

# Regal Investment Fund (ASX:RF1)

## Investor Update & Q&A

March 31, 2023

This presentation deck accompanies an audio recording at 11:00am AEDT on March 31, 2023. To view the full webinar please click on the link [here](#) to register.

To access a replay of this recording, please reach out to: [investorrelations@regalfm.com](mailto:investorrelations@regalfm.com)

For any questions on RF1, please reach out to the registry, Link Market Services: [regalfund@linkmarketservices.com.au](mailto:regalfund@linkmarketservices.com.au)

# REGAL

INVESTMENT FUND



## Investor Update and Q&A

March 2023

# Welcome

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Brendan O'Connor, CEO, Regal Partners



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A copy of the Product Disclosure Statement is available at [www.regalfm.com](http://www.regalfm.com)

# Agenda

## 1. Regal Partners Update

Brendan O'Connor – Chief Executive Officer

## 2. RF1 Overview

Philip King – Chief Investment Officer

## 3. Market Update

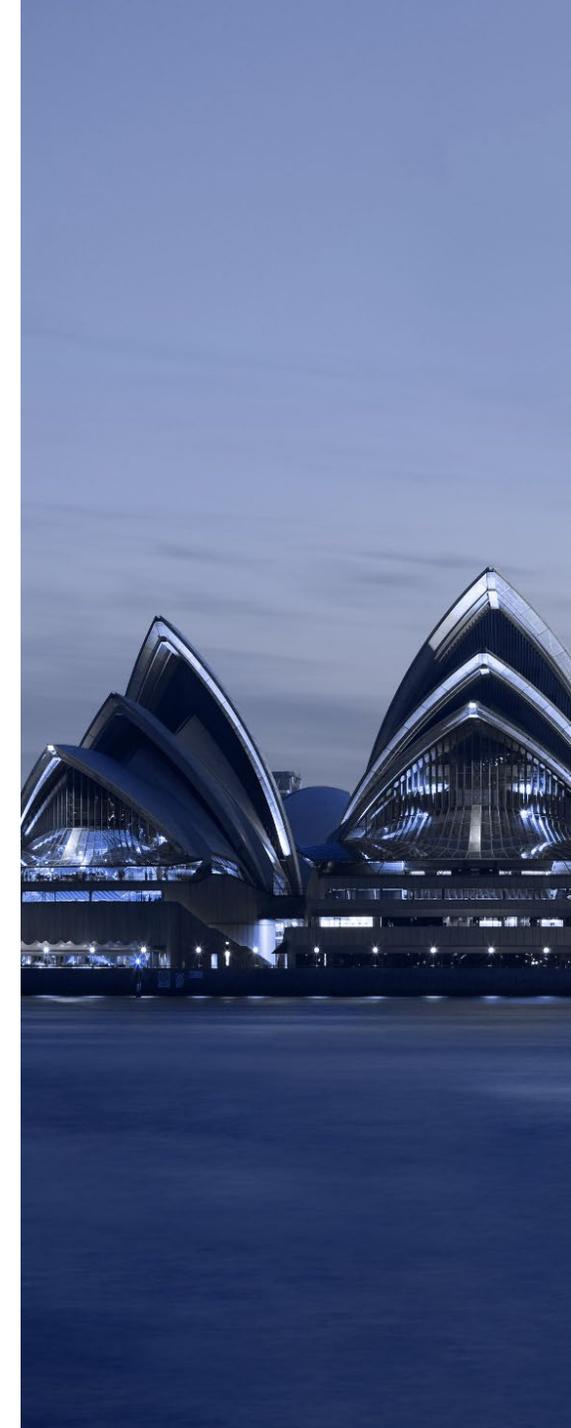
Philip King – Chief Investment Officer

- Emerging Companies  
Jessica Farr-Jones - Emerging Companies PM
- Private Credit  
Gavin George – Private Credit PM
- Healthcare  
Dr Craig Collie – Healthcare PM

## 4. RF1 Outlook

Philip King – Chief Investment Officer

## 5. Investor Q&A



# Speakers



BRENDAN O'CONNOR

Chief Executive Officer  
Regal Partners



PHILIP KING

Chief Investment Officer  
Regal Funds



JESSICA FARR-JONES

Portfolio Manager  
Emerging Companies  
Regal Funds



GAVIN GEORGE

Portfolio Manager  
Private Credit  
Regal Funds



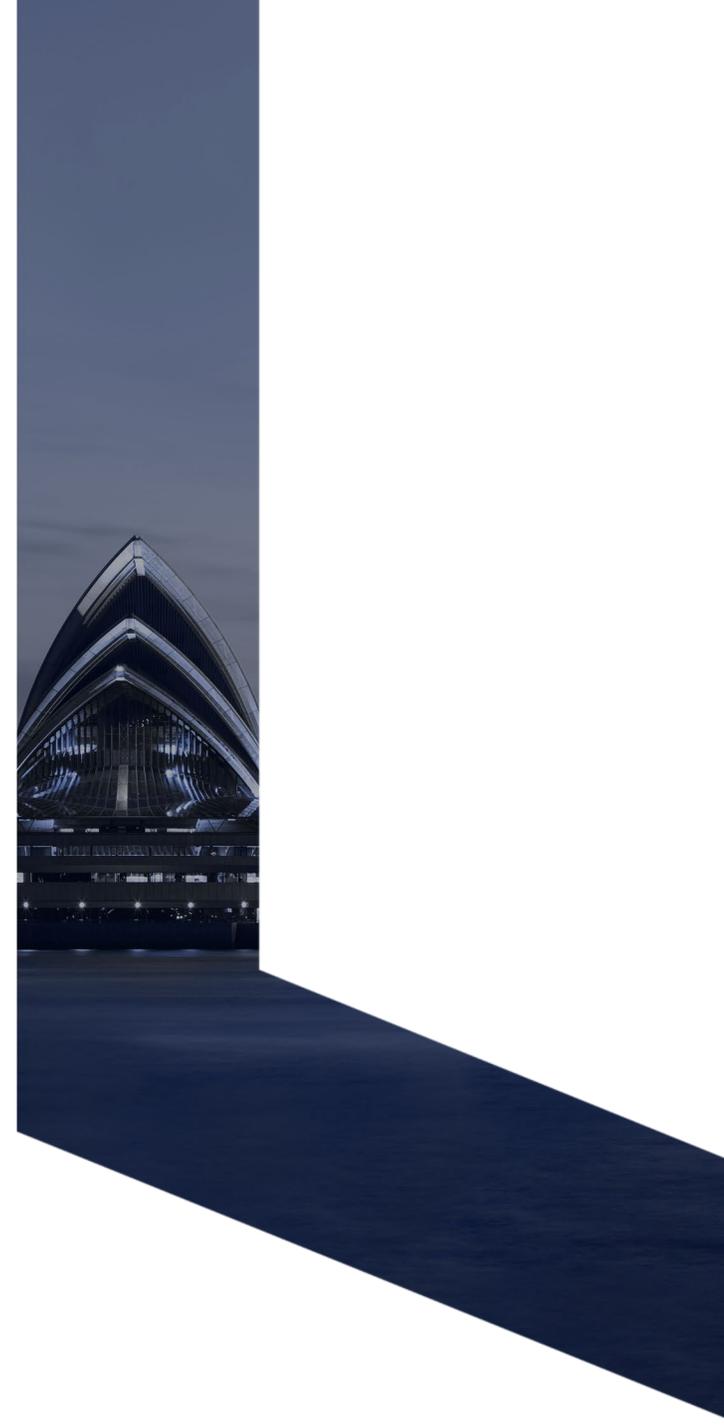
DR CRAIG COLLIE

Portfolio Manager  
Healthcare  
Regal Funds

# 1. Regal Partners Update

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Brendan O'Connor, CEO, Regal Partners



# Regal Partners Limited (RPL.ASX)

ASX-Listed Specialist Alternatives Manager

REGAL  
FUNDS



Regal Partners Limited is an ASX-listed, specialist alternative investment manager with approximately A\$5.4bn in funds under management<sup>1</sup>.

- Regal Partners (RPL.ASX) was formed on 3 June 2022, following the merger of ASX-listed VGI Partners Limited and privately-owned Regal Funds Management Pty Limited.
- The Merger combined two of Australia's most recognised and successful hedge fund businesses, creating a market-leading provider of alternative investment strategies in the Asia-Pac region.
- The Group houses four dedicated alternative investment management businesses: **Regal Funds Management**, **VGI Partners**, **Kilter Rural** and **Attunga Capital**, together employing approximately 100 employees<sup>3</sup>, located in offices across Sydney, Victoria, Singapore and New York.

\$5.4bn

Funds Under Management (FUM)<sup>1</sup>

RPL

ASX ticker

\$751m

Market Capitalisation<sup>2</sup>

4

Global Offices

~100

Employees<sup>3</sup>

>45

Investment Professionals

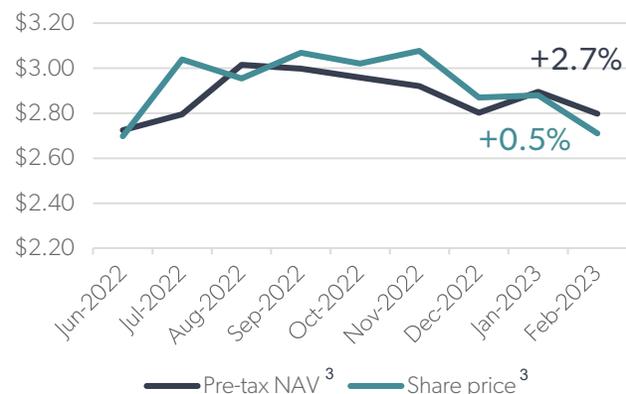
1. Unaudited Management estimate as at 31 January 2023. Funds under management for the group (including 100% of Kilter Rural and Attunga Capital) includes non-fee earning funds; 2. As at close 20 March 2023; 3. Includes full-time and part-time staff and staff in all group entities including Kilter Rural and Attunga Capital.

# Regal Partners Limited (RPL.ASX)

Three ASX-listed Alternative Investment Strategies across the Group

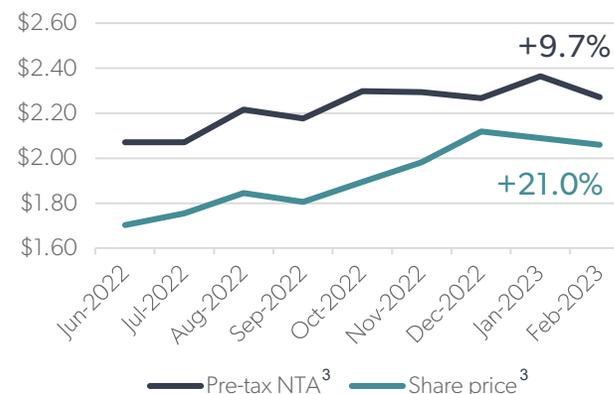
## Regal Investment Fund (ASX:RF1) – LIT

- Portfolio FUM: **\$590m<sup>1</sup>**
- Nine strategies after adding Private Credit in March 2023, and Water and Resources Royalties in 2022
- The only multi-asset diversified listed alternative product on the ASX



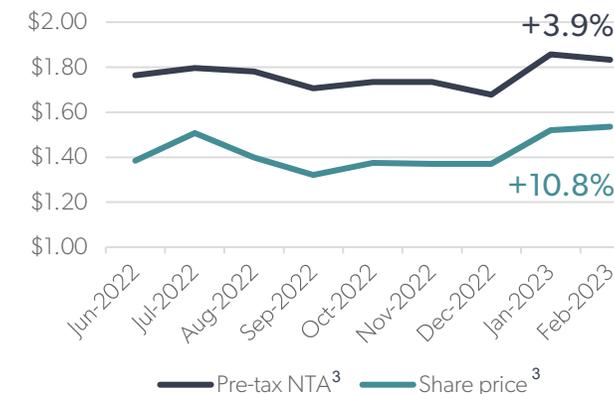
## Regal Asian Investments Limited (ASX:RG8) – LIC

- Portfolio FUM: **\$463m<sup>1</sup>**
- Portfolio management transitioned from VGI to Regal Funds Management in June 2022. Name and ticker changed to Regal Asian Investments Limited (ASX:RG8) in Nov 2022
- East Point expected to add further Asian expertise<sup>2</sup>



## VGI Partners Global Investments Limited (ASX:VG1) – LIC

- Portfolio FUM: **\$638m<sup>1</sup>**
- Regal's Head of Trading Australia (now Head of Trading Nth America) relocated to NY office in July 2022 to enhance global insights
- VGI Partners' Sydney investment team bolstered by experienced additions



Aligned approach to capital management and investor communications

1. As at 28 February 2023.  
 2. RPL announced on 10 February 2023 a binding agreement to acquire East Point Asset Management. Completion of the acquisition is subject to customary regulatory approvals in Hong Kong.  
 3. Pre-tax NTA and share price (as at 28 February 2023) adjusted for distributions and dividends. Past performance is not a reliable indicator of future performance. It should not be relied upon (and is not) an indication of future performance.

# REGAL

INVESTMENT FUND

## ASX:RF1

RF1 aims to provide investors with exposure to a selection of alternative investment strategies with an objective to produce attractive risk-adjusted absolute returns over a period of more than five years with limited correlation to equity markets

Since listing on **17 June 2019**, RF1 has delivered a total return to investors of **+90.7%<sup>1</sup>**



The disclosure is not a recommendation to invest in any product.

Source: Regal as at 28 February 2023. Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance of the Fund's performance.

Total return is net of fees, before tax, and assumes reinvestment of all distributions.

# RF1 Performance Since Inception

Net of fees, as at 28 February 2023

Launch date

17 June 2019

Annualised Return Since Inception<sup>1</sup>

+18.8%

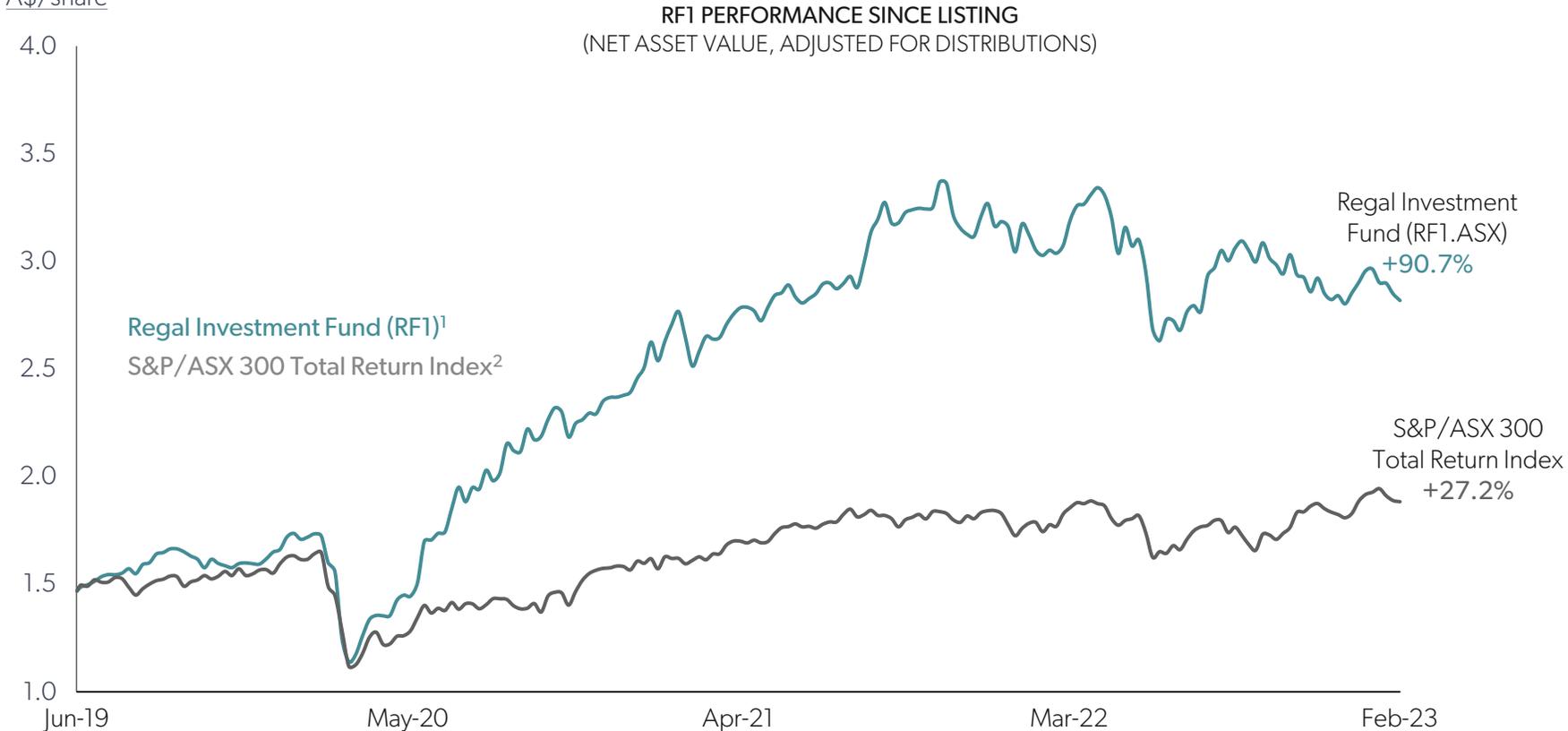
Total Return Since Inception<sup>1</sup>

+90.7%

Distributions Paid to Date

\$1.84 per unit

A\$/share



| FUND PERFORMANCE                   | 1 MONTH | 3 MONTH | 6 MONTH | 1 YEAR | 2 YEAR P.A. | 3 YEAR P.A. | SINCE INCEPTION P.A. | TOTAL RETURN SINCE INCEPTION |
|------------------------------------|---------|---------|---------|--------|-------------|-------------|----------------------|------------------------------|
| Regal Investment Fund <sup>1</sup> | (3.4%)  | (4.2%)  | (7.2%)  | (8.1%) | +2.8%       | +20.5%      | +18.8%               | +90.7%                       |
| S&P/ASX 300 Total Return Index     | (2.6%)  | +0.2%   | +5.9%   | +6.5%  | +8.4%       | +7.9%       | +6.6%                | +27.2%                       |

Source: Regal, Bloomberg as at 28 February 2023. Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance of the Fund's performance.

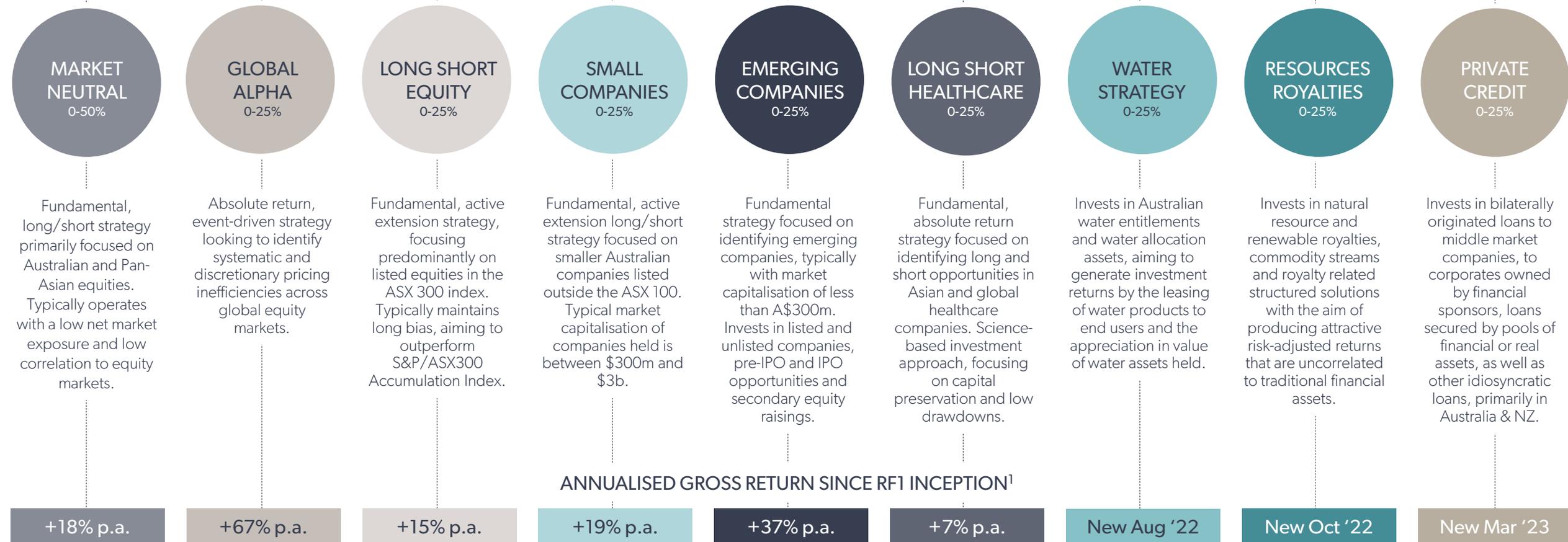
1. Total return is net of fees, before tax, and assumes reinvestment of all distributions.

2. Source: Regal, Bloomberg

# Regal Investment Fund (ASX: RF1)

Exposure to a range of Alternative Investment Strategies

**REGAL INVESTMENT FUND (ASX:RF1)**  
UNDERLYING ALTERNATIVE INVESTMENT STRATEGIES



Source: Regal as at 28 February 2023. Includes allocation ranges within RF1 by strategy.

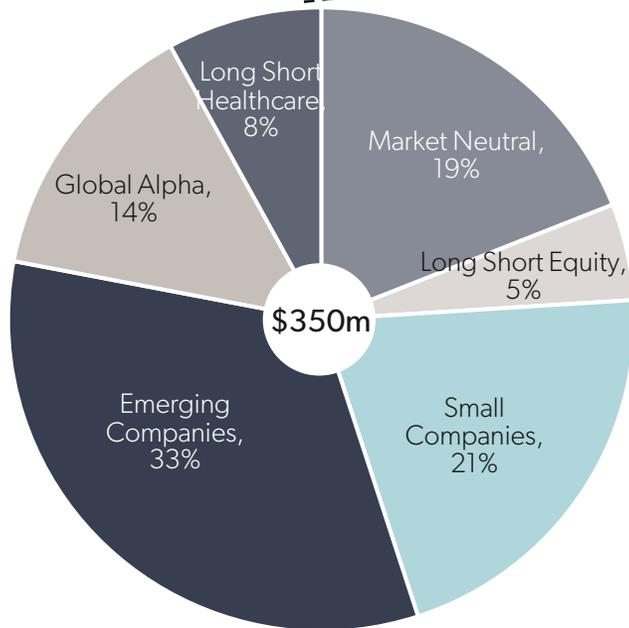
1. Gross of fees. Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance of the Fund's performance.

# Increased allocation to uncorrelated investment strategies

Investments in Water, Resources Royalties and Private Credit

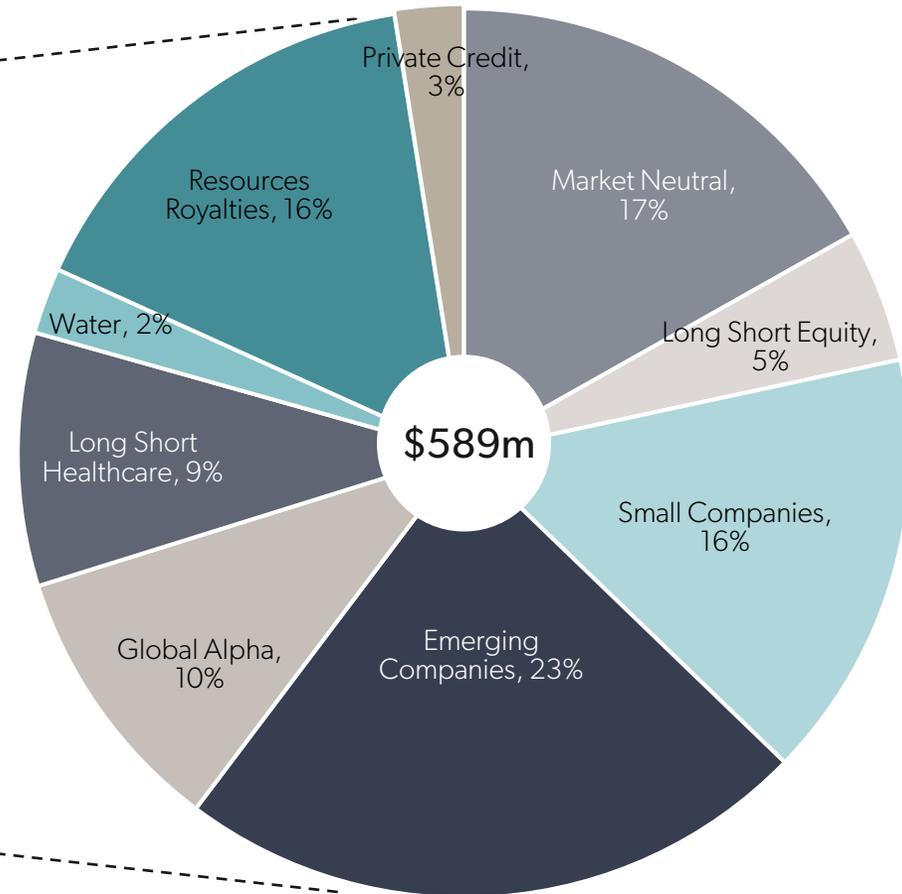
## RF1 Strategy Allocations

As at 31 October 2020



## RF1 Strategy Allocations

As at 1 March 2023



Strategies added since inception of RF1

- Long Short Healthcare
- Water Strategy
- Resources Royalties
- Private Credit

## 2. Market Update

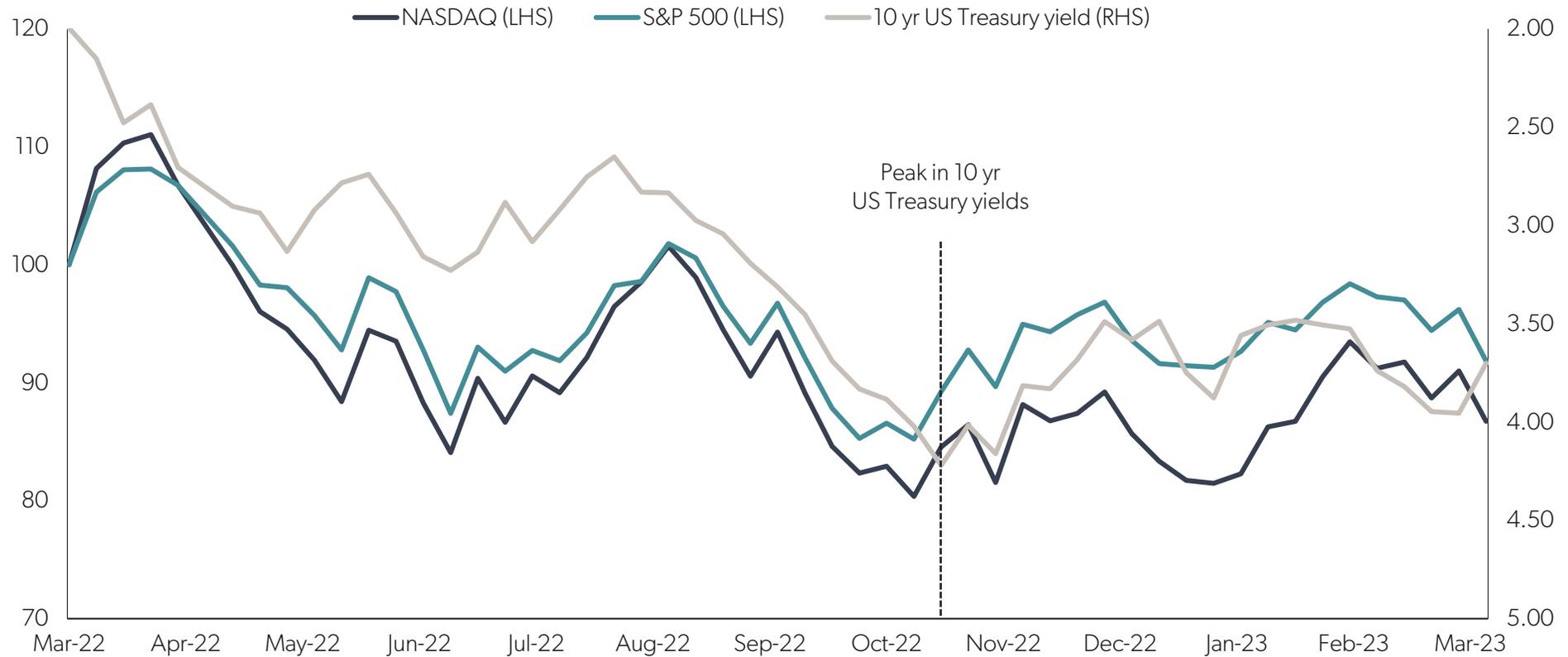
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Phil King, CIO, Regal Funds



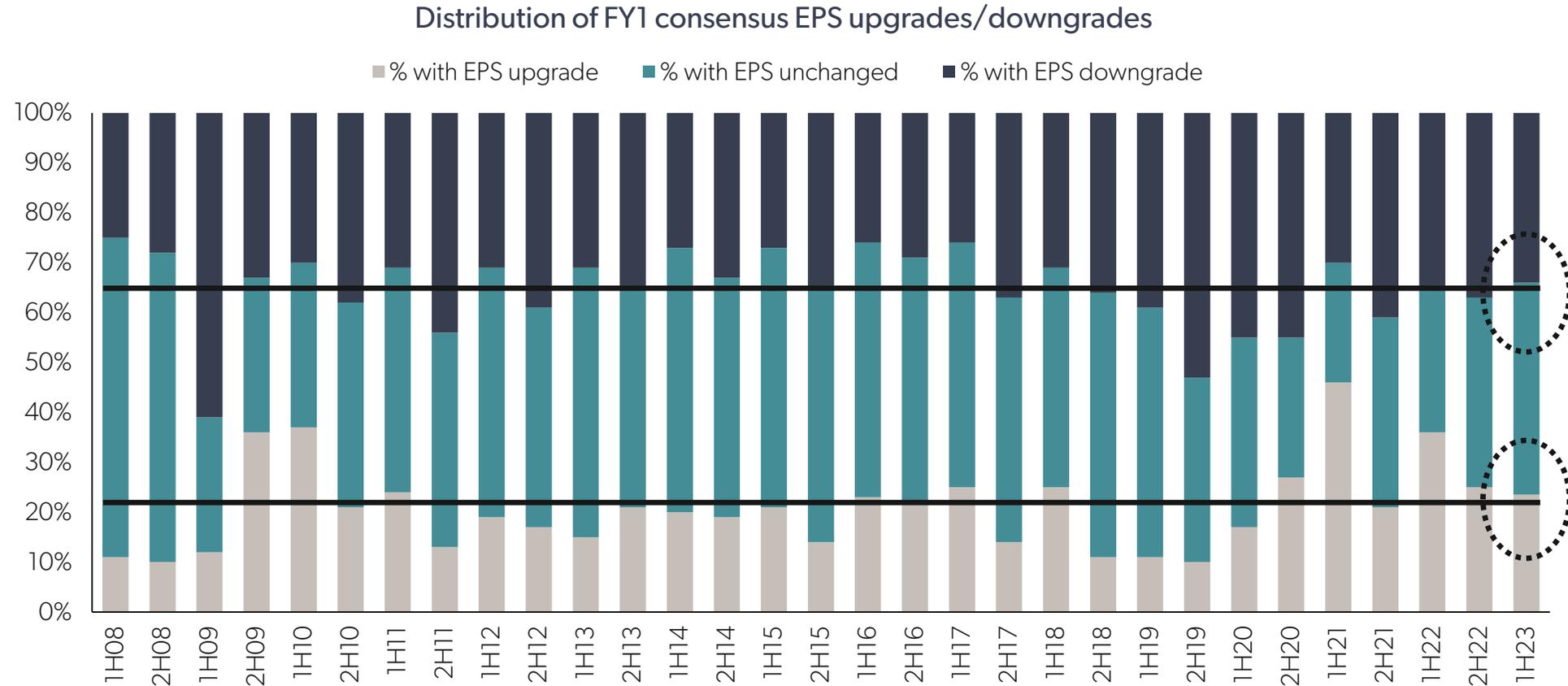
# Yields continue to pressure equity markets

NASDAQ and S&P 500 (index levels rebased to 100) vs. 10 yr US Treasury yield (inverted)



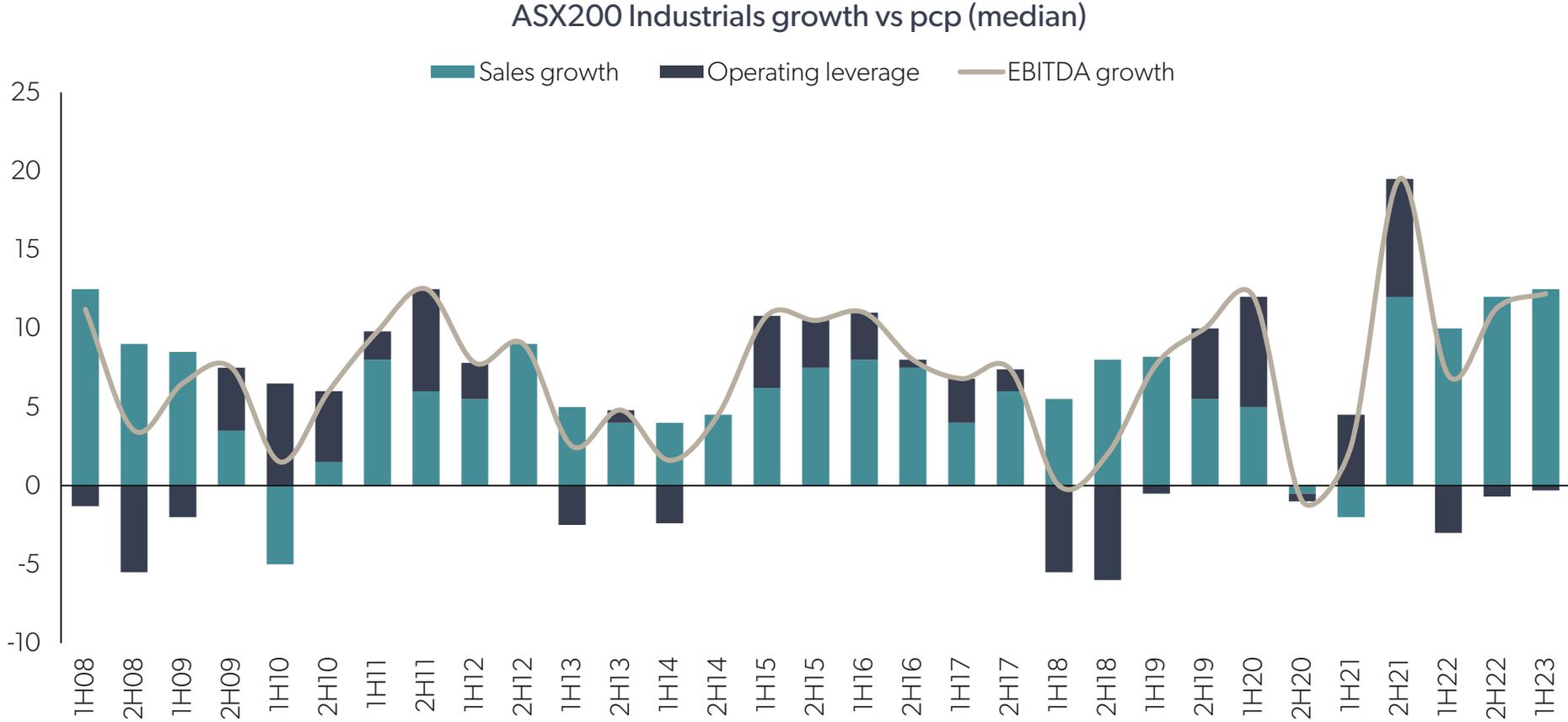
Source: Bloomberg as at March 2023 (weekly data).  
Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

# Earnings revisions remain in-line with historical averages



Source: FactSet, Goldmans Sachs research.  
Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

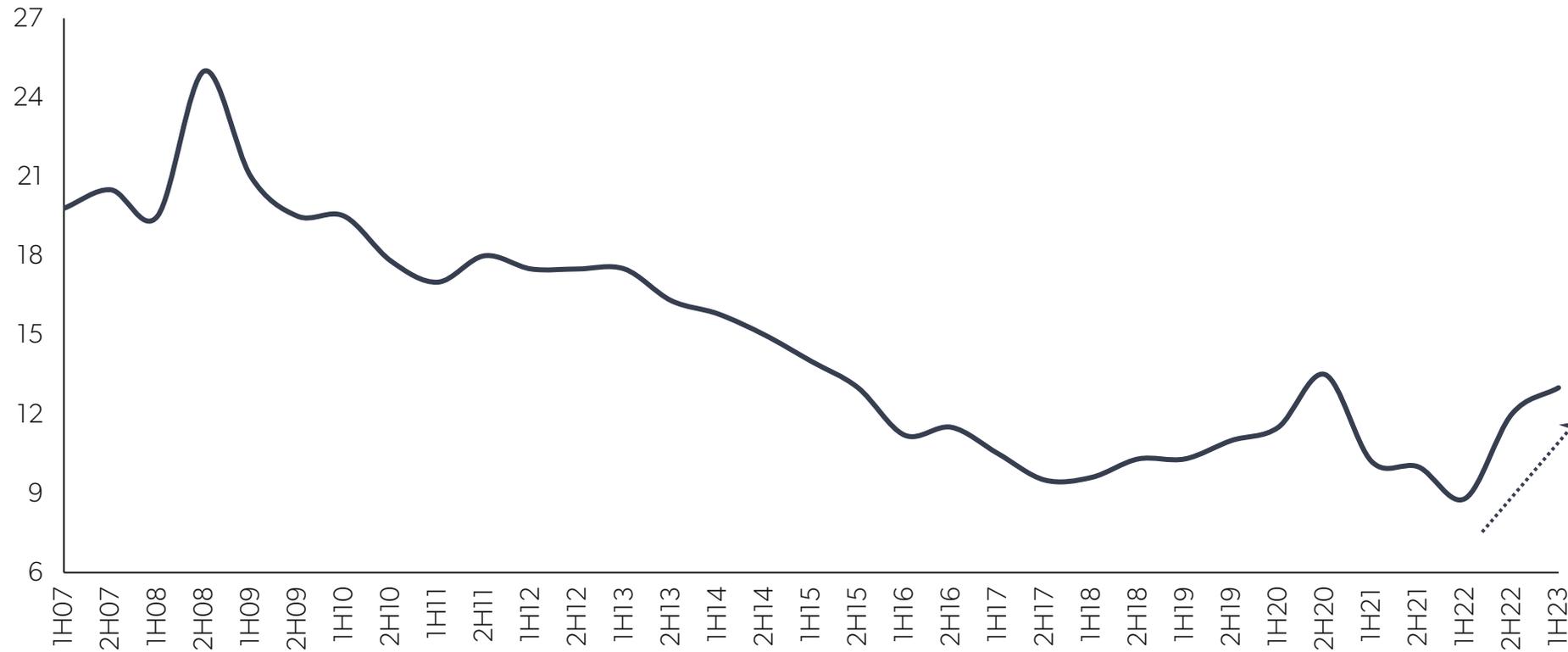
# Strong sales have been offset by cost inflation



Source: FactSet, Goldmans Sachs research.  
Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

# Interest burden rising but still relatively low vs history

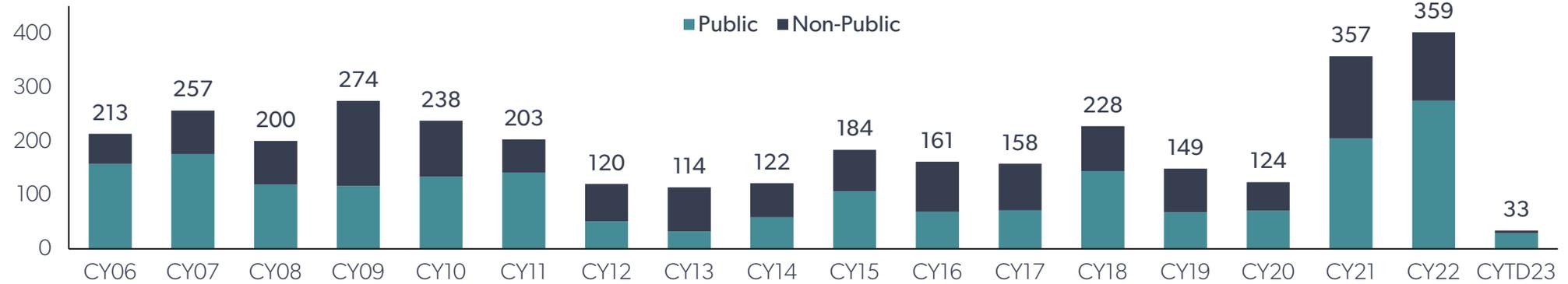
ASX200 Industrials net interest expense as % of EBIT



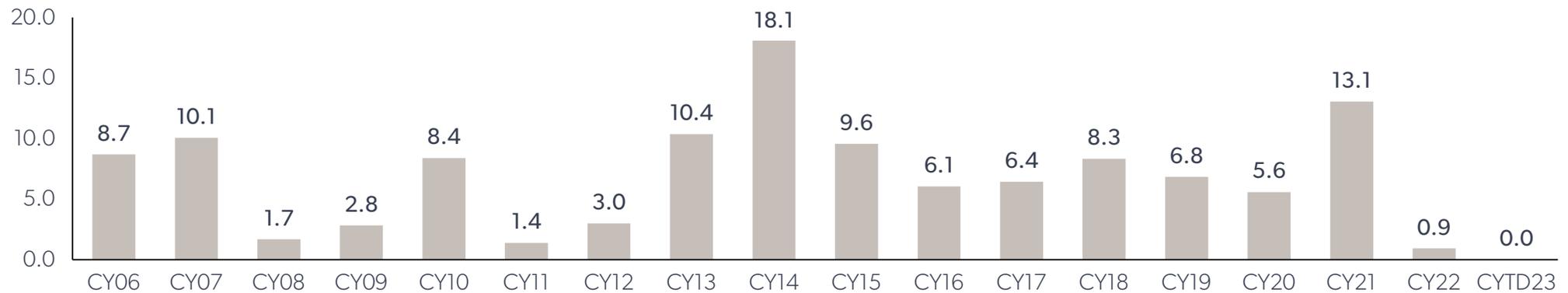
Source: FactSet, Goldmans Sachs research.  
Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

# Takeover activity continues...but IPOs have evaporated

Announced M&A involving an Australian target (A\$bn)



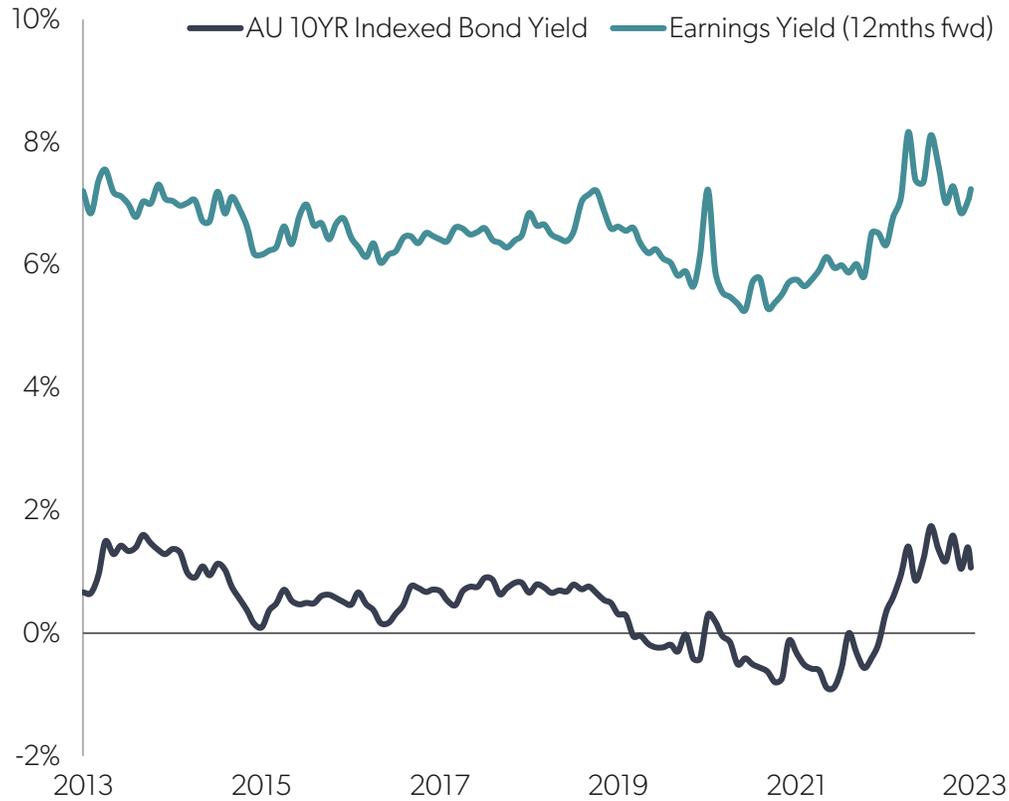
Australian IPO market volume by year (A\$bn)



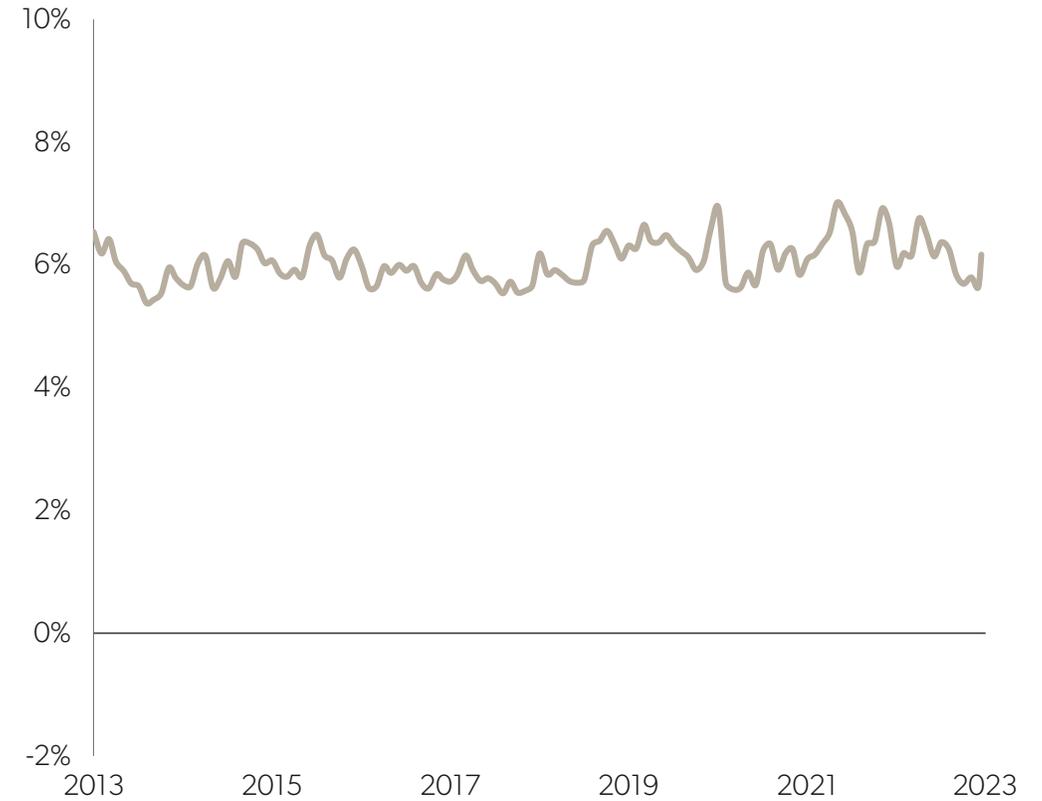
Source: Dealogic as at March 2023. Announced M&A with an Australian target. Excludes buybacks. Completed Australian IPO values.  
Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

# Equities continue to be attractive

### Equity yield vs. real bond yield

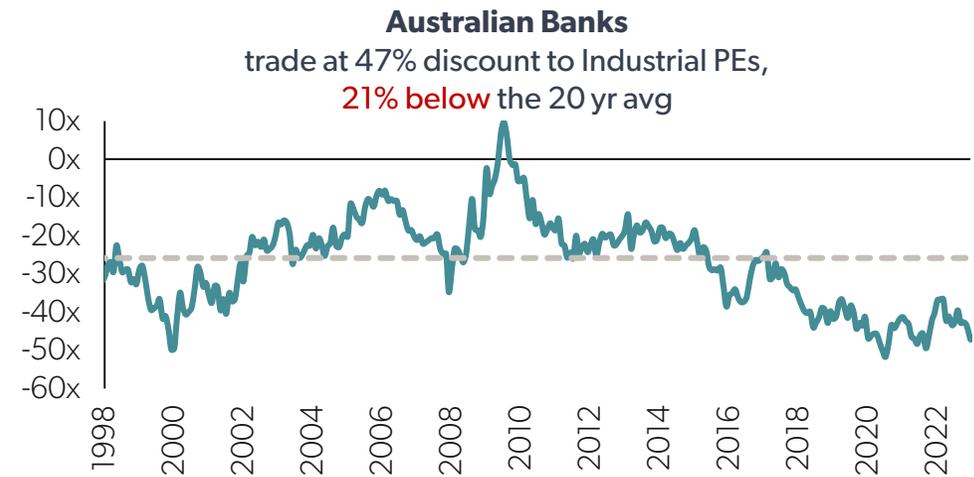
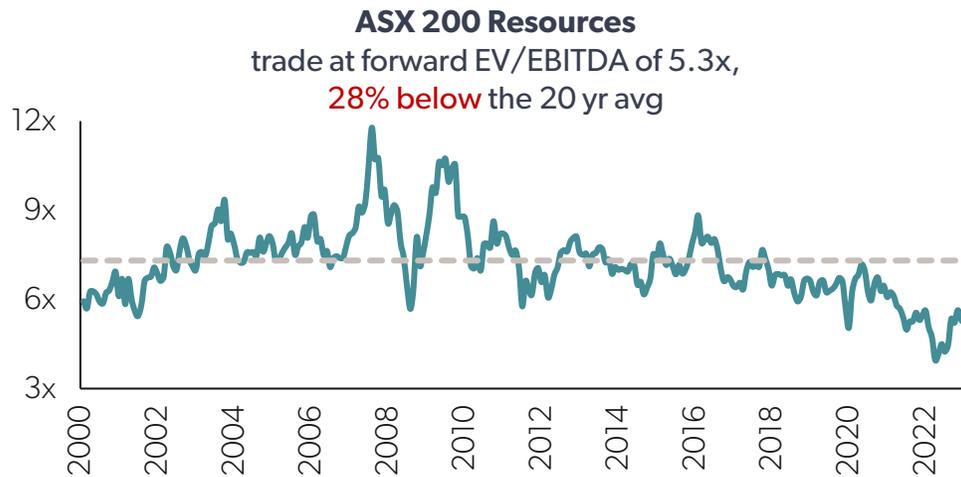


### Equity risk premium



Source: Goldman Sachs as at March 2023 (monthly data).  
Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

# Current valuations vs history vary across sectors



Source: FactSet, Goldmans Sachs research as at March 2023.  
Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

# Value starting to outperform

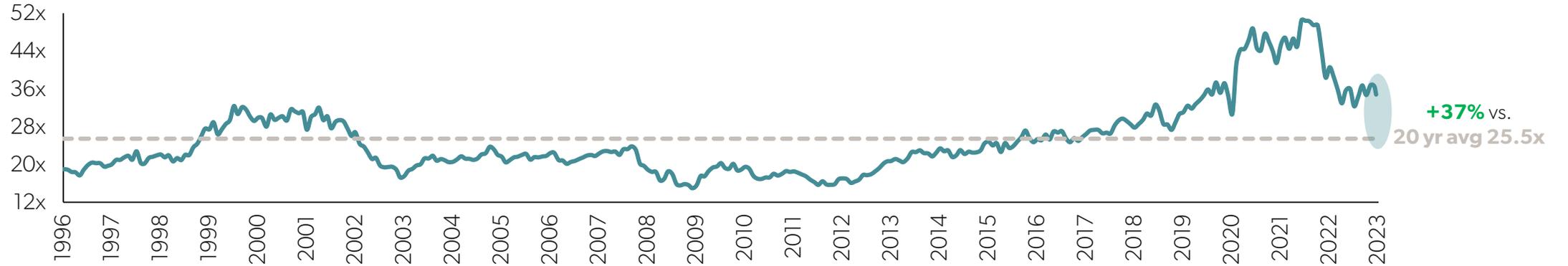
MSCI value vs. growth indices relative price performance in local currency



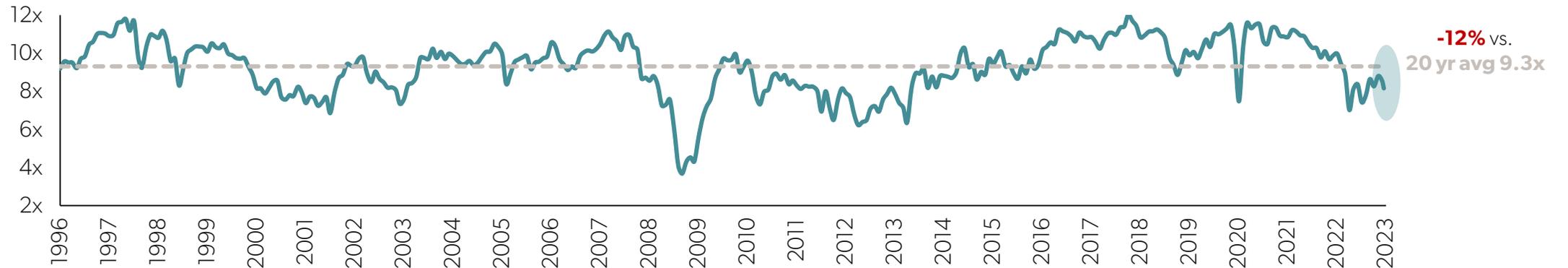
Source: Bloomberg as at March 2023 (quarterly data).  
Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

# High PE firms still trading above long-term averages

High PE firms trade at an avg forward PE of 34.8x, 37% above the 20 yr avg



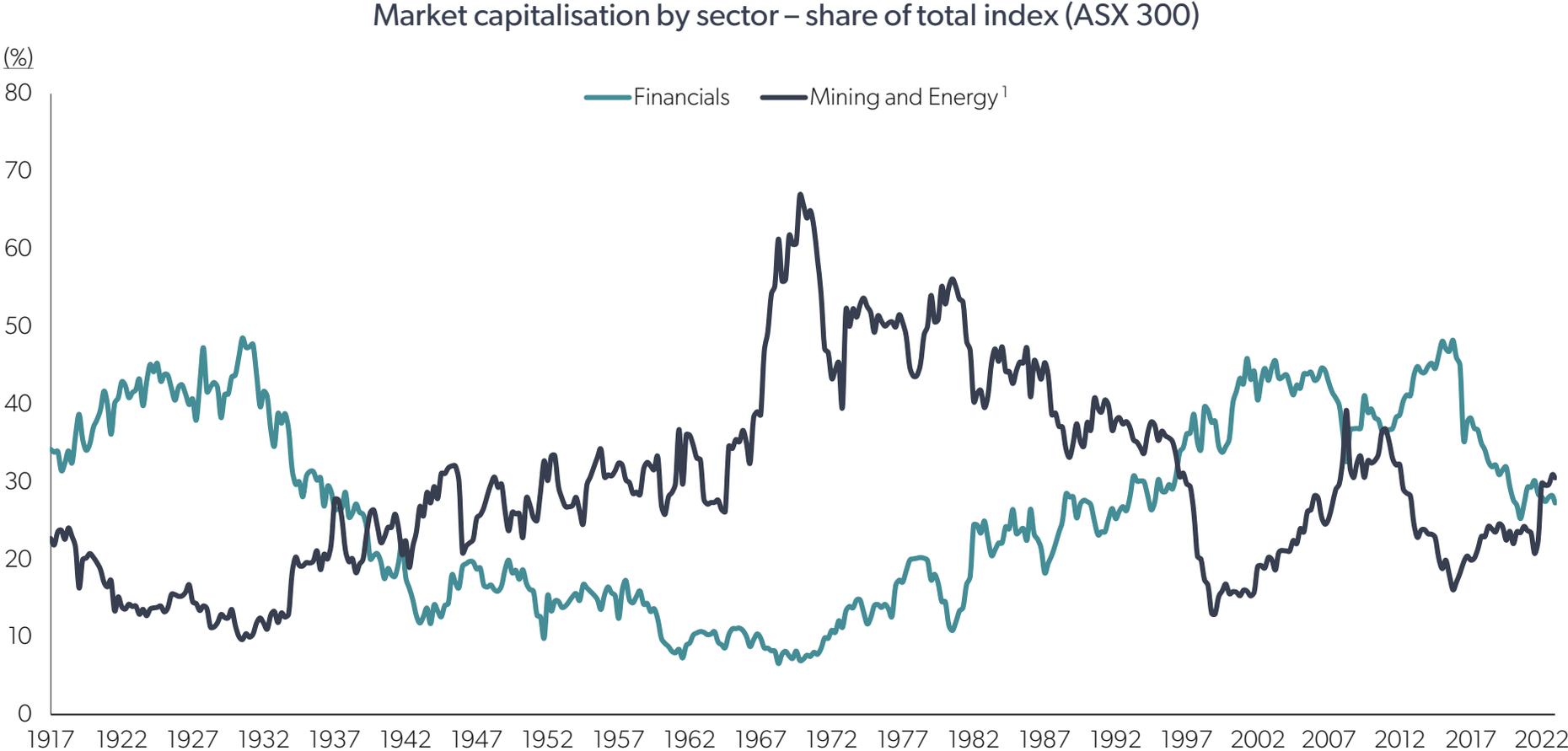
Low PE firms trade at an avg forward P/E of 8.2x, 12% below the 20 yr avg



Source: FactSet, Goldmans Sachs research as at March 2023.

Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

# Changing market leadership



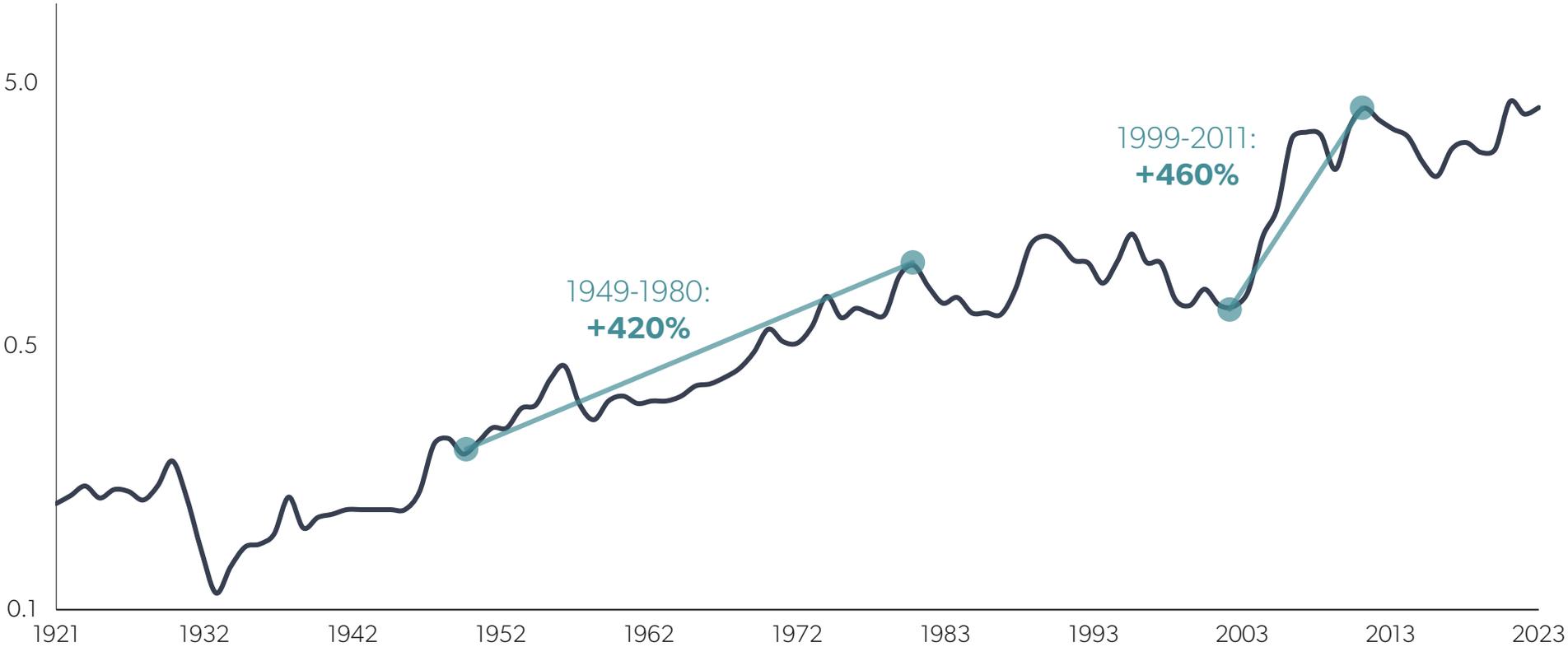
Source: Bloomberg as at March 2023, RBA, ASX, Refinitiv Datastream.

Note: 1. Energy included from March 2002.

Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

# Copper prices over the last 100 years

USD / pound (logarithmic scale)



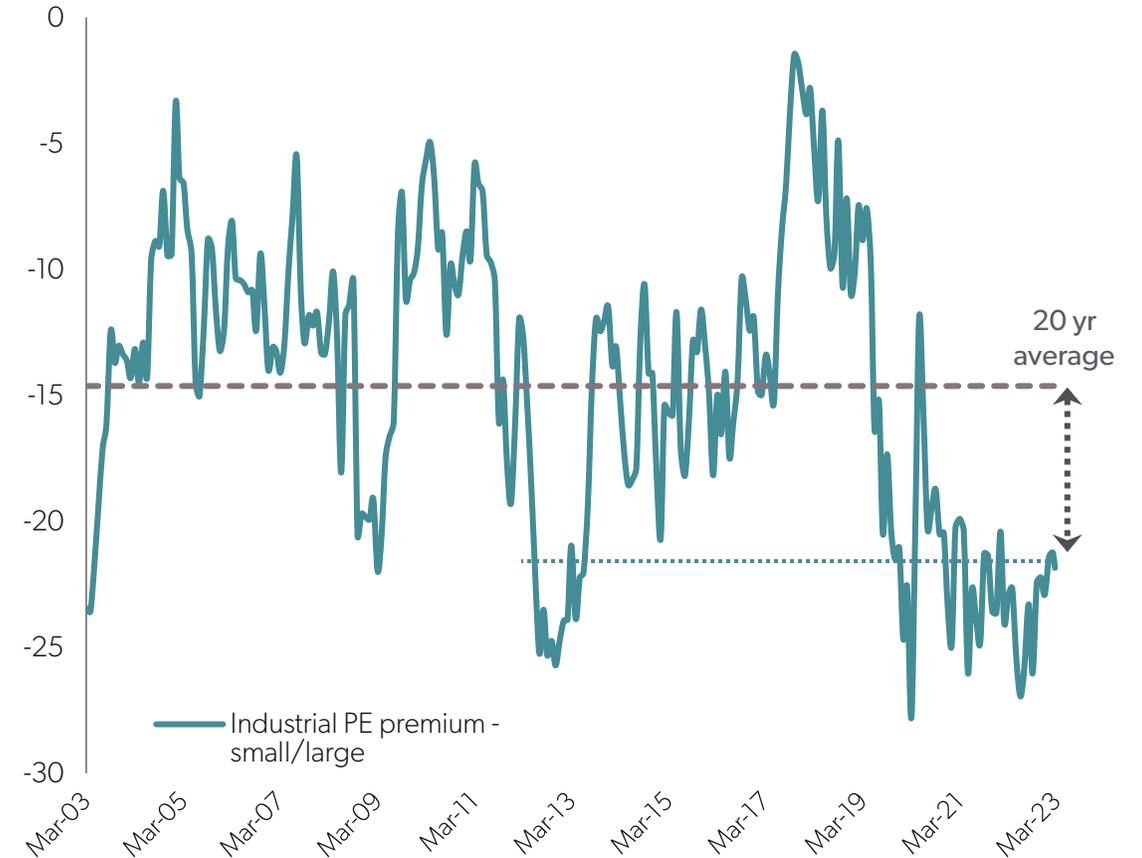
Source: Broker Research, Bloomberg as at March 2023 (annual data, nominal terms).  
Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

# 2022 – An ‘Annus Horribilis’ for Australian Small Caps

Performance of the ASX Small Ordinaries Index vs ASX 100 Index  
Jul 2021 – March 2023



Small industrials trade at a 22% discount to large industrials,  
among the lowest levels in 10 years

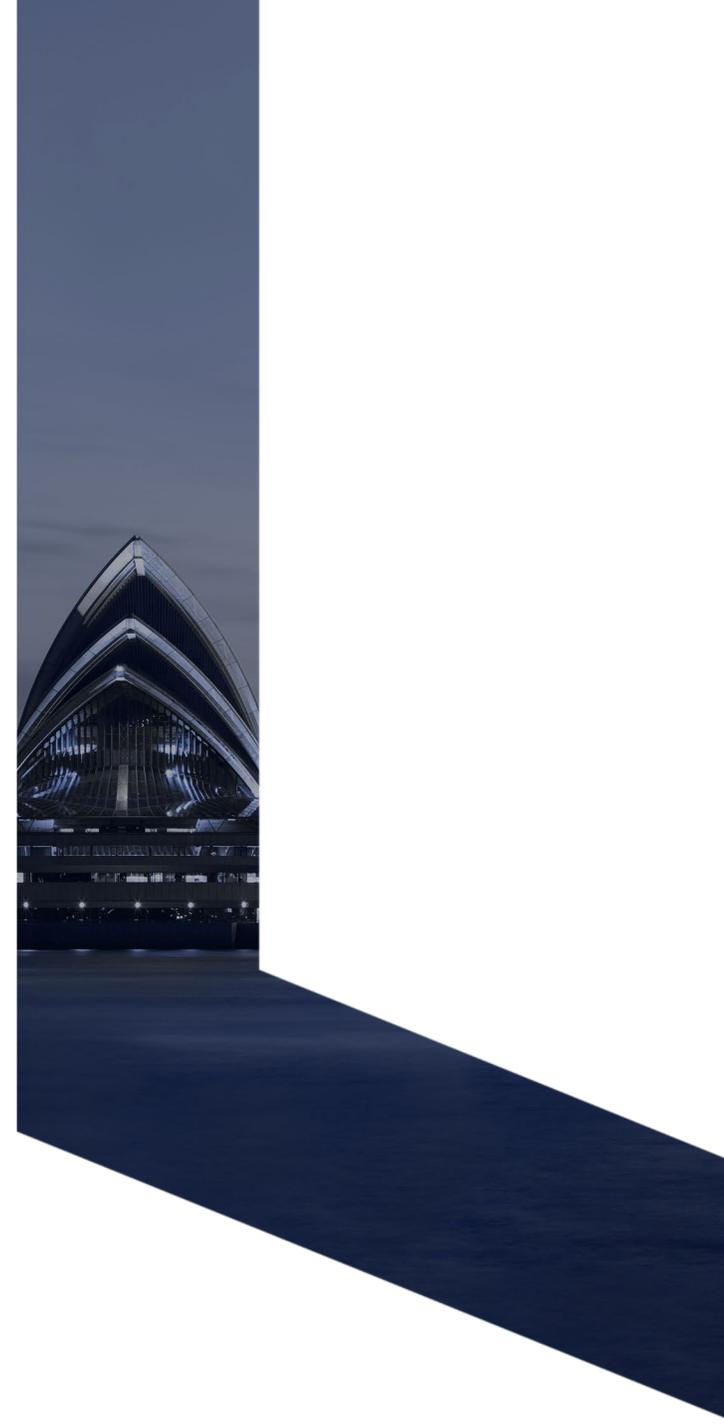


Source: Bloomberg as at March 2023. Index levels rebased to 100.  
Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance.

### 3. Emerging Companies

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Jessica Farr-Jones, Portfolio Manager



# Regal Emerging Companies Strategy

Investment Universe

REGAL  
FUNDS

**Emerging Companies Strategy combines the attributes of private equity and hedge fund investing to provide access to listed and unlisted opportunities in the next generation of Australia's leading companies**

## LISTED MICROCAPS

- IPOs, placements and block trades in listed companies with market capitalisation <\$300m at time of investment
- Given size & illiquidity of shares for certain microcaps (usually <\$100m market capitalisation), placements & sell downs usually trade at steep discounts

## PRE-IPO INVESTMENTS

- Private companies which are on a path to IPO, typically within 12 months
- Raising capital to fund an acquisition, continued organic growth, reduce debt or provide liquidity
- Ability to invest via attractive structures capable of providing ability to invest via non-share instruments with access to equity upside

## EXPANSION CAPITAL

- Companies which have a preference to remain private for 18-36 months
- Raising capital to fund the next stage of growth
- Looking for longer term investment partners who can add strategic value

# Regal Emerging Companies Strategy

Funds and Performance

REGAL  
FUNDS

| FUND & PERFORMANCE <sup>1</sup>             | INCEPTION DATE | STATUS                    | TOTAL RETURN SINCE INCEPTION | INTERNAL RATE OF RETURN |
|---|----------------|---------------------------|------------------------------|-------------------------|
| Regal Emerging Companies Fund               | Nov 2016       | Closed, Capital Returned  | +208%                        | 19% <sup>2</sup>        |
| Regal Emerging Companies Fund II            | Apr 2018       | Closed, Returning Capital | +46%                         | 11%                     |
| Regal Emerging Companies Fund III           | Aug 2019       | Closed, Fully deployed    | +141%                        | 40%                     |
| Regal Emerging Companies Opportunities Fund | Aug 2020       | Quarterly Applications    | +40% <sup>3</sup>            | -                       |

 QUADPAY

 credible

 Life360

 animoca BRANDS

 MOXICO RESOURCES

 CleanTech Lithium

 IMMUTABLE

 COVER GENIUS

 Sonder

 nitro

 FinClear

 Influential

 tic:toc

 BUILDXACT

 Bigtincan™

 Aussie Broadband

 CHRYSOS CORPORATION  
Assays at the speed of light

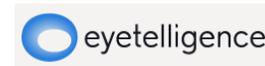
1. As at 28 February 2023. Performance is calculated net of all fees and costs. Past performance is not a reliable indicator of future performance and it should not be relied upon as an indication of the future performance of the Fund.  
2. Performance to 28 February 2022, fund fully realised and terminated.  
3. Performance assumes distributions are reinvested

# Elevated sector activity and recent private liquidity events

Depressed valuations within the emerging companies sector has driven a significant increase in takeover activity by both strategic and private equity investors.

Within a rising interest rate environment, where equity markets remain closed, we have achieved several favourable liquidity events within our private positions.

Existing Regal position at time of takeover offer



# Outlook for the Emerging Companies Strategy

1.

**Increasing demand for liquidity solutions due to deceleration of exit activity** and market dislocations in current macro environment extending the lifecycle of private companies

2.

**Pricing inefficiencies are exemplified in private markets** during times of macro dislocation

3.

**Increased deal flow (across both private and public markets) expected throughout 2023** as companies solidify balance sheets and target opportunistic acquisitions

4.

**Competition significantly reduced** as traditional fund managers exit the space and focus back on listed companies

5.

**Investors with capacity and longer-term horizon can negotiate strong terms**

## 4. Private Credit

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Gavin George, Portfolio Manager



1.

## WHAT IS PRIVATE CREDIT?

- Lending capital in private transactions
- Non equity asset class with a significant degree of contractual returns (e.g. via interest payments, scheduled amortisation)
- Typically secured over all or substantial part of a company's assets
- Usually not traded on public markets

2.

## WHY DOES IT EXIST?

- More flexible pool of debt capital than can be provided by traditional banks, whose lending is governed by strict regulatory regimes
- Borrowers require capital for a variety of reasons, including:
  - Acquisition financing
  - Growth capital to expand, build new facilities, purchase equipment, increase R&D, etc.
  - Refinancing existing / maturing debt
  - Restructuring the balance sheet

3.

## WHERE CAN REGAL PRIVATE CREDIT INVEST?

- Across the credit spectrum and capital structure, from senior secured loans to subordinated / mezzanine loans to convertibles and preferred equity

# Private Credit Features

## PRIVATE CREDIT MAY PROVIDE AN ATTRACTIVE RISK ADJUSTED RETURN PROFILE



Regular interest payments, usually priced as a floating rate which limits duration risk and can act as a hedge against inflation



Access to an under-penetrated, difficult to access, but growing asset class in Australia



Exposure to portfolio of downside protected investments with a different risk-return profile relative to other asset classes

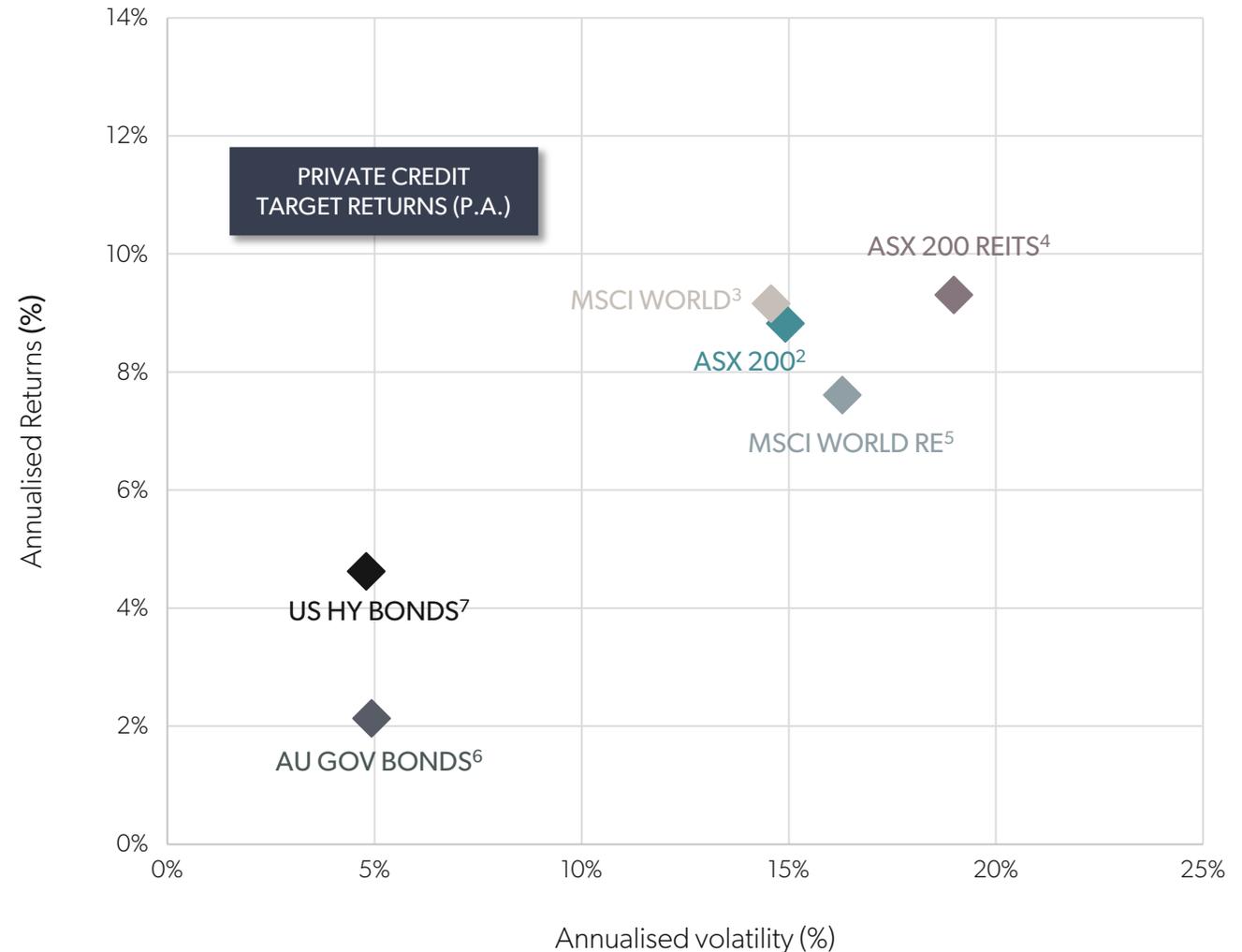


Generally priced at an illiquidity premium compared to traded assets

Source: Bloomberg

1. From 2 January 2012 to 30 Dec 2022
2. S&P ASX200 Gross Total Return Index
3. MSCI World Gross Total Return Index
4. S&P ASX200 A-REIT Gross Total Return Index
5. MSCI World Real Estate Gross Total Return Index
6. FTSE Australian Government Bond Index
7. Bloomberg US Aggregate Bond Index

10 YEAR ANNUALISED RETURN VS VOLATILITY ACROSS ASSET CLASSES<sup>1</sup>

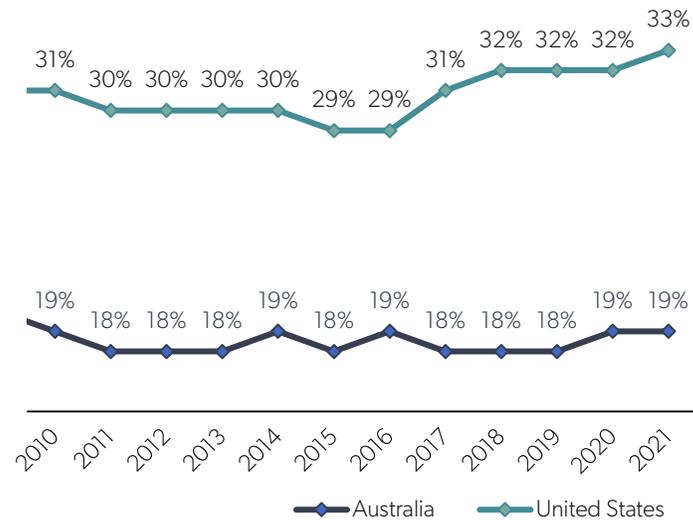


# Opportunities in Private Credit

## 1. Growing Funding Gap in Australia

- Banking sector in Australia is the dominant provider of credit to the economy relative to the US, however they are increasingly focused on residential mortgage lending leaving a gap in the market for private credit.

OFI assets as a % of total assets<sup>1</sup>  
% of financial assets (%) vs Year (#)



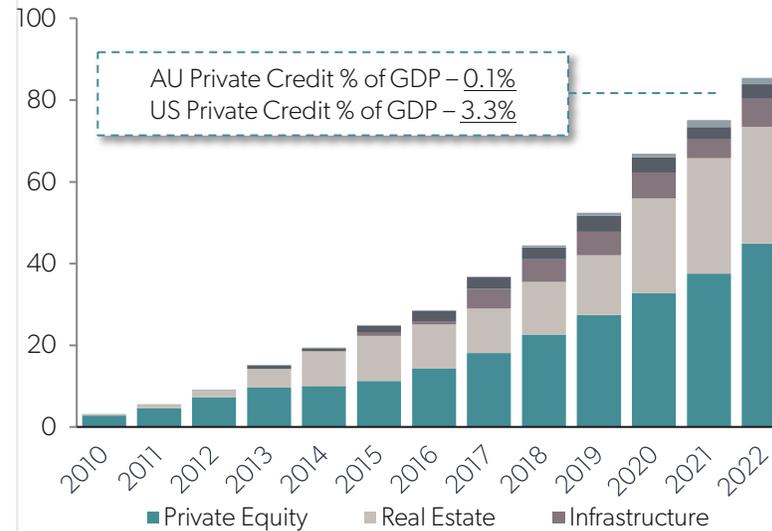
Source: Financial Stability Board, Preqin, World Bank Group  
Market Data as at 26 August 2022

1. Other financial intermediaries ("OFI") financial assets as a % of total financial assets, OFIs includes all non bank financial intermediaries excluding insurance corporations and pension / super funds

## 2. Significant Headroom to Grow Rapidly

- Private credit is currently a small portion of the Australian economy and a minor portion of all private assets, providing headroom for rapid growth, similar to the US.  
- The US market has demonstrated the ability of the asset class to scale significantly and form a material source of capital for the broader economy over time.

AUM breakdown for Australian focused private capital funds  
Capital per asset class (US\$bn) vs Year (#)



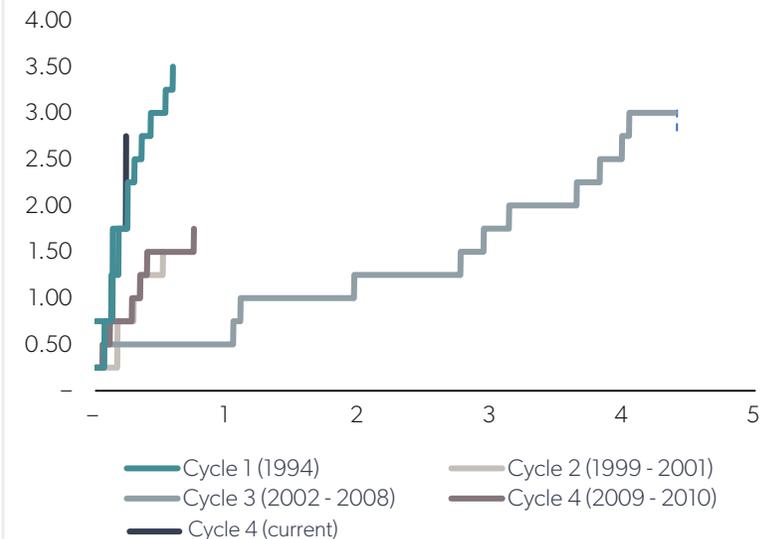
AU Private Credit % of GDP – 0.1%  
US Private Credit % of GDP – 3.3%

Source: Preqin, World Bank Group

## 3. Inflation and unprecedented rate hikes

- Current rate hike cycle has been rapid compared to historical cycles to combat high inflation. Floating rates provide a hedge against inflation and allow private credit investors to benefit from rate hikes, unlike many other asset classes

RBA Rate Hike Cycles  
RBA cash rate change (bps) vs Time taken (years)



Source: Reserve Bank of Australia  
Note: Market Data as at 10 March 2023

# Regal Private Credit Opportunities Fund

Overview and Introduction

REGAL  
FUNDS

“Regal aims to be a leading provider of flexible debt capital solutions to middle market corporates across Australia and New Zealand, to generate 10-12% returns through the cycle with limited unit price volatility”

- Fund launched in October 2022, with RF1 allocating an initial \$15m in March 2023.
- Fund invests in private credit opportunities, specifically targeting corporates owned by private equity firms, loans to small / mid-cap market companies as well as other idiosyncratic and opportunistic loans, predominantly across Australia and New Zealand.
- Aiming to generate stable defensive returns of **10-12% on a portfolio basis, per annum, through the cycle**
- **Primary focus on first lien senior secured floating rate loans**, with a flexible mandate to tactically allocate capital across the credit spectrum. Limited property and real estate exposure.
- The strategy leverages Regal’s deep corporate and advisory relationships and ability to access & originate deal flow
- Foundation of alignment:
  - All transaction and other upfront origination fees accrue to investors, not the manager
  - Fund seeded with ~\$50m of internal balance sheet

>10% p.a.

Current portfolio  
expected total return <sup>1</sup>

\$200m+

Binding commitment received from  
external family office

~\$100m

Current Fund size,  
aiming to grow to \$1bn

1. Total current expected return of the assets in the portfolio as at 3 March 2023, on an annualised basis

# 5. Healthcare

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Dr Craig Collie, Portfolio Manager



# Regal Healthcare Long Short Strategy

## Key Highlights

REGAL  
FUNDS

### STRATEGY STATISTICS<sup>1</sup>

**Strategy Launched**  
Nov 2017

**RFI Investment Date**  
1 September 2020

**Volatility**  
10.2%

**Target Return**  
10-15% p.a.

**Annualised Return Since Inception<sup>1</sup>**  
+11.3% p.a.

### STRATEGY HIGHLIGHTS AND COMPETITIVE ADVANTAGE

#### Unique investment strategy

One of a limited number of long/short strategies focused on healthcare companies listed in Asia.

The ability to short is a powerful tool and a key differentiator.

#### Science-driven investment approach

Investment team led by two investment specialists who have both commercial expertise & previously worked as medical doctors.

The strategy takes advantage of lower technical expertise in the region and frequent mispricing opportunities.

#### Leveraging Regal's investment team and operational infrastructure

Regal is one of Australia's most active investors across the Pan-Asian region.

The Team leverages broader investment staff of 28 in Regal offices in Sydney, Singapore and New York.

1. As at 28 February 2023. Past performance is not an indicator of future performance and should not be relied upon. From strategy inception in November 2017 – 31 December 2021, performance has been calculated by reference to the Regal Healthcare L/S strategy, which has been implemented as a mandate within a listed investment fund managed by Regal and certain funds managed by Regal which run market neutral and absolute return strategies. Performance has been calculated by reference to the returns made by the positions allocated to the strategy as tracked in the Regal investment management system and is calculated net of 2% management, 20% performance fees and other interest fees and expenses. From 4 January 2022 – 30 April 2022, performance is calculated by reference to the returns of the Regal Healthcare Long-Short Fund, an Australian unit trust, launched 4 January 2022 and are net of 1% management, 17.5% performance fees and expenses (Class A). From 1 May 2022 – 28 February 2023, performance is calculated by reference to the returns of the Regal Asian Healthcare Long-Short Fund, a Cayman Vehicle, launched 1 May 2022 and are net of 1% management, 17.5% performance fees and expenses (Founders Class). Exposures calculated by reference to the Regal Asian Health L/S strategy may differ from the exposures of the Regal Asian Healthcare Long-Short Fund.

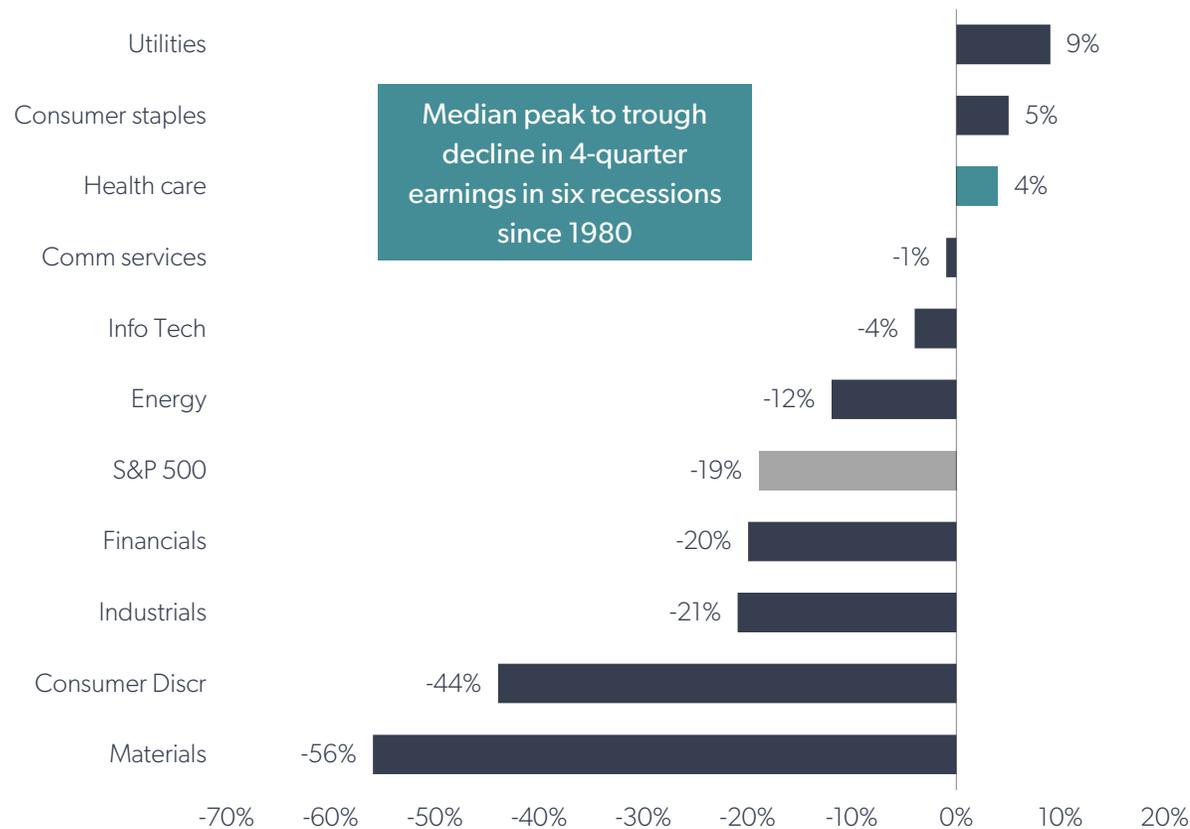
# Higher returns relative to major indices



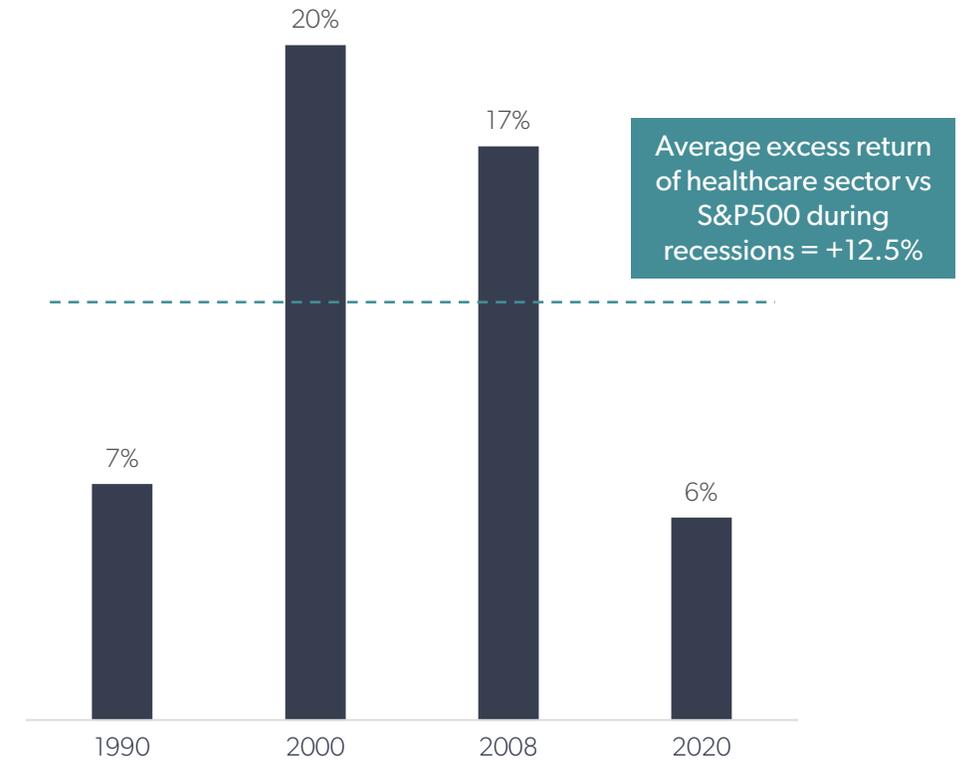
Source: Bloomberg. As at 28 February 2023. Past performance is not an indicator of future performance and should not be relied upon. From strategy inception in November 2017 – 31 December 2021, performance has been calculated with reference to the Regal Healthcare L/S strategy, which has been implemented as a mandate within a listed investment fund managed by Regal and certain funds managed by Regal which run market neutral and absolute return strategies. Performance has been calculated by reference to the returns made by the positions allocated to the strategy as tracked in the Regal investment management system and is calculated net of 2% management, 20% performance fees and other interest fees and expenses. From 4 January 2022 – 30 April 2022, performance is calculated with reference to the returns of the Regal Healthcare Long Short Fund, an Australian unit trust, launched 4 January 2022 and are net of 1% management, 17.5% performance fees and expenses (Class A). From 1 May 2022 – 28 February 2023, performance is calculated with reference to the returns of the Regal Asian Healthcare Long Short Fund, a Cayman Vehicle, launched 1 May 2022 and are net of 1% management, 17.5% performance fees and expenses (Founders Class). 1. Max drawdown using monthly returns

# Healthcare Earnings Highly Resilient During Recessions

HEALTHCARE SECTOR EARNINGS HAVE GROWN IN EACH OF THE LAST SIX RECESSIONS



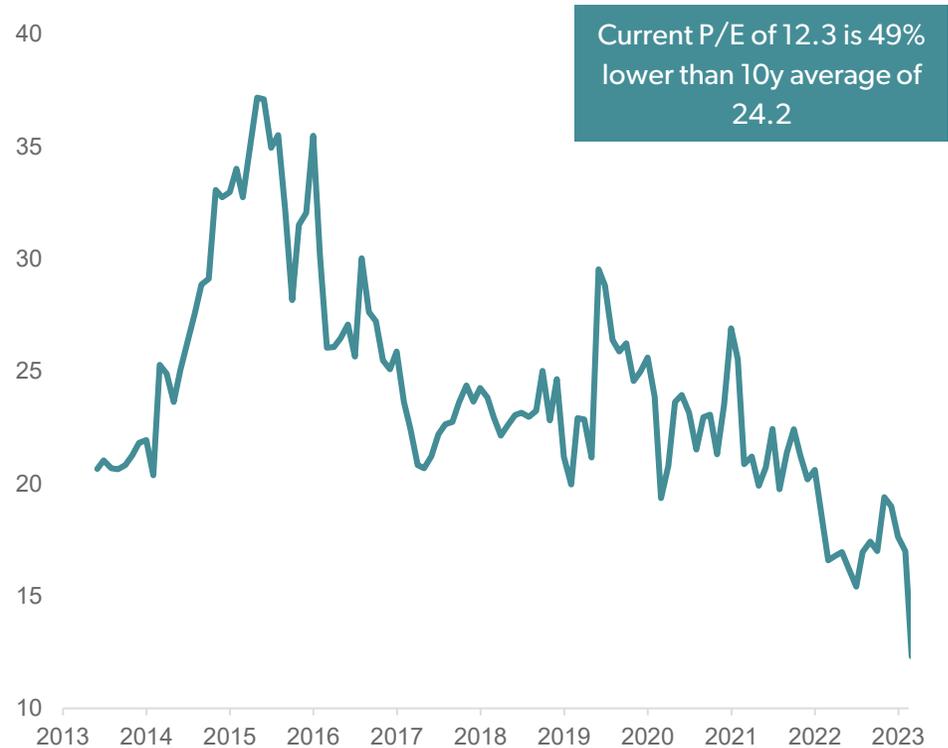
HEALTHCARE SECTOR OUTPERFORMS DURING RECESSIONS



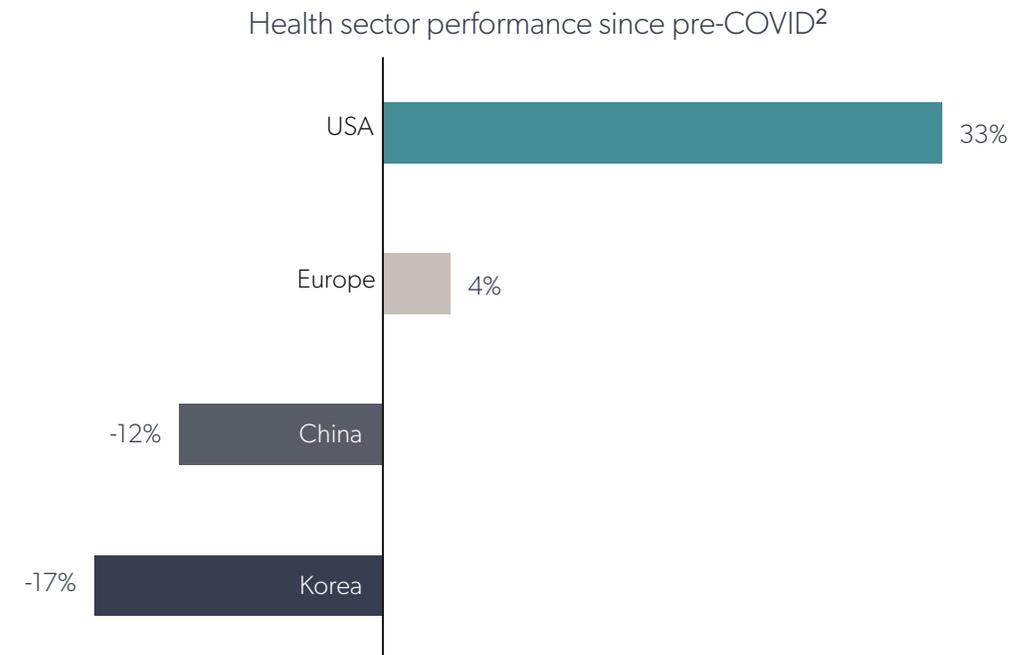
Source: Goldman Sachs Global Investment Research, Compustat.

# Valuations in Asia Look Attractive

JAPAN HEALTHCARE SECTOR P/E AT 10 YEAR LOWS<sup>1</sup>



CHINA & KOREA HEALTH NOW TRADING BELOW COVID LEVELS



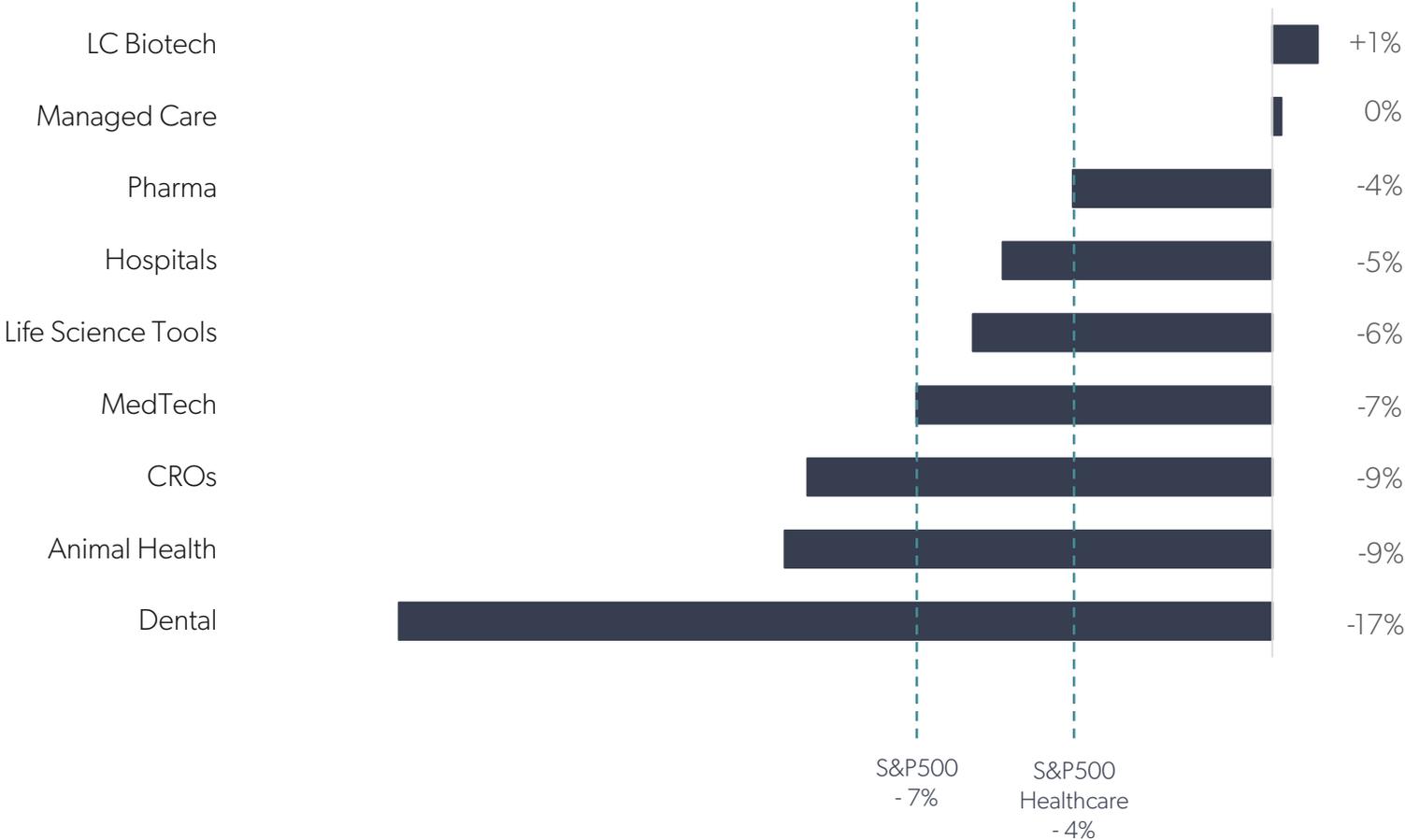
Source: Goldman Sachs Global Investment Research, Bloomberg

1. From May 2013 (inception) to 17<sup>th</sup> Feb 2023. Refers to SPTPX35.

2. From March 2020 peak through to 17<sup>th</sup> Feb 2023. Refers to XLV, MXEU0HC, MXKR0HC and MXCN0HC.

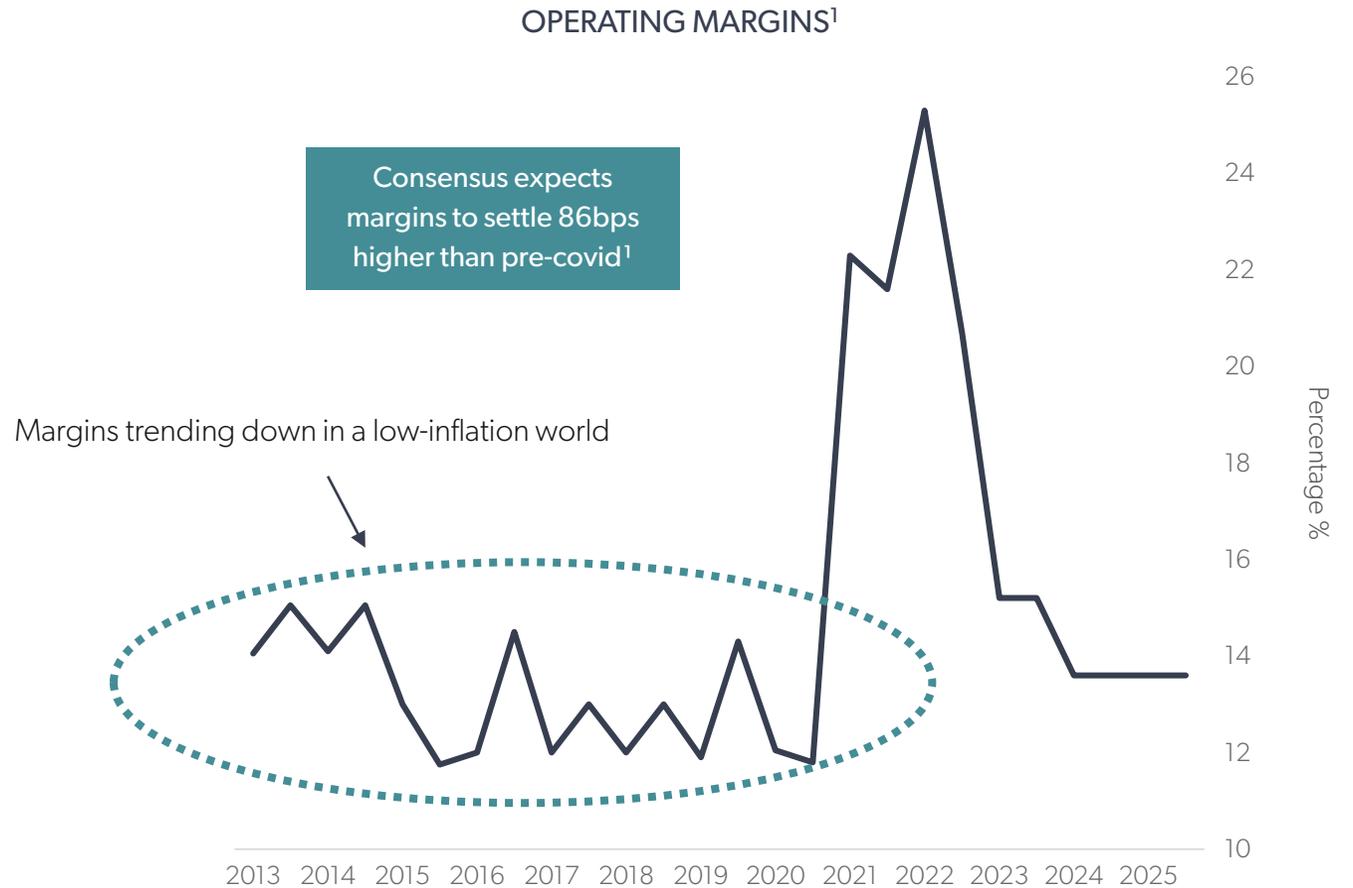
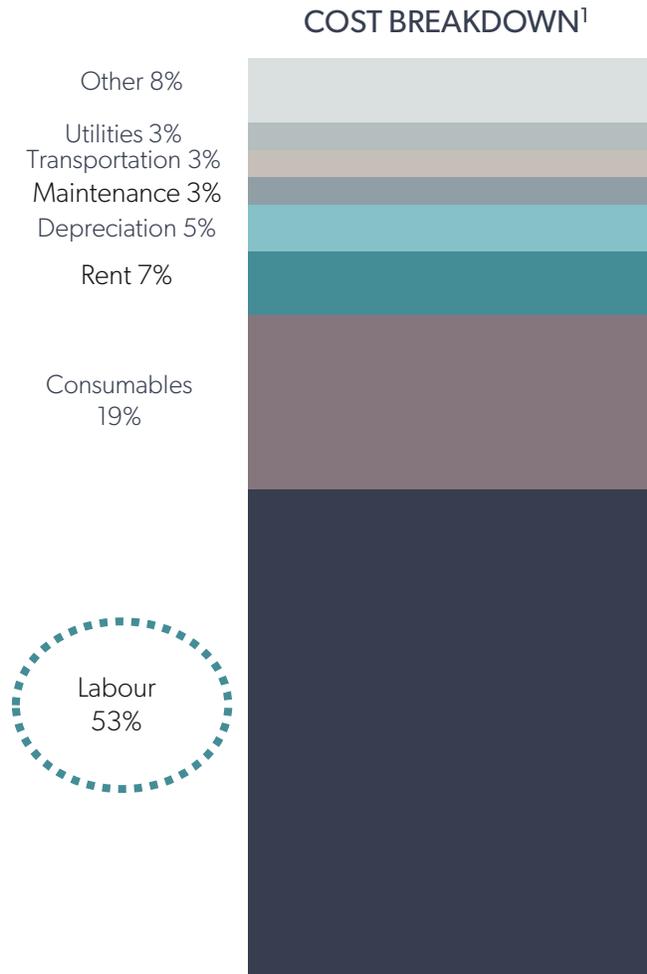
# Inflation is Creating Interesting Opportunities in the Sector

2023 EPS REVISIONS SINCE JULY 1<sup>ST</sup>



Source: Goldman Sachs research

# Australian Labs Look Particularly Exposed to Inflation



1. 2015-2019 average. Source: Bloomberg.

## 6. RF1 Positioning

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Phil King, CIO, Regal Funds



# RF1 Portfolio & Investment Characteristics

As at 28 February 2023

Percentage of Positive Months

64%

Current Number of Strategies

8\*

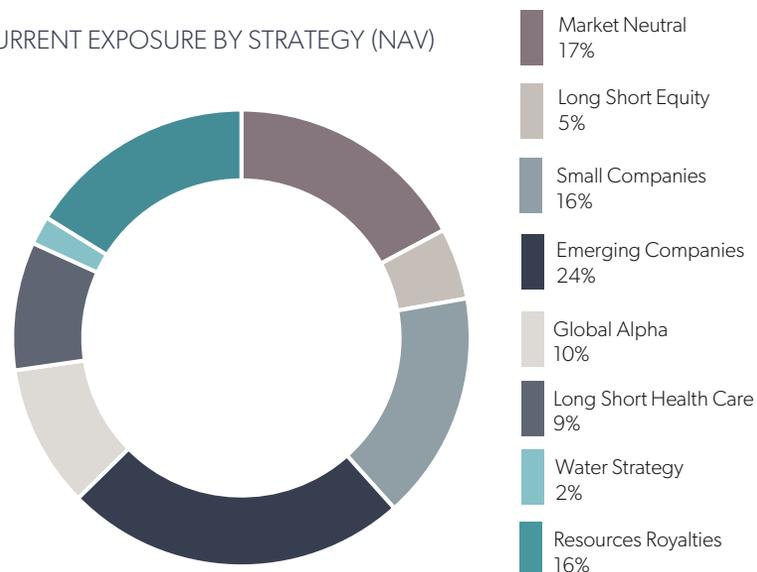
Sharpe Ratio

0.84

Sortino Ratio

0.94

CURRENT EXPOSURE BY STRATEGY (NAV)



GROSS RETURNS IN RF1 BY STRATEGY

| STRATEGY PERFORMANCE WITHIN RF1 <sup>1</sup> | 3MTH  | 1 YR   | 2YRS P.A. | SINCE INCEPTION P.A. |
|--|-------|--------|-----------|----------------------|
| Market Neutral                               | +1.3% | +1.2%  | +14.8%    | +18.5%               |
| Aus. Long Short Equity                       | -3.8% | +9.9%  | +11.8%    | +14.9%               |
| Aus. Small Companies                         | -2.8% | -13.5% | -1.6%     | +19.1%               |
| Emerging Companies                           | -2.8% | -9.9%  | +4.2%     | +36.8%               |
| Long Short Health Care                       | +3.0% | +1.2%  | +8.7%     | +7.1%                |
| Global Alpha                                 | -2.5% | +10.2% | +28.7%    | +66.6%               |
| Water Strategy <sup>1</sup>                  | -0.2% | -      | -         | -                    |
| Resources Royalties <sup>2</sup>             | -1.8% | -      | -         | -                    |

| SECTOR                 | LONG       | SHORT      | NET        |
|------------------------|------------|------------|------------|
| Communication Services | 7          | -2         | 5          |
| Consumer Discretionary | 12         | -11        | 1          |
| Consumer Staples       | 4          | -2         | 1          |
| Diversified            | 2          | 0          | 2          |
| Energy                 | 14         | -2         | 12         |
| Financials             | 19         | -10        | 9          |
| Health Care            | 22         | -13        | 9          |
| Industrials            | 11         | -6         | 6          |
| Information Technology | 19         | -7         | 12         |
| Materials              | 55         | -11        | 44         |
| Real Estate            | 7          | -6         | 1          |
| Utilities              | 6          | -1         | 5          |
| <b>Total</b>           | <b>178</b> | <b>-71</b> | <b>107</b> |

| REGION       | LONG       | SHORT      | NET        |
|--------------|------------|------------|------------|
| Asia         | 12         | -5         | 7          |
| Australia/NZ | 151        | -53        | 98         |
| EMEA         | 7          | -2         | 6          |
| Americas     | 8          | -11        | -3         |
| <b>Total</b> | <b>178</b> | <b>-71</b> | <b>107</b> |

From 17 June 2019 listing date to 28 February 2023. Performance is calculated gross of all fees. Past performance is not a reliable indicator of future performance and it should not be relied upon as an indication of the future performance of the Fund.

1. Introduced to RF1 in August 2022. 2. Introduced October 2022.

\* Private Credit Strategy added in March 2023.

# Delivering Unitholder Value

## RF1 STATISTICS

Launch date

17 June 2019

Net Asset Value

\$2.80

ASX Market Price

\$2.71

Annualised Return Since Inception

+18.8%

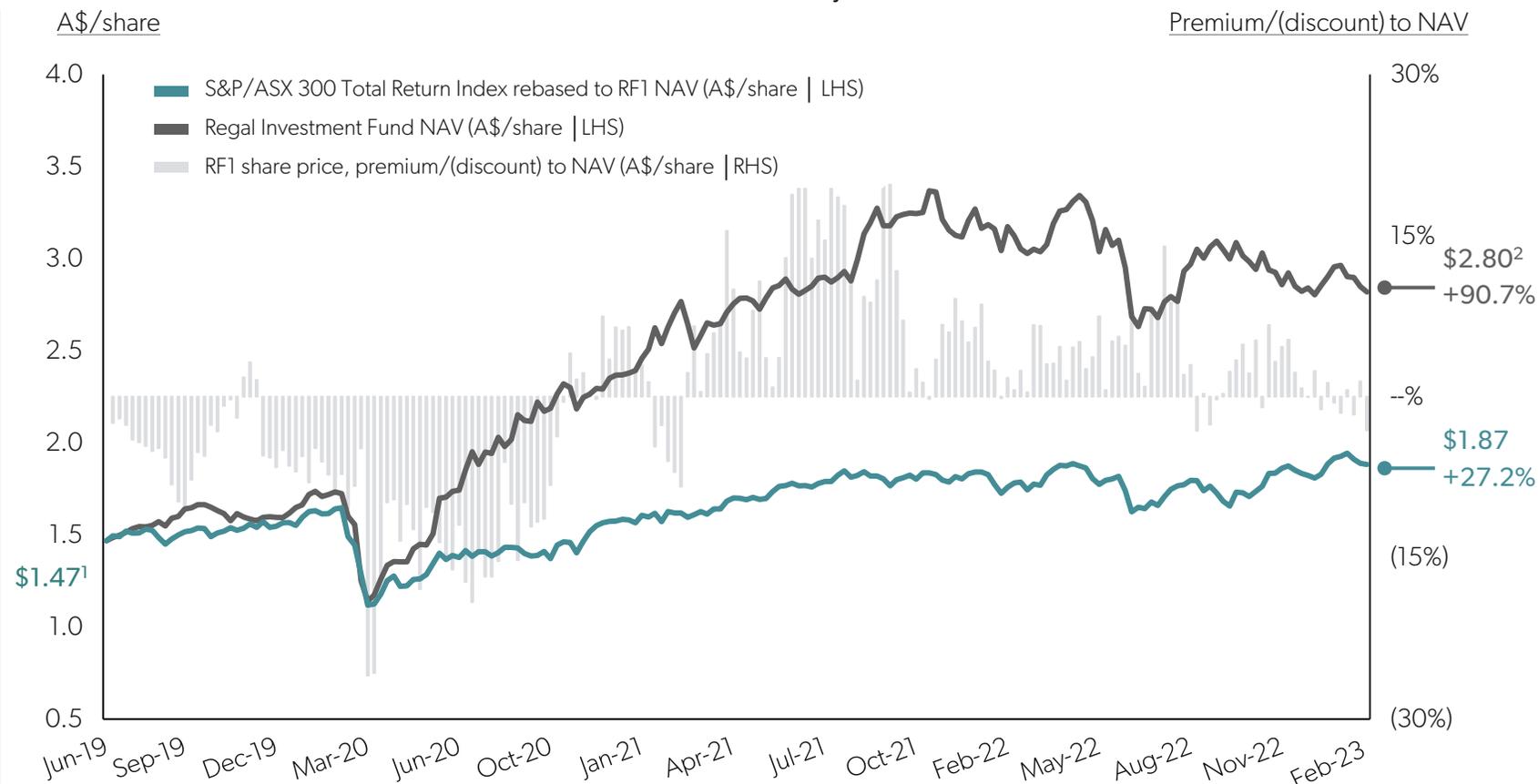
Total Return Since Inception

+90.7%

Distribution Yield (last 12 months)

16%

## RF1 NAV AND SHARE PRICE – ADJUSTED FOR DISTRIBUTIONS



Source: Regal, Bloomberg as at 28 February 2023.

<sup>1</sup> Adjusted to reflect lower capital base due to distributions since inception. <sup>2</sup> Net of all fees. <sup>3</sup> Based on a \$2.71 share price and \$2.80 NAV, rounded-up to the nearest percent. Past performance is not a reliable indicator of future performance. It should not be relied upon as (and is not) an indication of future performance of the Fund's performance

# Key Pillars of a Successful Listed Investment Vehicle

RFI Fund Size<sup>1</sup>

\$590m

Return Since Inception<sup>2</sup>

18.8% p.a.

ASX Listing Date

17 Jun 2019

## Investment Performance

Deliver attractive risk-adjusted absolute returns over the medium term

Perform in line or above market expectations

Explain mistakes/underperformance

**+18.8% p.a. return (NAV)**

**+90.7% total return<sup>1</sup>**

## Investor Engagement & Communication

Experienced sales and marketing team

Structured client engagement program (performance updates, webinars, broker meetings and calls)

Scalable marketing technology and CRM platform

**Consistent communication schedule designed to inform and engage unitholders**

## Capital Management Initiatives

Defined distribution policy

Buyback utilised meaningfully when trading at a discount

Grow and raise capital via a structure that reflects alignment

**Buyback actively in place**

**Cash distribution of \$1.84 per unit paid since inception<sup>3</sup>**

1. As at 28 February 2023

2. From 17 June 2019 listing date to 28 February 2023. Performance is calculated net of all fees and assumes distributions reinvested. Past performance is not a reliable indicator of future performance and it should not be relied upon as an indication of the future performance of the Fund.

3. Cash distributions calculated from 17 June 2019 listing date to 9 September 2022.

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your  
questions  
via the side  
menu on the  
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