

## ALC Market Neutral Fund

### Monthly report – December 2025

Returns	1 Month	3 Months	6 months	9 months	12 months p.a.	Since inception p.a.*
ALC Market Neutral Australian Equities Fund	-2.75%	-6.84%	-14.37%	-15.10%	-9.82%	7.13%
Performance Benchmark	0.42%	1.24%	2.49%	3.74%	5.00%	5.00%
Out (Under) Performance	-3.16%	-8.07%	-16.86%	-18.85%	-14.82%	2.13%

Performance is reported net of all fees. Returns greater than one year are annualized. Historical performance shows the ongoing performance both of a different fund previously managed by the AL Capital that operated with the same strategy and investment management team as the ALC Market Neutral Australian Equities Fund. This information has been provided for illustrative purposes only. Past performance is not a reliable indicator of future returns.

\*The inception date of the ALC Market Neutral Australian Equities Fund is 31/01/2024, and inception date of the Strategy is 30/11/2019. Since inception performance is shown at the Strategy inception date, annualized

#### Month in review

The ALC Market Neutral Australian Fund detracted 2.75% in December, against the performance benchmark of 0.42%.

The ASX 200 in December, gained 1.30% as sector performance where: Materials gained 6.34%, financials 3.4% and the other sectors had moderate strength

#### Key contributors & detractors

The Fund finished the period lower, with performance primarily driven by the long book, which detracted -1.88%. Weakness was concentrated in Technology (-0.64%), Utilities (-0.48%), and Consumer Cyclical (-0.45%), which were the largest drags on returns. These losses more than offset modest positive contributions from Communication Services (+0.25%) and additional support from Consumer Cyclical (+0.19%).

The short book also detracted -0.11%, driven mainly by losses in Materials (-1.00%). This was partially cushioned by gains from shorts in Technology (+0.26%) and Consumer Cyclical (+0.31%). While some short positions helped absorb long-side volatility, their contribution was insufficient to offset the magnitude of losses in the long portfolio over the month.

#### Outlook and Positioning

The Fund continues to rebalance monthly, on quantitative factors including Price Momentum, Earnings Momentum, Quality, Valuation and Sentiment. In December, the largest long positions are in Infratil LTD(IFT-ASX), Karoon Energy ORD (KAR-ASX) and Nine Entertainment Co Holdings (NEC-ASX).

#### Fund Facts

Fund Inception	31/1/2024
Strategy Inception	30/11/2019
Management Fee	2% p.a. of the NAV (including GST less RITCs)
Performance Fee	20% over performance benchmark
Buy/Sell Spread	0.2% / 0.2%
Portfolio Manager	Vincent Hua

#### Portfolio Characteristics

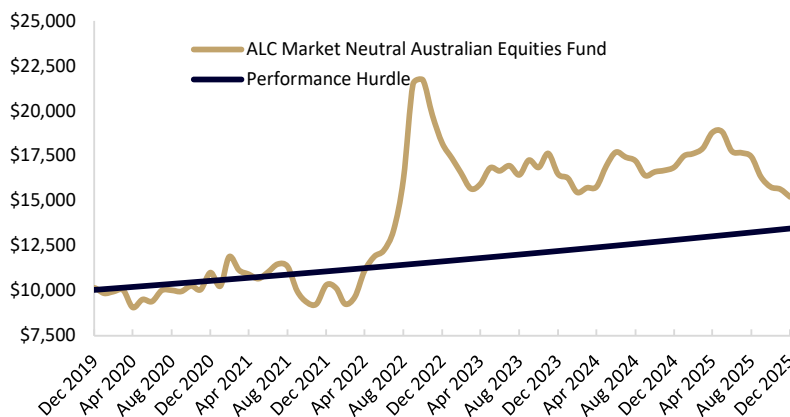
Long (%)	59%
Short (%)	-54%
Net (%)	5%
Number of Longs	17
Number of Shorts	36
Weights avg Market Cap	\$14759.43 mio

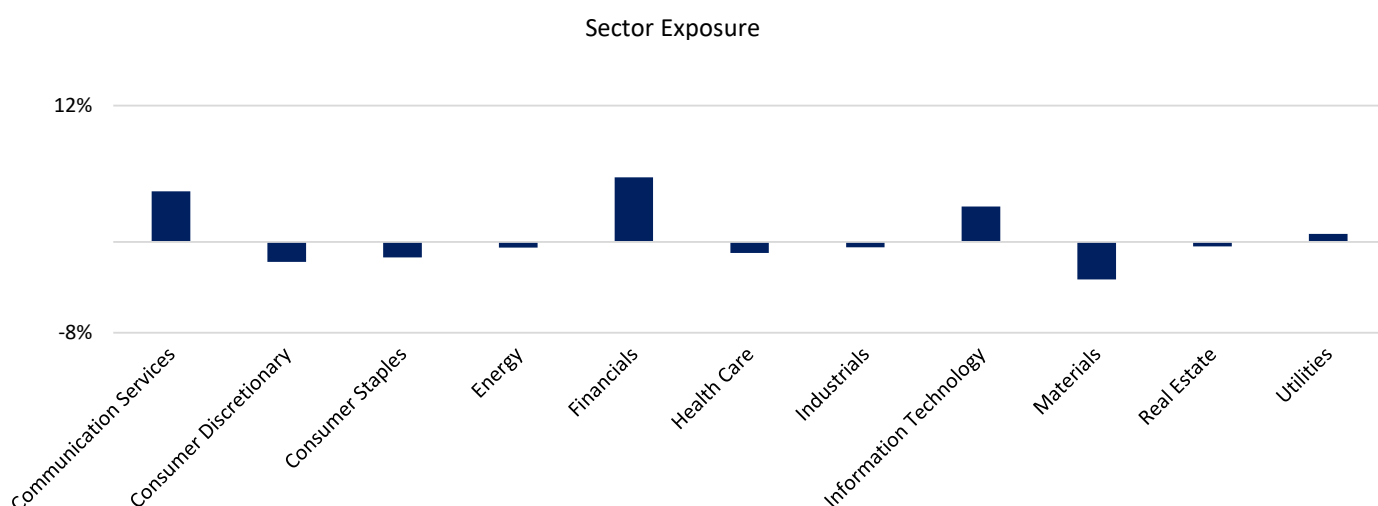
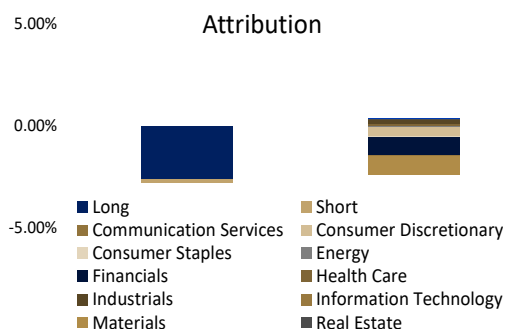
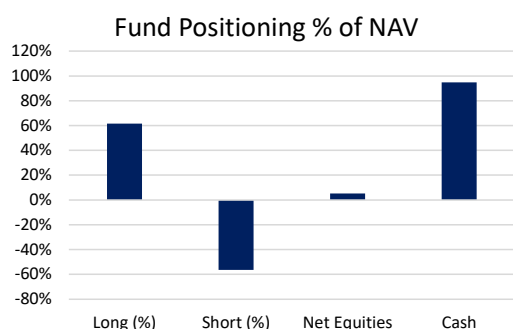
#### Portfolio Statistics

Beta <sup>1</sup>	0.000
Upside Capture <sup>1</sup>	25%
Downside Capture <sup>1</sup>	-26%

<sup>1</sup> Portfolio statistics shown from Monthly performance since Fund Inception 31/01/2024.

ALC Market Neutral Australian Equities Fund  
Growth of \$10,000





### **Fund Strategy**

The ALC Market Neutral Australian Equities Fund targets absolute returns independent of market direction. The strategy blends quantitative factor models to identify long and short opportunities across ASX-listed equities. Portfolio construction is driven by signals including valuation, momentum, and quality. Positions are dynamically adjusted to maintain market neutrality, with strict controls on sector, factor, and single-stock risk. The portfolio is actively managed, aiming to capture alpha while preserving capital across market cycles.

### **Meet the Manager**



**Vincent Hua**  
PORTFOLIO MANAGER  
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Vincent Hua is a seasoned banking and investment expert with 30 years of experience. He has held top roles at major global banks such as Lehman Brothers, Commonwealth Bank, Shinsei Bank, and Westpac. In the last 12 years, he has managed numerous direct investments in different sectors worldwide, including resources, retail, infrastructure, logistics, and financial services. He co-founded the Mason Stevens Group and held the roles of CEO and CIO for over ten years.



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ALC Active Australian Equities Fund's Target Market Determination is available <https://www.eqt.com.au/insto>. A Target Market Determination describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.