ALPS Electrification Infrastructure ETF

Ticker: ELFY

Quarterly Insights as of September 30, 2025

Key Takeaways

- The ALPS Electrification Infrastructure ETF (ELFY) gained 12.25% in the third quarter of 2025 as the electrification capital expenditure (CAPEX) cycle accelerated on artificial intelligence (AI)-driven power demand and grid bottlenecks, lifting transmission contractors and power-equipment suppliers.
- ELFY's Industrials allocation led sector gains during the quarter, adding +499 basis points (bps) to fund performance as grid and data-center projects led to record backlogs, underscoring multi-year demand visibility.
- Okolo Inc. (**OKLO, 1.47% weight as of 9/30/2025**), a Utilities holding, rose 99.37% during the third quarter after announcing the first phase of a ~$1.7B fuel-recycling facility in Tennessee, while also benefiting from policy support initiatives around nuclear build-out to meet energy demand needs for AI.

Performance Notes

- The ALPS Electrification Infrastructure ETF (ELFY) gained 12.25% in Q3 2025, outpacing broad infrastructure beta as measured by the S&P Global Infrastructure Index, which gained 3.58% for the same period, in part due to its allocation to higher growth Information Technology names. Unlike utility-only approaches, ELFY's methodology spans ~18 electrification sub-industries—electricity generation, electrical components and power equipment, construction engineering and services, grid hardware, multi-utilities and selective technology producers—the areas directly capturing the AI-driven grid buildout and electrification infrastructure theme.
- The electrification theme is being pulled forward by growing grid and infrastructure needs as AI data-center power demand accelerates. The US remains the epicenter of new data-center build-outs and CAPEX, catalyzing power transmission and distribution upgrades, new substations, high-voltage interconnects and fiber backbones. ELFY is purposely tilted to the "picks-and-shovels" of this cycle—transmission/ engineering, procurement and construction (EPC) contractors, grid hardware and electrification equipment, multi-utilities and enabling technologies—positioning the portfolio to translate multi-year CAPEX plans into visible backlogs, revenues and cash-flow growth as the build-out continues.

Performance Summary

Total Returns	Q3 2025	SI
ELFY (NAV)	12.25%	33.65%
Bloomberg US 1000 Index - TR	8.10%	23.76%
Ladenburg Thalmann Electrification Infrastructure Index - TR	12.41%	33.97%

As of 9/30/2025

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.

High short-term performance, when observed, is unusual and investors should not expect such performance to continue or be repeated.

For standardized performance please see page 4.

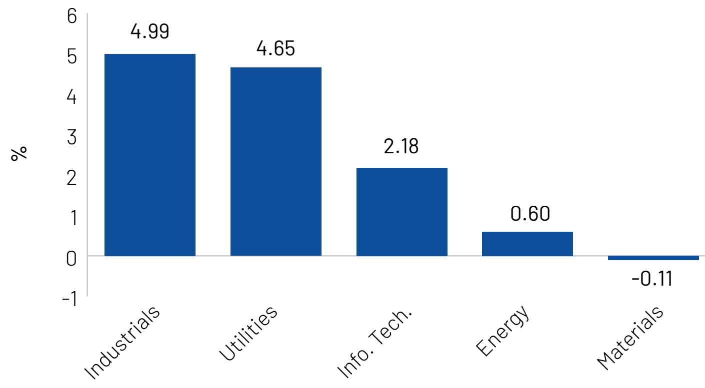
Why ELFY?

- Electrification infrastructure drives economic growth by enabling clean transportation, reshoring manufacturing and delivering next-generation power from sources like nuclear, solar, wind and efficient natural gas.
- ELFY tracks the Ladenburg Thalmann Electrification Infrastructure Index, which is designed to capture the beneficiaries—publicly listed mid- and large-cap companies, with a minimum total market capitalization of at least $5 billion—of rising electricity demand, not the drivers.

Attribution

- ELFY's Industrials (+4.99%), Utilities (+4.65%) and Information Technology (+2.18%) sectors were the best-performing in terms of overall contribution to returns in Q3, while Materials (-0.11%) detracted from overall fund performance. Within ELFY's Industrials exposure, Comfort Systems USA Inc. (**FIX, 1.13% weight as of 9/30/2025**), a mechanical and electrical contractor, surged 54% in Q3 on a record backlog of $9.4B and "unprecedented demand" tied to data-center and semiconductor projects. Comfort Systems management also highlighted recent electrical acquisitions and the Right Way Plumbing deal from earlier in 2025 during the quarter's earnings release.
- Within ELFY's allocation to Information Technology in Q3, fiber cable manufacturer, Corning Inc. (**GLW, 1.15% weight as of 9/30/2025**) and factory automation company, Cognex Corp. (**CGNX, 1.06% weight as of 9/30/2025**) led sector gains, returning 56.63% and 43.07%, respectively. Notably, both names posted strong earnings results, with Corning's optical communications unit reporting +44% year-over-year sales growth in Q2 and raising guidance on AI fiber demand, and Cognex guiding Q3 sales growth estimates higher on AI machine-vision product initiatives.

ELFY Segment Contribution to Return – Q3 2025



Source: Bloomberg L.P., as of 9/30/2025
Past performance is no guarantee of future results.

Valuation Update

- ELFY's underlying Index, the Ladenburg Thalmann Electrification Infrastructure Index, sits at a steep valuation discount (9.90x price-to-earnings (P/E) ratio) compared to the S&P Global Infrastructure Index (20.31x P/E).
- ELFY exhibits a sector exposure of 39.58% Utilities, 28.35% Industrials, 14.81% Information Technology, 14.14% Energy and 3.13% Materials.

Price Multiples

	Ladenburg Thalmann Electrification Infrastructure Index	S&P Global Infrastructure Index
Price/Earnings Ratio	9.90x	20.31x
Price/Cash Flow Ratio	12.91x	10.73x
Price/Sales Ratio	0.56x	2.69x
Average Market Capitalization (in Mil, $)	$35,954	$51,028

Source: Bloomberg L.P., as of 9/30/2025
Past performance is no guarantee of future results.

ELFY Top/Bottom Performers Q3 2025

Leaders	Performance	Sub-Segment
Oklo Inc (OKLO)	99.37%	Utilities
Corning Inc (GLW)	56.63%	Information Technology
Comfort Systems USA Inc (FIX)	54.00%	Industrials

Laggards	Performance	Theme
Badger Meter Inc (BMI)	-26.94%	Information Technology
Fluor Corp (FLR)	-17.94%	Industrials
Enphase Energy Inc (ENPH)	-10.74%	Information Technology

Source: SS&C ALPS Advisors, as of 9/30/2025

Past performance is no guarantee of future results.

Q3 2025 Company Spotlight

Company:
Oklo Inc.
(OKLO, 1.47% weight as of 9/30/2025)

Sector:
Utilities

- Oklo is a nuclear technology company specializing in next-generation fission powerhouses to provide reliable and clean energy. Oklo soared +99.37% this quarter and was the best-performing name in ELFY.
- Oklo and the nuclear power space have seen share prices rally in 2025, as President Trump announced the reopening of several nuclear power projects. During the quarter, Oklo shares rallied after news headlines hit the tape of the first phase of an up to ~$1.68B advanced fuel-recycling facility in Tennessee, while also moving higher on Department of Energy (DOE) selection for advanced nuclear fuel-line pilot projects. With policy tailwinds mounting, including the recent US/UK "Technology Prosperity Deal", Oklo is well-positioned to capture growing AI and nuclear initiatives across the globe.

Sector Allocations

Utilities	39.58%
Industrials	28.35%
Information Technology	14.81%
Energy	14.14%
Materials	3.13%

As of 9/30/2025, subject to change

Top 10 Holdings

OKLO INC	1.47%
BLOOM ENERGY CORP	1.32%
DYCOM INDUSTRIES INC	1.19%
MASTEC INC	1.19%
PRIMORIS SERVICES CORP	1.18%
VERTIV HOLDINGS CO	1.17%
XCEL ENERGY INC	1.17%
NEXTRACKER INC	1.16%
EVERSOURCE ENERGY	1.15%
CORNING INC	1.15%

Source: Bloomberg L.P., as of 9/30/2025, subject to change
Daily holdings are available at www.alpsfunds.com.

Performance as of 9/30/2025

Total Returns	1 M	3 M	SI
NAV (Net Asset Value)	5.88%	12.25%	33.65%
Market Price	5.84%	12.20%	33.77%
Ladenburg Thalmann Electrification Infrastructure Index - TR	5.92%	12.41%	33.97%

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High short-term performance, when observed, is unusual and investors should not expect such performance to continue or be repeated.

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: 4/9/2025; cumulative return presented

Total Operating Expenses: ***0.50%***

Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus containing this and other information, call 1-866-759-5679 or visit www.alpsfunds.com. 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.

The Fund is new and has limited operating history.

Diversification does not eliminate the risk of experiencing investment losses.

The Fund invests in companies that are involved in conventional and alternative electricity generation, transmission, and distribution and technological solutions, as well as the development of grid infrastructure and smart grid technologies. General risks include the general state of the economy, intense competition, consolidation, domestic and international politics and excess capacity.

The Fund seeks to track the underlying index, which itself may have concentration in certain regions, economies, countries, markets, industries or sectors. Underperformance or increased risk in such concentrated areas may result in underperformance or increased risk in the Fund.

The Fund may be subject to risks relating to its investment in Canadian securities. Investments in securities of Canadian issuers involve risks and special considerations not typically associated with investments in the US securities markets and can make investments in the Fund more volatile and potentially less liquid than other types of investments.

Investing in securities of medium capitalization companies involves greater risk than customarily is associated with investing in larger, more established companies. The large capitalization companies in which the Fund invests may underperform other segments of the equity market or the equity market as a whole.

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.

Basis Point (bps): a unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument.

Beta: a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market or a benchmark. The beta of the market or benchmark is 1.00 by definition. An investment with a beta above 1 is more volatile than the overall market, while an investment with a beta below 1 is less volatile.

Bloomberg US 1000 Index: a float market-cap-weighted benchmark of the 1000 most highly capitalized US companies.

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

Ladenburg Thalmann Electrification Infrastructure Index: designed to track the performance of US-listed large- and mid-capitalization companies in subsectors of the economy that are likely to benefit most consistently from the process of charging, equipping, supplying or operating with electricity, or the conversion of a machine or system to the use of electrical power ("electrification").

Price/Cash Flow (P/CF) Ratio: represents the weighted average of the price/cash flow ratios 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.

Price/Earnings (P/E) Ratio: a valuation ratio of a company's current share price compared to its per-share earnings.

Price/Sales (P/S) Ratio: represents the weighted average of the price/sales ratios of the stocks in a portfolio. Price/sales represent the amount an investor is willing to pay for a dollar generated from a particular company's operations.

S&P Global Infrastructure Index: designed to track companies from around the world chosen to represent the listed infrastructure industry while maintaining liquidity and tradability. To create diversified exposure, the index includes three distinct infrastructure clusters: energy, transportation and utilities.

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 Osaic Holdings, Inc. and its subsidiaries (including Ladenburg Thalmann Index, LLC).

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

Not FDIC Insured • No Bank Guarantee • May Lose Value

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