

Alvia Family Office Fund

Alvia's 'best ideas' unitised fund leverages our family office investment process to deliver long term, consistent and compounding returns.

December 2025 update

Markets

Markets were mostly higher to close out the year, however US markets were the laggard. The S&P 500 lost 0.1% (2025: +16.4%), while the tech-heavy Nasdaq Composite declined 0.5% (+20.4%). Across the Atlantic, the FTSE 100 added to its strong 2025 performance, adding 2.2% (+21.5%), while in Germany, the DAX 40 rallied 2.7% (+23.0%). Gains in Paris were more muted, with the CAC 40 advancing 0.3% (+10.4%). Japan's Nikkei 225 was 0.2% higher, taking its 2025 gain to 26.2%, a solid showing given the bourse's 2024 rally of ~20%. China's SSE Composite posted a 2.1% gain (+18.4%). Our local bourse was 1.2% higher for the month, and towards the bottom of the pack for the year, with a 6.8% gain. The local listed property sector saw a more modest gain of 0.9%, given the outlook for potential interest rate rises in 2026. For 2025, the sector was 5.8% higher. Longer-dated government bond yields both locally and in the US were higher, which saw the respective indices 0.9% (2025: +2.5%) and 0.3% (+6.0%) lower for the month. In Australia, the 10-year government bond yield added 22 basis points to 4.76%, while in the US, the equivalent paper added 15 basis points to 4.16%.

The Bloomberg Commodity Index lost 0.7% (2025: +11.1%), with the standout for the month being silver, which rallied 24% and 142% for the year, with financial and industrial demand driving the price higher. Iron ore was 2.2% higher to US\$107.13 a tonne (+7.7%), while copper added to its strong performance for the year, with a 6.0% gain to US\$5.63 an ounce (+41.2%), closing out the year at a record high. The oil price added to its poor showing for the year, with a 1.9% decline to US\$57.42 a barrel (-19.9%). Uranium on the spot measure was 7.6% higher at US\$81.55 a pound (+12.3%), while the long-term price added 0.6% to US\$86.50 (+7.5%). Gold added to its impressive rally for 2025, rising 1.6% to US\$4,325.60 an ounce (+64.5%). The Australian dollar benefited from strength in commodity prices, adding 2.2% to 66.7 US cents (+7.4%). Bitcoin continued on its weak run since October, with a decline of 3.2% to US\$87,508.83 a coin (-5.3%).

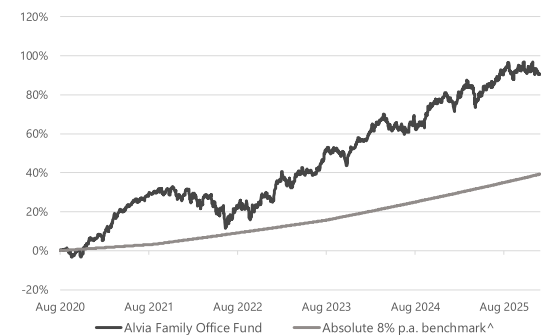
Portfolio

During the month, we exited our long-tenured position in Chinese technology company **Alibaba Group Holding (NYS:BABA)**, premised solely on valuation. The portfolio's investment in international shopping centre owner and operator, **Unibail-Rodamco-Westfield (PAR:URW)** was also divested. Given that the discount to the underlying portfolio's book value has closed materially and the group's operating performance has largely returned to pre-COVID levels, we believe there are more compelling risk-adjusted opportunities for this capital.

Getlink SE (PAR:GET), the long-term leaseholder and operator of the Channel Tunnel, was added to the portfolio. We believe that GET provides additional defence to the portfolio, given its long track record of consistent volume and yield growth, and the monopoly-like nature of the asset, being the only fixed transport link between the United Kingdom and Continental Europe. **Gartner Inc (NYS:IT)**, also added to the portfolio, is another example of a company being caught up in the "AI hysteria", with the market concerned about the company's long-tenured business model being significantly disrupted by the emergence of AI tools, including LLMs. We believe this risk is overplayed, with Gartner establishing itself over 20+ years as the industry leader in market research, insights and consulting for IT applications, in addition to other key C-suite decision leadership areas, including HR, ERP and supply chain management. At current levels, the company's scrip has a forward shareholder yield of over 7.5%.

Longer-dated Australian government debt is providing an attractive risk-adjusted opportunity at current levels, and hence we've allocated surplus cash in the portfolio to **iShares 15+ Year Australian Government Bond ETF (ASX:ALTB)**, with a current running yield of ~4.1%.

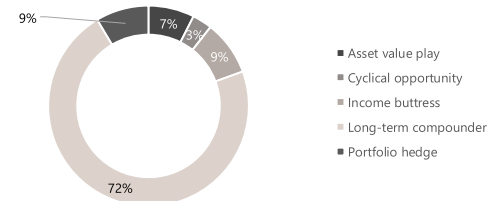
Cumulative return since inception



Top 5 investments

PURE	Pure Environmental Pty Ltd	4.5%
GRG.LSE	Greggs PLC	4.4%
HCA.NYS	HCA Healthcare Inc	4.1%
TAG	The Automotive Group Pty Ltd	4.0%
RHC	Ramsay Health Care Limited	3.8%
Top 5 total		20.8%
Number of investments - total (public/private)		29 (24/5)
Average investment weight		3.3%

Weighting by investment category



Key portfolio metrics

EV/EBITDA (x)	10.6
Price to earnings ratio (x)	16.2
6-year historical EBITDA CAGR (%)	13.0%
6-year average return on invested capital (%)	24.7%
FCF yield (%)	7.0%
Net debt to EBITDA (x)	1.9

Unit prices as at 31 December 2025 (A\$ per unit)

Entry price	1.4981
Mid price	1.4951
Exit price	1.4921

Performance as at 31 December 2025 (A\$)*

	Total since inception	Since inception p.a.	5 years p.a.	4 years p.a.	3 years p.a.	1 year	1 month
Alvia Family Office Fund (net of fees)	90.5%	12.7%	12.4%	10.3%	14.9%	7.5%	(2.7%)
Absolute 8% p.a. benchmark^	39.2%	6.3%	6.6%	7.2%	7.6%	8.0%	0.7%
Value added (net of fees)	51.3%	6.4%	5.8%	3.1%	7.3%	(0.5%)	(3.3%)

* Fund class inception date is 6th August 2020. Performance figures are historical percentages, which have been calculated using end of month prices and do not allow for the effects of income tax or inflation. Returns assume the reinvestment of all distributions. For periods greater than one year, with the exception of "Total since inception", returns are annualised. Performance can be volatile and future returns can vary materially from past returns. The name of the fund was changed from Alvia High Conviction Fund to Alvia Family Office Fund, effective 1 August 2023.

^ Fund benchmarks: inception date to 31 August 2021 - RBA Cash Rate + 3.00% per annum; 1 September 2021 to 31 July 2023 - 6.00% per annum; 1 August 2023 onwards - 8.00% per annum

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FUND PROFILE

Absolute Return Focused
8-12% p.a.

Minimum Investment
\$250,000

Management Fee
0.85% p.a. + GST

Performance Fee
15% p.a. of performance above the benchmark (8.00% p.a.), subject to a high water mark

Timeframe
The Fund is suited to investors with a long-term investment horizon.

Entry/Exit Fees
Nil

Distribution Frequency
Annually, subject to availability of income.

Typical Number of Investments
20 to 40

Trustee
Independently owned, DDH Graham Limited.

The Fund provides access to Family Office investment expertise and investment ideas, without the barrier of a significant investment minimum.

Objective

To deliver sustainable, long term risk-adjusted returns with a focus on capital preservation.

Structure

The Fund is an open-ended, unregistered managed investment scheme structured as a unitised trust, for wholesale investors only.

Investment Mandate

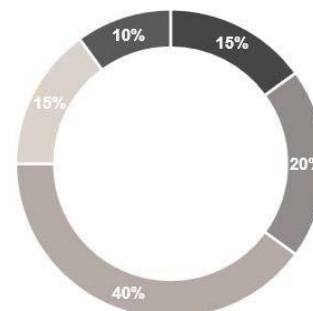
Unconstrained, incorporating listed securities, managed funds and private companies; long and short positions; all geographies.

Investment Philosophy

The Fund's investment process is founded on the underlying principle that good investing requires a solid temperament as much as strong analysis.

Investing is principled upon long-term compounding of returns and not short-term speculative price forecasts. All of the Fund's investments are subject to a rigorous five step review process, consistent with the approach used across Alvia's five asset class model portfolios.

Portfolio Weighting



Asset value play - 15%

A business that is currently priced at a material discount to its book value or net asset value ('NAV').

Cyclical opportunity - 20%

A business that operates in an industry with earnings that are highly correlated to commodity prices and/or economic activity, where the investment team believes there is a material mispricing relative to the current stage of the economic cycle.

Long-term compounder - 40%

A business that is the leader or one of the leaders in its industry that has consistently delivered growth in revenue, earnings and cash flow across the business cycle.

Income buttress - 15%

Investments that have a strong and stable income profile with lower levels of price volatility. These investments tend to have a lower (or negative) correlation to typical equity and equity-like securities.

Portfolio hedge - 10%

Investments that have a low or negative correlation to listed equities and other equity-like asset classes, to reduce the volatility of portfolio returns (e.g. gold and the US dollar).

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