

Alerian Energy Infrastructure ETF

Ticker: ENFR

Monthly Insights as of December 31, 2025

Key Takeaways

- The Alerian Energy Infrastructure ETF (ENFR) was largely flat in December, down -0.22% on a total-return basis as portfolio companies began to issue full-year guidance for 2026 and equities broadly tread water into year-end.
- While most ENFR holdings will provide 2026 guidance alongside 4Q25 results, some have already released expectations. Companies are generally expecting EBITDA percentage growth in the mid-single-digits.
- At the end of December, ENFR's underlying index, the Alerian Midstream Energy Select Index (AMEI), was yielding 5.53% and was trading above its three-year average forward EV/EBITDA multiple.

Performance Notes

ENFR was largely flat in December, down -0.22% on a total-return basis as portfolio companies began to issue full-year guidance for 2026 and equities largely traded flat. Oil prices fell 1.93% during the month, having hit a new low for the year in mid-December, and the broad Energy Select Sector Index (IXE) also dropped slightly, down 0.28% on a total-return basis. US natural gas prices fell 24.00% to end December at \$3.69 per million British thermal units on warmer weather. For full-year 2025, ENFR gained 5.93% on a total-return basis, lagging the 8.03% total return for the IXE and the 17.88% gain for the S&P 500 Index.

Digging into portfolio performance for December, Storage, which only includes Gibson Energy (**GEI CN, 1.94% weight as of 12/31/2025**), was the best-performing subsector. Liquefaction was the worst-performing subsector for the fourth month in a row amid weakening global liquefied natural gas (LNG) prices and oversupply concerns.

Outlook

For midstream, the focus in January and February is on dividend announcements and 2026 guidance alongside 4Q25 results. With a broadly cautious view on oil prices, guidance will be in particular focus. Large producers are likely to continue to grow production moderately, but capital discipline is a high priority for most producers. The US Energy Information Administration is forecasting flattish oil output in 2026 and modest growth for natural gas production. Even with that backdrop, ENFR holdings that have announced guidance so far are generally expecting moderate EBITDA growth this year as shown below.

More broadly for 2026, midstream companies are expected to continue generating free cash flow and delivering on returns to shareholders through dividend growth and buybacks. Execution with natural gas infrastructure growth projects will also be in focus as companies advance opportunities announced in 2024 and 2025. About 70% of ENFR by weighting is primarily focused on natural gas infrastructure. This is important context given concerns around oil prices. Midstream can remain defensive if oil prices are weak this year thanks to their fee-based business models that provide some insulation from commodity price volatility.

Performance Summary

Total Returns	Dec-25	QTD	YTD	1Y
Alerian Energy Infrastructure ETF (ENFR)(NAV)	-0.22%	-1.74%	5.93%	5.93%
Alerian Midstream Energy Select Index (AMEI)	-0.18%	-1.59%	6.58%	6.58%
Gathering & Processing Subsector	1.15%	0.24%	11.03%	11.03%
Liquefaction Subsector	-7.59%	-28.84%	-22.39%	-22.39%
Natural Gas Transportation Subsector	-0.08%	1.33%	1.89%	1.89%
Petroleum Transportation Subsector	-0.06%	0.59%	17.84%	17.84%
Storage Subsector	2.35%	0.13%	15.25%	15.25%
Energy Select Sector Index (IXE)	-0.28%	0.98%	8.03%	8.03%
Crude Oil (WTI)	-1.93%	-7.94%	-19.94%	-19.94%
Crude Oil (WCS - Western Canadian Select)	-4.32%	-13.02%	-24.73%	-24.73%

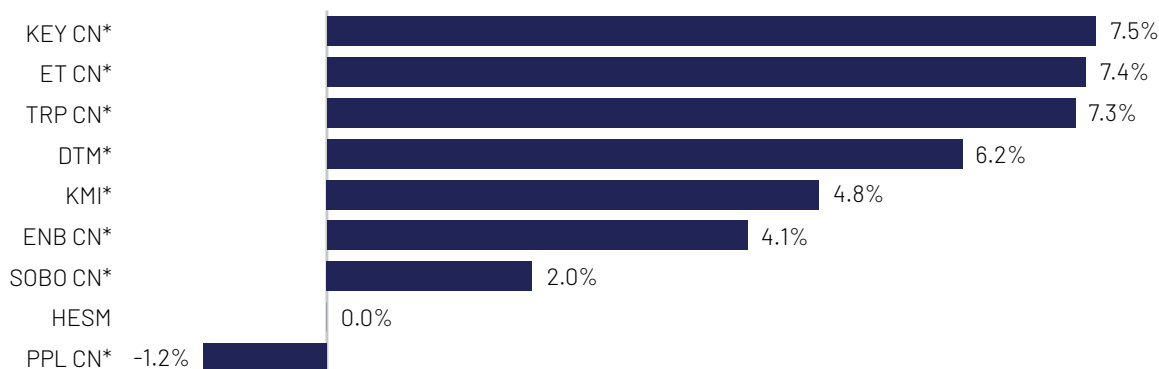
Source: Bloomberg L.P., as of 12/31/2025

Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains.

For standardized performance please see page 3.

Crude Oil performance numbers are based on price return.

2026 EBITDA Growth Guidance



Midpoint of guidance used if range provided.

* Denotes company is a C-Corp.

KEY CN guidance is on a stand-alone basis. Updated pro-forma figures are expected after the Plains acquisition closes, expected in 1Q26.

Source: Company reports, as of 1/6/2026

Constituent News

- Enbridge (**ENB CN, 8.63% weight as of 12/31/2025**) guided to 2026 adjusted EBITDA of C\$20.2 - C\$20.8 billion, which represents about 4% growth relative to 2025 expectations. The company increased its quarterly dividend by 3% to C\$0.97 per share, effective March 1, 2026, marking 31 consecutive years of increases. Management reaffirmed 2025 guidance, expecting to finish the year in the upper half of the C\$19.4 - C\$20.0 billion EBITDA range. Enbridge expects to deploy ~C\$10 billion of growth capital in 2026, with ~C\$8 billion of new projects entering service and reaffirmed its medium-term growth outlook of 7% - 9% EBITDA compound annual growth rate (CAGR) through 2026 and ~5% annually post-2026.
- Kinder Morgan (**KMI, 5.12% weight as of 12/31/2025**) announced preliminary 2026 financial projections, expecting adjusted EBITDA of nearly \$8.7 billion, a 4% increase versus 2025 guidance. The company plans to invest ~\$3.4 billion in discretionary capital expenditures for expansion projects and joint ventures, funded substantially by internal cash flow. Management anticipates ending 2026 with a Net Debt-to-Adjusted EBITDA ratio of 3.8x, within its 3.5x - 4.5x target range and intends to raise the annualized dividend to \$1.19 per share (+1.71%).
- Targa Resources (**TRGP, 4.96% weight as of 12/31/2025**) agreed to acquire Stakeholder Midstream for \$1.25 billion in cash, expanding its Permian Basin gathering and processing footprint. The deal is valued at ~6x 2026 estimated unlevered adjusted free cash flow, with the assets expected to generate ~\$200 million annually. The acquisition includes gathering pipelines, natural gas processing and sour gas treating capacity, and some carbon capture assets.
- Pembina Pipeline (**PPL CN, 4.86% weight as of 12/31/2025**) issued 2026 adjusted EBITDA guidance of C\$4.125 billion - C\$4.425 billion, missing consensus estimates of ~C\$4.41 billion largely due to weaker marketing and pipeline expectations. The company plans C\$1.6 billion in 2026 capital expenditures. A final investment decision (FID) for the company's Greenlight Electricity Centre is targeted for the first half of 2026.

Valuation Update

- At the end of December, ENFR's underlying index, AMEI, was trading at a forward EV/EBITDA multiple of 9.95x based on 2027 consensus estimates, above its three-year average ratio of 9.73x.
- The current yield for AMEI is 5.53%, which is below its three-year average of 5.85%.

AMEI Current Valuations

	Current	3 Year Avg	Delta
Price/Cash Flow (TTM)	6.96x	6.28x	10.92%
Enterprise Value/EBITDA [^]	9.95x	9.73x	2.25%
Yield	5.53%	5.85%	-5.50%
ENFR 30-Day SEC Yield	5.23%		

Source: Bloomberg L.P. and VettaFi, as of 12/31/2025

Past performance is no guarantee of future results.

[^] NEXT and TELL were excluded from the current EV/EBITDA calculation as outliers.

Performance

Total Returns	Cumulative as of 12/31/2025				Annualized as of 12/31/2025				
	1 M	3 M	YTD	SI	1 Y	3 Y	5 Y	10 Y	SI
NAV (Net Asset Value)	-0.22%	-1.74%	5.93%	122.34%	5.93%	20.07%	23.38%	11.76%	6.79%
Market Price	-0.25%	-1.71%	5.92%	122.55%	5.92%	20.21%	23.41%	11.78%	6.80%
Alerian Midstream Energy Select Index - TR	-0.17%	-1.59%	6.58%	145.43%	6.58%	20.88%	24.26%	12.70%	7.66%
Alerian MLP Index - TR	-1.62%	3.79%	9.76%	69.06%	9.76%	20.00%	25.96%	8.85%	4.41%

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Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

Fund inception date: 10/31/2013

Total Operating Expenses: 0.35%

Top 10 Holdings

Enbridge Inc	8.63%	Plains Gp Holdings LP	5.10%
Energy Transfer LP	8.17%	TC Energy Corp	5.07%
Enterprise Products Partners	7.46%	Cheniere Energy Inc	5.06%
Williams Cos Inc	6.05%	DT Midstream Inc	5.00%
Kinder Morgan Inc	5.12%	Oneok Inc	4.98%

As of 12/31/2025, subject to change

Daily holdings are available at www.alpsfunds.com.

Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. This material must be preceded or accompanied by the prospectus. Read the prospectus carefully before investing.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable.

Performance data quoted represents past performance. Past performance is no guarantee of future results; current performance may be higher or lower than performance quoted.

All investments are subject to risks, including the loss of money and the possible loss of the entire principal amount invested. Additional information regarding the risks of this investment is available in the prospectus.

Investments in securities of Master Limited Partnerships (MLPs) involve risks that differ from an investment in common stock. MLPs are controlled by their general partners, which generally have conflicts of interest and limited fiduciary duties to the MLP, which may permit the general partner to favor its own interests over the MLPs.

A portion of the benefits you are expected to derive from the Fund's investment in MLPs depends largely on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. Therefore, treatment of one or more MLPs as a corporation for federal income tax purposes could affect the Fund's ability to meet its investment objective and would reduce the amount of cash available to pay or distribute to you. Legislative, judicial, or administrative changes and differing interpretations, possibly on a retroactive basis, could negatively impact the value of an investment in MLPs and therefore the value of your investment in the Fund.

The Fund invests primarily in a particular sector and could experience greater volatility than a fund investing in a broader range of industries.

The Fund may be subject to risks relating to its investment in Canadian securities. Because the Fund will invest in securities denominated in foreign currencies and the income received by the Fund will generally be in foreign currency, changes in currency exchange rates may negatively impact the Fund's return.

Investments in the energy infrastructure sector are subject to: reduced volumes of natural gas or other energy commodities available for transporting, processing or storing; changes in the regulatory environment; extreme weather and; rising interest rates which could result in a higher cost of capital and drive investors into other investment opportunities.

The Fund employs a "passive management" - or indexing - investment approach and seeks

investment results that correspond (before fees and expenses) generally to the performance of its underlying index. Unlike many investment companies, the Fund is not "actively" managed. Therefore, it would not necessarily sell or buy a security unless that security is removed from or added to the underlying index, respectively.

30-Day SEC Yield: reflects the dividends and interest earned during the period, after the deduction of the Fund's expenses.

Alerian Midstream Energy Select Index (AMEI): a composite of North American energy infrastructure companies. The capped, float-adjusted, capitalization-weighted index constituents are engaged in midstream activities involving energy commodities.

Alerian MLP Index (AMZ): the leading gauge of energy infrastructure MLPs. The capped, float-adjusted, capitalization-weighted index constituents earn the majority of their cash flow from midstream activities involving energy commodities.

Capital Expenditures (CAPEX/Capex/CapEx): refers to investments in physical assets such as plant and machinery.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): a measure of a company's overall financial performance.

Enterprise Multiple (EV/EBITDA): a ratio used to determine the value of a company by considering the company's debt. The enterprise multiple is the enterprise value (EV) (market capitalization + total debt - cash and cash equivalents) divided by EBITDA (earnings before interest, taxes, depreciation and amortization).

Net Debt-to-EBITDA Ratio: a debt ratio that shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

Price/Cash Flow (P/CF) Trailing Twelve Month (TTM) Ratio: represents the weighted average of the price/cash flow ratios (generated over the trailing twelve months) of the stocks in a portfolio. Price/cash flow represents the amount an investor is willing to pay for a dollar generated from a particular company's operations.

One may not invest directly in an index.

ALPS Advisors, Inc., registered investment adviser with the SEC, is the investment adviser to the Fund. ALPS Advisors, Inc. and ALPS Portfolio Solutions Distributor, Inc., affiliated entities, are unaffiliated with VettaFi and the Alerian Index Series.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.

Not FDIC Insured • No Bank Guarantee • May Lose Value

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