

Regal Investment Fund (ASX: RF1)

SEPTEMBER 2019

The Regal Investment Fund Net Asset Value (NAV) increased by 4.0% to \$2.84 in September, with performance of over 13% since inception. The Manager has changed the allocations to Emerging Companies and Small Companies strategies to take advantage of the most exciting growth opportunities currently in the market.

The Market Neutral Strategy was down -0.1% for the month. The performance was pleasing given September saw an aggressive global rotation from growth to value, with September marking the second largest monthly outperformance (+297bp) of global value vs growth in the past decade.

The Long Short strategy was up 2.1% in September, compared to a 1.9% increase in the ASX 300 Accumulation Index. Positive contributors included long positions in the technology and mining sectors.

The Small Companies Strategy increased 7.7%. The strong performance included long positions in Nickle Mines, which rose 25%, and Zip Co, which rose 36%.

It was a very strong month for the Regal Global Alpha strategy, which returned 16.2%. We remain optimistic about the potential for further alpha generation in the coming months and our portfolio remains hedged and diversified.

The Regal Emerging Companies Fund III delivered a very strong performance in September, up 15.8%. Several Microcaps were strong contributors after announcing positive news flow, as well as an unlisted position, QuadPay, which received a strategic investment from Zip at a material premium to the Fund's entry price.

During the month, the Responsible Entity commenced a buy-back of units in RF1. As at 30 September, 663,103 units had been bought back at an average price of \$2.72, representing a 4.2% discount to RF1's NAV.

The Regal Investment Fund investor presentation is being held in a number of major cities starting in late October. [Please register here](#) if you are interested in attending.

SUMMARY DATA

PERFORMANCE	1 MTH %	3 MTH %	INCEPTION %
Regal Investment Fund	4.00	11.11	13.40

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

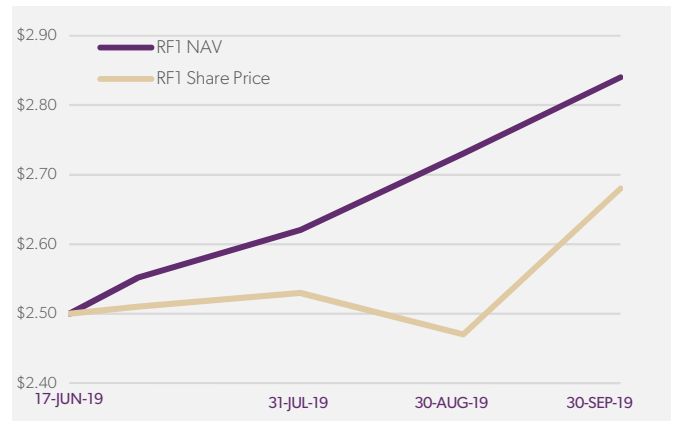
KEY FUND INFORMATION

Name	Regal Investment Fund	Monthly NAV (per unit)	A\$2.84
ASX Code	RF1	RF1 Market Capitalisation	A\$300m
Structure	Listed Investment Trust	Units on Issue	112,047,923 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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RF1 NAV vs RF1 SHARE PRICE



UNDERLYING STRATEGY PERFORMANCE (GROSS)

FUND	1 MONTH %	SINCE INCEPTION %
Market Neutral Strategy	-0.1%	15.4%
Australian Long Short Equity Strategy	2.1%	7.4%
Small Companies Strategy	7.7%	21.2%
Emerging Companies Strategy	15.8%	25.1%
Global Alpha Strategy	16.2%	25.0%
Regal Investment Fund (RF1) - Net	4.0%	13.4%

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				13.40

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

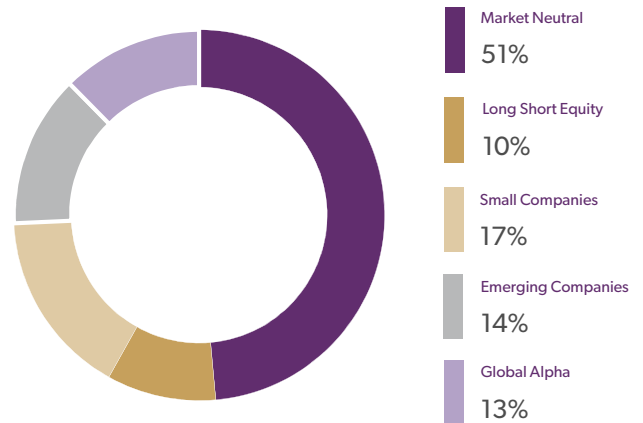
Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Regal Investment Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). Regal Funds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

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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 30 September 2019.

CURRENT EXPOSURE BY STRATEGY (NAV)



BALANCE SHEET EXPOSURES (% OF NAV)

SECTOR	LONG	SHORT	NET	GROSS
Communication Services	8	-5	3	13
Consumer Discretionary	10	-19	-9	29
Consumer Staples	17	-5	12	23
Diversified	14	0	14	14
Energy	8	-6	2	14
Financials	12	-9	3	21
Health Care	9	-33	-24	42
Industrials	21	-2	19	23
Information Technology	13	-7	6	20
Materials	28	-9	19	37
Real Estate	14	-6	7	20
Utilities	1	0	1	1
Total	155	-102	52	257
REGION	LONG	SHORT	NET	GROSS
Asia	20	-32	-11	52
Australia/NZ	134	-68	66	202
EMEA	0	0	0	0
Americas	1	-3	-2	3
Total	155	-102	52	257