REGAL PARTNERS

Regal Partners Limited
ABN 33 129 188 450
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Sydney NSW 2000 Australia
T. +61 2 8197 4350
www.regalpartners.com

24 August 2023

ASX Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Interim Report and Financial Statements for the Half Year Ended 30 June 2023

Important Note: On 3 June 2022, VGI Partners Limited (subsequently renamed Regal Partners Limited) acquired all of the shares in Regal Funds Management Pty Limited. As the transaction was accounted for under reverse acquisition accounting, the pro forma financial results for the six months ended 30 June 2022 (also referred to as "1H22" or the prior corresponding period (pcp)) in the accompanying presentation provide a more accurate summary of the Company's financial position than its 1H22 statutory results.

Regal Partners Limited (ASX: RPL) hereby lodges:

- Appendix 4D for the half year ended 30 June 2023; and
- Interim Financial Report for the half year ended 30 June 2023, incorporating the Directors' Report to Shareholders and Condensed Consolidated Financial Statements.

AUTHORISED FOR RELEASE BY:

Ian Cameron, Joint Company Secretary

CONTACT INFORMATION:

Ingrid Groer, CFA
Head of Corporate Affairs
Regal Partners Limited
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ABOUT REGAL PARTNERS LIMITED

Regal Partners Limited is an ASX-listed, specialist alternatives investment manager with approximately $5.8 billion[1] in funds under management.

Formed on 3 June 2022 following the merger of VGI Partners and Regal Funds Management, the group manages a broad range of investment strategies covering long/short equities, private markets, real and natural assets and capital solutions on behalf of institutions, family offices, charitable groups and private investors.

The group houses four dedicated alternative investment management businesses – Regal Funds Management, VGI Partners, Kilter Rural and Attunga Capital – together employing approximately 110 employees, including over 50 investment professionals, located in offices across Sydney, Melbourne, Singapore, Hong Kong and New York.

Combining deep industry experience, extensive networks and multi-award winning performance track records, Regal Partners seeks to be a leading provider of alternative investment strategies in Australia and Asia.

[1] Unaudited Management estimate as at 31 July 2023. Funds under management for the group (including 100% of Kilter Rural and Attunga Capital) includes non-fee earning funds.

REGAL PARTNERS

Appendix 4D Interim Report

Company	Regal Partners Limited
ASX code	RPL
Half year ended	30 June 2023
Previous corresponding period half year ended	30 June 2022
ABN	33 129 188 450

RESULTS FOR ANNOUNCEMENT TO THE MARKET

This announcement to the market for Regal Partners Limited's consolidated group (the **Group's** or the **Regal Partners Group's**) results should be read in conjunction with the attached 30 June 2023 Interim Financial Report.

	HALF YEAR ENDED 30 JUNE 2023 $'000	HALF YEAR ENDED 30 JUNE 2022 $'000	UP / DOWN	% MOVEMENT
Income from ordinary activities *	47,601	37,719	▲	26%
Profit/(loss) from ordinary activities after tax attributable to RPL Shareholders *	(3,891)	5,045	▼	(177%)
Total comprehensive income/(loss) attributable to RPL Shareholders *	(4,058)	4,897	▼	(183%)
Normalised net profit after tax attributable to RPL Shareholders **	13,102	6,569	▲	99%

* The statutory results for the comparative half year ended 30 June 2022 have been impacted by a business combination in that period and may not be comparable. Refer to the notes to the Condensed Consolidated Financial Statements for further details.

** Normalised net profit after tax attributable to the owners of Regal Partners Limited is presented using the results of Kilter Rural, Attunga Capital, VGI Partners and Regal Funds Management attributable to RPL Shareholders for the current and previous periods presented.

DIVIDEND INFORMATION

	DIVIDEND PER SHARE	FRANKED AMOUNT PER SHARE	TAX RATE FOR FRANKING CREDIT
Interim 2023 dividend declared	5.0c	5.0c	30%
Final 2022 dividend (paid on 22 March 2023)	4.0c	4.0c	30%

INTERIM 2023 DIVIDEND DATES

Ex-dividend date	29 August 2023
Record date	30 August 2023
Last election date for the DRP	31 August 2023
Payment date	14 September 2023

DIVIDEND REINVESTMENT PLAN

The Dividend Reinvestment Plan (**DRP**) is in operation for shareholders in the Company and the fully franked interim dividend of 5.0 cents per share qualifies for the DRP. Details of the DRP may be found at https://regalpartners.com/shareholders/

COMMENTARY ON RESULTS

STATUTORY RESULTS

For the half year ended 30 June 2023, the Group recorded total net income of $47,601,000 (2022: $37,719,000) and loss after tax of $3,409,000 (2022: profit after tax of $7,639,000) of which loss after tax attributable to RPL Shareholders was $3,891,000 (2022: profit after tax of $5,045,000). For the half year ended 30 June 2023, the Group's operating expenses totalled $39,358,000 when excluding one-off costs of $5,548,000 (2022: $24,336,000, excluding one-off costs from the merger).

The Group is in a strong financial position. As at 30 June 2023, the reported net tangible assets (**NTA**)[1] per ordinary share was $0.82 per share (31 December 2022: $0.79 per share). The net tangible assets per after ordinary share as at 30 June 2023 reflects the payment of a fully franked dividend of 4.0 cents per share in March 2023.

As at 30 June 2023, Funds Under Management (**FUM**)[2] for the Group was $5.8 billion, including $0.7 billion in non-fee paying FUM managed on behalf of staff and various charities.

On 17 April 2023, the Group announced that the capital managed on behalf of staff, for which management and performance fees are fully rebated, will be adjusted to a 50% rebate effective 1 January 2024. It is estimated that, based on the level of non-fee earning FUM as at 31 July 2023, this could generate a further $5 million in management fees per annum and provides the Group with the opportunity to earn performance fees in respect of such FUM, if applicable.

Management fees for the 6 months to 30 June 2023 totalled $29,463,000 (2022: $20,889,000). Performance fees for the 6 months to 30 June 2023 totalled $7,978,000 (2022: $22,705,000).

NORMALISED RESULTS

Normalised net profit after tax (**NPAT**) attributable to RPL Shareholders was $13,102,000 (2022: $6,569,000). Normalised net profit after tax attributable to the owners of Regal Partners Limited is presented using the results of Kilter Rural, Attunga Capital, VGI Partners and Regal Funds Management attributable to RPL Shareholders for each of the current and previous reporting periods. For a reconciliation of normalised NPAT, please refer to page 6 of the 30 June 2023 Interim Financial Report.

Additional information supporting the Appendix 4D disclosure requirements can be found in the Interim Financial Report for the half year ended 30 June 2023.

AGREEMENT TO ACQUIRE EAST POINT ASSET MANAGEMENT

On 10 February 2023, the Group announced it had entered into a binding agreement to acquire 100% of the issued shares of Hong Kong based alternate investment manager East Point Asset Management (**EPAM**), the investment manager of the East Point Asset Management Fund (the **EPAM Fund**). The agreement involves:

- The issuance of 788,195 shares on 28 February 2023, subject to escrow arrangements, as well as deferred consideration if certain conditions are met, to an offshore-based institutional seed investor in the EPAM Fund as consideration for the transfer of 'revenue share rights' to the Group.
- The purchase of 100% of the issued share capital of EPAM by the Group upon completion of the acquisition.
- The EPAM founder and Chief Investment Officer, Simon Walsh and a small team of EPAM employees joining the Group as employees upon completion of the acquisition.

The Group was entitled to 30% of the management and performance fees from the EPAM Fund with effect from 1 March 2023 (i.e., revenue share of the fees generated from the management of the EPAM Fund). See note 10 of the 30 June 2023 Interim Financial Report for further detail.

Subsequent to the end of the reporting period, regulatory approval from the Hong Kong Securities and Futures Commission was received, and accordingly, the Group completed its acquisition of EPAM during August 2023.

1 NTA includes the total assets shown in the Condensed Consolidated Financial Statements less deferred tax assets, right of use assets, intangible assets, contract assets and lease liabilities.

2 Funds Under Management (**FUM**) data is approximate, rounded and has not been audited. FUM for the group (including 100% of Kilter Rural, Attunga Capital and East Point Asset Management) includes non-fee earning funds.

NET TANGIBLE ASSETS (NTA) *

	30 JUNE 2023	31 DECEMBER 2022
Net tangible assets per fully paid ordinary share	$0.82	$0.79

* NTA includes the total assets shown in the Condensed Consolidated Financial Statements less deferred tax assets, right of use assets, intangible assets, contract assets and lease liabilities.

ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD

On 3 October 2022, the Group seeded the Regal Private Credit Opportunities Fund. During the half year ended 30 June 2023, the Group raised external capital in the Regal Private Credit Opportunities Fund, which diluted the Group's relative ownership interest in this fund.

ASSOCIATES AND JOINT VENTURE ENTITIES

The Group has an investment in Gresham Royalties Management Pty Ltd with an interest of 33.33%, being a joint venture involved in advisory and fund companies primarily engaged in investing in mining and energy royalties, commodity streams and royalty related structured solutions. The joint venture had no contingent liabilities or capital commitment as at 30 June 2023.

AUDIT / REVIEW

This Interim Report is based on the Condensed Consolidated Financial Report for the half year ended 30 June 2023, which has been reviewed by the Group's auditors, Deloitte Touche Tohmatsu. All the documents comprise the information required by Listing Rule 4.2A.

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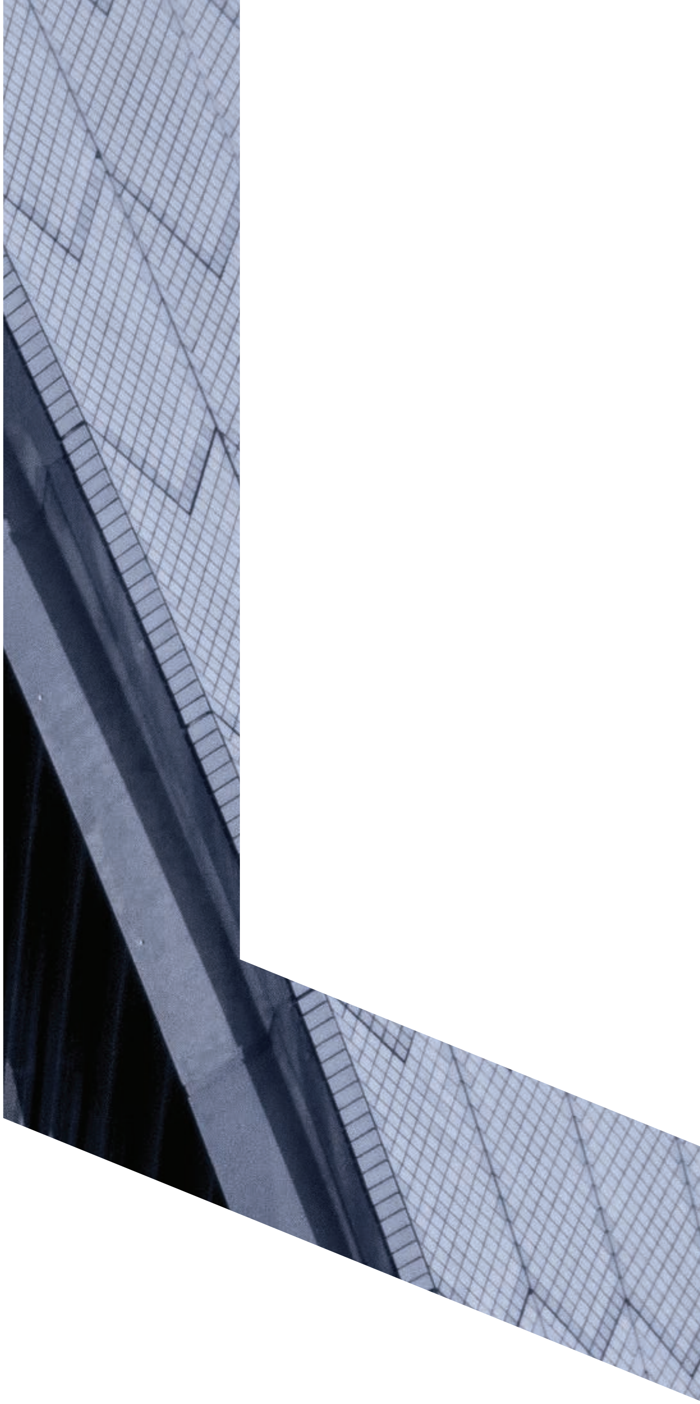
REGAL
PARTNERS



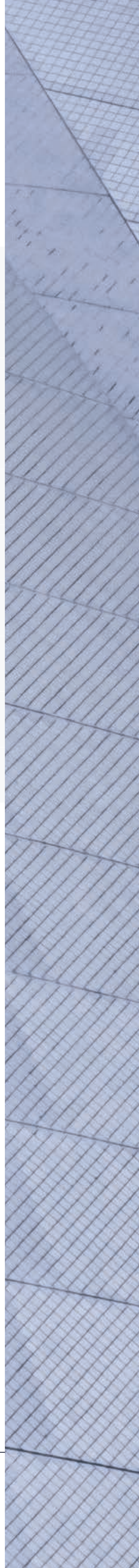
Interim Financial Report

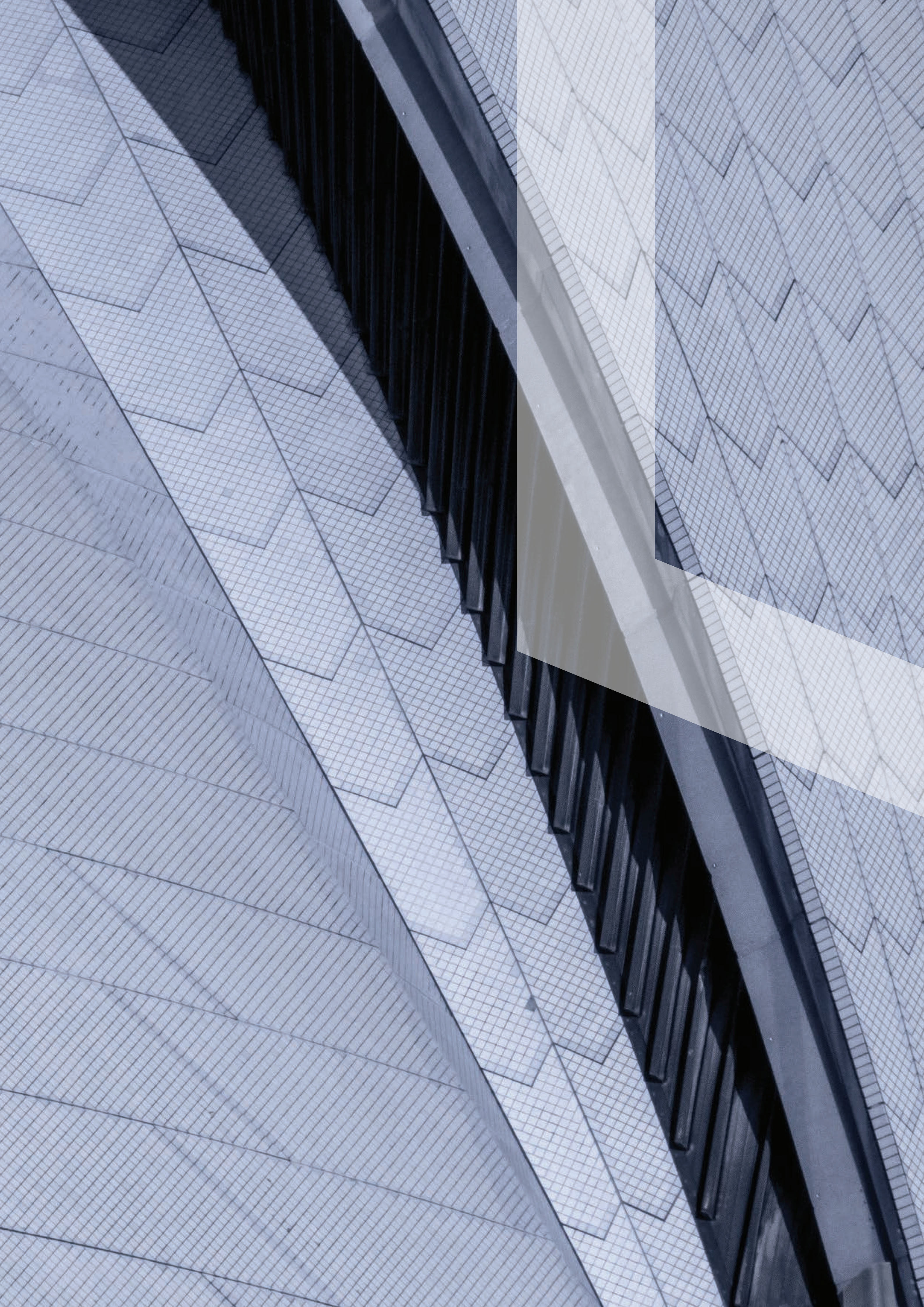
30 June 2023

Regal Partners Limited

ABN 33 129 188 450

Contents





Corporate Directory

BOARD OF DIRECTORS

Michael J Cole AM – Independent Chairman
Brendan J O'Connor – Chief Executive Officer and Managing Director
Sarah J Dulhunty
Jaye L Gardner
Ian M Gibson

JOINT COMPANY SECRETARIES

Kathleen Liu
Ian Cameron

INVESTOR RELATIONS

Ingrid L Groer

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REGISTERED OFFICE

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WEBSITE

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SHARE REGISTRAR

Boardroom Pty Limited
Level 8, 210 George Street
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T: 1300 737 760 (inside Australia)
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E: enquiries@boardroomlimited.com.au
For enquiries relating to shareholdings, dividends and related matters, please contact the share registrar.

AUDITOR

Deloitte Touche Tohmatsu
Level 46, 50 Bridge Street
Sydney NSW 2000
T: +61 2 9322 7000

ASX CODE

RPL

Directors' Report

The Directors of Regal Partners Limited (the **Company**) present their Directors' Report together with the Interim Financial Report for the half year ended 30 June 2023 and independent auditor's review report. The Interim Financial Report represents the Company and its consolidated entities (**Regal Partners** or the **Group**).

DIRECTORS

The following persons were directors of the Company during the half year and up to the date of this report:

NAME	POSITION	DATE APPOINTED	DATE CEASED
Michael J Cole AM	Independent Chairman	3 June 2022	
Brendan J O'Connor	Chief Executive Officer and Managing Director	3 June 2022	
Sarah J Dulhunty	Independent Non-Executive Director	3 June 2022	
Jaye L Gardner	Independent Non-Executive Director	12 May 2019	
Ian M Gibson	Executive Director	3 June 2022	
David F Jones AM	Non-Executive Director	8 August 2018	23 May 2023

PRINCIPAL ACTIVITIES

The principal activity of the Group is the provision of investment management services, specialising in alternative investments. The Group manages a diverse range of investment strategies covering hedge funds, private markets, real and natural assets, and capital solutions on behalf of institutions, family offices, charitable groups and private investors.

REVIEW OF OPERATIONS

PRESENTATION OF RESULTS

In the previous comparative period presented, VGI Partners Limited (**VGI**), completed its merger with Regal Funds Management Pty Limited (**Regal Funds Management**), an unlisted company (the **merger**). VGI's name was changed from 'VGI Partners Limited' to 'Regal Partners Limited' at the completion of the merger.

In accordance with the Australian Accounting Standards, the merger was accounted for as a reverse acquisition with Regal Funds Management being deemed the parent entity for accounting purposes.

As a result of the merger:

- The comparative results for the half year ended 30 June 2022 is presented to reflect Regal Funds Management for the period from 1 January 2022 to 3 June 2022. The newly formed combined Regal Partners Limited consolidated group results include Regal Funds Management and VGI for the period 4 June 2022 to 30 June 2022;
- The comparative results have also been amended to reflect the finalisation of provisional accounting for the acquisition in that period. For further detail, refer to page 19 of the 30 June 2023 Interim Financial Report; and
- The results for the half year ended 30 June 2023 reflects the Group for the entire period.

STATUTORY RESULTS

For the half year ended 30 June 2023, the Group recorded total net income of $47,601,000 (2022: $37,719,000) and loss after tax of $3,409,000 (2022: profit after tax of $7,639,000) of which loss after tax attributable to RPL Shareholders was $3,891,000 (2022: profit after tax of $5,045,000). For the half year ended 30 June 2023, the Group's operating expenses totalled $39,358,000 when excluding one-off costs of $5,548,000 (see page 6 for further details) (2022: $24,336,000, excluding one-off costs from the merger).

The Group is in a strong financial position. As at 30 June 2023, the reported net tangible assets (**NTA**) per ordinary share was $0.82 per share (31 December 2022: $0.79 per share). The net tangible assets per ordinary share as at 30 June 2023 reflects the payment of a fully franked dividend of 4.0 cents per share in March 2023.

As at 30 June 2023, Funds Under Management (**FUM**)* for the Group was $5.8 billion, including $0.7 billion in non-fee paying FUM managed on behalf of staff and various charities.

On 17 April 2023, the Group announced that the capital managed on behalf of staff, for which management and performance fees are fully rebated, will be adjusted to a 50% rebate effective 1 January 2024. It is estimated that, based on the level of non-fee earning FUM as at 31 July 2023, this could generate a further $5 million in management fees per annum and provides the Group with the opportunity to earn performance fees in respect of such FUM, if applicable.

Management fees for the 6 months to 30 June 2023 totalled $29,463,000 (2022: $20,889,000). Performance fees for the 6 months to 30 June 2023 totalled $7,978,000 (2022: $22,705,000).

NORMALISED RESULTS

Normalised net profit after tax (**NPAT**) attributable to RPL Shareholders was $13,102,000 (2022: $6,569,000).

A reconciliation between statutory results and normalised results is summarised below:

RECONCILIATION BETWEEN STATUTORY RESULTS AND NORMALISED RESULTS	HALF YEAR ENDED 30 JUNE 2023 ($'000)	HALF YEAR ENDED 30 JUNE 2022 ($'000)
Statutory NPAT attributable to RPL Shareholders	(3,891)[1]	5,045
Normalisation adjustments:		
Amortisation of contract assets and intangible assets	2,414	1,394
Amortisation of share based payments related to LTIPs	9,434	115
One-off strategic initiatives	5,548[1]	1,522
Tax on adjustments	(403)	(651)
Pro Forma adjustments:		
Normalised VGI Partners NPAT	–	(856)
Normalised Kilter and Attunga NPAT	–	–
Normalised NPAT attributable to RPL Shareholders	**13,102**	**6,569**

1 One-off expenses related to strategic initiatives includes approximately $4 million contingent consideration in connection with the acquisition of the Group's 51% interest in Attunga Capital; the consideration has been expensed in the current period as required under *AASB 3 Business Combinations*.

The current half year ended 30 June 2023 incorporates the Regal Partners Group for the entire period presented. The statutory results for the half year ended 30 June 2022 have been presented to reflect Regal Funds Management for the period from 1 January 2022 to 3 June 2022, and the combined Regal Partners Limited consolidated group results including both Regal Funds Management and VGI for the period from 4 June 2022 to 30 June 2022.

The normalised results have been prepared on the basis that:

- Normalisation adjustments reflect the exclusion of one-off costs (e.g., one-off capital transaction costs) and certain non-cash items (e.g., amortisation of intangible assets); and
- The comparative results incorporate pro forma adjustments which present the acquisition of VGI by Regal Funds Management as though the acquisition had completed on 1 January 2021, including the results of Kilter Rural and Attunga.

For more detail around normalised NPAT reconciliation, please refer to the results release presentation published on the ASX on 24 August 2023 titled '1H23 Results Presentation'.

CAPITAL MANAGEMENT

The Group has a robust balance sheet and liquidity position that allows it to implement its business strategy. As at 30 June 2023, the Group had Shareholders' funds of $441,036,000 (31 December 2022: $436,749,000). The balance at 30 June 2023 is after paying a dividend of $10,184,000 in that period.

* Funds Under Management (**FUM**) data is approximate, rounded and has not been audited. FUM for the group (including 100% of Kilter Rural, Attunga Capital and East Point Asset Management) includes non-fee earning funds.

Cash and short-term receivables

Additionally, the Group held cash and cash equivalents, amounts held at brokers and distribution receivables from its balance sheet investments of $41,934,000 as at 30 June 2023 (31 December 2022: $41,208,000).

Seed capital

A meaningful portion of the Group's capital is invested in funds managed by the Group as part of seeding new strategies or investing surplus capital.

At 30 June 2023, the Group held investments measured at fair value of $196,852,000, compared with $173,694,000 at 31 December 2022. The Group's seed capital generated a return of $8,428,000 (including mark to market movements, dividend income and distribution income from the seed investments), reflecting an annualised return on investment of ~9.6% over the half year.

Agreement to acquire East Point Asset Management

On 10 February 2023, the Group announced it had entered into a binding agreement to acquire 100% of the issued shares of Hong Kong based alternative investment manager East Point Asset Management (**EPAM**), the investment manager of the East Point Asset Management Fund (the **EPAM Fund**).

As part of the transaction, on 28 February 2023, the Group issued 788,195 shares in Regal Partners Limited to an offshore-based institutional seed investor (and agreed to provide additional deferred consideration if certain conditions are met) and accordingly, was entitled to 30% of the management and performance fees (that would otherwise be payable to that institutional seed investor) from the EPAM Fund with effect from 1 March 2023. See note 10 for further details.

Subsequent to the end of the reporting period, regulatory approval from the Hong Kong Securities and Futures Commission was received, and accordingly, the Group completed its acquisition of EPAM during August 2023.

Corporate Credit Facility

On 18 July 2023, the Group announced that it had entered into a $50 million unsecured corporate credit facility with the Hong Kong and Shanghai Banking Corporation (**HSBC**) for a term of two years and 11 months. The facility provides additional working capital flexibility as well as funding for corporate initiatives; the facility complements the Group's existing cash and investments on balance sheet of over $200 million as at 30 June 2023.

Purchase of additional 10% interest in Attunga

Subsequent to the end of the reporting period, the Group purchased an additional 10% of the issued share capital in Attunga Capital Pty Ltd (a partially owned subsidiary) for approximately $2.4 million. As a result, the total legal and economic interest of the Group in Attunga Capital Pty Ltd is now 61%.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as noted above, there have been no other significant changes in the state of affairs.

DIVIDENDS

A dividend of $10,184,000 (4.0 cents per share) was paid on 22 March 2023. This dividend was fully franked at a 30% tax rate.

SUBSEQUENT EVENTS

Funds under management

The Group's unaudited FUM totalled $5.8 billion*, including $0.7 billion in non-fee paying FUM managed on behalf of staff and various charities as at 30 June 2023. The Group's unaudited FUM remained at $5.8 billion as at 31 July 2023 and excludes any unfunded commitments.

Corporate Credit Facility

On 18 July 2023, the Group announced that it had entered into a $50 million unsecured revolving corporate credit facility with HSBC for a term of two years and 11 months.

* Funds Under Management (**FUM**) data is approximate, rounded and has not been audited. FUM for the group (including 100% of Kilter Rural, Attunga Capital and East Point Asset Management) includes non-fee earning funds.

Completion of acquisition of EPAM

The acquisition of EPAM was conditional upon receipt of regulatory approval from the Hong Kong Securities and Futures Commission. Subsequent to the end of the reporting period this approval was received, and accordingly, the Group completed its acquisition of EPAM during August 2023.

As a result of the acquisition, the Group anticipates that there will be an increase in the value of intangible assets including goodwill on a provisional basis of approximately $480,000.

The Group will provide an update on the provisional accounting of the business combination in the following annual reporting period.

Dividend

On 23 August 2023, the Directors determined to pay a fully franked dividend at a 30% tax rate of 5.0 cents per share, which will be paid on 14 September 2023. The Group's dividend reinvestment plan will be in operation for this dividend.

Purchase of additional 10% interest in Attunga

Subsequent to the end of the reporting period, the Group purchased an additional 10% of the issued share capital in Attunga Capital Pty Ltd (a partially owned subsidiary) for approximately $2.4 million. As a result, the total legal and economic interest of the Group in Attunga Capital Pty Ltd is now 61%.

Awards under employee incentive plan

Regal has historically deferred a portion of bonuses that exceed a certain amount over two years to create longer term alignment and retention under a Deferred Bonus Grant. For the FY23 remuneration year (12 months ended 30 June 2023) and consistent with prior years, Regal Partners Limited proposes to offer Performance Share Rights under a 2023 Deferred Bonus Grant of approximately $4.9 million to employees; 50% (approximately $2.45 million) will vest over one year and 50% (approximately $2.45 million) will vest over two years.

The Performance Share Rights are subject to recipients being employed on the relevant vesting date. Further, the Performance Share Rights do not have any entitlements to dividends during the vesting period.

The Directors are not aware of any other event or circumstance since the end of the financial period, not otherwise dealt with in the Condensed Consolidated Financial Statements, that has affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

ROUNDING

In accordance with ASIC Corporations (Rounding in Financials / Directors' Reports) Instrument 2016/191 amounts in the Directors' Report and the Condensed Consolidated Financial Statements have been rounded to the nearest thousand dollars, or in certain circumstances, to the nearest dollar (where indicated).

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*

A copy of the auditor's independence declaration is set out on page 9.

Signed on behalf and in accordance with a resolution of the Directors made pursuant to s.306(3) of the *Corporations Act 2001*.

Brendan J O'Connor

Chief Executive Officer and Managing Director

Sydney

23 August 2023

Auditor's Independence Declaration

Deloitte Touche Tohmatsu
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Australia

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www.deloitte.com.au

The Board of Directors
Regal Partners Limited
Level 47 Gateway, 1 Macquarie Place
Sydney NSW 2000

23 August 2023

Dear Directors,

Auditor's Independence Declaration to Regal Partners Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of Regal Partners Limited.

As lead audit partner for the review of the financial report of Regal Partners Limited for the half-year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Jonathon Corbett
Partner
Chartered Accountants
Sydney, 23 August 2023

Directors' Declaration

In the Directors' opinion:

(i) the attached Condensed Consolidated Financial Statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*;

(ii) the attached Condensed Consolidated Financial Statements and notes give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the half year ended on that date; and

(iii) there are reasonable grounds at the date of this declaration, to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors

Brendan J O'Connor

Chief Executive Officer and Managing Director

Sydney

23 August 2023

Condensed Consolidated Financial Statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 30 June 2023

	NOTE	HALF YEAR ENDED 30 JUNE 2023 $'000	HALF YEAR ENDED 30 JUNE 2022[1] $'000
Income			
Management fees	4	29,463	20,889
Performance fees	4	7,978	22,705
Other income incl. net gain/(loss) on financial assets		10,160	(5,875)
Total net income		**47,601**	**37,719**
Expenses			
Personnel expenses		(29,266)	(15,243)
Research, IT and communications expenses		(1,988)	(1,288)
Finance and occupancy expenses		(985)	(905)
Depreciation and amortisation[2]		(2,841)	(1,534)
Operating cost of funds	4	(1,969)	(843)
Other expenses		(7,857)	(6,045)
Total expenses		**(44,906)**	**(25,858)**
Profit before tax		**2,695**	**11,861**
Income tax expense		(6,104)	(4,222)
(Loss) / profit for the period		**(3,409)**	**7,639**
(Loss) / profit attributable to:			
Owners of RPL		(3,891)	5,045
Non-controlling interest		482	2,594
(Loss) / earnings per share (EPS) attributable to the owners of RPL:			
Basic (cents per share)	11	(1.53)	5.21
Diluted (cents per share)	11	(1.53)	3.32
Other comprehensive income, net of tax:			
Foreign currency translation		(167)	(148)
Total comprehensive income for the period		**(3,576)**	**7,491**
Total comprehensive income attributable to:			
Owners of RPL		(4,058)	4,897
Non-controlling interest		482	2,594

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

1 As set out in note 9 to the Condensed Consolidated Financial Statements, as a result of the reverse acquisition of VGI by Regal Funds Management for accounting purposes, the comparative information for 30 June 2022 represents the results of Regal Funds Management only from 1 January 2022 to 3 June 2022 and the consolidated group results from 4 June 2022 to 30 June 2022.

2 As set out in note 9 to the Condensed Consolidated Financial Statements, the Group has completed the accounting for the merger, which was provisional in the 2022 Annual Report. As a result, the Group has made retrospective amendments to the comparative information presented during the measurement period, as required by the applicable accounting standards.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	NOTE	30 JUNE 2023 $'000	31 DECEMBER 2022[1] $'000
Assets			
Cash and cash equivalents		37,239	39,764
Amounts due from brokers		50	224
Trade and other receivables	6	23,121	23,306
Financial assets	5	196,852	173,694
Income tax receivable		–	2,027
Total current assets		**257,262**	**239,015**
Property, plant and equipment		1,030	835
Loan receivables		–	4,200
Deferred tax asset		13,559	18,888
Right of use assets		3,230	4,071
Intangible assets[1]	10	219,026	218,512
Investment in associate		99	99
Other assets		1,881	1,809
Total non-current assets		**238,825**	**248,414**
Total assets		**496,087**	**487,429**
Liabilities			
Trade and other payables		7,217	3,816
Income tax payable		1,792	–
Deferred revenue		14,975	14,975
Employee entitlements		21,586	20,517
Lease liability		1,470	1,777
Total current liabilities		**47,040**	**41,085**
Employee entitlements		775	959
Deferred tax liability		5,062	5,800
Provisions		–	100
Lease liability		2,174	2,736
Total non-current liabilities		**8,011**	**9,595**
Total liabilities		**55,051**	**50,680**
Net assets		**441,036**	**436,749**
Equity			
Share capital	7	381,618	378,545
Reserves	7	30,369	15,564
Retained earnings		24,764	38,837
Non-controlling interests		4,285	3,803
Total shareholders' equity		**441,036**	**436,749**

The above Condensed Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

1 As set out in note 9 to the Condensed Consolidated Financial Statements, the Group has completed the accounting for the merger, which was provisional in the 2022 Annual Report. As a result the Group has made retrospective amendments to the comparative information presented during the measurement period, as required by the applicable accounting standards.

STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2023

	NOTE	SHARE CAPITAL $'000	FCTR * $'000	SHARE BASED PAYMENT RESERVE $'000	RETAINED EARNINGS $'000	TOTAL[2] $'000	NON-CONTROLLING INTERESTS (NCI) $'000	TOTAL EQUITY[2] $'000
Balance at 1 January 2022[1]		**10,080**	**736**	**6,376**	**58,442**	**75,634**	**3,148**	**78,782**
Profit for the period[2]		–	–	–	5,045	5,045	2,594	7,639
Other comprehensive loss		–	(148)	–	–	(148)	–	(148)
Issue of shares on merger		260,161				260,161		260,161
Share issue transaction costs		(353)	–	–	–	(353)	–	(353)
Share based payments		–	–	(1,694)	–	(1,694)	–	(1,694)
Dividends paid		–	–	–	(32,040)	(32,040)	–	(32,040)
Balance at 30 June 2022[2]		**269,888**	**588**	**4,682**	**31,447**	**306,605**	**5,742**	**312,347**
Balance at 1 January 2023[2]		**378,545**	**524**	**15,040**	**38,839**	**432,948**	**3,803**	**436,751**
Profit / (loss) for the period		–	–	–	(3,891)	(3,891)	482	(3,409)
Other comprehensive loss		–	(167)	–	–	(167)	–	(167)
Issue of shares	7	2,877	–	–	–	2,877	–	2,877
Dividend reinvestment plan	7	196	–	–	–	196	–	196
Share based payments		–	–	14,972	–	14,972	–	14,972
Dividends paid	8	–	–	–	(10,184)	(10,184)	–	(10,184)
Balance at 30 June 2023		**381,618**	**357**	**30,012**	**24,764**	**436,751**	**4,285**	**441,036**

* FCTR = foreign currency translation reserve.

The above Condensed Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

1 As set out in note 9 to the Condensed Consolidated Financial Statements, as a result of the reverse acquisition of VGI by Regal Funds Management for accounting purposes, the comparative information for 30 June 2022 represents Regal Funds Management only from 1 January 2022 to 3 June 2022 and the consolidated group results from 4 June 2022 to 30 June 2022.

2 As set out in note 9 to the Condensed Consolidated Financial Statements, the Group has completed the accounting for the merger, which was provisional in the 2022 Annual Report. As a result the Group has made retrospective amendments to the comparative information presented during the measurement period, as required by the applicable accounting standards.

STATEMENT OF CASH FLOWS

For the half year ended 30 June 2023

	HALF YEAR ENDED 30 JUNE 2023 $'000	HALF YEAR ENDED 30 JUNE 2022[1] $'000
Cash flows from operating activities		
Cash receipts in the course of operations	42,552	79,714
Income taxes refunded / (paid)	2,306	(9,532)
Cash payments in the course of operations	(18,909)	(24,923)
Interest received	934	215
Net cash inflows from operating activities	**26,883**	**45,474**
Cash flows from investing activities		
Payments to acquire property, plant and equipment	(331)	(109)
Cash acquired on acquisition of business	–	41,458
Broker advances	174	3,491
Payments for purchase of financial assets	(36,101)	–
Proceeds from sale of financial assets	15,000	720
Receipts from other assets	229	–
Receipts from loan receivables	2,108	–
Net cash (outflows)/inflows from investing activities	**(18,921)**	**45,560**
Cash flows from financing activities		
Repayments of borrowings	–	(156)
Repayments of lease liability	(1,013)	(164)
Dividends paid to shareholders	(9,988)	(60,040)
Net cash (outflows) from financing activities	**(11,001)**	**(60,360)**
Net (decrease)/ increase in cash and cash equivalents	(3,039)	30,674
Cash and cash equivalents at the beginning of the period	39,764	16,599
Effects of exchange rate changes on the balance of cash held in foreign currencies	514	(104)
Cash and cash equivalents at the end of the period	**37,239**	**47,169**

The above Condensed Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

1 As set out in note 9 to the Condensed Consolidated Financial Statements, as a result of the reverse acquisition of VGI by Regal Funds Management for accounting purposes, the comparative information for 30 June 2022 represents the results of Regal Funds Management only for the period 1 January 2022 to 3 June 2022 and the consolidated group results from 4 June 2022 to 30 June 2022.

Notes to the Condensed Consolidated Financial Statements

For the half year ended 30 June 2023

1 CORPORATE INFORMATION

The financial report of Regal Partners Limited and its controlled entities (together, the **Group**) for the half year ended 30 June 2023 was authorised for issue in accordance with a resolution of the directors on 23 August 2023.

Regal Partners Limited is a company limited by shares incorporated and domiciled in Australia and is listed on the Australian Stock Exchange under the ticker, RPL.

The registered office and principal place of business of the Group is Level 47, Gateway, 1 Macquarie Place, Sydney NSW 2000. The Group is a for-profit entity.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

2 GENERAL INFORMATION AND BASIS OF PREPARATION

The Condensed Consolidated Interim Financial Report is for the Group, which consists of Regal Partners Limited and its controlled entities.

The significant accounting policies adopted have been consistently applied to all the periods presented and are consistent with those adopted and disclosed in the Group's 2022 Annual Financial Report, unless otherwise stated.

(A) BASIS OF PREPARATION

The Condensed Consolidated Interim Financial Report for the period ended 30 June 2023 has been prepared in accordance with the *Corporations Act 2001* and *AASB 134 Interim Financial Reporting*, as appropriate for for-profit oriented entities. Compliance with *AASB 134* ensures compliance with International Financial Reporting Standard *IAS 34 Interim Financial Reporting*.

In accordance with *ASIC Corporations (Rounding in Financials / Directors' Reports) Instrument 2016/191* amounts in the Directors' Report and the Condensed Consolidated Financial Statements have been rounded to the nearest thousand dollars or in certain circumstances, to the nearest dollar (where indicated).

The financial report is presented in Australian Dollars ($).

(B) MERGER IMPACT IN THE PREVIOUS COMPARATIVE PERIOD

In the previous comparative period presented, VGI Partners Limited (**VGI**), completed its merger with Regal Funds Management Pty Limited (**Regal Funds Management**), an unlisted company (the **merger**). VGI's name was changed from 'VGI Partners Limited' to 'Regal Partners Limited'.

These financial statements represent a continuation of Regal Funds Management since that entity is deemed the accounting acquirer pursuant to the accounting standards. The statutory results presented in the previous comparative period reflect Regal Funds Management from 1 January 2022 to 3 June 2022 and include both Regal Funds Management and VGI Partners Limited (**VGI**) for the period 4 June 2022 to 30 June 2022. The results of the half year ended 30 June 2023 reflect the entire Regal Partners Limited consolidated group for the period presented.

See note 9 for further detail around amendments to the comparative half year financial results during the measurement period.

(C) APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and which became mandatory for the current reporting period. This has not had any significant impact on the amounts recognised in the financial statements.

(D) ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Group does not consider that any accounting standards issued but not yet effective will have any significant impact on the financial statements in future reporting periods.

3 OPERATING SEGMENTS

The main business activities of the group are the provision of investment management services. The Board of Directors are identified as the Chief Operating Decision Makers (**CODM**), and they consider the performance of the main business activities on an aggregated basis to determine the allocation of resources. Other activities undertaken by the Group, including investing activities, are incidental to the main business activities. Based on the internal reports that are reviewed by the CODM, the Group has one operating segment: the provision of investment management services with the objective of offering investment funds to investors.

4 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is measured at an amount that reflects the consideration the Group is expected to be entitled to in exchange for providing services to its customers, net of rebates. The criteria for recognition are outlined below:

– Management fees

  These fees are recognised over time as they are earned, based on the applicable investment management agreements. The fees are based on a percentage of the portfolio value of the fund or mandate at the relevant measurement period and are paid following the end of each month in arrears.

– Performance fees

  These fees are recognised as income over time as they are earned, based on applicable investment management agreements, when it is highly probable that a significant reversal in the cumulative amount of the revenue would not occur. Though performance fees are recognised over time, they are typically constrained until meeting or exceeding the relevant performance hurdle or high-water mark stated in the investment management agreement due to market volatility.

  The Group's entitlement to future performance fees is dependent on the net asset value of the relevant portfolio exceeding a stated hurdle or high-water mark. For those funds the Group manages that have a high-water mark, the high-water mark is the net asset value price at the end of the most recent calculation period for which the Group was entitled to a performance fee, adjusted for additions and redemptions.

DISAGGREGATION OF REVENUE

	HALF YEAR ENDED 30 JUNE 2023 $'000	HALF YEAR ENDED 30 JUNE 2022 $'000
Type of service		
Investment management services – management fees	29,463	20,889
Investment management services – performance fees	7,978	22,705
Total investment management services	**37,441**	**43,594**
Costs associated with providing investment management services		
Operating costs of funds	(1,969)	(843)
Amortisation of contract assets [1]	(49)	–

1 As set out in note 9 to the Condensed Consolidated Financial Statements, the Group has completed the accounting for the merger, which was provisional in the 2022 Annual Report. As a result, the Group has made retrospective amendments to the comparative information presented such that contract assets were derecognised and a separately identifiable intangible asset was recognised. The balance of applicable 'amortisation of contract assets' has been adjusted to nil in the current and previous periods presented and an amortisation of intangible assets was recognised. The cumulative impact of the adjustment is adjusted in the Statement of Profit or Loss for each period presented respectively. The balance in the current period is related to additional contract assets acquired during the period.

5 FINANCIAL ASSETS

The Group measures and recognises its investments as financial assets at fair value through (**FVTPL**), on a recurring basis.

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information using a fair value hierarchy, reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. The fair value of these investments is based on the closing price for the security as quoted on the relevant exchange.
- Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents the Group's financial assets and liabilities measured and recognised at fair value, at the reporting date:

30 JUNE 2023	LEVEL 1 $'000	LEVEL 2 $'000	LEVEL 3 $'000	TOTAL $'000
Investments in financial assets at FVTPL				
Listed securities and funds	62,502	–	–	62,502
Unlisted funds	–	132,112	–	132,112
Unlisted equity securities	–	–	2,238	2,238
Total financial assets	**62,502**	**132,112**	**2,238**	**196,852**

31 DECEMBER 2022	LEVEL 1 $'000	LEVEL 2 $'000	LEVEL 3 $'000	TOTAL $'000
Investments in financial assets at FVTPL				
Listed securities and funds	44,035	–	–	44,035
Unlisted funds	–	127,462	–	127,462
Unlisted equity securities	–	–	2,197	2,197
Total financial assets	**44,035**	**127,462**	**2,197**	**173,694**

The Group considers that the inputs used for the fair value measurement of investments on unlisted funds are Level 2 inputs. Inputs used in the market approach technique to measure Level 2 fair values were based on recent application and redemption prices of the managed funds comprising the investments. There has been no change to valuation techniques used in fair value measurements.

For each class of financial assets and financial liabilities not measured at fair value, the carrying amount is a reasonable approximation of the item's fair value.

Transfers between levels

The Group's policy is to recognise transfers between levels at the end of the financial reporting period. There were no transfers between levels for recurring fair value measurements during the period ended 30 June 2023.

FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)

The Group has investments in unlisted equity securities. These investments were valued at $2,238,000 at 30 June 2023. The movement in the fair value during the half year was driven by change in unrealised foreign exchange gain $41,000 (2022: $91,000) and nil change in unrealised fair value of the investment (2022: loss of $4,860,000). This investment was acquired on business combination in the previous comparative period, see note 9 for further detail on the business combination.

6 TRADE AND OTHER RECEIVABLES

	30 JUNE 2023 $'000	31 DECEMBER 2022 $'000
Trade receivables and accruals	21,882	22,464
Prepayments	1,239	842
Total	**23,121**	**23,306**

Trade receivables mainly consist of management and performance fees and distribution receivables that are received within 30 days after the balance date.

7 ISSUED CAPITAL AND RESERVES

ISSUED CAPITAL

The number of shares and dollar value represents the continuation of Regal Funds Management as the head entity for accounting purposes.

	30 JUNE 2023 NUMBER	31 DECEMBER 2022 NUMBER	30 JUNE 2023 $'000	31 DECEMBER 2022 $'000
Fully paid ordinary shares	254,668,658	253,815,228	381,618	378,545
Closing balance	**254,668,658**	**253,815,228**	**381,618**	**378,545**

Refer to the movement during the period below:

DETAILS	DATE	SHARES	$'000
Opening balance	1 January 2023	253,815,228	378,545
Shares issued in consideration for revenue share	28 February 2023	788,195	2,877
Shares issued as part of dividend reinvestment plan	21 March 2023	65,235	196
Closing balance	**30 June 2023**	**254,668,658**	**381,618**

NATURE AND PURPOSE OF ISSUANCES

- During the half year, the Group issued 788,195 shares, subject to escrow arrangements, to an offshore-based institutional seed investor in the East Point Asset Management Fund (and agreed to provide additional deferred consideration if certain conditions are met) as consideration for the transfer of revenue share rights from the institutional seed investor to the Group.
- During the half year, the Group established a dividend reinvestment plan under which eligible RPL shareholders may reinvest a portion of their dividend into new shares in RPL.

RESERVES

	30 JUNE 2023 $'000	31 DECEMBER 2022 $'000
Foreign currency translation reserve	357	524
Share based payments reserve	30,012	15,040
Total	**30,369**	**15,564**

NATURE AND PURPOSE OF RESERVES

(i) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial information of foreign subsidiaries.

(ii) Share based payments reserve

The share based payments reserve is used to recognise the value of equity-settled share based payments (including performance share rights) provided to employees, including key management personnel.

The reserve includes balances in relation to: (a) Performance Share Rights granted by the Group in August 2022; and (b) Issuance under a Restricted Share Plan for employees prior to the merger.

8 DIVIDENDS

	HALF YEAR ENDED 30 JUNE 2023 $'000	HALF YEAR ENDED 30 JUNE 2022 $'000
Dividends declared and paid during the period:		
Determined and paid prior to the merger between Regal Funds Management and VGI	–	32,040
Final 2022 dividend (paid on 22 March 2023)	10,184	–
Total	**10,184**	**32,040**

DIVIDENDS DETERMINED AFTER THE END OF THE HALF YEAR PERIOD

Subsequent to the end of the half year, the Directors determined a fully franked interim dividend of 5.0 cents per share franked at 30%, which will be paid on 14 September 2023.

9 BUSINESS COMBINATIONS

BUSINESS COMBINATIONS IN THE PREVIOUS COMPARATIVE PERIOD

In the previous comparative period presented, VGI Partners Limited (**VGI**), completed its merger with Regal Funds Management Pty Limited (**Regal Funds Management**), an unlisted company (the **merger**). VGI's name was changed from 'VGI Partners Limited' to 'Regal Partners Limited'. The transaction is accounted as a business combination and the principles of reverse acquisition accounting applied, i.e., Regal Funds Management acquiring VGI for accounting purposes.

MEASUREMENT PERIOD ADJUSTMENTS

As at the date of the recent 2022 Annual Report and the previous 30 June 2022 Interim Financial Report, the accounting for the acquisition of VGI by Regal Funds Management was presented on a provisional basis.

Consistent with the requirements of the accounting standards, the Group retrospectively amended the provisional amounts during the measurement period based on new information obtained about the facts and circumstances that existed at the acquisition date.

The key measurement period adjustments on the finalisation of the acquisition accounting for the merger were:

- As at the date of acquisition (3 June 2022): reduction of 'contract assets' assumed on the acquisition by $36,886,000, and a corresponding increase in a separately identifiable intangible 'management rights' of $38,432,000. This led to a decrease in goodwill by $1,546,000 to $167,008,000 as a result of the merger.
- Since the acquisition date: the comparative period statement of profit or loss and other comprehensive income has been amended to reduce the amortisation of 'contract assets' expense to nil and correspondingly increase the amortisation of 'management rights'. The amortisation period of the 'management rights' are based on an estimate of the useful life over which the Group may derive future economic benefits and amortised on a straight line basis over their contractual periods. The incremental impact on the statement of profit or loss and other comprehensive income for the 6 months to 30 June 2022 was a gain of $117,000.

– Since the acquisition date: the comparative period statement of financial position has been revised to reflect the reversal of the amortisation of 'contract assets' expense and recognise amortisation of 'management rights' for the period up to 31 December 2022. This difference was reflected in the carrying value of 'contract assets' versus the carrying value of 'management rights'. The net incremental impact on the opening retained earnings as at 1 January 2023 was an increase of $814,000.

See note 10 for a reconciliation of the movement in goodwill and intangible assets.

The amendments to the assets acquired and liabilities assumed compared to the previous period are as follows:

	$'000
Assets acquired	
Cash and cash equivalents	41,458
Amounts due from brokers	3,712
Trade and other receivables	2,317
Contract assets [1]	–
Property, plant and equipment	637
Financial assets	46,117
Deferred tax asset	6,334
Right of use assets	684
Intangible assets [2]	38,432
Other assets	415
Total assets acquired	**140,106**
Liabilities assumed	
Trade and other payables	35,810
Employee entitlements	4,941
Income tax payable	1,350
Lease liability	745
Deferred tax liability	4,107
Total liabilities assumed	**46,953**
Fair value of identifiable net assets acquired (of VGI as at 3 June 2022) [3]	**93,153**
Goodwill arising on acquisition [3]	167,008
Consideration transferred, satisfied in equity [4]	**260,161**

1 Provisional amounts recognised for contract assets on 3 June 2022 was $36,886,000.

2 There were no provisional amounts recognised for intangible assets on 3 June 2022, as a result of the merger. The amounts now recognised represents 'management rights' acquired as a result of underlying management agreements of those acquired investment portfolios managed by VGI at the date of the merger.

3 The fair value of identifiable net assets acquired has increased from the provisional amount by $1,546,000 and the goodwill arising from the acquisition has reduced from the provisional amount by the same amount.

4 No contingent consideration arrangements or indemnification assets have been recognised as a result of the transaction.

10 INTANGIBLE ASSETS

	30 JUNE 2023 $'000	31 DECEMBER 2022 $'000
Goodwill	179,049	179,049
Management rights	35,339	37,506
Revenue share rights	2,781	–
Intellectual property	1,857	1,957
Total	**219,026**	**218,512**

RECONCILIATIONS

Reconciliations of carrying values at the beginning and end of the current and previous financial year are set out in the table below.

CARRYING VALUE OF INTANGIBLE ASSETS	GOODWILL $'000	MANAGEMENT RIGHTS $'000	REVENUE SHARE RIGHTS $'000	INTELLECTUAL PROPERTY $'000	TOTAL $'000
At 1 January 2022	**10,551**	**4,510**	**–**	**–**	**15,061**
Goodwill reassessed during provisional period – other	1,490	(1,872)	–	–	(382)
Goodwill reassessed during provisional period – merger related [1]	(1,546)	–	–	–	(1,546)
Goodwill acquired on acquisition of business [1]	168,554	–	–	–	168,554
Separately identifiable intangibles on acquisition of business [2]	–	38,432	–		38,432
Amortisation expense	–	(1,456)	–	–	(1,456)
At 30 June 2022	**179,049**	**39,614**	**–**		**218,663**
At 1 January 2023	**179,049**	**37,506**	**–**	**1,957**	**218,512**
Revenue share rights purchased [3]	–	–	2,877	–	2,877
Amortisation expense	–	(2,167)	(96)	(100)	(2,363)
As at 30 June 2023	**179,049**	**35,339**	**2,781**	**1,857**	**219,026**

1 As noted in note 9, goodwill acquired on acquisition of VGI by Regal Funds Management was initially recognised at $168,554,000 on a provisional basis and, on completion of the measurement period, has been reassessed to $167,008,000. This is a decrease of $1,546,000.

2 As noted in note 9, additional management rights were recognised on the acquisition of VGI by Regal Funds Management. These were separately identifiable assets arising as a result of the business combination.

3 During the half year, the Group purchased additional revenue share rights from an offshore-based institutional seed investor in the EPAM Fund. The revenue share rights were purchased via additional shares issued in RPL to that institutional seed investor on 28 February 2023. The revenue share rights entitle the Group to receive 30% of the management and performance fees from the EPAM Fund, a fund managed by EPAM. Subsequent to the end of the reporting period, regulatory approval from the Hong Kong Securities and Futures Commission was received, and accordingly, the Group completed its acquisition of EPAM during August 2023. The Group will provide an update on the provisional accounting of the business combination in the following annual reporting period.

11 EARNINGS PER SHARE

	HALF YEAR ENDED 30 JUNE 2023 ($'000)	HALF YEAR ENDED 30 JUNE 2022 ($'000)
(Loss)/Profit after tax for the half year attributable to RPL Shareholders	(3,891)	5,045
	Number ('000)	**Number ('000)**
Weighted average number of ordinary shares outstanding during the period, used in calculating basic EPS	254,383	96,922
Weighted average number of ordinary shares used in calculating diluted EPS	254,383	151,915
Earnings per share	**Cents**	**Cents[1]**
Basic EPS (cents per share)	(1.53)	5.21
Diluted EPS (cents per share)	(1.53)	3.32

1 As noted in note 9, the comparative period statement of profit or loss and other comprehensive income has been revised to reflect the reversal of the amortisation of 'contract assets' expense and recognise amortisation of 'management rights'.

The weighted average number of ordinary shares outstanding has been calculated as follows:

- Half year ended 30 June 2022: the number of ordinary shares by Regal Funds Management adjusted for the exchange ratio (141,008,460) weighted between 1 January 2022 to 3 June 2022, plus the number of RPL shares on issue (211,512,690) between 3 June 2022 to 30 June 2022.
- Half year ended 30 June 2023: the weighted average number of shares outstanding during the period without adjustments.

The awards granted to employees under the Employee Incentive Plan are anti-dilutive in the current period and therefore diluted EPS is the same as basic EPS.

12 SUBSEQUENT EVENTS

FUNDS UNDER MANAGEMENT

The Group's unaudited FUM totalled $5.8 billion*, including $0.7 billion in non-fee paying FUM managed on behalf of staff and various charities as at 30 June 2023. The Group's unaudited FUM remained at $5.8 billion as at 31 July 2023 and excludes any unfunded commitments.

CORPORATE CREDIT FACILITY

On 18 July 2023, the Group announced that it had entered into a $50 million unsecured corporate credit facility with the Hong Kong and Shanghai Banking Corporation (**HSBC**) for a term of two years and 11 months. The facility provides additional working capital flexibility as well as funding for corporate initiatives; the facility complements the Group's existing cash and investments on balance sheet of over $200 million as at 30 June 2023.

COMPLETION OF ACQUISITION OF EPAM

Subsequent to the end of the reporting period, regulatory approval from the Hong Kong Securities and Futures Commission was received, and accordingly, the Group completed its acquisition of EPAM during August 2023.

As a result of the acquisition, the Group anticipates that there will be an increase in the value of intangible assets including goodwill on a provisional basis of approximately $480,000.

The Group will provide an update on the provisional accounting of the business combination in the following annual reporting period.

* Funds Under Management (**FUM**) data is approximate, rounded and has not been audited. FUM for the group (including 100% of Kilter Rural, Attunga Capital and East Point Asset Management) includes non-fee earning funds.

DIVIDEND

On 23 August 2023, the Directors determined to pay a fully franked dividend at a 30% tax rate of 5.0 cents per share, which will be paid on 14 September 2023. The Group's dividend reinvestment plan will be in operation for this dividend.

PURCHASE OF ADDITIONAL 10% INTEREST IN ATTUNGA

Subsequent to the end of the reporting period, the Group purchased an additional 10% of the issued share capital in Attunga Capital Pty Ltd (a partially owned subsidiary) for approximately $2.4 million. As a result, the total legal and economic interest of the Group in Attunga Capital Pty Ltd is now 61%.

AWARDS UNDER EMPLOYEE INCENTIVE PLAN

Regal has historically deferred a portion of bonuses that exceed a certain amount over two years to create longer term alignment and retention under a Deferred Bonus Grant. For the FY23 remuneration year (12 months ended 30 June 2023) and consistent with prior years, Regal Partners Limited proposes to offer Performance Share Rights under a 2023 Deferred Bonus Grant of approximately $4.9 million to employees; 50% (approximately $2.45 million) will vest over one year and 50% (approximately $2.45 million) will vest over two years.

The Performance Share Rights are subject to recipients being employed on the relevant vesting date. Further, the Performance Share Rights do not have any entitlements to dividends during the vesting period.

The Directors are not aware of any other event or circumstance since the end of the financial period, not otherwise dealt with in the Condensed Consolidated Financial Statements, that has affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Independent Auditor's Review Report

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Independent Auditor's Review Report to the Members of Regal Partners Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Regal Partners Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 30 June 2023, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the half-year ended on that date; and
- Complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

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 Half-year Financial Report* section of our report. We are independent of the Group 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 the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Deloitte.

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

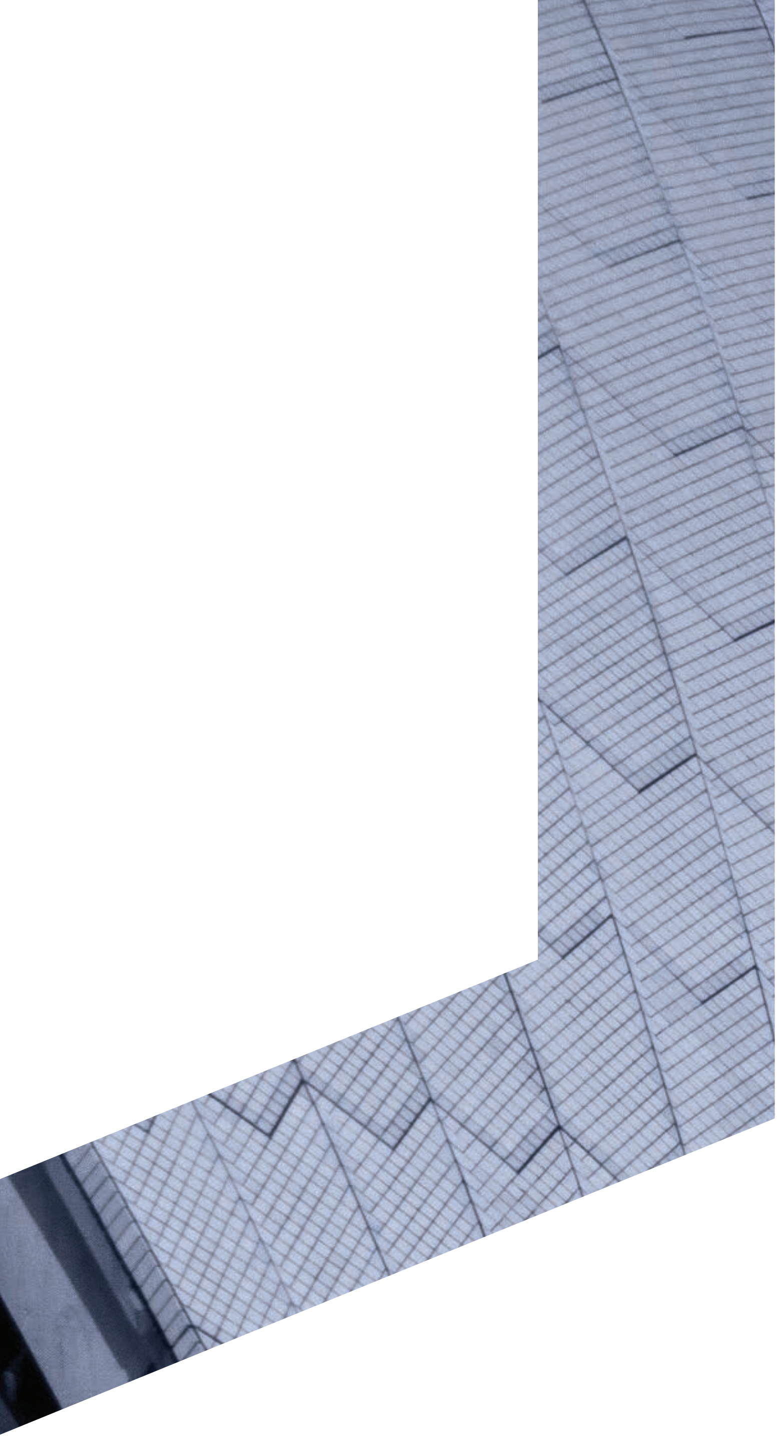
Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 30 June 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Jonathon Corbett
Partner
Chartered Accountants
Sydney, 23 August 2023



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