

Regal Long Short Australian Equity Fund

NOVEMBER 2020

The Regal Long Short Australian Equity Fund increased 5.0% in November, compared to a 10.2% increase in the ASX 300 Accumulation Index, representing relative underperformance of 5.2%. Since inception in March 2011, the Fund has generated 11.7% p.a. net of fees.

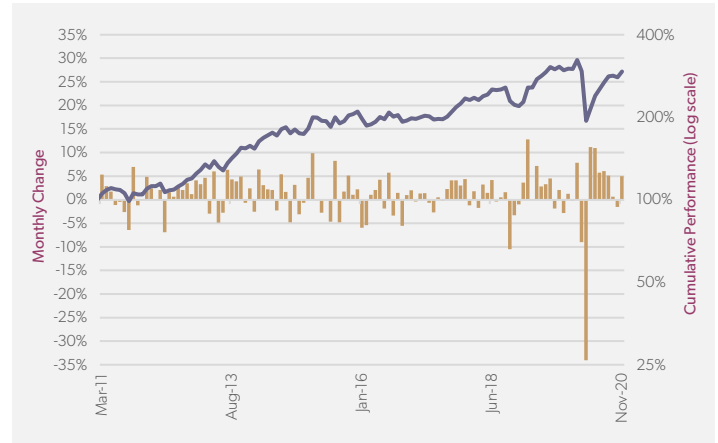
November 2020 delivered the largest one-month gain in the Australian equity market since March 1988, driven by the announcement of three COVID-19 vaccine candidates and increased certainty regarding the US presidential election outcome. Further fuelling investor sentiment domestically, the Reserve Bank of Australia announced a reduction in the cash rate target to 10 basis points (from 25 basis points) and announced its intention to buy \$100bn of government bonds over the next six months. Global markets were equally strong, with the S&P 500 index rising 11%, the tech-heavy NASDAQ increasing 12% while the Russell 2000 index grew 18%, reflecting particular strength across the smaller capitalised stocks within the US market.

Key positive contributors to Fund performance this month included a continued overweight exposure to the materials, metals and mining space. Junior exploration and production company Chalice Gold Mines (+50%) rallied strongly, following continued success at its Julimar project in Western Australia. Low cost nickel pig iron producer Nickel Mines (+21%) rallied on the back of strength in global nickel prices, while Coronado Global Resources (+41%) found support following a bottoming in metallurgical coal prices and a reversal of share price weakness the previous month.

OUTLOOK

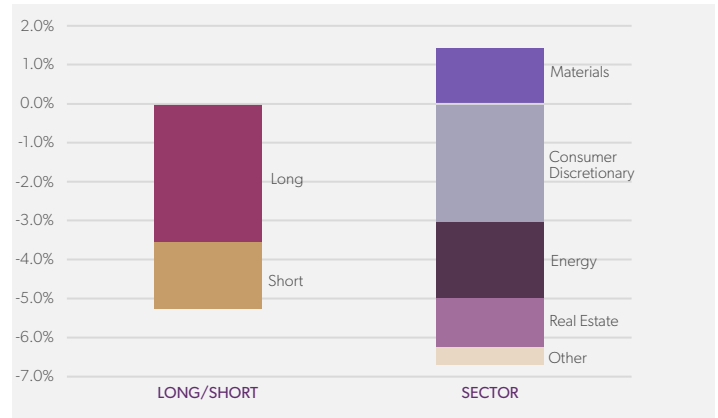
Global equity markets are likely to remain highly volatile in the near term given ongoing uncertainty surrounding the full impact of the COVID-19 virus on economic growth. A co-ordinated global monetary response and targeted fiscal stimulus measures are providing some relief in the near term, however until the second and third order economic impacts of the global pandemic are better understood, including the effect of a widely distributed vaccine, we expect continued uncertainty over the short term. The Fund continues to pursue companies that can achieve structurally driven earnings growth despite the macro challenges, whilst we remain disciplined on the short side with catalysts remaining a critical part of the investment process.

INVESTMENT PERFORMANCE



Past performance is not a reliable indicator of future performance.

ATTRIBUTION OF ALPHA FOR NOVEMBER 2020



SUMMARY DATA – NOVEMBER 2020 (NET CHANGE FROM PREVIOUS PERIOD)

SECTOR	1 MTH %	3 MTH %	CYTD %	1 YR %	3 YR %	5 YR %	INCEPTION % PA
Regal Long Short Australian Equity Fund	4.95	4.02	-2.18	-2.41	9.37	7.40	11.66
S&P/ASX 300 Accum. Index	10.23	8.27	0.41	-1.62	7.06	9.14	7.55
Excess return	-5.27	-4.25	-2.59	-0.78	2.31	-1.74	4.11

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FUND INFORMATION

Name	Regal Long Short Australian Equity Fund	Minimum Investment	A\$25,000
Structure	Unit Trust	Subscription Frequency	Daily
APIR Code	AMR0006AU	Redemption Frequency	Daily
Inception	14th March 2011	Registry	Boardroom Pty Limited
Management Fee	1.00%	Auditor	PricewaterhouseCoopers
Performance Fee	20% above ASX/S&P 300 acc.	Responsible Entity	Perpetual Trust Services Limited
High Water Mark	Yes	Investment Manager	Regal Funds Management Pty Ltd
Manager AUM	A\$2.2bn		

CONTACT INFORMATION

Registry	Boardroom Pty Ltd
Address	GPO Box 3993 Sydney NSW 2001 Australia
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Email	regal.funds@boardroomlimited.com.au

Regal Long Short Australian Equity Fund

STRATEGY

The Regal Long Short Australian Equity Fund aims to outperform the S&P/ASX 300 accumulation index net of fees over a rolling five-year basis. The fund aims to have a tracking error of 4 – 8%.

The Manager selects stocks for the Underlying Fund primarily using a Four Step Stock Selection Process. To value shares, companies are researched from a fundamental perspective to derive their intrinsic value. The Manager incorporates key insights from different styles of investing (e.g. fundamental, market driven, technical) to determine stock weightings. The underlying Fund is also able to take advantage of the Manager's expertise and systems to apply a process called 'short selling' which allows the Fund to express negative views on stocks which are expected to underperform.

FUND ADVISOR PROFILE

Regal Funds Management Pty Ltd was established in 2004 and is a hedge fund manager based in Sydney. Regal has been appointed Investment Manager of the Regal Long Short Australian Equity Fund.

Philip King is the Chief Investment Officer at Regal and the portfolio manager for the Underlying Fund. Philip was a Hedge Fund Manager at DPFM in London for six years and before that was a sell side analyst with Macquarie Bank for five years. Prior to working at Macquarie Bank, Philip worked at KPMG for eight years.

FUND PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2020	7.83	-8.98	-34.06	11.16	10.91	5.72	6.03	5.13	0.66	-1.53	4.95		-2.18
2019	3.59	12.77	0.00	7.15	2.79	3.30	4.51	-1.90	2.06	-2.83	1.26	-0.23	36.52
2018	-1.21	1.80	-1.75	3.19	1.44	4.19	-0.41	0.48	1.58	-10.51	-3.28	-1.01	-6.15
2017	-0.40	1.28	1.37	-0.67	-2.68	0.51	-0.24	2.25	4.09	4.08	3.02	4.39	18.06
2016	-5.99	-5.42	1.03	2.04	4.23	-1.87	5.69	-3.39	1.44	-5.53	0.99	1.98	-5.53
2015	4.65	9.86	-0.10	-2.75	-0.21	-4.69	8.21	-4.82	1.71	5.13	1.02	2.22	20.81
2014	-2.57	6.39	3.10	2.17	2.07	-2.31	5.38	1.65	-4.81	3.16	-3.09	-0.64	10.28
2013	3.31	4.61	-2.97	6.00	-4.88	-2.77	6.35	4.29	3.92	4.91	-0.64	2.39	26.44
2012	4.82	2.42	-0.03	2.02	-6.92	1.58	0.66	2.71	2.07	3.48	1.20	4.12	19.13
2011	n/a	n/a	5.30	2.89	1.73	-1.16	-0.45	-2.62	-6.40	6.93	-1.23	0.07	4.47

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www.regalfm.com

Important Information

Investors should use only the official website addresses and contact details shown above in relation to investments in Regal Funds. Investors should be wary of fraudulent websites which may be operating illegally to impersonate Regal. Regal does not accept credit cards and does not offer investment plans with guaranteed returns.

This fact sheet is issued by Perpetual Trust Services Limited ABN 48 000 142 049, AFSL 236648 ("PTSL") as responsible entity of, and issuer of units in, the Regal Long Short Australian Equity Fund ARSN 149 722 654 ("Fund"). The Fund implements its investment strategy indirectly by investing in an unregistered unit trust named the Regal Australian Long Short Equity Fund ("Underlying Fund"), the trustee and investment manager of which is Regal Funds Management Pty Limited ABN 30 107 576 821 AFSL 277737 ("Regal"). References to the Fund include the Underlying Fund for investment purposes.

This fact sheet is provided for general information purposes only and is not to be construed as solicitation of an offer to buy or sell any financial product. Accordingly, reliance should not be placed on this document as the basis for making an investment, financial or other decisions. This information does not take into account your investment objectives, particular needs or financial situation. Whilst every effort is taken to ensure the information in this document is accurate, its accuracy, reliability or completeness is not guaranteed. A Product Disclosure Statement (PDS) issued by PTSL dated 27 May 2020 is available for the Fund. You should obtain the PDS for the Fund and consider the risks and disclosures for your circumstances before deciding whether to acquire, or continue to hold, an interest in the Fund. Initial Applications for units in the Fund can only be made pursuant to the application form attached to the PDS.

Performance figures assume reinvestment of income. To comply with IFSA Standards, performance figures calculated after 1 January 2011 are calculated using exit prices net of fees and expenses based on monthly hard close valuations. No allowance has been made for entry fees or taxes.

Neither PTSL or 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 PTSL and Regal believes to be reliable. Neither PTSL or Regal give any representation or warranty as to the reliability or accuracy of the information contained in this report. All opinions and estimates included in this report constitute PTSL and Regal's judgement as at the date of this communication and are subject to change without notice.

RG240 DISCLOSURE

In accordance with ASIC's Disclosure Benchmarks and our commitment to keep you informed, the table below sets out the information as required on a monthly basis. Where required, the report discloses this information for both the Fund¹ and the Underlying Fund²:

RG240 DISCLOSURE		
VALUATION & FUND CHANGES	FUND	UNDERLYING FUND
Current total net asset value ³	\$24M	\$104M
Withdrawal value of a unit ³	\$1.3094	\$1.5903
Net return on assets after fees, costs and taxes (for November 2020) ⁴	4.95%	4.99%
Changes to key service providers	Nil	Nil
Changes to individuals playing a key role in investment decisions	Nil	Nil
Material changes to the risk profile or investment strategy	Nil	Nil
EXPOSURES	FUND	UNDERLYING FUND
Long exposure	n/a	139%
Short exposure	n/a	-48%
Gross exposure	n/a	187%
Net exposure	n/a	91%

1. Regal Long Short Australian Equity Fund
2. Regal Australian Long Short Equity Fund
3. As at 30 November 2020. Net Asset Value equals assets less liabilities rounded to the nearest million and is assessed after any applicable distribution.
4. Returns are inclusive of any applicable distributions, net of fees and net of taxes applicable to the Fund and the Underlying Fund.