Monthly report

L1 CAPITAL

L1 Long Short Fund Limited (ASX:LSF)

October 2025

- The L1 Long Short Fund (LSF) portfolio returned 2.3%[1] in October (ASX200AI 0.4%) taking performance for the calendar year to 31.6%[1] (ASX200AI 11.9%).
- Over the past 5 years, the portfolio has returned 23.1%[1] p.a. (ASX200AI 12.6% p.a.).
- The ASX200 lagged global stock markets in October. Offshore markets rallied from AI optimism and reduced trade tensions.

Australian equities were up modestly in October, mainly due to support from Resource stocks which were buoyed by gold, copper and critical minerals. This countered weakness in the Technology and Consumer Discretionary segments generated by caution around valuations and a weaker Australian macro backdrop.

Macroeconomic data disappointed domestically, with the unemployment rate rising to 4.5% for September and CPI remaining stubbornly high at 3.2% for the September quarter (vs. the RBA's 2-3% target), dashing hopes for a November interest rate cut.

The ASX200AI returned 0.4% in October. Materials (+4.3%) Energy (+3.7%) and Financials (+1.5%) outperformed, while Information Technology (-8.4%), Consumer Discretionary (-6.8%) and Healthcare (-4.8%) lagged.

In the U.S., continued gains by the 'Magnificent Seven' drove the S&P500 to record highs, as investors welcomed easing U.S-China trade tensions, continued A.I. investment and a solid third quarter earnings season. The Fed delivered a largely expected 25 basis point rate cut at the end of the month but its hawkish comments surprised the market with Fed Chair Jerome Powell stating that a December rate cut was not guaranteed.

Gold increased another 4% in October to a new record high of over US$4,200 per ounce, taking the calendar year-to-date gain to over 45%. Copper prices also rose 6% for the month on supply chain disruption concerns, coupled with continued strong demand.

Portfolio performance was solid over the month, with broad-based gains across multiple sectors including infrastructure, gold, copper, industrials and financials. 18 stocks each contributed more than 0.2% to fund returns.

Returns (Net)[1] (%)

	LSF Portfolio	S&P/ASX 200 AI	Out-performance
1 month	2.3	0.4	+1.9
3 months	13.2	2.7	+10.5
1 year	23.0	12.5	+10.5
3 years p.a.	17.0	13.1	+3.9
5 years p.a.	23.1	12.6	+10.5
LSF Since Inception p.a.	12.7	9.7	+3.0
LSF Strategy Since Inception[2] p.a.	19.1	8.4	+10.7

Figures may not sum exactly due to rounding.

We believe the Australian equity index is now fully valued, with several large cap stocks trading far above historical multiples and global peers. Encouragingly, we are finding 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, copper, travel and 'quality value' stocks provide some of the best opportunities globally. Our portfolio also has a stronger than usual Value skew, with our median long position having a P/E of ~10x and double-digit EPS growth, providing a compelling medium-term return profile in spite of a slowing macro backdrop.

1. All performance numbers are quoted net of fees. LSF (ASX:LSF) returns are calculated based on the movement of the underlying investment portfolio net of all applicable fees and charges since inception on 24 April 2018. Figures may not sum exactly due to rounding**. Past performance should not be taken as an indicator of future performance. 2.** LSF Strategy Since Inception returns are for the L1 Capital Long Short Fund – Monthly Class since inception (1 September 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.

Key contributors to portfolio performance in October were:

Mineral Resources (Long +18%) shares rallied strongly during the month due to robust company-specific operating performance along with tailwinds from an improving lithium market. In October, Mineral Resources announced that the Onslow Iron Project achieved its nameplate 35Mtpa run rate over the prior three months, satisfying the conditions necessary to receive an additional $200m contingent payment related to the sale to MSIP of a 49% interest in the haul road. With haul road upgrades now complete and the project running consistently at nameplate capacity, this marks a significant de-risking milestone for the company.

At full run-rate and US$100/t iron ore prices, the company anticipates Onslow will generate ~$1.3b in EBITDA, materially supporting balance sheet de-leveraging. During the month, Mineral Resources also released its September quarterly report, which showed the company tracking either to, or ahead of, full-year guidance across all segments.

We continue to believe that each of Mineral Resources' core segments should see meaningful improvement from current levels over the medium term and we believe the risk-reward at the current share price remains compelling.

Finning (Long +17%) shares continued to rise boosted by improved copper sentiment and greater investor appreciation for its growing product support business following the company presenting at several investor conferences. Finning is the largest Caterpillar dealer globally, with its operations focused on Canada, South America and the U.K. & Ireland. Finning has transformed its business model and earnings growth over the past five years as the South American region has become a much larger profit contributor to the Group, and as the company improved its cost efficiency and operational leverage. We believe end-markets remain supportive in each of Finning's key regions, enabling the company to deliver sustainable earnings growth going forward.

Aurizon (Long +8%) shares were stronger during the month. While there was limited company-specific news flow, Aurizon reaffirmed its earnings guidance at its AGM during the month and continued to execute on the $150m buyback program it announced in August. Commodity network volumes suggest a robust start to FY26, with robust NSW and Queensland coal volumes and WA grain volumes on track for a record year. The share price was further supported by a broker upgrade highlighting potential upside from value in the Network business. Separately, Australia's rare earths deal with the U.S. may have drawn additional attention to some of the medium- and long-term opportunities for the Bulks business, where Aurizon is uniquely positioned both as a logistics partner and as a rail network owner through the central corridor of Australia.

We continue to see Aurizon as materially undervalued. The regulated Network business represents more than half of the company's value and remains significantly under-appreciated by the market. Aurizon announced a strategic review in February, which includes a review of the Network ownership structure, with outcomes expected to be announced at the H1 26 result. The Coal haulage business remains substantial and a strong cash generator for the group. While the Bulks business has underperformed in recent years, we expect improving cash generation from these assets going forward supported by growth opportunities and by a tighter approach to expansionary capex than it has had in recent years. With strong and growing cash flows from the underlying business, we anticipate continued solid returns to shareholders through dividends and share buybacks.

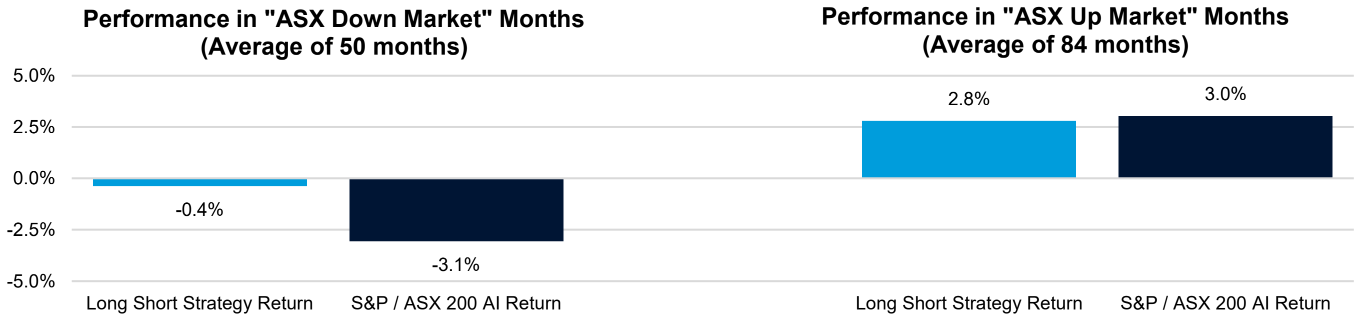
Key detractors to portfolio performance in October were:

Light & Wonder (Long -16%) shares declined due to several factors, including, softer U.S. gaming revenues across the industry, the impact of a change in listing locations where the company will de-list from the NASDAQ and the overhang from a litigation dispute with Aristocrat Leisure. Despite the impacts from a tougher consumer backdrop, gaming revenues remain modestly positive overall, across the industry, with Light & Wonder well placed to continue gaining market share. The listing change will lead to forced selling from U.S. passive equity holders as the company transitions from a dual NASDAQ and ASX listing to a sole primary ASX listing by the end of this calendar year. While the process is likely to cause short-term volatility, we believe the company is well placed to deliver solid earnings growth over the medium-term, driven by its strong land-based game performance.

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)	0.6	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)	(1.3)[3]	(4.1)	(6.0)	1.0	(5.3)	(2.1)	(3.9)	(2.6)	(6.0)	**(27.7)**
2019	4.3	5.1	0.2	3.1	(2.7)	3.9	0.6	0.4	2.5	3.5	0.4	2.1	**25.5**
2020	(7.8)	(6.8)	(22.9)	23.2	10.9	(2.1)	(1.7)	10.0	0.6	(2.4)	31.9	4.3	**29.5**
2021	(0.2)	9.0	(0.1)	5.1	4.1	(0.5)	1.8	5.1	4.9	2.3	(7.4)	3.7	**30.3**
2022	2.8	6.9	1.3	3.4	0.1	(13.5)	(3.3)	5.4	(7.6)	5.2	7.5	4.4	**10.7**
2023	3.6	(2.0)	0.5	1.6	(3.2)	1.7	5.2	(4.9)	0.9	(3.1)	2.4	3.7	**6.2**
2024	0.3	(1.0)	8.1	3.3	2.6	(5.0)	1.5	(3.3)	4.3	(1.4)	(2.9)	(3.8)	**2.0**
2025	0.2	(0.9)	2.0	(0.7)	6.9	5.8	4.3	6.1	4.3	2.3			**31.6**

Strategy performance in rising and falling markets[4] (Net)



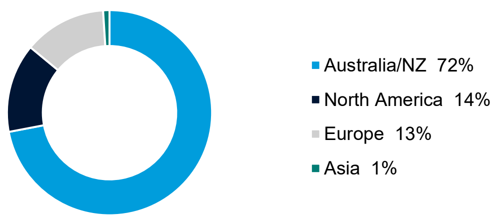
Portfolio positions

Number of total positions	74
Number of long positions	56
Number of short positions	18
Number of international positions	27

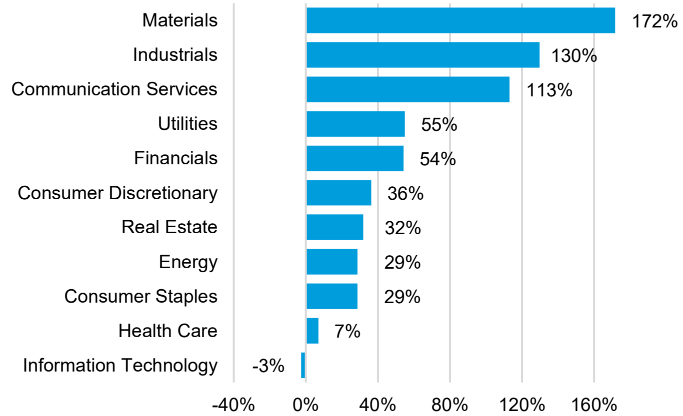
Net and gross exposure (%)

	Gross long	Gross short	Net exposure
Australia/NZ	90	(78)	12
North America	32	(1)	31
Europe	29	(1)	30
Asia	3	-	3
Total[5]	**154**	**(79)**	**74**

Gross geographic exposure as a % of total exposure[4]



Sector contribution since Strategy inception[4] (Net)



Company information as at 31 October 2025[6]

Share Price	$3.54
NTA before tax	$3.61
NTA after tax	$3.42
Shares on issue	631,978,370
Company market cap	$2.28b

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.** LSF (ASX:LSF) returns are calculated based on the movement of the underlying investment portfolio net of all applicable fees and charges since inception on 24 April 2018. Strategy returns table is for the L1 Long Short Limited (ASX:LSF) since inception on 24 April 2018. Performance prior to this date is that of the L1 Capital Long Short Fund – Monthly Class since inception (1 September 2014). **4.** Exposure and contribution are that of the L1 Capital Long Short Fund – Monthly Class since inception (1 September 2014). **5.** Figures may not sum exactly due to rounding. Excludes of exposures to instruments not associated with a specific geography. **6.** 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.

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	MUFG Corporate Markets
Company website	www.L1LongShort.com

Company information – LSF

Name	L1 Long Short Fund Limited
Structure	Listed Investment Company (ASX:LSF)
Inception	24 April 2018
Management fee*	1.44% p.a.
Performance fee**	20.5% p.a.
High watermark	Yes
Platform availability	BT Panorama, CFS Firstwrap, HUB24, IOOF, Macquarie Wrap, Mason Stevens, Netwealth, Powerwrap, uXchange

L1 Capital (Investment Manager) 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 is 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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* Fees are quoted inclusive of GST and net of RITC. ** The performance fee is equal to the stated percentage of any increase in the NAV over any Performance Period.

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.