L1 CAPITAL
Part of L1 Group

Monthly report

L1 Long Short Fund Limited (ASX:LSF)

June 2026

- The L1 Long Short Fund (LSF) portfolio returned -0.7%[1] in June (ASX200AI 0.7%) taking performance for the calendar year to date to 12.5%[1] (ASX200AI 2.4%).
- Over the past year, the portfolio has returned 45.4%[1] (ASX200AI 6.1%).
- Since inception in 2014, the L1 Capital Long Short Fund has been the best performing long short fund in Australia, returning 20.2% p.a., compared to 8.0% p.a. for the ASX200AI.[2]
- We invite you to watch our latest L1 Capital Long Short Strategies video update by clicking here.

Global equity markets were mixed in June as investors balanced easing Middle East tensions against ongoing concerns around inflation and the path of central bank policy. Improving confidence that the Iran ceasefire would hold added downward pressure to crude oil prices and energy stocks (crude oil -20%), while U.S. dollar strength weighed on commodities more broadly (iron ore -5%, gold -12%, lithium -12%).

Australian equities delivered modest gains despite sticky inflation and hawkish RBA commentary. After three hikes earlier in 2026, the RBA held the cash rate unchanged in June. Markets interpreted this as a pause rather than the end of tightening, with the RBA emphasising that underlying inflation remains too high amid tight labour markets and wage pressures.

The ASX200AI returned +0.7% in June as investors pivoted out of Materials and into previously lagging sectors, partly unwinding the past year's leadership trends. Healthcare (+13.3%), Consumer Staples (+13.0%) and Consumer Discretionary (+12.2%) outperformed, while Energy (-8.9%) and Materials (-6.7%) fell on weaker oil and commodity prices.

The S&P500 (-1.0%) was weaker in June as investors balanced ongoing enthusiasm around AI capex beneficiaries and resilient corporate earnings against a pullback in mega-cap technology stocks and shifting interest rate expectations.

The portfolio declined modestly as gains in James Hardie, Qantas and other positions were offset by weakness in gold stocks and NexGen Energy. James Hardie shares continued to recover after the company presented a constructive FY27 outlook with a focus on returning its North American fibre cement business to volume growth.

Qantas rallied following the U.S.-Iran ceasefire, as jet fuel prices retraced to +20% above pre-war levels, versus +150% at peak and +40% at the end of May. The stock was also supported by management releasing further detail on Project Sunrise, including the planned Sydney–London non-stop service.

The gold price traded near its lowest levels since November pressured by ETF selling, a stronger U.S. dollar and a more hawkish Fed/rate outlook. We remain constructive on gold equities, with our key positions offering significant valuation upside and strong production growth.

NexGen Energy declined alongside the broad uranium complex. Despite the equity volatility, spot uranium prices held relatively stable, with NexGen set to begin construction of its Rook I project soon.

Returns (Net)[1,2] (%)

	LSF Portfolio	S&P/ASX 200 AI	Out-performance
1 month	(0.7)	0.7	(1.4)
3 months	12.7	4.0	+8.7
1 year	45.4	6.1	+39.3
3 years p.a.	20.6	10.6	+9.9
5 years p.a.	16.9	7.8	+9.1
7 years p.a.	20.4	8.0	+12.4
LSF Since Inception p.a.	14.7	9.0	+5.8
LSF Strategy Since Inception p.a.	20.2	8.0	+12.2

Figures may not sum exactly due to rounding.

The global stock market rally in 2026 has been incredibly narrow, with AI-related stocks completely dominating returns. We believe the macro environment remains mixed, but in a short term sense will benefit from a much lower oil price and slightly lower bond yields.

We are using this environment to identify high-quality companies that are trading well below our assessment of fair value, allowing for a wide range of macro environments.

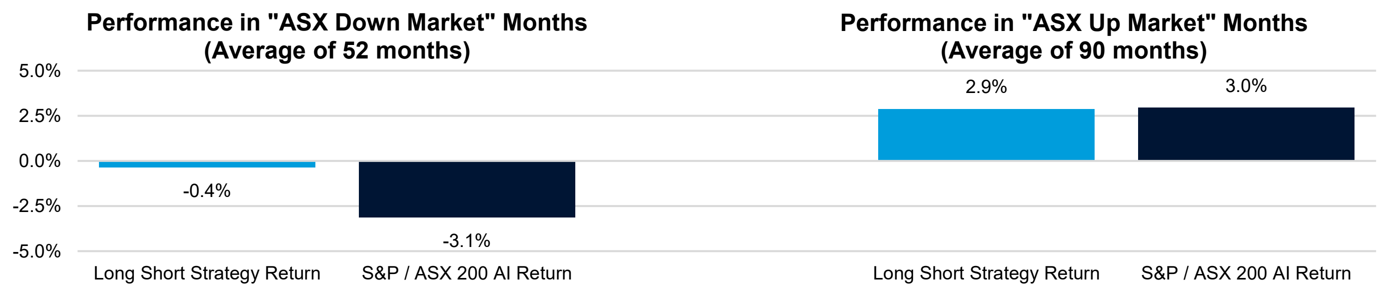
We believe the portfolio looks well placed at present, with our median long position trading on 10x P/E, with double-digit EPS growth and modest debt levels.

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.** 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. **2.** LSF Strategy Since Inception returns are for the L1 Capital Long Short Fund – Monthly Class since inception (1 September 2014). Based on Zenith FE funds data as at 30 June 2026. 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)	0.6	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)	(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	7.5	3.7	**46.8**
2026	9.3	(0.9)	(7.8)	6.2	7.0	(0.7)							**12.5**

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



Portfolio positions

Number of total positions	75
Number of long positions	57
Number of short positions	18
Number of international positions	22

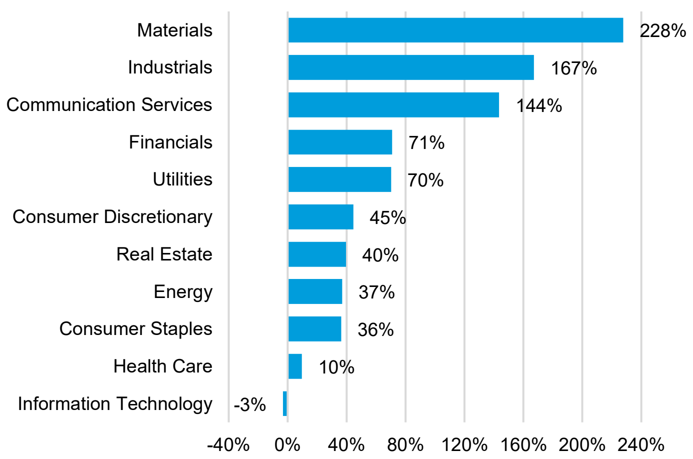
Net and gross exposure[5] (%)

	Gross long	Gross short	Net exposure
Australia/NZ	89	(81)	8
North America	33	(1)	32
Europe	36	-	36
Asia	3	-	3
Other	-	(20)	(20)
Total	**161**	**(102)**	**59**

Company information as at 30 June 2026[6]

Share Price	$4.72
NTA before tax	$4.32
NTA after tax	$3.95
Shares on issue	634,669,420
Company market cap	$3.00b

Sector contribution since Strategy inception[4] (Net)



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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 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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* 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.