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

Extraordinary General Meeting Chairman and CEO Addresses and Presentation Slides

Regal Partners Limited (ASX:RPL) will hold an Extraordinary General Meeting (EGM) today at 10.15am (AEDT) relating to the proposed issuance of converting redeemable preference shares in RPL as part consideration for the acquisition of PM Capital Limited. Attached are copies of the addresses and slides to be presented by the Independent Chairman, Michael Cole AM and Chief Executive Officer and Managing Director, Brendan O'Connor.

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ABOUT REGAL PARTNERS LIMITED

Regal Partners Limited is an ASX-listed, specialist alternatives investment manager with approximately \$8.0 billion¹ in funds under management.

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

The group houses five dedicated alternative investment management businesses – Regal Funds Management, VGI Partners, Kilter Rural, Attunga Capital and Taurus Funds Management – together employing approximately 130 employees, including over 65 investment professionals, located in offices throughout Australia, Asia, UK / Europe and North America.

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 30 September 2023, pro forma to include the recent Taurus Funds Management partnership. Funds under management for the group (including 100% of Kilter Rural, Attunga Capital and Taurus Funds Management) includes non-fee earning funds.



Chairman's Address

On behalf of the Board of Regal Partners (or RPL), I would like to warmly welcome all shareholders today and we very much thank you for your support. The purpose of today's meeting is to seek shareholder approval for the issuance of Converting Shares in relation to Regal's acquisition of PM Capital Limited. If shareholder approval is gained today, and various other conditions are met, the acquisition is currently expected to complete next Wednesday, 20th December.

But first let me give you a brief overview of the PM Capital transaction.

As stated in the Notice of Meeting, this acquisition was announced by Regal on the 3rd of November this year. Regal is seeking to acquire 100% of privately owned PM Capital, which is a multi-award-winning specialist long/short equities and fixed income asset manager. The group was founded in 1998 by its current Chair and Chief Investment Officer, Paul Moore, and today manages over \$2.7bn of funds, servicing a broad range of Australian retail investors and financial advisory groups.

PM Capital's key strategies are shown on this slide and, as at 30th September, comprised:

- \$1.8bn in Global Long/Short equities;
- \$0.1bn in Australian Long/Short equities; and
- \$0.8bn in Enhanced Yield Fixed Income.

All three core strategies have delivered strong investment performance since inception, outperforming their respective benchmarks.

In particular, for its global strategy, PM Capital was recently named category winner for International Equities (Alternative Strategies) at the 2023 Zenith Fund Awards.

In addition, in Morningstar's latest quarterly update, PM Capital's Global Companies Fund ranked #1 out of 191 funds over 3 years, #3 out of 165 funds over 5 years and #6 out of 110 funds over 10 years.

The global long/short strategy is also available via the ASX-listed investment company, PM Capital Global Opportunities Fund Limited, which trades under the ticker PGF. This ranked as the top performing ASX-listed investment company with a market cap of over \$300m for the 5 years to 30 September 2023, generating a total shareholder return of 15.6%. PGF's share price currently also sits at a premium to its post-tax Net Tangible Assets, which is indicative of strong shareholder support. Coincidentally, PGF reached its 10-year anniversary earlier this week, so I would like to congratulate all of those involved.

Turning now to the transaction, Regal is proposing to pay approximately \$150m for the acquisition of PM Capital. As shown on this slide, the consideration comprises:

- upfront consideration of \$20m in cash, subject to net debt and working capital adjustments; and
- scrip consideration of approximately \$130m in RPL Converting Shares.

All Converting Shares are intended to be issued upon completion of the PM Capital acquisition, but will only convert to ordinary shares of RPL at various dates in future.

Importantly, only \$10m of these Converting Shares are unconditional – and these will convert in September 2026 – that is, just under 3 years from now.

Of the remaining \$120m:

- conversion of \$80m worth of the Converting Shares is conditional on various long-term arrangements, including to incentivise Paul Moore to achieve certain portfolio management targets. Generally speaking, these Converting Shares are expected to convert to ordinary shares at various dates between September 2024 and September 2026.



- conversion of the other \$40m worth of Converting Shares is contingent on satisfaction of specific revenue targets for the PM Capital business and will be tested at various dates between July 2026 and July 2028. This \$40m tranche of Converting Shares will also convert automatically to ordinary shares in RPL if PM Capital's external fee-generating funds reaches \$3.5bn at any time between 1 July 2026 and 1 July 2028.

In other words, I hope you can see that we have structured the transaction in order to encourage strong business growth, as well as retention of the investment expertise of Paul Moore, for many years to come.

At this point I would like to hand to Brendan O'Connor, Regal's CEO, to speak further about the rationale for the transaction and key benefits for Regal shareholders.

CEO's Address

Thanks Michael. I would first like to start by putting this transaction in context. As many of you would know, Regal Partners aims to be a leading provider of alternative investment strategies in Australia and Asia.

As shown on this slide here, Regal Partners had approximately \$5.8bn of funds under management at 30th September this year. Since then, we have formed a partnership with Taurus Funds Management, which is a specialist in resources royalties, taking our FUM to \$8.0bn on a 100% basis. The acquisition of PM Capital will further increase Regal's FUM to \$10.8bn, providing additional diversification (both by product and client channel), greater scale benefits and exposure to PM Capital's award-winning global long/short strategy.

The charts on this next slide illustrate the pro forma FUM mix of the group, taking into account the recent transaction with Taurus and the proposed PM Capital deal. While there are many interesting statistics on this page, one particular point to note is that the PM Capital transaction will give Regal access to a range of retail customers through various unlisted unit trusts. This is a segment of the market which Regal hasn't historically targeted and we are looking forward to the opportunities and the broadening of relationships that this transaction should bring.

So if we were to summarise the transaction rationale, we see 4 key motivations:

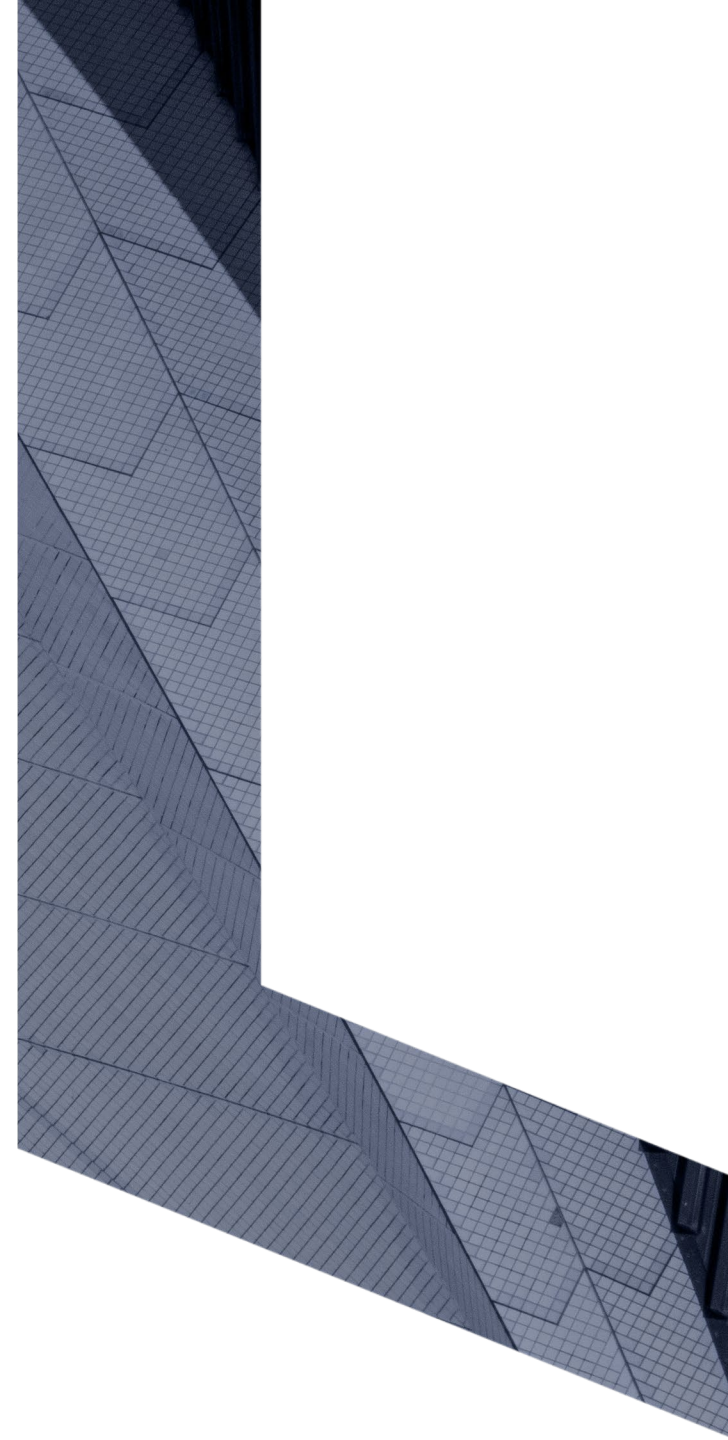
1. As you have already heard, PM Capital offers a deeply experienced, multi-award-winning investment capability and we are delighted that Paul Moore has chosen Regal Partners to take his business into the next phase of its growth. From the Regal side, partnering with PM Capital will enhance Regal's existing global long/short capabilities, while PM Capital's fixed income strategy should complement Regal's recent expansion into private credit;
2. PM Capital's client base of primarily Australian retail investors and financial advisory groups is highly complementary to Regal's existing wholesale investor base – and we see opportunities for both groups to access new client channels and relationships;
3. We anticipate operating efficiencies from increased scale and expect PM Capital to benefit from access to Regal's highly developed corporate infrastructure and distribution capabilities; and finally,
4. As Michael explained, the transaction has been structured to create a strong alignment of interests – with \$130m, or 87% of the total consideration, being in Converting Shares – and the vast majority of this only converting to ordinary shares over the next several years under various conditions, or if certain business targets are met. I believe this structure demonstrates Paul Moore's long-term commitment to the future of the PM Capital business and that he shares our vision of Regal and PM Capital being a powerful combination in the years to come. I should also add that the acquisition is expected to be accretive to Regal's earnings per share in 2024, pre any synergies.

I hope that has given you a good overview of the benefits of the acquisition and why our group is very excited by the opportunity.

I would now like to hand back to Michael for the voting.

Chairman's Address

Michael Cole AM



PM Capital business overview

Multi-award winning specialist long / short equity and fixed income manager

REGAL
PARTNERS

HIGHLIGHTS

1998
Founded

22
Employees

8
Investment team

FUNDS UNDER MANAGEMENT

\$2.7bn

Global Long / Short Equities

Australian Long / Short Equities

Enhanced Yield Fixed
Income

OVERVIEW

- Founded in 1998 by current Chairman and Chief Investment Officer Paul Moore, the business services a diverse range of Australian wholesale and retail clients and manages >\$2.7bn of FUM as at 30 September 2023.
- 22 staff including 8 investment staff, headquartered in Sydney, Australia.
- Key Funds comprising:
 - **Global Long / Short Equities** strategy: \$1.8 billion, including the PM Capital Global Companies Fund and the ASX-listed investment company PM Capital Global Opportunities Fund Limited (ASX:PGF);
 - **Australian Long / Short Equities** strategy: \$99 million, via the PM Capital Australian Companies Fund; and
 - **Enhanced Yield Fixed Income** strategy: \$788 million, including the PM Capital Enhanced Yield Fund.
- All three core strategies have delivered strong investment performance since inception, outperforming their respective benchmarks.
- PM Capital's flagship strategy, the Global Companies strategy, was recently named category winner for International Equities (Alternative Strategies) at the 2023 Zenith Fund Awards. It ranks #1 out of 191 funds over 3 years, #3 out of 165 funds over 5 years and #6 out of 110 funds over 10 years as per the Morningstar latest peer analysis.¹
- ASX:PGF ranked as the top performing ASX-listed investment company for the 5 years to September 2023, generating a total shareholder return of +15.6%² p.a. and trading at a premium to its post-tax NTA.



1. As ranked in the Morningstar Equity World Large Blend funds in Australia.
2. Source: Bloomberg. Return is gross of franking credits and relates to LICs with a market capitalisation of over \$300m. Past performance is not an indication of future performance and should not be relied upon.

Transaction summary

CONSIDERATION

- RPL proposes to pay approximately \$150m for the acquisition of 100% of PM Capital's shares:
 - Upfront consideration of \$20m in cash (subject to net debt and working capital adjustments);
 - Scrip consideration of approximately \$130m in Converting Shares¹ in RPL issued on completion of the acquisition comprising:
 - Deferred conditional scrip consideration of approximately \$80m of Converting Shares (converting to ordinary shares in RPL at various dates between 30 September 2024 and 30 September 2026, conditional upon various long-term arrangements, including to incentivise Paul Moore to achieve certain portfolio management targets)
 - Deferred scrip consideration of approximately \$10 million of Converting Shares, converting to ordinary shares in RPL on 30 September 2026
 - Deferred conditional scrip consideration of approximately \$40 million of Converting Shares, converting to ordinary shares in RPL at various dates between 1 July 2026 to 1 July 2028, subject to satisfaction of specific revenue targets.

FINANCING

- RPL will fund the \$20m upfront consideration from existing cash sources and investments on balance sheet and seek RPL shareholder approval for the issue of Converting Shares to fund the scrip component.

FINANCIAL IMPACT

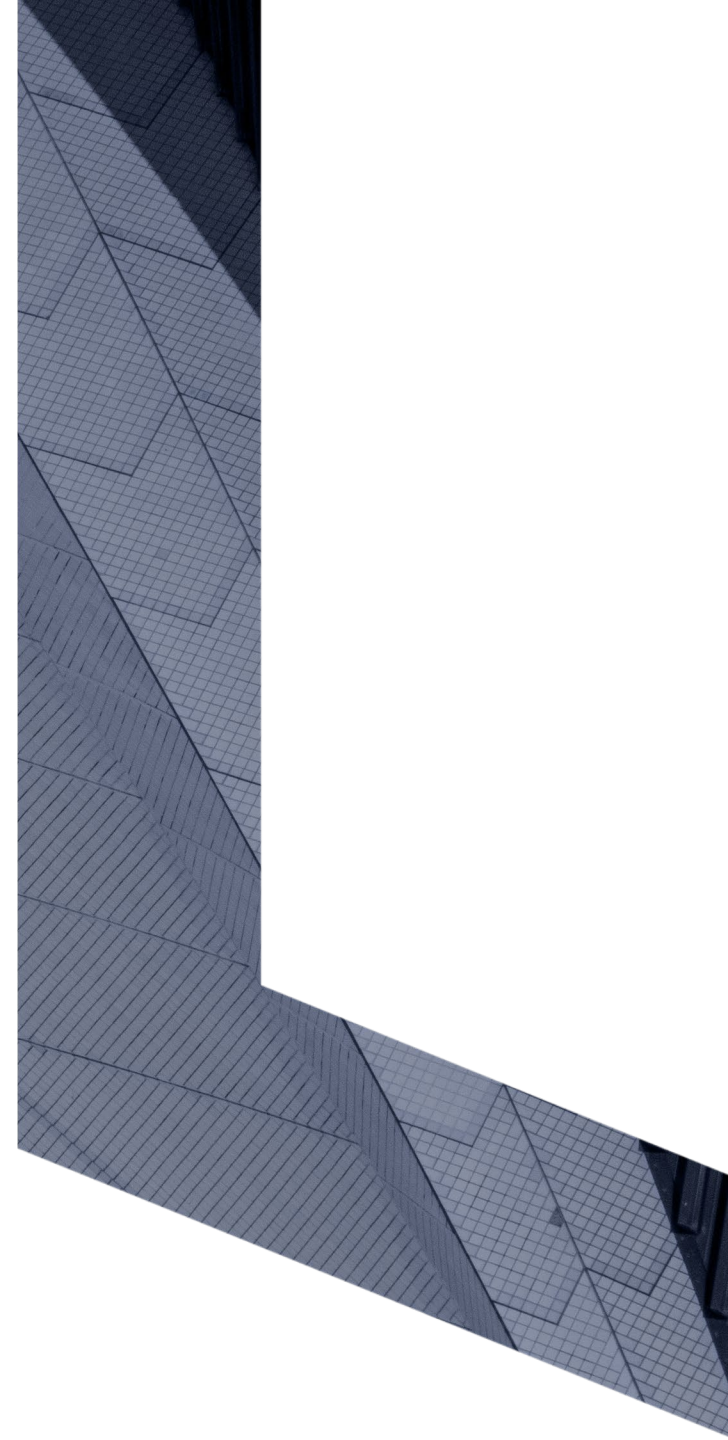
- RPL expects the proposed transaction to be accretive to EPS in 2024 pre synergies.

ACCOUNTING

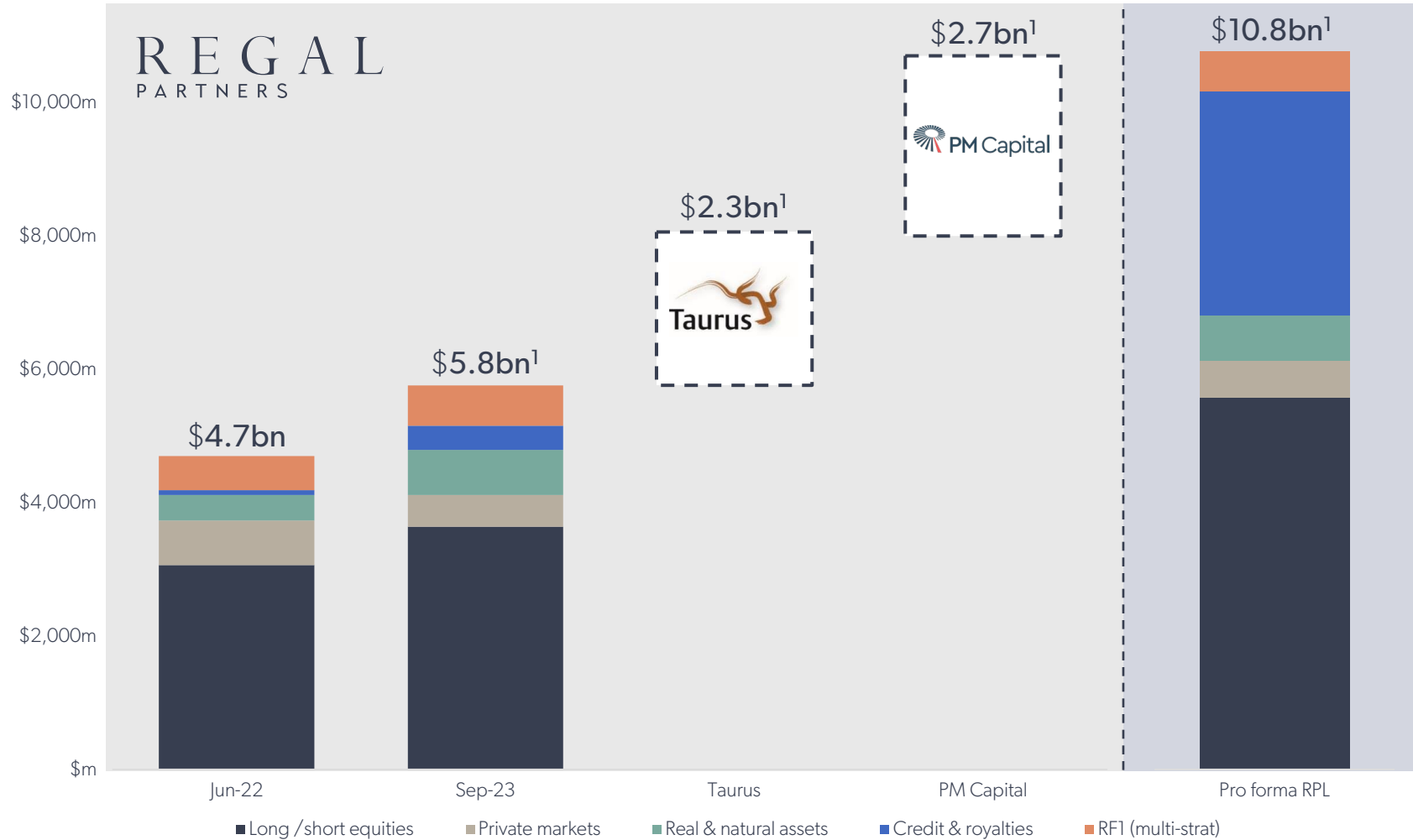
- In the 12 months to June 2023, PM Capital earned \$16.8m of management fees (average 0.70% fee margin)², performance fees of \$17.6m and Net Profit After Tax (normalised per RPL's definition) of \$13.4m³.

CEO's Presentation

Brendan O'Connor



Regal Partners' FUM to increase to \$10.8bn¹ post-acquisitions

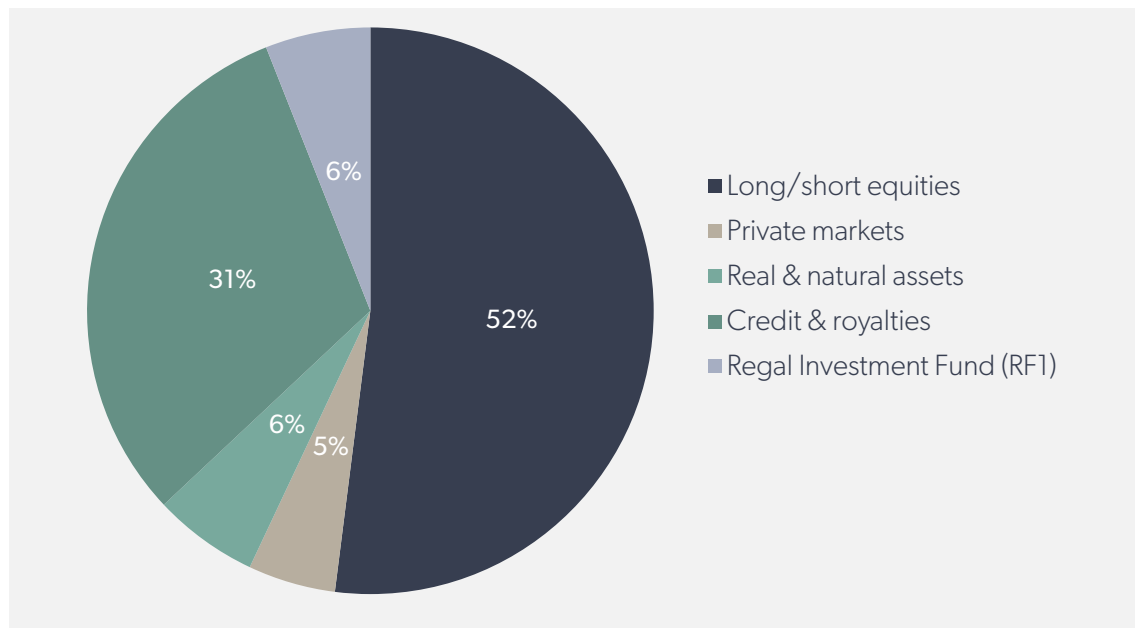


OVERVIEW	TAURUS	PM CAPITAL
Founded	2006	1998
FUM ¹	\$2.3bn	\$2.7bn
Employees	23	22
Investment Professionals	9 + 7 technical directors	8
Offices	Australia, Europe, UK, Cayman	Sydney
Core Strategies	Mining finance (private credit), mining royalties	Global long/short, Australian long/short, enhanced yield
Asset Classes	Credit & Royalties	Long/Short Equities, Credit
Key Clients	US institutional	Australian retail
Avg Mngt Fee ²	1.07%	0.70%

1. Unaudited Management estimate of FUM. Taurus Funds Management FUM shown on a 100% basis. PM Capital FUM and pro forma FUM for the RPL group (including 100% of Kilter Rural, Attunga Capital and Taurus) includes non-fee earning funds. Past performance is not a reliable indicator of future performance.

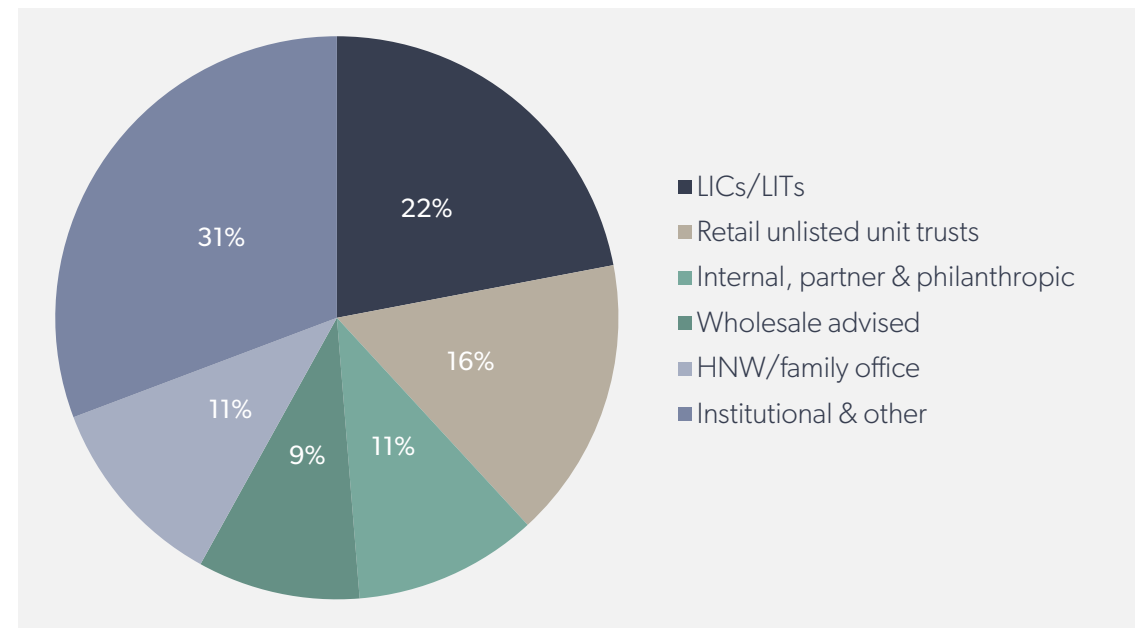
FUM increasingly diversified across asset class and channel¹

PRO FORMA FUM BY ASSET CLASS, INCLUDING TAURUS & PM CAPITAL



	PRE-ACQUISITIONS	RPL	TAURUS	PM CAPITAL	POST ACQUISITIONS
Long/short equities		63%	-	71%	52%
Private markets		8%	3%	-	5%
Real & natural assets		12%	-	-	6%
Credit & royalties		6%	97%	29%	31%
Regal Investment Fund		10%	-	-	6%

PRO FORMA FUM BY CLIENT CHANNEL, INCLUDING TAURUS & PM CAPITAL



	PRE-ACQUISITIONS	RPL	TAURUS	PM CAPITAL	POST ACQUISITIONS
LICs/LITs		28%	-	27%	22%
Retail unlisted unit trusts		-	-	63%	16%
Internal, partner & philanthropic		15%	-	10%	11%
Wholesale advised		17%	-	-	9%
HNW/family office		21%	-	-	11%
Institutional/other		18%	100%	-	31%

¹ Unaudited Management estimates of FUM as at 30 September 2023. Taurus shown on 100% basis. PM Capital FUM and pro forma FUM for the RPL group (including 100% of Kilter Rural, Attunga Capital and Taurus) includes non-fee earning funds.

Transaction rationale

1

Deeply experienced, multi-award-winning investment capability

- PM Capital, under CIO Paul Moore, has established a highly successful track record of managing global long / short equities for over 25 years.
- Supported by a highly experienced investment team, PM Capital will further enhance Regal Partners' existing global equities capabilities currently operating across Sydney, Singapore and New York.
- PM Capital also brings over 20 years' experience in the management of short duration, defensive fixed income strategies, complementing Regal Partners' recent expansion into alternative income strategies across private credit and resources royalties.

2

Highly complementary and well-diversified investor base

- PM Capital's diversified investor base, consisting primarily of Australian retail investors and financial advisory groups, is expected to be highly complementary to Regal Partners' existing wholesale investor base of domestic and offshore institutions, family offices and private investors.
- Opportunities expected for both groups to access new distribution channels and opportunities via existing relationships and networks.
- The addition of PM Capital's listed investment company, PGF, will increase total FUM held across Regal Partners' closed-ended ASX-listed vehicles to \$2.4bn¹, representing over 24,000 securityholders.

3

Scale benefits & access to enhanced corporate and operational platform

- The combination of PM Capital and Regal Partners is expected to deliver a number of operating efficiencies and benefits from increased scale.
- PM Capital's ability to leverage Regal's highly developed corporate and business support infrastructure and well-established distribution capabilities significantly enhance potential benefits of the transaction.

4

Strong alignment of interests, financially accretive

- Acquisition structure reflects Paul Moore's long-term commitment to the PM Capital business going forward, alongside his shared vision of the significant benefits of partnering with Regal Partners.
- Approx. 87% of the total potential acquisition consideration being in RPL scrip, converting on specified dates between completion of the acquisition and 1 July 2028.
- The acquisition is expected to be accretive to RPL's earnings per share in 2024, pre any synergies.

Disclaimer



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