# Target Market Determination

### Product details

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| Financial product | A Class Units in the Fund, being DD Class Units (**Product**) |
| Fund | MyRacehorse No 1 (**Fund**) |
| ARSN | 646 771 262 |
| Issuer of Product | Sire Custodians Ltd (ABN 45 005 088 371, AFSL no. 223671) (**Issuer**) |
| Investment manager of the Fund | MyRacehorse Pty Ltd (ABN 53 643 461 590, AFS Representative Number 001284902) (**Manager**) |
| Racehorse | "Incandescent", Bay Gelding by Per Incanto (USA) from Saint Katarina (AUS) (**Racehorse**) |
| Trainer | Roger James & Robert Wellwood, Kingsclere Stables, Cambridge, New Zealand (**Trainer**) |
| Date of TMD | 3 December 2025 |

### Target market

| ***Likely objectives, financial situation and needs of consumers (investors) in the target market***<br>s 994B(5)(b) | ***Product description including key attributes***<br>RG 274.68(b) |
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| ***Objective*** | |
| Investors seeking to achieve one or more of the following objectives:<br>▪ To participate in owning and racing a particular thoroughbred racehorse which is trained by a particular trainer.<br>▪ To spread the costs and risks of owning and racing a racehorse with other investors in the syndicate, rather than seeking to retain full ownership and control of the racehorse.<br>▪ To make a passive investment in a racehorse by leaving the management and day-to-day control of the horse to another person.<br>▪ Potentially, to share in the prize | The Fund is a horse racing syndicate designed to enable investors to have a micro-share (via the Fund) in the Racehorse.<br>Legally, the Product is an interest in a managed investment scheme registered with the Australian Securities and Investments Commission structured as a unit trust. The legal owner of the interest in the Racehorse held on behalf of the Scheme is the Issuer in its capacity as responsible entity of the Fund. The Issuer has appointed the Manager to manage the Scheme's interest in the Racehorse on a day-to-day basis, and to exercise its rights (as an agent of the responsible entity) in respect of the Racehorse in accordance with the relevant co-owners agreement and the rules of racing. The Racehorse is trained by the Trainer.<br>The Product has the following key attributes:<br>▪ The Product is an interest in a class of units in the |

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| money from the racing the racehorse.<br>▪ Potentially, to access capital growth from selling the racehorse. | Fund, the assets and liabilities of which are referable to the Racehorse.<br>▪ A class of units in the Fund do not constitute a separate trust. The Issuer, as responsible entity of the Fund, may acquire other racehorses, which will be held primarily for the benefit of holders of units in another class in the Fund.<br>▪ The costs associated with the acquisition, maintenance and racing of the Racehorse are generally funded by levies paid by Fund investors in the relevant class.<br>▪ Any net prize money and other winnings earned by the Racehorse are distributed to Fund investors holding units in the relevant class in accordance with their respective proportional ownership of units in that class.<br>▪ The Racehorse may be sold at the conclusion of its racing career, or earlier if the Manager considers it to be in the interests of investors of the relevant class, and the net proceeds distributed to Fund investors in the relevant class. |
| ***Financial situation*** | |
| Investors in one or more of the following financial situations:<br>▪ Investors with investable assets that meet the minimum product investment requirements.<br>▪ Investors who are capable of weathering the loss of their invested principal and who understand that investing in racehorses is speculative in nature.<br>▪ Investors who are not reliant on a steady or reliable income stream.<br>▪ Investors with sufficient financial resources to pay initial levies. | There is a Minimum Investment Amount per investor of $176. There is no maximum investment amount.<br>The investment risks of the Product include the risk that the Racehorse may not be able to be sold (due to, for example, death or injury) and that the Racehorse may not earn any prize money or other winnings. This may lead to a loss of capital and income.<br>The fee structure of the Fund is based on the charging of a scheme levy and a horse levy, both of which are payable upon an application for the Product. |
| ***Needs*** | |
| Investors that have one or more of the following needs:<br>▪ Seeking to rely on the Manager's relevant expertise in horse racing and network of racehorse-related service providers.<br>▪ Seeking an interest in one particular thoroughbred racehorse only which is | The Manager has relevant expertise in horse racing, including in relation to procuring the service of various service providers in the racehorse training and racing industry.<br>The Racehorse is trained by the Trainer, which is an experienced trainer of racehorses.<br>The expected investment period in respect of the Product is two to four years, which reflects the typical racing career |

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| trained by a particular trainer.<br>■ Seeking to invest in a thoroughbred racehorse for an expected investment period of two to four years.<br>■ Seeking regular reports about the status of the thoroughbred racehorse.<br>■ Seeking to receive information about and manage their investment in the racehorse digitally. | of a thoroughbred racehorse, although the term of the investment in depends on a number of factors relevant to the ability of the Racehorse to continue racing. Investors do not have a right to require the Issuer to redeem their units or to buy them back at any time during the term of the Fund. However, investors may transfer their units to another person, with the approval of the Issuer at its discretion.<br>The Manager and/or the Trainer will prepare regular reports about the racehorse to be delivered to relevant Fund investors via the Fund's online platform. Other updated information about the Fund and applications for additional units in the Fund can be made online. |

**Appropriateness of the target market and product attributes**

s 994B(8) and RG 274.68(c)

The Issuer considers that the Product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of investors in the target market on the basis of:

- the relationship between the key attributes of the Product and the target market as set out in this TMD;
- the terms of issue of the Product;
- the particular nature of the assets of the Fund, being thoroughbred racehorses, and the sole asset referable to the Product being the Racehorse;
- the narrow purpose of the Product being to enable investors to obtain a small indirect interest in the Racehorse and to share any net prize money from any winnings from the Racehorse;
- the need for additional on-going levies to maintain and upkeep the Racehorse;
- the Issuer's experience and knowledge of the racing industry in Australia, including the drivers affecting and motivating the typical behaviours of owners of racehorses;
- the Manager's experience and knowledge of the racing industry in Australia; and
- the Manager's experience and knowledge of the Racehorse, and its connections with the Trainer including the respective roles and responsibilities of the Manager and the Trainer set out in the Trainers' Training Agreement and Fees Notice between the Manager and the Trainer.

**Distribution conditions**

***Distribution conditions and restrictions***

s 994B(5)(c)

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| Manager | The Manager must:<br>■ upload the Product Disclosure Statement for the Product prepared by the Issuer (**PDS**) on the Manager's website and the website refers the investor to that PDS;<br>■ upload the Application Form for the Product on the Manager's website, and not permit the Application Form to be downloaded with PDS being also required to be downloaded; |

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| | ■ upload this TMD on the Manager's website in a manner such that it is publicly available to all users of the Manager's website and the website refers the investor to that TMD;<br>■ ensure that the process to apply for the Product involves investors providing responses to 'filtering questions' prepared by the Issuer so as to make it reasonably evident that the investor is likely to be in the target market described in this TMD;<br>■ the Manager provides all completed Application Forms to the Issuer;<br>■ only advertise or promote the Product, including on its website, in a manner and form approved by the Issuer;<br>■ only give general advice in relation to the Product, and to direct complex questions about the Product to the Issuer; and<br>■ not make any representations about the Product other than as expressly stated in the PDS and subject to any limits set out in the authorised representative appointment agreement. |

**Appropriateness**

| **Requirement**<br>s 994B(8) | **Explanation** |
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| *Target market and distribution conditions and restrictions*<br>RG 274.100 | The Issuer considers that the distribution conditions will make it more likely that the investors who acquire the Product are in the target market on the basis of:<br>■ the Manager being the only distributor of the Product;<br>■ the restrictions imposed by, and level of supervision required under, the terms of the management agreement and authorised representative appointment arrangements entered into by the Issuer and the Manager;<br>■ the Issuer's risk assessment of Manager based on information collected by the Issuer about the Manager;<br>■ the Issuer's experience and knowledge of the racing industry in Australia and racehorse syndicate management; and<br>■ the Manager's past performance in relation to the distribution of financial products and racehorse syndicate management, about which the Issuer is aware. |

**Review triggers and review periods**

| ***Ongoing TMD reviews*** | |
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| *Review triggers*<br>s 994B(5)(d) | The following events and circumstances are considered likely to indicate that this TMD may no longer be appropriate: |

| ***Ongoing TMD reviews*** | |
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| | ■ a serious injury to, or death of, the Racehorse;<br>■ a significant increase in the upkeep required in relation to the Racehorse, requiring an increase in either the Scheme Levy or the Horse-Related Levy (as described in the PDS);<br>■ where the Trainer is unable to perform its role, or is significantly impaired in being able to perform its role, in relation to the Racehorse;<br>■ any significant change to expected race meets in which the Manager expected the Racehorse to participate;<br>■ where the Manager is unable to perform its role, or is significantly impaired in being able to perform its role, in relation to the Product;<br>■ a significant number, or an unexpectedly high number, of complaints about the Product or its distribution;<br>■ a significant dealing in this Product in relation to retail clients that is inconsistent with this TMD; and<br>■ any inquiry, surveillance, direction, notice, investigation, or enforceable instrument by or from ASIC about or relating to the Product's features, target market or distribution strategy. |
| *First review period*<br>s 944B(5)(e) | October 2027. |
| *Subsequent review periods*<br>s 994B(5)(f) | At least once every 2 years since the date of the last review of the TMD (for whatever reason). |

**Distributor reporting requirements**

| ***Ongoing Product reporting*** | | | |
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| *Complaints reporting period*<br>s 994B(5)(g) | Where there are a significant number of complaints in the first quarter from the date of this TMD, the:<br>■ first reporting period ends at the end of that quarter; and<br>■ thereafter, each six-month period commencing on the first anniversary of the end of the first reporting period.<br>Where there are no significant number of complaints in the first quarter from the date of this TMD, each six-month period commencing on the first anniversary of the date of this TMD. | | |
| *Reporting specified information to the Issuer*<br>s 994B(5)(h) | The Manager must report the specified information to the Issuer collected during the specified reporting period as soon as practicable and in any event within 10 business days at the end of the relevant reporting period*: | | |
| | **Information*** | **Reporting period** | **Distributor** |

| *Ongoing Product reporting* | | | |
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| *Note: s 994F(5) states that the distributor must provide this information (or the fact that there is no such information) as soon as practicable and in any event within 10 business days at the end of the relevant reporting period. | Where the distributor received complaints in relation to the Product in the reporting period, the number of such complaints.<br>s 994F(4). | See above complaints reporting period. | Manager |
| | Information about the substance of complaints received by the distributor about the Product or its distribution from retail clients.<br>RG 274.118 | See above complaints reporting period. | Manager |
| | General feedback relating to the Product and its performance received by the distributor.<br>RG 274.118 | Each calendar quarter commencing on the date of this TMD. | Manager |
| | To the extent the distributor is aware, particulars of any dealing outside the target market, including the reasons why the dealing is outside the target market and whether such dealings occurred in the context of the giving of personal advice in relation to the Product. | Each calendar quarter commencing on the date of this TMD. | Manager |

The Manager must report to the Issuer as required under the distributor reporting requirements and within the required timeframe, by emailing the information to the Issuer at advisory@sirecustodians.com.au or other means as advised by the Issuer from time to time.

**Important information about this document**

This target market determination (**TMD**) is made by Sire Custodians Ltd (ABN 45 005 088 371, AFSL no. 223671) (**Issuer**) pursuant to section 994B of the *Corporations Act 2001* (Cth). The Issuer is the trustee of the Fund and the issuer of the Product.

This document is not a summary of the Fund or the Product, or the Product Disclosure Statement for the Product (**PDS**). It does not (and is not intended to) set out a summary of the terms or features of the Product.

This document is intended to provide a record of the Issuer's assessment of the Product, which forms the basis of this TMD. It also details the Product's distribution channel(s) and distribution strategy which must align to this TMD. This document is also used as a basis for the periodic review of the Product's suitability for distribution to the identified target market.

This document does not (and is not intended to) provide or constitute financial product advice. The target market described in this TMD is general in nature only and does not make any statement or representation that a particular person is or is not in the target market described in this TMD. This TMD does not take into account the objectives, financial situation and needs of any particular person and the Issuer makes no representation as to whether or not the Fund or the Product is suitable for any particular person.

Prior to making any decision in relation to the Fund or the Product, investors should obtain and consider the PDS, and obtain financial product advice if necessary. The PDS is available on the website of the Manager at https://myracehorse.com/au/. This TMD should not be taken by a person to be a substitute for obtaining and considering the PDS or obtaining financial product advice that takes into account the person's objectives, financial situation and needs.

An investment in the Product is subject to investment risk, including delays on the payment of withdrawal proceeds and the loss of income or the principal invested. While any forecasts, estimates and opinions in this material are made on a reasonable basis, actual future results and performance of the Product may differ materially from the forecasts, estimates and opinions set out in this TMD. No guarantee as to the repayment of capital, the performance of the Product or any rate of return described in this TMD is made by the Issuer or any other person.

This material is not intended for distribution to, or use by, any person in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

The Issuer, and its officers, employees, agents and advisers, believe that the information in this TMD and the sources on which the information is based (which may be sourced from third parties) are correct as at the date of this TMD. While every care has been taken in the preparation of this TMD, no warranty of accuracy or reliability is given and no responsibility for the information is accepted by Issuer, or its officers, employees, agents or advisers. To the fullest extent permitted under law, the Issuer excludes all liability for information provided in this TMD.

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