

Regal Investment Fund (ASX: RF1)

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ANNUAL RG240 UPDATE

The Regal Investment Fund ("Fund") is classified as a hedge fund in accordance with the Australian Securities and Investments Commission Regulatory Guide 240 '*Hedge funds: Improving disclosure*'. To gain exposure to Regal's strategy, the Fund invests into several underlying Regal Investment Strategies.

The Fund is a registered managed investment scheme and listed on the ASX on 17 June 2019 as a Listed Investment Trust. As the Responsible Entity of the Fund, Equity Trustees Ltd is required to provide extra information to you, as a retail investor in the Fund. This update contains extra information and will be provided to you on an annual basis.

LIQUIDITY PROFILE OF FUND ASSETS & LIABILITIES

As at 30 June 2021, the liquidity profile of the Fund assets and liabilities are:

Liquidity Profile of Fund Assets	
Less than 1 month	75%
1 – 6 months	7%
6 – 12 months	0%
12+ months	18%

Liabilities and Maturity Profile	
At call margin borrowing facility	100%

LEVERAGE RATIO

The Fund is exposed to leverage through the Underlying Fund's use of short-selling strategies and potential cash borrowings. The Fund does use derivatives to generate leverage. The Fund engages in short selling of securities as part of its investment strategy in order to benefit from falling security prices.

As at 30 June 2021, the Fund is long 133% and short 46%. This results in gross leverage of 179% of NAV, and net leverage is 87% of NAV.

ASSET ALLOCATION

As at 30 June 2021, the types of assets in which the Fund invested and the actual allocation to those asset classes is:

Asset Class	Net Allocation
Australian Equities	52.8%
International Equities	7.7%
Cash & Cash Equivalents	25.2%
Over the Counter Derivatives	0.6%
Unlisted Unit Trusts	13.7%

DERIVATIVE COUNTERPARTIES ENGAGED

The derivative counterparties engaged by the Regal Investment Fund in the period 1 July 2020 to 30 June 2021 are:

Derivatives Counterparty
BAML
Credit Suisse
Morgan Stanley
UBS
Macquarie
Goldman Sachs

CHANGES TO KEY SERVICE PROVIDERS

The Regal Investment Fund had no changes to key service providers for the period 1 July 2020 to 30 June 2021.

DISTRIBUTION INFORMATION

The Regal Investment Fund distributed 106.11 Cents Per Unit for the 12 months ending 30 June 2021.

THE FUND'S ANNUAL INVESTMENT RETURNS

The performance figures in the table below represent the Fund's monthly and annual investment returns, net of fees and charges, for the periods shown, since inception. An annual period is the calendar year 1 January to 31 December.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2021	6.16	4.22	-1.22	6.65	1.83	0.02							**18.70**
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	**46.31**
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.

Important Information
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 update 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.