

## TARGET MARKET DETERMINATION – CONVERTING SHARES

**MADE BY:** Regal Partners Limited (ACN 129 188 450) of Level 47, Gateway, 1 Macquarie Place, Sydney NSW 2000 (the **Company**).

**PRODUCT:** This Target Market Determination (**TMD**) relates to fully paid converting redeemable preference shares (**Shares**) proposed to be offered and issued to a single recipient pursuant to the prospectus issued by the Company dated 11 December 2023 (**Prospectus**) under section 713 of the *Corporations Act 2001* (Cth) (**Corporations Act**). The terms of the Shares and the offer of the Shares (the **Offer**) are described in the Prospectus.

**EFFECTIVE DATE:** 11 December 2023

This TMD has been prepared by the Company in relation to the Offer which is made by the Company under the Prospectus.

Unless otherwise defined in this TMD, capitalised terms have the meaning given to them in the Prospectus.

The Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on 11 December 2023 and was released to ASX on that date. An electronic version of the Prospectus is available on the ASX at <https://www.asx.com.au/markets/company/RPL> or the Company's website at <https://regalpartners.com/shareholders/?section=section-asx>.

The Company will send a copy of the Prospectus, or instructions about how to download it, to the proposed recipient of the Shares (being Horizon Investments Australia Pty Limited (ACN 084 577 444) in its capacity as trustee for the Beneficial Holders) (the **Recipient**). A copy can also be downloaded from the ASX at the website above. Readers of this TMD should obtain and carefully read and consider the Prospectus in full and consult their professional advisers if they have any questions regarding the contents of the Prospectus or this TMD. This TMD is not a disclosure document for the purposes of the Corporations Act and therefore has not been lodged, and does not require lodgement, with ASIC.

This TMD is not to be used except for the purpose of a regulated person complying with their obligations under Part 7.8A of the Corporations Act. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this TMD. This TMD is not to be treated as a full summary of the Shares' terms and conditions and is not intended to provide financial advice. Investors should refer to the Prospectus for the terms and conditions of the Shares and when making a decision in respect of the Shares.

### PRODUCT INFORMATION

<b>Offer</b>	The Prospectus invites the Recipient to apply for up to 68,819,483 Shares, at an issue price of \$1.889 per Share.
<b>Eligibility</b>	The Offer is only being made to the Recipient, in consideration for the acquisition of 100% of the issued shares in PM Capital Limited (ACN 083 644 731).
<b>Rights attaching to the Shares</b>	Holder of Shares are entitled receive notice of and attend general meetings of the Company, but do not have any right to vote at a general meeting of the Company.  Each Share ranks equally in respect of payment of dividends to Ordinary Shares, and equally amongst all other Shares.
<b>Effect of Conversion to Ordinary Shares</b>	Each Share will convert into one Ordinary Share on satisfaction of the conditions set out in the Prospectus, subject to adjustments to address any pro-rata or bonus issues, share splits, reconstructions, consolidations or subdivisions in the capital of the Company prior to conversion.  Shares that convert into Ordinary Shares will:

	<ul style="list-style-type: none"> <li>(a) rank equally with the existing Ordinary Shares in all respects;</li> <li>(b) be free from all encumbrances, pre-emptive rights, liens, and charges; and</li> <li>(c) be entitled to all of the rights and entitlements applicable to the Ordinary Shares on issue as at the date of the conversion.</li> </ul>
<b>Redemption</b>	The Company will have a right to redeem Shares that have not converted to Ordinary Shares prior to 1 August 2028 (excluding 5,293,807 Shares which are not subject to the Company's right of redemption) in specific circumstances as set out in the Prospectus. The Shares will be redeemable at a price of \$0.001 per Share (subject to any required deductions or withholding).
<b>Transferability</b>	<p>A Holder may not transfer a Share during the Contingent Vesting Period or Deferred Vesting Period (as applicable), except solely as a result of:</p> <ul style="list-style-type: none"> <li>(a) the transfer of Shares to an Affiliate or Related Entity of the Holder or to any Beneficial Holder, provided that the transferee: <ul style="list-style-type: none"> <li>(i) is approved by the Recipient;</li> <li>(ii) is a 'sophisticated investor' or a 'professional investor' to whom offers can be made without a disclosure document in accordance with section 708 of the Corporations Act; and</li> <li>(iii) executes a deed pursuant to which the transferee agrees to be bound by the Converting Share Terms;</li> </ul> </li> <li>(b) a requirement of applicable law (including an order of a court of competent jurisdiction); or</li> <li>(c) a transfer occurring in accordance with the Company's prior written approval.</li> </ul>

## TARGET MARKET

The terms of the Shares have been negotiated by, and therefore are taken to have been designed for, the Recipient of the Shares as an investor whose apparent likely objectives, financial situation and needs are aligned with the Shares' terms as negotiated by it. The only investor that would potentially fall within the target market for the product would be the Recipient of the Shares, based on the Recipient having negotiated the terms of the Shares.

The Company considers that the Shares:

- are suitable only for the Recipient who has had the benefit of negotiating the terms of the Shares and is capable of assessing the Offer against its own criteria and objectives and undertaking its own due diligence; and
- are not suitable for other investors including retail investors.

The Shares are not suitable for investors:

- requiring a tradeable investment in the Company as the Shares will only convert into ordinary shares in the Company (**Ordinary Shares**) on fulfilment of specific time and performance hurdles, and on conversion, any trading in Ordinary Shares may be limited by a lack of liquidity and the price of the Ordinary Shares; or
- who do not understand or appreciate the risks of investing in converting securities and the more specific risks of investing in the Company.

The Shares (and Ordinary Shares issued upon conversion of the Shares, if any) offer no income guarantee or capital protection for the investors beyond the security interest(s) provided for in the terms of issue of the Shares (being the Converting Share Terms). Investors should have sufficient financial literacy and resources (including appropriate professional advisers) to understand and appreciate the potential risks of investing in the Company (including the Shares and Ordinary Shares that would be issued if the Shares convert).

## DISTRIBUTION CONDITIONS

The Shares are only being offered and issued under the Prospectus to the Recipient. Applications for the Shares can only be made under the Prospectus by completing an application in the form or manner that will be in, accompanied by or described in the Prospectus.

The Company will include a copy of this TMD on its website (<https://regalpartners.com/>). By making an Application for Shares under the Prospectus, the Applicant warrants that they have obtained, read and understood this TMD (as the TMD is applicable to the Shares) and that they meet the eligibility criteria of, and fall within, the target market set out in this TMD.

## REVIEW TRIGGERS

The Shares are being offered under the Prospectus for a limited offer period as set out, or provided for, in the Prospectus. The Shares will not be available for investment by way of issue under the Prospectus following close of the applicable offer period (being on the Closing Date). Accordingly, this TMD applies until the issue of the Shares under the Prospectus (**Offer Period**) unless the Offer is withdrawn or the issue of the Shares otherwise does not proceed.

To allow the Company to determine whether circumstances exist which indicate that this TMD is no longer appropriate to the Shares, the following review triggers apply for the Offer Period (each a **Review Trigger**):

- the Company lodges a supplementary prospectus relevant to the Offer or issue of the Shares or a replacement prospectus with ASIC;
- a new offer of Shares that requires preparation of a further disclosure document is made;
- any event or circumstance occurs that materially changes a factor that was taken into account in making this TMD;
- the existence of a significant dealing of the Shares that is not consistent with this TMD (noting conversion or redemption of the Shares and on-sale of Ordinary Shares resulting from conversion of the Shares is not considered to be a significant dealing);
- ASIC raises concerns with the Company regarding the adequacy of the Prospectus, the design or distribution of the Shares, or this TMD; and
- there are material changes to the regulatory environment that applies to an investment in the Shares.

## REVIEW PERIOD

If a Review Trigger occurs during the Offer Period, the Company will review this TMD in light of the Review Trigger as soon as reasonably practicable and, in any case, within 10 business days of the Review Trigger occurring.

## INFORMATION REPORTING

As the Company is not appointing external distributors for the Shares, the Company will consider any of the following matters:

- complaints received by the Company in relation to the Shares;
- significant dealings in the Shares which are inconsistent with this TMD;
- any dealings outside the target market (to the extent that the Company is aware of such dealings); and
- the conduct of the Company under this TMD.

Where relevant, the Company will consider any of the above matters and determine appropriate steps to be taken including, where appropriate, reporting of matters to ASIC.

## CONTACT

For further information, please contact the Company by email at [investorrelations@regalpartners.com](mailto:investorrelations@regalpartners.com).