

Tortoise AI Infrastructure ETF (TCAI)

4Q 2025 QUARTERLY COMMENTARY

Market Overview

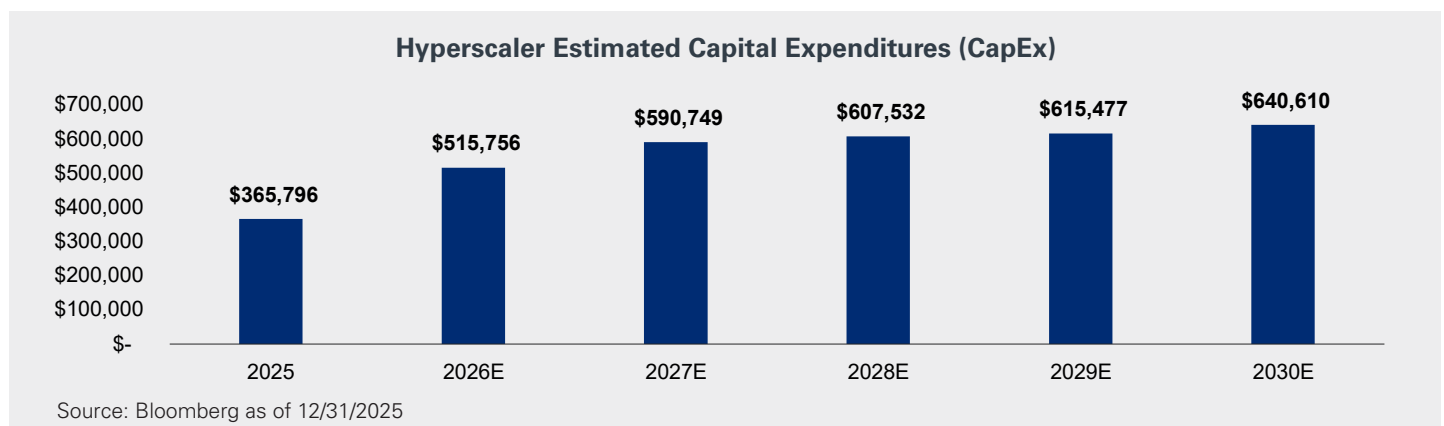
The S&P 500 Index delivered a total return of 2.66% during the fourth quarter of 2025, capping a full-year gain of 17.88%. Performance was driven largely by continued investor enthusiasm surrounding artificial intelligence (AI), the expansion of autonomous technologies, and the strategic importance of U.S. leadership in the global AI race.

Rising capital expenditure expectations from hyperscalers developing next-generation AI platforms supported strong performance across the technology, communication services, and industrial sectors. Companies such as NVIDIA, Alphabet, and Microsoft were among the largest individual contributors to the S&P 500's gains in 2025, reflecting their central role in enabling AI innovation and deployment.

AI Capital Spending Trends

As illustrated in the chart below, aggregate hyperscaler capital expenditures, representing Amazon, Meta, Google, Oracle, and Microsoft, are forecasted to approach \$400 billion in 2025 and rise to more than \$700 billion annually by 2030. These projections are consistent with commentary from NVIDIA CEO Jensen Huang, who stated in September that global AI infrastructure spending by hyperscalers could reach \$3–4 trillion by 2030, implying average annual spending of approximately \$600 billion.

From 2025 to 2028, these estimates imply a compound annual growth rate of roughly 18%, moderating to approximately 12% on a five-year basis. We expect the earnings growth of companies held within TCAI to broadly track this expansion in AI-related capital investment, reflecting their exposure to the physical infrastructure required to support AI development and deployment.



Earnings M&A and Industry Developments

Earnings across the AI infrastructure sector generally met or exceeded expectations during the quarter. Data storage and network switch manufacturers reported strong double-digit year-over-year revenue growth, alongside expanding order backlogs that point to continued future growth.

Electricity is the new oil™ and rising power demand continued to reinforce this theme throughout the quarter. Many electric power producers benefited from steadily increasing electricity consumption driven by data center expansion, a trend we expect to persist as AI infrastructure scales. Power availability and reliability have become increasingly critical inputs for AI development, elevating the strategic importance of electricity generation and supporting infrastructure.

Several of the bitcoin operators continued their transition toward data center operations, leveraging existing power capacity and infrastructure to support AI-related workloads. In parallel, industrial companies repositioning their business models to capture AI-driven demand raised long-term earnings growth expectations. Transformation companies such as Dell highlighted improved long earnings growth rates as they pivoted their business models to capture the growth associated the development of AI.

Portfolio Positioning

AI doesn't run on code alone. TCAI actively targets investment opportunities in AI infrastructure companies that enable the development of artificial intelligence. TCAI owns the physical infrastructure, hard assets, and contracted cash flows essential for the entire system's functionality.

At its essence, AI is about data and energy. The fund invests across both digital and energy infrastructure. On the digital side, this includes data center real estate, mechanical and cooling systems, and connectivity infrastructure necessary to process, store, and transmit vast volumes of data. On the energy side, TCAI invests in the infrastructure required to generate and deliver reliable power—including electricity generation assets, electrical components, fuel supply sources such as natural gas, and the pipeline networks that deliver those fuels to power-producing facilities.

As AI applications advance, from cloud-based computing to autonomous vehicles and robots, the need for more data centers to house the vast amount of data needed for more AI applications increases. We invest in physical data centers located in high-growth characterized by low vacancy rates, enabling owners to increase rental rates and extend long-term contracts with high-quality counterparties such as hyperscalers, neo-cloud providers, and enterprise customers developing AI solutions.

In parallel, a significant portion of the portfolio is allocated to electricity infrastructure, particularly companies generating power in regions experiencing—or expected to experience—accelerating data center development. Finally, the Fund targets companies transforming their business models to capture AI-driven demand. For example, Modine Corporation, a company with nearly a century of operating history, has evolved from manufacturing radiators for agricultural equipment into a leading provider of liquid cooling systems used in modern data centers to optimize hardware performance.

Electricity is the new oil™, and rising power demand continued to reinforce this theme throughout the quarter.

TCAI actively targets investment opportunities in AI infrastructure companies that provide the physical assets, contracted cash flows, and essential systems required to support artificial intelligence.

Another area of transformation involves former bitcoin mining companies that are repositioning themselves as data center operators. Given the scarcity of available electricity in many U.S. regions, bitcoin miners with existing power capacity have become attractive partners for hyperscalers willing to pay a premium for reliable access to power. By entering long-term, fee-based contracts with high-quality counterparties, these companies are transitioning from more volatile business models toward more stable, infrastructure-like cash flows.

Top five contributors

1. Ciena Corp
2. Western Digital Corp
3. Seagate Technology Holdings PLC
4. Micron Technology Inc
5. Cipher Mining Inc

Bottom five contributors

1. Core Scientific Inc
2. Fermi LLC
3. Riot Platforms Inc
4. IREN Ltd
5. Super Micro Computer Inc

Top 10 holdings (as of 12/31/2025)

1. Ciena Corp	5.9%
2. Seagate Technology Holdings	4.8%
3. Vertiv Holdings Co	4.6%
4. Dell Technologies	4.2%
5. Quanta Services Inc	4.2%
6. NRG Energy Inc	4.1%
7. Western Digital Corp	3.9%
8. nVent Electric PLC	3.8%
9. EQT Corp	3.4%
10. Micron Technology Inc	3.3%

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

Performance (as of 12/31/2025)

Total return	1 Month	Since Inception*
Market price	-5.39%	17.22%
NAV	-5.71%	16.93%
S&P 500® Total Return Index	0.06%	8.71%

*Inception: 8/4/2025.

The performance data quoted represents past performance. Past performance is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. NAV prices are used to calculate market price performance prior to the date when the fund first traded on the New York Stock Exchange. Market performance is determined using the bid/ask midpoint at 4:00pm Eastern time, when the NAV is typically calculated. Market performance does not represent the returns you would receive if you traded shares at other times.

As stated in the Prospectus, the total annual operating expenses are 0.65%.

Past performance is no guarantee of future results.

Disclosures

Tortoise Capital Advisors, LLC. (TCA) is the adviser to the Tortoise AI Infrastructure ETF.

The fund's investment objective, risks, charges and expenses must be considered carefully before investing. The summary and statutory prospectus contains this and other important information about the fund and may be obtained by calling (855) 994-4437 or visiting <https://tortoisecapital.com/etf/tortoise-ai-infrastructure-etf/>. Read it carefully before investing.

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As stated in the Prospectus, the total annual operating expenses are 0.65%. The adviser has agreed to pay all expenses incurred by the fund except for the advisory fee, interest, taxes, brokerage expenses and other fees, charges, taxes, levies or expenses (such as stamp taxes) incurred in connection with the execution of portfolio transactions or in connection with creation and redemption transactions.

Investing involves risk. Principal loss is possible. Because the fund is “non-diversified” and may invest a greater percentage of its assets in the securities of a single issuer, a decline in the value of an investment in a single issuer could cause the fund’s overall value to decline to a greater degree than if the fund held a more diversified portfolio. The fund’s strategy of emphasizing investments in AI infrastructure companies means that the performance of the fund will be closely tied to the performance of one or more industries that are expected to benefit from the growth of AI-capable data centers and related technology and energy infrastructure. Investing in companies that are expected to benefit from the same macro theme means that some of the fund’s investments may be similarly affected by certain market, economic, political, or social developments. Companies in the energy infrastructure sector are subject to many risks that can negatively impact the revenues and viability of companies in this sector, including, but not limited to risks associated with companies owning and/or operating pipelines, gathering and processing assets, power infrastructure, propane assets, as well as capital markets, terrorism, natural disasters, climate change, operating, regulatory, environmental, supply and demand, and price volatility risks. Companies in the technology infrastructure sector are subject to many risks that can negatively impact the revenues and viability of companies in this sector, including, but not limited to risks associated with emerging technology that renders existing products or services obsolete, reliance on outdated technology, intellectual property theft, supply chain disruption, vulnerabilities to third-party vendors and suppliers, business interruption, difficulty in retaining skilled talent, and regulatory compliance. Companies in the industrial sector face a variety of risks, including commodity price volatility, supply chain disruptions, potential obsolescence of technologies, economic downturns, and increasing competition.

Investment advisers, including the Adviser, must rely in part on digital and network technologies (collectively “cyber networks”) to conduct their businesses. Derivatives include instruments and contracts that are based on and valued in relation to one or more underlying securities, financial benchmarks, indices, or other reference obligations or measures of value. If the fund writes a covered call option, during the option’s life the fund gives up the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call, but retains the risk of loss should the price of the underlying security decline. Investments in securities of foreign companies involve risks not ordinarily associated with investments in securities and instruments of U.S. issuers, including risks relating to political, social and economic developments abroad, differences between U.S. and foreign regulatory and accounting requirements, tax risks, and market practices, as well as fluctuations in foreign currencies.

The fund may be exposed to liquidity risk when trading volume, lack of a market maker, or legal restrictions impair the fund’s ability to sell particular securities or close call option positions at an advantageous price or in a timely manner. Illiquid investments may include restricted securities that cannot be sold immediately because of statutory and contractual restrictions on resale. Mid-cap and small-cap companies may not have the management experience, financial resources, product or business diversification and competitive strengths of large cap companies.

Shares of exchange-traded funds (ETFs) are not individually redeemable and owners of the shares may acquire those shares from the ETF and tender those shares for redemption to the ETF in Creation Units only, see the ETF prospectus for additional information regarding Creation Units. Investors may purchase or sell ETF shares throughout the day through any brokerage account, which will result in typical brokerage commissions.

There is no guarantee the fund will pay distributions in the future and distributions, if any, may be less than the current distribution.

The S&P 500® Index is an unmanaged, market-value weighted index of stocks that is widely regarded as the standard for measuring large-cap U.S. stock market performance. The S&P 500® Total Return Index is a total return index that reflects both changes in the prices of stocks in the S&P 500 Index as well as the reinvestment of the dividend income from its underlying stocks. A master limited partnership (MLP) is a limited partnership investment vehicle that is traded on public exchanges. MLPs are traded in units rather than shares and consist of a general partner and limited partners. There are certain tax advantages as well as opportunity for more liquidity. The compound annual growth rate is the rate of return that an investment would need to have every year in order to grow from its beginning balance to its ending balance, over a given time interval. The CAGR assumes that any profits were reinvested at the end of each period of the investment’s life span.

Nothing on this communication should be considered a solicitation to buy or an offer to sell any shares of the portfolio in any jurisdiction where the offer or solicitation would be unlawful under the securities laws of such jurisdiction. Nothing contained in this communication constitutes tax, legal or investment advice. Investors must consult their tax advisor or legal counsel for advice and information concerning their particular situation.

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