



L1 CAPITAL  
INTERNATIONAL

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# L1 Capital International Fund

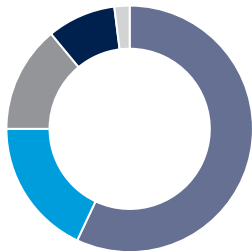
## Monthly Performance (Net) (%)

| PERIOD | JAN | FEB   | MAR   | APR | MAY   | JUN   | JUL | AUG | SEP   | OCT   | NOV | DEC   | YTD  |
|--------|-----|-------|-------|-----|-------|-------|-----|-----|-------|-------|-----|-------|------|
| 2019   |     |       | 0.8   | 5.8 | (2.7) | 4.4   | 2.8 | 1.5 | (0.5) | (0.7) | 4.9 | (1.4) | 15.4 |
| 2020   | 6.0 | (2.6) | (8.9) | 2.0 | 3.6   | (2.5) | 1.5 | 3.8 | (0.3) | (1.1) | 3.5 | (0.3) | 3.8  |
| 2021   | 6.1 | 2.9   | 5.4   | 5.9 | (0.2) | 5.5   |     |     |       |       |     |       | 28.2 |

## L1 Capital International

L1 Capital International is an independent active manager of global equities. We apply a detailed investment process built on a fundamental assessment of quality and value. We aim to deliver attractive risk-adjusted returns by investing in high quality companies that have favourable cashflow-based valuations in well-structured industries. Capital preservation over the investment horizon is central to our investment philosophy and process. We view risk as a permanent loss of capital as opposed to volatility in share prices.

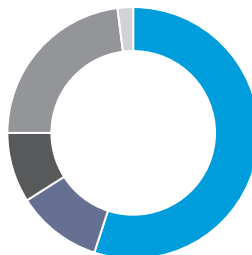
## Revenue Exposure by Region\*



- North America **57%**
- Western Europe **18%**
- Asia Pacific **14%**
- Rest of World **9%**
- Cash **2%**

\* Revenue by region is internally estimated on a look through basis based on the underlying revenues of the individual companies held in the portfolio.

## Market Capitalisation Exposure



- \$100 billion+ **55%**
- \$50-100 billion **11%**
- \$10-50 billion **9%**
- < US\$10 billion **23%**
- Cash **2%**

## Sector Exposure\*\*



- Building Products **16%**
- Internet **15%**
- Software **14%**
- Industrials **12%**
- Consumer Discretionary **9%**
- Commercial Services **8%**
- Payments **7%**
- Exchanges **6%**
- Health Care **6%**
- Materials **5%**
- Cash **2%**

\*\* Industry classification is defined by L1 Int to best describe the nature of the underlying businesses.

## Investment Philosophy

L1 Capital International will generally invest in businesses we consider:

- Operate in well structured, growing industries
- Have durable business models
- Have aligned management with a strong capital allocation track record
- Generate growing free cashflow
- Demonstrate an ability to sustain high returns on invested capital
- Have proactive, favourable ESG policies and practices
- Management can either reinvest capital at attractive incremental returns and/or return excess capital efficiently to shareholders
- Operate with a conservative balance sheet and funding structure

## Fund Performance (Net) (%)\*

|                            | Fund | Index** | Alpha |
|----------------------------|------|---------|-------|
| 1 Month                    | 5.5  | 4.6     | +0.9  |
| 3 Month                    | 11.5 | 9.3     | +2.1  |
| 1 Year                     | 37.4 | 27.5    | +9.9  |
| 2 Years p.a.               | 19.1 | 15.6    | +3.5  |
| Since Inception p.a.       | 20.2 | 16.1    | +4.1  |
| Since inception cumulative | 53.6 | 41.7    | +11.9 |

\* Inception is 1 Mar 2019. Rounded to one decimal place. Numbers may not add due to rounding. Past performance should not be taken as an indicator of future performance.

\*\* MSCI World Net Total Return Index in AUD. Returns measured from Index close on 1 Mar 2019.

## Top 10 Holdings (In alphabetical order)

| Top 10 Holdings                 | Sector                            |
|---------------------------------|-----------------------------------|
| Alphabet                        | Internet                          |
| Amazon                          | Consumer Discretionary / Internet |
| Eagle Materials                 | Building Products                 |
| Graphic Packaging International | Industrials                       |
| Intuit                          | Software                          |
| Iqvia                           | Healthcare                        |
| Louisiana Pacific               | Building Products                 |
| Marsh & McLennan                | Commercial Services               |
| Microsoft                       | Software                          |
| TSMC                            | Industrials                       |

## Fund Overview

|                       |   |
|-----------------------|---|
| Portfolio Management  | David Steinthal (Chief Investment Officer)  |
| Type of Investments   | Listed securities globally; Developed market focus; No shorting, no leverage  |
| Number of Investments | 20 to 40  |
| Cash Weighting        | 0% to 25%   |
| Time Horizon          | 5+ years  |
| Benchmark             | MSCI World Net Total Return Index in AUD  |
| Fee Structure         | Management fee: 1.2% p.a. of the net asset value of the Fund (including GST and RITC). Performance fee: 15% over Benchmark, subject to any underperformance being recouped. There must be positive absolute performance (adjusted for distributions) in the Performance Period* |
| Minimum Investment    | \$25,000  |
| Liquidity             | Daily   |
| Platform Availability | Hub24, Macquarie Wrap, Mason Stevens, Netwealth, Powerwrap, Praemium  |

\* Otherwise positive relative performance is carried forward to the next Performance Period.

### Information contained in this publication

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