primary Listing	CBOE
Fund Inception Date	12/29/2009

**Bridge Traditional Barriers.** The Convergence Long/Short Equity ETF seeks to provide a greater return potential than traditional approaches. Armed with a proprietary dynamic quantitative model, additional tools, and added flexibility, the managers at Convergence pursue a more material and consistent alpha. The objective of the Convergence Long/Short Equity ETF is to seek long-term capital growth.

### Average Annual Total Returns (net of fees)

Through December 31, 2022

	Quarter	Year to Date	One Year	Three Year	Five Year	Ten Year	Since Incep Annualized
CLSE @ NAV	6.90%	-7.24%	-7.24%	4.72%	5.20%	9.51%	10.71%
Morningstar Long-Short Equity	5.06%	-8.35%	-8.35%	2.87%	2.60%	4.00%	NA**
Russell 3000	7.18%	-19.21%	-19.21%	7.07%	8.79%	12.13%	11.82%

Institutional Fund inception = 12/29/2009

\*Periods less than 12 months are not annualized

\*\*Morningstar Long-Short Equity (NAV) reports monthly thus the 12/29/2009 Since inception annualized return is not available.

### Calendar Year Total Returns (net of fees) January 2010 - December 2022

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
CLSE @ NAV	22.74%	3.83%	20.81%	31.29%	10.79%	-0.04%	12.39%	17.77%	-1.91%	14.40%	-6.87%	32.92%	-7.24%
Morningstar Long-Short Equity	4.67%	-3.26%	3.56%	14.62%	2.80%	-2.20%	2.13%	10.68%	-6.72%	11.95%	5.54%	12.55%	-8.35%
Russell 3000	16.93%	1.03%	16.42%	33.55%	12.56%	0.48%	12.74%	21.13%	-5.24%	31.02%	20.89%	25.66%	-19.21%

### 3-Year Statistics (As of 12/31/2022)

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
CLSE (NAV)	14.29%	0.46%	0.56	0.28	0.86
Morningstar Long-Short Equity	10.78%	-0.99%	0.48	0.20	0.92
Russell 3000	21.79%	0.00%	1.00	0.29	1.00

**Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and 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 of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-877-677-9414.** Prior to listing on February 22, 2022, the ETF operated as a mutual fund. The NAVs of the predecessor mutual fund are used for both NAV and market price performance from inception to listing. Performance includes reinvestment of dividends and other earnings. Returns for periods shorter than one year are not annualized. The market price return is calculated from closing prices as determined by the fund's listing exchange. If you trade your shares at another time, your return may differ. For ETFs, the market price return is calculated from closing prices as determined by the Fund's listing exchange. If you trade your shares at another time, your return may differ. For the period from inception date to listing date, the NAV of the Fund is used as a proxy for the market price to calculate returns.

Total Expense Ratio on the fund is applicable to investors is 1.56%, comprised of the Management Fee of 0.95%, and dividends and interest on short positions of 0.61%.

ETFs trade like stocks, fluctuate in market value and may trade either at a premium or discount to their net asset value. ETF shares trade at market price and are not individually redeemable with the issuing fund, other than in large share amounts called creation units. ETFs are subject to risk similar to those of stocks, including those regarding short-selling and margin account maintenance. Brokerage commissions and expenses will reduce returns

The Russell 3000 Index measures the performance of the 3,000 largest publicly traded US companies based on total market capitalization. Frank Russell Company is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Indices are not available for direct investment.

The Morningstar Long-Short Equity consists of long-short portfolios hold sizeable stakes in both long and short positions in equities, exchange traded funds, and related derivatives.

# Convergence Long/Short Equity ETF

As of 12/31/2022

## Portfolio Statistics (Long Exposure)

	Percent
Price/Earnings Ratio	15.9
Price to Book	2.96
Beta*	0.99
Return on Assets	8.0%
EPS Growth*	14.2%
Capitalization(millions)	\$114,901
Number of Holdings	138

## Top Long Positions

	Percent
Jabil Circuit Inc	2.73
Cisco Sys Inc	2.71
Cadence Designs Sys	2.67
Alphabet Inc CI-A	2.55
Broadcom Inc	2.53
Fair Isaac Corp	2.51
Gilead Sciences Inc	2.48
Alphabet Inc CI-C	2.46
Abbvie Inc	2.34
Home Depot Inc	2.28

## Long Sector Allocation

	Percent
Communication Services	8.2
Consumer Discretionary	11.2
Consumer Staples	7.4
Energy	6.6
Financials	14.9
Health Care	19.7
Industrials	11.6
Information Technology	30.2
Materials	3.7
Real Estate	2.7
Utilities	3.4
<b>Total</b>	<b>119.4</b>

## Portfolio Statistics (Short Exposure)

	Percent
Price/Earnings Ratio	-461.2
Price to Book	1.78
Beta*	1.33
Return on Assets	-0.1%
EPS Growth*	15.8%
Capitalization(millions)	\$13,350
Number of Holdings	205

## Top Short Positions

	Percent
Pfizer Inc	-1.09
Zoom Video Communications	-0.93
Carmax Inc	-0.91
Viasat Inc	-0.79
Zebra Technologies	-0.78
Rogers Corp	-0.76
Coterra Energy Inc	-0.73
Coherent Corp	-0.73
Warner Bros Discovery	-0.70
Arrowhead Pharmaceuticals	-0.69

## Short Sector Allocation

	Percent
Communication Services	3.4
Consumer Discretionary	4.6
Consumer Staples	3.0
Energy	2.7
Financials	6.4
Health Care	8.2
Industrials	4.0
Information Technology	11.2
Materials	1.6
Real Estate	1.7
Utilities	1.6
<b>Total</b>	<b>48.3</b>

\*Trailing five years annualized of current portfolio holdings

**Earnings Growth is not a measure of the Fund's future performance**

*The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The summary prospectus and statutory prospectus contain this and other important information about the investment company, and may be obtained by calling 877-677-9414, or visiting [www.investcip.com/funds](http://www.investcip.com/funds). Read it carefully before investing.*

**ETF investing involves risk. Principal loss is possible.**

**Investments in midcap companies involve additional risk such as limited liquidity and greater volatility than larger capitalization companies. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. The Fund regularly makes short sales of securities, which involves unlimited risk including the possibility that losses may exceed the original amount invested. However, a mutual fund investor's risk is limited to one's amount of investment in a mutual fund.**

Standard Deviation is a measure of price variability (risk). Alpha is an indication of how much an investment outperforms or underperforms on a risk-adjusted basis relative to its benchmark. Beta is a measure of price variability relative to the market. Sharpe Ratio is a measure of excess reward per unit of volatility. Correlation is a measure of the similarity of performance. You cannot invest directly in an index. Earnings per share (EPS) is calculated by taking the total earnings divided by the number of shares outstanding. Price to Earnings is determined by dividing the current stock price by the past 12 months earnings per share. Price to Book is determined by dividing the current stock price by the common stockholder equity per share. Return on Assets is determined by dividing net income for the past 12 months per share by the common stockholder equity.

Fund holdings and sector allocations are subject to change and should not be considered a recommendation to buy or sell any security.

Convergence Investment Partners is the advisor to the Convergence Long/Short Equity Fund, which is distributed by Foreside Fund Services, LLC. Convergence Investment Partners is not affiliated with Foreside Fund Services, LLC.

Not FDIC Insured | Not Bank Guaranteed | May Lose Value

To learn more call 1-877-677-9414 or visit [www.investcip.com](http://www.investcip.com)

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