



## Dennis Mitchell, MBA, CFA, CBV

Chief Executive Officer and Chief Investment Officer

Fund	Q1 2026	1 Year	3 Year	5 Year	Incept*
Starlight Global Infrastructure Fund, Series F	12.8%	26.3%	13.8%	9.4%	9.3%

\*Inception date October 2018. Source: Starlight Capital, as of March 31, 2026.

### Performance Summary

- Over the first quarter of 2026, Starlight Global Infrastructure Fund, Series F (the Fund) returned 12.8%.
- Energy, Industrials and Utilities were the top sector contributors to performance, which was partially offset by a decline in Financials and Information Technology.
- Global markets experienced heightened volatility, driven by a selloff in large-cap technology and escalating geopolitical tensions, particularly the conflict involving Iran, which disrupted energy markets and contributed to rising inflation concerns.
- Listed infrastructure outperformed global equities in the first quarter of 2026, with structural growth driven by rising power demand, electrification, and sustained investment in energy and power infrastructure.
- Infrastructure remains well positioned for long-term growth as demand for energy, power, data storage and other essential services continues to drive cash flow and distribution/dividend growth.

### Market Overview

Global listed infrastructure outperformed global equities in the first quarter of 2026 despite a sharp deterioration in the macro backdrop, as geopolitical tensions—most notably the start of the war in Iran—drove significant volatility in energy markets. Higher energy prices and supply disruptions pushed inflation expectations higher across major economies, reinforcing a “higher-for-longer” rate environment as central banks adopted a more cautious stance. Against this backdrop, global infrastructure assets—particularly in energy, utilities, and digital networks—benefited from their essential-service nature, contractual or regulated cash flows, and embedded inflation pass-through mechanisms, which supported earnings visibility and real return potential. At the same time, heightened focus on energy security, grid investment, and supply chain resilience continued to drive strong capital deployment into the asset class, reinforcing the long-term attractiveness of global infrastructure companies as defensive, income-generating investments with structural growth tailwinds.

### Contributors and Detractors

Q1 2026 Top Five Contributors		
Stock	Average Weighting	Contribution to return
BLOOM ENERGY CORP-A	3.1%	1.4%
KODIAK GAS SERVICES INC	2.3%	1.2%
TARGA RESOURCES CORP	3.3%	1.1%
AECON GROUP INC	3.3%	1.0%
CHENIERE ENERGY INC	2.1%	0.9%

Q1 2026 Top Five Detractors		
Stock	Average Weighting	Contribution to return
MICROSOFT CORP	1.9%	-0.5%
VISA INC-CLASS A SHARES	2.0%	-0.3%
MASTERCARD INC-A	2.0%	-0.2%
NASDAQ INC	2.0%	-0.2%
WASTE CONNECTIONS INC	2.0%	-0.1%

Source: Starlight Capital & Bloomberg Finance L.P. As of March 31, 2026.

**Bloom Energy Corp.** was the largest contributor during the quarter. The company provides on-site power generation using fuel cell technology, helping data centres and large users secure reliable electricity independent of the grid. Performance was driven by a strong Q4 2025 earnings beat and sustained demand tied to AI and data centre buildouts, where access to power remains a key constraint.

**Kodiak Gas Services Inc.** contributed positively during the quarter. The company provides compression equipment and services that enable the transportation of natural gas, positioning it as a critical part of energy infrastructure. Performance was supported by record 2025 results, high fleet utilization, and strong demand for large-horsepower compression, particularly in the Permian Basin. Strategic execution also contributed, including the February 2026 acquisition of Distributed Power Solutions and the March purchase of over 20,000 horsepower of compression assets, both of which enhance long-term contracted cash flow visibility.

**Microsoft Corp.** was the largest detractor during the quarter. The company provides cloud computing, software, and AI infrastructure, but shares declined as investors grew more cautious on the pace and scale of AI-related capital expenditures. Despite continued revenue and earnings growth, sentiment weakened as markets pivoted away from large cap technology AI businesses.

## Portfolio Update

Sector	Portfolio Weight %	Top %Q/Q Changes
Utilities	21.9%	4.3%
Energy	27.6%	2.4%
Real Estate	2.0%	2.0%
Industrials	18.8%	-1.6%
Communication Services	5.2%	-2.0%

Source: Starlight Capital & Bloomberg Finance L.P. As of March 31, 2026. Excludes Cash and Cash Equivalents.

The Fund remains positioned in core infrastructure sectors, with Energy, Utilities, and Industrials representing the largest allocations.

Utilities exposure increased during the quarter as we initiated **Brookfield Infrastructure Partners L.P.** to gain diversified exposure to global infrastructure assets with contracted cash flows. We added to **CMS Energy Corporation** to scale a high-conviction regulated utility position with stable cash flows.

Energy exposure increased during the quarter, and added to **Kodiak Gas Services Inc.**, **Targa Resources Corp.**, and **Pembina Pipeline Corporation** to increase exposure to natural gas infrastructure benefiting from strong Permian Basin activity. We reduced **Cheniere Energy Inc.** to rebalance position sizing following strong performance.

Exposure to Communication Services declined during the quarter as we trimmed **Cellnex Telecom S.A.** and **Helios Towers Plc** to lock in gains and reflect more balanced near-term return expectations. We exited **SES S.A.** to reallocate capital toward infrastructure sectors with stronger earnings visibility and clearer demand tailwinds.

Outside of these sectors, we exited **InPost S.A.** and initiated positions in **Digital Realty Trust Inc.** and **Equinix Inc.**, reallocating capital toward infrastructure opportunities with stronger structural demand tailwinds.

We also initiated a position in **Ceres Power Holdings plc** to increase exposure to power generation technologies tied to rising electricity demand.

At the portfolio level, cash declined over the quarter as capital was deployed into attractive infrastructure opportunities.

### Fund Outlook

The Starlight Global Infrastructure Fund entered 2026 with exceptional fundamental tailwinds across all five of its structural investment supercycles, and we believe the convergence of these forces creates one of the most compelling risk-adjusted return environments the asset class has seen in over a decade.

The **Digital Infrastructure & Financial Networks** supercycle continues to accelerate as hyperscalers committed a record \$320 billion in data centre and AI infrastructure capital expenditure in 2025 alone — a figure Goldman Sachs projects will reach \$1 trillion annually by 2030 — driving sustained pricing power and occupancy growth for the Fund's tower, data centre, and payment network holdings.

The **Power Generation & Demand** supercycle is gaining further momentum following the United States' approval of up to 10 gigawatts of new gas generation capacity for NextEra Energy, underscoring that energy security and AI-driven electricity demand are now imperatives that should support multi-year utility earnings growth well above historical norms.

The **Energy Transition & Decarbonisation** supercycle produced an exceptional result in the quarter, with Cheniere Energy reaching an all-time high following disruptions to LNG flows through the Strait of Hormuz. This validates the Fund's thesis that US liquefied natural gas exporters operating under long-term fixed-fee contracts represent irreplaceable critical infrastructure commanding a durable pricing premium.

The **Transportation, Logistics & Trade** supercycle is being reshaped by tariff-driven deglobalization at an accelerating pace. DSV A/S's integration of the \$19 billion DB Schenker acquisition is progressing ahead of schedule, and management has guided to over €1.5 billion in synergies by 2027, while CN Rail continues to benefit from record interprovincial freight volumes as North American supply chains restructure away from Asian sourcing.

Finally, the **Physical Infrastructure & Essential Services** supercycle remains structurally underpinned by the Global Infrastructure Hub's estimate that \$94 trillion in replacement and new infrastructure investment is required globally by 2040. Waste Connections delivering 6.6% solid waste core pricing in 2025 and raising its dividend for the fourteenth consecutive year, reflects the pricing power embedded in long-term municipal exclusivity agreements that are essentially impervious to economic cycles.

The Starlight Global Infrastructure Fund Series F currently yields 4.48% and in 2025 over 85.0% of these distributions were treated as return of capital for tax purposes. The Fund experienced 34 distribution increases averaging 13.6% delivered across the portfolio in 2025. The Fund is well-positioned to generate compelling total returns in 2026, and current valuations represent an attractive entry point as global infrastructure equities trade near a two-decade low relative to broader global equity markets.

## Invest With Us

For more information on our investment solutions, learn more at [starlightcapital.com](https://starlightcapital.com) or speak to our Sales Team.



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