

APPENDIX 4D HALF-YEAR REPORT

Regal Investment Fund (ARSN 632 283 384) (the "Fund")

DETAILS OF REPORTING PERIOD

Current reporting period: 1 July 2024 to 31 December 2024

Previous corresponding period: 1 July 2023 to 31 December 2023

The directors of Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975), the Responsible Entity of the Fund, announce the results of the Fund for the half-year ended 31 December 2024 as follows:

RESULTS FOR ANNOUNCEMENT TO THE MARKET

PERFORMANCE	HALF-YEAR ENDED 31 DECEMBER 2024 \$'000		HALF-YEAR ENDED 31 DECEMBER 2023 \$'000
Total investment income/(loss) (Revenue from ordinary activities)	75,730	Up 16% from	65,472
Operating profit/(loss) for the half-year	42,922	Up 34% from	31,937
Total comprehensive income/(loss) for the half-year	42,922	Up 34% from	31,937

DETAILS OF DISTRIBUTIONS

DISTRIBUTIONS ^{(1), (2)}	RECORD DATE	PAYMENT DATE	AMOUNT PER UNIT (CPU)
Distribution – December 2024 (payable)	2 January 2025	7 March 2025	10.000

(1) On 20 December 2024 the Fund announced the estimated details of its distribution for the six months ending 31 December 2024.

(2) Subsequent to the current reporting period, the Fund has announced the actual details of its six-monthly distribution and will make a payment on 7 March 2025. The DRP election date was 3 January 2025.

DETAILS OF DISTRIBUTIONS REINVESTMENT PLAN

The Responsible Entity established a distribution reinvestment plan (DRP) on 17 June 2019. An eligible unit holder may elect into the DRP by completing an election notice and sending it to the registry. An eligible member may elect to partially or fully participate in the DRP and is recorded on the register once the Responsible Entity has accepted the election.

On 9 July 2020, in accordance with the rules of the DRP (section 11), the Responsible Entity provided a notice of amendment to the DRP. The effect of change is to increase the period that the Responsible Entity has to purchase units on market for the DRP from up to 10 trading days to up to 20 trading days.



Under the DRP, the Responsible Entity has the discretion to determine whether new units will be issued, or existing units purchased on market. This is driven by the following:

- Where the market price is greater than or equal to the net asset value price, new units will be issued; or
- Where the market price is less than the net asset value price, existing units will be purchased on market.

Details on the DRP may be found at <https://www.regalfm.com/regal-investment-fund-ASX-RF1#>

ON-MARKET BUY-BACKS

On 11 July 2023, the Responsible Entity in consultation with the Investment Manager, has exercised its discretion to commence a buy-back to purchase units on-market with a view to addressing any unsatisfied liquidity in the units or any material discount in the price at the which the units may have been trading to the NAV per unit.

The buy-back has been in accordance with the Constitution, ASX Listing Rules and all applicable laws. A buy-back will not exceed 10% of the smallest number of units on issue in the Fund during the 12 months prior to any buy-back, unless otherwise approved by ordinary resolution of unitholders.

On 24 July 2024, the buy-back was extended for an additional 12 months to 25 July 2025.

Units purchased by the Responsible Entity under the buy-back will be immediately cancelled.

During the half-year ended 31 December 2024, the Fund has purchased on-market and cancelled 2,719,834 units (31 December 2023: 4,902,776 units) at a cost of \$8,834,341 (31 December 2023: \$13,720,560).

CAPITAL RAISING

On 21 November 2024, the Responsible Entity of the Fund announced the completion of its placement (Placement) of new fully paid ordinary units (New Units) to wholesale investors, details of which were announced on 19 November 2024, raising approximately \$95.3 million. The Placement closed on 19 November 2024.

New Units under the Placement, issued at a price of \$3.41 per New Unit (equal to the estimated net asset value of the Fund on 15 November 2024), representing 5.3% discount to the closing price of the Fund on 18 November 2024, commenced trading on ASX on 28 November 2024.

Participation to acquire New Units, at the same price as the price for the New Units under the Placement, was open to the existing eligible unit holders under a unit purchase plan (UPP) which closed on 12 December 2024 raising approximately \$9.1 million. The outcome was announced by the Responsible Entity on 17 December 2024.

Total proceeds from the capital raising (\$104,383,073) were allocated across the Fund's strategies in line with its investment objectives and expected to provide greater market liquidity allowing unit holders to increase their holdings to further support the Fund's mandate without including brokerage costs.

NET TANGIBLE ASSETS

	AS AT 31 DECEMBER 2024	AS AT 31 DECEMBER 2023
Total net tangible assets attributable to unit holders (\$'000)	732,850	594,950
Units on issue ('000)	216,913	199,070
Net tangible assets attributable to unit holders per unit (\$)	3.38	2.99

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CONTROL GAINED OR LOST DURING THE PERIOD

There was no control gained or lost over entities by the Fund during the half-year ended 31 December 2024.

ASSOCIATES AND JOINT VENTURES ENTITIES

The Fund did not have any interest in associates and joint venture entities during the half-year ended 31 December 2024.

STATUTORY REVIEW

The interim report for the half-year ended 31 December 2024 has been reviewed by KPMG and an unmodified review opinion has been issued.

COMMENTARY

Additional Appendix 4D disclosure requirements can be found in the financial report for the half-year ended 31 December 2024 which contains the Directors' report, the condensed financial statements and accompanying notes.

Andrew P Godfrey, Director, Equity Trustees Limited, the Responsible Entity of Regal Investment Fund, has authorised that this document be given to the ASX.

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Regal Investment Fund

ARSN 632 283 384

Condensed financial report For the half-year ended 31 December 2024

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Regal Investment Fund

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Condensed financial report For the half-year ended 31 December 2024

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This condensed financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this condensed financial report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made in respect of Regal Investment Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This condensed financial report covers Regal Investment Fund as an individual entity.

The Responsible Entity of Regal Investment Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975).

The Responsible Entity's registered office is:

Level 1, 575 Bourke Street
Melbourne, VIC 3000.

Directors' report

The directors of Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975), the Responsible Entity of Regal Investment Fund (the "Fund"), present their report together with the condensed financial statements of the Fund for the half-year ended 31 December 2024 and the review report thereon. These condensed financial statements have been prepared as it is a disclosing entity under the *Corporations Act 2001*.

Principal activities

The Fund invests in alternative investment strategies managed by Regal Funds Management Pty Limited ("Regal"), in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution. The Fund also uses derivatives for economic hedges.

The Fund did not have any employees during the half-year ended 31 December 2024.

There were no significant changes in the nature of the Fund's activities during the half-year ended 31 December 2024.

The various service providers for the Fund are detailed below:

Service	Provider
Responsible Entity	Equity Trustees Limited
Investment Manager	Regal Funds Management Pty Limited
Custodian and Administrator	Apex Fund Services Pty Ltd (an Apex Group Company)
Prime Brokers	UBS AG, Australia Branch Merrill Lynch International Bank Ltd Morgan Stanley J.P Morgan Goldman Sachs International Citibank
Auditor	KPMG*

*On the 16 January 2025 Ernst &Young resigned as the auditors of the Fund and KPMG have been appointed on the same date.

Directors

The following persons held office as directors of Equity Trustees Limited during or since the end of the half-year and up to the date of this report:

Michael J O'Brien	Chairman
Russell W Beasley	(resigned 9 October 2024)
Mary A O'Connor	
David B Warren	
Andrew P Godfrey	
Johanna E Platt	(appointed 9 October 2024)
Samantha Einhart	Company Secretary

Review and results of operations

During the half-year, the Fund invested its funds in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

The Fund's performance was 6.73% (net of fees) for the half-year ended 31 December 2024. The Fund's benchmark, the RBA Cash Rate, returned 2.24% for the same period.

Fund's performance is calculated based on the percentage change in the unit price in the Fund over the period (with any distributions paid during the period reinvested). Returns are disclosed after fees and expenses but before taxes.

Directors' report (continued)

Review and results of operations (continued)

The performance of the Fund, as represented by the results of its operations, was as follows:

	Half-year ended	
	31 December 2024	31 December 2023
Profit/(loss) for the half-year (\$'000)	42,922	31,937
Distributions paid and payable (\$'000)	21,691	13,938
Distributions (cents per unit)	10.0000	7.0000

Significant changes in the state of affairs

On 9 October 2024, Russell W Beasley resigned as a director of Equity Trustees Limited, with Johanna E Platt being appointed as director on the same date.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Fund that occurred during the half-year ended 31 December 2024.

Buy-back plan

During the half-year ended 31 December 2024, the Fund has purchased on-market and cancelled 2,719,834 units (31 December 2023: 4,902,776 units) at a cost of \$8,834,341 (31 December 2023: \$13,720,560).

Capital raising

On 21 November 2024, the Responsible Entity of the Fund announced the completion of its placement (Placement) of new fully paid ordinary units (New Units) to wholesale investors, details of which were announced on 19 November 2024, raising approximately \$95.3 million. The Placement closed on 19 November 2024.

New Units under the Placement, issued at a price of \$3.41 per New Unit (equal to the estimated net asset value of the Fund on 15 November 2024), representing 5.3% discount to the closing price of the Fund on 18 November 2024, commenced trading on ASX on 28 November 2024.

Participation to acquire New Units, at the same price as the price for the New Units under the Placement, was open to the existing eligible unit holders under a unit purchase plan (UPP) which closed on 12 December 2024 raising approximately \$9.1 million. The outcome was announced by the Responsible Entity on 17 December 2024.

Total proceeds from the capital raising (\$104,383,073) were allocated across the Fund's strategies in line with its investment objectives and expected to provide greater market liquidity allowing unit holders to increase their holdings to further support the Fund's mandate without including brokerage costs.

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may have a significant effect on:

- i. the operations of the Fund in future financial years; or
- ii. the results of those operations in future financial years; or
- iii. the state of affairs of the Fund in future financial years.

Rounding of amounts to the nearest thousand dollars

Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless otherwise indicated.

Directors' report (continued)

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Andrew P Godfrey
Director

Melbourne
25 February 2025



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Regal Investment Fund

I declare that, to the best of my knowledge and belief, in relation to the review of Regal Investment Fund for the half-year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Graeme Scott
Partner

Sydney
25 February 2025

Regal Investment Fund
Condensed statement of comprehensive income
For the half-year ended 31 December 2024

Condensed statement of comprehensive income

	Notes	Half-year ended	
		31 December 2024 \$'000	31 December 2023 \$'000
Income			
Interest income from financial assets at fair value through profit or loss		258	2,751
Interest income from financial assets at amortised cost		3,481	1,539
Dividend and distribution income		43,551	25,139
Net gains/(losses) on financial instruments at fair value through profit or loss		23,771	33,705
Net foreign exchange gain/(loss)		2,475	548
Other income	12	2,194	1,790
Total income/(loss)		75,730	65,472
Expenses			
Investment Manager fees	14(g)	5,174	4,496
Performance fees	14(g)	7,089	-
Dividend expense on short positioned securities		4,000	6,018
Interest expense		9,123	10,415
Transaction fees		6,592	8,973
Responsible Entity fees	14(g)	135	115
Auditors' remuneration		38	33
Other expenses	13	657	3,485
Total expenses		32,808	33,535
Profit/(loss) for the half-year		42,922	31,937
Other comprehensive income		-	-
Total comprehensive income for the half-year		42,922	31,937
Basic earnings per unit (cents per unit)	8	22.29	15.78
Diluted earnings per unit (cents per unit)	8	22.29	15.78

The above condensed statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed statement of financial position

	Notes	As at	
		31 December 2024 \$'000	30 June 2024 \$'000
Assets			
Cash and cash equivalents		99	34,032
Due from brokers		97,096	117,599
Receivables	10	11,949	13,960
Financial assets at fair value through profit or loss	3(d),4	1,135,804	928,749
Total assets		1,244,948	1,094,340
Liabilities			
Due to brokers		267,726	226,434
Distributions payable	7,9	21,691	28,509
Payables	11	11,219	5,200
Financial liabilities at fair value through profit or loss	3(d),5	211,462	218,127
Total liabilities		512,098	478,270
Net assets attributable to unit holders – equity		732,850	616,070

The above condensed statement of financial position should be read in conjunction with the accompanying notes.

Condensed statement of changes in equity

	Notes	Half-year ended	
		31 December 2024 \$'000	31 December 2023 \$'000
Total equity at the beginning of the half-year		616,070	590,672
Comprehensive income for the half-year			
Profit/(loss) for the half-year		42,922	31,937
Other comprehensive income/(loss)		-	-
Total comprehensive income/(loss)		658,992	622,609
Transactions with unit holders			
Applications	7	104,383	-
Units buy-back	7	(8,834)	(13,721)
Distributions paid and payable	7,9	(21,691)	(13,938)
Total transactions with unit holders		73,858	(27,659)
Total equity at the end of the half-year		732,850	594,950

The above condensed statement of changes in equity should be read in conjunction with the accompanying notes with reference to Note 7.

Condensed statement of cash flows

	Half-year ended	
	31 December 2024 \$'000	31 December 2023 \$'000
Cash flows from operating activities		
Proceeds from sale of financial instruments at fair value through profit or loss	4,665,452	5,111,635
Payments for purchase of financial instruments at fair value through profit or loss	(4,793,605)	(5,075,649)
Investment in advance	-	(10,000)
Interest income received from financial assets at amortised cost	3,439	1,510
Interest income from financial assets at fair value through profit or loss	258	2,748
Dividends and distributions income received	44,461	30,149
Other income received	2,192	3,324
Investment Manager fees paid	(4,891)	(3,706)
Dividend expense paid on short position securities	(4,230)	(6,768)
Interest expense paid	(9,142)	(10,365)
Transaction fees paid	(6,647)	(8,855)
Responsible Entity fees paid	(148)	(94)
Auditors' remuneration paid	-	(113)
Other expenses paid	(586)	(3,755)
Net cash inflow/(outflow) from operating activities	(103,447)	30,061
Cash flows from financing activities		
Proceeds from applications by unit holders	104,383	-
Payments for units buy-back	(8,834)	(13,721)
Distributions paid to unit holders/to fund on-market buy-back of shares for DRP	(28,510)	(15,864)
Net cash inflow/(outflow) from financing activities	67,039	(29,585)
Net increase/(decrease) in cash and cash equivalents	(36,408)	476
Cash and cash equivalents at the beginning of the half-year	34,032	27
Effect of foreign currency exchange rate changes on cash and cash equivalents	2,475	548
Cash and cash equivalents at the end of the half-year	99	1,051
Non-cash operating and financing activities		
Issue of units under the distribution reinvestment plan	-	-

The above condensed statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the condensed financial statements

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1 General information

These condensed financial statements cover Regal Investment Fund (the "Fund") as an individual entity. The Fund is an Australian registered managed investment scheme which was constituted on 15 March 2019, registered with the Australian Securities and Investments Commission (ASIC) on 26 March 2019 and commenced operations on 29 April 2019. The Fund will terminate in accordance with the provisions of the Fund's Constitution or by Law.

The Fund was listed on the Australian Securities Exchange (ASX) on 17 June 2019 and is quoted under ticker code: RF1.

The Responsible Entity of the Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975) (the "Responsible Entity"). The Responsible Entity's registered office is Level 1, 575 Bourke Street, Melbourne, VIC 3000. The condensed financial statements are presented in the Australian currency unless otherwise noted.

The Fund invests in alternative investment strategies managed by Regal Funds Management Pty Limited (the "Investment Manager") in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

The condensed financial statements were authorised for issue by the directors on the date the Directors' declaration was signed. The directors of the Responsible Entity have the power to amend and reissue the condensed financial statements.

2 Basis of preparation

These condensed financial statements have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These condensed financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these condensed financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2024 and any public announcements made in respect of the Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The directors are satisfied that the Fund has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed financial statements.

Material accounting policies

The accounting policies applied in these condensed financial statements are the same as those applied to the Fund's financial statements for the year ended 30 June 2024.

i. *New and amended standards adopted by the Fund*

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2024 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

ii. *New standards and interpretations not yet adopted*

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2025 and have not been early adopted in preparing these condensed financial statements.

None of these are expected to have a material effect on the condensed financial statements of the Fund.

3 Fair value measurement

The Fund measures and recognises financial assets and liabilities at fair value through profit or loss on a recurring basis.

- Financial assets/liabilities at fair value through profit or loss (see Note 4 and Note 5)

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

3 Fair value measurement (continued)

The Fund values its investments in accordance with the accounting policies set out in Note 2 to the condensed financial statements.

The Fund continues to determine net asset values with the frequency as set out in the Product Disclosure Statement, consistently applying valuation policies and reflective of prevailing market conditions.

The Fund and its unlisted unit trust invests into pre-IPO positions and private off take agreements. In determining fair value, there are a number of unobservable inputs including assessments of the current liquidity of capital markets, an assessment of the time until the investments will be ready to IPO, and forward looking economic factors and commodity prices. The valuation inputs are estimates based on the circumstances prevailing at balance date and may materially change depending on future economic conditions and other factors specific to the individual investments and consequently the fair value could change significantly over time.

a. Valuation using level 1 inputs

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and listed equity securities) are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs.

For the majority of its investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

The quoted market price used for financial assets held by the Fund is the last traded price; the quoted market price for financial liabilities is the last traded price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

b. Valuation using level 2 inputs

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all material inputs required to fair value an instrument are observable, the instrument is included in level 2.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds.

Specific valuation techniques using observable inputs used to value financial instruments include:

- Debt instruments are valued using quoted market prices or dealer quotes for similar instruments
- Foreign currency forwards are valued at the present value of future cash flows based on the forward exchange rates at the balance sheet date
- Option contracts are valued by applying the Black Scholes option valuation model
- Interest rate swaps are valued at the present value of the estimated future cash flows based on observable yield curves
- Investments in unlisted unit trusts are valued at the redemption price per unit as reported by the underlying fund's investment manager

c. Valuation using level 3 inputs

The fair value of financial instruments that are determined using valuation techniques that rely on material inputs that are not observable are included in level 3 and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds.

Specific valuation techniques using observable inputs used to value financial instruments include:

- Private market securities are valued using valuation techniques such as reference to the current fair value or recent transaction prices of substantially similar instruments, market multiples techniques using the applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer or discounted cash flow techniques.
- Securities which are suspended from trading are valued using the last traded price or other valuation techniques (described above) where the investment manager determines that the last traded price no longer reflects the fair value of the securities.
- Unlisted unit trusts are recorded at the redemption price per unit as reported by the investment managers of such funds. The Fund may make adjustments to the value based on considerations such as; liquidity of the Investee Fund or its underlying investments, the value date of the net asset value provided, or any restrictions on redemptions and the basis of accounting.

3 Fair value measurement (continued)

d. Recognised fair value measurements

The table below presents the Fund's financial assets and liabilities measured and recognised at fair value as at 31 December 2024 and 30 June 2024.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 31 December 2024				
Financial assets				
Equities	665,045	-	716	665,761
Unlisted unit trusts	-	-	460,607	460,607
Warrants	-	455	-	455
Swaps	-	919	-	919
Options	-	4,409	-	4,409
Futures contracts	3,653	-	-	3,653
Total financial assets	668,698	5,783	461,323	1,135,804
Financial liabilities				
Equities	208,744	-	115	208,859
Exchange traded fund	780	-	-	780
Swaps	-	1,282	-	1,282
Forward currency contracts	-	541	-	541
Total financial liabilities	209,524	1,823	115	211,462
As at 30 June 2024				
Financial assets				
Equities	568,400	-	680	569,080
Unlisted unit trusts	-	-	354,172	354,172
Warrants	-	1,910	-	1,910
Swaps	-	1,473	-	1,473
Options	-	736	-	736
Futures contracts	102	-	-	102
Convertible bonds	-	-	1,276	1,276
Total financial assets	568,502	4,119	356,128	928,749
Financial liabilities				
Equities	217,107	-	409	217,516
Swaps	-	212	-	212
Futures contracts	399	-	-	399
Total financial liabilities	217,506	212	409	218,127

e. Transfer between levels

Management's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The following table presents the transfers between levels at the end of the reporting period.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
As at 31 December 2024			
Financial assets			
Transfer between levels 1 and 3	-	-	-
As at 30 June 2024			
Financial assets			
Transfer between levels 1 and 3	1,431	-	(1,431)

The transfers from Level 3 to Level 1 are equity instruments currently trading on the market (previously pre-IPO and suspended) as at 30 June 2024. Accordingly, the valuation inputs for these securities were based on quoted market price and therefore resulted in the reclassification to Level 1.

3 Fair value measurement (continued)

f. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the movement in level 3 instruments for the half-year ended 31 December 2024 by class of financial instrument.

Financial assets	Equities \$'000	Unlisted unit trusts \$'000	Swaps \$'000	Convertible bonds \$'000	Total \$'000
Opening balance - 1 July 2023	7,960	294,270	-	1,276	303,506
Transfers into/(out) from level 3	(1,431)	-	-	-	(1,431)
Purchases	8,581	199,818	-	-	208,399
Sales	(10,599)	(139,237)	-	-	(149,836)
Unrealised gains/(losses) recognised in the condensed statement of comprehensive income	5,553	182	-	-	5,735
Realised gains/(losses) recognised in the condensed statement of comprehensive income	(9,384)	(861)	-	-	(10,245)
Closing balance - 30 June 2024*	680	354,172	-	1,276	356,128
Purchases	-	435,611	-	-	435,611
Sales	-	(322,415)	-	(1,276)	(323,691)
Unrealised gains/(losses) recognised in the condensed statement of comprehensive income	36	3,210	-	-	3,246
Realised gains/(losses) recognised in the condensed statement of comprehensive income	-	(9,971)	-	-	(9,971)
Closing balance – 31 December 2024*	716	460,607	-	-	461,323

* Includes unrealised gains or (losses) recognised in profit or loss attributable to balances held at the end of the reporting period.

Financial liabilities	Equities \$'000	Unlisted unit trusts \$'000	Swaps \$'000	Convertible bonds \$'000	Total \$'000
Opening balance - 1 July 2023	(973)	-	-	-	(973)
Sales	68	-	-	-	68
Unrealised gains/(losses) recognised in the condensed statement of comprehensive income	(7,091)	-	-	-	(7,091)
Realised gains/(losses) recognised in the condensed statement of comprehensive income	7,587	-	-	-	7,587
Closing balance - 30 June 2024*	(409)	-	-	-	(409)
Purchases	-	-	-	-	-
Sales	41	-	-	-	41
Unrealised gains/(losses) recognised in the condensed statement of comprehensive income	(1,589)	-	-	-	(1,589)
Realised gains/(losses) recognised in the condensed statement of comprehensive income	1,842	-	-	-	1,842
Closing balance – 31 December 2024*	(115)	-	-	-	(115)

* Includes unrealised gains or (losses) recognised in profit or loss attributable to balances held at the end of the reporting period.

i. Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in the level 3 fair value measurements for the half-year ended 31 December 2024. See Note 3(b) above for the valuation techniques adopted.

3 Fair value measurement (continued)

f. Fair value measurements using significant unobservable inputs (level 3) (continued)

i. Valuation inputs and relationships to fair value (continued)

Description	Fair value \$'000	Valuation technique	Unobservable inputs	Range of inputs (probability weighted average) \$	Relationship of unobservable inputs to fair value \$'000
As at 31 December 2024					
Financial assets					
Equities	716	Recent transaction price	Unquoted share price	0.1792 to 2.0220	10% increase in the market price would result in an increase in fair value by \$72 and 10% decrease in the market price would result in a decrease in fair value by \$72.
Unlisted unit trusts	460,607	Net asset value (NAV)	NAV per unit	0.3017 to 2.3659	10% increase in the NAV per unit would result in an increase in fair value by \$46,061 and 10% decrease in the NAV per unit would result in a decrease in fair value by \$46,061.
	<u>461,323</u>				
Financial liabilities					
Equities	115	Recent transaction price	Unquoted share price	0.0600 to 0.1000	10% increase in the market price would result in an increase in fair value by \$12 and 10% decrease in the market price would result in a decrease in fair value by \$12.
As at 30 June 2024					
Financial assets					
Equities	680	Recent transaction price	Unquoted share price	0.0000 to 1.8961	10% increase in the market price would result in an increase in fair value by \$68 and 10% decrease in the unit price would result in a decrease in fair value by \$68.
Unlisted unit trusts	354,172	Net asset value (NAV)	NAV per unit	0.7188 to 2.3043	10% increase in the NAV per unit would result in an increase in fair value by \$35,417 and 10% decrease in the NAV per unit would result in a decrease in fair value by \$35,417.
Convertible bonds	<u>1,276</u> <u>356,128</u>	Recent transaction price	Unquoted bond price	0.3000 to 0.3000	10% increase in the bond price would result in an increase in fair value by \$128 and 10% decrease in the bond price would result in a decrease in fair value by \$128.
Financial liabilities					
Equities	409	Recent transaction price	Unquoted share price	0.0600 to 0.1000	10% increase in the unit price would result in an increase in fair value by \$41 and 10% decrease in the unit price would result in a decrease in fair value by \$41.

3 Fair value measurement (continued)

f. Fair value measurements using significant unobservable inputs (level 3) (continued)

ii. Valuation processes

Portfolio reviews are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities. Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, management performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

g. Financial instruments not carried at fair value

The carrying value of cash and cash equivalents, receivables and payables approximate their fair values due to their short-term nature.

4 Financial assets at fair value through profit or loss

	As at	
	31 December 2024 \$'000	30 June 2024 \$'000
Equities	665,761	569,080
Unlisted unit trusts	460,607	354,172
Warrants	455	1,910
Swaps	919	1,473
Options	4,409	736
Futures contracts	3,653	102
Convertible bonds	-	1,276
Total financial assets at fair value through profit or loss	1,135,804	928,749

5 Financial liabilities at fair value through profit or loss

	As at	
	31 December 2024 \$'000	30 June 2024 \$'000
Equities	208,859	217,516
Exchange traded fund	780	-
Swaps	1,282	212
Futures contracts	-	399
Forward currency contracts	541	-
Total financial liabilities at fair value through profit or loss	211,462	218,127

6 Investment in Managed Investment Schemes

The Fund invests in Managed Investment Schemes (the "Schemes") for the purpose of capital appreciation and or earning investment income.

The exposure to investments in related party Schemes at fair value, and any related party amounts recognised in the statement of comprehensive income, is disclosed at Note 14 to the condensed financial statements.

The fair value of the Schemes is included as unlisted unit trusts in financial assets at fair value through profit or loss in the condensed statement of financial position.

The Fund's maximum exposure to loss from its interest in the Schemes is equal to the fair value of its investments in the Schemes as there are no off-balance sheet exposures relating to any of the Schemes. Once the Fund has disposed of its units in a Scheme it ceases to be exposed to any risk from that Scheme.

Total gains/(losses) incurred on investments in the Schemes were \$1,547,628 during the half-year ended 31 December 2024 (2023: \$8,689,705). The Fund also earned \$36,999,966 distribution income during the half-year (2023: \$6,622,255) as a result of its interests in the Schemes.

7 Net assets attributable to unit holders - equity

Under AASB 132 *Financial Instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. The Fund shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions. The Fund's units are classified as equity as they meet the definition of a financial liability to be classified as equity.

Movements in the number of units and net assets attributable to unit holders during the half-year were as follows:

	Half-year ended		Half-year ended	
	31 December 2024	31 December 2024	31 December 2023	31 December 2023
	Units '000	\$'000	Units '000	\$'000
Opening balance	189,022	616,070	203,973	590,672
Applications	30,687	104,383	-	-
Units buy-back	(2,796)	(8,834)	(4,903)	(13,721)
Distributions paid and payable	-	(21,691)	-	(13,938)
Profit/(loss) for the half-year	-	42,922	-	31,937
Closing balance	216,913	732,850	199,070	594,950

As stipulated within the Fund's Constitution, each unit represents a right to an individual unit in the Fund and does not extend to a right in the underlying assets of the Fund.

There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

Units buy-back plan

During the half-year ended 31 December 2024, the Fund has purchased on-market and cancelled 2,719,834 units (31 December 2023: 4,902,776 units) at a cost of \$8,834,341 (31 December 2023: \$13,720,560).

Capital raising

On 21 November 2024, the Responsible Entity of the Fund announced the completion of its placement (Placement) of new fully paid ordinary units (New Units) to wholesale investors, details of which were announced on 19 November 2024, raising approximately \$95.3 million. The Placement closed on 19 November 2024.

New Units under the Placement, issued at a price of \$3.41 per New Unit (equal to the estimated net asset value of the Fund on 15 November 2024), representing 5.3% discount to the closing price of the Fund on 18 November 2024, commenced trading on ASX on 28 November 2024.

Participation to acquire New Units, at the same price as the price for the New Units under the Placement, was open to the existing eligible unit holders under a unit purchase plan (UPP) which closed on 12 December 2024 raising approximately \$9.1 million. The outcome was announced by the Responsible Entity on 17 December 2024.

Total proceeds from the capital raising (\$104,383,073) were allocated across the Fund's strategies in line with its investment objectives and expected to provide greater market liquidity allowing unit holders to increase their holdings to further support the Fund's mandate without including brokerage costs.

8 Basic and diluted earnings per unit

	Half-year ended	
	31 December 2024	31 December 2023
Profit/(loss) attributable to unit holders (\$'000)	42,922	31,937
Weighted average number of units on issue ('000)	192,576	202,376
Basic earnings per unit (cents per unit)	22.29	15.78
Weighted average number of units on issue ('000)	192,576	202,376
Diluted earnings per unit (cents per unit)	22.29	15.78

9 Distributions to unit holders

The distributions declared during the half-year were as follows:

	Half-year ended		Half-year ended	
	31 December 2024 \$'000	31 December 2024 CPU	31 December 2023 \$'000	31 December 2023 CPU
December (payable)**	21,691	10,000	13,938	7,000
Total distributions	21,691	10,000	13,938	7,000

**The distributions payable number is inclusive of distributions payable to unit holders and to fund on-market buy back of shares for DRP.

10 Receivables

	As at	
	31 December 2024 \$'000	30 June 2024 \$'000
Interest receivable	423	381
Dividends receivable from long positions	8,544	9,454
RITC refund receivable	895	577
Rebate receivable	1,803	3,115
Other receivables	284	433
Total receivables	11,949	13,960

11 Payables

	As at	
	31 December 2024 \$'000	30 June 2024 \$'000
Management fees payable	1,100	817
Performance fees payable	7,797	1,855
Responsible Entity fees payable	55	68
Dividends payable from short positions	421	651
Auditors' remuneration payable	118	78
Transaction fees payable	183	238
Interest payable	1,332	1,351
Withholding tax payable	149	83
Other Payables	64	59
Total payables	11,219	5,200

12 Other income

	Half-year ended	
	31 December 2024 \$'000	31 December 2023 \$'000
RITC income	350	693
Rebate income	1,803	793
Underwriting fee income	41	246
Other income	-	58
Total other income	2,194	1,790

13 Other expenses

	Half-year ended	
	31 December 2024 \$'000	31 December 2023 \$'000
GST expenses	307	414
Dividend withholding tax expense	181	2,586
Withholding tax expense	-	86
Other fees	169	399
Total other expenses	657	3,485

14 Related party transactions

The Responsible Entity of Regal Investment Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975). Accordingly, transactions with entities related to the Responsible Entity are disclosed below.

The Responsible Entity has contracted services to Regal Funds Management Pty Limited, to act as Investment Manager for the Fund and Apex Fund Services Pty Ltd to act as Custodian and Administrator for the Fund. The contracts are on normal commercial terms and conditions.

a. Key management personnel

i. Directors

Key management personnel include persons who were directors of Equity Trustees Limited at any time during or since the end of the period and up to the date of this report:

Michael J O'Brien	Chairman
Russell W Beasley	(resigned 9 October 2024)
Mary A O'Connor	
David B Warren	
Andrew P Godfrey	
Johanna E Platt	(appointed 9 October 2024)
Samantha Einhart	Company Secretary

ii. Responsible Entity

Other than the fees paid to the Responsible Entity, there were no other transactions.

iii. Other key management personnel

There were no other key management personnel with responsibility for planning, directing and controlling activities of the Fund, directly or indirectly during the reporting period.

b. Transactions with key management personnel

There were no transactions occurred with the key management personnel during the reporting period (2023: nil).

c. Key management personnel unit holdings

Key management personnel held units in the Fund, as follows:

Unit holder	Number of units held opening	Number of units held closing	Interest held (%)	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund (\$)
As at 31 December 2024						
Michael J O'Brien	259,966	259,966	0.1198	-	-	25,997
Russell W Beasley	1	1	-	-	-	-

14 Related party transactions (continued)

c. Key management personnel unit holdings (continued)

	Number of units held opening	Number of units held closing	Interest held (%)	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund (\$)
Unit holder						
As at 30 June 2024						
Michael J O'Brien	259,966	259,966	0.1375	-	-	57,407
Russell W Beasley	1	1	-	-	-	-

d. Key management personnel compensation

Key management personnel are paid by EQT Services Pty Ltd (a related entity of Equity Trustees Limited). Payments made from the Fund to Equity Trustees Limited do not include any amounts directly attributable to the compensation of key management personnel and are not related to services that directors render to individual funds.

e. Key management personnel loan disclosures

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to key management personnel or their personally related entities at any time during the reporting period.

f. Other transactions within the Fund

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund during the reporting period and there were no material contracts involving management personnel's interests existing at period end.

g. Responsible Entity fees, Investment Manager's fees and other transactions

Under the terms of the Fund's Constitution and Product Disclosure Statement for the Fund, the Responsible Entity and the Investment Manager are entitled to receive management fees. The Investment Manager is also entitled to performance fees.

The transactions during the reporting period and amounts payable at period end between the Fund, the Responsible Entity and the Investment Manager were as follows:

	Half-year ended	
	31 December 2024	31 December 2023
	\$	\$
Management fees for the half-year	5,174,434	4,496,445
Performance fees for the half-year	7,088,658	-
Responsible Entity fees for the half-year	134,703	114,863
Rebate income for the half-year	1,803,112	793,241
Management fees payable at half-year end	1,100,388	1,613,822
Performance fees payable at half-year end	7,797,492	-
Responsible Entity fees payable at half-year end	55,094	166,593
Rebate income receivable at half-year end	1,802,813	779,466

The performance fee will be calculated and accrued at least monthly and is payable at the end of each performance period in arrears. Performance periods are typically six months in duration and end on 30 June or 31 December. The performance fee of 20% (plus GST) of the amount by which the portfolio's outperformance against the RBA cash rate subject to a high water mark will be calculated and accrued at least monthly.

The Investment Manager is entitled to receive a management fee totaling 1.50% per annum (or 1.54% inclusive of GST less RITC) of the Fund's net assets attributable to unit holders (before the management fees and accrued but unpaid performance fees). The management fee is calculated and accrued at least monthly and are payable monthly in arrears by the Fund.

14 Related party transactions (continued)

h. Related party unit holdings

Parties related to the Fund (including Equity Trustees Limited, its related parties and other schemes managed by Equity Trustees Limited and the Investment Manager) hold units in the Fund, as follows:

	Number of units held opening	Number of units held closing	Interest held (%)	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund (\$)
Unit holder						
As at 31 December 2024						
Equity Trustees Superannuation Limited <AMG Super> and <Acclaim Super> Regal Funds Management Pty Ltd	597,233	604,093	0.2785	87,882	81,022	60,409
Regal Funds Management Pty Ltd	-	139,816	0.0645	139,816	-	13,982
Unit holder						
As at 30 June 2024						
Equity Trustees Superannuation Limited <AMG Super> and <Acclaim Super> Regal Funds Management Pty Limited	709,233	597,233	0.3162	3,420,163	3,532,163	90,139
Regal Funds Management Pty Limited	271,786	-	-	7,514	279,300	-

i. Investments

The Fund held investments in EQT Holdings Limited as the parent of Equity Trustees Limited and other schemes managed by the Investment Manager during the reporting period as follows.

	Number of units held opening	Number of units held closing	Interest (%)	Distribution earned (\$)	Distribution receivable (\$)	Number of units acquired	Number of units disposed
As at 31 December 2024							
EQT Holdings Limited	135,945	131,890	0.49	69,649	-	11,089	15,144
Regal Emerging Companies Fund III	50,994,042	50,994,042	55.71	25,996,763	-	-	-
Regal Emerging Companies Opportunities Fund	103,246,951	164,324,014	24.71	-	-	71,950,715	10,873,652
Regal Private Credit Opportunities Fund	87,295,494	104,697,017	30.18	5,550,939	2,980,096	17,401,523	-
Regal Resources Royalties Fund	58,196,020	54,948,096	43.37	5,220,069	5,220,069	1,558,809	4,806,733
Regal Tactical Credit Fund	-	3,058,185	5.27	232,195	108,260	3,058,185	-

14 Related party transactions (continued)

i. Investments (continued)

	Number of units held opening	Number of units held closing	Interest held (%)	Distribution earned (\$)	Distribution receivable (\$)	Number of units acquired	Number of units disposed
As at 30 June 2024							
EQT Holdings Limited	111,471	135,945	0.51	112,861	-	66,380	41,906
Regal Emerging Companies Fund III	50,994,042	50,994,042	55.05	32,416,913	-	-	-
Regal Emerging Companies Opportunities Fund	113,082,946	103,246,951	17.37	-	-	-	9,835,995
Regal Private Credit Opportunities Fund	20,063,585	87,295,494	26.37	6,883,874	2,839,373	103,209,616	35,977,707
Regal Resources Royalties Fund	58,285,454	58,196,020	56.21	10,893,569	6,110,582	3,310,960	3,400,394

15 Operating segments

The Fund is organised into one main operating segment with only one key function, being the investment of funds both domestically and internationally. It operates predominantly in Australia and in the securities industry. It earns revenue from dividend income, interest income and other returns from the investment portfolio. The Company invests in different types of securities, as detailed at Note 3 Fair Value Measurement.

16 Events occurring after the reporting period

No significant events have occurred since the end of the half-year which would impact on the financial position of the Fund as disclosed in the condensed statement of financial position as at 31 December 2024 or on the results and cash flows of the Fund for the half-year ended on that date.

17 Contingent assets and liabilities and commitments

There were no outstanding contingent assets, liabilities or commitments as at 31 December 2024 and 30 June 2024.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- a. The condensed financial statements and notes set out on pages 6 to 22 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - ii. giving a true and fair view of the Fund's financial position as at 31 December 2024 and of its performance for the half-year ended on that date.
- b. There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Andrew P Godfrey
Director

Melbourne
25 February 2025



Independent Auditor's Review Report

To the unitholders of Regal Investment Fund

Conclusion

We have reviewed the accompanying **Condensed Half-year Financial Report** of Regal Investment Fund ('the Fund').

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Half-year Financial Report of Regal Investment Fund does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Fund's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Condensed Half-year Financial Report** comprises:

- Condensed statement of financial position as at 31 December 2024
- Condensed statement of profit or loss and other comprehensive income, Condensed statement of changes in equity and Condensed statement of cash flows for the half-year ended on that date
- Notes 1 to 17 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of Fund in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors of the Responsible Entity for the Condensed Half-year Financial Report

The Directors of the Responsible Entity of the Fund is responsible for:

- the preparation of the Condensed Half-year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors of the Responsible Entity determines is necessary to enable the preparation of the Condensed Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Condensed Half-year Financial Report

Our responsibility is to express a conclusion on the Condensed Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Fund's financial position as at 31 December 2024 and its performance for the Half-Year Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Condensed Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



KPMG



Graeme Scott

Partner

Sydney

25 February 2025