

Target Market Determination

Product	Business Overdraft
Issuer	<p>The Capricornian Ltd trading as The Capricornian Bank</p> <p>ABN/ACN 54 087 650 940</p> <p>Australian Financial Service Licence / Australian Credit Licence 246780</p>
Date of TMD	19 February 2026
Target Market	<p>Description of target market</p> <p>Business clients who:</p> <ul style="list-style-type: none"> • Are an Australian resident and whose potential security property is domiciled in Australia; Are aged 18 years or more and meet the credit assessment criteria for the product; • Are seeking a facility which can be used for personal investment purposes; • Are seeking a continuing credit facility to make purchases, pay bills and to manage their cashflow needs for a business; • Are seeking a relatively high credit limit to cover large and persistent fluctuations in cashflow; • Are willing and able to offer a first registered mortgage over real property as security for the Business Overdraft facility; • Have sufficient equity in the security; and • Is currently or wishes to become a shareholding member of The Capricornian Bank. <p>Description of product, including key attributes</p> <p>This is a Business Overdraft facility. The key attributes are:</p> <ul style="list-style-type: none"> • Continuing credit facility • Credit limit over \$100,000 and up to 75% of the security property value • Variable interest rate • Monthly Overdraft Service Fee • Establishment fee applicable • For use by owner occupiers and investors • No minimum repayments applicable, however facility must be maintained within its limit. • Must provide a registered first mortgage over real property or other acceptable security • Internet Banking access • Banking App access

	<ul style="list-style-type: none"> • Direct Credit, Periodical Payments, Payroll Allocations or Online Deposits • Apple Pay • Google Pay • Withdrawals at any time, for any amount up to the facility limit (subject to maximum access limits outlined within The Capricornian Bank's Conditions of Use) <p>Classes of consumers for whom the product is clearly unsuitable</p> <p>This product is not suitable for Business clients who:</p> <ul style="list-style-type: none"> • Are without capacity (without appropriate representation) to be bound by contract • Are unable or unwilling to offer appropriate security; • Security being offered is over eight (8) hectares Need the certainty of a fixed interest rate and fixed repayments; • Need a loan facility that actively decreases the loan (amortising loan); • Do not have sufficient equity in their mortgage property; • Are under the age of 18 years; • Do not meet the credit assessment criteria for the product; or • Do not wish to become a shareholding member of The Capricornian Bank.
<p>Distribution Conditions</p>	<p>Distribution conditions</p> <p>This product is distributed by the issuer through the following channels:</p> <ul style="list-style-type: none"> • Branches • Mobile Lenders • Call Centre • Online • The Capricornian Broker Network relationships <p>Distribution conditions for this product include:</p> <ul style="list-style-type: none"> • Ensuring that clients meet the eligibility conditions for the product • Ensuring that distribution through Branches, Mobile Lenders, Call Centre, Online and Brokers is by appropriately authorised and trained staff. There are no other distributors for this product.
<p>Review Triggers</p>	<p>The review triggers that would reasonably suggest that the TMD is no longer appropriate include:</p> <ul style="list-style-type: none"> • A significant dealing of the product to consumers outside the target market occurs;

- A significant number of complaints is received from customers in relation to their purchase or use of the product that reasonably suggests that the TMD is no longer appropriate; or
- A material change to the product or the terms and conditions of the product occurs, which would cause the TMD to no longer be appropriate.

The *Product Governance Framework* includes regular consideration of whether there has been a review trigger following each distribution information report. That consideration is by reference to paragraphs 154 to 156 of RG 274.

Review Periods

First review date: 21 October 2025

Periodic reviews: After initial review, subsequent reviews are on an annual basis.

Distribution Information Reporting Requirements

The Capricornian Bank's Business Overdraft can be provided through all channels which include, in branch, online, by phone or through our broker network relationships and will be undertaken by accredited lending staff.

The Capricornian Bank as the issuer and distributor of this product will ensure that the following information is regularly monitored, reviewed and reported in relation to distribution conduct for this product:

Type of information	Description	Reporting period
Significant dealing(s)	Date or date range of the significant dealing(s) and description of the significant dealing (e.g., why it is not consistent with the TMD)	As soon as practicable, and in any case within 10 business days after becoming aware
Complaints	Number of complaints	Every 3 months
Sales outside the target market	Number of sales \$ value of sales	Every 3 months
Sales inside the target market	Number of sales \$ value of sales	Every 3 months

Date	Version	Nature/Purpose of Review/Amendment	Reviewer
21/10/2025	V1.0	New TMD	Product & CDR Officer
19/02/2026	V1.1	Bank Transformation Additional Changes	Product & CDR Officer