

Long/Short Global Fund – December 2025



The EGP Long/Short Global Fund is a quantitative global long/short fund targeting attractive risk adjusted returns. Objectives include minimising the risk of permanent loss of capital and providing global diversification. The short exposure within the fund typically provides capital at times of market dislocations, enabling redeployment into the long book at lower valuations.

FY2026 Results Table

	July	August	September	October	November	December	January	February	March	April	May	June	YTD
FY26 - EGPLSGF	3.28%	5.23%	7.76%	0.46%	6.46%	(1.32%)							22.86%
FY26 - MSCI ETF - VGS	3.88%	0.75%	1.43%	3.68%	(0.24%)	(0.77%)							9.79%
6% annualised	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%							2.96%

Performance Summary

Key performance metrics and charts.

Fund Features		Portfolio Analytics (Inception)		
Performance fee	0-12% (0%)	Metric	Fund	VGS
	12-18% (20%)	AUM	\$8M	US\$45.4B
	18%+ (30%)	Volatility	25.5%	13.8%
Management fee	0.05% per month	Sharpe Ratio	1.45	1.22
Applications or redemptions	Monthly	Sortino Ratio	2.22	2.01
Distribution	At least annually	Largest Drawdown	(10.21%)	(8.05%)
Minimum initial investment	\$50,000 (Wholesale Only)	1-year return	22.9%	12.3%
Accounting	True Elite Business Services Pty Ltd	Cumulative Return	51.4%	26.9%
Administration & Registry	Registry Direct	Since Inception Annualised	31.9%	17.2%
Custodian/PB	Interactive Brokers	Unit Price (Mid)	\$1.5142	\$153.85

Contact Information

Co-Chief Investment Officers:

Tony Hansen – 0418 278 298 or tony@egpcapital.com.au

Gavin Skinstad – 0409 042 061 or gavin@egpcapital.com.au

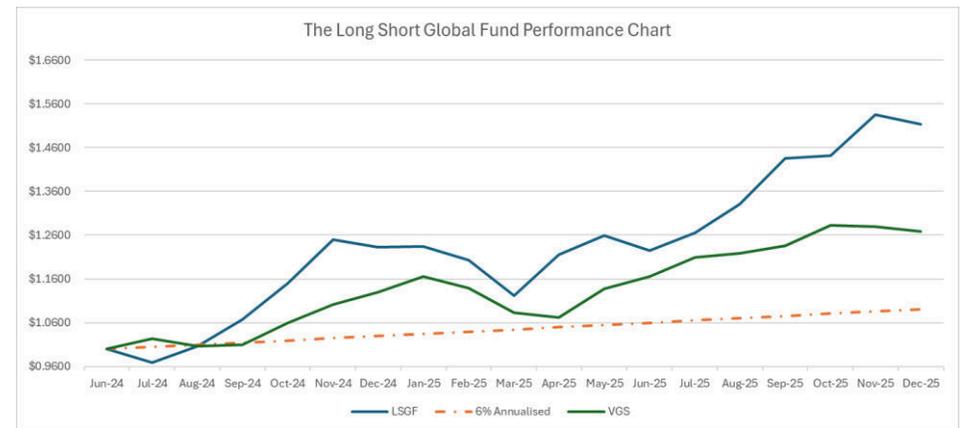
Market Commentary

FYTD Results: Long book 25.34% | Short book (2.48%)
 FYTD Exposure: Long = 109.5% | Short = 26.9% | Net = 82.6%

Portfolio Information

FYTD Benchmark Performance Correlation: 7%
 FYTD Benchmark Drawdown Correlation: 11%
 FYTD Portfolio Turnover: 30.6x

Results Graph Since Inception



Quarterly Commentary

When we run our LSGF script testing we use the VGS (ASX listed version of the MSCI World index ETF graphed above) and SPYAUD (largest S&P500 ETF priced in AUD). The returns for these two ETF's were 12.3% and 9.02% (that SPYUSD returns were 17.7% shows what a headwind the weak USD created for AUD investors) respectively in 2025, meaning the 22.9% LSGF generated for calendar 2025 was commendable in comparison. To achieve this additional performance did not require any special discipline from LSGF investors. LSGF had an annualised volatility in 2025 of 26.0%, which although marginally higher than the ~21.1% the fund demonstrates this century in back-testing, was similar to that which investors holding the SPY experienced in 2025 (19.6% in USD/29.0% in AUD). The worst peak-to-trough drawdown for LSGF was slightly over 20% in 2025, better than the 28.1% those holding the SPY in AUD experienced and similar to the experience of those holding SPY in USD. The VGS is a remarkably low volatility equity option, primarily because of the very broad diversity of its constituent holdings which span the globe. 2025 volatility for VGS was only 14.1%, around the since inception (late 2014) annual volatility of 13.4% and the maximum drawdown was only 13.9% in 2025. But VGS investors earned a much lower 2025 return as the price paid for this more stable investment experience.

In 2025, the LSGF algorithm was highly meaningfully more active than historic averages, making 1135 trades, compared to ~830 p.a. in testing. Like TAF, the reason all this additional activity did not result in higher-than-average returns is because the 2025 win-rate was 57.4%, which is below the back-tested average of 59.1%. The 2025 win/loss ratio was also weaker than average at 5.1%/5.2% when in back-testing it is 5%/4.7%.

The 2025 “Bouquet” for standout strategy for LSGF was the Canadian momentum strategy which delivered fully 33.2% of LSGF's annual return. The historic average contribution of the Canadian momentum strategy to the LSGF return is ~6.8%. The global commodity boom, and especially the booming gold price meant LSGF's Canadian exposures delivered in spades. In terms of return on capital employed (ROCE), LSGF's long day-trading strategy was the shining light with a 127.4% ROCE in 2025, adding 6.97% to the 2025 return whilst employing only 5.47% of intraday system capital (and zero overnight exposure). The long day-trading strategy has a very strong historic ROCE of 84.3% (2.64% contribution from 3.13% exposure), meaning the system was both more active and more profitable in 2025 than in back-testing.

Brickbats for LSGF in 2025 both come from short-selling strategies. The worst in absolute terms was the first of our two short-term mean reversion short systems, which cost LSGF 4.38% in 2025. That shorting system historically adds a similar amount (3.53% annually) to LSGF's returns to what it managed to detract in 2025. In ROCE terms, the day-trading short strategy LSGF employs was the worst performer. In 2025 the strategy cost the fund 2.38% employing only 1.71% of system capital for a negative ROCE of 139.2%. This awful return reminds us why we combine many uncorrelated systems. On a standalone basis a system using 100% of system equity and delivering that level of negative ROCE would wipe out your capital in about 9 months. In our combined system, we managed to shoulder the burden of that underperformance and still deliver a sound year.

Best individual stock for LSGF in 2025 was Applovin (APP), which added 6.14% to 2025 performance. Next best unsurprisingly was Kinross (K.TO) a gold miner out of Canada which added 5.97%. Worst individual performing stocks for LSGF in 2025 caused relatively modest portfolio damage, Alaska Air hurt most costing the portfolio 2.19%. Next worst was an ill-timed momentum position in gold miner Black Cat Syndicate (BC8.AX) which cost 1.71%. The currency hedging employed in LSGF added a useful 1.03% for the fund in a year when unhedged USD exposure would likely have cost the fund at least twice that figure.

We thank all the investors who have given us the privilege of managing some of their assets and look forward to 2026, hoping to back up a solid 2025 with an even better 2026 - From your Co-CIO's: **Erik A. (Tony) Hansen & Gavin L. Skinstad**

