L1 CAPITAL

L1 Long Short Fund Limited

Quarterly Report | MARCH 2023

- **The L1 Long Short Fund (LSF) portfolio returned 2.1%[1] (net) for the March quarter (ASX200AI 3.5%).**
- **The Portfolio has returned 42.3%[1] p.a. over the past 3 years (ASX200AI 16.5% p.a.).**
- **Global equity markets were volatile over the quarter driven by significant changes in interest rate expectations and the potential impact these changes may have on economic growth.**
- **We invite you to join Mark Landau for an LSF investor webinar, where he will discuss portfolio positioning and the outlook for equity markets on Thursday, May 11 at 11am AEST. Please register here.**

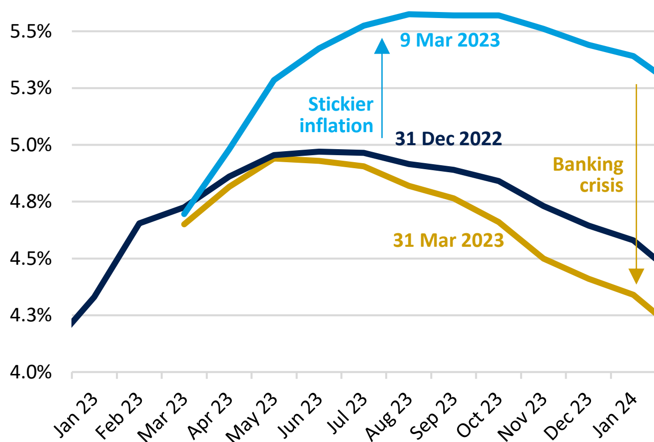
Equity markets were volatile over the quarter as investors responded to shifting views around future economic growth and interest rate movements.

Markets rallied in January as inflation showed signs of moderation leading to expectations of further interest rate hikes decreasing. February saw a partial reversal of these gains, as consensus expectations shifted to inflation remaining stickier, with economic data indicating the U.S. jobs market remained very tight. The U.S. reporting season also weighed on sentiment as it highlighted weaker earnings and uncertainty over the near-term operating outlook for many companies.

Returns (Net)[1] (%)	L1 Long Short Portfolio	S&P ASX200 Accum Index	Out-performance
3 months	2.1	3.5	(1.4)
6 months	20.5	13.2	+7.4
1 year	1.5	0.1	+1.4
2 years p.a.	16.4	7.3	+9.1
3 years p.a.	42.3	16.5	+25.7
4 years p.a.	21.5	7.9	+13.6
LSF Since Inception p.a.	12.1	8.2	+3.8
Strategy Since Inception[2] p.a.	20.6	7.3	+13.4

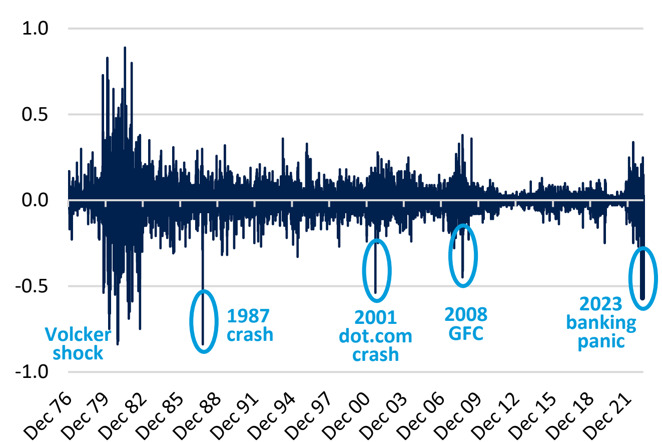
In early March, the more persistent inflation outlook led to a rise in terminal interest rate expectations from ~5% at the start of the year to ~5.5%, with no rate cuts forecast for most of the calendar year (refer Figure 1 below). However, the sudden collapse of two U.S. regional banks, Silicon Valley Bank ('SVB') and Signature Bank in the middle of the month, led to the largest move in 2-year bond yields in more than 35 years (refer Figure 2 below). As illustrated by the gold line in Figure 1 below, the yield curve then collapsed and stress in the banking system led to the terminal interest rate dropping below 5%. The bond market shifted from no rate cuts in early March, to pricing in an expectation for three 25bps interest rate cuts in the second half of 2023.

Figure 1: Movement in the U.S. yield curve



Source: Bloomberg as at 12 Apr 2023

Figure 2: Change in two-year bond yields



Source: U.S. Federal Reserve, Bloomberg, N. Camberg/Axios at 12 Apr 2023

1. All performance numbers are quoted net of fees. Net returns are calculated based on the movement of the underlying investment portfolio. Figures may not sum exactly due to rounding. Past performance should not be taken as an indicator of future performance. 2. Strategy performance and exposure history is for the L1 Long Short Fund Limited (ASX:LSF) since inception on 24 Apr 2018. Prior to this date, data is that of the L1 Capital Long Short Fund – Monthly Class since inception (1 Sep 2014). 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.

L1 Long Short Fund Limited

Quarterly Report | MARCH 2023

To put the scale of some of the quarter's market movements into context, the concern over SVB's liquidity saw the largest single run on a bank in history, with US$42b in deposits leaving the bank in a single day on 9 March. The contagion risk from this collapse spread to Europe and led to the hasty takeover of Credit Suisse by UBS, facilitated by the Swiss Government and regulator. Credit Suisse has ~US$580b in total assets and is one of 30 banks considered to be of systemic importance to the global financial system. During the GFC, the most significant bank run saw Washington Mutual lose US$17b over the course of a week. Washington Mutual remains the largest banking failure in U.S. history. The bank had approximately half the total asset base that Credit Suisse has today.

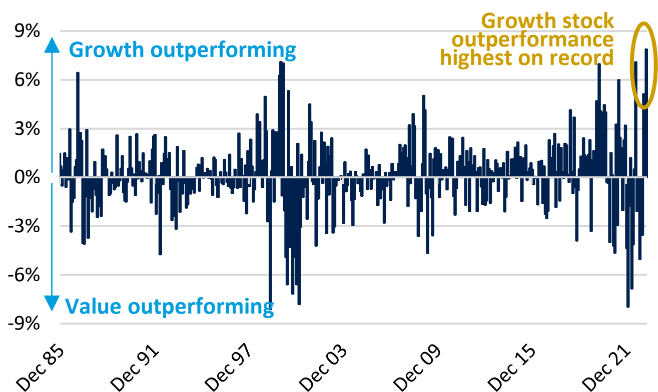
While the GFC was caused by credit risk driven by the sub-prime mortgage crisis, the current banking issues largely stem from a liquidity crisis driven by an asset/liability mismatch in a small number of U.S. regional banks. SVB's main issue was its significant holding of long-duration assets, which lost value as bond yields rose rapidly over the last 12 months. When customers began pulling deposits from the bank, it was forced to liquidate these assets at significant losses in order to fund the withdrawals, causing a rapid loss of liquidity.

In the back half of March, regulators in the U.S. moved quickly to shore up the banking system by guaranteeing the deposits of the failed banks and launching preferential bank funding programs to support broader sector liquidity. These emergency measures appear to have restored stability to the banking sector as the flight of deposits from regional banks has slowed.

Markets shrugged off the banking risks and broader interest rate volatility to end the quarter positively, with gains further supported by the Fed's preferred inflation gauge showing a lower-than-expected increase. The S&P500 finished the quarter up 7.5% with the recovery concentrated in a few sectors. Risk-off sentiment and lower bond yields supported the outperformance of defensive sectors such as consumer staples and utilities. Lower bond yields also led to strong gains for high-multiple growth-stocks and large-cap technology stocks. This led to the largest monthly outperformance on record by global growth relative to value stocks in March (Figure 3).

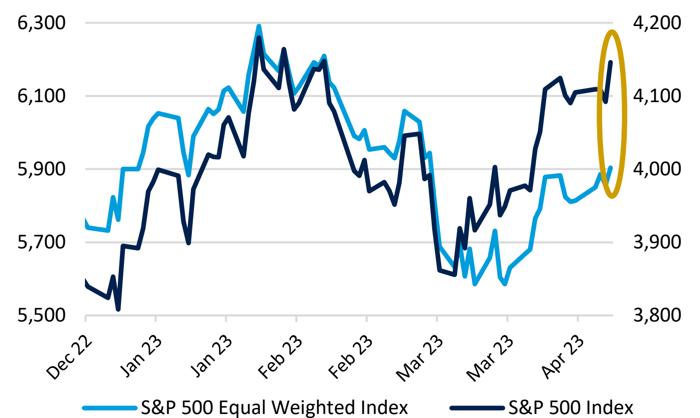
Investors crowded into mega-cap technology stocks, perceiving them to be more defensive. Figure 4 demonstrates the sharp difference in performance of the S&P500 market cap weighted index relative to the equal weighted index. The ten largest companies in the S&P500, which comprise ~27% of the index, have driven ~80% of the gains over the quarter. The remaining 490 companies have cumulatively added just ~1.4% to index returns, illustrating how narrow the market leadership has been to date.

Figure 3: MSCI growth vs. value performance



Source: Bloomberg as at 12 Apr 2023

Figure 4: S&P500 equal weight vs. market-cap weight index



Source: Bloomberg as at 12 April 2023

Considering the significant market volatility and the headwind to our investment style, we were relatively pleased the portfolio was able to deliver positive performance over the quarter. The fund had a solid reporting season with several of our key portfolio positions including Flutter, QBE and Qantas outperforming on positive updates. Returns were also supported by tailwinds from our China re-opening and gold sector exposures.

This was partially offset by a decline in energy names as oil prices came under pressure with the onset of the banking crisis and the movement in bond yields, which supported the outperformance of high-multiple growth stocks where we have some short positions.

Market outlook and portfolio positioning

We remain cautious on the macro environment and believe the outlook for equities will continue to be volatile going forward. This is due to the lagged impact of significant interest rate hikes, weakness in leading economic indicators, gradually increasing pressure on corporate earnings and tail risk from geopolitical tensions. The events over the quarter have added further risk to the already difficult task of achieving a 'soft landing' where the Fed is able to restore price stability while avoiding an economic recession.

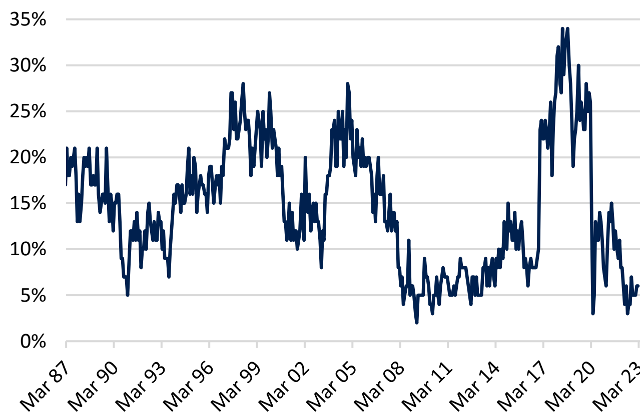
At the FOMC press conference on 22 March, Fed Chair, Jerome Powell made the following statement:

"We believe that events in the banking system over the past two weeks are likely to result in **tighter credit conditions for households and businesses, which would in turn affect economic outcomes. It is too soon to determine the extent of these effects and therefore too soon to tell how monetary policy should respond.**"

Jerome Powell, Chairman U.S. Federal Reserve, March 2023

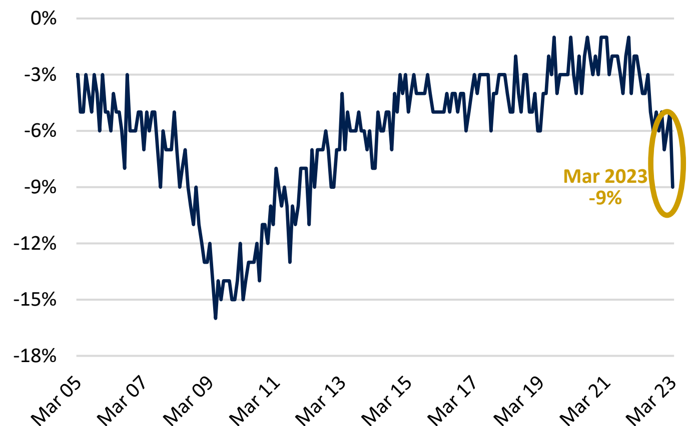
We have already started to see the impacts of tightening credit on small and medium businesses. The NFIB survey which considers if 'it is a good time to expand' has dropped to levels in line with the GFC (refer Figure 5). The survey further illustrated that the March contraction in the availability of credit was the worst monthly change in over 20 years (refer Figure 6).

Figure 5: NFIB small business: A good time to expand?
% of respondents who think the next 3 months will be good for small business expansion



Source: NFIB Research Foundation as at 1 Feb 2023

Figure 6: NFIB small business: Credit conditions – loan availability
% of respondents who think credit conditions will be "easier" minus those who think they will be "harder" in the next 3 months

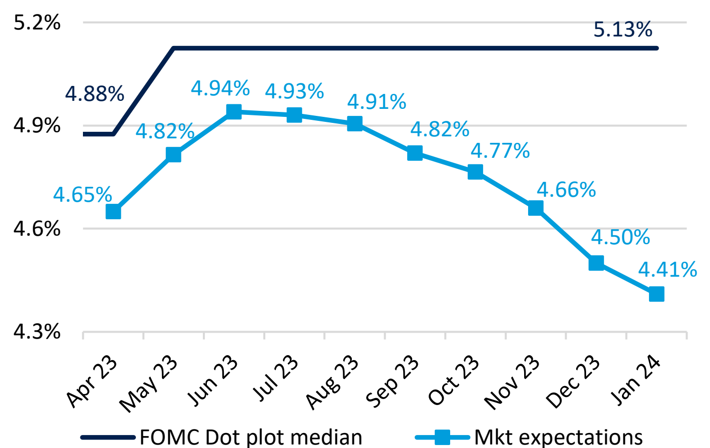


Source: NFIB Research Foundation as at 1 Mar 2023

While the equity market has been relatively sanguine in its response to the banking crisis so far, the bond market continues to price in multiple rate cuts in the back half of the year to maintain financial stability. This has led to a large divergence between the Fed median 'dot plot' forecast relative to the current market outlook (refer Figure 7).

The current backdrop presents a significant challenge for the Fed given the uncertainty of the impact of deteriorating credit conditions on the economy. While the Fed continues to be resolute in its focus on returning inflation back to the 2% target through maintaining higher interest rates, should risks to financial stability increase, the Fed will be forced to pivot.

Figure 7: Fed 'dot plot' median vs. market expectations



Source: Bianco Research, Chicago Mercantile Exchange, Bloomberg

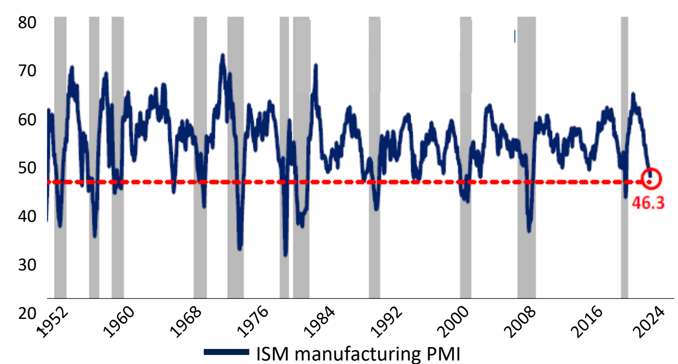
In terms of leading economic indicators and developments over the quarter, current data continues to suggest downside risk to consensus corporate earnings forecasts and an increasing probability of an economic recession. The ISM new orders index has been a consistent leading indicator of forward earnings growth. Its recent fall points to a ~10% decline in S&P500 EPS estimates over the next year (refer Figure 8).

The ISM manufacturing PMI declined to 46.3 in March, its lowest reading since May 2020 (refer Figure 9). When the manufacturing PMI has declined below 45 (dotted red line), a recession has occurred in 11 of 12 occasions in the past 70 years. Furthermore, the 10-year – 2-year yield curve remains inverted which, as we wrote about in our **June 2022 Quarterly Report**, has been a reliable predictor of previous recessions. These data points are before the full impact of the banking crisis has been felt, which we expect will further weigh on growth going forward.

Figure 8: ISM New Orders vs. S&P500 consensus EPS YoY

Source: BoFA Global Investment Strategy, Bloomberg

Figure 9: ISM manufacturing PMI and recessions (grey shading)



Source: BoFA Global Investment Strategy, Bloomberg

From a portfolio positioning perspective, given the risks noted above, we continue to maintain a lower than usual net market exposure. We anticipate ongoing market volatility as investors continually reassess their expectations for the economy, interest rates and corporate profits. Despite this cautious view, we are continuing to identify numerous mis-priced stocks that we believe will deliver attractive long-term returns for our investors.

The broad-based market sell-off in mid-March from the banking crisis allowed us the opportunity to add to several of our high conviction long positions at exceptional prices, including:

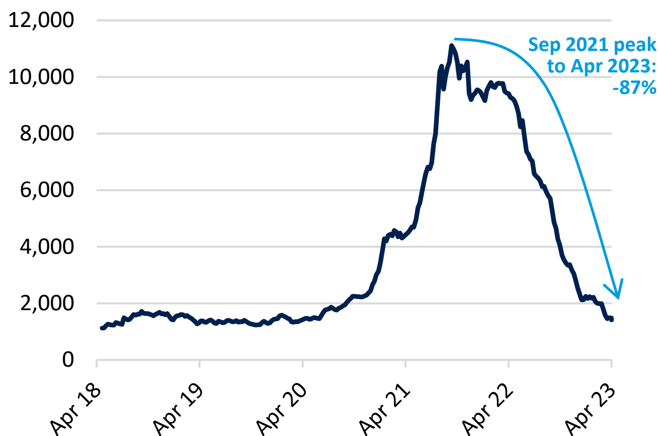
- **Capstone:** Copper prices fell 5% over two days contributing to a nearly 10% decline in the Capstone share price. We added to our holding around C$5.60, with our positive medium views on copper remaining unchanged and the company's exceptional growth profile remaining on track.
- **Teck Resources:** We added to our holding around C$46 after a 15% share price fall. Teck subsequently received an all-share takeover offer from Glencore in early April at an implied value of C$58 per share.
- **Cenovus:** Shares fell by ~17% intra month, with the WTI oil price falling to US$66/bbl. We continue to remain positive on the outlook for Energy. Supply remains constrained with reduced capital investment and sustained declines in global inventories. Demand may see some negative impacts from a potential recession; however, we expect this to be mitigated by the likely recovery of Chinese consumption over the coming year.
- **Imdex:** Shares fell by 14% in mid-March at which point we added to our holding. We believe Imdex is well-positioned for long-term growth as it is in the early stages of launching the drilling industry's best suite of new and improved products.

From a short book perspective, we continue to see risks in some mega cap technology stocks, U.S. transport and logistics companies and high-multiple growth stocks.

We have added several short positions in high-multiple growth stocks which rallied strongly over the quarter. We continue to see risks to share prices here, particularly in an environment where business models that generate little if any cashflow become more difficult to sustain.

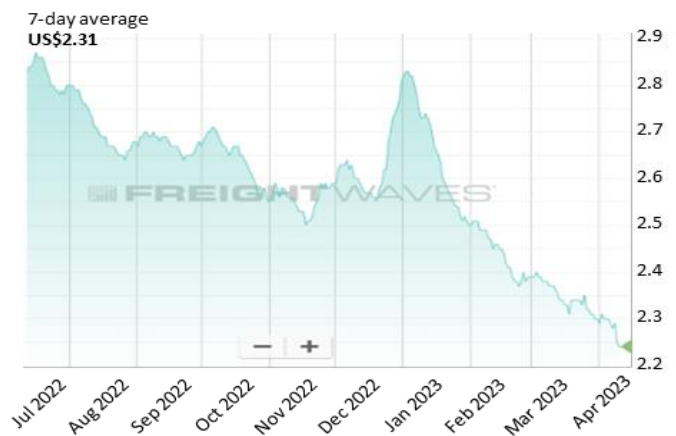
On the transport and logistics front, we have started to see a collapse in freight and flatbed leading indicators after the spike through the COVID impacted period. Global container rates have quickly reverted to pre-COVID levels (refer Figure 10) and truckload rates in the U.S. are declining sharply as supply chains bottlenecks improve and demand weakens (refer Figure 11). We expect this to translate into significant negative earnings revisions for these companies over the next 12 months.

Figure 10: Global container freight index



Source: Freightos Baltic Index from Bloomberg, Charile Bilello as at 3 Apr 2023

Figure 11: FreightWaves National Truckload Index



Source: www.sonar.freightwaves.com as at 4 Apr 2023

Key stock contributors for the quarter

Flutter (Long +30%) shares rose strongly with FY22 results highlighting continued strong performance from its U.S. business. Flutter's U.S. sports betting market share accelerated to 50% from ~40% in the prior period, driven by its superior product, efficient customer acquisition strategies and strong operational execution. The U.S. division is now the largest by revenue for the company, with a clear path to profitability in 2023. This shift to profitability, together with the exponential growth of the U.S. sports betting market, underpins Flutter's ability to significantly accelerate its earnings growth over the next few years. The company is also exploring a secondary listing in the U.S. which could be implemented by the end of this calendar year. This will enhance the company's profile, increase liquidity in Flutter shares and unlock deeper access to capital markets through new U.S. domestic investors. We continue to believe Flutter remains significantly undervalued given its exceptional growth outlook and dominant industry position.

Newcrest Mining (Long +30%) shares rallied over the quarter after receiving a takeover proposal from Newmont in early February at an implied premium of ~22% to the pre-offer share price and with gold prices up close to 10% over the quarter. Newcrest is the largest gold producer on the ASX with annual gold production in excess of 2,000koz. The company is also a significant copper producer, with FY23 guidance for 135kt-155kt of copper from its Cadia, Telfer and Red Chris operations. Newcrest rejected the offer on valuation grounds but continued to engage with Newmont to determine if an improved proposal could be agreed. On 11 April, a revised offer was received at a 46% premium to the pre-offer share price, with Newmont currently conducting confirmatory due diligence to put forward a binding proposal.

We believe gold equities generally continue to remain attractive as gold demand from central banks increases, U.S. interest rates look to be nearing a peak and the U.S. dollar potentially weakens. Furthermore, we expect M&A activity in the sector to be a continued theme going forward. The largest gold miners have robust balance sheets and continue to search for opportunities to increase production, replenish depleting gold reserves and improve synergies across operations through greater scale. Consolidation provides a lower risk and shorter timeframe to achieving these objectives at a time when large scale discoveries have become scarce and development timelines have extended.

Capstone (Long +23%) shares rose on the back of strengthening copper prices and the continued strong execution of its growth projects. Capstone has an exceptional growth profile with a pipeline of fully permitted projects that will enable it to more than double copper production from ~185kt currently, to close to 400kt over the next few years. Additionally, the integration of its Mantoverde (MVDP) and Santo Domingo assets, which has the potential to establish Capstone as one of the largest and most cost-effective producers of battery-grade cobalt in the world, remains on track. The company is fully funded to complete the currently approved project pipeline and has a highly capable, focussed and aligned management team.

Alibaba (Long +16%) shares performed strongly based on favourable sentiment surrounding China's re-opening and indications from Chinese authorities that the prolonged restructuring process of Alibaba/Ant Financial was finally drawing to a close. The company remains a high-quality business with leading positions in both eCommerce and Public Cloud. We exited our position in January at around US$116 per share with the shares having rallied more than 90% since their early November lows and our China re-opening catalyst having played out. We subsequently re-entered the position in March with the shares having pulled back and with the company announcing a new organisational and governance structure. Alibaba has announced plans to split into six major business groups – Cloud Intelligence, Taobao Tmall, Local Services, Global Digital, Cainiao Smart Logistics and Digital Media and Entertainment Group. Each of these groups will be managed independently (separate CEO and board) and have the flexibility to raise external capital and potentially pursue separate IPOs. We believe this announcement is a strong catalyst to unlock the inherent sum-of-the-parts valuation discount in the company.

Bluescope (Long +20%) shares strengthened over the quarter as U.S. steel spreads recovered, providing a tailwind for the company's second half earnings expectations. BlueScope continues to focus on growing its U.S. operations with an 850ktpa capacity expansion at the North Star facility in Ohio, the acquisition of the U.S.'s second largest metal coating/painting company in Coil Coatings, and the establishment of BlueScope Recycling from its acquisition of the MetalX recycling business. Despite the recent share price rally, we continue to believe the market significantly undervalues BlueScope's unique and strategic asset base.

QBE (Long +9%) shares rallied after reporting robust FY22 results, with cash NPAT 15-20% ahead of consensus estimates. The result demonstrated the considerable progress the company has made in delivering stronger and more consistent earnings. QBE continues to improve the performance of its North American business which has struggled for many years. The company has also considerably strengthened its reserving which we believe places it in a solid position to deliver consistent earnings growth over the next few years. We have been cautious on QBE for many years, given the clear industry and company-specific issues it was facing. However, after 15 years of headwinds, we now believe the company has finally reached a turning point and is set to deliver stronger margins, dividends and return on equity going forward. The market has yet to fully factor in this inflection point, with QBE trading on only 10x FY23 consensus P/E (versus a 10-year pre-COVID average of ~13x).

Key stock detractors for the quarter

Apple (Short +27%) shares rose over the quarter with mega-cap technology stocks rallying as volatility in the banking sector led to investors crowding into stocks perceived as more defensive and liquid. We continue to see risks to Apple's earnings as demand weakens for its key products and in particular its flagship iPhone 14 device. Despite having a fantastic brand and loyal customer base, we believe the company has benefitted significantly from a one-off pull forward of demand through the COVID-19 lockdown period, which we expect will start to normalise over the next 2-3 quarters.

The lockdown period delivered a huge windfall to Apple as a combination of work/study from home conditions and government stimulus fuelled a surge in purchases of its key products. During this period, Apple also benefitted from the launch of two of its most important products (5G iPhone 12 and Apple Silicon MacBook), along with significant market share gains in China. This drove a spike in net profit from a broadly flat range of US$50-60b p.a. between FY15 to FY20 to ~US$100b in FY22. We believe tougher economic conditions, a less exciting new product line-up and input cost pressures will weigh on Apple's ability to meet/exceed consensus earnings expectations in 2023 (which assume solid earnings growth from an inflated base). Apple shares are currently trading around ~$165/share, compared to around $80/share pre-COVID.

Downer (Long -8%) shares fell after reporting weak first half FY23 earnings which were adversely impacted by challenging weather and labour market conditions, as well as below-market cash flow conversion due to a build-up of working capital. The company also downgraded its full year FY23 earnings guidance for the second time, following an initial downgrade in December last year. While the first half result and revised guidance are clearly disappointing, we continue to see value in Downer over the medium term.

The company continues to transition towards a more selective and higher quality urban services portfolio by exiting lower-margin and higher-risk segments. A number of self-help and simplification initiatives are underway within the core business, including a cost reduction target of $100m p.a. by FY25. There has also been a considerable overhaul of the Board and senior management team with the Chairman, CEO and CFO all recently leaving the business. We believe these changes, along with a renewed leadership team, will help transform Downer into a more resilient, capital-light (and lower risk) services business exposed to growing, annuity-style contracts.

Cenovus (Long -10%) shares declined due to WTI oil prices falling ~6% and refinery outages over the quarter. The banking crisis led to a collapse in oil prices to ~US$66/bbl in mid-March. We used the dislocation to add to our high conviction energy names, including Cenovus. Oil prices subsequently recovered to end the quarter at around US$75/bbl and have rallied further post the quarter end with OPEC+ announcing output cuts of 1.16 million barrels per day in early April. Cenovus continues to generate very strong free cash flow at current oil price levels, with the long-life nature of its oil sands assets and its low cost of production providing a break-even oil price at around ~US$40/bbl.

L1 Long Short Fund Limited

Quarterly Report | MARCH 2023

Strategy returns (Net)[3] (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014	-	-	-	-	-	-	-	-	(2.42)	3.03	2.85	1.61	**5.17**
2015	0.59	9.14	2.42	1.71	3.73	(0.86)	3.30	2.06	5.51	8.49	8.11	4.62	**60.52**
2016	5.81	0.59	5.47	2.46	2.78	(0.89)	3.22	3.92	0.46	(0.13)	0.55	2.22	**29.61**
2017	2.51	1.87	3.15	1.03	4.18	1.70	2.62	1.69	1.93	2.54	0.89	3.56	**31.40**
2018	0.56	(0.47)	(1.64)	(1.32)[3]	(4.05)	(5.96)	1.01	(5.34)	(2.06)	(3.90)	(2.60)	(5.95)	**(27.74)**
2019	4.26	5.11	0.16	3.05	(2.73)	3.87	0.63	0.40	2.54	3.46	0.36	2.06	**25.46**
2020	(7.75)	(6.85)	(22.93)	23.16	10.94	(2.12)	(1.69)	9.99	0.63	(2.37)	31.94	4.29	**29.50**
2021	(0.17)	9.00	(0.14)	5.11	4.07	(0.52)	1.75	5.10	4.86	2.32	(7.36)	3.66	**30.29**
2022	2.79	6.87	1.34	3.44	0.06	(13.39)	(3.34)	5.37	(7.60)	5.24	7.52	4.36	**10.72**
2023	3.65	(2.04)	0.54										**2.08**

Portfolio positions

Number of total positions	80
Number of long positions	56
Number of short positions	24
Number of international positions	25

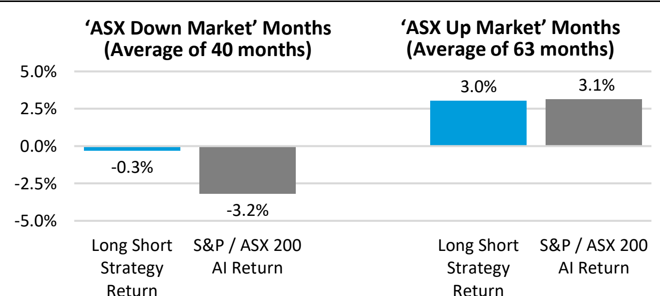
Company information as at 31 March 2023[4]

Share price	$2.87
NTA before tax	$2.98
NTA after tax	$2.92
Shares on issue	613,825,593
Company market cap	$1.76b

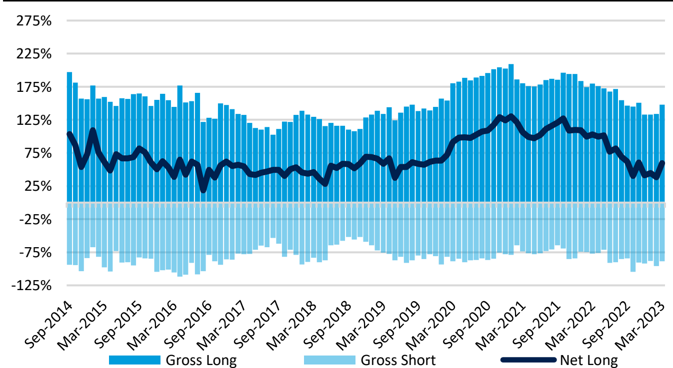
Net & gross exposure by region[3] (%)

Geography	Gross Long	Gross Short	Net Exposure
Australia/NZ	92	73	19
North America	42	15	26
Europe	12	-	12
Asia	2	-	2
Total	**148**	**89**	**60**

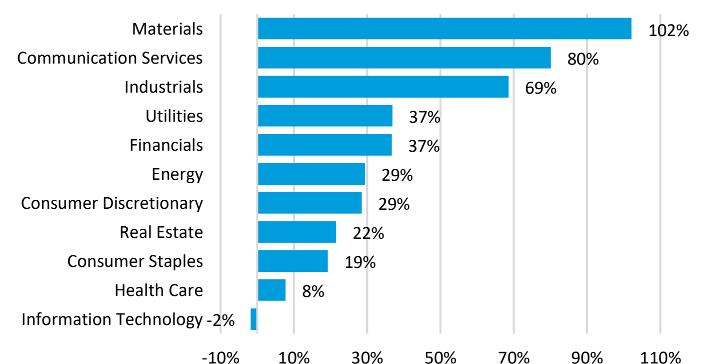
Strategy performance since inception[3] (Net)



Historical Strategy exposures[3]



Sector contribution since Strategy inception[3] (Net)



3. All performance numbers are quoted net of fees. Net returns are calculated based on the movement of the underlying investment portfolio. Figures may not sum exactly due to rounding. Past performance should not be taken as an indicator of future performance. Strategy performance and exposure history is for the L1 Long Short Fund Limited (ASX:LSF) since inception on 24 Apr 2018. Prior to this date, data is that of the L1 Capital Long Short Fund – Monthly Class since inception (1 Sep 2014). 4. The NTA before tax is calculated before the provision for deferred tax on unrealised gains and losses on the investment portfolio. The NTA after tax is calculated after all taxes.

L1 Long Short Fund Limited

Quarterly Report | MARCH 2023

Key personnel

Andrew Larke	Independent Chair
John Macfarlane	Independent Director
Harry Kingsley	Independent Director
Raphael Lamm	Non-Independent Director
Mark Landau	Non-Independent Director
Mark Licciardo	Company Secretary
Registry	Link Market Services Limited
Company website	www.L1LongShort.com
Linked In	Follow us on in

Company Information – LSF

Name	L1 Long Short Fund Limited
Structure	Australian Listed Investment Company (ASX:LSF)
Inception	24 April 2018
Management Fee	1.44% p.a. inclusive of GST and net of RITC
Performance Fee	20.50% p.a. inclusive of GST and net of RITC
High Watermark	Yes

Contact us

Head of Distribution

Chris Clayton | cclayton@L1.com.au | +61 3 9286 7021

Researchers

Aman Kashyap | akashyap@L1.com.au | +61 477 341 403

Advisors

Alexander Ordon | aordon@L1.com.au | +61 413 615 224

Alejandro Espina | aespina@L1.com.au | +61 423 111 531

Private Clients

Edward Vine | evine@L1.com.au | +61 412 525 390

L1 Capital (Investment Manager) Overview

L1 Capital is a global investment manager with offices in Melbourne, Sydney, Miami and London. The business was established in 2007 and is owned by its senior staff, led by founders Raphael Lamm and Mark Landau. The team is committed to offering clients best of breed investment products through strategies that include long short Australian equities, international equities, activist equities, a global multi-strategy hedge fund and U.K. residential property. The firm has built a reputation for investment excellence, with all L1 Capital's strategies delivering strong returns since inception. The team remains dedicated to delivering on that strong reputation through providing market-leading performance via differentiated investment approaches with outstanding client service, transparency and integrity. L1 Capital's clients include large superannuation funds, pension funds, asset consultants, financial planning groups, family offices, high net worth individuals and retail investors.

Level 45, 101 Collins Street
Melbourne VIC 3000
Australia
www.L1.com.au

Information contained in this publication

L1 Long Short Fund Limited, managed by L1 Capital Pty Ltd, has been established to invest in a portfolio of predominantly Australian and New Zealand securities, with up to 30% invested in global securities. The Company has the ability to both buy and short-sell securities, which provides a flexible strategy to deal with changing stock market conditions. The objective is to deliver strong, positive, risk-adjusted returns to investors over the long term.

Disclaimer

This communication has been prepared for L1 Long Short Fund Limited (ACN 623 418 539) by its investment manager, L1 Capital Pty Ltd (ABN 21 125 378 145 and AFS Licence 314302). L1 Capital Pty Ltd has prepared this publication in good faith in relation to the facts known to it at the time of preparation. This publication contains general financial product advice only. In preparing this information, we did not consider the investment objectives, financial situation or particular needs of any individual investor, and you should not rely on the opinions, advice, recommendations and other information contained in this publication alone. This publication has been prepared to provide you with general information only. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. We do not express any view about the accuracy or completeness of information that is not prepared by us and no liability is accepted for any errors it may contain. Past performance is not a reliable indicator of future performance.

Copyright

Copyright in this publication is owned by L1 Capital. You may use this information in this publication for your own personal use, but you must not (without L1 Capital's consent) alter, reproduce or distribute any part of this publication, transmit it to any other person or incorporate the information into any other document.

Zenith Fund Award disclaimer

The Zenith Fund Awards were issued on 14 October 2022 by Zenith Investment Partners (ABN 27 130 132 672, AFSL 226872) and are determined using proprietary methodologies. The Fund Awards are solely statements of opinion and do not represent recommendations to purchase, hold or sell any securities or make any other investment decisions. To the extent that the Fund Awards constitutes advice, it is General Advice for Wholesale clients only without taking into consideration the objectives, financial situation or needs of any specific person, including target markets where applicable. Investors should seek their own independent financial advice before making any investment decision and should consider the appropriateness of any advice. Investors should obtain a copy of and consider any relevant PDS or offer document before making any investment decisions. Past performance is not an indication of future performance. Fund Awards are current for 12 months from the date awarded and are subject to change at any time. Fund Awards for previous years are referenced for historical purposes only.