TARGET MARKET DETERMINATION

Legal Disclaimer

This Target Market Determination (**TMD**) is required under section 994B of the *Corporations Act 2001* (Cth) (the **Act**). It sets out the class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of Rhodes Asset Management Ltd's design and distribution arrangements for the product.

This document is **NOT** a product disclosure statement and is **NOT** a summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read the Product Disclosure Statement (**PDS**) for the Rhodes Premium Income Fund (**Fund**), which is constituted by the Premium Income Class of Units in the Rhodes Credit Fund, before making a decision whether to buy this product.

Target Market Summary

This product is likely to be appropriate for a consumer who:

- seeks regular monthly income, while accepting that distributions are not guaranteed;
- intends to use the investment only as a satellite or minor component of a diversified portfolio;
- has at least a medium ability to bear loss and can tolerate a partial loss of capital;
- is prepared to remain invested for at least 12 months and potentially for materially longer; and
- does not require access to the invested capital at a particular time.

The Fund is not capital guaranteed and is not suitable for a consumer whose primary objective is capital growth or capital preservation, who requires reliable access to capital, or who cannot tolerate a loss of capital. After the Minimum Investment Term, withdrawals are available only if the Responsible Entity makes a Withdrawal Offer and may be scaled back, deferred or not made, depending on available liquidity.

Fund and Issuer Information

Issuer	Rhodes Asset Management Ltd (**Rhodes**)
Issuer ABN	99 165 917 813
Issuer AFSL	464772
Registered Scheme	Rhodes Credit Fund (**RCF**)
ARSN	606 834 011
Fund	Premium Income Fund (a class of units in the RCF)
Date TMD approved	18 October 2026
TMD Version	5.1
TMD Status	Current
Fund Summary	The Fund is a sub-trust in an unlisted mortgage fund with a single investment that is a secured loan facility made to a related company, Rhodes Financing Solutions Pty Ltd (**RFS**) which in turn makes secured commercial loans. In return, the Fund aims to generate an interest income for its investors. This product is designed for consumers seeking a monthly income return.

RHODES ASSET MANAGEMENT

Description of target market

TMD indicator key

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red and green rating methodology with appropriate colour coding:

In target market	Not considered in target market

Instructions

In the tables below, column 1, Consumer Attributes indicates a description of the likely objectives, financial situation, and needs of the class of consumers that are considering this product. Column 2, TMD indicator indicates whether a consumer meeting the attribute in column 1 is likely to be in the target market for this product.

Generally, a consumer is unlikely to be in the target market for the product if:

- one or more of their Consumer Attributes correspond to a red rating.

Investment products and diversification

A consumer (or class of consumer) may intend to hold a product as part of a diversified portfolio (typically with an intended product use of satellite/small allocation or core component). In such circumstances, the product should be assessed against the consumer's attributes for the relevant portion of the portfolio, rather than the consumer's portfolio as a whole. For example, a consumer may seek to construct a conservative portfolio with a satellite/small allocation to growth assets. In this case, it may be likely that a product with a high or very high risk/return profile is consistent with the consumer's objectives for that allocation notwithstanding that the risk/return profile of the consumer as a whole is low or medium. In making this assessment, distributors should consider all features of a product (including its key attributes).

Consumer Attributes	**TMD Indicator**	**Product Description incl. Key Attributes**
Consumer's investment objective		
Capital Growth		The Fund does not provide capital growth.
Capital Guaranteed		The Fund is not capital guaranteed. Whilst our aim is to preserve capital and the secured loans in the portfolio assist in mitigating the risk of total loss, the Fund is exposed to risks including commercial and credit risks, so the Fund is not suitable for investors who cannot tolerate any loss of capital as there is always some risk of borrower default and non-recoverability of loans, or where their primary objective is capital preservation.
Capital Preservation		
Income Distribution		From the interest income, the Fund expects to pay distributions monthly, however, this may depend on a number of factors, including future earnings, capital requirements, and financial conditions.

Consumer's intended product use (% of Investible Assets)		
Solution/Standalone (up to 100%)		The Fund receives income from the loan facility, which derives its income from a portfolio of secured commercial loans that are geographically spread throughout major regions in Australia. As such it constitutes a low diversification product and therefore it is suitable to receive a small to minor allocation in an investor's portfolio. The product is designed for consumers seeking an income return on their investment and low volatility of returns.
Major allocation (up to 75%)		
Core Component (up to 50%)		
Minor Allocation (up to 25%)		
Satellite/Small Allocation (up to 10%)		
Consumer's investment timeframe		
Short (less than 1 year)		The product has a minimum investment term of 12 months and therefore may be suitable for any timeframe longer than 12 months, subject to withdrawal provisions.
Medium (1-5 years)		
Long (more than 5 years)		
Consumer's risk (ability to bear loss) and return profile		
Low		The Fund is not capital guaranteed. Although all loans by RFS are secured by real property, there can be losses caused by nonpayment or where the value of the security property has fallen. The Fund is suitable for consumers with at least a medium level of tolerance for risk. A consumer with a high ability to bear loss may be in the target market only if the consumer is seeking a moderate income return and is not seeking high capital growth or a high overall investment return from this product. As there is no capital growth, the Fund is unlikely to be suitable for investors seeking very high returns.
Medium		
High		
Very High		
Consumer's need to withdraw money (note: minimum investment term is 12 months, hence the information below relates to withdrawal options after 12 months)		
Daily or Weekly		With respect to the nature of the Fund's investment, the product is suitable for consumers who do not have short term liquidity requirements. The product has a minimum investment term of 12 months. Withdrawal offers may be made thereafter monthly (except January), are subject to liquidity and may be scaled back or carried forward.
Monthly		
Quarterly		
Annually or longer		

Appropriateness

The Issuer has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, as the features of this product in Column 3 of the table above are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

Distribution conditions / restrictions

Distribution Condition	Distribution Condition Rationale
The product is considered suitable for: • Consumers who have received personal financial advice. • Consumers who have not received personal financial advice.	The Issuer distributes the product through financial planners and via its website. Where a consumer is a client of a distributor who is a financial planner and has received personal financial advice, the distributor may rely on the excluded conduct provisions set out at section 994E(3) of the *Corporations Act 2001* (Cth). The Issuer's website highlights the type of consumer for whom the product is intended to be suitable (being investors with the consumer attributes identified above with a green TMD Indicator). Where a consumer is a client of a distributor and has not received personal financial advice from them, or where a consumer is making an application for the product directly with the issuer, as part of the investment application process, and in addition to confirming that the PDS has been read, the consumer is required to answer questions so the Issuer can ascertain whether the consumer's attributes are consistent with the Fund's target market as set out in the target market determination.

Review triggers This part is required under section 994B(5)(d) of the Act.
Material changes to key attributes, fund investment objective and/or fees.
Material deviation from benchmark/objective over sustained period.
Key Attributes have not performed as disclosed by a material degree and for a material period.
Determination by the Issuer of an ASIC reportable Significant Dealing.
Material or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) about the product or distribution of the product.
The use of Product Intervention Powers, regulator orders or directions that affects the product.

Mandatory review period	
Review period	**Maximum period for review**
Initial review	12 months
Subsequent review	12 months

Distributor reporting requirements		
Reporting requirement	**Reporting period**	**Which distributors this requirement applies to**
Complaints (as defined in section 994A(1) of the Act) relating to product design, product availability and distribution. The distributor should provide the number of complaints received during the reporting period relating to the product, together with the substance and nature of each complaint and any general product feedback relevant to the product's design, distribution, risk, performance, liquidity or withdrawal arrangements, subject to applicable privacy requirements.	Within 10 business days following end of calendar quarter.	All distributors
Significant dealing outside of target market, under s994F(6) of the Act. See Definitions for further detail.	As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing.	All distributors
To the extent a distributor is aware of dealings outside the target market these should be reported to the Issuer, including reason why acquisition is outside of target market, and whether acquisition occurred under personal advice.	Within 10 business days following end of calendar quarter.	All distributors

Distributors must report to Rhodes Asset Management Ltd by emailing admin@rhodesam.com.au

Definitions

Term	Definition
Consumer's investment objective	
Capital Growth	The consumer seeks to invest in a product designed to generate capital return. The consumer prefers exposure to growth assets or otherwise seeks an investment return above the current inflation rate.
Capital Preservation	The consumer seeks to invest in a product to reduce volatility and minimise loss in a market down-turn/ The consumer prefers exposure to defensive assets.
Capital Guaranteed	The consumer seeks a guarantee or protection against capital loss whilst still seeking the potential for capital growth.
Income Distribution	The consumer seeks to invest in a product designed to generate regular income. The consumer prefers income-generating assets (typically, high dividend-yielding equities, fixed income securities and money market instruments).

Consumer's intended product use	
Solution/Standalone (up to 100%)	The consumer intends to hold the investment as the majority (up to 100%) of their total investable assets (see definition below).
Major Component (up to 75%)	The consumer intends to hold the investment as a major component, up to 75% of their total investable assets (see definition below).
Core Component (up to 50%)	The consumer intends to hold the investment as a core component, up to 50% of their total investable assets (see definition below).
Minor Component (up to 25%)	The consumer intends to hold the investment as a minor component, up to 25% of the total investable assets (see definition below).
Satellite (up to 10%)	The consumer intends to hold the investment as a satellite component up to 10% of the total investable assets (see definition below).
Investable Assets	**Total value of all existing investments, including cash in bank, BUT excluding the family home.**
Consumer's Risk (ability to bear loss) and Return profile	
Very High	The consumer has a more aggressive or very high risk appetite, seeks to maximise returns and can accept higher potential losses. Consumer typically prefers growth assets such as shares, property and alternative assets.
High	The consumer is higher risk in nature and can accept higher potential losses in order to target a higher target return profile. Consumer typically prefers predominantly growth assets such as shares, property and alternative assets with only a smaller or moderate holding in defensive assets such as cash and fixed income.
Medium	The consumer is moderate or medium risk in nature, seeking to minimise potential losses and comfortable with a moderate target return profile. Consumer typically prefers a balance of growth assets such as shares, property and alternative assets and defensive assets such as cash and fixed income.
Low	The consumer is conservative or low risk in nature, seeks no loss of capital and is comfortable with a low target return profile. Consumer typically prefers stable, defensive assets such as cash.
Consumer's need to withdraw money	
Daily / Weekly / Monthly / Quarterly / Annually or longer	The consumer seeks to invest in a product which permits redemption requests at this frequency under ordinary circumstances and the issuer is typically able to meet that request within a reasonable period.

Distributor reporting	
Significant dealings	Section 994F(6) of the Act requires distributors to notify the issuer if they become aware of a significant dealing in the product that is not consistent with the TMD. Neither the Act nor ASIC defines when a dealing is 'significant' and distributors have discretion to apply its ordinary meaning. The issuer will rely on notifications of significant dealings to monitor and review the product, this TMD, and its distribution strategy, and to meet its own obligation to report significant dealings to ASIC. Dealings outside this TMD may be significant because: - they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the product, or - they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the consumer (or class of consumer). In each case, the distributor should have regard to: - the nature and risk profile of the product (which may be indicated by the product's risk rating or withdrawal timeframe), - the actual or potential harm to a consumer (which may be indicated by the value of the consumer's investment, their intended product use or their ability to bear loss), and - the nature and extent of the inconsistency of distribution with the TMD (which may be indicated by the number of red ratings attributed to the consumer). Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if: - it constitutes more than half of the distributor's total retail product distribution conduct in relation to the product over the reporting period, - the consumer's intended product use is *Solution* / *Standalone*, or - the consumer's intended product use is *Core Component* and the consumer's risk (ability to bear loss) and return profile is *Low*.

CONTACT DETAILS

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