



## Alvia Family Office Fund

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

### January 2026 update

#### Markets

Equity markets were mostly higher to commence proceedings for the year. In the US, the S&P 500 added 1.4%, while the tech-laden Nasdaq Composite was 0.9% higher, impacted by weakness in some of the "Magnificent 7", including Microsoft (NAS:MSFT), which declined 11.0%. In London, the FTSE 100 was out of the gates strongly, with a 2.9% rally, outperforming its continental European counterparts. In Germany, the Dax 40 eked out a 0.2% gain, while France's CAC 40 was 0.3% in the red. Across in Asia, Japan's Nikkei 225 surged 5.9% and China's SSE Composite rallied 3.8%. Locally, our market benefited from strength in the resources sector, offset by weakness in Commonwealth Bank (ASX:CBA) and the technology sector. The ASX 200 finished the month up 1.8%, while the real estate sector fared much worse, with a 2.7% decline.

Government bond yields were largely unchanged both locally and in the US, which saw each country's respective bond index flat for the month. Australia's 10-year government paper closed out the month with a yield of 4.81%, up 5 basis points, while in the US, the equivalent paper yielded 4.24%, 8 basis points higher.

As discussed earlier, the price action in the commodities complex was volatile, with the Bloomberg Commodity Index posting a 10.0% gain for the month. Iron ore was 1.4% lower at US\$105.62 a tonne, while copper rose 4.7% to US\$5.90 a pound. After a rather poor showing in 2025, oil started the year strongly, with the price on the West Texas Intermediate measure rallying 13.6% to US\$65.21 a barrel. The spot price of uranium surged 15.6% to US\$94.28 a pound, while the long-term price added 2.9% to US\$89, a level not seen since May 2008. Gold bullion continued to catch a bid despite a soft end to the month, rising 9.0% to US\$4,713.90 an ounce. The spot price of silver was 11.6% higher in January. The Australian dollar posted a 4.9% gain against the Greenback to 70 US cents, which takes the Aussie battler's rally since the tariff tantrum in early April 2025 to 17.6%. The price of Bitcoin was sold off a further 10.2% to US\$78,621.12 a coin, taking its sell-off since its early October 2025 record high to ~37%.

#### Portfolio

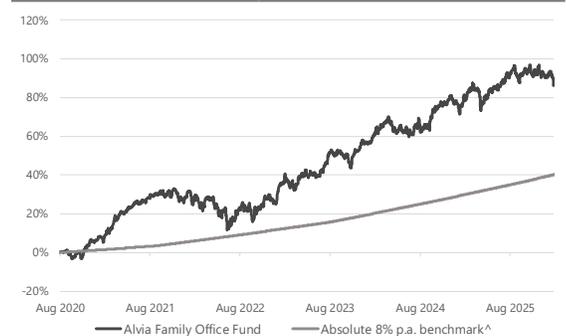
The softer performance for the month was driven by what we would describe as first order artificial intelligence or AI driven concerns, which saw **Gartner (NYS:IT)**, **PayPal (NAS:PYPL)** and **Prosus NV (AMS:PRX)** as the portfolio's worst performers. Weakness in the above investments was partially offset by leading insulin and weight loss drug company **Novo Nordisk (CPH:NOVO-B)**, **Domino's Pizza Enterprises (ASX:DMP)** and **Woodside Energy (ASX:WDS)**.

Market noise and volatility continues to be elevated, however we remain convicted and focused on the long-term investment opportunities across both the fund's portfolio holdings and potential opportunities, which have and always will challenge the fund's incumbent positions.

A good example of the high hurdle rate for an investment's inclusion in this portfolio, is the divestment of beer and spirits brand owner, manufacturer and distributor, **Diageo Plc (LON:DGE)**. Despite hopes that "Drastic" Dave (i.e. CEO Sir Dave Lewis, the former Tesco CEO) can turn around the ship, we believe that this will take much longer than expected, with the further challenge of managing the group's large net debt position, currently at ~3.5x EBITDA.

We funded the portfolio's investment in **Adobe (NAS:ADBE)** with the proceeds from the Diageo sale. We believe that despite a modest deceleration in the company's top-line and earnings growth rates, the fundamentals of the Adobe business remain intact. We believe that the concerns around AI disruption are overstated, given the company's long and well-embedded software and services ecosystem across creatives and enterprises across the globe.

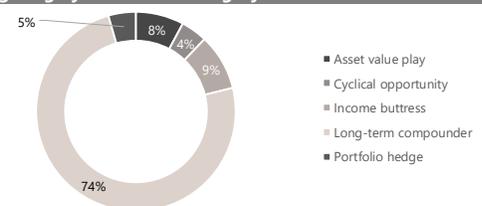
#### Cumulative return since inception



#### Top 5 investments

PURE	Pure Environmental Pty Ltd	4.7%
NOVO-B.CSE	Novo Nordisk A/S	4.3%
WDS	Woodside Energy Group Limited	4.2%
HCA.NYS	HCA Healthcare Inc	4.2%
GRG.LSE	Greggs Plc	4.2%
<b>Top 5 total</b>		<b>21.7%</b>
Number of investments - total (public/private)		29 (24/5)
Average investment weight		3.4%

#### Weighting by investment category



#### Key portfolio metrics

EV/EBITDA (x)	10.3
Price to earnings ratio (x)	15.4
6-year historical EBITDA CAGR (%)	13.0%
6-year average return on invested capital (%)	25.3%
FCF yield (%)	7.4%
Net debt to EBITDA (x)	1.6

#### Unit prices as at 31 January 2026 (A\$ per unit)

Entry price	1.4679
Mid price	1.4650
Exit price	1.4621

#### Performance as at 31 January 2026 (A\$)\*

	Total since inception	Since inception p.a.	5 years p.a.	4 years p.a.	3 years p.a.	1 year	1 month
<b>Alvia Family Office Fund (net of fees)</b>	<b>86.7%</b>	<b>12.1%</b>	<b>12.1%</b>	<b>9.9%</b>	<b>11.0%</b>	<b>2.9%</b>	<b>(2.0%)</b>
Absolute 8% p.a. benchmark <sup>^</sup>	40.1%	6.3%	6.7%	7.3%	7.7%	8.0%	0.7%
Value added (net of fees)	46.5%	5.7%	5.4%	2.7%	3.4%	(5.1%)	(2.7%)

\* 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.

<sup>^</sup> 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

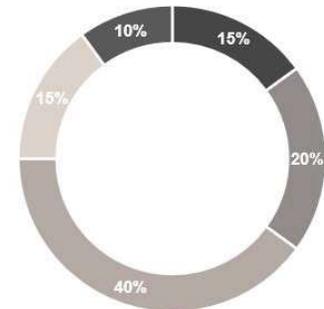
Unconstrained, incorporating listed securities, managed funds and private companies; long and short positions; all geographies.

### 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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