Hedged Equity Fund Quarterly Commentary

CALAMOS INVESTMENTS

Fund Overview

Calamos Hedged Equity Fund (CIHEX) uses a dynamic options strategy to participate in equity market appreciation while limiting exposure to drawdowns. The fund advanced 7.9%, capturing roughly half the move of the S&P 500 Index while remaining fully hedged. The quarter demonstrated the benefits of flexibility over a rigid "set-it-and-forget-it" approach: As market conditions opened the door to opportunities, we were able to actively adjust our hedge to take advantage. During the quarter, we rolled our base hedge out to December 2027, locking in a structure built to deliver 60% to 65% of the market's upside and 35% to 40% of its downside over its full life. At the margin, we traded near-the-money calls and out-of-the-money puts back and forth as the market whipsawed; this activity did not alter our core participation profile.

Calamos Hedged Equity Fund (CIHEX)

Morningstar Overall Rating™

★★★★

Among 139 Equity Hedged Funds.

The Fund's risk-adjusted returns based on load-waived Class I Shares had 3 stars for 3 years, 4 stars for 5 years, and 4 stars for 10 years out of 139, 118 and 64 Equity Hedged Funds, respectively, for the period ended 6/30/26.

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DATA AS OF 6/30/26

CALAMOS HEDGED EQUITY FUND AVERAGE ANNUAL RETURNS (%)

	QTD	1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE INCEPTION
Calamos Hedged Equity Fund						
I Shares - at NAV (Inception—12/31/14)	7.93	12.71	12.48	8.03	8.47	7.52
A Shares - at NAV (Inception—12/31/14)	7.90	12.49	12.22	7.78	8.18	7.24
A Shares Load adjusted	2.80	7.14	10.41	6.73	7.66	6.78
S&P 500 Index	15.20	22.32	20.61	13.41	15.51	13.76
Bloomberg US Aggregate Bond Index	0.67	3.79	4.16	0.08	1.54	1.85
Morningstar Equity Hedged Category	9.02	14.63	11.32	6.15	6.56	5.94

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. Please refer to Important Risk Information. The principal value and return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance reflected at NAV does not include the Fund's maximum front-end sales load of 4.75%. Had it been included, the Fund's return would have been lower. You can obtain performance data current to the most recent month end by visiting www.calamos.com.

The funds' gross expense ratios as of the prospectus dated 2/27/2026 are as follows: A Shares 1.15%, C Shares 1.90% and I Shares 0.90%.

Class I shares are offered primarily for direct investment by investors through certain tax-exempt retirement plans and by institutional clients, provided such plans or clients have assets of at least $1 million. For eligibility requirements and other available share classes see the prospectus and other Fund documents at www.calamos.com.

Market Overview

After falling 4% in the first quarter amid the outbreak of war with Iran, the S&P 500 Index delivered a powerful up quarter during 2Q. The index's quarterly gain of 15.2%—the strongest since 2Q 2020—brought the index's year-to-date return to 10.21%. That said, market breadth narrowed during the quarter, driven heavily by a small cohort of AI names focused on semiconductors and hardware.

These market conditions set the stage well for our approach. More specifically, the combination of elevated rates and a market prone to sharp swings gives us numerous opportunities to adjust our hedge. We see these conditions continuing, given approaching midterms, the unpredictable turns in the Middle East, and the new tone coming out of the Federal Reserve under Kevin Warsh, including signals that the Fed's next move could be a hike rather than a cut, with any reductions pushed into 2027.

Performance Review

As noted above, CIHEX returned 7.93% for the second quarter, compared with the S&P 500 Index's 15.20%, for an upside capture of roughly 52%—below our target. That target, however, is defined over the full life of the trade, not any single quarter. Participation measured over a shorter window will naturally diverge from the full-life range, reflecting where the structure sits in its lifecycle rather than its ultimate payoff. This was especially true in a quarter that included a structural roll of the hedge. We build and evaluate CIHEX over a multi-year horizon, and on that basis, it remains designed to deliver 60% to 65% upside capture against 35% to 40% downside exposure.

Performance Highlights:

- **Q2 2026:** The fund's Class I shares at NAV (CIHEX) returned 7.93%.
- **YTD Return:** The fund's Class I shares at NAV returned 5.62%.

Comparative Performance:

CIHEX returned 5.62% year to date, trailing its Morningstar category's 7.45% by 1.83%. This reflects the fund's defensive design, which prioritizes downside protection over full upside participation.

Risk Management:

With a low beta of 0.53 over the last three years, CIHEX demonstrated lower volatility, earning it a 4-star Morningstar Overall Rating for its risk-adjusted return.

Positioning and Portfolio Changes

CIHEX's flexibility is among its most important structural advantages. Rather than adhering to a rigid framework, we focus on constructing the most effective asymmetric hedge structure available, given prevailing market conditions. During the quarter, elevated implied volatility and prevailing interest rates presented an opportunistic window to extend CIHEX's base hedge through December 2027 (as of June 30).

Index Options	%notional	qty	avg strike	avg days
Long Calls	0%	0	0.00	0
Short Calls	-34%	-395	7,500.00	529
Long Puts	70%	800	7,500.00	529
Short Puts	-28%	-325	5,300.00	529

This extension allowed us to capture a more attractive payoff profile at the same or lower cost than a shorter-duration core trade would have required. However, our approach remains dynamic should the rate and volatility environment shift in favor of shorter-duration structures, during which we would adjust the fund’s hedge accordingly.

The team engaged in opportunistic option spread trading and sold puts selectively as conditions permitted. These activities are designed to modestly enhance the fund’s return profile without meaningfully altering our core participation range. The core trade remains the foundation of the strategy; marginal activity operates around the edges and does not change our current framework of 60% to 65% upside participation and 35% to 40% risk-mitigated downside.

Outlook

Our framework doesn't force us to forecast when volatility will return or what will trigger it—only that we're positioned for it when it does. As we head into the second half, the case for staying hedged isn't abstract. Equity valuations are stretched, breadth is narrow, and the index is leaning heavily on a small handful of leaders. The Fed has signaled its next move could be a hike rather than a cut, pushing easing out to 2027. Meanwhile, the conflict in Iran remains far from settled. None of this requires us to make a directional call. Whether the market keeps climbing, consolidates, or corrects, CIHEX is built to participate, manage risk, and adapt.

This risk-managed approach has also been recognized by Morningstar, which awarded CIHEX a 4-star Overall Rating among 139 Equity Hedged Funds as of June 30, 2026. On a risk-adjusted basis, the fund’s load-waived Class I shares earned 3 stars for 3 years, 4 stars for 5 years, and 4 stars for 10 years (out of 139, 118, and 64 funds, respectively.

For additional information or to download a fact sheet, please visit the fund’s profile page:
[CIHEX - Hedged Equity Mutual Fund | Calamos Investments]

Before investing carefully consider the fund’s investment objectives, risks, charges and expenses. Please see the prospectus and summary prospectus containing this and other information which can be obtained by calling 1-866-363-9219. Read it carefully before investing.

The opinions referenced are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Information contained herein is for informational purposes only and should not be considered investment advice.

Term Definitions

A Covered Call Writing strategy begins with a portfolio of stocks, most of which pay dividends (stock provisions include securities convertible into the underlying stocks). We then write (sell) calls and buy puts against a portion of this basket. A call option gives the buyer the right to purchase stocks at a predetermined strike price. If these securities rise above the strike price, the buyer may exercise the option, and the fund (seller) must pay the buyer the difference as determined by the option contract. The fund can generate income from option premiums by writing calls on securities held in the portfolio. A put option gives the purchaser the right to sell a security to the writer at a predetermined price. Put options rise in value as the underlying securities decline. Through put options, the fund seeks to offset some of the risks of a potential decline in a portfolio holding.

Alpha is a measurement of performance on a risk-adjusted basis. A positive alpha shows that performance of a portfolio was higher than expected given the risk. A negative alpha shows that the performance was less than expected given the risk. **Beta** is a historic measure of a portfolio's relative volatility, which is one of the measures of risk; a beta of 0.5 reflects half the market's volatility as represented by the strategy's primary benchmark, while a beta of 2.0 reflects twice the volatility. **Sharpe ratio** is a calculation that reflects the reward per each unit of risk in a portfolio. The higher the ratio, the better the portfolio's risk-adjusted return. Sortino ratio differentiates harmful volatility from total overall volatility. It is calculated similarly to the Sharpe ratio, except it uses downside deviation instead of total standard deviation.

Index Definitions

The **Bloomberg US Aggregate Bond Index** covers the US-denominated, investment-grade, fixed-rate, taxable bond market of SEC registered securities. The index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS sectors. The **S&P 500 Index** is generally considered representative of the US stock market. The **Cboe Volatility Index** or VIX (based on its CBOE ticker symbol) shows the market's expectation of 30-day volatility. It is constructed using the implied volatilities of a wide range of S&P 500 Index options. The **Credit Suisse Fear Barometer** tracks the willingness of investors to pay up for downside mitigation with collar trades on the S&P 500 Index. The **Morningstar Options Trading Category** is comprised of funds that use a variety of options trades, including put writing, options spreads, options-based hedged equity, and collar strategies, among others.

Unmanaged index returns assume reinvestment of any and all distributions and, unlike fund returns, do not reflect fees, expenses, or sales charges. Investors cannot invest directly in an index.

Important Risk Information

An investment in the Fund is subject to risks, and you could lose money on your investment in the Fund. There can be no assurance that the Fund will achieve its investment objective. Your investment in the Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The risks associated with an investment in the Fund can increase during times of significant market volatility. The writer of a covered call may be forced to sell the stock to the buyer of the covered call and be precluded from benefiting from potential gains above the strike price.

The principal risks of investing in the **Calamos Hedged Equity Fund** include covered call writing risk, options risk, equity securities risk, correlation risk, mid-sized company risk, interest rate risk, credit risk, liquidity risk, portfolio turnover risk, portfolio selection risk, foreign securities risk, American depository receipts, and REITs risks. The Fund's ability to utilize options successfully will depend on the ability of the Fund's investment adviser to predict pertinent market movements, which cannot be assured.

Covered Call Writing Risk: As the writer of a covered call option on a security, the fund foregoes, during the option's life, the opportunity to profit from increases in the market value of the security, having to cover the call option above the sum of the premium and the exercise price of the call.

Options Risk: The Fund's ability to close out its position as a purchaser or seller of an over-the-counter or exchange-listed put or call option is dependent, in part, upon the liquidity of the option market. There are significant differences between the securities and options markets that could result in an imperfect correlation among these markets, causing a given transaction not to achieve its objectives.

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