



## Regal Investment Fund (ASX: RF1)

### APRIL 2022

The Regal Investment Fund Net Asset Value (NAV) increased by +1.9% to \$3.84 in April. Since inception on 17 June 2019, the Fund has generated 32.1% p.a. net of fees<sup>1</sup>.

Global equity markets experienced a challenging month in April, as concerns surrounding rising inflation and the impact of future expected interest rate hikes continued to weigh heavily on investor sentiment. Increasingly severe COVID-related lockdowns across China and ongoing hostilities in Ukraine created additional fears around further disruptions to global supply chains, with US equity markets subsequently experiencing their worst month of performance since March 2020. The S&P 500 declined -8.8%, the MSCI World fell -8.4%, while the tech-heavy NASDAQ Composite endured its worst month of performance since 2008, falling -13.3%.

Australian equities outperformed global peers, the ASX 200 declining -0.9%, buffered by larger weightings across the large cap index toward the resources, consumer staple and financial sectors. In a similar vein to the US experience, higher-growth technology businesses and companies with longer durations to first cashflow led declines, the ASX 200 Technology Index falling -10.4%. The commodity complex was mixed, with strong gains across WTI crude (+4.4%), thermal coal (+26%) and US lumber (+7.7%) offset by weaker moves across the majority of industrial metal markets.

The Market Neutral strategy and the Global Alpha strategy were both strong positive contributors in April, with both strategies generating positive returns across both long and short books. This included long positions in Australian private hospital operator Ramsay Healthcare (+24%) and Australian east coast coal operator Stanmore Coal (+37%), alongside short positions exposed to profitless technology companies.

The Long Short Equity strategy also contributed positively to returns, led by overweight positions across the Energy, Resources and Health Care sectors. The Long Short Health Care strategy was largely flat, outperforming weaker Asian equity markets, while the Small Companies strategy detracted from performance this month, driven by long positions in the mining and energy space. Similar to US markets, higher-growth technology businesses and companies with longer durations to first cashflow led declines across the Australian market, ultimately impacting returns across a number of technology exposures held in the Emerging Companies strategy.

### RF1 SUMMARY DATA (as at 30 April 2022)

<b>RF1 ASX Closing Price</b>	<b>\$3.94</b>
<b>RF1 NAV</b>	<b>\$3.84</b>
<b>Premium / (Discount)</b>	<b>+2.60%</b>

<sup>1</sup> 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.
<b>Regal Investment Fund</b>	<b>1.93</b>	<b>5.77</b>	<b>1.96</b>	<b>18.69</b>	<b>57.29</b>	<b>32.13</b>

Past performance is not a reliable indicator of future performance. Performance figures assume reinvestment of income. Net return on RF1 assets after fees, and costs.

### KEY FUND INFORMATION

Name	Regal Investment Fund	Monthly NAV (per unit)	A\$3.84
ASX Code	RF1	RF1 NAV	A\$666m
Structure	Listed Investment Trust	Units on Issue	175,437,142 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 30 April 2022.

### RF1 FUND PERFORMANCE

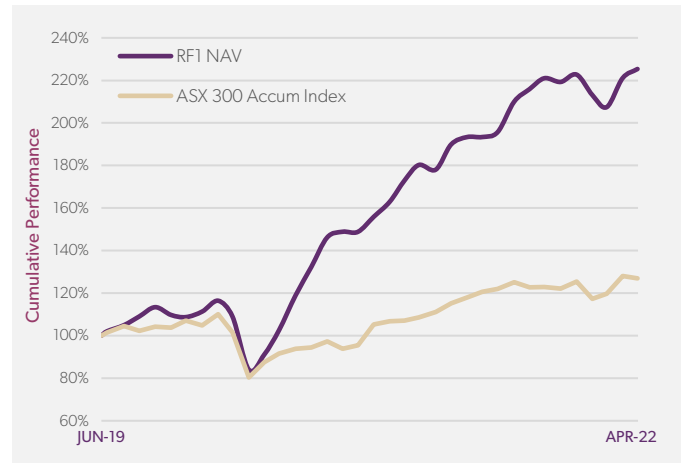


Chart represents cumulative performance of RF1 NAV since inception on 17 June 2019. Net of fees and costs. Performance figures assume reinvestment of income. Past performance is not a reliable indicator of future performance.

### UNDERLYING STRATEGY PERFORMANCE (GROSS)

STRATEGY	1 MONTH %	12 MONTHS %	INCEPTION %P.A.
Market Neutral Strategy	12.42%	46.52%	30.78%
Long Short Equity Strategy	3.19%	18.36%	20.53%
Small Companies Strategy	-9.33%	8.21%	35.80%
Emerging Companies Strategy	-1.89%	12.63%	56.56%
Global Alpha Strategy	13.32%	76.47%	96.00%
Long Short Health Care Strategy	0.47%	11.54%	8.55%
<b>TOTAL RF1 (NET)</b>	<b>1.93%</b>	<b>18.69%</b>	<b>32.13%</b>

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 RF1 performance expressed net of fees and costs.

## STRATEGY

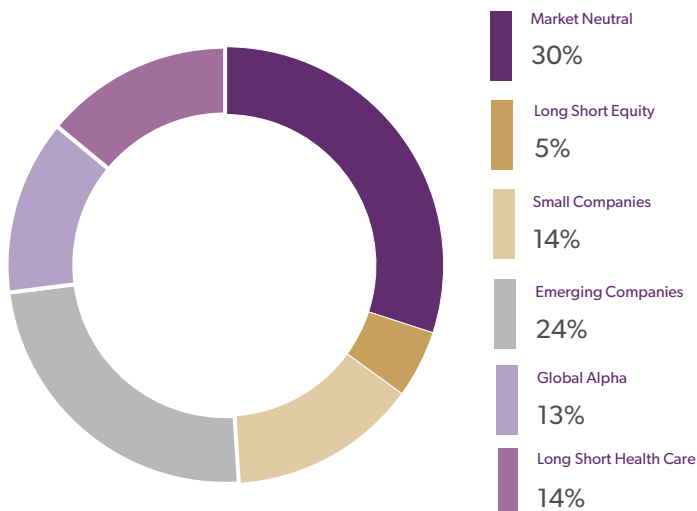
The investment objective of RF1 is to provide investors with exposure to a selection of alternative investment strategies with the aim of producing attractive risk-adjusted absolute returns over a period of more than five years with limited correlation to equity markets. Regal Funds Management Pty Limited's ("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 below<sup>1</sup>:

MARKET NEUTRAL	LONG SHORT EQUITY	SMALL COMPANIES	EMERGING COMPANIES <sup>2</sup>	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	8	-4	4	11
Consumer Discretionary	10	-15	-5	25
Consumer Staples	9	-3	7	12
Diversified	0	0	0	0
Energy	17	-3	14	20
Financials	19	-13	6	31
Health Care	25	-18	7	42
Industrials	15	-7	8	23
Information Technology	24	-11	13	34
Materials	46	-22	24	68
Real Estate	11	-10	1	21
Utilities	3	-1	2	4
Total	186	-107	79	292

REGION	LONG	SHORT	NET	GROSS
Asia	16	-7	9	23
Australia/NZ	156	-80	76	236
EMEA	5	-1	4	7
Americas	8	-19	-11	26
Total	186	-107	79	292

## FUND PERFORMANCE (NAV)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2022	-4.34	-2.63	6.57	1.93									<b>1.18</b>
2021	6.16	4.22	-1.22	6.65	1.83	0.02	1.21	7.27	2.86	2.39	-0.79	1.57	<b>36.72</b>
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	<b>46.31</b>
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	<b>11.36</b>

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

A copy of the PDS is available at [www.regalfm.com/RF1](http://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 the issuer of this newsletter and has authorised its distribution. 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.

<sup>1</sup> 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.

<sup>2</sup> Applicable at the time of investment

Note: Performance figures are net of all fees unless otherwise stated. All numbers are as at 30 April 2022.