

Regal Australian Long Short Equity Fund

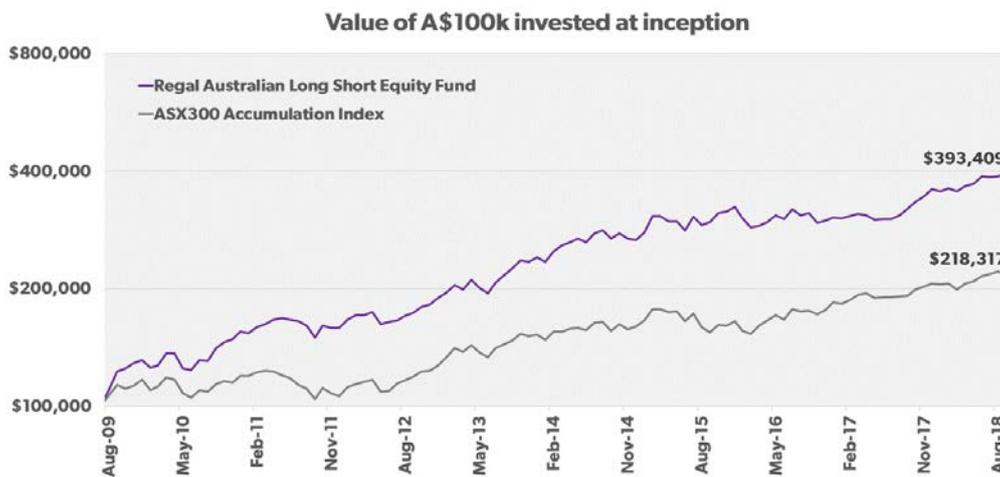
OVERVIEW

The Regal Australian Long Short Equity Fund invests in listed Australian equities using a long/short approach to benefit from both the rise and fall in the value of selected companies. The Regal Long Short Fund differs from traditional “long only” equity funds in that it has the ability to take short positions in companies in which Regal has a negative view. This ability is an important source of performance and we believe gives the Fund a significant advantage versus long only competitors.

INVESTMENT OBJECTIVE

The Fund aims to outperform the S&P/ASX 300 Accumulation Index net of fees over a rolling 5 year period.

PERFORMANCE



This chart represents the performance of the Regal Long Short Fund (net of fees) versus the benchmark index. This chart highlights the current value (as at September 2018) of A\$100k invested at inception (August 2009). Assumes reinvestment of distributions. Note: Past performance is not a reliable indicator of future performance.

WHY INVEST IN THE REGAL LONG SHORT FUND?

Regal Funds Management was formed in 2004. The investment team has significant investment experience and a long track record of delivering strong returns for investors.

Regal brings a fresh approach to investing and believes that by having the ability, track record and experience to take short positions, the Regal Long Short Fund is differentiated in the Australian market.

Regal operates within a robust risk management framework.

FUND INFORMATION

Inception	August 2009	Minimum Investment	A\$250,000
Domicile	Australia	Subscription Frequency	Daily
Distributions	Semi-annually	Redemption Frequency	Daily
Management Fee	0.8%	High Water Mark	Yes
Incentive Fee	15% above ASX300 Accumulation Index (refer to IM for details)	Eligible Investors ¹	Sophisticated/Wholesale Investors

CONTACT INFORMATION

Fund Manager	Regal Funds Management Pty Ltd
Phone	+61 2 8197 4333
Email	info@regalfm.com
Website	www.regalfm.com

¹ Australian Retail investors can access this strategy via the Regal Long Short Australian Equity Fund. Please refer to www.regalfm.com for details.

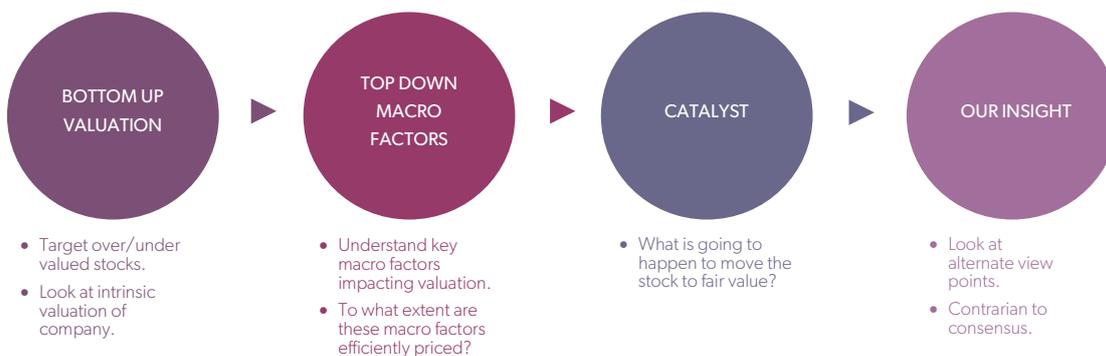
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REGAL'S APPROACH TO INVESTING

Regal was founded as a dedicated long/short equity investment manager. The investment process for the Regal Long Short Fund utilises a fundamental, research driven approach that has been adopted since the launch of the business in 2004. Specifically, we utilise a four-step stock selection process, which is outlined in the diagram below.

When investing in shares in companies (long positions) we search for undervalued companies with strong business models. In contrast, when selling shares in companies (short positions) we use our expertise and systems to sell shares in companies that we believe are overvalued and have weak business models. We believe that "shorting" requires a different discipline than that employed by traditional long-only managers.

REGAL'S FOUR STEP STOCK SELECTION PROCESS



RISK MANAGEMENT

The portfolio is risk managed according to the following guidelines:

Gearing

Net exposure range (dollar basis):	90%-110%
Gross exposure range (dollar basis):	90%-200%

The Regal Long Short Fund is designed to always have a heavier weighting to "long" positions than "short positions" which means it will likely display a general correlation to the overall share market.

Portfolio weightings in the Fund are determined with the Fund's medium-term investment objective in mind.

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