

L1 Capital Global Long Short Fund

ARSN 681 838 004

Annual report

For the period 31 October 2024 to 30 June 2025

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Independent auditor's report to the unit holders of L1 Capital Global Long Short Fund

This annual report covers L1 Capital Global Long Short Fund as an individual entity.

The Responsible Entity of L1 Capital Global Long Short Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975).

The Responsible Entity's registered office is:

Level 1, 575 Bourke Street
Melbourne, VIC 3000.

Directors' report

The directors of Equity Trustees Limited, the Responsible Entity of the L1 Capital Global Long Short Fund (the "Fund"), present their report together with the financial statements of the Fund for the period 31 October 2024 to 30 June 2025.

Principal activities

The Fund was constituted on 25 October 2024, registered with the Australian Securities Commission on 31 October 2024 and commenced operations on 31 December 2024.

The Fund uses a fundamental, bottom-up stock picking approach to identify securities with the potential to provide attractive risk-adjusted returns over the long term in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution. The Fund may also invest in derivatives and may use gearing and shorting.

The Fund did not have any employees during the period.

There were no significant changes in the nature of the Fund's activities during the period.

The various service providers of the Fund are detailed below:

Service	Provider
Responsible Entity	Equity Trustees Limited
Investment Manager	L1 Capital Pty Ltd
Custodians & Prime Broker	Morgan Stanley & Co. International plc ('Morgan Stanley PB')
Administrator and Registrar	Apex Fund Services Pty Ltd (an Apex Group Company)
Statutory Auditor	Ernst & Young

Directors

The following persons held office as directors of Equity Trustees Limited during or since the end of the period and up to the date of this report:

Michael J O'Brien	Chairman
Russell W Beasley	(appointed 1 July 2025)
Mary A O'Connor	(resigned 1 July 2025)
David B Warren	
Andrew P Godfrey	
Johanna E Platt	

Review and results of operations

During the period, the Fund continued to invest its funds in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

The Fund's performance for L1 Capital Global Long Short Fund - Monthly Class and L1 Capital Global Long Short Fund - Daily Class was 25.5% and 24.46% (net of fees) respectively for the period ended 30 June 2025.

The return achieved by the Fund for the reporting period is calculated as the percentage movement in NAV/units on issue from 31 December 2024 to 30 June 2025.

Directors' report (continued)

Review and results of operations (continued)

The performance of the Fund, as represented by the results of its operations, was as follows:

**For the period
31 October
2024
to
30 June 2025**

Profit/(loss) before finance costs attributable to unit holders for the period (\$'000)	4,212
<i>L1 Capital Global Long Short Fund - Monthly Class</i>	
Distributions paid and payable (\$'000)	718
Distributions (cents per unit)	3.6405
<i>L1 Capital Global Long Short Fund - Daily Class</i>	
Distributions paid and payable (\$'000)	-*
Distributions (cents per unit)	2.5305

* During the period ended 30 June 2025, a total distribution of \$50.62 was declared for Daily Class.

Significant changes in the state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Fund that occurred during the financial period.

Matters subsequent to the end of the financial period

On 28 August 2025, the Responsible Entity approved a reduction in the fair value of the Fund's holding in West African Resources Ltd (ASX: WAF), following the company's suspension from trading on that date. The reduction was based on the market price quoted on the ASX as at 27 August 2025, resulting in an estimated decrease of \$456,099. Accordingly, this does not affect the balances reported as at 30 June 2025.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may have a significant effect on:

- (i) the operations of the Fund in future financial years; or
- (ii) the results of those operations in future financial years; or
- (iii) the state of affairs of the Fund in future financial years.

Likely developments and expected results of operations

The Fund will continue to be managed in accordance with the investment objectives and guidelines as set out in the Product Disclosure Statement and the provisions of the Fund's Constitution.

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Indemnification and insurance of officers

No insurance premiums are paid for out of the assets of the Fund in regard to the insurance cover provided to the officers of Equity Trustees Limited. So long as the officers of the Equity Trustees Limited act in accordance with the Fund's Constitution and the Law, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

Indemnification of auditor

The Responsible Entity has not, during or since the end of the financial period, except to the extent permitted by law, indemnified or agreed to indemnify the auditor of the Fund against a liability incurred as auditor.

Fees paid to and interests held in the Fund by the Responsible Entity and its associates

Fees paid to the Responsible Entity and its associates out of Fund property during the period are disclosed in Note 16 of the financial statements.

No fees were paid out of Fund's property to the directors of the Responsible Entity during the period.

The number of interests in the Fund held by the Responsible Entity and its associates as at the end of the financial period are disclosed in Note 16 of the financial statements.

Directors' report (continued)

Interests in the Fund

The movement in units on issue in the Fund during the period is disclosed in Note 9 of the financial statements.

The value of the Fund's assets and liabilities is disclosed in the statement of financial position and derived using the basis set out in Note 2 of the financial statements.

Environmental regulation

The operations of the Fund are not subject to any particular or significant environmental regulations under Commonwealth, State or Territory law.

Rounding of amounts to the nearest thousand dollars

Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191*, unless otherwise indicated.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of the Directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Andrew P Godfrey
Director

Melbourne
18 September 2025



**Shape the future
with confidence**

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Auditor's independence declaration to the directors of Equity Trustees Limited as Responsible Entity for L1 Capital Global Champions Fund

As lead auditor for the audit of the financial report of L1 Capital Global Champions Fund for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Ernst & Young

Emma Reekie
Partner
Melbourne
18 September 2025

L1 Capital Global Long Short Fund
Statement of comprehensive income
For the period 31 October 2024 to 30 June 2025

Statement of comprehensive income

		For the period 31 October 2024 to 30 June 2025 \$'000
	Note	
Income		
Interest income from financial assets at amortised cost		341
Dividend and distribution income		332
Net gains/(losses) on financial instruments at fair value through profit or loss		5,358
Management fees and costs reimbursement	16	104
Net foreign exchange gain/(loss)		(49)
Total income/(loss)		<u>6,086</u>
Expenses		
Management fees and costs	16	235
Performance fees		1,089
Interest expense		367
Transaction costs		2
Stock loan fees		67
Withholding tax on foreign dividends		34
Dividend expense		80
Total expenses		<u>1,874</u>
Profit/(loss) before finance costs attributable to unit holders for the period		<u>4,212</u>
Finance costs attributable to unit holders		
Distributions to unit holders	10	(718)
(Increase)/decrease in net assets attributable to unit holders	9	<u>(3,494)</u>
Profit/(loss) for the period		-
Other comprehensive income		<u>-</u>
Total comprehensive income for the period		<u>-</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

	Note	As at 30 June 2025 \$'000
Assets		
Cash and cash equivalents	11	23,687
Receivables	13	185
Due from brokers - receivable for securities sold		2,994
Financial assets at fair value through profit or loss	6	49,962
Margin accounts		1,744
Total assets		78,572
Liabilities		
Broker advances		30,276
Distributions payable		718
Payables	14	1,447
Due to brokers - payable for securities purchased		2,422
Financial liabilities at fair value through profit or loss	7	19,686
Total liabilities (excluding net assets attributable to unit holders)		54,549
Net assets attributable to unit holders - liability	9	24,023

The above statement of financial position should be read in conjunction with the accompanying notes.

L1 Capital Global Long Short Fund
Statement of changes in equity
For the period 31 October 2024 to 30 June 2025

Statement of changes in equity

	For the period 31 October 2024 to 30 June 2025 \$'000
Total equity at the beginning of the financial period*	-
Profit/(loss) for the period	-
Other comprehensive income	-
Total comprehensive income	-
Transactions with owners in their capacity as owners	-
Total equity at the end of the financial period*	-

*Under Australian Accounting Standards, net assets attributable to unit holders are classified as a liability rather than equity. As a result, there was no equity at the start or end of the financial period.

The above statement of changes in equity should be read in conjunction with the accompanying notes with reference to Notes 2c and 9.

L1 Capital Global Long Short Fund
Statement of cash flows
For the period 31 October 2024 to 30 June 2025

Statement of cash flows

		For the period 31 October 2024 to 30 June 2025 \$'000
	Note	
Cash flows from operating activities		
Proceeds from sale of financial instruments at fair value through profit or loss		85,326
Payments for purchase of financial instruments at fair value through profit or loss		(110,816)
Interest income from financial assets at amortised cost		276
Dividends and distributions received		287
Net movement in margin accounts		(1,744)
Management fees and costs paid		(13)
Stock loan fees paid		(40)
Transaction costs paid		(2)
Dividend expense paid on short position securities		(48)
Interest expense paid		(290)
Other expenses paid		(5)
Net cash inflow/(outflow) from operating activities	12	<u>(27,069)</u>
Cash flows from financing activities		
Proceeds from applications by unit holders		20,529
Broker advances received/(paid)		30,276
Net cash inflow/(outflow) from financing activities		<u>50,805</u>
Net increase/(decrease) in cash and cash equivalents		23,736
Cash and cash equivalents at the beginning of the period		-
Effects of foreign currency exchange rate changes on cash and cash equivalents		<u>(49)</u>
Cash and cash equivalents at the end of the period	11	<u>23,687</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

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1. General information

These financial statements cover L1 Capital Global Long Short Fund (the "Fund") as an individual entity. The Fund is an Australian registered managed investment scheme which was constituted on 25 October 2024 and will terminate in accordance with the provisions of the Fund's Constitution or by Law.

The Responsible Entity of the Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975) (the "Responsible Entity"). The Responsible Entity's registered office is Level 1, 575 Bourke Street, Melbourne, VIC 3000. The financial statements are presented in the Australian currency unless otherwise noted.

The investment activities of the Fund are managed by L1 Capital Pty Ltd ("Investment Manager"). The administration services of the Fund is delegated to Apex Fund Services Pty Ltd (the "Administrator"). The custody services of the Fund is delegated to Morgan Stanley & Co. International plc ("Morgan Stanley PB") (the "Custodian").

The Fund uses a fundamental, bottom-up stock picking approach to identify securities with the potential to provide attractive risk-adjusted returns over the long term in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution. The Fund may also invest in derivatives and may use gearing and shorting.

The financial statements were authorised for issue by the directors on the date the Directors' declaration was signed. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2. Summary of material accounting policy information

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated in the following text.

a. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* in Australia. The Fund is a for-profit entity for the purpose of preparing the financial statements.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within 12 months, except for investments in financial assets and liabilities and net assets attributable to unit holders.

The Fund manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at reporting date.

In the case of net assets attributable to unit holders, the units are redeemable on demand at the unit holder's option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within 12 months cannot be reliably determined.

i. Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Fund also comply with IFRS as issued by the International Accounting Standards Board (IASB).

ii. New standards and interpretations not yet adopted

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 was issued in June 2024 and replaces AASB 101 *Presentation of Financial Statements*. The new standard introduces new requirements for the statement of comprehensive income, including:

- new categories for the classification of income and expenses into operating, investing and financing categories, and
- presentation of subtotals for "operating profit" and "profit before financing and income taxes".

Additional disclosure requirements are introduced for management-defined performance measures and new principles for aggregation and disaggregation of information in the notes and the primary financial statements and the presentation of interest and dividends in the statement of cash flows. The new standard is effective for annual years beginning on or after 1 January 2027 and will apply to the Fund for the financial year ending 30 June 2028.

2. Summary of material accounting policy information (continued)

a. Basis of preparation (continued)

ii. New standards and interpretations not yet adopted (continued)

This new standard is not expected to have an impact on the recognition and measurement of assets, liabilities, income and expenses, however there will likely be changes in how the statement of comprehensive income and statement of financial position line items are presented as well as some additional disclosures in the notes to the financial statements. Management is in the process of assessing the impact of the new standard.

Certain amendments to accounting standards have been published that are not mandatory for the 30 June 2025 reporting period and have not been early adopted by the Fund. These amendments are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

b. Financial instruments

i. Classification

- Financial assets

The Fund classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss; and
- those to be measured at amortised cost

The Fund classifies its financial assets based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

The Fund's portfolio of financial assets is managed and its performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is for the Investment Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Equity securities and derivatives are measured at fair value through profit or loss.

For cash and cash equivalents, due from brokers, margin accounts and receivables, these assets are held in order to collect the contractual cash flows. The contractual terms of these assets give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Consequently, these are measured at amortised cost.

- Financial liabilities

The Fund makes short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions. Short sales are held for trading and are consequently classified as financial liabilities at fair value through profit or loss. Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

For financial liabilities that are not classified and measured at fair value through profit or loss, these are classified as financial liabilities at amortised cost (broker advances, distribution payable, payables and due to brokers).

ii. Recognition and derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or the Fund has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iii. Measurement

- Financial instruments at fair value through profit or loss

At initial recognition, the Fund measures a financial asset and a financial liability at its fair value. Transaction costs of financial assets and liabilities carried at fair value through profit or loss are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income in the period in which they arise.

For further details on how the fair value of financial instruments is determined, please see Note 5 to the financial statements.

2. Summary of material accounting policy information (continued)

b. Financial instruments (continued)

iii. Measurement (continued)

- Financial instruments at amortised cost

For financial assets and financial liabilities at amortised cost, they are initially measured at fair value including directly attributable costs and are subsequently measured using the effective interest rate method less any allowance for expected credit losses (ECL).

Cash and cash equivalents, receivables, due to brokers, due from brokers, distributions payable, payables, margin accounts and broker advances are carried at amortised cost.

iv. Impairment

At each reporting date, the Fund shall estimate a loss allowance on each of the financial assets carried at amortised cost (cash and cash equivalents, due from broker and receivables) at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month ECL. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that the asset is credit impaired. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the net carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

The ECL approach is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

v. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Fund has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Financial assets and liabilities offset have been disclosed in Note 4 to the financial statements.

c. Net assets attributable to unit holders

Units are redeemable at the unit holders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unit holders.

The units are classified as financial liabilities as the Fund is required to distribute its distributable income in accordance with the Fund's Constitution.

The units can be put back to the Fund at any time for cash based on the redemption price which is equal to a proportionate share of the Fund's net asset value attributable to the unit holders.

The units are carried at the redemption amount that is payable at the reporting date if the holder exercises the right to put the unit back to the Fund.

d. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash at broker is included as a component of cash and cash equivalents. This balance is integral to the Company's cash management, to meet its short-term cash commitments, is readily accessible and is subject to an insignificant risk of changes in value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as trading of these securities represents the Fund's main income generating activity.

2. Summary of material accounting policy information (continued)

e. Margin accounts

Margin accounts comprise cash held as collateral for derivative transactions and short sales. The cash is held by the broker and is only available to meet margin calls. It is not included as a component of cash and cash equivalents.

f. Broker advances

Broker advances comprise cash paid by brokers on behalf of the Fund under the facility in the prime brokerage agreement for the day-to-day settlement of Fund's sales and purchases of financial instruments in foreign currencies. Interest is charged on amounts drawn based on the prime brokerage agreement.

g. Income

i. Interest income

Interest income from financial assets at amortised cost is recognised using the effective interest method and includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities measured at fair value through profit or loss.

The effective interest method is a relevant method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instruments (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Interest income on financial assets at fair value through profit or loss is also recognised in the statement of comprehensive income. Changes in fair value of financial instruments at fair value through profit or loss are recorded in accordance with the policies described in Note 2(b) to the financial statements.

ii. Dividends and distributions

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense. The Fund currently incurs withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the statement of comprehensive income.

Trust distributions are recognised on an entitlement basis.

h. Expenses

All expenses are recognised in the statement of comprehensive income on an accrual basis.

Interest expense from financial liabilities at amortised cost is recognised using the effective interest method and includes interest expenses from the credit facility.

The management fees and costs cover certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, administration, audit fees and other operating expenses.

Under the terms of the Fund's Constitution and Product Disclosure Statement, the Investment Manager is entitled to receive a performance fee in relation to the performance of the fund. For information on how performance fees are calculated please refer to the Fund's Product Disclosure Statement.

Dividend expenses on short positions in equity securities equal to the dividends due on these securities. Such dividend expense is recognised in the statement of comprehensive income when the shareholders' right to receive payment is established.

i. Income tax

Under current legislation, the Fund is not subject to income tax provided it attributes the entirety of its taxable income to its unit holders.

The Fund currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are included in the statement of comprehensive income as an expense.

j. Distributions

The Fund may distribute its distributable income, in accordance with the Fund's Constitution, to unit holders by cash or reinvestment. The distributions are recognised in the statement of comprehensive income as finance costs attributable to unit holders.

2. Summary of material accounting policy information (continued)

k. Increase/decrease in net assets attributable to unit holders

Income not distributed is included in net assets attributable to unit holders. Where the Fund's units are classified as financial liabilities, movements in net assets attributable to unit holders are recognised in the statement of comprehensive income as finance costs.

l. Foreign currency translation

i. Functional and presentation currency

Balances included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Fund competes for funds and is regulated. The Australian dollar is also the Fund's presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

The Fund does not isolate that portion of gains or losses on financial instruments at fair value through profit or loss which is due to changes in foreign exchange rates. Such fluctuations are included in the net gains/(losses) on financial instruments at fair value through profit or loss.

m. Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. The due from brokers balance is held for collection and are recognised initially at fair value and subsequently measured at amortised cost.

n. Receivables

Receivables may include amounts for interest, dividends and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Where applicable, interest is accrued on a daily basis. Amounts are generally received within 30 days of being recorded as receivables.

o. Payables

Payables include liabilities, accrued expenses owed by the Fund and any distributions declared which are unpaid as at the end of the reporting period.

A separate distribution payable is recognised in the statement of financial position.

The Fund usually distributes income semi-annually at the end of June and at the end of December.

Distributions declared effective 30 June in relation to unit holders who have previously elected to reinvest distributions are recognised as reinvested effective 1 July of the following financial period.

p. Applications and redemptions

Unit application and redemption prices are determined by reference to the net assets of the Fund dividend by the number of units on issue, adjusted for buy/sell spreads.

q. Goods and services tax (GST)

The GST incurred on the costs of various services provided to the Fund by third parties such as management, administration and custodian services where applicable have been passed on to the Fund. The Fund qualifies for Reduced Input Tax Credits (RITC) at a rate of at least 55%. Hence, fees for these services and any other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Amounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statement of financial position. Cash flows related to GST are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as an operating cash flow.

2. Summary of material accounting policy information (continued)

r. Use of estimates and judgements

The Fund makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities within the current and next financial period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Investment Manager.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations, require management to make estimates and judgements. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The Fund estimates that the resultant ECL derived from using the impairment model has not materially impacted the Fund. Please see Note 3 for more information on credit risk.

For more information on how fair value is calculated please refer to Note 5 to the financial statements.

s. Comparative period

The Fund was constituted on 25 October 2024, registered with the Australian Securities and Investments Commission on 31 October 2024, and commenced operations on 31 December 2024. The reporting period covers the period 31 October 2024 to 30 June 2025, hence there is no comparative information.

t. Rounding of amounts

The Fund is an entity of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

3. Financial risk management

The Fund's activities expose it to a variety of financial risks including market risk (which incorporates price risk, foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Fund's overall risk management programme focuses on ensuring compliance with the Fund's Product Disclosure Statement and the investment guidelines of the Fund. It also seeks to maximise the returns derived for the level of risk to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance. The Fund's policy allows it to use derivative financial instruments in managing its financial risks.

All investments present a risk of loss of capital. The maximum loss of capital on long equity securities is limited to the fair value of those positions. The maximum loss of capital on long and short futures and swaps is limited to the notional contract values of those positions. On equities sold short, the maximum loss of capital can be unlimited.

The investments of the Fund, and associated risks, are managed by a specialist Investment Manager, L1 Capital Pty Ltd, under an Investment Management Agreement ("IMA") approved by the Responsible Entity, and containing the investment strategy and investment guidelines of the Fund, consistent with those stated in the Product Disclosure Statement.

The Fund uses different methods to measure different types of risk to which it is exposed. These methods are explained below.

a. Market risk

i. Price risk

The Fund is exposed to price risk on equity securities listed or quoted on recognised securities exchanges. Price risk arises from investments held by the Fund for which prices in the future are uncertain. Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates which are considered a component of price risk.

Price risk is managed by seeking to diversify the Fund's investment as it deems appropriate and consistent with the Fund's investment objective.

3. Financial risk management (continued)

a. Market risk (continued)

i. Price risk (continued)

The table at Note 3(b) summarises the sensitivities of the Fund's assets and liabilities to price risk. The analysis is based on the reasonably possible shift that the investment portfolio in which the Fund invests move by +/-10%.

ii. Foreign exchange risk

The Fund holds both monetary and non-monetary assets denominated in currencies other than the Australian dollar. Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk and not foreign exchange risk. However, the Investment Manager monitors the exposure of all foreign currency denominated assets and liabilities.

The Fund generally seeks to hedge its respective foreign currency exposure on financial assets but will necessarily be subject to foreign exchange risks.

The Investment Manager monitors this risk on an on-going basis. The Investment Manager manages risk on an absolute return basis in the reporting currency (i.e. Australian dollars), rather than the underlying currencies. Foreign exchange rate risk is managed by depositing surplus foreign currency in a foreign currency account for later use, or by borrowing foreign currency to pay for foreign currency purchases, and then using the foreign currency to repay the borrowing.

The table below summarises the fair value of the Fund's financial assets and liabilities, monetary and non-monetary, which are denominated in a currency other than the Australian dollar.

As at 30 June 2025

	US Dollar A\$'000	British Pound A\$'000	Euro A\$'000	Hong kong Dollar A\$'000	Canadian Dollar A\$'000	All other foreign currencies A\$'000
Monetary						
Receivables	4	6	-	-	-	-
Due from brokers - receivable for securities sold	859	445	474	-	-	-
Payables	(4)	-	(1)	-	(9)	-
Broker advances	(9,993)	(4,950)	(10,435)	(1,519)	(2,580)	(751)
Due to brokers - payable for securities purchased	(986)	(459)	(677)	-	(66)	(223)
Margin accounts	135	-	-	-	-	-
Total Monetary	(9,985)	(4,958)	(10,639)	(1,519)	(2,655)	(974)
Non-monetary						
Financial assets at fair value through profit or loss	17,652	5,135	10,390	1,516	7,013	999
Financial liabilities at fair value through profit or loss	(10,273)	-	-	-	(977)	-
Total Non-monetary	7,379	5,135	10,390	1,516	6,036	999
Net exposure	(2,606)	177	(249)	(3)	3,381	25

The table at Note 3(b) summarises the sensitivities of the Fund's monetary assets and liabilities to foreign exchange risk. The analysis is based on the reasonably possible shift that the Australian dollar weakened and strengthened by 10% against the material foreign currencies to which the Fund is exposed.

iii. Cash flow and fair value interest rate risk

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose the Fund to fair value interest rate risk.

The Fund's interest bearing financial instruments expose it to risks associated with the effects of fluctuations in the prevailing market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis. The impact of the interest rate risk on profit and net assets attributable to unit holders is considered material to the Fund.

3. Financial risk management (continued)

a. Market risk (continued)

iii. Cash flow and fair value interest rate risk (continued)

The Fund's main interest rate risk arises from its investments in cash holdings, net of broker advances. Interest income from cash holdings is earned at variable interest rates.

It is not possible for the Fund to manage interest rate risks (by fixing rates) as the Fund may need to draw on the cash at any point in time.

The table below summarises the Fund's exposure to interest rate risks at the end of the reporting period.

	Floating interest rate \$'000	Non-interest bearing \$'000	Total \$'000
As at 30 June 2025			
Financial assets			
Cash and cash equivalents	23,687	-	23,687
Receivables	-	185	185
Due from brokers - receivable for securities sold	-	2,994	2,994
Financial assets at fair value through profit or loss	-	49,962	49,962
Margin accounts	1,744	-	1,744
Total financial assets	25,431	53,141	78,572
Financial liabilities			
Broker advances	30,276	-	30,276
Distributions payable		718	718
Payables	-	1,447	1,447
Due to broker - payable for securities purchased	-	2,422	2,422
Financial liabilities at fair value through profit or loss	-	19,686	19,686
Total financial liabilities	30,276	24,273	54,549
Net exposure	(4,845)	28,868	24,023

The table at Note 3(b) summarises the impact of an increase/decrease in interest rates on the Fund's operating profit/(loss) and net assets attributable to unit holders through changes in fair value or changes in future cash flows. The analysis is based on the reasonably possible shift that interest rates change by +/- 100 basis points from the period end rates with all other variables held constant.

b. Summarised sensitivity analysis

The following table summarises the sensitivity of the Fund's operating profit/(loss) and net assets attributable to unit holders to market risks. The reasonably possible movements in the risk variables have been determined based on management's best estimate having regard to a number of factors, including historical levels of changes in foreign exchange rates, interest rates and the historical correlation of the Fund's investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market movements resulting from changes in the performance of and/or correlation between the performances of the economies, markets and securities in which the Fund invests. As a result, historic variations in risk variables should not be used to predict future variances in the risk variables.

		Impact on net assets attributable to unit holders			
		Price risk		Interest rate risk	
		+10%	-10%	+100bps	-100bps
		\$'000	\$'000	\$'000	\$'000
As at 30 June 2025		3,027	(3,027)	(49)	49
		Impact on net assets attributable to unit holders			
		Foreign exchange risk			
		+10%	-10%	+10%	-10%
		US Dollar	US Dollar	British Pound	British pound
		A\$'000	A\$'000	A\$'000	A\$'000
As at 30 June 2025		(1,012)	1,012	(496)	496
				(1,064)	1,064

3. Financial risk management (continued)

b. Summarised sensitivity analysis (continued)

	+10% Hong kong Dollar	-10% Hong kong Dollar	+10% Canadian Dollar	-10% Canadian Dollar	+10% All other foreign currencies	-10% All other foreign currencies
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
As at 30 June 2025	(152)	152	(266)	266	(97)	97

c. Credit risk

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay its obligations in full when they fall due, causing a financial loss to the Fund.

The Fund's credit risk primarily arises from cash and cash equivalents, margin accounts, investments and due from broker balances. The Fund's strategy includes holding short positions. Short equity positions are facilitated through the Prime Brokers, Morgan Stanley & Co. International plc ('Morgan Stanley PB').

The Fund determines credit risk and measures ECL for financial assets measured at amortised cost using probability of default, exposure at default and loss given default. The Responsible Entity considers both historical analysis and forward looking information in determining any ECL. At 30 June 2025, all receivables, amount due from brokers and cash are held with counterparties with a credit rating of AA- or higher and are either callable on demand or due to be settled within 1 week. The Responsible Entity considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Fund.

The Fund manages credit risk by only entering into agreements with credit worthy parties.

At 30 June 2025, the long term credit ratings of the Fund's bank and prime brokers as per Standard and Poor's were as follows:

	2025
Morgan Stanley & Co. International plc ('Morgan Stanley PB')	A+
Australia and New Zealand Bank	AA-

i. Maximum exposure to credit risk

The maximum exposure to credit risk before any credit enhancements at the end of each reporting period is the carrying amount of financial assets. None of these assets are impaired nor past due but not impaired.

ii. Derivative financial instruments

For derivative financial instruments, the Investment Manager has established limits such that transactions only take place with counterparties with a good reputation and a good credit rating as shown in the table within Note 3(c).

The Fund also restricts its exposure to credit losses on the trading of derivative instruments it holds by entering into master netting arrangements with counterparties (approved brokers) with whom it undertakes a significant volume of transactions. Credit risk associated with favourable contracts is reduced by master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are closed and settled on a net basis. The Fund's overall exposure to credit risk on derivative instruments subject to a master netting arrangement can change substantially within a short period, as it is affected by each transaction subject to the arrangements. Refer to Note 4 to the financial statements for further analysis of the Fund's master netting arrangements.

iii. Settlement of securities transactions

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment. Payment is made once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

iv. Other

The Fund is not materially exposed to credit risk on other financial assets.

3. Financial risk management (continued)

d. Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Exposure to liquidity risk for the Fund may arise from the requirement to meet daily unit holder redemption, margin calls on derivative transactions or to fund foreign exchange related cash flow requirements.

The Investment Manager manages liquidity risk by monitoring the asset size of the Fund as a whole on executing transactions.

The assets of the Fund are largely in the form of readily tradeable securities which can be sold on-market if necessary. Accordingly, the Fund is not considered to be exposed to material liquidity risk.

In order to manage the Fund's overall liquidity, the Responsible Entity has the discretion to reject an application for units and to defer or adjust redemption of units if the exercise of such discretion is in the best interests of unit holders. The Fund did not reject or withhold any redemption during 2025.

i. Maturities of non-derivative financial liabilities

All non-derivative financial liabilities of the Fund in the current and prior period have maturities of less than one month. Units are redeemed on demand at the unit holder's option. However, the Responsible Entity does not envisage that the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

ii. Maturities of net settled derivative financial instruments

All net settled derivative financial instruments of the Fund have maturities of 1 to 6 months. The Fund may, at its discretion, settle financial instruments prior to their original contractual settlement date, in accordance with its investment strategy, where permitted by the terms and conditions of the relevant instruments.

4. Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset in the statement of financial position are disclosed in the first three columns of the tables below.

	Gross amounts of financial instruments	Gross amounts set off in the statement of financial position	Net amount of financial instruments presented in the statement of financial position	Amounts that do not meet offsetting	Net amount
	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2025					
Derivative assets*					
Equity swaps	20	-	20	-	20
Gold price index futures	130	-	130	-	130
Non-derivatives**					
Broker balances - asset/(liability)	23,529	-	23,529	(30,276)	(6,747)

* Cash collateral is provided for derivative transactions amounting to \$1,744,000. The cash is held by the broker and is available only to meet margin calls. This is presented as Margin accounts in the Statement of financial position.

** Under the prime brokerage agreements, cash at broker amounting to \$23,529,000 does not qualify for offset against broker advances amounting to \$30,276,000.

4. Offsetting financial assets and financial liabilities (continued)

a. Master netting arrangement – not currently enforceable

Agreements with derivative counterparties are based on the International Swaps and Derivatives Association (ISDA) Master Agreement. Under the terms of these arrangements, only when certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Fund does not presently have a legally enforceable right of set-off, these amounts have not been offset in the statement of financial position but have been presented separately in the above table.

5. Fair value measurement

The Fund measures and recognises financial assets and liabilities at fair value through profit or loss on a recurring basis.

- Financial assets/liabilities at fair value through profit or loss (see Note 6 and Note 7)
- Derivative financial instruments (see Note 8)

The Fund has no assets and liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2);
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The Fund values its investments in accordance with the accounting policies set out in Note 2 to the financial statements. For the majority of its investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

a. Quoted prices in active markets (Level 1)

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and listed equity securities) is based on their quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs.

The quoted market price used for financial assets and liabilities held by the Fund is the last traded price. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

b. Significant observable inputs (Level 2)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, including equity swaps, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Fund would receive or pay to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties.

5. Fair value measurements (continued)

c. Recognised fair value measurements

The table below presents the Fund's financial assets and liabilities measured and recognised at fair value as at 30 June 2025:

As at 30 June 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
Australian listed equity securities	7,257	-	-	7,257
International listed equity securities	42,555	-	-	42,555
Equity swaps	-	20	-	20
Gold price index futures	130	-	-	130
Total financial assets	49,942	20	-	49,962
Financial liabilities				
Australian listed equity securities	8,435	-	-	8,435
International listed equity securities	11,251	-	-	11,251
Total financial liabilities	19,686	-	-	19,686

d. Transfer between levels

Management's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels in fair value hierarchy during the reporting period.

e. Financial instruments not carried at fair value

The financial instruments not carried at fair value through profit or loss include:

- Cash and cash equivalents, balances due from/to brokers and receivables/payables under sale and repurchase agreements. These are short-term financial assets and financial liabilities whose carrying amounts approximate fair value, because of their short-term nature and the high credit quality of counterparties; and
- Net assets attributable to unit holders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to unitholders approximates their fair value. Any difference is not material in the current period.

6. Financial assets at fair value through profit or loss

	As at 30 June 2025 \$'000
Australian listed equity securities	7,257
International listed equity securities	42,555
Equity swaps	20
Gold price index futures	130
Total financial assets at fair value through profit or loss	49,962

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in Note 3 and Note 5 to the financial statements.

7. Financial liabilities at fair value through profit or loss

	As at 30 June 2025 \$'000
Australian listed equity securities	8,435
International listed equity securities	11,251
Total financial liabilities at fair value through profit or loss	19,686

7. Financial liabilities at fair value through profit or loss (continued)

When the Fund sells securities it does not possess, it has to cover this short position by acquiring securities at a later date and is therefore exposed to price risk of those securities sold short. The sales agreement is usually settled by delivering borrowed securities. However, the Fund is required to return those borrowed securities at a later date.

An overview of the risk exposures and fair value measurements relating to financial liabilities at fair value through profit or loss is included in Note 3 and Note 5 to the financial statements.

8. Derivative financial instruments

In the normal course of business, the Fund enters into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial investment price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include many different instruments such as forwards, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Fund's portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Fund against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Fund.

The Fund holds the following derivatives:

a. Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in the futures contract's values are usually settled net daily with the exchange.

b. Equity swaps

An equity swap is an agreement between counterparties to exchange a set of payments, determined by a stock or index return, with another set of payments (usually an interest-bearing (fixed or floating rate) instrument, but they can also be the return on another stock or index). Equity swaps are used to substitute for a direct transaction in stock. The two cash flows are usually referred to as "legs". As with other swaps, the difference in the payment streams is netted.

The Fund's derivative financial instruments measured at fair value at period end are detailed below:

As at 30 June 2025

	Contractual/ notional \$'000	Assets \$'000	Liabilities \$'000
Equity swaps	2,099	20	-
Gold price index futures	6,187	130	-
Total derivatives	8,286	150	-

Information about the Fund's exposure to credit risk, foreign exchange risk, interest rate risk and about the methods and assumptions used in determining fair values is provided in Note 3 and Note 5 to the financial statements. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of derivative financial instruments disclosed above.

9. Net assets attributable to unit holders - liability

The Fund's units are classified as a liability as they do not meet the definition of a financial instrument to be classified as equity.

Movements in the number of units and net assets attributable to unit holders during the period were as follows:

	For the period	
	31 October 2024 to 30 June 2025 Units '000	31 October 2024 to 30 June 2025 CPU \$'000
L1 Capital Global Long Short Fund - Monthly Class		
Opening balances	-	-
Applications	19,712	20,527
Increase/(decrease) in net assets attributable to unit holders	-	3,494
Closing balance	19,712	24,021
L1 Capital Global Long Short Fund - Daily Class		
Opening balances	-	-
Applications	2	2
Increase/(decrease) in net assets attributable to unit holders	-	-
Closing balance	2	2
Closing balance		24,023

As stipulated within the Fund's Constitution, each unit represents a right to an individual unit in the Fund and does not extend to a right to the underlying assets of the Fund.

Units are redeemed on demand at the unit holders' option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting period cannot be reliably determined.

Capital risk management

The Fund considers its net assets attributable to unit holders as capital, notwithstanding that net assets attributable to unit holders are classified as a liability. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unit holders.

Daily applications and redemptions are reviewed relative to the liquidity of the Fund's underlying assets on a daily basis by the Responsible Entity.

10. Distributions to unit holders

The distributions declared during the period were as follows:

	For the period	
	31 October 2024 to 30 June 2025 CPU \$'000	31 October 2024 to 30 June 2025 CPU \$'000
L1 Capital Global Long Short Fund - Monthly Class		
June (payable)	718	3.6405
Total distributions	718	3.6405
L1 Capital Global Long Short Fund - Daily Class		
June (payable)	-*	2.5305
Total distributions	-*	2.5305

* During the period ended 30 June 2025, a total distribution of \$50.62 was declared for Daily Class.

11. Cash and cash equivalents

	As at 30 June to \$'000
Cash at bank	158
Cash at broker	23,529
Total cash and cash equivalents	23,687

12. Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	For the period 31 October 2024 to 30 June 2025 \$'000
Increase/(decrease) in net assets attributable to unit holders	3,494
Distributions to unit holders	718
Proceeds from sale/maturity of financial assets at fair value through profit or loss	85,326
Payments for purchase of financial assets at fair value through profit or loss	(110,816)
Net (gains)/losses on financial instruments at fair value through profit or loss	(5,358)
Net foreign exchange (gain)/loss	49
Net change in margin accounts	(1,744)
Net change in receivables	(185)
Net change in payables	1,447
Net cash inflow/(outflow) from operating activities	(27,069)

13. Receivables

	As at 30 June 2025 \$'000
Dividends and distributions receivable	11
Interest receivable	65
GST receivable	5
Management fees and costs reimbursement receivable	104
Total receivables	185

14. Payables

	As at 30 June 2025 \$'000
Management fees and costs payable	222
Interest payable	77
Short dividends payable	32
Performance fee payable	1,089
Other payables	27
Total payables	1,447

15. Remuneration of auditors

During the period the following fees were paid or payable for services provided by the auditors of the Fund:

	For the period 31 October 2024 to 30 June 2025 \$
Ernst & Young	
<i>Audit and other assurance services</i>	
Audit and review of financial statements	24,308
Total remuneration for audit and other assurance services	<u>24,308</u>
<i>Taxation services</i>	
Tax compliance services	15,767
Total remuneration for taxation services	<u>15,767</u>
Total remuneration for Ernst & Young	<u>40,075</u>
PricewaterhouseCoopers	
<i>Audit and other assurance services</i>	
Audit of compliance plan	2,448
Total remuneration for audit and other assurance services	<u>2,448</u>
Total remuneration for PricewaterhouseCoopers	<u>2,448</u>

The auditors' remuneration is borne by the Fund. Fees are stated exclusive of GST.

16. Related party transactions

The Responsible Entity of L1 Capital Global Long Short Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975). Accordingly, transactions with entities related to Equity Trustees Limited are disclosed below.

The only related parties to the Fund, as defined by AASB 124 *Related Party Disclosures*, are the Responsible Entity, schemes managed by the Responsible Entity and key management personnel of the Responsible Entity.

a. Key management personnel

i. Directors

Key management personnel include Equity Trustees Limited as Responsible Entity of the Fund. Directors of Responsible Entity at any time during or since the end of the financial period up to the date of this report are as follows:

Michael J O'Brien	Chairman
Russell W Beasley	(appointed 1 July 2025)
Mary A O'Connor	(resigned 1 July 2025)
David B Warren	
Andrew P Godfrey	
Johanna E Platt	

ii. Responsible Entity

Other than fees paid to the Responsible Entity, there were no other transactions.

iii. Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the financial period.

b. Transactions with key management personnel

There were no transactions with key management personnel during the reporting period.

16. Related party transactions (continued)

c. Key management personnel unit holdings

Key management personnel did not hold units in the Fund as at 30 June 2025.

d. Key management personnel compensation

Key management personnel are paid by EQT Services Pty Ltd. Payments made from the Fund to Equity Trustees Limited does not include any amounts directly attributable to the compensation of key management personnel or their personally related entities at any time during the reporting period.

e. Key management personnel loans

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

f. Other transactions within the Fund

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund during the financial period and there were no material contracts involving key management personnel's interests existing at period end.

g. Responsible Entity fees and other transactions

The transactions during the period and amounts payable as at period end between the Fund, the Responsible Entity and its service providers as per Note 1:

	For the period 31 October 2024 to 30 June 2025 \$
Management fees and costs for the period	234,551
Management fees and costs reimbursement for the period	104,081
Management fees and costs payable at period end	221,502
Management fees and costs reimbursement receivable at period end	104,081

Equity Trustees Limited earned \$17,538 for Responsible Entity fees provided to the Fund paid from management fees and costs.

Under the terms of the Fund's Constitution and Product Disclosure Statement, management fees and costs include responsible entity fees paid to the Responsible Entity, management fees paid to the Investment Manager and other costs (such as custody fees, administration fees and audit fees) paid to other unrelated parties. Please refer to the Fund's Product Disclosure Statement for information on how management fees and costs are calculated.

Management fees and cost reimbursed represent monies put into the Fund to ensure that the Fund's overall management fees and costs remain within those disclosed in the Product Disclosure Statement.

h. Related party unit holdings

Parties related to the Fund (including Equity Trustees Limited, its related parties and other schemes managed by the Equity Trustee Limited), held units in the Fund, as follows:

Unit holders	No. of units held opening (Units)	No. of units held closing (Units)	Fair value of Investments \$	Interest held (%)	No. of units acquired (Units)	No. of units disposed (Units)	Distributions paid/payable by the Fund (\$)
As at 30 June 2025							
Equity Trustees Limited ATF L1 Staff Remuneration Trust	-	665,115	834,720	3.37	665,115	-	24,214

i. Investments

The Fund did not hold any investments in Equity Trustees Limited or its related parties during the period.

17. Events occurring after the reporting period

On 28 August 2025, the Responsible Entity approved a reduction in the fair value of the Fund's holding in West African Resources Ltd (ASX: WAF), following the company's suspension from trading on that date. The reduction was based on the market price quoted on the ASX as at 27 August 2025, resulting in an estimated decrease of \$456,099. Accordingly, this does not affect the balances reported as at 30 June 2025.

No other significant events have occurred since the end of the period which would impact on the financial position of the Fund as disclosed in the statement of financial position as at 30 June 2025 or on the results and cash flows of the Fund for the period ended on that date.

18. Contingent assets and liabilities and commitments

There were no outstanding contingent assets, liabilities or commitments as at 30 June 2025.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- a. The financial statements and notes set out on pages 6 to 28 are in accordance with the Corporations Act 2001, including:
 - i. complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii. giving a true and fair view of the Fund's financial position as at 30 June 2025 and of its performance for the financial period ended on that date.
- b. There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and
- c. Note 2(a) confirms that the financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Andrew P Godfrey
Director

Melbourne
18 September 2025



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Independent Auditor's Report to the unit holders of L1 Capital Global Long Short Fund

Opinion

We have audited the financial report of L1 Capital Global Long Short Fund (the "Fund"), which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period 31 October 2024 to 30 June 2025, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Fund is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Fund's financial position as at 30 June 2025 and of its financial performance for the period 31 October 2024 to 30 June 2025; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Fund in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Report and Auditor's Report Thereon

The directors of Equity Trustees Limited (the Responsible Entity) are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors of the Responsible Entity for the Financial Report

The directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the Responsible Entity determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors of the Responsible Entity are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors of the Responsible Entity either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Responsible Entity.
- ▶ Conclude on the appropriateness of the directors of the Responsible Entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors of the Responsible Entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

Ernst & Young

E Reekie

Emma Reekie
Partner
Melbourne
18 September 2025