

Regal Investment Fund (ASX: RF1)

SEPTEMBER 2020

The Regal Investment Fund Net Asset Value (NAV) increased by 1.8% to \$3.43 in September.

Global markets fell in September, weighed down by a lack of agreement in the US around the next phase of fiscal stimulus and surging COVID-19 cases across Europe. In stark contrast to prior months, the tech heavy NASDAQ composite index led offshore markets lower, declining -5.2%, whilst the S&P 500 and ASX Accumulation Index also declined -3.9% and -3.6% respectively.

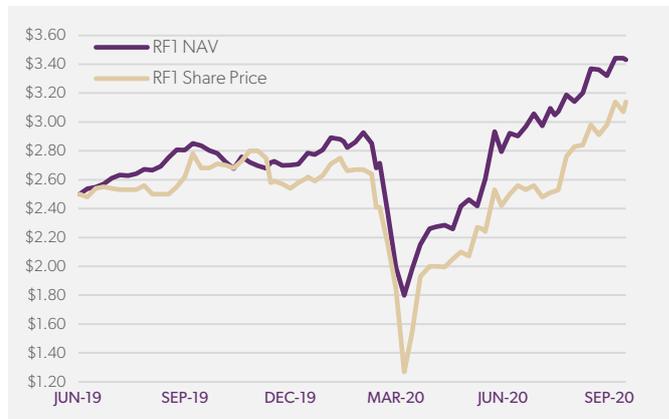
The Market Neutral Strategy increased 8.8% for the month. A long position in the Materials sector delivered strong returns led by coking coal producer Coronado Global Resources (+54%) as well as WA-focused gold explorer De Grey Mining (+6%) after continued drilling success at their stellar Hemi Discovery.

The Global Alpha Strategy returned 1.9% in September, with the team capitalising on a number of opportunities across Hong Kong, Japan, Korea and the US.

The Small Companies strategy increased 10.1% in September. While the broader technology sector experienced some consolidation this month after recent strong gains, a number of exposures in the space delivered positive contributions. Document software provider Nitro Software (+22%) continued its strong run after reporting pleasing half-year results at the end of August, while online furniture and homewares retailer Temple & Webster (+27%) continued to benefit from the significant increase in online shopping activity. Detractors to performance this month included antimicrobial manufacturer Zono Group (-24%) and online bookmaker PointsBet (-19%), after recent strong gains.

The Regal Emerging Companies Fund III declined 8.3% in September. Key positive contributors included medical device company Imricor, gold explorer Chalice Gold Mines, document productivity software company Nitro, and cyber safety software company Family Zone, while Buy-Now-Pay-Later (BNPL) player Zip was the material detractor.

RF1 NAV vs RF1 SHARE PRICE



Past performance is not a reliable indicator of future performance.

UNDERLYING STRATEGY PERFORMANCE (GROSS)

STRATEGY	1 MONTH %	12 MONTHS %	INCEPTION %P.A.
Market Neutral Strategy	8.8%	8.8%	17.6%
Long Short Equity Strategy	1.8%	17.1%	17.8%
Small Companies Strategy	10.1%	26.3%	33.7%
Emerging Companies Strategy	-8.3%	72.4%	84.2%
Global Alpha Strategy	1.9%	99.9%	83.2%
Long Short Health Care Strategy	0.6%	-	0.6%*
TOTAL (NET)	1.8%	31.3%	34.8%

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*Total Return Since Inception (not annualised)

SUMMARY DATA (NET)

PERFORMANCE	1 MTH %	3 MTH %	YTD %	12 MTHS %	INCEPTION %P.A.
Regal Investment Fund	1.82	25.27	33.68	31.27	34.77

Past performance is not a reliable indicator of future performance. Performance figures assume reinvestment of income.

KEY FUND INFORMATION

Name	Regal Investment Fund	Monthly NAV (per unit)	A\$3.43
ASX Code	RF1	RF1 NAV	A\$352m
Structure	Listed Investment Trust	Units on Issue	102,622,050 units
Listing Date	17 June 2019	Distribution Frequency	Semi-annual
Management Fee	1.5% (plus GST)	Responsible Entity	Equity Trustees Limited
Performance Fee	20% above RBA Cash Rate	Investment Manager	Regal Funds Management Pty Ltd
High Water Mark	Yes	Fund Administrator	HSBC

CONTACT INFORMATION

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STRATEGY

The investment objective of RF1 is to provide investors with exposure to a selection of alternative investment strategies with the aim of producing attractive risk adjusted absolute returns over a period of more than five years with limited correlation to equity markets. The Manager's investment philosophy is grounded in the belief that a diversified portfolio of assets, using a range of investment strategies and backed by long-term capital, is key to achieving superior risk-adjusted returns over the long-term.

The RF1 portfolio will be constructed by the Manager using multiple investment strategies managed by Regal. The Manager may adjust the Portfolio's strategy allocations depending on prevailing market conditions or other factors it considers relevant at the time in order to achieve the RF1's Investment Objectives. The Regal investment strategies include but are not limited to five investment strategies that the Manager will use to construct the initial portfolio.

The current exposure ranges for the Strategies are below¹:

MARKET NEUTRAL	LONG SHORT EQUITY	SMALL COMPANIES	EMERGING COMPANIES ²	GLOBAL ALPHA	LONG SHORT HEALTHCARE
0% - 50%	0% - 25%	0% - 25%	0% - 25%	0% - 25%	0% - 25%

Effective 7 September 2020, the Long Short Healthcare Strategy has been added to the underlying investment mandate of RF1 with an exposure range of 0 - 25%.

FUND ADVISOR PROFILE

Regal Funds Management Pty Limited is the Fund's Investment Manager. The Manager was founded in 2004 and has specialised in alternative investment strategies with a primary focus on long/short investment strategies.

The Investment Manager has a team of 35 people, including 19 investment management professionals across a number of investment strategies.

The Manager's Investment Team have, on average, over 10 years' experience in financial markets both in Australia and overseas. The Investment Manager has experience on the buy and sell side, fundamental investing, sales and research, long-side and hedge fund investing, as well as investment banking and capital markets.

FUND PERFORMANCE (NAV)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2020	4.57	-6.38	-22.97	8.48	12.64	15.81	11.35	10.49	1.82				33.68
2019	n/a	n/a	n/a	n/a	n/a	2.06	2.82	3.91	4.00	-3.22	-0.93	2.41	11.36

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A copy of the PDS is available at www.regalfm.com/RF1

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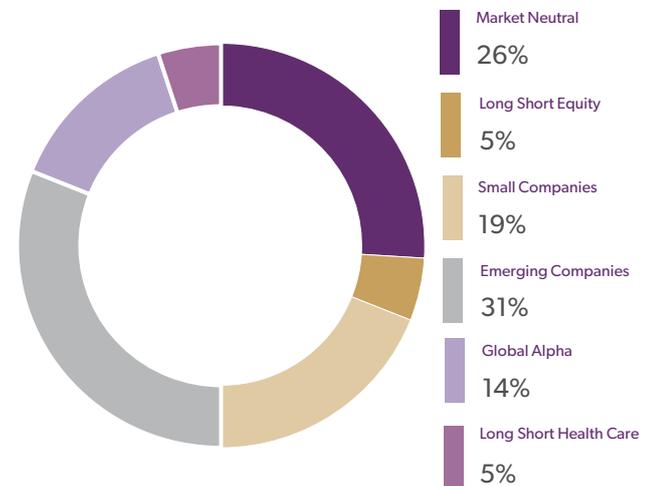
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¹ Ranges permitted by the Investment Guideline. The Fund portfolio will be constructed using multiple Regal Investment Strategies and these Strategies are not necessarily limited to the current Investment Strategies.

² Applicable at the time of investment

Note: Performance figures are net of all fees unless otherwise stated. All numbers are as at 30 September 2020.

CURRENT EXPOSURE BY STRATEGY (NAV)



BALANCE SHEET EXPOSURES (% OF NAV)

SECTOR	LONG	SHORT	NET	GROSS
Communication Services	16	-6	9	22
Consumer Discretionary	20	-18	3	38
Consumer Staples	6	-5	1	12
Diversified	0	0	0	0
Energy	5	-6	-1	11
Financials	16	-9	8	25
Health Care	25	-15	10	40
Industrials	13	-8	4	21
Information Technology	33	-8	25	41
Materials	37	-11	26	48
Real Estate	5	-9	-5	14
Utilities	1	0	1	1
Total	178	-96	82	273

REGION	LONG	SHORT	NET	GROSS
Asia	36	-26	10	62
Australia/NZ	129	-68	61	196
EMEA	2	0	2	2
Americas	11	-2	9	13
Total	178	-96	82	273