

L1 Global Long Short Fund Limited (ASX:GLS)

September 2026

- The L1 Global Long Short Fund Limited (GLS) returned -6.2%¹ in September (MSCI World -1.2%²).
- Since inception in January 2025, the Global Long Short Fund Strategy has returned 52.2%³ p.a. (MSCI World 18.9% p.a.²).
- Following strong gains in July and August, the portfolio's cyclical and rate-sensitive holdings came under pressure in September as higher bond yields and elevated oil prices weighed on markets.

September was a difficult month for global equity markets, with higher bond yields and surging oil prices weighing on investor sentiment. Bond yields rose sharply amid persistent inflation, fiscal deficit concerns and heavy debt issuance. The Brent crude price rose 14.4% as Middle East tensions persisted.

In the U.S., the Fed raised the federal funds target range by 25bps to 3.75 – 4.00%, while the 30-year Treasury yield rose above 5.6%, its highest level in almost 25 years. A key benchmark used in equity valuations, the 10-year Treasury yield, surged 54bp in the month to 5.29%, its largest monthly increase in four years.

The modest decline in market indices overall (MSCI World -1.2%, S&P 500 -0.3%) masked significant broader weakness, with 83% of S&P500 members dropping more than 10% from recent highs. Technology and Communication Services were the only sectors to advance as AI-related strength continued, while all other S&P500 sectors ended the month negative.

European equities declined (MSCI Europe ex U.K. -2.6%), amid higher energy prices, rising borrowing costs and political uncertainty. Energy and Technology provided some offset, while more cyclical and rate-sensitive sectors lagged.

After strong year-to-date performance, the portfolio was impacted by the spike in bond yields. Key detractors during the month included Alcoa, Nubank and CRH while Finning was a key contributor.

Alcoa shares fell, together with sector peers, as the market view on medium-term aluminium prices weakened based on growing expectations of medium-term supply growth. We remain positive on Alcoa and believe there is significant upside in the shares as they hit operational milestones and synergies from their recent acquisition.

Nubank underperformed amid growing concerns that Brazil's deteriorating macro trends could impact consumer lending. The shares fell sharply just before month end on media reports of a potential U.K. acquisition, then partially rebounded post month end as Nubank confirmed it was not considering a deal. The prospect of a more shareholder friendly government in Brazil added to the share price recovery post month end.

Returns (Net)^{1,3} (%)

	GLS Portfolio	MSCI World ²	Out-performance
1 month	(6.2)	(1.2)	(5.0)
3 months	6.7	1.9	+4.8
6 months	26.8	15.9	+10.9
GLS Since Inception	19.4	12.7	+6.7
Strategy Since Inception p.a.	52.2	18.9	+33.3

Figures may not sum exactly due to rounding.

CRH shares fell as rising bond yields weighed on the building products sector globally and as the company flagged a more difficult price/cost environment with diesel prices continuing to spike (up close to 50% over the September quarter). We continue to remain positive on the medium-term outlook for the company, with infrastructure spending, which is CRH's largest end market, set to remain robust.

Finning shares rallied on stronger confidence in the outlook for the company's mining and construction opportunities, along with improved investor sentiment towards back-up and primary power demand for data centres.

Global stockmarket indices have been relatively flat since May despite a volatile macro backdrop. We believe the headline index stability is hiding an aggressive sell-off across many stocks and sectors. This share price volatility is fertile ground for active stock picking, as we are finding many high-quality businesses trading far below our assessment of fair value.

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. Strategy performance is 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	8.0	(6.2)				17.9

Portfolio positions

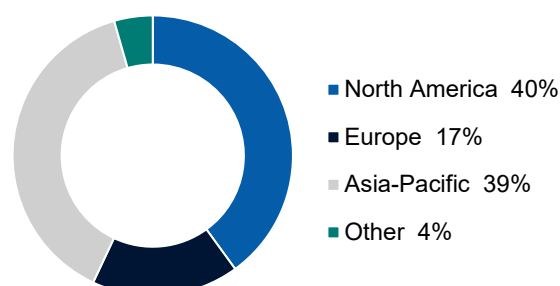
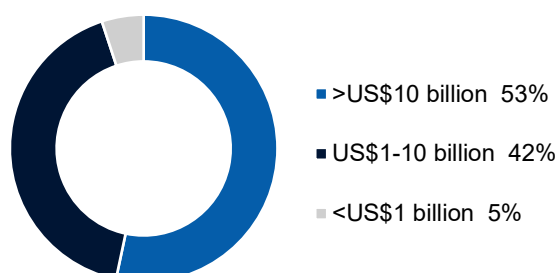
Number of total positions	118
Number of long positions	65
Number of short positions	53

Net and gross exposure⁶ (%)

	Gross long	Gross short	Net exposure
North America	61	(67)	(6)
Europe	52	(3)	48
Asia-Pacific	74	(50)	25
Other	-	(14)	(14)
Total	187	(134)	53

Company information as at 30 September 2026⁷

Share Price	\$2.01
NTA before tax	\$1.78
NTA after tax	\$1.81
Shares on issue	548,522,277
Company market cap	\$1.10b

Gross geographic exposure as a % of total exposure⁶**Gross market cap exposure as a % of total exposure**

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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
Julian Russell	Non-Independent Non-Executive Director
Olivia Byron	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.



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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.

Disclaimer: This communication has been prepared for L1 Global Long Short Fund Limited (ACN 063 975 431) 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.**

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