EGP Aggressive Fund – June 2026

The Aggressive Strategy is a quantitative global long/short product applying the tenets of the EGP Long/Short Global Fund with greater aggression. Key objective is maximising total return with tolerable volatility/drawdown. The current algorithm (V8) back tests net exposure of ~95% (gross exposure <130%) but can theoretically stretch to a maximum 300% long and 80% short overnight exposure. Maximum net exposure in back testing the V8 algorithm is 264%.

FY2026 Results Table

	July	August	September	October	November	December	January	February	March	April	May	June	FYTD
EGPAF FY2026	**1.19%**	**7.57%**	**10.66%**	**1.75%**	**(2.02%)**	**0.35%**	**(3.89%)**	**9.34%**	**(15.12%)**	**(8.26%)**	**(2.21%)**	**9.25%**	**5.36%**
MSCI ETF – VGS – FY2026	**3.88%**	**0.75%**	**1.43%**	**3.68%**	**(0.24%)**	**(0.77%)**	**(2.67%)**	**(1.12%)**	**(4.38%)**	**5.59%**	**5.60%**	**3.06%**	**15.11%**
12% Annualised	**0.95%**	**0.95%**	**0.95%**	**0.95%**	**0.95%**	**0.95%**	**0.95%**	**0.95%**	**0.95%**	**0.95%**	**0.95%**	**0.95%**	**12.00%**

Performance Summary

Key performance metrics and charts.

Fund Features		Portfolio Analytics (Inception)		
		Metric	**Fund**	**VGS**
Performance fee	**0-12% (0%) 12-18% (20%) 18%+ (30%)**	**AUM**	**$11M**	**US$49.1B**
		Volatility	**33.5%**	**13.2%**
Management fee	**0.05% per month**	**Sharpe Ratio**	**0.54**	**0.94**
Applications or redemptions	**Monthly**	**Sortino Ratio**	**0.77**	**1.54**
Distribution	**At least annually**	**Largest Drawdown**	**(23.8%)**	**(8.9%)**
Minimum initial investment	**$50,000 (Wholesale Only)**	**1-year return**	**5.4%**	**15.1%**
Accounting	**True Elite Business Services Pty Ltd**	**Cumulative Return**	**18.6%**	**18.7%**
Administration & Registry	**[Registry Direct]**	**Since Inception Annualised**	**12.1%**	**12.1%**
Custodian/PB	**Interactive Brokers**	**Unit Price (Mid)**	**$1.1798**	**$161.75**

Contact Information

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Market Commentary

FYTD Results: **Long book 30.92%|Short book (25.56%)**

FYTD Exposure: **Long = 102.5%|Short = 37.8%| Net = 64.7%**

Portfolio Information

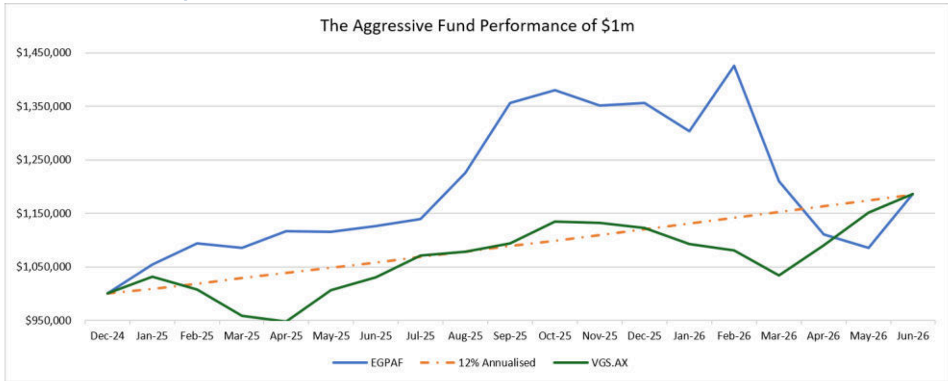
Inception Benchmark Performance Correlation: **(5%)**

Inception vs Benchmark β: **(11%)**

Inception vs Benchmark α: **19% p.a.**

Since Inception Portfolio Turnover: **19,389%**

Results Graph



FY2026 Review

The Aggressive Fund (TAF) finalised +5.4% for FY2026. In the 18 months since TAF launched on 1 January 2025, the fund has generated +18.6% net of fees (12.1% annualised). This level of performance falls well short of both what we expected when we launched TAF and more importantly, what we would have expected to generate through a period such as the past 18 months has presented. The volatility of the S&P500 over this period was ~1.5x the average of our back testing, such heightened volatility has historically assisted performance.

We remain hopeful the algorithm adaptations discussed below will help us deliver results closer to our expectations over coming years. The gold-standard for systematic funds is The Medallion Fund (TMF) operated by Renaissance Technologies. TMF generated only ~4.6% net of fees in its first two years (1988 [+9%] & 1989 [-4%]) of operations, before finding its mojo and going on a generational run, putting up ~70% p.a. gross (41.6% net of an aggressive fee structure [5% management fee and 44% performance fee by the early 2000's]) for the next 30 years.

We think anything like 70% gross performance is vanishingly unlikely even though our TAF algorithm still back tests at levels exceeding this. One advantage we have over Renaissance is that to match their 41.6% net of fees, we "only" need to generate ~54% gross because of less aggressive fees... A figure we feel moral bound to point out is also improbable but is at a level requiring our forward results to be roughly 2/3rds as good as our back testing. If we could put together a five or ten year stretch that is even half as good as our back testing suggests, we would be (and hope you would be too) delighted.

FY2026 was a tricky year for our TAF algorithm which relies heavily on Mean Reversion (MR) as a concept, our MR systems did not generate good results in FY2026. Long MR had below average profitability and Short MR was sharply loss-making across all strategies and timeframes, with historically odd market behaviours leading to a re-think of the level of short exposure TAF should carry. The V3 algorithm which we operated at the beginning of FY2026 averaged ~50% net exposure (~153% gross exposure) in back testing. The V8 algorithm we will commence FY2027 operating has averaged ~95% net exposure (~129% gross exposure), tamer than the 130/30 models many traditional long/short funds operate. The V8 algorithm employs 43 highly discorrelated strategies across a variety of markets and timeframes. We feel like it is the best TAF algorithm yet and its development benefitted enormously from the 18 months of fund operation.

Previous editions of these newsletters have discussed the importance of developing your system and sticking with it. Inevitably, some strategies will have periods of underperformance, the "point of maximum pain" when you are tempted to change or give up will often be the point at which performance returns, often suddenly. We have tried to avoid this with our algorithm adjustments, but it is difficult to "skate to where the puck is going to be" when your primary research tool is tracking where the puck has lately been. We have tried to lean into recent market behaviour to optimise the structure of the current iteration of our algorithm. Something in the current market behaviour is making Short MR struggle. It feels prudent to wind back exposure until market behaviour looks more like back testing/modelling. If we get sequential months where Short MR begins to work, we can gradually scale the MR Shorting systems up again.

Aside from giving up a little performance in back testing, the V8 algorithm changes have some features we think will improve the investment experience for unitholders (and the Fund Managers!). For example, back tested volatility is ~20% lower, the >30% annualised volatility TAF has demonstrated since inception has proven to be more challenging to oversee in real time than one imagines it will be when a back testing engine spits out 20+ years of performance. Markets have been unusually volatile since TAF inception, and as one of us often wryly notes, downside volatility is always harder to stomach than upside volatility. Nonetheless, the demurer volatility levels in the V8 algorithm will be easier to palate and still provide ample performance if back testing holds in forward periods.

V8 also demonstrates lower average drawdowns and lower drawdown frequency and less frequent use of leverage. The scalability of TAF is also sharply better under the reduced sizing that the V8 algorithm will employ, meaning the V8 algorithm could operate >$50m AUM before we would need to adjust position sizing based on optimising liquidity profiles.

Given the spectacular performance of the momentum systems which had ROCE (return on capital employed) of >150% in FY2026 and have been the most consistent generators of alpha in back testing, we developed additional momentum systems with shorter term lookbacks. A consistent recent failing of our existing momentum systems, which have long lookbacks is that they have been caught out by the recent tendency for the market to fall sharply and rebound quickly. This has seen the systems switch off after a bad month, only to miss out on a sharp recovery. We have explained previously that such a feature has its primary benefits in drawn out bear markets, which have been almost non-existent since the GFC, but which will one day inevitably return.

The momentum system with the shortened lookback shuts down more swiftly and turns back on more quickly. This means that they would have performed well under the recent tendency for markets to selloff swiftly, then recover rapidly. Other advantages of the short lookback momentum strategies include a shorter average holding period (21 trading days versus 34 days for the monthly momentum), larger universe (uses a liquidity threshold rather than index inclusion for eligibility). The strategies also show consistently low correlations (45-55% return correlation and 35-50% drawdown correlation with the other momentum strategies). Should the explosive market behaviour that has defined the AI era persist, we think the short lookback momentum will assist forward returns. If more normal behaviour returns, pre-AI era returns of the short lookback strategies were still sound.

The original momentum systems have materially better ROCE over our full back testing, but since TAF launched, the return characteristics have been comparable with the short lookback momentum strategies. This implies the more “short-term” behaviour displayed by the market recently has improved the relative advantage of short-termism. Should both types of Momentum falter, we retain a sufficient quantum of exposure to MR strategies that we would expect them to “pick up the slack” as they have in back testing in historically weak years for momentum (2011/2016/2019/2022).

A momentum shorting system employing the shorter lookback has also been included. It is far more selective in when it will short stocks and will primarily place trades in periods of significant dislocation. This characteristic improves the ROCE for the strategy and means it will only short momentum in periods of significant market unrest, and when normal behaviour reigns (i.e. most of the time) the system does nothing, rather than fighting the tide.

As a final thought, we encourage prospective investors interested in owning exposure to the systematic funds we have developed at EGP to look at the three funds as a collective. They are, by design, very different products. Intended to perform with considerable discorrelation. The ideal exposure level will depend on the portion of your portfolio you would like exposed to systematic investing and your taste for volatility, but something like a 15%/25%/60% exposure respectively to TAF/LSGF/TGF thought of as a single “holding” will result in a more balanced systematic investing experience. The GANE Fund has only a ~30% correlation with each of the long/short funds and they have less than a 50% correlation with each other.

For your TAF fund manager, my current exposure to TAF exceeds 60% of family investable assets, but given a ~5 year outlook, I would expect to retain >90% exposure in my family investable assets to EGP’s three funds and expect at the end of that period it might be weighted at roughly 30% per fund, but my ability to stomach equity volatility is higher than average. We are unwavering believers in the funds we have created - From your Co-CIO’s: **Erik A. (Tony) Hansen & Gavin L. Skinstad**

Appendix 1: June 2026 Heatmap

Performance by Symbol (Cont.)

Analysis Period: June 1, 2026 - June 29, 2026 (TWR)

Portfolio Heat Map

MRVL 2.21%	LRCX 1.84%	MKSI 1.72%	WDC 1.63%	RMD 1.22%	MU 0.95%	STX 0.80%	FIX 0.70%	AMD 0.50%	STAK 0.38%	LITE 0.27%	GLD 0.27%	IAU 0.26%	CRWD 0.24%	CIFR 0.24%	PPLI 0.22%	GRRR 0.21%	QH 0.21%	AMKR 0.18%	RKLB 0.18%	ELF 0.17%	ASTI 0.17%
LLYVA 0.17%	DELL 0.16%	ALB 0.16%	ALAB 0.16%	TEAM 0.15%	SOXL 0.15%	BOT 0.15%	ECG 0.14%	IRDM 0.14%	NBIS 0.14%	INOD 0.14%	BB 0.14%	FOXA 0.13%	GOOGL 0.12%	AGL 0.12%	BRBR 0.12%	AMPG 0.12%	SNDK 0.12%	CIEN 0.11%	OKTA 0.11%	CMCSA 0.11%	FLUT 0.11%
RPD 0.11%	BRUN 0.10%	TRT 0.10%	SOFI 0.10%	DDOG 0.10%	EVC 0.09%	ECHO 0.09%	SSM 0.09%	OLOX 0.09%	CNXC 0.09%	MP1 0.08%	CAVA 0.08%	P I I I 0.08%	SPY 0.08%	CLSK 0.07%	COHR 0.07%	ONTO 0.07%	LIN 0.07%	VPG 0.07%	PANW 0.07%	FANG 0.06%	GEV 0.06%
OCC 0.06%	VSH 0.06%	MRNA 0.06%	NU 0.06%	VECO 0.05%	DKNG 0.05%	CASY 0.05%	AEP 0.05%	OLN 0.05%	HUBB 0.05%	VRT 0.05%	SAIL 0.04%	CRCL 0.04%	ATEX 0.04%	FTNT 0.04%	ZETA 0.04%	MMED 0.04%	ROST 0.04%	SOLV 0.04%	CGF 0.04%	HOOD 0.04%	COST 0.04%
EIF 0.04%	PURR 0.04%	BBD.B 0.03%	MYE 0.03%	CRSR 0.03%	FER 0.03%	FEC 0.03%	ACMR 0.03%	ARM 0.03%	SMTC 0.03%	AUD 0.03%	CECO 0.03%	FPS 0.03%	JBIO 0.03%	BFLY 0.03%	PLTR 0.03%	MQG 0.03%	RNG 0.03%	F 0.03%	ALNT 0.03%	TDC 0.02%	SLDB 0.02%
AYI 0.02%	MTSI 0.02%	MIDD 0.02%	MDA 0.02%	FLEX 0.02%	MEI 0.02%	HON.OLD 0.02%	CCL 0.02%	PTGX 0.02%	LNG 0.02%	CFW 0.02%	MAL 0.02%	ZVRA 0.02%	AVGO 0.02%	NCLH 0.02%	VXUS 0.02%	WBD 0.01%	ROIV 0.01%	GUD 0.01%	SNPS 0.01%	VIRT 0.01%	UAL 0.01%
ESTC 0.01%	ARMK 0.01%	PR 0.01%	ASTS 0.01%	HUN 0.01%	CPNG 0.01%	CSCO 0.01%	QCOM 0.01%	FAS 0.01%	VTRS 0.01%	RYTM 0.01%	DFTX 0.01%	ZBIO 0.01%	STLD 0.00%	QTTB 0.00%	ABBV 0.00%	TECL 0.00%	HUT 0.00%	WAT 0.00%	ICHR 0.00%	NTAP 0.00%	AES 0.00%
CGEM 0.00%	TECH 0.00%	TRGP 0.00%	CAD 0.00%	WBA.CVR 0.00%	HKD 0.00%	EXE 0.00%	AMAT 0.00%	EFX 0.00%	DNLI 0.00%	ORCL 0.00%	RARE 0.00%	ENTG 0.00%	NOW 0.00%	BKR 0.00%	APA 0.00%	WMT 0.00%	VCEL -0.01%	GS -0.01%	CS -0.01%	TER -0.01%	BNAI -0.01%
CMI -0.01%	SANM -0.01%	SXC -0.01%	PEN -0.01%	SBUX -0.01%	AVAH -0.01%	NRIX -0.01%	RUS -0.01%	HAL -0.01%	AAL -0.02%	AMGN -0.02%	BWIN -0.02%	TWLO -0.02%	NSIT -0.02%	LTH -0.02%	DXCM -0.02%	MEC -0.02%	CAT -0.02%	AMRX -0.02%	BH A -0.02%	LABU -0.02%	GAP -0.02%
ROKU -0.02%	WLFC -0.02%	KGN -0.03%	MGM -0.03%	RIVN -0.03%	AKAM -0.03%	LYB -0.03%	ODFL -0.03%	UMAC -0.04%	BSL -0.04%	NEO -0.04%	HPQ -0.04%	BCN -0.04%	CHEF -0.04%	CLF -0.04%	ABSI -0.04%	APPS -0.04%	WTE -0.04%	FCEL -0.04%	REPL -0.04%	MSTR -0.04%	TRVI -0.05%
DAR -0.05%	SHAZ -0.05%	AMZN -0.05%	PVH -0.05%	HPE -0.05%	HBM -0.05%	VNT -0.05%	MLI -0.05%	VELO -0.05%	NET -0.06%	SNOW -0.06%	CE -0.06%	MPWR -0.06%	XPO -0.06%	PSNL -0.06%	REAL -0.07%	KOPN -0.07%	GEO -0.08%	QTRH -0.08%	FWRD -0.08%	SGM -0.09%	LGND -0.09%
CLS -0.09%	SLB -0.09%	RGNX -0.09%	GLW -0.09%	BLZE -0.10%	CAR -0.10%	PATH -0.10%	BLDP -0.11%	CDNL -0.11%	XLK -0.13%	BHP -0.13%	BOL -0.13%	TGTX -0.14%	ARCB -0.14%	CRWV -0.16%	NWL -0.18%	MBX -0.18%	WFRD -0.20%	SLS -0.23%	CBOE -0.23%	WYFI -0.24%	ARQQ -0.24%
MIN -0.25%	HQ -0.25%	AA -0.27%	USD -0.27%	VOYG -0.28%	PLS -0.38%	INTC -0.42%	SMCI -0.50%	LTR -0.63%	SLV -1.27%	TQQQ -2.36%											

< -20% 0% > 20%

Appendix 2: FY2026 Heatmap

Performance by Symbol (Cont.)

Analysis Period: July 1, 2025 - June 29, 2026 (TWR)

Portfolio Heat Map