



L1 CAPITAL

MEDIA RELEASE

L1 Capital Launches IPO for Long Short Fund LIC, Raising \$500M

5 March 2018, Melbourne: Multi-award winning fund manager, L1 Capital, has today announced the opening of its initial public offer of the L1 Long Short Fund Limited (**Company**). L1 Capital is seeking to raise \$500 million for a new listed investment company that will mirror the Investment Strategy of the existing L1 Capital Long Short Fund (**Fund**), which is closed to new investors.

The Company has already surpassed its minimum target of \$100m following strong commitments from cornerstone investors, highlighting an extraordinary early level of demand for the offering.

Nick Chaplin, Head of Hybrid and Structured Capital at NAB, lead arranger to the offer said, “The cornerstone commitments affirm the impressive L1 long/short strategy evident in L1 Capital’s track record to date. We are delighted to offer the IPO to our network and expect the offer to continue with the same momentum.”

This shareholder friendly offer has attracted an elite syndicate of brokers, led by NAB as lead arranger. It is anticipated to be one of the largest LICs to come to market.

The LIC will invest in a portfolio of predominantly Australian and New Zealand securities with up to 30% exposure to global securities. The Company’s objective is to deliver strong, risk adjusted returns to investors over the long term.

The Investment Strategy has delivered stellar returns of 36.9% p.a. since inception, placing it as one of the top performing long/short funds globally.

The Investment Strategy has outperformed the ASX200 Accumulation Index in every one of the 17 months (up until 31 December 2017) where the ASX200 Accumulation Index fell. The success of the Investment Strategy has been independently recognized by EurekaHedge, awarding the Fund “Best Asian Long Short Equity Fund 2017” and Zenith “Best Australian Equities – Alternative Strategies 2017”. L1 Capital (Manager) is currently shortlisted for Money Management’s Long/Short Equities Fund Manager of the year award.

The investment team has shown their commitment and confidence in the LIC by investing more than \$10 million in the IPO (with a 10 year escrow). Additionally, the team will also re-invest the after-tax value of the LICs performance fees back into buying shares in the LIC, with a 10 year

escrow post listing. The Company is chaired by Andrew Larke who has also committed to invest \$1 million in the offer.

Mark Landau, co-founder and joint chief investment officer of L1 Capital said;

“We are delighted to bring our long short strategy to an ASX-listed vehicle that seeks to provide investors with capital protection without sacrificing returns. The Company will provide investors with the opportunity to access our proven investment approach and rigorous stock research”.

“We are a committed team, with extensive investment experience and are collectively investing more than \$10 million alongside investors in the IPO.”

Details of the Offer

The Company is offering up to 250 million new shares at \$2.00 per share, to raise \$500 million, with the ability to accept an additional 50 million shares, representing \$100 million, in oversubscriptions (**Offer**). The minimum subscription is \$100 million.

L1 will reimburse the Company for all set up costs and has agreed to pay the majority of ongoing costs of the Company, including ASX and ASIC fees, legal and registry costs and any fees charged by the Company’s administrator. Seed Partnerships is advising L1 in relation to the offer.

To participate in the Offer

The Offer is being made under a prospectus lodged with ASIC on 16 February 2018 (**Prospectus**) and is available on the Company’s website www.L1LongShort.com. Applications under the general Offer can be made by completing the application form attached to the Prospectus or online through the application form accompanying the electronic Prospectus. Applicants under the broker firm Offer should contact their broker for application details.

Key Dates

Offer Open	5 March 2018
Broker firm Offer close	29 March 2018
General Offer close	6 April 2018
Expected ASX listing (LSF.ASX)	24 April 2018

ENDS.

For further information please contact:

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About L1 Capital

L1 Capital is a global investment manager with offices in Melbourne, New York and London. The business was established in 2007, is 100% owned by its senior staff, led by founders Raphael Lamm & Mark Landau. The team is committed to offering clients best of breed investment products. L1 Capital manages money for a range of client including large superannuation funds, insurance companies, endowment funds, private banks, financial planning group, asset consultants, family offices, high net worth individuals and retail investors.

L1 Capital uses a fundamental, bottom-up research process to identify investments with the potential to provide attractive risk-adjusted returns. The L1 Capital investment approach is largely style-neutral with modest value and contrarian characteristics. The firm launched its Long-Short Fund in September 2014. Since inception it has delivered a net return of 36.9% p.a. (184.7% cumulative return) with more than 80 individual positions contributing +1% to performance. The Fund has exhibited exceptional capital protection in falling markets, with strong risk-adjusted returns.

www.L1.com.au