L1 CAPITAL

Monthly report

L1 Capital Long Short Fund – Monthly Class

January 2026

- The L1 Capital Long Short Fund returned 9.3%[1] in January (ASX200AI 1.8%).
- Over the past year, the Fund has returned 59.9%[1] (ASX200AI 7.4%).
- Since inception in 2014, the L1 Capital Long Short Fund has been the best performing long short fund in Australia, returning 20.7%[1] p.a., compared to 8.3% p.a. for the ASX200AI[2].

The Australian equity market rose modestly in January, led by the Resources sector, with Energy and Materials outperforming. Rising Iran/U.S. tensions drove crude oil prices higher, while gold, lithium and copper extended their gains. Further support came from a strong Australian labour market, and robust household spending and housing data. Strong macroeconomic data and rising inflation led the RBA to announce a 25bps interest rate increase in early February, with the market expecting a further increase in the coming months.

The S&P/ASX200AI returned 1.8% over the month. Energy (+10.6%), Materials (+9.5%) and Healthcare (+2.2%) were the strongest sectors, while Information Technology (-9.4%) declined sharply on fears of AI disruption. Property fell 2.7% largely due to rising interest rates.

U.S. equities also rose in January (S&P500 +1.4%), with gains spread widely across companies, sectors and market caps. Easing inflation pressures, a solid labour market, accommodative liquidity and credit conditions supported sentiment.

The portfolio performed very strongly over the month, with broad-based gains across several sectors, including Infrastructure, Banking, Resources, Energy, Construction Materials and Gaming. 20 stocks individually contributed more than 0.2% to returns. Key contributors included long positions in NexGen, BlueScope, Fraport and Alcoa.

NexGen shares rallied alongside uranium prices (+21%) buoyed by U.S. policy support for critical minerals. Alcoa shares rose as aluminium prices moved higher (+4.8%), following strength in the broader base metals sector. Following a 50% gain since our recent investment, we exited our Alcoa position in January.

BlueScope shares rose after a consortium launched an all-cash takeover bid at A$30.00/sh – 27% above the offer date price. The Board rejected the proposal as a significant undervaluation of the business. For further information on BlueScope and our views on the offer, please see our December 2025 quarterly. Fraport shares gained in January, supported by improving travel sentiment and growing anticipation for the opening of Frankfurt's T3 terminal. We expect capex to trend lower and dividends to increase in the coming years with management due to provide further guidance at the upcoming result.

Fund returns (Net)[1] (%)

	L1 Capital Long Short Fund	S&P/ASX 200 AI	Out-performance
1 month	9.3	1.8	+7.5
3 months	22.0	0.4	+21.6
1 year	59.9	7.4	+52.5
3 years p.a.	19.2	9.8	+9.4
5 years p.a.	20.3	10.2	+10.1
7 years p.a.	21.5	10.1	+11.3
10 years p.a.	17.0	10.1	+6.9
Since Inception p.a.	20.7	8.3	+12.5

Figures may not sum exactly due to rounding.

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

	Cumulative return	Annualised return p.a.
L1 Capital Long Short Fund	760.3	20.7
S&P/ASX 200 Accumulation Index	148.0	8.3
MSCI World Net Total Return Index (USD)	214.0	10.5

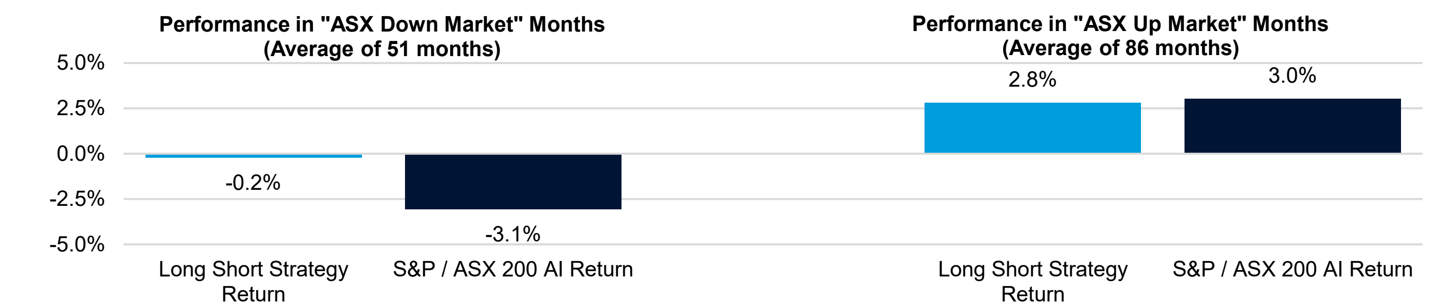
We believe the Australian equity index is relatively fully valued, with several large cap stocks, particularly within the ASX20, trading well above historical multiples and global peers. Encouragingly, we are continuing to find numerous undervalued stocks, where we see a far more compelling combination of strong earnings growth, shareholder-friendly management, conservative balance sheets and significant valuation support. We continue to believe that infrastructure, gold, U.S. cyclicals, uranium 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 the portfolio is well positioned to benefit from.

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 31 December 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.

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	7.4	**46.6**
2026	9.3												**9.3**

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



Portfolio positions

Number of total positions	72
Number of long positions	56
Number of short positions	16
Number of international positions	27

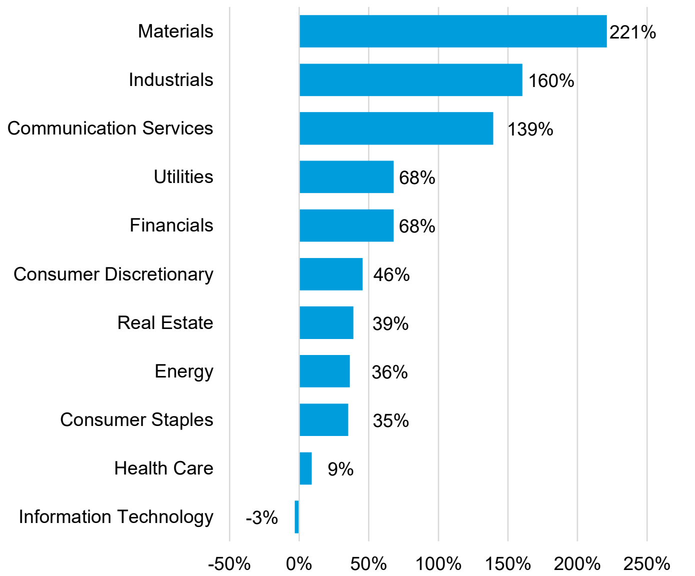
Net and gross exposure (%)[3]

	Gross long	Gross short	Net exposure
Australia/NZ	95	(67)	28
North America	28	(3)	25
Europe	32	-	32
Asia	3	-	3
Total[5]	**158**	**(70)**	**88**

Fund information as at 31 January 2026[4]

Unit price	$3.36
Fund NAV	$2.93b

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), one of Australia's leading investment managers. 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.

Information contained in this publication: Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the L1 Capital Long Short Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT).

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