L1 CAPITAL
Part of L1 Group

Monthly report

L1 Global Long Short Fund Limited (ASX:GLS)

July 2026

- The L1 Global Long Short Fund Limited (GLS) returned 5.2%[1] in July (MSCI World 0.5%[2]).
- Since inception in January 2025, the Global Long Short Fund Strategy has returned 58.1%[3] p.a. (MSCI World 20.1% p.a.[2]).
- Key portfolio contributors were short positions in over-hyped technology stocks and solid performance in several European and Asian industrials despite a volatile market backdrop.

Global markets were mixed in July (MSCI World +0.5%, S&P 500 -0.1%) as a sharp unwind in AI momentum and pressure on rate-sensitive sectors were offset by strength in Energy and Financials. Renewed Middle East tensions drove Brent crude 24% higher, lifting Energy stocks. Higher global bond yields supported Financials, but weighed on rate-sensitive sectors such as housing and infrastructure.

During July, market expectations for the Fed Funds rate shifted modestly further towards tightening. The FOMC left rates unchanged, but the 9-3 vote highlighted a more hawkish bias, with three members preferring an immediate 25bp hike.

The S&P 500 was broadly flat as weakness in AI-related stocks was offset by stronger-than-expected corporate earnings, particularly in Energy and Financials. Following a strong start to the year, semiconductor stocks sold off sharply with the SOX Index down 25% from its June high and the KOSPI falling 22% during the month.

European equities were modestly down (MSCI Europe ex U.K. -0.6%), supported by improving earnings expectations – particularly in energy – and a relatively lower exposure to AI-related sectors. In Asia, concerns over China's semiconductor progress reversed the earlier AI supply-chain rally in South Korea, Taiwan and Japan.

The portfolio delivered strong performance in July, with significant contributors including shorts in several over-hyped technology names and a long position in CK Hutchison, whilst CRH was a key detractor.

Short positions in over-hyped technology companies contributed positively as investors reassessed stretched valuations, heavy funding requirements and uncertain paths to profitability. Many of these stocks had rallied sharply on AI-related enthusiasm, but sold off as the market's focus shifted back to earnings, cash flow and execution risk.

CK Hutchison shares rose on higher oil prices and improved operating momentum, while speculation around asset sales and restructuring supported expectations of unlocking shareholder value and narrowing its material sum-of-the-parts discount.

Returns (Net)[1,3] (%)

	GLS Portfolio	MSCI World[2]	Out-performance
1 month	5.2	0.5	+4.7
3 months	15.6	4.3	+11.3
6 months	10.0	7.8	+2.2
GLS Since Inception	17.8	11.1	+6.6
Strategy Since Inception p.a.	58.1	20.1	+38.0

Figures may not sum exactly due to rounding.

CRH shares fell as higher bond yields weighed on the building products sector globally. This was despite the company reporting solid Q2 results, with revenue and margins ahead of the prior year, and reaffirming its full-year guidance. We continue to believe robust U.S. infrastructure spending and CRH's leading market positions provide a supportive medium-term earnings backdrop.

July's sharp market rotation highlighted the concentration risk embedded in global equities. Despite the pullback in AI-related stocks, 2026 market leadership remains very narrow and heavily dependent on a small group of companies. The macro backdrop remains mixed, with higher oil prices, rising global bond yields and geopolitical uncertainty creating a more challenging environment for cyclical and rate-sensitive companies.

We continue to focus on company-specific opportunities where valuation and earnings delivery can drive returns across a range of potential macro environments. We believe the portfolio looks well placed at present, with the median long position trading on 10x P/E, supported by 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 is not a reliable indicator of future performance. 1.** GLS (ASX:GLS) returns are calculated based on the movement of the underlying investment portfolio net of all applicable fees and charges. **2.** MSCI World Accumulation Index is shown in US$. Please see important information at the end of this pack regarding MSCI indices. **3.** Based on returns achieved by the L1 Capital Global Long Short Fund – Daily Class since inception (1 January 2025). NOTE: Fund returns and Australian indices are shown in A$. Returns of U.S. indices are shown in US$. Index returns are on a total return (accumulation) basis unless otherwise specified.

Returns (Net)[4,5] (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2025	3.0	(0.1)	1.1	8.3	6.1	4.0	0.7	7.0	5.6	2.7	15.3	1.2	**69.6**
2026	5.8	3.3	(14.9)	8.2	6.9	2.7	5.2						**16.3**

Portfolio positions

Number of total positions	109
Number of long positions	65
Number of short positions	44

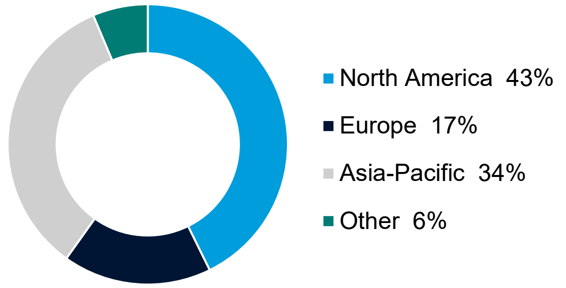
Net and gross exposure[6] (%)

	Gross long	Gross short	Net exposure
North America	58	(73)	(15)
Europe	51	(2)	49
Asia-Pacific	60	(44)	16
Other	-	(20)	(20)
Total	**169**	**(138)**	**31**

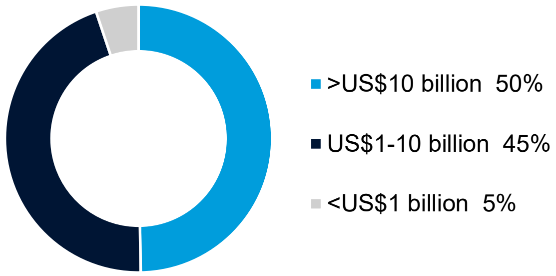
Company information as at 31 July 2026[7]

Share Price	$2.04
NTA before tax	$1.77
NTA after tax	$1.82
Shares on issue	547,658,403
Company market cap	$1.11b

Gross geographic exposure as a % of total exposure[6]



Gross market cap exposure as a % of total exposure



All performance numbers are quoted net of fees. Figures may not sum exactly due to rounding. **Past performance is not a reliable indicator of future performance. 4.** GLS (ASX:GLS) returns are calculated based on the movement of the underlying investment portfolio net of all applicable fees and charges. **5.** Based on returns achieved by the L1 Global Long Short Fund Limited (ASX:GLS) portfolio since inception on 28 November 2025 (being the date that L1 Capital assumed the role of investment manager of the Company). Prior to this date, data is that of the L1 Capital Global Long Short Fund – Daily Class portfolio since inception (1 January 2025) which is subject to a higher fee. **6.** Other refers to positions or portfolio hedges that are not specific to a single region. **7.** 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

Rachel Grimes	Chair and Non-Executive Director
Douglas Farrell	Independent Non-Executive Director
David Gray	Independent Non-Executive Director
Katrina Glendinning	Independent Non-Executive Director
Joanne Jefferies	Non-Executive Director
Jane Stewart	Company Secretary
Registry	MUFG Corporate Markets
Company website	www.L1.com.au/GLSF

Company information – GLS

Name	L1 Global Long Short Fund Limited
Structure	Listed Investment Company (ASX:GLS)
Inception	28 November 2025
Management fee*	1.44% p.a.
Performance fee**	20.5%
High watermark	Yes

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.

L1 CAPITAL
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Invest now

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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 Global Long Short Fund Limited, managed by L1 Capital Pty Ltd, has been established to invest in a portfolio of 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.