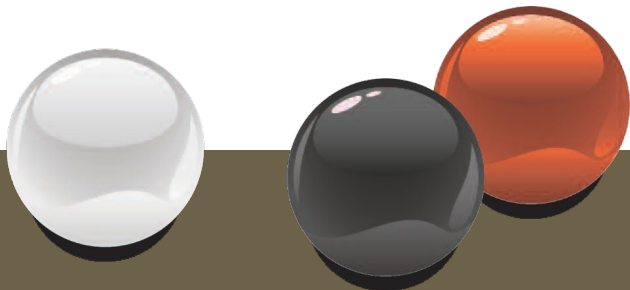




Powering AI Custom Equity Basket



December 2025

Addressing the Rising Energy Demand

The rapid expansion of artificial intelligence (AI) applications is driving a sharp rise in electricity demand, particularly from AI-focused data centers. These GPU-powered facilities consume significantly more electricity than traditional data centers and demand advanced cooling systems to handle heat. Their energy needs can rival those of small cities, making infrastructure expansion critical to ensure reliable power delivery and efficient management.

Investment Rationale

- **Significant Increase in Electricity Demand:** We expect structural demand for scalable, reliable, and carbon-free energy solutions, leading to new innovations such as nuclear fission technology.
- **Growth in Electricity Infrastructure Investments:** We understand annual grid spending in the U.S. is projected to grow by up to 120%, while adjacent categories like specialized cooling and power solutions are also set to benefit.
- **Modernization of Energy Grids:** We expect a transition from traditional, centralized grids to modern systems capable of integrating renewable energy sources and advanced transmission technologies.
- **Hardware Infrastructure to Support Complex AI Workloads:** We expect investments in the hardware backbone for AI computations, which are integral to training and deploying large-scale AI models.

Capitalizing on Policy Dynamics

Chesapeake Asset Management's ("CAM") Powering AI custom equity basket is designed to help investors capture this compelling multi-year investment opportunity. The strategy applies an active approach, with a core composition that remains static, complemented by regular reviews to adjust constituents and weights as needed.

Basket Specifics

Structure

A concentrated portfolio of 15-20 equity securities. Implementation through a separately managed account (at Pershing or Schwab).

Risk Management

Portfolios may incorporate inverse index ETFs during periods of heightened volatility.

Fees

Fees may vary by account size and structure.
Information about management fees is available upon request.

Sample Holdings

Company Name	Ticker
GE VERNOVA INC	GEV
QUANTA SERVICES INC	PWR
VERTIV HOLDINGS CO-A	VRT
VISTRA CORP	VST
COREWEAVE INC-CL A	CRWV
NUSCALE POWER CORP	SMR
OKLO INC	OKLO

Sample holdings are for illustrative purposes only and do not represent a recommendation to buy or sell any security.

Investment Opportunity

Energy Infrastructure

The basket targets companies involved in building and maintaining the critical energy infrastructure needed to power AI operations. This includes utilities, power generation, and transmission companies that are expanding capacity to meet growing demands.

Hardware Solutions

Companies providing specialized hardware components, cooling systems, and power management solutions for data centers represent a significant portion of the portfolio, addressing the unique requirements of AI computing environments.

Innovative Energy

The basket includes exposure to emerging technologies like nuclear fission and advanced grid management systems that promise to deliver the reliable, scalable energy solutions needed for AI's continued growth.

Risk and Disclosures

This document is for informational purposes only and does not constitute an offer to sell, or a solicitation of an offer to buy, any securities or financial instruments. It should not be construed as investment, legal, tax, or other professional advice.

The Powering AI custom equity basket is composed of equity securities and is expected to exhibit high volatility and market correlation. There is no guarantee that the strategy will be successful or that historical trends will repeat. Performance may diverge materially from past market behavior.

Information herein reflects the views and analysis as of the date of publication and may be subject to change.

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