

## Annual RG240 Update

Lucerne Growth (“Fund”) is classified as a hedge fund in accordance with the Australian Securities and Investments Commission Regulatory Guide 240 ‘*Hedge Funds: Improving Disclosure*’. The Fund gains exposure to a number of strategies by investing in other managed funds.

As the Responsible Entity of the Fund, The Trust Company (RE Services) Limited (“Perpetual”) is required to provide extra information to you, as a retail investor in the Fund. This document contains the extra information and will be provided to you on an annual basis.

### Liquidity Profile of the Fund’s Assets

Perpetual and Lucerne believe that, based on the positions of the Fund as at 30 June 2018, Fund assets are capable of being realised within the following time frames:

21 days: 45%  
35 days: 62%  
56 days: 92%  
90 days: 100%

### Leverage Ratio

The Fund is exposed to leverage through the short selling strategies and potential cash borrowings of underlying funds. The Fund does not currently use any leverage outside of that used by underlying funds.

As at 30 June 2018 gross and net leverage at the Fund level was 96%. On an underlying basis, the Fund had underlying gross leverage of 126% of NAV and underlying net leverage of 53% of NAV.

### Asset Allocation

As at 30 June 2018, the types of assets in which the Fund invested and the actual allocation to those asset classes is:

Australian Equities: 12%  
International Equities: 11%  
Hedge Funds\*: 74%  
Cash: 4%

\*Hedge Funds means managed funds that may employ a variety of strategies including long-short equity, event driven strategies, long-short credit strategies and systematic or quantitative strategies.

### Derivative Counterparties Engaged

The Fund did not engage any counterparties in the period 1 July 2017 to 30 June 2018.

### Changes to Key Service Providers

For the period from Fund inception on 1 December 2017 to 30 June 2018, there have been no changes to key service providers for the Fund.

### Distribution Information

The Fund distributed 2.18 cents per unit for investors in Fee Class 1 and 2.39 cents per unit for investors in Fee Class 2.

### The Fund's Annual Investment Returns

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	-	-	-	-	-	-	-	-	-	-	-	0.40%	0.40%
2018	0.71%	0.80%	-0.37%	1.30%	0.53%	0.42%							3.42%

Source: Mainstream Fund Services

This update notice issued by The Trust Company (RE Services) Limited ("Perpetual") as responsible entity of, and issuer of units in, Lucerne Growth ARSN 621 610 848 ("Fund"). The investment manager of the Fund is Lucerne Australia Pty Ltd ACN 609 346 581 AFSL 481217 ("Lucerne"). This notice is provided for general information purposes only, and is not to be construed as solicitation of an offer to buy or sell any financial product. This information does not take into account your investment objectives, particular needs or financial situation. A Product Disclosure Statement (PDS) issued by Perpetual dated 1 June 2018 is available for the Fund. You should obtain the PDS for the Fund and consider the risks and disclosures for your circumstances before deciding whether to acquire, or continue to hold, an interest in the Fund. Neither Perpetual or Lucerne guarantee repayment of capital or any particular rate of return from the Fund. Statements of fact in this notice have been obtained from and are based upon sources that Perpetual and Lucerne believes to be reliable. Neither Perpetual or Lucerne give any representation or warranty as to the reliability or accuracy of the information contained in this report. All opinions and estimates included in this report constitute Perpetual and Lucerne's judgement as at the date of this communication and are subject to change without notice.