

Regal Long Short Australian Equity Fund

APRIL 2024

The Regal Long Short Australian Equity Fund ("Fund") increased 0.5% in April compared to a decrease of -2.9% in the ASX 300 Accumulation Index, representing outperformance of 3.4%. Since inception in March 2011, the Fund has generated 11.9% p.a. net of fees.¹

Global equity markets experienced a challenging month in April, as increasingly persistent US inflation measures and rising tensions in the Middle East saw each of the Dow Jones, S&P 500 and Nasdaq Composite all snapping their recent five-month winning streaks. After an initially strong start to the year, equity market performances were largely negative, albeit the bulk of the softer market performances were focused on developed markets, like the ASX 200 which fell -2.9%.

By sector, Materials, Information Technology and Utilities were positive absolute contributors to returns over the month, while Financials, Healthcare and Consumer Discretionary were detractors. Overweight positions in Materials and, specifically, the gold sector, proved positive contributor to returns over the month, with the Fund benefiting from long positions in Australian-based gold producers Red 5 (+18%) and Pantoro (+38%), in response to an increasingly well supported spot gold price and rising US dollar. Outside of resources, an overweight position in location-based app provider Life360 (+5%) continued to contribute positively, the company releasing a well-received 1Q trading update, highlighting the net addition of another 4.9m active users to the platform for the 3 months to the end of March. Weaker market sentiment saw some profit taking across higher growth and longer duration businesses, with overweight exposures to luxury ecommerce retailer Cettire (-26%) and eye-focused biotech Opthea (-16%) detracting from returns over the month.

OUTLOOK

Rising Government Bond yields are driving increased stock and sector divergence in equity markets. Opportunities for active fund managers to generate alpha, from both the long and short side, are increasing. Equity earnings remain resilient in line with GDP growth and full employment. Valuations, in terms of equity risk premia, are least attractive in US equities and more attractive in EU, UK and Asian equities. In Australia, Regal believes smaller capitalisation companies are in the infancy of outperforming large capitalisation companies. We also believe the Resources sector is poised for outperformance, with companies exposed to copper, gold, and uranium particularly attractive. Equity Capital Markets activity in terms of Mergers & Acquisitions, block trades and capital raisings is also increasing as corporates become more confident in the economic outlook.

FUND INFORMATION

Name	Regal Long Short Australian Equity Fund
Structure	Australian Unit Trust
Inception	14th March 2011
Management Fee	1.00%
Benchmark	S&P/ASX 300 Accumulation Index
Performance Fee	20% above Benchmark
High Water Mark	Yes
APIR Code	AMR0006AU
Minimum Investment	A\$25,000
Subscriptions	Daily
Redemptions	Daily
Registry	Boardroom Pty Ltd
Auditor	PricewaterhouseCoopers
Responsible Entity	Perpetual Trust Services Limited
Investment Manager	Regal Funds Management Pty Ltd
Unit Price	\$1.39

Boardroom Pty Ltd
GPO Box 3993
Sydney NSW 2001, Australia

1300 737 760
regal.funds@boardroomlimited.com.au

Regal Funds Management Pty Ltd
Level 47, Gateway, 1 Macquarie Place
Sydney NSW 2000, Australia

+612 8197 4333
investorrelations@regalfm.com

FUND PERFORMANCE % – APRIL 2024 (NET CHANGE FROM PREVIOUS PERIOD)¹

	1 mth	3 mth	6 mth	1 yr	3yr pa	5yr pa	Inception pa
Regal Long Short Australian Equity Fund	0.51	10.33	20.49	21.42	10.73	9.89	11.91
S&P/ASX 300 Accumulation Index	-2.92	1.23	15.29	9.04	7.05	7.98	7.92
Excess return	3.44	9.10	5.21	12.37	3.68	1.91	3.99

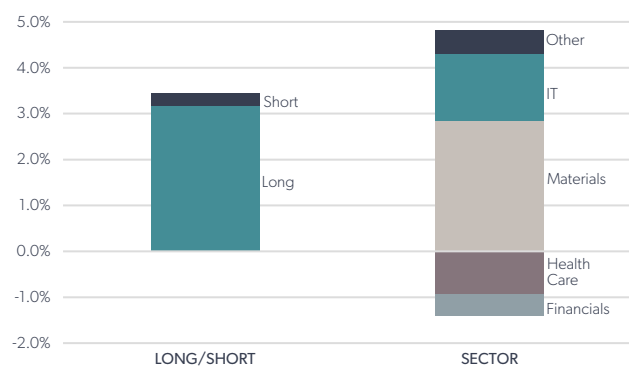
¹ Past performance is not a reliable indicator of future performance. Performance figures are net of all fees and costs and assumes reinvestment of distributions.

FUND PERFORMANCE (%)²

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024	-1.70	3.66	5.89	0.51									8.45
2023	5.57	-3.45	-1.49	0.43	-1.94	6.87	1.16	-0.40	-0.22	-4.34	4.86	5.95	12.89
2022	-7.17	0.64	8.44	1.78	-3.13	-12.59	5.70	8.88	-3.22	5.42	1.61	-5.91	-2.11
2021	3.02	-0.08	-0.55	7.93	0.90	-1.66	3.90	4.83	-1.81	1.31	1.86	3.45	25.15
2020	7.83	-8.98	-34.06	11.16	10.91	5.72	6.03	5.13	0.66	-1.53	4.95	0.13	-2.06
2019	3.59	12.77	0.00	7.15	2.79	3.30	4.51	-1.90	2.06	-2.83	1.26	-0.23	36.52
2018	-1.21	1.80	-1.75	3.19	1.44	4.19	-0.41	0.48	1.58	-10.51	-3.28	-1.01	-6.15
2017	-0.40	1.28	1.37	-0.67	-2.68	0.51	-0.24	2.25	4.09	4.08	3.02	4.39	18.06
2016	-5.99	-5.42	1.03	2.04	4.23	-1.87	5.69	-3.39	1.44	-5.53	0.99	1.98	-5.53
2015	4.65	9.86	-0.10	-2.75	-0.21	-4.69	8.21	-4.82	1.71	5.13	1.02	2.22	20.81
2014	-2.57	6.39	3.10	2.17	2.07	-2.31	5.38	1.65	-4.81	3.16	-3.09	-0.64	10.28
2013	3.31	4.61	-2.97	6.00	-4.88	-2.77	6.35	4.29	3.92	4.91	-0.64	2.39	26.44
2012	4.82	2.42	-0.03	2.02	-6.92	1.58	0.66	2.71	2.07	3.48	1.20	4.12	19.13
2011			5.30	2.89	1.73	-1.16	-0.45	-2.62	-6.40	6.93	-1.23	0.07	4.47

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ATTRIBUTION OF ALPHA FOR APRIL 2024



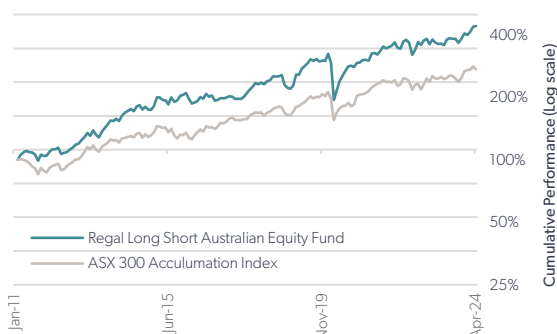
STRATEGY

The Regal Long Short Australian Equity Fund (the “Fund”) aims to outperform the S&P/ASX 300 accumulation index net of fees over a rolling five-year basis by investing in the Regal Australian Long Short Equity Fund (the “Underlying Fund”). The Fund is suitable for investors with an investment horizon of five years or more. The Underlying Fund aims to have a tracking error of 4 – 8%.

Regal Funds Management Pty Limited (“Regal” or the “Manager”) selects stocks for the Underlying Fund primarily using a ‘Four Step Stock Selection Process’. To value shares, companies are researched from a fundamental perspective to derive their intrinsic value. The Manager incorporates key insights from different styles of investing (e.g. fundamental, market driven, technical) to determine position weightings. The Underlying Fund is also able to take advantage of the Manager’s expertise and systems to apply a process called ‘short selling’ which allows the Underlying Fund to express negative views on stocks which are expected to underperform.

As per the Fund’s [TMD](#), this product is suitable for consumers with a high or very high risk/return profile.

INVESTMENT PERFORMANCE¹



¹ Past performance is not a reliable indicator of future performance. Performance figures are net of all fees and costs and assumes reinvestment of distributions.

Investors should use only the official website addresses and contact details shown above in relation to investments in Regal Funds. Investors should be wary of fraudulent websites which may be operating illegally to impersonate Regal. Regal does not accept credit cards and does not offer investment plans with guaranteed returns.

This fact sheet is issued by Perpetual Trust Services Limited ABN 48 000 142 049, AFSL 236648 (“PTSL”) as responsible entity of, and issuer of units in, the Regal Long Short Australian Equity Fund ARSN 149 722 654 (“Fund”), provided by Regal Partners Marketing Services Pty Limited ACN 637 448 072 (“Regal Partners Marketing”), a corporate authorised representative of Attunga Capital Pty Limited ABN 96 117 683 093, AFSL 297385 (“Attunga”). Regal Partners Marketing and Attunga are subsidiaries of Regal Funds Management Pty Limited (ACN 107 576 821), the investment manager of the Fund.

The Fund implements its investment strategy indirectly by investing in an unregistered unit trust named the Regal Australian Long Short Equity Fund (“Underlying Fund”), the trustee and investment manager of which is Regal. References to the Fund include the Underlying Fund for investment purposes. This fact sheet is provided for general information purposes only and is not to be construed as solicitation of an offer to buy or sell any financial product. Accordingly, reliance should not be placed on this document as the basis for making an investment, financial or other decisions. This information does not take into account your investment objectives, particular needs or financial situation. Whilst every effort is taken to ensure the information in this document is accurate, its accuracy, reliability or completeness is not guaranteed.

A Product Disclosure Statement (PDS) and target market determination can be obtained by visiting our website www.regalrm.com. You should obtain the PDS for the Fund and consider the risks and disclosures for your circumstances before deciding whether to acquire, or continue to hold, an interest in the Fund. Initial Applications for units in the Fund can only be made pursuant to the application form attached to the PDS. Performance figures assume reinvestment of income. To comply with IFSA Standards, performance figures calculated after 1 January 2011 are calculated using exit prices net of fees and expenses based on monthly hard close valuations. No allowance has been made for entry fees or taxes. Neither PTSL or Regal guarantee repayment of capital or any particular rate of return from the Fund. Statements of fact in this report have been obtained from and are based upon sources that PTSL and Regal believes to be reliable. Neither PTSL or Regal give any representation or warranty as to the reliability or accuracy of the information contained in this report. All opinions and estimates included in this report constitute PTSL and Regal’s judgement as at the date of this communication and are subject to change without notice.

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ABOUT REGAL FUNDS MANAGEMENT

Regal Funds Management (“Regal”) was founded in 2004 and is a multi-award winning business of Regal Partners Limited (ASX:RPL), an ASX listed alternatives investment manager. Four times awarded ‘Australian Alternatives Investment Manager of the Year’, the business manages a diverse range of strategies covering long/short equities, private markets, real & natural assets, credit & royalties, from offices in Australia and offshore.²

With a heritage in long/short fundamental investing, strategies typically utilise a research-driven, bottom-up investment process, drawing on the significant investment experience of a team of portfolio managers, analysts and sector specialists. Combining deep industry experience, extensive networks and strong performance track records, Regal seeks to be a leading provider of alternative investment strategies in Australia and Asia.

²Including via RPL subsidiaries, PM Capital, VGI Partners, Kilter Rural, Attunga Capital and Taurus Funds Management. Australian Alternative Investment Manager of the Year, awarded at ‘Hedge Funds Rock’ 2019, 2016, 2014 and 2011.

RG240 DISCLOSURE

In accordance with ASIC’s Disclosure Benchmarks and our commitment to keeping you informed, the table below sets out the required information on a monthly basis. Where required, the report discloses this information for both the Fund³ and the Underlying Fund⁴:

Valuation & Fund changes	Fund ³	Underlying Fund ⁴
Current total net asset value ⁵	\$20M	\$125M
Withdrawal value of a unit ⁵	\$1.3864	\$1.7708
Net return on assets after fees, costs and taxes (for April 2024) ⁶	0.51%	0.75%
Changes to key service providers	Nil	Nil
Changes to individuals playing a key role in investment decisions	Nil	Nil
Material changes to the risk profile or investment strategy	Nil	Nil

Exposures	Fund ³	Underlying Fund ⁴
Long exposure	n/a	152%
Short exposure	n/a	-42%
Gross exposure	n/a	194%
Net exposure	n/a	110%

³ Regal Long Short Australian Equity Fund

⁴ Regal Australian Long Short Equity Fund

⁵ As at 30 April 2024. Net Asset Value equals assets less liabilities rounded to the nearest million and is assessed after any applicable distribution.

⁶ Returns are inclusive of any applicable distributions, net of fees and net of taxes applicable to the Fund and the Underlying Fund. Past performance is not a reliable indicator of future performance.