

Regal Investment Fund (ASX: RF1)

DECEMBER 2019

The Regal Investment Fund Net Asset Value (NAV) increased by 2.4% to \$2.78 in December, with performance of over 11% since inception in June.

The Market Neutral Strategy was up 2.5% for the month. The strategy benefited from both geographical diversification and positions across the long and short side of the portfolio. Within Asia, we continue to hold our long position in November's successful Hong Kong IPO of Alibaba with the stock rising close to 5% for the month.

The Long Short strategy was flat in December. Positive contributors to performance included long positions in Megaport (up 11%), Nickel Mines (+6%), Syrah Resources (+34%) and Coronado Coal (+12%).

The Small Companies Strategy increased 3.2%. The strategy benefited from its current overweight position to the resources sector, with stronger gold and iron ore prices driving the ASX Small Resources Index over 4% higher for the month.

The Global Alpha strategy bounced back in December and was up 4.2%. Once again, the major contributors came from the Asia Pacific region.

The Regal Emerging Companies Fund III was up 3.4% in December, with material contributions coming from Aerometrex and Nucheve which both listed during the month. Aerometrex is a leading provider of aerial mapping business services including aerial photography, photogrammetry, LiDAR and 3D modelling. Regal was a cornerstone investor in both the IPO and the pre-IPO which took place in July last year. Nucheve has developed a range of goat milk infant formula products under their Oli6 brand which is exposed to the rapidly growing markets of Australia, China and Hong Kong.

The Regal Investment Fund (ASX:RF1) is paying its first distribution for holders on record as of January 2nd (\$0.044523).

For any questions, please reach out to Link Market Services via a dedicated RF1 information line (1 800 221 227) or via email (regalfund@linkmarketservices.com.au).

SUMMARY DATA

PERFORMANCE	1 MTH %	3 MTH %	INCEPTION %
Regal Investment Fund - Net	2.41	-1.80	11.36

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

KEY FUND INFORMATION

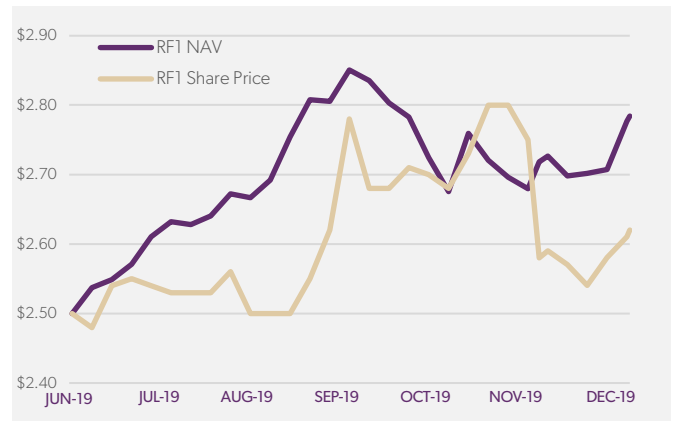
Name	Regal Investment Fund	Monthly NAV (per unit)	A\$2.78
ASX Code	RF1	RF1 Market Capitalisation	A\$308m
Structure	Listed Investment Trust	Units on Issue	110,661,390 units
Listing Date	17 June 2019	Distribution Frequency	Semi-annual
Management Fee	1.5% (plus GST)	Responsible Entity	Equity Trustees Limited
Performance Fee	20% above RBA Cash Rate	Investment Manager	Regal Funds Management Pty Ltd
High Water Mark	Yes	Fund Administrator	HSBC

CONTACT INFORMATION

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

Note: Performance figures are net of all fees unless otherwise stated. All numbers are as at 31 December 2019.

RF1 NAV vs RF1 SHARE PRICE



UNDERLYING STRATEGY PERFORMANCE (GROSS)

STRATEGY	1 MONTH %	SINCE INCEPTION %
Market Neutral Strategy	2.5%	5.8%
Australian Long Short Equity Strategy	0.0%	6.3%
Small Companies Strategy	3.2%	22.5%
Emerging Companies Strategy	3.4%	34.4%
Global Alpha Strategy	4.2%	33.5%

Regal Investment Fund (ASX: RF1)

STRATEGY

The investment objective of RF1 is to provide investors with 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 exposure ranges for the Initial Strategies are below¹:

MARKET NEUTRAL	LONG SHORT EQUITY	SMALL COMPANIES	EMERGING COMPANIES	GLOBAL ALPHA
40% - 60%	0% - 25%	0% - 25%	0% - 25%	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 over 40 people, including 25 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
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 assume reinvestment of income.

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

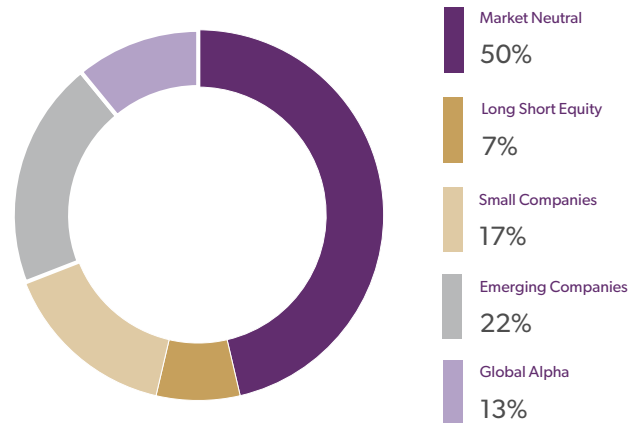
Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Regal Investment Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). Regal Funds Management Pty Ltd ABN 30 107 576 821 AFSL 277737 ("Regal") is the investment manager for the Fund.

This newsletter has been prepared to provide you with general information only and is not to be construed as solicitation of an offer to buy or sell any financial product. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. Accordingly, reliance should not be placed on this document as the basis for making an investment, or financial or other decisions. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Regal, Equity Trustees nor any of their respective related parties, employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement dated 8 April 2019 which was issued by Equity Trustees before making a decision about whether to invest in the Fund.

Performance figures assume reinvestment of income. Neither Equity Trustees nor 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 Equity Trustees and Regal believes to be reliable. All opinions and estimates included in this report constitute Equity Trustees and Regal's judgement as at the date of this communication and are subject to change without notice.

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 Initial Investment Strategies. Note: Performance figures are net of all fees unless otherwise stated. All numbers are as at 31 December 2019.

CURRENT EXPOSURE BY STRATEGY (NAV)



BALANCE SHEET EXPOSURES (% OF NAV)

SECTOR	LONG	SHORT	NET	GROSS
Communication Services	5	-5	0	10
Consumer Discretionary	22	-14	9	36
Consumer Staples	6	-4	2	10
Diversified	22	0	22	22
Energy	5	-6	-1	11
Financials	12	-13	-1	25
Health Care	14	-14	0	29
Industrials	16	-5	11	21
Information Technology	17	-7	9	24
Materials	31	-7	23	38
Real Estate	14	-5	10	19
Utilities	0	-1	-1	1
Total	165	-81	83	246
REGION	LONG	SHORT	NET	GROSS
Asia	26	-18	8	44
Australia/NZ	137	-59	78	197
EMEA	0	-1	-1	2
Americas	1	-3	-2	4
Total	165	-81	83	246