Target Market Determination

Issuer: EC Markets Financial Limited (ARBN: 152 535 085, AFSL: 414198)

Product: Contracts for Difference (“CFDs”).

Date: June 2025

Overview of this document

This Target Market Determination (TMD) was written by EC Markets Financial Limited trading as “EC Markets” (hereinafter, collectively known as EC Markets, we, us, our) for the purposes of section 994B of the Corporations Act 2001 (Cth) (“Corporations Act”) in respect of CFDs. EC Markets Financial Limited was formerly known as CTRL Investments Limited and MahiFX Limited.

This TMD is issued in connection with the CFDs offered by EC Markets. It provides important information about the CFDs that we offer and should be read in conjunction with our terms and

conditions (Terms of Use) Product Disclosure Statement (PDS) and our Financial Services Guide (FSG). These documents allow clients to fully understand the risks involved and govern our relationship with our clients. This TMD is intended for Australian residents who have signed up using the www.ecmarkets.com.au website.

Updates

Changes to this TMD

The information in this TMD is up to date at the time it was prepared but is subject to change at any time. Where information is not materially adverse, we may update the information by posting a notice on our website. A copy of this TMD, the PDS (including any supplementary disclosures), FSG and our Terms of Use can be downloaded from Our Website, or consumers can contact us directly to request a paper copy which we will provide free of charge.

Overview of CFDs

CFDs are complex and leveraged financial products which enable Consumers to trade on the price movement of underlying financial assets such as foreign exchange currency pairs, indices, cryptocurrencies, shares and commodities. CFDs involve a variety of fees or charges, including spreads, account charges, overnight fees and commissions, which may make them unsuitable for some investors. Such fees are notified to investors before they purchase CFDs.

A CFD is an agreement which allows a client to make a profit or loss by reference to the fluctuations in the value of an underlying Instrument such as shares, ETFs, indices, commodities, foreign exchange, or cryptocurrencies. The client does not own or have any rights to the underlying instrument.

The CFDs are:

- over the counter (i.e., they are entered into between the client and EC Markets directly)
- non-deliverable (i.e., they are cash settled and do not allow for the physical delivery of the underlying Instrument)
- on shares, ETFs, indices, commodities, foreign exchange, or cryptocurrencies

CFDs are subject to significant risks that include but are not limited to:

- Leverage: whereby both gains and losses can be magnified

- Non-transferable: when a trade is entered with us through the platform it is an off-exchange contract and can be closed only with us
- Holding costs: clients will incur holding costs depending on how long they hold a position open
- Close-out risk: Sufficient funds must be held for margin for an open position, if this is not done some or all of the position may be closed by us.
- Volatility: markets may fluctuate rapidly and the CFD price will reflect this, which can cause rapid gains and losses.
- No cooling off: There is no cooling off period associated with trading CFDs, trades are executed in real-time with no opportunity to undo the trade.
- Counterparty risk: EC Markets is the issuer of the CFDs, that means EC Markets is the counterparty in each transaction meaning that a failure of EC Markets will mean each client becomes an unsecured creditor.

Target Market

EC Markets has determined that the target market for the CFDs that it issues are within the following categories:

- High Risk Tolerance Traders – Clients seeking to make a profit via speculation.
- Risk Mitigation Investors – Clients seeking to hedge potential risks from other investments in or exposures to Underlying Reference Instruments.

Identifiers of this target market are:

- Consumers over the age of 18 and under the age of 80
- Consumers who can accept losses that can be as great as the sum of deposits.
- Customers who have a high investment risk appetite.
- Consumers with a short-term investment horizon.
- Consumers that understand the risk of CFD trading.
- Consumers that have experience in financial markets.
- Consumers that are prepared to actively monitor their positions.
- Consumers who are employed (including self-employed) or retired with moderate to high income or savings.

The likely objectives of this target market are:

- To make short-term gains.
- To invest in markets that would otherwise be unavailable to them.
- To gain experience with complex investment types with minimal up-front investment.

Consumers for whom CFDs are unsuitable:

Consumers who are in any of the categories below are not in the target market for our CFDs:

- Consumers who are below the age of 18 years or above 80 years of age
- Consumers who reside in a country or territory which restricts or prohibits trading in CFDs
- Consumers who are in financial hardship or going through bankruptcy
- Consumers who do not have the ability and willingness to lose the sum of their deposits
- Clients who do not have the requisite knowledge for trading
- Clients who do not understand the risks associated with trading CFDs
- Consumers who have low levels of literacy or numeracy, financial literacy and technological literacy
- Consumers who wish to trade using their retirement savings, income or cash that the Consumer relies on for living expenses or personal savings
- Consumers who are seeking regular or otherwise predictable returns on their investments
- Consumers who primarily derive their income from social security and/or borrowings
- Consumers who have a low or medium tolerance to risk
- Consumers who are designated as vulnerable clients as defined below

We define vulnerable clients as individuals who, due to their personal **circumstances,** may have a reduced capacity to make informal decisions, engaged with financial product safely or bear financial losses. Vulnerability may be temporary, situational or ongoing and our Compliance team will make the decision **whether** we proceed with an account, if we notice any but not limited the following **examples.**

- **Language** barriers or limited understanding in English
- Financial difficulties or hardship
- Mental Health concerns
- Low experience of financial literacy or investment experience
- Addictive or compulsive **behavior** with trading (signs of trading addition or other unusual **behavior**)

Review

Review Period

Under ordinary circumstances, the review of the product, target market, distribution and controls, and this TMD must take place no later than **twelve months** from the date the last review began or within 10 days of a material change of circumstances that require an update. This may include systemic or repeated compliance breaches, excessive number of complaints or changes in legislation as defined in part 7.8A of the Corporations Act 2001, or any other body of legislation related to the product or its distribution, materially change.

Triggers

EC Markets will undertake a review of the TMD within ten (10) business days where the following triggers occur:

- where we become aware of significant and relevant complaint trends.
- where we have detected significant issues with the distribution of our CFDs through our monitoring of our own day-to-day activities.
- where there are material changes to the law or regulations applicable to CFDs affecting the issuance, distribution or operation of CFDs.
- any other event or circumstance that would materially change a factor taken into account in making this TMD for CFDs

Distributor Information

EC Markets will distribute its own CFDs through its own trading platform.

If applicable, as part of the process of monitoring and reviewing the TMD to determine whether it is still appropriate, each Distributor must provide the following to us on a six-monthly basis (subject to where no reporting is required, based on the particular reporting requirements and conditions set out below)

Complaints data:

- Information about the complaints received, including the number of complaints received (but only where the Distributor received complaints in relation to the product during the reporting period).

Other data:

- Consumer feedback, including regarding performance of the product (but only where such feedback was received during the reporting period);
- requests for information that the Distributor has received from clients
- percentage of sales to clients who are not in the target market
- volume of sales and
- web analytics.

Further reporting requirements:

- In addition to the reporting requirements above, each Distributor must report: Any significant dealing outside the TMD, as soon as practicable and, in any event, within 10 business days of such dealing; and
- All individual complaints made by any person in connection with the relevant financial product that are made to the Distributor, as soon as practicable and, in any event, within 5 days of receiving any such complaint

Contact information

We are registered in New Zealand as a private limited company by shares and is registered in Australia as a registered foreign company. Consumers can contact us using the information below:

Accessing Our Website: www.ecmarkets.com.au

By email (Customer Service Team): support@ecmarkets.com.au or

By telephone (Customer Service Team): +64 9 302 0798

For more information about EC Markets and the CFDs we offer, please visit our website. We reserve the right to amend the TMD at any time if such an amendment is needed as a result of any changes to the law or regulations, regulatory guidance, for any reason we consider as a proper reason to amend the TMD.