L1 CAPITAL

Monthly report

L1 Capital Long Short Fund – Monthly Class

November 2025

- The L1 Capital Long Short Fund returned 7.5%[1] in November (ASX200AI -2.7%) taking performance for the calendar year to date to 41.3%[1] (ASX200AI 8.9%).
- Over the past 5 years, the Fund has returned 18.3%[1] p.a. (ASX200AI 9.9% p.a.).
- Since inception in 2014, the L1 Capital Long Short Fund has been the best performing long short fund in Australia, returning 19.7% p.a., compared to 8.1% p.a. for the ASX200AI.[2]

The Australian equity market declined in November, as sticky inflation led to a change in interest rate expectations, from potential interest rate cuts to a risk of interest rate hikes over the next 6 months. Services inflation and housing strength resulted in a monthly CPI release of 3.8% year-on-year for October, above consensus expectations of 3.6%. This result extended the pattern of upside inflation surprises observed in the September quarter.

Reflecting these developments, the RBA revised its inflation forecasts higher and delivered a more hawkish policy outlook, which in turn catalysed a sharp repricing of interest rate expectations across the market. Investor sentiment was further dampened by a significant sell-off in the U.S. Technology sector, adding to pressures on the local equity market. In commodities, the gold price rose a further 5% over the month, with Australian gold stocks up 10%.

The ASX200AI returned -2.7% in November. Healthcare (+2.0%), Consumer Staples (+1.6%) and Materials (+1.5%) outperformed, while Information Technology (-11.6%), Financials (-6.5%) and Property (-3.8%) lagged.

In the U.S., the S&P 500 was flat, with a 0.2% return for the month. Despite a positive lead from Nvidia's quarterly results and strong earnings numbers from the Magnificent Seven, investors rotated into defensive sectors on heightened scrutiny over A.I. spending and concerns over elevated valuations in the Tech sector.

The portfolio performed strongly over the month, with broad- based gains across numerous positions – 20 stocks each contributed more than 0.2% to returns. The Fund also benefitted from our exposure to gold and copper stocks, as well as our short positions in the domestic Bank sector.

Since inception, LSF has protected almost 95% of investors' capital during months when the ASX200AI had a negative return. This trend was demonstrated again in November, which saw the fund return +7.5% against the index return of -2.7%.

Fund returns (Net)[1] (%)

	L1 Capital Long Short Fund	S&P/ASX 200 AI	Out-performance
1 month	7.5	(2.7)	+10.2
3 months	14.8	(3.0)	+17.9
1 year	36.0	5.5	+30.5
3 years p.a.	17.3	9.7	+7.6
5 years p.a.	18.3	9.9	+8.4
7 years p.a.	19.0	10.2	+8.7
10 years p.a.	16.8	9.5	+7.3
Since Inception p.a.	19.7	8.1	+11.6

Figures may not sum exactly due to rounding.

Returns since inception (Net)[1] (%)

	Cumulative return	Annualised return p.a.
L1 Capital Long Short Fund	658.6	19.7
S&P/ASX 200 Accumulation Index	140.6	8.1
MSCI World Net Total Return Index (USD)	204.7	10.4

We believe the Australian equity index is now fully valued, with several large cap stocks trading well above historical multiples and global peers. Encouragingly, we are continuing to find numerous undervalued stocks offshore, where we see a far more compelling combination of strong earnings growth, shareholder friendly management, conservative balance sheets and significant valuation support. We continue to believe that infrastructure, gold, travel, construction materials and 'quality value' stocks provide some of the best opportunities globally.

Given the enormous outperformance of high P/E stocks in recent years and over the past decade, we are finding more compelling opportunities in 'Value' stocks. We believe low P/E stocks will strongly outperform high P/E stocks (in general) over the coming 1-2 years, which should be supportive of portfolio returns.

All performance numbers are quoted net of fees. Figures may not sum exactly due to rounding. **Past performance should not be taken as an indicator of future performance. 1.** Based on returns achieved by the L1 Capital Long Short Fund – Monthly Class since inception (1 September 2014). 2. Based on Zenith FE funds data as at November 2025. NOTE: Fund returns and Australian indices are shown in A$. Returns of U.S. indices are shown in US$. Index returns are on a total return (accumulation) basis unless otherwise specified.

Key contributors to portfolio performance in November were:

Gold Investments: The gold price increased ~5% over the month, bringing the strong rally to around 60% for the calendar year. We refer our readers to our [December 2024 quarterly report](), where we discussed our positive outlook for gold and our positioning within gold equities, specifically focused on mid-cap producers, which have delivered broad-based positive performance. Gold's significant outperformance continues to be driven by a combination of large and growing public fiscal deficits, a devaluation of the U.S. dollar, emerging market central bank accumulation and a global rate cutting cycle. We continue to see substantial upside in our selected gold positions.

James Hardie (Long -6%) shares ended down over the month, however rallied ~20% from the lows in early November. The shares were impacted by the announcement of an unexpected index deletion, which resulted in more than 10% of shares on issue having to be sold by passive equity holders. We took advantage of the sell-off in early November to step-up our shareholding near the lows of around $26 per share. The shares subsequently recovered as the company upgraded its full year earnings guidance with its Q2 earnings update, and as the index transition was completed in late November to end the month around $30 per share.

The market outlook in the U.S. remains uncertain, with consumers exercising caution and housing starts remaining subdued. We believe these impacts are transitory and should improve over the next 12-18 months as interest rates decline and consumer confidence improves. James Hardie, together with Azek, remains a secular market share gainer in attractive industry verticals within the building products industry and we continue to see further upside from current share price levels.

Viva Energy Group (Long +16%) shares recovered in November as global refining margins continued to rise owing to Russian trade sanctions and refinery closures, with relatively weak margins in the preceding 12 months. If current conditions persist, the earnings upside in the Refining business would be substantial, offsetting M&A integration and market challenges in Viva Energy's Convenience business, and also reducing the company's leverage. While the performance of the Convenience business has been disappointing, from H2 25 it should start to benefit from material acquisition synergies, and new and converted stores, both of which should contribute to further earnings growth in 2026.

Light & Wonder (Long +40%) shares recovered sharply as the company reported strong third quarter results and re-iterated full year earnings guidance. The shares were also supported by the completion of the NASDAQ delisting and shift to a sole primary listing on the ASX which saw the end of significant forced selling from U.S. passive equity holders. We believe Light & Wonder is well placed to deliver solid earnings growth over the medium-term, driven by its strong land-based game performance.

Commonwealth Bank (Short -11%) shares declined in the month as Q1 26 earnings disappointed on margins and as elevated technology inflation increased costs. Management noted caution regarding increasing competition, especially in deposits, which the market feared could indicate further risk to margins going forward.

Despite CBA shares falling from over $190 in late June to $154 over the past few months, CBA still trades on a P/E of ~24x FY26 consensus earnings, which is almost 3 standard deviations above its 30-year average. CBA also trades on almost 3.5x tangible book value, which is higher than any large cap developed market bank has ever traded. We believe this valuation is hard to justify in the context of limited earnings growth over the next 2 years (~2% p.a. EPS CAGR). In addition, while many investors own Australia's banks for their strong dividends, CBA is currently offering a yield of only 3.2%.

Webinar Replay | November 2025

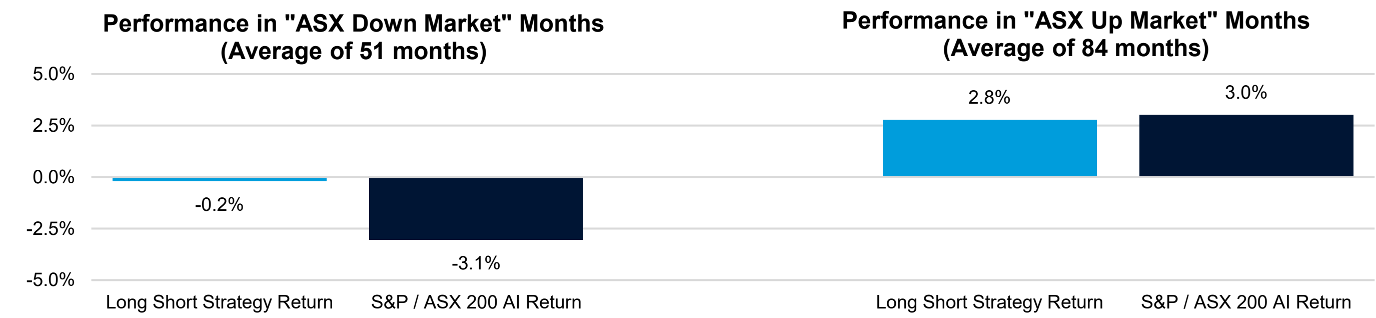
Mark Landau and Raphael Lamm, Co-CIOs, together with Amar Naik, Head of Research, discuss LSF portfolio performance, provide key takeaways from L1's Family Office Summit, observations on markets, portfolio drivers and portfolio positioning, and an update on L1 Group.

To watch the replay, please click [here]().

Strategy returns (Net)[3] (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014	–	–	–	–	–	–	–	–	(2.4)	3.0	2.8	1.6	**5.1**
2015	0.6	9.1	2.4	1.7	3.7	(0.9)	3.3	2.1	5.5	8.5	8.1	4.6	**60.5**
2016	5.8	0.6	5.5	2.5	2.8	(0.9)	3.2	3.9	0.5	(0.1)	0.5	2.2	**29.6**
2017	2.5	1.9	3.2	1.0	4.2	1.7	2.6	1.7	1.9	2.5	0.9	3.6	**31.4**
2018	0.6	(0.5)	(1.6)	1.6	(3.8)	(6.3)	0.8	(5.9)	(2.1)	(4.0)	(2.6)	(6.1)	**(26.4)**
2019	4.4	5.2	0.2	2.8	(2.8)	3.8	1.2	0.4	2.6	3.4	0.3	2.2	**26.2**
2020	(7.8)	(7.1)	(23.0)	23.0	11.0	(2.2)	(1.9)	10.0	0.5	(2.6)	32.3	4.2	**28.0**
2021	(0.1)	9.1	(0.1)	5.0	4.1	(0.6)	1.8	5.2	4.8	2.3	(7.2)	3.6	**30.6**
2022	2.7	7.0	1.5	3.3	0.1	(13.4)	(4.6)	5.7	(7.8)	5.1	7.9	4.3	**9.8**
2023	3.7	(2.0)	0.7	1.9	(3.4)	1.8	5.4	(4.7)	0.9	(3.1)	2.5	3.7	**6.9**
2024	0.3	(0.8)	8.3	3.3	2.7	(5.0)	1.6	(3.4)	4.2	(1.2)	(2.9)	(3.8)	**2.5**
2025	0.3	(0.9)	1.8	(0.6)	6.6	5.6	2.4	6.1	4.4	2.3	7.5		**41.3**

Strategy performance in rising and falling markets[3] (Net)



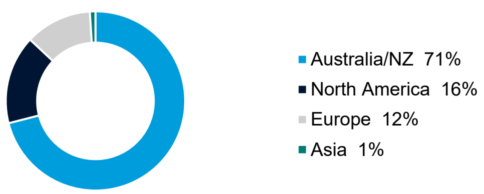
Portfolio positions

	Current	Avg. since inception
Number of total positions	83	81
Number of long positions	61	57
Number of short positions	22	24
Number of international positions	33	25

Net and gross exposure (%)[3]

	Gross long	Gross short	Net exposure
Australia/NZ	95	(73)	22
North America	34	(4)	30
Europe	28	(1)	27
Asia	3	-	3
Total[5]	**160**	**(78)**	**82**

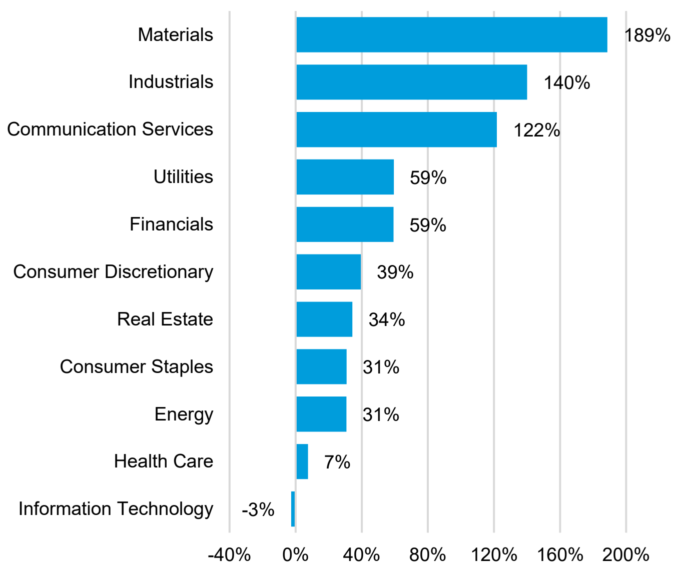
Gross geographic exposure as a % of total exposure[3]



Fund information as at 30 November 2025[4]

Unit price	$2.96
Fund NAV	$2.54b

Sector contribution since Strategy inception[3] (Net)



All performance numbers are quoted net of fees. Figures may not sum exactly due to rounding. **Past performance should not be taken as an indicator of future performance. 3.** Strategy performance and exposure history is for the L1 Capital Long Short Fund – Monthly Class since inception (1 September 2014). **4.** The value of the Fund's assets less the liabilities of the Fund net of fees, costs and taxes. The unit price is calculated by decreasing the NAV price by the sell spread (currently 0.15%). The NAV price is the NAV divided by the units on issue. **5.** Excludes exposures to instruments not associated with a specific geography.

Fund information – Monthly Class

Class Name	L1 Capital Long Short Fund – Monthly Class
Structure / Currency	Australian Unit Trust / AUD
Inception	1 September 2014
Management Fee*	1.28% p.a.
Performance Fee**	20.5%
High Watermark	Yes
Buy / Sell Spread	15bps / 15bps
APIR / ISIN	ETL4912AU / AU60ETL49128
Minimum Investment	A$500,000
Subscription / Redemption Frequency	Monthly
Platform Availability	Australian Money Market, HUB24^, Mason Stevens^, Netwealth, PowerWrap, Praemium

L1 Capital overview

L1 Capital is a global investment manager with offices in Melbourne, Sydney, Miami and London. The business was established by Raphael Lamm and Mark Landau in 2007 and continues to be majority owned by its founders and staff. The team is committed to offering clients best of breed investment products through strategies that include long-short equities, international equities, activist equities, global convertible debt and U.K. residential property funds. The firm has built a reputation for investment excellence, with all L1 Capital strategies delivering strong returns since inception. In October 2025, L1 Capital merged with Platinum Asset Management to create L1 Group (ASX: L1G) with approximately $16b under management. The L1 Capital team remains dedicated to delivering on that strong reputation by providing market-leading performance via differentiated investment strategies with outstanding client service, transparency and integrity. L1 Capital's clients include large superannuation funds, pension funds, asset consultants, private wealth firms, financial planning groups, family offices, high net worth and retail investors.

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Key service providers: for the Fund are: Responsible Entity – Equity Trustees Limited, Prime Brokers – Morgan Stanley, Merrill Lynch and Goldman Sachs, Fund Administrator – Apex Fund Services Ltd, Fund Auditor – EY, Legal Advisor – Hall & Wilcox. There have been no changes to key service providers since the last report.

* Fees are quoted inclusive of GST and net of RITC. ** The performance fee is equal to the stated percentage (inclusive of GST and net of RITC) of any increase in the NAV over any Performance Period (adjusted for applications and redemptions and before the payment of any distribution after the payment of the management fee and expenses) above the high-water mark. ^ Administration only.

All performance numbers are quoted net of fees. Past performance should not be taken as an indicator of future performance. Sources of information in this report are Apex Fund Services, Bloomberg and L1 Capital.