



Regal Investment Fund (ASX: RFI)

NOVEMBER 2021

The Regal Investment Fund Net Asset Value (NAV) decreased by 0.8% to \$3.84 in November. Since inception on 17 June 2019, the Fund has generated 36.9% p.a. net of fees¹.

Global equity markets largely retreated in November, as fears concerning the spread of a highly contagious COVID-19 variant combined with surprisingly hawkish commentary from US Federal Reserve Chair Jerome Powell to derail the initially positive start to the month for developed equity markets. While major offshore indices set new highs early in the month, the rapid emergence of the highly transmissible Omicron variant and fears surrounding the efficacy of the current vaccine regime saw volatility once again return to global capital markets. After reaching a closing high of 4704 early in the month, the S&P 500 fell -3% from its high to finish the month -0.83%, the Dow Jones Industrial Average fell -5.1%, while the US small-cap Russell 2000 decreased -4.3%. The CBOE Volatility Index (VIX) recorded its largest monthly surge since February 2020, rising +68%.

The Australian equity market recorded its third consecutive month of declines, with the ASX 200 falling -0.9%, albeit outperforming the -1.6% decline in the MSCI AC World Index. Materials proved the top performing sector for the month, led by a recovery in the share prices of a number of larger cap bulk miners that have been impacted by the over 50% fall in iron ore price since May, alongside another strong month for companies leveraged to the production of EV batteries. Energy was the worst performing sector, following a -21% decline in the crude oil market, while Financials notably also underperformed, led by falls in the index-heavy banks.

The Regal Investment Fund experienced a modest decline in November, with positive contributions from the Market Neutral and Global Alpha strategies being offset by a weaker month of performance from the Emerging Companies strategy. The Market Neutral strategy benefited this month from a number of long positions in the Materials sector, including WA-based junior miner Challice Mining (CHN, +49%), battery materials and technology business Novonix (NVX, +61%) and steel distributor Vulcan Steel (VSL, +13%), alongside positive contributions from short positions across the biotech and travel services sector. The Global Alpha strategy also delivered a positive contribution this month, led by discretionary trading opportunities across Australian, Hong Kong and Japanese equity markets.

The Emerging Companies strategy proved the largest detractor to returns this month, driven primarily by declines in bitcoin miner Iris Energy. The business has been a highly profitable pre-IPO investment for the Fund, however experienced a decline in share price following its recent IPO listing on the US NASDAQ in arguably a tough month to join public markets given overall weaker risk sentiment and underlying decline in Bitcoin price. Weakness in Iris Energy was offset by strong positive contributions from location-based app provider Life360 (360, +11%) and environmental technology company Calix (CXL, +33%).

RFI SUMMARY DATA (as at 30 November 2021)

| | |
|-----------------------|---------------|
| RFI ASX Closing Price | \$4.09 |
| RFI NAV | \$3.84 |
| Premium / (Discount) | +6.51% |

¹ Past performance is not a reliable indicator of future performance.

PERFORMANCE DATA (NET)

| PERFORMANCE | 1 MTH % | 3 MTH % | 6 MTH % | 1 YR % | 2 YRS %P.A | INCEPTION %P.A. |
|-----------------------|-------------|------------|-------------|-------------|-------------|-----------------|
| Regal Investment Fund | -0.8 | 4.4 | 13.4 | 40.7 | 42.0 | 36.9 |

Past performance is not a reliable indicator of future performance. Performance figures assume reinvestment of income. Net return on RFI assets after fees, and costs.

KEY FUND INFORMATION

| | | | |
|-----------------|-------------------------|------------------------|--------------------------------|
| Name | Regal Investment Fund | Monthly NAV (per unit) | A\$3.84 |
| ASX Code | RFI | RFI NAV | A\$660m |
| Structure | Listed Investment Trust | Units on Issue | 171,928,982 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 |

RFI FUND PERFORMANCE

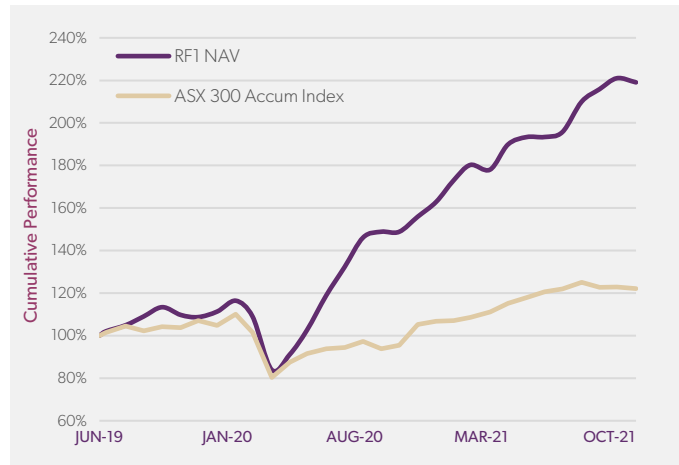


Chart represents cumulative performance of RFI NAV since inception on 17 June 2019. Net of fees and costs. Performance figures assume reinvestment of income. Past performance is not a reliable indicator of future performance.

UNDERLYING STRATEGY PERFORMANCE (GROSS)

| STRATEGY | 1 MONTH % | 12 MONTHS % | INCEPTION %P.A. |
|---------------------------------|--------------|--------------|-----------------|
| Market Neutral Strategy | 1.7% | 39.8% | 23.6% |
| Long Short Equity Strategy | 1.2% | 22.6% | 20.5% |
| Small Companies Strategy | -0.8% | 86.7% | 54.9% |
| Emerging Companies Strategy | -1.6% | 48.6% | 71.1% |
| Global Alpha Strategy | 2.6% | 94.8% | 94.8% |
| Long Short Health Care Strategy | -1.9% | 11.3% | 12.3% |
| TOTAL RFI (NET) | -0.8% | 40.7% | 36.9% |

Past performance is not a reliable indicator of future performance. Performance figures assume reinvestment of income. Underlying strategy performance expressed exclusive of fees and costs. Total RFI performance expressed net of fees and costs.

CONTACT INFORMATION

| | |
|---------------|--|
| Unit Registry | Link Market Services Limited |
| Address | Level 12, 680 George Street Sydney, NSW 2000 Australia |
| Phone | +61 1800 221 227 |
| Fax | +612 9287 0303 |
| Email | regalfund@linkmarketservices.com.au |
| Website | www.linkmarketservices.com.au |

STRATEGY

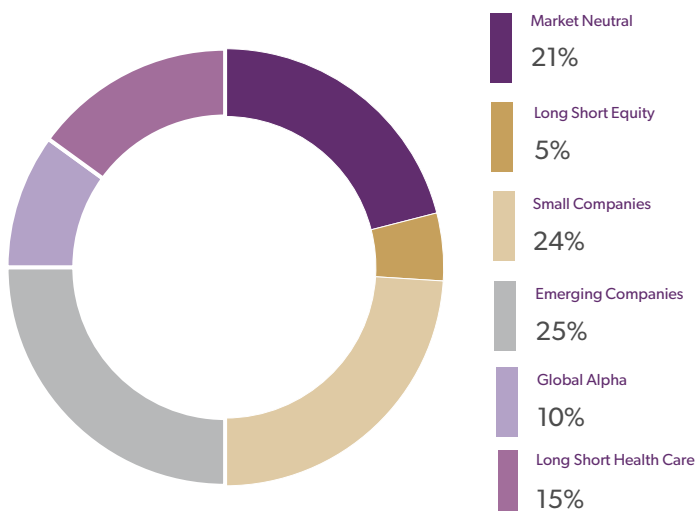
The investment objective of RF1 is to provide investors with exposure to a selection of alternative investment strategies with the aim of producing attractive risk-adjusted absolute returns over a period of more than five years with limited correlation to equity markets. Regal Funds Management Pty Limited's ("Regal" or the "Manager") 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 is constructed by the Manager using multiple investment strategies managed by it. 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 RF1's investment objectives.

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% |

CURRENT EXPOSURE BY STRATEGY (NAV)



FUND ADVISOR PROFILE

Regal is RF1's investment manager. Regal was founded in 2004 and has specialised in alternative investment strategies with a primary focus on long/short investment strategies.

Regal has a team of approximately 40 people, including approximately 20 investment management professionals across a number of investment strategies.

Regal's investment team have, on average, over 10 years' experience in financial markets both in Australia and overseas. Regal 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.

BALANCE SHEET EXPOSURES (% OF NAV)

| SECTOR | LONG | SHORT | NET | GROSS |
|------------------------|------------|-------------|-----------|------------|
| Communication Services | 10 | -5 | 5 | 15 |
| Consumer Discretionary | 18 | -13 | 5 | 31 |
| Consumer Staples | 9 | -5 | 4 | 14 |
| Diversified | 0 | 0 | 0 | 0 |
| Energy | 7 | -3 | 4 | 10 |
| Financials | 14 | -20 | -6 | 33 |
| Health Care | 24 | -21 | 3 | 45 |
| Industrials | 15 | -9 | 6 | 24 |
| Information Technology | 33 | -11 | 21 | 44 |
| Materials | 37 | -15 | 22 | 52 |
| Real Estate | 10 | -5 | 4 | 15 |
| Utilities | 2 | -2 | 0 | 3 |
| Total | 178 | -110 | 68 | 289 |

| REGION | LONG | SHORT | NET | GROSS |
|--------------|------------|-------------|-----------|------------|
| Asia | 15 | -6 | 9 | 21 |
| Australia/NZ | 148 | -82 | 66 | 231 |
| EMEA | 4 | 0 | 4 | 4 |
| Americas | 11 | -22 | -11 | 33 |
| Total | 178 | -110 | 68 | 289 |

FUND PERFORMANCE (NAV)

| | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC | YTD |
|------|------|-------|--------|------|-------|-------|-------|-------|------|-------|-------|------|--------------|
| 2021 | 6.16 | 4.22 | -1.22 | 6.65 | 1.83 | 0.02 | 1.21 | 7.27 | 2.86 | 2.39 | -0.79 | | 34.60 |
| 2020 | 4.57 | -6.38 | -22.97 | 8.48 | 12.64 | 15.81 | 11.35 | 10.49 | 1.82 | -0.02 | 4.77 | 4.49 | 46.31 |
| 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 |

Past performance is not a reliable indicator of future performance. Performance figures are net of fees, costs, and assume reinvestment of income.

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

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¹ Ranges permitted by the Investment Guidelines. 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 November 2021.