

Regal Private Credit Opportunities Fund – Class A

MARCH 2025¹

The Regal Private Credit Opportunities Fund returned 2.5% over the March quarter. For the last 12 months, the Fund delivered 10.7% net of fees.¹

PORTFOLIO

As of 31 March 2025, the Fund has deployed \$304m across 17 investments which are currently generating an annualized gross running yield of 12.7%.

No new investments were made in the March quarter, and one loan partially repaid. As a result, the cash position of the Fund as at 31 March was conservatively positioned at \$68mm.

We have a couple of key observations to make.

Firstly while we did not forecast the extreme broader market volatility of the last few weeks, we have been extremely cautious over the course of the first quarter this year, and have been selective in how we deploy the precious liquidity in the Fund. At December year end we felt that credit markets had tightened too far, too quickly, and we were content to pass on opportunities which we did not believe offered attractive risk adjusted returns. US high yield and leveraged loan spreads (corporate lending markets) have widened 100-150bp since then. We enter this quarter with a strong cash balance to take advantage of rapidly changing market conditions.

Secondly the portfolio is well insulated from the direct impacts of evolving global tariff regimes. The businesses we lend to are predominantly domestic and are not expected to be directly impacted by tariffs. The secondary impacts of these changes, however, are harder to predict, but may lead to lower global economic growth and delayed capital allocation decisions. We are comforted that the loans in the Fund are secured and made to domestic businesses with strong market positions and mainly exposed to domestic demand conditions, providing a degree of insulation from the uncertainty of international trade flows.

The Fund partially repaid (\$15mm) on a structured credit loan to a listed non-bank where the underlying collateral is lowly levered (~65% LTV) loans to residential real estate assets.

The Fund committed to a new senior secured corporate loan which will fund in April. The loan is an A\$25mm position as part of a syndicate to a market leading logistics firm, being acquired by an Australian private equity firm with 30 years of experience in corporate carve-outs. The loan is 45% LTV based on the acquisition price and the equity commitment is supported by prominent industry veterans. This loan represents a good risk adjusted return which we believe is prudent in the current environment. Notably supply and demand drivers for the business are predominantly domestic, and hence relatively unimpacted by international trading regimes.

BROADER MARKET AND PIPELINE

Our focus area is growth capital for mid-market corporates. We will selectively continue to allocate to the structured credit market, but spreads remain tight for established issuers, and the sector does not offer the best risk adjusted returns relative to opportunities in the corporate lending market at this time, in our view. Within the corporate landscape we are evaluating opportunities in waste management, telecommunications, media and energy, where established businesses need capital for organic growth.

The market volatility provides an interesting landscape for the Fund to seek to deploy and recycle capital into lowly levered, high quality secured corporate loans.

FUND PERFORMANCE – CLASS A^{1,2}

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2025	0.87	0.83	0.81										2.53
2024	0.85	0.77	0.71	1.02	0.79	1.20	0.77	0.73	0.87	0.58	0.92	0.78	10.45
2023	0.86	0.78	0.74	0.61	0.73	0.61	0.64	0.69	0.73	0.85	0.82	0.79	9.21
2022												0.85	0.85

FUND INFORMATION

Name	Regal Private Credit Opportunities Fund – Class A
Structure	Australian Unit Trust
Currency	AUD
Inception	October 2022
Target Return	10-12% p.a.
Management Fee	0.65%
Performance Fee	10% over the Hurdle with a catch-up
Hurdle	7%
APIR Code	RGL2448AU
Fund Size	\$372m
Minimum Investment	\$100,000
Subscriptions	Monthly
Redemptions	Semi-annual from 30 June 2025
Distributions	Quarterly
Registry	Boardroom Pty Ltd
Auditor	KPMG
Administrator	Apex
Unit Price	\$1.04

PERFORMANCE DATA % (NET)¹

March Quarter Return	2.53
Annualised Return Since Inception	9.94
2025 Calendar Year Return	2.53
2024 Calendar Year Return	10.45
2023 Calendar Year Return	9.21
Last 6 Months Returns	4.89

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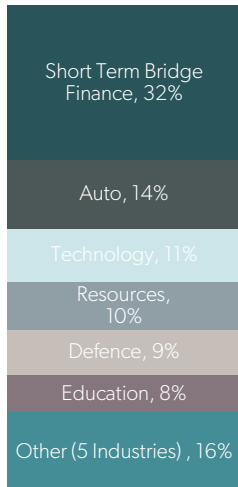
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Please note the unit prices are now calculated to 6 decimal places.

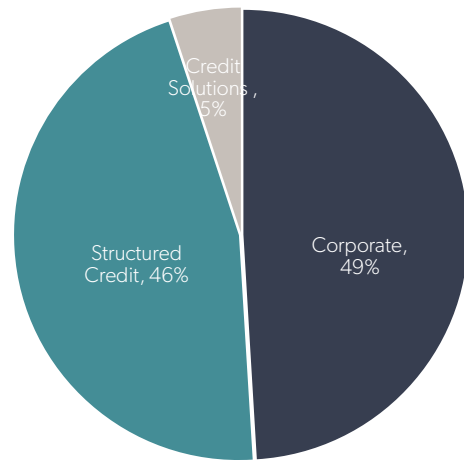
¹ Past performance is not an indicator of future returns, figures are net of fees and costs and assume reinvestment of distributions. Inception as at October 2022.

² Class A started accepting external capital in December 2022

CURRENT SECTOR EXPOSURE¹ (31 MARCH 2025)



CURRENT STRATEGY EXPOSURE¹ (31 MARCH 2025)



PORTFOLIO MANAGERS



Jacob Poke is a portfolio manager of the Fund. Jacob joined Regal in 2022 after spending 15 years at Goldman Sachs, most recently in senior investment roles within the Special Situations Group and the Merchant Banking / Asset Management Division. Prior to this he worked across its investment banking, corporate advisory, and financing operations.



Gavin George is a portfolio manager of the Fund. Gavin joined Regal in 2022 after spending almost 5 years at Sixth Street as Managing Director responsible for Australia and New Zealand. Prior to this Gavin spent 15 years in New York and London operating in the high yield, leveraged loan and distressed credit markets for UBS, Knight Capital and Stifel.

ABOUT REGAL FUNDS MANAGEMENT^A

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.

^AIncluding via RPL subsidiaries, PM Capital, Merricks Capital, VGI Partners, Kilter Rural, Argyle Group, Attunga Capital and Taurus Funds Management. Australian Alternative Investment Manager of the Year, awarded at 'Hedge Funds Rock' 2019, 2016, 2014 and 2011.

¹ Exposures include look through to underlying Tactical Credit positions. Compositions based on deployed and committed capital only
² Past performance is not an indicator of future returns, figures are net of fees and costs and assume reinvestment of distributions.

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