

# Ten Cap Alpha Plus Fund: Class A



Ten Cap Alpha Plus Fund – Class A (APIR: ETL0069AU)

Investment Objective:

The Fund aims to achieve positive returns in excess of the S&P/ASX 200 Accumulation Index, before fees and expenses, over a three-to-five-year investment horizon by taking both long positions and short positions in selected Australian shares.

Investment Strategy:

Alpha Plus is a domestic Australian equity long/short (150:50) extension fund. This means it can short 50% of the value of the fund and invest these proceeds, taking long exposure to a maximum 150% of the value of the fund. Net exposure of 100% implies that the fund is always fully invested. The strategy holds between 60-70 long positions and 30-40 short positions providing strong diversification and benefits while a proprietary long-short approach allows the fund to hedge market (downside) risks. It is style neutral providing opportunities across size and style while the leveraged nature of the fund allows enhanced active positions.

About Ten Cap:

Ten Cap is a boutique investment management company with a singular focus on providing our clients with exceptional returns and client experiences. Ten Cap manages ~\$1.6bn in Australia’s largest founder owned and led 150:50 fundamental active extension fund. Our purpose is to empower our clients, grow their wealth and in turn the community through aligning our interests with their own.

Investment Team:

**Jun Bei Liu, CFA**  
Founder & Lead Portfolio Manager

**Mark Kellock**  
Senior Investment Analyst

**Charles Pegum**  
Investment Analyst

**Christian Clementson**  
Head of Trading

	1 Year	2 Year p.a.	3 Years p.a.	5 Years p.a.	ITD p.a.
Alpha Plus*	11.10	19.50	13.47	13.84	12.26
Benchmark	12.46	18.51	13.08	13.64	9.65
Value Added	-1.36	+0.99	+0.38	+1.20	+2.62

ITD = Inception to date (Mar-19 when Jun Bei took over as Lead Portfolio Manager for the Alpha Plus Fund)  
2, 3, 5-year returns are annualized. Benchmark is ASX200 Accumulation Index  
\* Net performance for Class A – based on month end unit prices in Australian dollars. Net return is after management and operating fees. Past performance is not indicative of future performance

Lead Portfolio Manager

Jun Bei Liu, CFA



Alpha Plus vs ASX200 Accumulation Index  
(Net Returns as at October 2025)



## Alpha Plus 4-Stage Investment Process:

Ten Cap runs a proprietary 4 stage “quantamental” investment process and sector hedging strategy for the Alpha Plus Fund. The process has been refined over multiple cycles to provide a robust framework that has helped generate consistent long-term outperformance. The 4-stage process allows us to leverage our competitive advantages in translating insights into actionable ideas with speed, precision and consistency.



Ten Capital gains premium access to all sell side services through its strong partnerships. This is complemented via an experienced research team.



We believe in diversification and in building a portfolio where returns come from a wide range of investments. We use bottom-up fundamental idea generation.



Our risk models are part of our DNA and are used to evaluate and control our exposure in real time. This ensures we only accept risk when it is compensated, while hedging away unwanted exposures.



Our portfolio is managed dynamically, with continuous performance monitoring to ensure alignment with our investment objectives.

## Proprietary “sector” hedging technique

Within our investment process, we implement a proprietary hedging model. This approach ensures we only accept risk when it is compensated, while actively hedging away any unwanted exposures. Our hedging and sector classification model segments our portfolio into five mega sectors – allowing deeper stock selection. By aligning companies within this grouping, we can more effectively manage our stock / industry and macro exposures. Additionally, our long-short mandate allows us to implement pair trades within these sectors, which helps reduce risk while enhancing potential returns.



• Metals & Mining  
• Oil & Gas



• Banks  
• Insurance  
• Utilities



• Chemicals  
• Construction



• Consumer Discretionary  
• Communication Services



• Healthcare  
• IT

## Why an Alpha Plus Strategy?

Alpha Extension funds have advantages over traditional long only funds:

1. Offers more flexibility than traditional long only equity funds via leverage, risk control and market exposure.
2. It offers a broader investment set than traditional long only ASX200 benchmarked funds by allowing up to 10% of the fund to be held outside the benchmark.
3. The ability to short stocks provides multiple benefits:
  - Alpha generation during both rising and falling markets;
  - Remains fully invested during all market cycles (don't need to hold cash);
  - Not constrained to benchmark weights like a long only fund;
4. Leverage (shorting stocks and using the proceeds to go long) allows higher allocation to conviction positions.
5. Hedging (long/short) reduces risks and improves risk-adjusted returns relative to traditional long only funds.

## Why Ten Cap's Alpha extension strategy?

Ten Cap and its Alpha extension strategy offers investors several competitive edges:

1. Investment team: Singularly focused on Alpha Plus. Skills and input are designed to support a Long-Short strategy alone.
2. Speed: Operates with speed but precision. The investment team feeds directly into the lead PM.
3. Flexibility: Flexible investment process (style agnostic) allows for variable market conditions.
4. Risk Management: Portfolio management and risk models are built into the DNA of the investment process and stock selection.

Ten Cap Alpha Plus Fund Class A Information:

The Ten Cap Alpha Plus Fund – Class A (ARSN 120 567 544) is an Australian Equity, long/short strategy with the typical asset classes held by the Fund being cash, Australian listed shares and exchange traded Derivatives.

Ten Cap Alpha Plus Fund Class A Fund at a Glance:

Inception:	September 2006 (Jun Bei Liu became lead portfolio manager in March 2019)
Fund Strategy:	Long/Short 150:50 extension
Benchmark:	ASX200 Accumulation Index
Minimum Investment:	A\$25,000
Number of positions:	70-100 (between 60-70 long and 30-40 short)
Max Over & Underweight:	+/- 5% (with 1% drift)
APIR:	ETL0069AU
Base Currency:	AUD \$
Subscriptions:	Daily
Redemptions:	Daily
Management Fee:	0.97% per annum
Performance Fee:	20% of return above ASX200 Accumulation index (high water mark applies)
Investment Horizon:	3-5 years
Distributions:	Semi-annual
Responsible Entity:	Ironbark Asset Management (Fund Services) Limited
Custodian & Administrator:	JP Morgan Chase Bank N.A. (Sydney Branch)
Unit Registry:	MUFG Corporate Markets (AU) Limited

Let’s Keep Talking

Sydney

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*Material Matters:*  
On 29 September 2025, Ten Cap Investment Management Pty Ltd ACN 682 019 987, the investment manager of the Fund, was granted its application to vary its Australian financial services license, to provide general financial product advice to retail and wholesale clients. There have been no material changes to the Fund in terms of key service providers, the risk profile, investment strategy or changes to individuals in the investment team who play a key role in the investment decisions of the Fund. The Fund is classified as a hedge fund in accordance with the Australian Securities and Investments Commission, Regulatory Guide 240 'Hedge funds: Improving disclosure'. This classification is based on the fact that the Fund currently exhibits two or more characteristics of a hedge fund, being: 1) complexity of investment strategy or structure; 2) use of leverage; 3) use of derivatives; 4) use of short selling; 5) charges a performance fee. This information contains general information only and is not intended to represent specific investment or professional advice. The information does not take into account an individual's personal financial circumstances, objectives or needs. Before making an investment decision, you should consider obtaining professional investment advice that takes into account your personal circumstances and should read the current target market determination and offer document before making an investment decision to acquire or to continue to hold units in the Fund.

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