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Senior Portfolio Manager

Fund	YTD 2025	Q3 2025	1 Year	3 Year	5 Year	Incept*
Starlight Global Infrastructure Fund, Series F	17.7%	11.1%	22.7%	12.0%	7.4%	8.4%

*Inception date October 2018. Source: Starlight Capital, as of September 30, 2025.

Performance Summary

- Over the third quarter of 2025, Starlight Global Infrastructure Fund, Series F (the Fund) returned 11.1%. Year to date, the Fund returned 17.7%.
- Infrastructure markets advanced during the quarter alongside broader equity gains, driven by monetary easing expectations and AI-fueled demand for power infrastructure, which continues to outpace supply and create opportunities in grid resilience and energy solutions.
- Industrials, Utilities and Energy were the top sector contributors to Fund performance in the quarter, which was slightly offset by a decline in Real Estate.
- With the S&P 500 up 14% year-to-date and bubble concerns intensifying around AI, the Fund maintains disciplined diversification across forty-one holdings (no position exceeding 5%), balancing AI exposure with defensive infrastructure sectors like waste management, telecom towers and midstream energy while focusing on quality and value opportunities in power demand, grid resilience and the energy transition.

Market Overview

In the third quarter of 2025, markets broadly marched higher, with the S&P 500 rising about 8.1% and many global equity benchmarks posting double-digit gains. The rally was underpinned by three dominant narratives: first, expectations that central banks – led by the U.S. Federal Reserve – had likely peaked in their tightening cycle and would begin easing monetary policy; second, strong corporate earnings (especially in tech and AI-related sectors) that reinforced investor risk appetite; and third, the rebound in international and emerging markets, helped by a weaker U.S. dollar and renewed investor interest outside the crowded U.S. large-cap space.

The upside wasn't without tension as concerns about elevated valuations, the durability of growth, signs of softening in the labour market, and lingering geopolitical/trade risks remained important undercurrents shaping sentiment. Against this backdrop, prudent risk management is balanced with patient opportunism. The Manager has trimmed holdings that we believe have benefitted from market euphoria and added holdings that are being underappreciated by the market. The portfolio remains tilted towards high-quality infrastructure businesses with earnings durability and exposure to the key themes of AI-driven energy demand growth, and infrastructure renewal.

Interest in infrastructure continues to be propelled by AI as data centre development outpaces utilities' ability to generate adequate power and provide timely interconnection. While the sentiment around power has seemingly turned euphoric across some vectors, the "shortage of power for AI" theme is likely to be sustained due to persistent supply chain bottlenecks. Data centre developers are increasingly looking for novel solutions for power. Increasingly, companies are co-locating gas and renewable power generation capacity behind-the-meter to exclusively serve the needs of the data centre operation.

Weakness in energy midstream continued into Q3 as persistent oversupply concerns led to narrower differentials and reduced volume growth expectations. Although the sector is up 5.7% year-to-date and down 1.22% in Q3, the sector has been a strong outperformer historically, delivering an average annual return of +32% over the last 5 years driven

by strong energy production in the U.S. and constrained capacity to store, process and transport hydrocarbons.

Looking ahead, the Manager is selectively adding positions in differentiated opportunities arising from growing energy demand, including companies that improve electric grid resiliency, provide complex engineering services for nuclear power plants and provision connection technologies enabling electrification.

Contributors and Detractors

Q3 2025 Top Five Contributors			Q3 2025 Top Five Detractors		
Stock	Average Weighting	Contribution to Return	Stock	Average Weighting	Contribution to Return
BLOOM ENERGY CORP- A	5.3%	7.5%	COGENT COMMUNICATIONS HOLDINGS	3.1%	-0.5%
SECURE WASTE INFRASTRUCTURE CORP	3.3%	0.9%	DSV A/S	1.9%	-0.3%
HELIOS TOWERS PLC	3.2%	0.7%	CELLNEX TELECOM SA	2.2%	-0.2%
TRANSALTA CORP	1.9%	0.6%	AMERICAN TOWER CORP	1.8%	-0.2%
CLEANSARK INC	0.2%	0.5%	INPOST SA	0.6%	-0.2%

Source: Starlight Capital & Bloomberg Finance L.P. As of September 30, 2025.

Bloom Energy was the Fund's leading contributor in Q3, accounting for nearly two-thirds of the Fund's return during the period. Bloom is a U.S.-based supplier of solid-oxide fuel cells that convert gas to power on-site. Given the mismatch between power demand and electricity supply growth arising from the growth of AI, Bloom's fuel cells are uniquely positioned to address the current gap in the market.

Two Alberta-based holdings, **Secure Waste** and **TransAlta**, also made significant contribution to the Fund. Secure Waste is a provider of waste management services to the oil and gas sector in the Western Canada Sedimentary Basin. TransAlta is an independent power producer with excess generation capacity in the province. It is currently in the process of contracting with a hyperscaler to provide power to a co-located data center from some of its idle power generation units. **Helios Towers**, a London-listed operator of telecom towers in Sub-Saharan Africa, and **Cleanspark**, a data centre operator, rounded out the top five contributors.

Cogent Communications was the top detractor from performance. Cogent acquired Sprint's fiber business in the second quarter of 2023 with the intention of building out a wavelength business that provides high-bandwidth, low-latency, long-haul data transport. The Sprint network is highly complementary to Cogent's existing network but after a period of integration, new business has not yet materialized in a meaningful way. At the end of the first quarter, Cogent had 3,433 orders to fulfill with the capability of provisioning new circuits in as little as two weeks. We expect the backlog of wavelength orders to convert to revenue over the next few quarters.

Portfolio Update

Sector	Portfolio Weight %	Top %Q/Q Changes
Information Technology	4.0%	2.0%
Financials	7.6%	-0.6%
Energy	20.3%	-1.0%
Private Investments	13.4%	-1.2%
Industrials	16.4%	-2.2%

Source: Starlight Capital & Bloomberg Finance L.P. As of September 30, 2025. Excludes Cash and Cash Equivalents.

Industrials outperformed in the third quarter led by **Bloom Energy**, the top contributor in the period. Consistent with our disciplined risk management framework, we capped our exposure and trimmed the holding significantly as its share price increased 253% during the quarter.

Exposure to the Information Technology sector increased during the period as we initiated a position in **CleanSpark**, an integrated operator of power generation and data center capacity. While the Company's existing capacity is being utilized for legacy applications, they are in the process of re-contracting with hyperscalers to run AI models, a substantially more profitable use of their compute capacity and boosting their earning power and value.

Exposure to the Energy sector declined during the third quarter as we exited **Pembina Pipelines**, trimmed **Keyera** and **Secure Waste Infrastructure** and initiated a position in **Enerflex**, all of whom are Alberta-based energy service providers. Although our Canadian energy holdings were strong performers during the period, the US holdings were generally weak and we added to our existing position in **Targa Resources**, a Permian-based natural gas services provider. We are currently evaluating opportunities to add additional exposure to US-based energy infrastructure operators during this period while the market is under-appreciating their quality and growth prospects.

Fund Outlook

Trade tensions eased in the third quarter, removing the primary overhang on markets. Strong pre-existing secular growth trends propelled the market to a 14% year-to-date gain on the S&P 500. With a third straight 20%+ year now seemingly within reach, bubble concerns have intensified, particularly in the various corners of the market touched by AI.

Although the Fund partook in the AI-led market upswing, we remain disciplined and well-diversified, consistent with our principle of never betting the Fund on any one sector, theme or idea. The Fund held forty-one publicly-listed companies, with no holding accounting for more than 5% of the Fund's market value.

We continue to maintain significant exposure to defensive infrastructure subsectors such as waste management, telecom towers, payment processing and midstream energy. Although these subsectors have delivered modest returns this year, they act as ballast in the portfolio and hedge the portfolio against a broad market weakening if/when market exuberance moderates.

As third quarter earnings get underway, we are listening for commentary that closes the loop on the market's lofty growth expectations. In addition to the growth outlook, demand for power, persistent supply constraints, distributed energy resources and the energy transition remain highly topical. We remain focused on the intersection of quality and value within global listed infrastructure and are prepared to take advantage of profitable opportunities as they arise.

Source: Starlight Capital

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