



L1 CAPITAL  
INTERNATIONAL

MARCH 2021

# L1 Capital International Fund

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## Monthly Net Performance (%)

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										15.0

## 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.

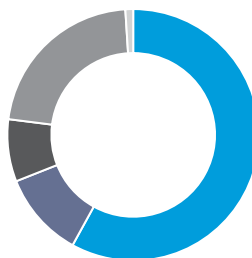
## Revenue Exposure by Region\*



- North America **58%**
- Western Europe **21%**
- Asia Pacific **14%**
- Rest of World **6%**
- Cash **1%**

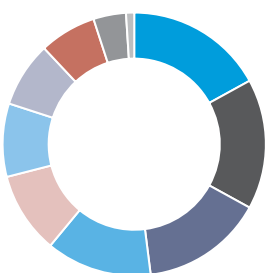
\* Revenue by region is internally estimated on a look through basis based on the underlying revenues of the individual companies held in the portfolio.

## Market Capitalisation Exposure



- \$100 billion+ **58%**
- \$50-100 billion **11%**
- \$10-50 billion **8%**
- < US\$10 billion **22%**
- Cash **1%**

## Sector Exposure\*\*



- Software **17%**
- Materials **16%**
- Internet **15%**
- Industrials **13%**
- Consumer Discretionary **10%**
- Commercial Services **9%**
- Payments **8%**
- Exchanges **7%**
- Health Care **4%**
- Cash **1%**

\*\* 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
- 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\*

	FUND (%)	INDEX** (%)	EXCESS (%)
1 Month	5.4	5.0	+0.4
3 Month	15.0	6.3	+8.7
1 Year	26.9	23.8	+3.2
Since Inception – 1 March 2019	37.8	29.6	+8.2

\* 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)

	SECTOR
Alphabet	Internet
Amazon	Consumer Discretionary / Internet
Eagle Materials	Materials
Graphic Packaging International	Industrials
Insight Enterprises	Commercial Services
Louisiana Pacific	Materials
Marsh & McLennan	Commercial Services
Mastercard	Payments
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

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

## Information contained in this publication

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