



**L1 CAPITAL**

# **Notice of Annual General Meeting**

Date issued 16 October 2020

**L1 Long Short Fund Limited**

ACN 623 418 539



# Notice of Annual General Meeting

Notice is given that the Annual General Meeting (**AGM** or the **Meeting**) of Shareholders of L1 Long Short Fund Limited (**LSF** or the **Company**) will be held as follows:

**Date:** 19 November 2020

**Time:** 10.00am (Melbourne Time)

**Venue:** Online at <https://agmlive.link/LSF20>

**How to join:** Shareholders are requested to participate in the live webcast of our AGM virtually via our secure online platform or alternatively to lodge their proxy appointment prior to the meeting.

We recommend logging in to our platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

Enter <https://agmlive.link/LSF20> into a web browser on your computer or mobile device:

- Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) to ask questions or vote at the meeting; and
- Proxyholders will need their proxy code which Link Market Services will provide via email prior to the Meeting.

Further information on how to participate virtually is set out in this Notice and the Online Platform Guide at <https://www.l1longshort.com/2020-agm/>.

## Items of Business

### Item 1 – Financial Statements and Reports

To receive and consider the Company's Annual Report, including the Directors' Report and Audit Report for the year ended 30 June 2020.

### Item 2 – Adoption of Remuneration Report

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That the Company adopt the Remuneration Report for the year ended 30 June 2020 in accordance with Section 250R(2) of the Corporations Act."*

#### Notes:

The vote on this resolution is advisory only and does not bind the Directors or the Company.

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution 2:

- by or on behalf of a member of the Company's Key Management Personnel (**KMP**) whose remuneration details are disclosed in the remuneration report for the year ended 30 June 2020 or their closely related parties, in any capacity; or
- as a proxy by a person who is a member of the Company's KMP at the date of the meeting or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person who is entitled to vote on Resolution 2:

- in accordance with the directions on the proxy form; or
- by the person chairing the Meeting, in accordance with an express authorisation to exercise the proxy even though Resolution 2 is connected with the remuneration of KMP.

The Chairperson intends to vote all available undirected proxies in favour of this Resolution 2.



# Notice of Annual General Meeting

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## Item 3 – Election of Directors

### 3.1 Re-election of Mr Harry Kingsley

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That Harry Kingsley, who retires in accordance with the Company’s Constitution and, being eligible, be re-elected as a Director of the Company.”*

### 3.2 Re-election of Mr Mark Landau

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That Mark Landau, who retires in accordance with the Company’s Constitution and, being eligible, be re-elected as a Director of the Company.”*

## Item 4 – Amendment to constitution

To consider, and if thought fit, to pass the following resolution as a **special resolution**:

*“That the constitution of the Company be amended as set out in the amended constitution tabled at the Annual General Meeting and signed by the chairperson of the meeting for the purposes of identification.”*

## Other information

An Explanatory Memorandum accompanies and forms part of this Notice of AGM.

All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal adviser for assistance.

## Voting by proxy

Any Shareholder entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of that Shareholder.

The proxy does not need to be a Shareholder of the Company.

A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder’s votes.

With respect to Resolution 2 if a Shareholder appoints the Chairperson of the Meeting as proxy and does not direct the Chairperson how to vote on that resolution, the Shareholder authorises the Chairperson to vote in accordance with his voting intention as stated in this Notice of Meeting, namely in favour of the resolution, even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Proxies must be:

- (a) lodged at the Company’s share registry, Link Market Services Limited;
- (b) faxed to the fax number specified below; or
- (c) lodged online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) in accordance with the instructions there, not later than 10:00am (Melbourne Time) on 17 November 2020.

Address (hand deliveries): Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

Address (postal deliveries): C/- Link Market Services Limited  
Locked Bag A14 Sydney South NSW 1235

Fax number for lodgement: within Australia (02) 9287 0309  
outside Australia +61 2 9287 0309

The proxy form has been enclosed. Please read all instructions carefully before completing the proxy form.



# Notice of Annual General Meeting

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## Entitlement to vote

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting all shares will be taken to be held by the persons who held them as registered Shareholders at 7:00pm (Melbourne Time) on 17 November 2020. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

## Voting Intentions

Subject to any voting restrictions and exclusions, the Chairperson intends to vote in favour of all resolutions on the agenda.

In respect of undirected proxies, subject to any voting restrictions and exclusions, the Chairperson intends to vote in favour of all resolutions on the agenda.

By order of the Board

A handwritten signature in black ink, appearing to read 'Mark Licciardo', with a long horizontal stroke extending to the right.

**Mark Licciardo**  
Company Secretary  
16 October 2020



# Explanatory Memorandum

This Explanatory Memorandum sets out further information regarding the proposed resolutions to be considered by Shareholders of L1 Long Short Fund Limited (**LSF** or the **Company**) at the 2020 AGM commencing at 10.00am (Melbourne Time) on Thursday 19 November 2020 online at <https://agmlive.link/LSF20>.

The Directors recommend that Shareholders read this Explanatory Memorandum before determining whether or not to support the resolutions.

## Item 1 – Financial statements and reports

Under Section 317 of the Corporations Act, LSF is required to lay its Annual Report, Directors' Report and Remuneration Report before its Shareholders at its AGM. The Annual Report is submitted for Shareholders' consideration and discussion at the AGM as required. Meeting attendees are invited to direct questions to the Chairperson in respect of any aspect of the report they wish to discuss.

Representatives of LSF's auditor, Ernst & Young, will be present for discussion purposes on matters of relevance to the audit.

## Item 2 – Adoption of Remuneration Report

### Board recommendation and undirected proxies.

The Board recommends that Shareholders vote in **FAVOUR** of Resolution 2. The Chairperson of the meeting intends to vote undirected proxies in **FAVOUR** of Resolution 2.

Resolution 2 provides Shareholders the opportunity to vote on LSF's Remuneration Report. The Remuneration Report is contained within the Directors' Report in the Annual Report. Under Section 250R(2) of the Corporations Act, the Company must put the adoption of its Remuneration Report to a vote at its AGM.

This vote is advisory only and does not bind the Directors or the Company.

The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at this meeting when reviewing LSF's remuneration policies. If 25% or more of the votes that are cast are against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of LSF's Directors (other than the managing director) must be offered up for election.

KMP and their closely related parties must not cast a vote on the Remuneration Report, unless as holders of directed proxies for Shareholders eligible to vote on Resolution 2.

The Company encourages all Shareholders to cast their votes on this resolution. The Chairperson will vote all undirected proxies in favour of this resolution. If you wish to vote "against" or "abstain" you should mark the relevant box in the attached proxy form.

## Item 3 – Election of Directors

### 3.1 Re-election of Harry Kingsley

#### Board recommendation and undirected proxies.

The Board (with Mr Kingsley abstaining due to his interest in the outcome) recommends that Shareholders vote in **FAVOUR** of Resolution 3.1. The Chairperson of the meeting intends to vote undirected proxies in **FAVOUR** of Resolution 3.1.

Mr Kingsley was appointed as a Director of the Company on 24 January 2018. Mr Kingsley will retire in accordance with LSF's Constitution and, being eligible, has offered himself for re-election.

Resolution 3.1 provides for the re-election of Mr Kingsley as a Director of the Company in accordance with the Company's Constitution.

Mr Kingsley is a partner at K&L Gates. He is a senior corporate and commercial lawyer specialising in strategic advice and negotiated transactions. He has extensive legal industry experience working in private practice and organisations in the transport and financial services industries as well as working as an investment banking professional. He is a trusted advisor to private and ASX listed corporations, their directors and management throughout Australasia.

Mr Kingsley is highly regarded for his general commercial expertise as well as specialist knowledge around private equity, private and public M&A, IPOs and equity and debt capital markets.

Mr Kingsley was formerly a partner at Holding Redlich (2015-2020) and prior to that was General Counsel at Pacific National (2011-2015), Executive Director at Austock Group (2005-2011) and a senior associate at Minter Ellison (2001-2005).





# Explanatory Memorandum

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## 3.2 Re-election of Mark Landau

### Board recommendation and undirected proxies.

The Board (with Mr Landau abstaining due to his interest in the outcome) recommends that Shareholders vote in **FAVOUR** of Resolution 3.2. The Chairperson of the meeting intends to vote undirected proxies in **FAVOUR** of Resolution 3.2.

Mr Landau was appointed as a Director of the Company on 14 December 2017. Mr Landau will retire in accordance with LSF's Constitution and, being eligible, has offered himself for re-election.

Resolution 3.2 provides for the re-election of Mr Landau as a Director of the Company in accordance with the Company's Constitution.

Mr Landau is a co-founder of L1 Capital and has 18 years' experience in funds management. Prior to founding L1 Capital, Mr Landau worked at Invesco Australia as an Investment Analyst in the large cap Australian Equities Fund and Investment Manager in the Invesco Smaller Companies Fund.

During this time, Mr Landau was responsible for financial analysis and stock selection for Australian Equities across the large and small cap universe. During his tenure, the Invesco Australian Share Fund achieved top quartile returns (Intech survey) and was a finalist in Standard & Poor's Fund Manager of the Year.

Mr Landau was previously a Senior Strategy Consultant at Accenture, providing financial analysis and corporate strategy advice to a range of ASX100 companies. He holds a double degree in Commerce and Economics from Monash University, is an active CFA Charterholder and is a Senior Associate of FINSIA.

## Item 4 – Amendment to constitution

### Board recommendation and undirected proxies.

The Board recommends that Shareholders vote in **FAVOUR** of Resolution 4. The Chairperson of the meeting intends to vote undirected proxies in **FAVOUR** of Resolution 4.

It is proposed that the Company update its constitution by including:

- provisions relating to the use of technology for Shareholder and Board meetings (including voting at such meetings); and
- a proportional takeover approval provision.

The COVID-19 pandemic and the responses to it has limited the ability to hold large meetings including Shareholder meetings. This has resulted in the widespread adoption of virtual and hybrid

Shareholder meetings often with the assistance of temporary changes in the law. In this context, the board considers that the inclusion of provisions in its Constitution permitting the Company to conduct Shareholder and board meetings via technology where appropriate will provide the Company with flexibility to hold meetings in such manner even after the temporary changes to the law cease.

Separately, the proportional takeover approval provisions will assist in protecting Shareholders' interests in the event of a proportional takeover in respect of the Company.

These changes are explained in more detail below.

### Access to a copy of the proposed new constitution

Copies of the Company's constitution showing the proposed changes are available on the Company's website at <https://www.l1longshort.com/2020-agm/>.

The Company will send a copy of the constitution showing the proposed changes (at the Company's expense) to any Shareholder upon request. Shareholder requests should be made to [info@L1.com.au](mailto:info@L1.com.au).

An overview of the more significant changes to LSF's constitution is set out below. References to clause numbers are to numbers in the proposed updated constitution. Shareholders should note that this is a summary only and consideration should be given to the full text of the proposed new constitution.

## General Meetings

### Use of technology at general meetings

It is proposed that clause 5.1(d) of the existing constitution is removed and replaced by a new clause 5.2 (Use of technology at general meetings). Clause 5.2, together with the insertion of a new clause 5.3(c) and 5.3(d) more clearly set out the Company's ability to hold a general meeting by technology and electronic means. The changes also:

- add a new subclause confirming that a meeting will be duly convened if the Chairperson of the meeting is satisfied that adequate facilities are available throughout the meeting such that Shareholders attending have a reasonable opportunity to participate;
- clarify the process by which the Company may hold general meetings in more than one place (including holding virtual meetings); and
- allow the Board, by notice to the ASX, to change or remove the offering of any venue or technology for a general meeting.



# Explanatory Memorandum

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To promote the interests of Shareholders and facilitate their participation in general meetings, the proposed new clauses provide for the holding of meetings using technology, including:

- giving of notices and documents electronically where the Shareholder so nominates, and by means of accessing a link to the place at which the relevant document or notice can be viewed; and
- where a resolution is voted on at a general meeting and where Shareholders are participating using technology as well as at a physical meeting, the resolution will be decided on a poll unless the chair determines that it will be decided on a show of hands.

## Board meetings

It is proposed that clause 6.10(d) be removed and replaced with new provisions that provide the board with more guidance and flexibility as to how board meetings may be convened through technology and electronic means. These provisions include where the meeting is taken to be held, how a quorum is calculated when meetings are conducted via technology and the Chairperson's discretion to adjourn meetings where a technology difficulties occurs.

## Notices

It is also proposed that clause 9.1 shall be updated to make it easier for the Company to provide notices by electronic means, including by sending notifications via the electronic means notified by a member to the Company.

## Proportional Takeovers

The Corporations Act permits a Company to include a provision in its Constitution that enables it to refuse to register shares acquired under a proportional takeover bid unless Shareholders approve the bid. It is proposed that such a provision is included in clause 14 of the Company's constitution.

If approved by the Shareholders at the AGM, clause 14 will operate for three years from the date of the AGM, unless earlier reviewed. Clause 14 must be renewed by Shareholders every three years it is to continue in effect.

## Proportional takeover bid

A proportional takeover bid is a takeover bid where the offer made to each Shareholder is only for a proportion of that Shareholder's shares (i.e. less than 100%).

## Effect of a proportional takeover bid provision

If a proportional takeover bid is made, the Directors must ensure that a meeting is held more than 14 days before the last day of the bid period, at which Shareholders will consider a resolution to approve the takeover bid.

Each Shareholder has one vote for each fully paid share held. The vote is decided on a simple majority. The bidder and its associates are not permitted to vote on such resolution.

If the resolution is not passed, no transfer will be registered as a result of the takeover bid and the offer will be taken to have been withdrawn. If the resolution is not voted on, the bid is taken to have been approved. If the bid is approved (or taken to have been approved) all valid transfers must be registered.

## Knowledge of any acquisition proposals

As at the date this Notice of Meeting was prepared, the Directors are unaware of any proposal by any person to acquire or to increase the extent of a substantial interest in the Company.

## Reasons for and potential advantages and disadvantages

The reasons for and potential advantages of clause 14 for Shareholders include:

- Shareholders have the right to decide by majority vote whether to allow a proportional takeover bid to proceed;
- it may help Shareholders avoid being locked in as a minority and avoid the bidder acquiring control of the Company without paying an adequate control premium (i.e. paying for all of their shares);
- it increases Shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and
- knowing the view of the majority of Shareholders may help each individual Shareholder to form an opinion on whether to accept or reject an offer under the bid.

The potential disadvantages for Shareholders of clause 14 include:

- proportional takeover bids for shares in the Company may be discouraged;
- Shareholders may lose an opportunity to sell some of their shares at a premium; and
- the likelihood of a proportional takeover succeeding may be reduced.

The Directors consider that the proportional takeover approval provisions have no particular potential advantages or disadvantages for them (other than the above advantages and disadvantages in their capacity as Shareholders of the Company).

The Directors believe the possible advantages outweigh the disadvantages of the proportional takeover provisions operating for the next three years.



# Explanatory Memorandum

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## Questions and comments by Shareholders at the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders – as a whole – to ask questions or make comments on the management of the Company at the AGM via the virtual AGM platform.

To ensure that as many Shareholders as possible have the opportunity to speak, Shareholders are requested to observe the following:

- all Shareholder questions should be stated clearly and should be relevant to the business of the Meeting, including matters arising from the Annual Report, Directors' Report (including the Remuneration Report) and Auditor's Report, and general questions about the performance, business or management of the Company;
- if a Shareholder has more than one question on an item, all questions should be asked at the one time; and
- Shareholders should not ask questions at the Meeting regarding personal matters or those that are commercial in confidence.

Shareholders who prefer to register questions in advance of the AGM are invited to do so. A Shareholder Question Form is also available on the Company's website <https://www.l1longshort.com/2020-agm/>.

We will attempt to address the more frequently asked questions in the Chairperson and Group Managing Director's presentations to the Meeting. Written questions must be received by the Company or Link Market Services Limited by 7.00pm (Melbourne time) on 12 November 2020, and can be submitted online, by mail, by fax or in person (as set out on the top of the Shareholder Question Form).

A reasonable opportunity will be given to Shareholders, as a whole, to ask questions to the Company's external auditor, Ernst & Young, relevant to:

- the conduct of the audit;
- the preparation and contents of the audit;
- the accounting policies adopted by the Company in relation to the preparation of its Financial Statements; and
- the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to Ernst & Young if the question is relevant to the content of Ernst & Young's audit report or the conduct of its audit of the Company's Annual Report for the year ended 30 June 2020.

Relevant written questions to Ernst & Young must be received by no later than 7:00pm (Melbourne Time) on 12 November 2020. A list of those questions will be made available to Shareholders attending the meeting. Ernst & Young will either answer questions at the meeting or table written answers to them at the meeting. If written answers are tabled at the meeting, they will be made available to Shareholders as soon as practicable after the meeting.

## Please send written questions for Ernst & Young to:

### By facsimile

+61 3 9602 4709; or

### By post

C/- Mertons Corporate Services Pty Ltd  
Level 7, 330 Collins Street, Melbourne VIC 3000

by no later than 7:00pm (Melbourne Time) on 12 November 2020.





[www.l1longshort.com](http://www.l1longshort.com)

