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Chief Executive Officer and Chief Investment Officer

Fund	Q2 2026	YTD 2026	1 Year	3 Year	5 Year	Incept*
Starlight Global Infrastructure Fund, Series F	8.2%	22.0%	32.5%	17.7%	9.7%	10.1%

*Inception date October 2018. Source: Starlight Capital, as of June 30, 2026

Performance Summary

- Over the second quarter of 2026, the Starlight Global Infrastructure Fund, Series F (the "Fund") returned 8.2%, bringing year-to-date performance to 22.0%.
- Industrials, Energy and Utilities were the top sector contributors to performance. There were no sector detractors during the quarter, as all sectors generated a positive total return.
- Global listed infrastructure delivered strong absolute returns during the quarter, benefiting from growing demand for power generation, digital infrastructure and essential services.
- The Fund's five structural growth themes remained in place through the quarter, with the portfolio continuing to generate consistent, predictable income and diversification benefits alongside the potential for long-term capital appreciation.

Market Overview

Global listed infrastructure delivered strong absolute returns in the second quarter of 2026, but lagged the broader equity market as investors rotated into technology and emerging market equities on the back of an accelerating artificial intelligence capital expenditure cycle. Hyperscalers raised their combined 2026 AI infrastructure spending guidance toward an estimated US$700 billion, nearly six times 2022 levels.

The quarter unfolded against a volatile macro and geopolitical backdrop. The conflict between the United States, Israel, and Iran continued to disrupt shipping through the Strait of Hormuz, sending crude prices sharply higher. A US-Iran memorandum of understanding in June eased tensions and allowed prices to retreat toward pre-conflict levels. Volatility persisted into quarter-end, as sporadic incidents in the strait, including an attack on a vessel attempting the crossing, kept the durability of any reopening in question.

In June, at his first meeting as Federal Reserve Chair, Kevin Warsh held the target for the federal funds rate steady at 3.50%-3.75%, but the Fed's updated projections dropped its earlier signal of a rate cut later in 2026. All but one policymaker now projects rates holding steady or rising by year-end, with half of the committee projecting at least one rate hike in 2026. Against this “higher-for-longer” backdrop, global infrastructure's essential-service nature, regulated and contracted cash flows, and embedded inflation pass-through mechanisms continued to support earnings visibility and real-return potential. Data centre, power generation, and digital infrastructure holdings should benefit most directly from the AI capex boom, while energy security concerns and war-related disruption to LNG and oil supply reinforced the strategic value of critical energy infrastructure, even as near-term price volatility weighed on segment returns late in the quarter. Global listed infrastructure ended 2025 trading at more than a 20% discount to global equities, a reversal of its traditional valuation premium, and this gap persisted through the second quarter, leaving the asset class attractively positioned relative to its long-term structural growth drivers.

Portfolio Update

Sector	Top %Q/Q Changes	Portfolio Weight %
Industrials	3.0%	21.7%
Real Estate	2.9%	4.9%
Information Technology	2.1%	4.9%
Communication Services	-1.6%	3.7%
Energy	-9.8%	17.9%

Source: Starlight Capital & Bloomberg Finance L.P. As of June 30, 2026. Excludes Cash and Cash Equivalents.

Utilities, Industrials and Energy remain the Fund's three largest sector allocations, at 22.2%, 21.7%, and 17.9% of net assets, respectively, together accounting for approximately 62% of the portfolio.

Industrials and **Information Technology** weights rose over the quarter, driven primarily by strong performance from existing holdings. **Real Estate** exposure increased as we added Digital Realty Trust Inc. and Equinix Inc., two data centre REITs benefiting from hyperscaler demand for capacity.

Communication Services exposure declined modestly as we trimmed Cellnex Telecom, S.A. as the European Central Bank signalled further rate hikes, while maintaining core exposure to Helios Towers plc, which continued to benefit from robust tenant demand across its African tower portfolio.

Energy exposure declined the most of any sector during the quarter. We trimmed positions, including Cheniere Energy Inc., following the initial spike in energy prices in April, and reduced exposure further in May after news of the potential Memorandum of Understanding (MOU) was reported.

Contributors and Detractors

Q2 2026 Top Five Contributors		
Stock	Average Weighting	Contribution to return
BLOOM ENERGY CORP- A	3.7%	2.9%
CERES POWER HOLDINGS PLC	2.5%	0.9%
ENERFLEX LTD	2.8%	0.6%
KODIAK GAS SERVICES INC	2.0%	0.6%
VEOLIA ENVIRONNEMENT	2.9%	0.5%

Q2 2026 Top Five Detractors		
Stock	Average Weighting	Contribution to return
CHENIERE ENERGY INC	1.9%	-0.3%
SBM OFFSHORE NV	2.3%	-0.2%
NASDAQ INC	2.2%	-0.1%
NEXTERA ENERGY INC	2.6%	-0.1%
GAZTRANSPORT ET TECHNIGAZ SA	1.8%	-0.1%

Source: Starlight Capital & Bloomberg Finance L.P. As of June 30, 2026

Bloom Energy Corp. was the top contributor for a second consecutive quarter. The company provides on-site power generation using solid oxide fuel cell technology, giving data centres and other large power users a source of reliable electricity independent of the grid. Shares returned approximately 127% in the second quarter alone, extending a rally that has now delivered a remarkable ~248% gain over the first half of 2026, as investor conviction continued to build in Bloom's role in the AI-driven data centre buildout following its strong Q1 2026 results and raised full-year guidance reported in April.

Kodiak Gas Services Inc. was also a leading contributor. The company provides large-horsepower compression equipment and services that move natural gas from the wellhead to market, positioning it as critical energy infrastructure. Shares advanced on record first-quarter 2026 Adjusted EBITDA of approximately US$190 million, an increase to full-year guidance following the close of the Distributed Power Solutions acquisition, and growing momentum in its new Power Infrastructure segment serving data centres and microgrids.

Cheniere Energy Inc. was a detractor in the quarter despite continued strong operating execution, including record LNG export volumes reported for the first quarter of 2026 and the substantial completion of Train 6 at its Corpus Christi facility during the second quarter. Shares pulled back as natural gas and oil prices retreated from their peak levels through May and June on growing optimism that a ceasefire would reopen the Strait of Hormuz to shipping.

New Positions and Exits

We exited **Secure Waste Infrastructure Corp.** in April following the announcement of its acquisition by GFL Environmental Inc. at a 23% premium to its 60-day average trading price, a gain of approximately 70% on our cost basis before dividends. We also re-established a position in **Flughafen Zürich AG** in May, the operator of Zurich Airport, as we got a better understanding of its exposure to higher jet fuel prices and travel routes around the wars in Europe and the Middle East.

Fund Outlook

The Starlight Global Infrastructure Fund enters the second half of 2026 with its structural investment themes intact, even as the asset class navigates an unusually complex geopolitical and monetary backdrop.

The **Digital Infrastructure & Financial Networks** infrastructure supercycle continues to accelerate as hyperscalers push 2026 AI infrastructure capital expenditure guidance toward an estimated US$700 billion, a nearly sixfold increase from 2022 levels. This sustained investment continues to support pricing power and occupancy growth for the Fund's data centre, tower, and payment network holdings, and underpinned our decision to add Digital Realty Trust Inc. and Equinix Inc. during the quarter.

The **Power Generation & Demand** infrastructure supercycle remains one of the most compelling in the portfolio. NextEra Energy's approval to build up to 10 gigawatts of new natural gas generation capacity in Texas and Pennsylvania, alongside its expanded partnership with Google Cloud, illustrates how AI-driven electricity demand is translating into multi-year capital programs, and earnings growth, for regulated and contracted utilities across the Fund.

The **Energy Transition & Decarbonization** infrastructure supercycle was tested directly this quarter. The continuation of the Middle East conflict, and the resulting disruption to shipping, briefly drove global oil and gas prices sharply higher before a ceasefire framework allowed prices to retreat. Cheniere Energy Inc., despite exporting a quarterly record of 187 LNG cargoes and substantially completing Train 6 of its Corpus Christi expansion, saw its shares pull back as prices normalized.

The **Transportation, Logistics & Trade** infrastructure supercycle continues to be reshaped by tariff-driven deglobalization, and finally, the Physical Infrastructure & Essential Services infrastructure supercycle remains supported by a structural funding gap that continues to support long-duration capital deployment into the essential-service businesses held across the Fund.

The Starlight Global Infrastructure Fund, Series F, currently yields 4.19% based on net asset value, with more than 86% of 2025 distributions treated as return of capital for tax purposes. Global listed infrastructure continues to trade at a 20%+ discount to broader global equities, allowing for strong capital appreciation potential and attractive, tax-efficient income.

Invest With Us

For more information on our investment solutions, learn more at starlightcapital.com or speak to our Sales Team.

For more information, please visit StarlightCapital.com

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