



Company	L1 Long Short Fund
Code	LSF
Meeting	AGM
Date	20 November 2019
Venue	Holding Redlich, 8/555 Bourke Street, Melbourne
Monitor	John Whittington (proxy collector)

Number attendees at meeting	21 plus 5 directors
Number of holdings represented by ASA	13
Value of proxies	\$0.8m
Number of shares represented by ASA	513,200
Market capitalisation	\$1.05b
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	No

A Better Year?

The L1 Long Short Fund is a Listed Investment Company (LIC) which listed in April 2018 and is run by L1 Capital. The fund had a difficult 2018 calendar year but the Chair, [in his opening address](#), stressed that calendar 2019 to date had been much better with an increase in Net Tangible Assets (NTA) per share of 23% with positive returns for nine of the ten months this year. The fund however, like many LICs at the moment is trading at a discount to NTA. He also highlighted that in August the co-founders and investment managers of L1 Capital, Mark Landau and Rafi Lamm, “*had agreed to increase their commitment to, and alignment with, LSF by acquiring at least and additional \$25m of shares prior to the end of February 2020*” and since this announcement the share price has increased by 23% and the discount to NTA reduced from 18% in August to 8% in November. The directors also considered a share buy-back to reduce the discount to NTA but believed that the additional commitment by the co-founders was sufficient at this stage.

The formal part of the meeting was quite straightforward with no questions regarding the Remuneration Report or the re-election of the Chair, Andrew Larke. There was a 15% vote against the Remuneration Report perhaps signifying shareholders' unhappiness at the results during 2018 and the discount to NTA. Andrew Larke however was re-elected with almost 97% support. We asked the other director, John McFarlane, to speak to his election and he spoke well, highlighting that he had been a banker before returning to Australian and taking up a career as a professional

director about ten years ago. He had also been a long-term investor in L1 prior to listing. He was re-elected with over 97% support.

The meeting concluded with a [presentation](#) by one of the co-founders and investment managers of L1 Capital, Mark Landau where he discussed his views of the market and some individual long positions the fund has taken. He did not disclose any short positions but emphasised that the short investments enable the fund to better weather downturns in the market. The fund is currently sitting at 55% net long.