



## Regal Investment Fund (ASX: RF1)

### OCTOBER 2022

The Regal Investment Fund (the "Fund") Net Asset Value ("NAV") decreased by -1.3% to \$3.12 in October. Since inception on 17 June 2019, the Fund has generated 22.8% p.a. net of fees.<sup>1</sup>

Global equity markets delivered a stellar comeback in October, the Dow Jones Industrial Average posting its largest monthly gain since 1976 as optimism surrounding a possible moderation in the path for global interest rates saw the more cyclical sectors of equity markets attract rapid inflows. The S&P 500 increased +8% and the Dow Jones soared +13.9%, an exceptionally strong showing despite a mixed US third-quarter earnings season, where US companies are set to deliver average EPS growth of -4.7%, its second consecutive quarter of negative year-on-year growth. Big misses from larger-cap technology stocks were the other dominant feature of October, the NASDAQ managing a positive gain of +3.9% in the wake of Facebook reporting its largest revenue decline in the company's history, Netflix reporting its slowest revenue growth in its history, and Google and Microsoft reporting their slowest growth rates since 2020. Australian equities rallied with their global counterparts, the ASX 200 rising +6.0%, and the ASX Small Ordinaries index increased +6.4%.

The Strategies that contributed positively to performance this month were Long Short Equity and Global Alpha strategies led by long positions in coal producer Stanmore Resources (+33%), graphite producer Syrah Resources (+46%) and electronic property settlement provider PEXA (+15%).

In line with the broader market, detractors this month were from the Market Neutral, Small Companies and Long Short Health Care strategies, led by long positions in eye-focused biotech Opthea (-17%) and Victorian-based gold producer Red 5 (-16%), and short positions in resources and medical technology.

### RF1 SUMMARY DATA (as at 31 October 2022)

<b>RF1 ASX Closing Price</b>	<b>\$3.18</b>
<b>RF1 NAV</b>	<b>\$3.12</b>
<b>Premium / (Discount)</b>	<b>+1.9%</b>

<sup>1</sup> Past performance is not a reliable indicator of future performance.

### RF1 FUND PERFORMANCE

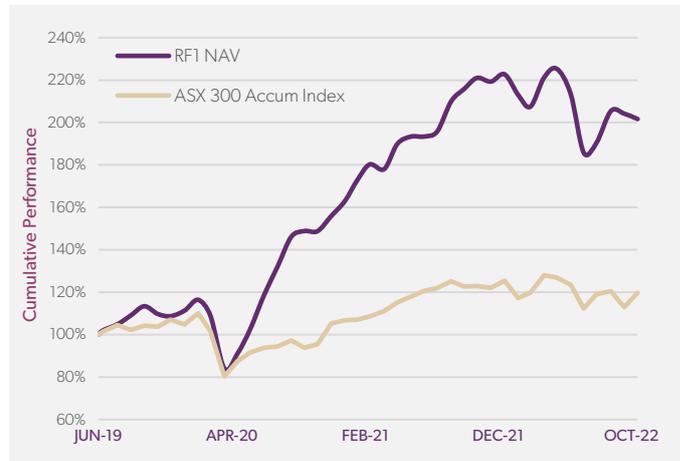


Chart represents cumulative performance of RF1 NAV since inception on 17 June 2019. Net of fees and costs. Performance figures assume reinvestment of income. Past performance is not a reliable indicator of future performance.

### UNDERLYING STRATEGY PERFORMANCE (GROSS)

STRATEGY	1 MONTH %	12 MONTHS %	INCEPTION %P.A.
Market Neutral Strategy	-9.8	21.3	23.0
Long Short Equity Strategy	5.3	10.4	17.5
Small Companies Strategy	-1.8	-41.6	17.6
Emerging Companies Strategy	-0.2	-12.7	42.4
Global Alpha Strategy	4.2	45.9	80.4
Long Short Health Care Strategy	-1.9	-4.6	5.5
Water Strategy <sup>2</sup>	0.2	-	-
Resource Royalties <sup>3</sup>	-	-	-
<b>TOTAL RF1 (NET)</b>	<b>-1.3%</b>	<b>-8.8%</b>	<b>22.8%</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.

<sup>2</sup> Water Strategy commenced 1 August 2022.

<sup>3</sup> Resources Royalties commenced 18 October 2022.

### 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>-1.3</b>	<b>5.9</b>	<b>-10.5</b>	<b>-8.8</b>	<b>16.4</b>	<b>22.8</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\$3.12
ASX Code	RF1	RF1 NAV	A\$551m
Structure	Listed Investment Trust	Units on Issue	176,836,803 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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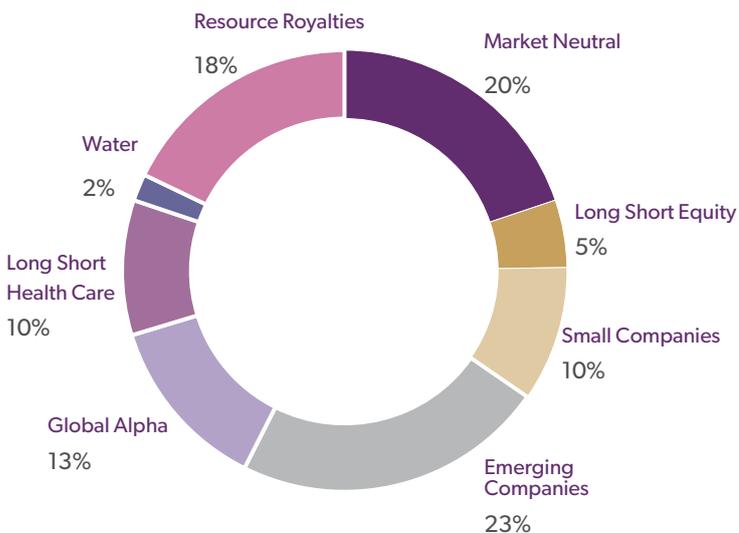
## STRATEGY

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>

## 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 49 people, including approximately 27 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 SECTOR EXPOSURES (% OF NAV)

SECTOR	LONG	SHORT	NET	GROSS
Communication Services	7	-3	4	10
Consumer Discretionary	11	-14	-4	25
Consumer Staples	4	-4	0	8
Diversified	1	0	1	1
Energy	18	-6	13	24
Financials	20	-8	12	28
Health Care	24	-17	6	41
Industrials	12	-9	3	21
Information Technology	18	-11	7	29
Materials	37	-22	16	59
Real Estate	8	-4	4	12
Utilities	1	-2	-1	4
<b>Total (Listed Positions)</b>	<b>162</b>	<b>-101</b>	<b>62</b>	<b>263</b>
<b>Total (Non Listed Positions)</b>	<b>31</b>	<b>0</b>	<b>31</b>	<b>32</b>
<b>Total</b>	<b>194</b>	<b>-101</b>	<b>93</b>	<b>295</b>

## 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	-5.24	-13.05	2.55	7.89	-0.58	-1.27			<b>-9.47</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.regal.com/RF1](http://www.regal.com/RF1)

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<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 31 October 2022.