



TARGET MARKET DETERMINATION

OTC DERIVATIVES

4th JULY 2025

Issuer: Mitrade Global Pty Ltd (Mittrade) ABN 90 149 011 361 is an Australian Financial Services Licensee (AFSL 398528) and issuer of OTC derivatives.

Product: OTC Derivatives

1. Introduction

This Target Market Determination (“**TMD**”) document is prepared for the purposes of section 994B of the Corporations Act 2001 (Cth) in respect of Over-the-Counter Derivatives (“**OTC Derivatives**”) issued by Mitrade (the “**Product**”) to retail clients (“**Consumers**”).

This document is not a Product Disclosure Statement (PDS), or a substitute for the Product’s Terms and Conditions or other disclosure documents. You should refer to the relevant Product Disclosure Statement, Terms and Conditions or other disclosure documents available on our website when making a decision about this Product.

2. What is a Target Market Determination

A TMD describes the class of consumers that a financial product is targeted at (the “**Target Market**”) and any conditions around how the product is distributed to consumers (the “**Distribution Conditions**”). It also describes the events or circumstances in which we are required to review the TMD (the “**Review Triggers**”).

3. Product Key Features & Attributes

OTC Derivatives are financial products traded over the counter rather than through a financial market. These products allow consumers to speculate on the price movements of underlying assets - such as shares, commodities, indices, and currencies - without owning the actual asset. Mitrade issues OTC Derivatives in the form of Contracts for Difference (“**CFDs**”) and Margin Foreign Exchange (Margin FX) contracts, both of which offer Consumers the option to use leverage up to the prescribed limits set by ASIC Corporations (Product Intervention Order—Contracts for Difference) Instrument 2020/986. Collectively, these products are referred to as OTC Derivatives in this TMD.

Reasons why a Consumer may trade OTC Derivatives with Mitrade include:

- Hedging trades placed with other OTC derivatives issuers
- Quick trade execution to take advantage of short-term market opportunities.
- Access to a diverse range of markets, including exposure to the value of stocks, commodities, indices, currencies, and cryptocurrencies, all from a single trading platform.
- Control positions with a relatively small amount of capital, amplifying potential gains (and losses).
- Speculating on both upward and downward price movements, making it possible to profit from market movements in either direction.
- Pursue potentially higher returns, by accepting substantial risks.
- The ability to hedge against potential risks associated with other investments or exposures.

4. Target Market

Mitrade recognises that Consumers who trade in OTC Derivatives do so for various reasons and employ different strategies. The Target Market for the Product includes retail clients who satisfy each of the following criteria:

- Are above the age of 18 and below the age of 70;
- Have an income and savings/investments that satisfy Mitrade’s income and wealth thresholds;
- Are not experiencing any type of personal or financial vulnerability that could impact their suitability and/or ability to make reasonable trading decisions;
- Have a short-term investment horizon;
- Are not seeking for stable or predictable returns on their investment;
- Have a high-investment risk appetite;

- Understand OTC Derivatives trading including the risks involved;
- Belong to one or more of the following class of consumers:
 - Hedging traders – seeking to hedge potential risk from existing or future investments or exposures.
 - Leverage traders - aiming to control positions with a relatively small amount of capital to enhance their returns.
 - Speculative traders – looking to make a profit from speculating on price movements in rising and/or falling markets.
 - Risk Seeking traders – actively seeking to trade in high-risk financial instruments.

Mittrade considers a consumer's understanding of OTC derivatives — including their risks and obligations to be an important factor in assessing whether the product is suitable for them. A strong level of knowledge supports informed decision-making and responsible trading behaviour. While relevant experience may contribute to developing this understanding, to ensure that all potential consumers possess the necessary level of understanding, Mittrade requires all consumers to demonstrate sufficient knowledge before being considered within the target market. This approach supports the responsible distribute of our products to consumers for whom they are likely to be suitable.

The table below matches the Key Product Attributes to the Objectives and Needs of the Target Market for this Product.

Objectives and Needs	Product Attributes
<p>Hedging Traders seek to protect against, minimise, or reduce exposure to potential losses in current or future investments.</p> <ul style="list-style-type: none"> - Employ hedging methods that assist with risk management of their investments. - Manage short-term market risks and volatility. - Quickly adjust positions and exposures in response to market changes to optimise returns and manage risk tactically. - Apply hedging strategies to capitalise on market movements across multiple asset classes - stocks, commodities, currencies, and indices - using a single platform. 	<p>Consumers trading OTC Derivatives have the ability to employ hedging strategies that can offset potential losses in investments in other products.</p>
<p>Leveraged Traders generally have a high-risk appetite and employ a trading strategy using leverage or margin to take larger positions than their initial investment would normally allow, thereby aiming to magnify their potential gains.</p> <ul style="list-style-type: none"> - Increase potential profits by managing larger positions with a smaller amount of capital. - Utilise capital more efficiently to deploy funds across multiple positions simultaneously. - Strengthen hedging strategies with leverage to manage larger exposures. 	<p>Consumers trading OTC Derivatives can use a smaller amount of capital in a cost-effective manner to:</p> <ul style="list-style-type: none"> - Control significantly larger positions and potentially achieve higher returns than with their available funds alone. - Increase their exposure to speculate on a variety of underlying asset price movements without purchasing the assets outright. - Hedge against broader market exposures.
<p>Speculative Traders capitalise on price movements and market fluctuations to generate profits.</p> <ul style="list-style-type: none"> - Profit from price fluctuations. 	<p>Consumers trading OTC Derivatives will be able to:</p> <ul style="list-style-type: none"> - Capitalise on trading opportunities in both rising and falling markets by taking long (buy) or short (sell) positions.

<ul style="list-style-type: none"> - Execute trades swiftly to capitalise on short term market movements. - Speculate on a range of assets including stocks, commodities, currencies, and indices without ownership. - Access global markets to leverage diverse opportunities and market conditions across regions. 	<ul style="list-style-type: none"> - Trade and profit from market movements in underlying assets across global financial markets. - React quickly to sudden market shifts and execute trades without the delays often associated with asset ownership settlement. - Employ various CFD trading strategies (for example, active trading, and positional trading), and hold positions based on trading approach and prevailing market conditions.
<p>Risk-Seeking Traders actively looking for higher risk investments.</p> <ul style="list-style-type: none"> - Access to volatile markets and trade high risk financial instrument with exposure to a variety of underlying assets. 	<p>Consumers trading OTC Derivatives will be able to:</p> <ul style="list-style-type: none"> - Intentionally engage in high-risk trading as part of their investment strategy, with exposure to different market dynamics and leverage opportunities. <p>Pursue riskier assets for higher return potential, accepting the associated volatility and potential risk of losses.</p>

Financial Situation

The Financial Situation of the Target Market includes consumers who:

- Have access to disposable capital through income and/or savings;
- Do not rely primarily on Government Support as their main source of income;
- Are not experiencing financial hardship; and
- Are financially able to bear the risk of losing the entire balance of their trading account.

5. CONSUMER OUTSIDE OF THE TARGET MARKET

The Product is not targeted at consumers who:

- Are below the age of 18 years or above the age of 70 years;
- Do not have a source of income and/or saving or investments that meets Mitrade's suitability criteria;
- Primarily rely on Government support payments;
- Intend to fund their trading through loans or other forms of credit;
- Are seeking stable or predictable investment returns;
- Are seeking to hold investments for the medium to long term, rather than for short-term trading;
- Are potentially vulnerable including those that are:
 - suffering an age-related impairment
 - suffering any form of cognitive impairment
 - suffering from elder or financial abuse
 - suffering from mental or other forms of serious illness affecting capacity
 - experiencing financial hardship
 - experiencing any other personal or financial circumstances causing significant detriment.
- Do not have a high-risk appetite or are unable to bear the loss of their entire trading account balance;
- Do not demonstrate an understanding of OTC Derivatives and the associated risks.

6. Distribution Conditions

Mitrade is the distributor of its own Products, and applies the following conditions and restrictions to the distribution of OTC Derivatives so that the product is likely to be issued to Consumers in the Target Market:

- Limit the channels through which the Product can be provided,
- Ensure those who distribute the Product are adequately trained; and
- Ensure the Product is only distributed in accordance with a consistent application and assessment process.

In addition, the below table identifies the distribution channels which the Product can be sold through and sets out the conditions that apply to each channel.

Distribution Conditions & Restrictions	Consistency in Target Market Distribution
Proprietary: <ul style="list-style-type: none"> - Mitrade is the Issuer and Distributor of the Product through online channels 	<p>Direct distribution of the Product by Mitrade to Consumers will be in accordance with procedures we determine are reasonably likely to result in distribution to Consumers in our Target Market:</p> <ul style="list-style-type: none"> - Advertising materials are prepared in accordance with Mitrade's marketing guidelines and approved by the appropriate personnel, ensuring target marketing to Consumers likely to align with Mitrade's Target Market. - Mitrade staff appointed to assist with the distribution of the Product are adequately trained and monitored, to ensure they understand and are able to discuss the features, risks and fees of the Product. - Mitrade's online channel provides Consumers with easy to access and clearly presented information about the Product including its key features, risks and fees. - Mitrade will verify whether potential Consumers fall within the identified Target Market during the onboarding process, before approving them and allowing them to trade CFDs on the trading platform. <p>The Product can only be acquired by Consumers who complete the appropriate application, governed by our client suitability and knowledge testing process, which ensures thorough gathering and assessment of Consumer information.</p>
Third Party: <ul style="list-style-type: none"> - This Product cannot be distributed or offered (dealing or arranging) through third parties 	<p>Restricting third party distribution through which the Product can be offered allows control over the distribution process of the Product to the Target Market, ensuring marketing and distribution plans are effectively tailored.</p> <p>This approach maintains consistent and accurate marketing and communication of the Product's features, benefits, and risks, preventing mixed messages from third-party distributors who may not fully understand or align with the Product's objectives.</p> <p>Before any changes are made to Mitrade's third-party distribution channels, this TMD and the distribution conditions will be reviewed to ensure targeted distribution to the intended market.</p>

7. Information Collection & Reporting Requirements

As the sole distributor of the Product, we also consider the following information on a quarterly basis as part of monitoring and reviewing the TMD to determine whether it is still appropriate:

Kind of information	Reportable information (where possible)	Reporting Period
Complaints about the Product	Information about the complaints including: <ul style="list-style-type: none"> - number of complaints, - nature of complaint; and - feedback on improving the Product. 	Monthly
Consumer feedback	General feedback on: <ul style="list-style-type: none"> - the Product, - Product performance; and - Product's suitability. 	Quarterly, and no later than 15 business days from the end of the quarter.
Information requests	Requests for information on the Product from Investors.	As received.
Significant dealings outside the Target Market	<ul style="list-style-type: none"> - Date or date range of the significant dealing(s), - description of the dealing; and - number of Consumers affected. 	As soon as practicable, and no later than 10 business days after becoming aware of any significant dealings.

8. Review of this Target Market Determination

This TMD will be reviewed as follows:

Next Review date	The first review of this TMD will occur in July 2026.
Scheduled Review Period	This TMD will be reviewed at least every 12 months from the start date of this Target Market Determination.
Review Triggers	<p>The TMD will also be reviewed should any of the following events occur:</p> <ul style="list-style-type: none"> - Where there is a significant dealing of the Product to Consumers outside of our Target Market (which does not refer to any one particular dealing in CFDs), - Where we have received significant complaints or noted any relevant complaint trends, - Material changes in law or other regulation affecting the issuance, distribution or operation of the Product, which affects Consumers, - Receipt of a regulatory order that suggests that this TMD is no longer appropriate; or - Any other event or circumstance that would materially change a factor considered in making the TMD.



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