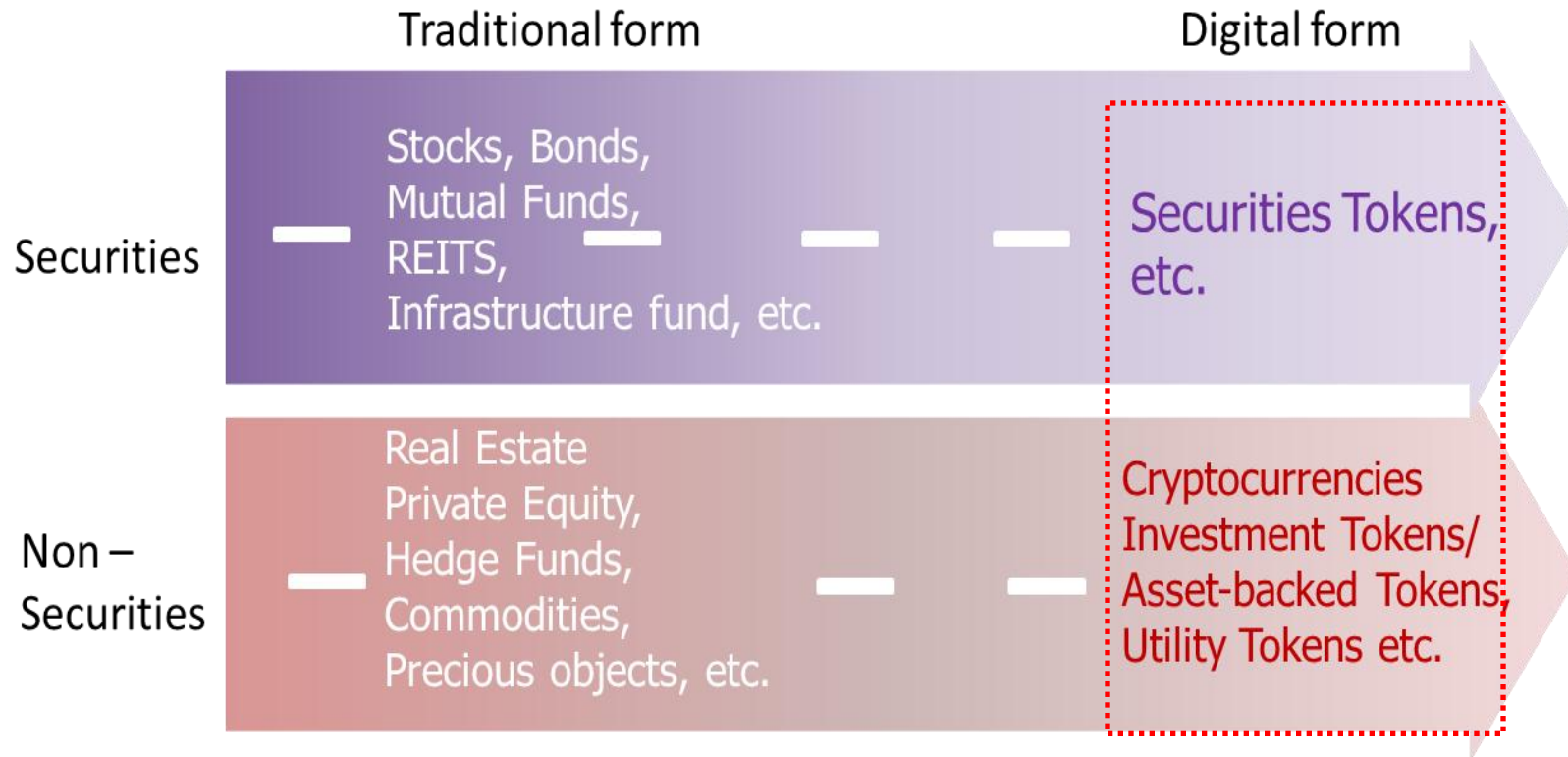


Digital Revolution and Its Consequences on Capital Markets

November 2019

I. New form of Products

- In Thailand, Digital Asset are defined as Cryptocurrencies and Digital Tokens (Investment token and/or Utility token)*



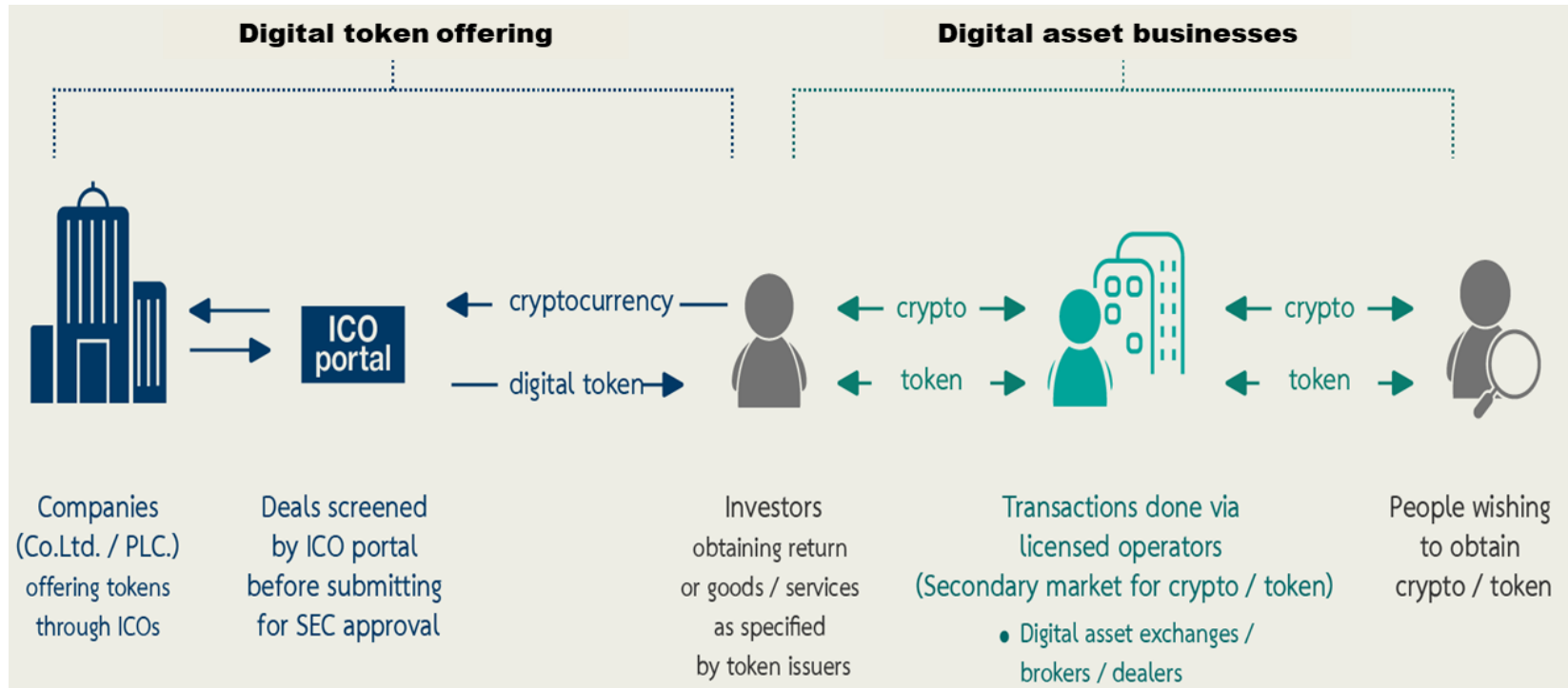
*Definition from the Emergency Decree on the Digital Asset Businesses B.E. 2561 (C.E. 2018)

"**Cryptocurrencies**" are defined as electronic data units which are created on an electronic system or network for the purposes of being used as a medium of exchanging goods, services, rights, and trade of Digital Assets

"**Digital Tokens**" are defined as electronic data units created on an electronic system or network for determining (1) rights of an investor to participate in an investment in any project or business (i.e. investment token) or (2) rights to receive specific goods, services, or other rights as agreed between an issuer and a holder (i.e. utility token)

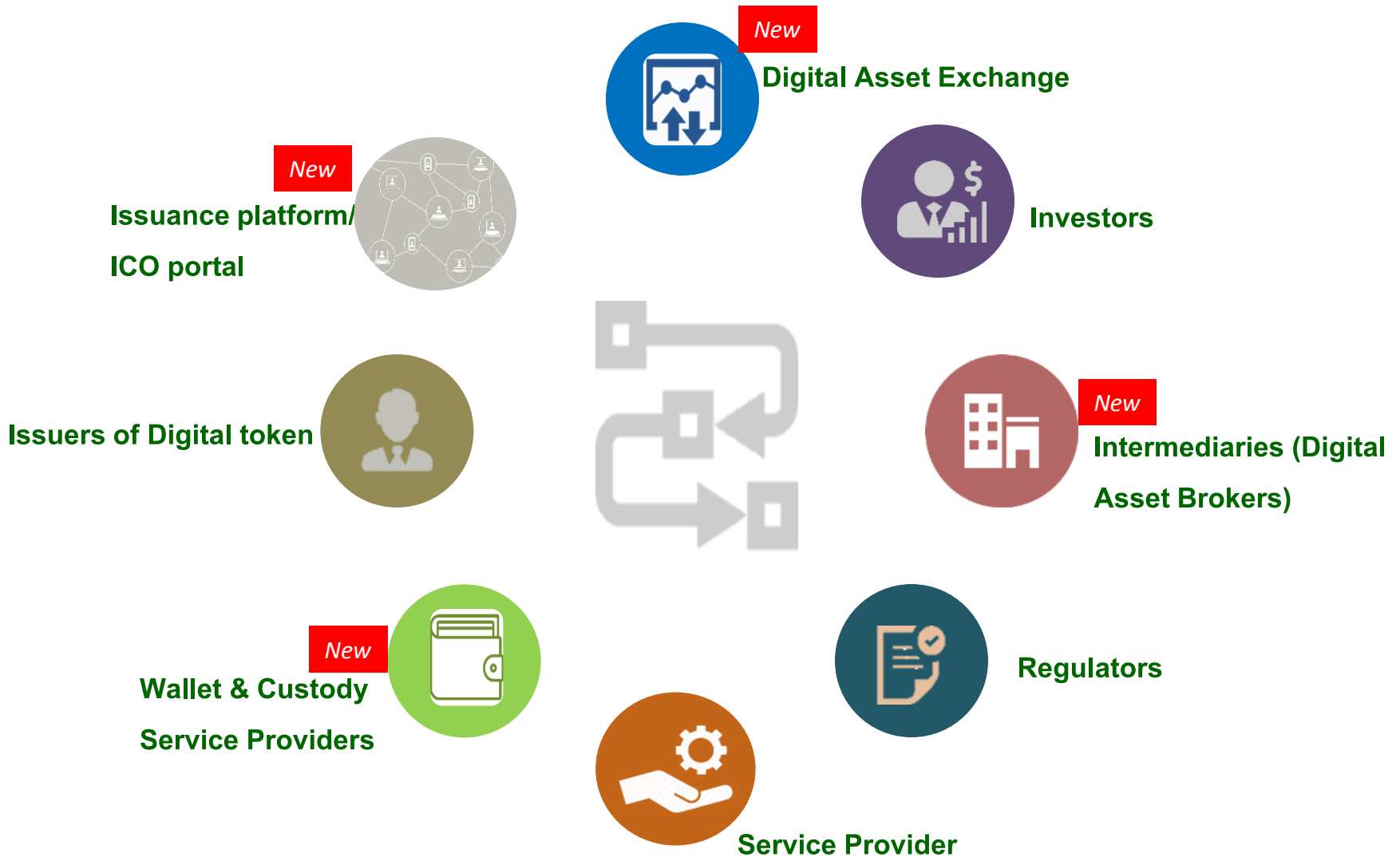
II. New form of Fund Raising & Trading process

Activities governed by the SEC



Source: SEC (No. of active licensed operators as of October 30, 2019; 2 Digital asset exchanges, 1 broker and 3 ICO Portals)

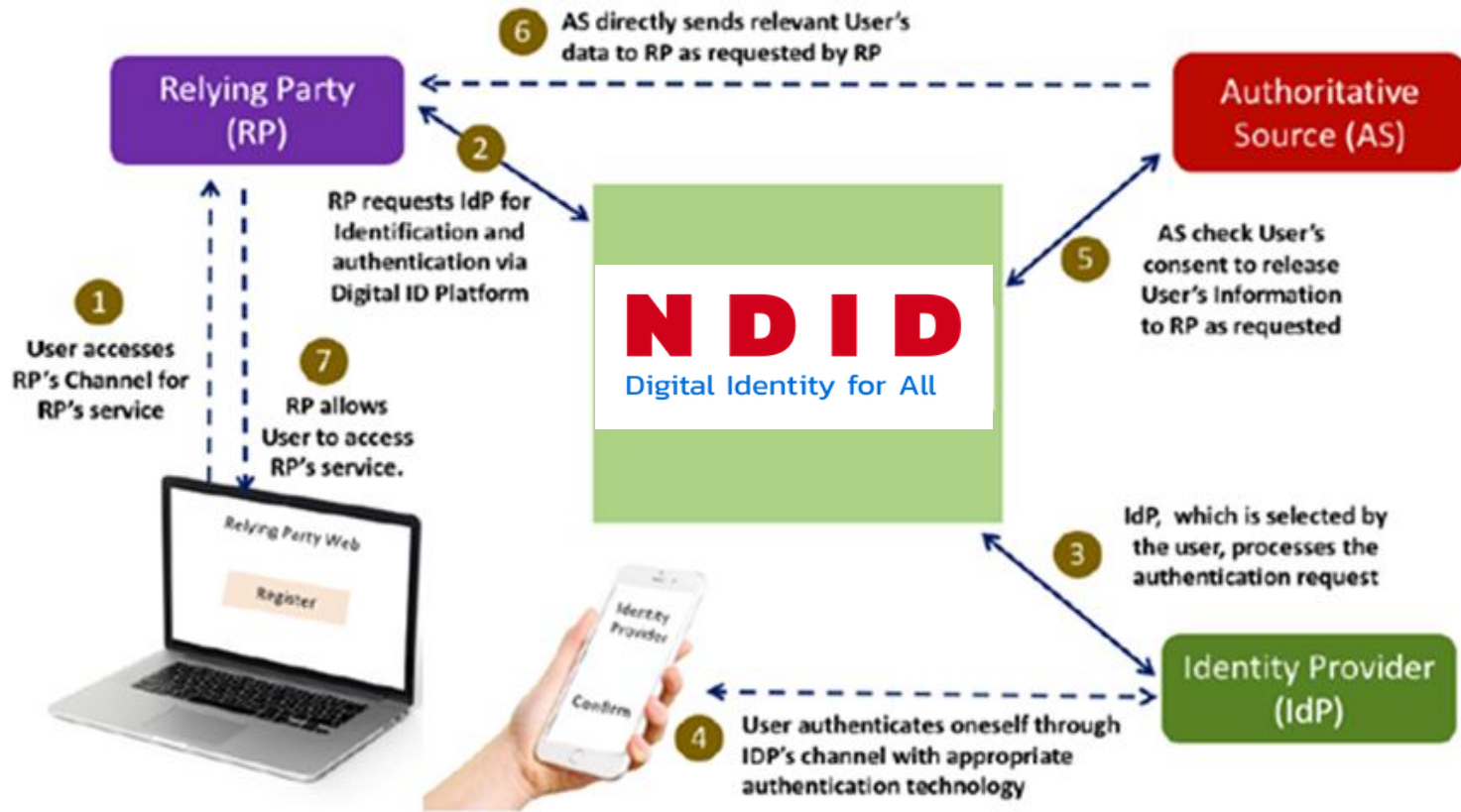
III. New form of Market Players



Source: SEC (No. of active licensed operators as of October 30, 2019; 2 Digital asset exchanges, 1 broker and 3 ICO Portals)

IV. New form of Capital Market Infrastructure

- National Digital ID Platform



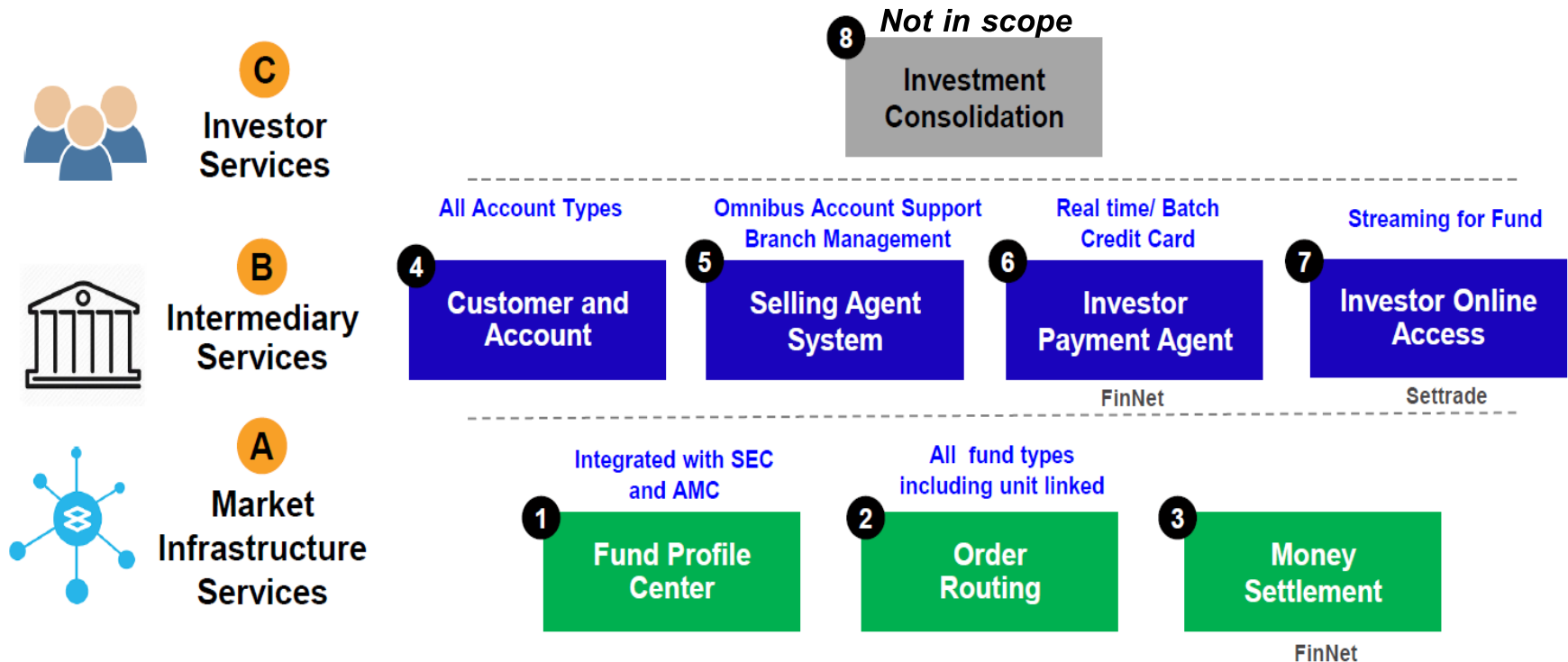
- NDID is a national infrastructure for electronics authentication which is a centralized platform that allows members from public and private sectors to connect and authenticate their customers digitally.
- The current members are commercial banks, security companies, and insurance companies.

IV. New form of Capital Market Infrastructure

- **SET's FundConnex Platform**

FundConnex is SET's fund service platform for centralized data and support mutual fund transaction. The platform started to operate in 2017 with the services offered including fund profile, order routing, customer account database and fund settlement's service, etc.

- **Platform's features**



Thank you

Digital Asset Businesses in Thailand

• Qualifications

Digital token offering to public

- Limited/Public Limited Company registered in Thailand
- SEC Approval
- Offer to be made through ICO Portal recognized by SEC
- Filing/ prospectus requirements
- Accepting only cryptocurrencies via licensed operators/ traded via licensed exchanges
- Investor types & Investment limits as specified by SEC

Digital asset businesses (exchanges/brokers/dealers)

- Licensed by Minister of Finance
- In Compliance with standards set by SEC e.g.
 - Adequate Capital
 - Proper risk management (incl. against cyberthreats)
 - Know Your Client/Customer Due Diligence process
 - Measures to prevent anti-money laundering