Target Market Determination – Funds Management

Daintree Core Income Active ETF

Introduction

This Target Market Determination (**TMD**) is required under section 994B of the Corporations Act 2001 (Cth) (**the Act**). This TMD describes the class of consumers that comprises the target market for the financial product and matters relevant to the product's distribution and review (specifically, distribution conditions, review triggers and periods, and reporting requirements). Distributors must take reasonable steps that will, or are reasonably likely to, result in distribution of the product being consistent with the most recent TMD.

This document is **not** a product disclosure statement (**PDS**) and is **not** a complete 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 **PDS** for the **Daintree Core Income Active** ETF before making a decision whether to buy this product.

Important terms used in this TMD are defined in the TMD Definitions which supplement this document. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained **via the website www.daintreecapital.com.au/daintree-core-income-active-etf-ticker-dcor/**

Target Market Summary

This product is intended for use as a satellite, minor or core allocation for a consumer seeking capital preservation and income distribution who has a low to medium risk and return profile for that portion of their investment portfolio. It is likely to be consistent with the financial situation and needs of a consumer with a minimum 3 year investment timeframe and who is unlikely to need to withdraw their money on less than one week's notice.

Fund and Issuer identifiers

Issuer	Perennial Investment Management Limited	**APIR Code**	N/A
Issuer ABN	13 108 747 637	**ISIN Code**	N/A
Issuer AFSL	275101	**Market Identifier Code**	XASX
Fund manager	Perennial Value Management Limited	**Product Exchange Code**	DCOR
TMD contact details	1300 011 088 daintree@unitregistry.com.au	**Date TMD approved**	1 May 2025
Fund name	Daintree Core Income Active ETF	**TMD Version**	4
ARSN	631 537 810	**Distribution Status**	Available

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/amber/green rating methodology with appropriate colour coding:

In target market	See issuer instructions	Not 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.

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 the features of this product in Column 3 of the table below are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

Investment products and diversification

A consumer (or class of consumer) may intend to hold a product as part of a diversified portfolio (for example, with an intended product use of minor allocation). 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 balanced or moderate diversified portfolio with a minor allocation to growth assets. In this case, a product with a High risk/return profile may be consistent with the consumer's objectives for that minor allocation notwithstanding that the risk/return profile of the consumer as a whole is Medium. In making this assessment, distributors should consider all features of a product (including its key attributes).

Consumer Attributes	TMD Indicator	Product description including key attributes
Consumer's investment objective		
Capital Growth		The Fund aims to provide investors with a steady stream of income and capital stability over the medium term by investing in a diversified portfolio of fixed income securities, credit and cash and to provide a total return (after fees) that exceeds the RBA Cash Rate measured within a market cycle. The Fund provides monthly distributions.
Capital Preservation		
Income Distribution		
Consumer's intended product use (% of Investable Assets)		
Standalone (up to 100%)		The Fund invests in a diversified portfolio of fixed income securities, credit and cash. The asset class allocation of the Fund is as follows: • Fixed income securities 0-100% • Cash and cash equivalents 0-100%
Major allocation (up to 75%)		
Core Component (up to 50%)		
Minor allocation (up to 25%)		
Satellite allocation (up to 10%)		
Consumer's investment timeframe		
Minimum investment timeframe	3 years	The minimum suggested timeframe for holding investments in the Fund is 3 years.
Consumer's Risk (ability to bear loss) and Return profile		
Low		Low to medium risk of short-term capital loss compared to other investment types in return for potentially delivering investment returns over the minimum suggested timeframe.
Medium		
High		
Very High		
Extremely High		
Consumer's need to access capital		
Within one week of request		Consumers can sell units on the ASX through a stockbroker or share trading account, without completing any forms. Proceeds from any sale of units will be delivered through the CHESS settlement service. A consumer's exit price will be the price at which the units were sold on the ASX, less any brokerage fee that is incurred.
Within one month of request		
Within three months of request		
Within one year of request		

Consumer Attributes	TMD Indicator	Product description including key attributes
Within 5 years of request		However, in some circumstances, such as where the Fund is suspended, restricted or unavailable, there may be delays in the withdrawal process. Consumers should read the PDS for more information regarding these circumstances.
Within 10 years of request		
10 years or more		

Distribution conditions/restrictions

Distribution Conditions	Distribution Condition Rationale
This Fund can be distributed:	
1. Via financial advisers where consumers have received personal advice	Available for distribution under personal advice, with the assistance of a dealer group and/or an adviser where the dealer group and/or adviser is an authorised financial advice provider.
2. Through platform providers	Available for distribution through specified distributors or distribution channels such as an investment or superannuation platform or wrap product. The issuer of each platform product has its own obligations as a distributor to take reasonable steps that will, or are reasonably likely to, result in retail product distribution conduct being consistent with this TMD.
3. To consumers on-market (ASX)	Consumers can invest by purchasing units on the ASX through a stockbroker or share trading account.

Review triggers
Material change 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 periods	
Review period	**Maximum period for review**
Initial review	N/A – initial review has already occurred
Subsequent review	3 years and 3 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 the product. The distributor should provide all the content of the complaint, having regard to privacy.	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, dealings outside the target market, 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

If practicable, distributors should adopt the FSC data standards for reports to the issuer. Distributors must report to Issuer using the method specified on this website: **www.daintreecapital.com.au/target-market-determinations**. This link also provides contact details relating to this TMD for the Issuer.

Disclaimer

This document is issued by Perennial Investment Management Limited ABN 13 108 747 637 AFSL 275101 (**Issuer**). The Issuer is the responsible entity and issuer of units in the managed investment scheme referred to in this document. This document provides general information only and does not take into account your individual objectives, financial situation, needs or circumstances. Before making any investment decision, you should assess whether the document is appropriate for you and obtain financial advice tailored to you having regard to your individual objectives, financial situation, needs and circumstances. This document is not a financial product recommendation or an offer or solicitation with respect to the purchase or sale of any financial product in any jurisdiction.

The Issuer does not guarantee the future performance of the Trust, the amount or timing of any return from it, that asset allocations will be met, that it will be able to implement its investment strategy or that its investment objectives will be achieved. The Issuer will not be responsible or liable for any losses arising from your use or reliance upon any part of the information contained in this TMD.

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

Definitions

In some instances, examples have been provided below. These examples are indicative only and not exhaustive.

Term	Definition
Consumer's investment objective	
Capital Growth	The consumer seeks to invest in a product designed or expected to generate capital return over the investment timeframe. The consumer prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate.
Capital Preservation	The consumer seeks to invest in a product designed or expected to have low volatility and minimise capital loss. The consumer prefers exposure to defensive assets that are generally lower in risk and less volatile than growth investments (this may include cash or fixed income securities).
Income Distribution	The consumer seeks to invest in a product designed or expected to distribute regular and/or tax-effective income. The consumer prefers exposure to income-generating assets (this may include high dividend-yielding equities, fixed income securities and money market instruments).
Consumer's intended product use (% of Investable Assets)	
Standalone (up to 100%)	The consumer may hold the investment as up to 100% of their total investable assets. The consumer is likely to seek a product with very high portfolio diversification.
Major allocation (up to 75%)	The consumer may hold the investment as up to 75% of their total investable assets. The consumer is likely to seek a product with at least high portfolio diversification.
Core component (up to 50%)	The consumer may hold the investment as up to 50% of their total investable assets. The consumer is likely to seek a product with at least medium portfolio diversification.
Minor allocation (up to 25%)	The consumer may hold the investment as up to 25% of their total investable assets. The consumer is likely to seek a product with at least low portfolio diversification.
Satellite allocation (up to 10%)	The consumer may hold the investment as up to 10% of the total investable assets. The consumer may seek a product with very low portfolio diversification. Products classified as extremely high risk are likely to meet this category only.
Portfolio diversification (for completing the key product attribute section of consumer's intended product use) Note: exposures to cash and cash-like instruments may sit outside the diversification framework below.	

Term	Definition
Very low	The product provides exposure to a single asset (for example, a commercial property) or a niche asset class (for example, minor commodities, crypto-assets or collectibles).
Low	The product provides exposure to a small number of holdings (for example, fewer than 25 securities) or a narrow asset class, sector or geographic market (for example, a single major commodity (e.g. gold) or equities from a single emerging market economy).
Medium	The product provides exposure to a moderate number of holdings (for example, up to 50 securities) in at least one broad asset class, sector or geographic market (for example, Australian fixed income securities or global natural resources).
High	The product provides exposure to a large number of holdings (for example, over 50 securities) in multiple broad asset classes, sectors or geographic markets (for example, global equities).
Very high	The product provides exposure to a large number of holdings across a broad range of asset classes, sectors and geographic markets with limited correlation to each other.
Consumer's intended investment timeframe	
Minimum	The minimum suggested timeframe for holding the product. Typically, this is the rolling period over which the investment objective of the product is likely to be achieved.
Consumer's Risk (ability to bear loss) and Return profile	
Issuers should undertake a comprehensive risk assessment for each product. A consumer's desired product return profile would generally take into account the impact of fees, costs and taxes.	
Low	The consumer is conservative or low risk in nature, seeks to minimise potential losses and is comfortable with a low target return profile. Consumer typically prefers 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.
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.
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.
Extremely high	The consumer has an extremely high risk appetite, can accept significant volatility and losses, and seeks to obtain accelerated returns (potentially in a short timeframe).

Term	Definition
	Consumer typically prefers extremely high risk, speculative or complex products which may have features such as significant use of derivatives, leverage or short positions or may be in emerging or niche asset classes (for example, crypto-assets or collectibles).
Consumer's need to access capital	
Access to capital	This consumer attribute addresses the likely period of time between the making of a request for redemption/withdrawal (or access to investment proceeds more generally) and the receipt of proceeds from this request under ordinary circumstances. Issuers should consider both the frequency for accepting the request and the length of time to accept, process and distribute the proceeds of such a request. To the extent that the liquidity of the underlying investments or possible liquidity constraints (e.g. ability to stagger or delay redemptions) could impact this, this is to be taken into consideration in aligning the product to the consumer's need to access capital. Where a product is held on investment platforms, distributors also need to factor in the length of time platforms take to process requests for redemption for underlying investments. Where access to investment proceeds from the product is likely to occur through a secondary market, the liquidity of the market for the product should be considered.
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 timeframes), • 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 or amber ratings attributed to the consumer). Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:

Term	Definition
	• 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 *Standalone*, or • the consumer's intended product use is *Core component* or higher and the consumer's risk/return profile is low, or • the relevant product has a green rating for consumers seeking extremely high risk/return.