Announcement BITKUB ONLINE Co., Ltd.

Regarding the characteristics and direction for any actions that fall under a scope of Improper Trading Practices

Reference is made to Chapeter 6 of the Emergency Decree on Digital Asset Businesses B.E.2561 (2018) ("**Digital Asset Emergency Decree**") defining the nature of unfair digital assettrading practices underand the Notification of the Securities and Exchange Commission No. Kor.Thor.19/2561 Re: Rules, Conditions and Procedures for Operating Digital Asset Businesses.

BITKUB ONLINE Co., Ltd. (the " **Company**"), as a licensed digital asset exchange operating under the supervision of relevant competent government agencies, has prepared this Announcement to cause the effects upon all investors and market makers for a purpose of governing the placement of the buying or selling orders of digital assets under the digital exchange of the Company to be in the normal conditions, which will be the benefits of the investors in general, and for the investors to acknowledge the prelimary criterias for considering the characteristic and direction for any actions that fall under a scope of improper trading practices ("**Improper Trading Practices**"). .

In this regard, the Company hereby requests all customers and market makers to act with cautions when placing an order buy or sell of the digital assets and to refrain from conducting any abnormal behaviours when placing an order to buy or sell that differ from normal customers' behaviours that may be considered as Improper Trading Practices under this Announcement, which may cause the digital assets or the conditions of purchase and sale of the digital assets under the Company's exchange are inconsistent with the normal market condition in overall.

Characteristics of Improper Trading Practices

1. **Wash Sale Order** which refers to the behaviours of (1) purchase or sale, or (2) placing an order to buy or sell of digital assets that mislead other persons regarding the price or volume of purchase or sale of the digital assets or in a continous manners by aiming to cause the price or volume of purchase or sale of digital assets to be inconsistent with the normal market condition, which include the following acts:
   (1) a purchase or sale of digital assets in such manner that ultimately the person who has the benefit of the purchase or sale of digital assets is the same person;
   (2) placing an order to buy digital assets with the knowledge that such persons (who places such order) or a person who acts together with such person has placed, or will place an order to sell the same digital assets in a similar amount, at a similar price and within a similar period of time;
   (3) placing an order to sell digital assets with the knowledge that such persons (who places such order) or a person who acts together with such person has placed, or will place an order to buy the same digital assets in a similar amount, at a similar price and within a similar period of time;.

(4) placing or cancelling a digital asset purchase or sale order in such manner that obstructs a sale or purchase of digital assets of the other persons, which, in effect, forces such other persons to place the purchase or sale order at a higher or lower price than it should have been.

The Company will presume that a persom who commits any of the following acts is a person involving with the Improper Trading Practices in terms of Wash Sale:

(1) opening a bank account, an account opened with a digital asset business operator, or any other joint account for making payments or receiving payments related to or derived from digital assets trading;

(2) allowing any other person to gain benefits from using his or her bank account, an account opended with a digital assets business operator or any other account for making payments or receiving payments related to or derived from digital asset trading;

(3) allowing any other person to use his or her digital asset trading account

(4) making a payment or receiving a payment for digital asset trading account for the benefit of any other person;

(5) placing money or other assets as collateral for digital asset trading for the benefit of any other person;

(6) allowing any other person to receive benefits from or assume responsibilities for the payments related to or derived from its digital asset trading

(7) making or accepting a transfer of digital assets between each other.

2. **Price Maintain Order** refers to a behaviour that places multiple orders to buy or sell with an intention to control a price of such digital asset in order to prevent any changes for being higher or lower, and that causes a price condition to be differed from normal market condition or global's market condition. The characteristics of which are as follows:

(1) continuously placing multiple orders to buy or sell at the same price despite of the ability to place a single order to buy or sell;

(2) placing an order to buy or sell for immediate matching in order to maintain a price.

(3) continuously trading that causes a trading volume of a digital asset to abnormally increase from global's market condition in order to mislead other persons regarding a trading volume or level of interest upon such digital asset, wihout other contributing factors, and having abnormal trading behaviour distinct from nomal customers. .

3. **Pump and Dump Order** refers to a behaviour of placing an order to buy or sell digital assets that is unable to identify a need or intention in placing such order under a normal investor's practices. The characteristics of which are as follows:

(1) placing multiple orders to buy or sell for digital assets in a manner of (a) bids or sweeping offers for boosting a price, or (b) offers or sweeping bids for decreasing a price

(2) Placing multiple orders to buy or sell digital asset in a manner that (a) causes condition for price of digital asset to be increased or decreased abnormally for a certain moment, or (b) misleads other persons that, for a certain moment, price of digital asset changes abnormally, or deviates from normal market condition or a price in other referenced markets by causing continuous changes or correlation.

4. **Quote Stuffing Order** refers to a behaviour of placing an order to buy or sell digital asset, which causes a price or volume of digital asset deviates from normal market condition and trading system of digital exchange delayed or halted.

5. **Orders that are not complying or raise suspicion of not complying with the Digital Asset Emergency Decree B.E. 2561**

The Company's actions when Improper Trading Practices are found

When the Company detects actions that falls under a characteristic of Improper Trading Practices, the Company will consider taking actions according to the following criterias:

1. The Company will consider whether the actions, characteristics of placing an order buy or sell, or a purchase or sale are Improper Trading Practices

2. The Company will consider the circumstances, intention and severity of behaviour for Improper Trading Practicess, including the impacts on the Company's digital asset exchange as a whole importantly, *e.g.* level of severity of behaviours for Improper Trading Practices, continuity or frequency of placing improper order, ability to know or should have known when placing the improper order that placing improper order may affect the trading conditions of such digital asset or overall trading conditions of the Company's digital asset exchange, volume of Improper Trading Practices, including any other additional changing and varied behaviours from the aforementioned

3. Any other factors or behaviourss that the Company considers to be related to Improper Trading Practices.

Therefore, when the Company identifies Improper Trading Practices, it will consider taking actions based on the severity of Improper Trading Practices and other causes as the Company sees appropriate. The level of actions are as follows:, with the following levels of action:

Level 1: The Market Surveillance team will notify the customer by email or telephone in order to inform the actions that may fall under a scope of Improper Trading

Practices, to request for clarifications cooperation to use caution in placing the orders to not fall under the characteristics of Improper Trading Practices.

Level 2: The Market Surveillance team will notify the customer of actions that may fall under Improper Trading Practices in written (**"Probation"**) and notify in the notice that if the customer still continues conducting any violation, the Company will suspend the trading order of the customer for **a period of not less than 7 business days**.

Level 3: The Market Surveillance team will immediately suspend the customer's trading order for **a period of not less than 7 business days,** and notify the customer in written (Probation) and notify in the notice that if the customer still continues conducting any violation, the Company will suspend trading order for a period of not less than 30 business days.

Level 4: The Company will immediately suspend the customer's trading order for **a period of no less than 30 business days**.

Level 5: The Market Surveillance team reports to the Company's board of directors to considering having the order to **suspend the customer's account (for purchase-sale / deposit of fiat and digital asset) for a period of not less than 30 business days**.

Level 6: The Market Surveillance team reports to the Company's board of directors to considering having the order to **close the customer's account.**
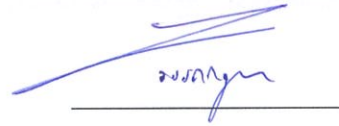
The Company will consider the history of Improper Trading Practices annually **starting from the date of the initial discovery as the starting point**. The Company will assess the level of compliance based on the severity of behavioursand the number of actions that fall under the Improper Trading Practices.

The Company reserves the rights to consider extending the period of execution of the above actions as the Company sees appropriate.

In addition, the Company reserves the rights to modify, amend, revoke, and specify additional characteristics of Improper Trading Practices or any other detils as described in this Announcement.

In this regard, the Company sincerely hopes for full cooperation from all customers. In any event, if any Improper Trading Practices are identified, the Company reserves the right to take any actions with the customer's account or trading order on digital asset as the Company sees appropriate or according to the order of the regulator.

The Announcement shall become effective starting from the day of 17 June 2024 onwards.

Mr. Atthakrit Chimplapibul
Chief Executive Officer of BITKUB ONLINE Co., Ltd.

Appendix

Examples of Improper Trading Practices

The examples of behaviours presented in this document are merely examples of a purchase or sale of digital assets that fall under the characterisitcs of Improper Trading Practices. A consideration of whether being Improper Trading Practices shall be in accordance with the details described in the Announcement of BITKUB ONLINE Co., Ltd. regarding the characteristics and direction for any actions that fall under a scope of Improper Trading Practices (the "Announcement"). In this regard, Improper Trading Practice may cause the digital assets or the overall tradning condition differ from normal market condition, and this may be considered as a violation under the Emergency Decree on Digital Asset Businesses B.E. 2561 (2018), and the relevant laws.

For ease of understanding, the Company uses the colours to represent the trading volume of regular investors and investors who conducts Improper Trading Practices as follows:

Regular Investors (placing the order to sell)

Mr. A who conducts Improper Trading Practices (placing the order to sell)

Regular Investors (placing the to order to buy)

Mr. A who conducts Improper Trading Practices (placing the order to buy)

1. **Example of Wash Sale Order**

   Case Example 1.1: Sequences of Wash Sale's behaviours

   Step 1: There is a placement of the order to sell awaiting at a price THB 3.4 at the top rank, which is the best offer that Mr. A wants to sell. (Image 1.1).

BIDS			ASKS			
Vol (THB)	Vol (DOGE)	Rate (THB)	Vol (THB)	Vol (DOGE)	Rate (THB)	
3,720.00	1,200.00	3.10	6,400.00	2,000.00	3.20	
7,500.00	2,500.00	3.00	10,395.00	3,150.00	3.30	
9,570.00	3,300.00	2.90	13,600.00	4,000.00	3.40	
7,776.00	2,700.00	2.88	32,300.00	9,500.00	3.40	← Mr. A placed an order to sell at price of THB 3.40
9,734.31	3,489.00	2.79	14,300.48	3,886.00	3.68	
3,252.00	1,200.00	2.71	18,750.00	5,000.00	3.75	
11,055.00	4,125.00	2.68	20,204.10	5,345.00	3.78	
10,040.85	3,789.00	2.65	11,400.00	3,000.00	3.80	
8,584.29	3,289.00	2.61	10,653.98	2,789.00	3.82	
10,360.00	4,000.00	2.59	26,950.00	7,000.00	3.85	
16,676.73	6,489.00	2.57	16,906.80	4,380.00	3.86	
7,536.18	2,967.00	2.54	22,173.00	5,700.00	3.89	

Image 1.1: Placing order to sell at a price of THB 3.4

Step 2: Mr. A has placed the additional orders to sell at prices of THB 3.3 and THB 3.2, which are the Best Offer at the better ranking for getting closer to a price that a matching will occur. (Image 1.2)

BIDS			ASKS			
Vol (THB)	Vol (DOGE)	Rate (THB)	Vol (THB)	Vol (DOGE)	Rate (THB)	
3,720.00	1,200.00	3.10	6,400.00	2,000.00	3.20	
7,500.00	2,500.00	3.00	9,600.00	3,000.00	3.20	← Mr. A placed the additional orders to sell at prices of THB 3.20
9,570.00	3,300.00	2.90	10,395.00	3,150.00	3.30	
7,776.00	2,700.00	2.88	9,900.00	3,000.00	3.30	← Mr. A placed the additional orders to sell at prices of THB 3.30
9,734.31	3,489.00	2.79	13,600.00	4,000.00	3.40	
3,252.00	1,200.00	2.71	32,300.00	9,500.00	3.40	
11,055.00	4,125.00	2.68	14,300.48	3,886.00	3.68	
10,040.85	3,789.00	2.65	18,750.00	5,000.00	3.75	
8,584.29	3,289.00	2.61	20,204.10	5,345.00	3.78	
10,360.00	4,000.00	2.59	11,400.00	3,000.00	3.80	
16,676.73	6,489.00	2.57	10,653.98	2,789.00	3.82	
7,536.18	2,967.00	2.54	26,950.00	7,000.00	3.85	

Image 1.2: Placing the orders to add the volume at the previous Best Offer price

Step 3: Mr. A placed an order to buy in order to match with the latest order to sell in order to make other investors understand that the trading volume of such digital asset increases at that moment and a price is changed. (Image 1.3)

	BIDS			ASKS		
	Vol (THB)	Vol (DOGE)	Rate (THB)	Vol (THB)	Vol (DOGE)	Rate (THB)
Mr. A placed an order to buy at THB 3.35 to match with the latest order to sell in order →	36,347.50	10,850.00	3.35	6,400.00	2,000.00	3.20
	3,720.00	1,200.00	3.10	9,600.00	3,000.00	3.20
	7,500.00	2,500.00	3.00	10,395.00	3,150.00	3.30
	9,570.00	3,300.00	2.90	9,900.00	3,000.00	3.30
	7,776.00	2,700.00	2.88	13,600.00	4,000.00	3.40
	9,734.31	3,489.00	2.79	32,300.00	9,500.00	3.40
	3,252.00	1,200.00	2.71	14,300.48	3,886.00	3.68
	11,055.00	4,125.00	2.68	18,750.00	5,000.00	3.75
	10,040.85	3,789.00	2.65	20,204.10	5,345.00	3.78
	8,584.29	3,289.00	2.61	11,400.00	3,000.00	3.80
	10,360.00	4,000.00	2.59	10,653.98	2,789.00	3.82
	16,676.73	6,489.00	2.57	26,950.00	7,000.00	3.85

Image 1.3: Placing the order to sweeping purchase at the Best Offer in order to cause price changed

Step 4: Thereafter, other investors placed the orders at the higher price because they understood that the price was increasing, which causes **Mr. A to gain benefits** from a purchase or sale at the original price. (Image 1.4).

	BIDS			ASKS			
	Vol (THB)	Vol (DOGE)	Rate (THB)	Vol (THB)	Vol (DOGE)	Rate (THB)	
Other investors placed orders to buy at higher prices due to buying volume →	25,500.00	7,500.00	3.40	32,300.00	9,500.00	3.40	← Matching at the Mr. A desired price
	36,347.50	10,850.00	3.35	10,200.00	3,000.00	3.40	
	3,720.00	1,200.00	3.10	15,094.25	4,325.00	3.49	
	7,500.00	2,500.00	3.00	6,368.84	1,789.00	3.56	
	9,570.00	3,300.00	2.90	7,014.86	1,954.00	3.59	
	7,776.00	2,700.00	2.88	7,665.00	2,100.00	3.65	
	9,734.31	3,489.00	2.79	14,300.48	3,886.00	3.68	
	3,252.00	1,200.00	2.71	18,750.00	5,000.00	3.75	
	11,055.00	4,125.00	2.68	20,204.10	5,345.00	3.78	
	10,040.85	3,789.00	2.65	11,400.00	3,000.00	3.80	
	8,584.29	3,289.00	2.61	10,653.98	2,789.00	3.82	
	10,360.00	4,000.00	2.59	26,950.00	7,000.00	3.85	

Image 1.4: Other investors traded at higher price, which cause Mr. A to gain benefits

Remark: Mr. A's actions as described in the above example may be carried out as a group of persons.

2. Example of Price Maintain Order

Case Example 2.1: Sequences of Price Maintain's behaviours

Step 1: Mr. A's cost is THB 2.275. When other investors sell, this causes the price to drop to be below THB 2.275.

Step 2: Mr. A will place orders to buy to **maintain the price to be at THB 2.275** within the same period of time in order to maintain the preferred price at THB 2.275. **This action is performed multiple times** in order to maintain price of such digital asset to be in consistence with normal market condition (False Market).

The examples of placing the orders are per image 2.1 - 2.3.

1. At 15:00:15, the last executed price = 2.2500 ↓

	BIDS			ASKS		
	Vol (THB)	Vol (DOGE)	Rate (THB)	Vol (THB)	Vol (DOGE)	Rate (THB)
At 15:00:25, Mr. A placed an order to buy to maintain the price at THB 2.2750 →	2,275.00	1,000.00	2.2750	113,750.00	50,000.00	2.2750
	45,409.00	20,000.00	2.2705	57,030.00	25,000.00	2.2812
	90,636.36	40,000.00	2.2659	3,259.70	1,427.00	2.2843

2. At 15:01:38, the last executed price = 2.2595 ↓

	BIDS			ASKS		
	Vol (THB)	Vol (DOGE)	Rate (THB)	Vol (THB)	Vol (DOGE)	Rate (THB)
At 15:02:05, Mr. A placed an order to buy to maintain the price at 2.2750 Baht →	2,275.00	1,000.00	2.2750	57,823.68	25,417.00	2.2750
	5,549.33	2,456.00	2.2595	30,278.76	13,254.00	2.2845
	129,623.07	57,483.00	2.2550	456,625.84	199,845.00	2.2849

3. at 15:02:42, the last executed price = 2.2538 ↓

	BIDS			ASKS		
	Vol (THB)	Vol (DOGE)	Rate (THB)	Vol (THB)	Vol (DOGE)	Rate (THB)
At 15:02:53, Mr. A placed an order to buy to maintain the price at 2.2750 Baht →	2,275.00	1,000.00	2.2750	12,512.50	5,500.00	2.2750
	7,511.92	3,333.00	2.2538	14,795.95	6,500.00	2.2763
	45,090.00	20,000.00	2.2545	455,880.00	200,000.00	2.2794

Image 2.1: The placement of orders falls under Price Maintain (Order Book)

Account	Side	Type of Order	Creation Order Time	Executed Time	Original Price		Executed Price	Previous Executed Price	Volume	Price Change	%Price Change
Other Investor	Sell	Market	15:00:15	15:00:15	0.0000	=	2.2500	2.2500	3,000.00	0.0000	0.00%
A	Buy	Limit	15:00:25	15:00:25	2.2750	↑	2.2750	2.2500	1,000.00	-0.0250	1.11%
Other Investor	Sell	Limit	15:00:40	15:00:40	2.2625	↓	2.2625	2.2750	2,500.00	0.0125	-0.55%
Other Investor	Buy	Market	15:01:10	15:01:10	0.0000	↑	2.2750	2.2625	5,000.00	-0.0125	0.55%
Other Investor	Sell	Limit	15:01:15	15:01:15	2.2680	↓	2.2680	2.2750	100.00	0.0070	-0.31%
Other Investor	Sell	Limit	15:01:38	15:01:38	2.2595	↓	2.2595	2.2680	500.00	0.0085	-0.37%
A	Buy	Limit	15:02:05	15:02:05	2.2750	↑	2.2750	2.2595	1,000.00	-0.0155	0.69%
Other Investor	Sell	Limit	15:02:42	15:02:42	2.2538	↓	2.2538	2.2750	9,999.00	0.0212	-0.93%
A	Buy	Limit	15:02:53	15:02:53	2.2750	↑	2.2750	2.2538	1,000.00	-0.0212	0.94%
Other Investor	Sell	Limit	15:03:19	15:03:19	2.2780	↑	2.2780	2.2750	2,555.00	-0.0030	0.13%
Other Investor	Buy	Limit	15:03:24	15:03:24	2.2808	↑	2.2808	2.2780	1,427.00	-0.0028	0.12%
Other Investor	Sell	Limit	15:03:55	15:03:55	2.2720	↓	2.2720	2.2808	3,000.00	0.0088	-0.38%
Other Investor	Sell	Market	15:04:14	15:04:14	0.0000	↓	2.2530	2.2720	4,500.00	0.0190	-0.84%
A	Buy	Limit	15:04:16	15:04:16	2.2750	↑	2.2750	2.2530	1,000.00	-0.0220	0.98%
Other Investor	Sell	Limit	15:04:35	15:04:35	2.2514	↓	2.2514	2.2750	2,500.00	0.0236	-1.04%
A	Buy	Limit	15:04:37	15:04:37	2.2750	↑	2.2750	2.2514	1,000.00	-0.0236	1.05%

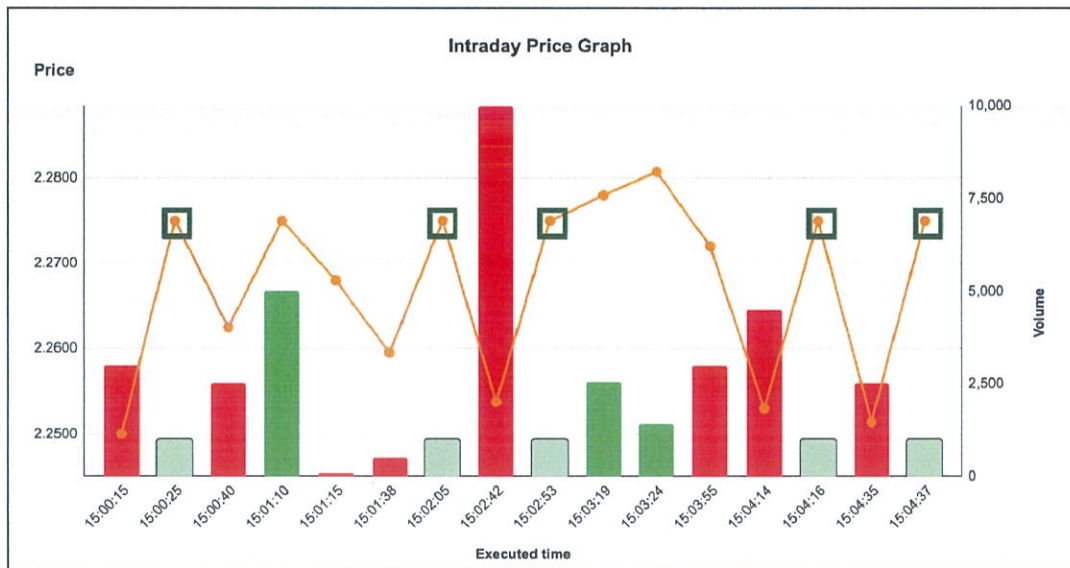Image 2.2: The matching of orders fall under Price Maintain (Trade Book)

Image 2.3: Intraday Price Graph

3. Example of Pump and Dump Order

Case Example 3.1 : Sequences of Pump and Dump's behaviours

Step 1: Mr. A placed an order to sell at a price higher than the last executed price, *e.g.* at ranking no. 9 of the Best Offer, at that moment, at a price THB 39, which is the price that Mr. A really wants to sell. .

Step 2: Mr. A placed an order to buy at a price higher than the last executed price, resulting **a sweeping offers** for various range of price, *e.g.* the first rank of the Best Offer at that moment.

Step 3: A market condition **increases in both price and volume over a short period resulting an attraction of other investors to purchase subsequently.**

Step 4: Mr. A placed another order to buy at a higher price than the last executed price, causing a price to continuously rise.

Step 5: With **the abnormal change of price, this causes other investors in a market understand that a market is adjusting due to increment of trade.** Other investors places the orders resulting a matching of price placed by Mr. A at a price THB 39.00 under Step 1. Mr. A, thus, gains profit from Pump and Dump.

The examples of placing the orders are per image 3.1 - 3.3.

Last Executed Price increased from 31.00 Baht to 34.50 Baht					
BIDS			ASKS		
Vol (THB)	Vol (DOGE)	Rate (THB)	Vol (THB)	Vol (DOGE)	Rate (THB)
12,000	347.83	34.50			
3,000	96.77	31.00	4,000	125.00	32.00
6,000	200.00	30.00	2,000	60.61	33.00
3,000	101.69	29.50	2,000	58.82	34.00
8,000	275.86	29.00	4,000	115.94	34.50
3,000.00	105.26	28.50	4,000	114.29	35.00
126,588.00	4,521.00	28.00	2,000	56.34	35.50
147,569.04	5,465.52	27.00	2,000	52.63	38.00
164,750.50	6,217.00	26.50	2,000	51.28	39.00
189,623.75	7584.95	25.00	12,000	307.69	39.00

STEP 2 : Mr. A placed an order to buy at a price higher than the last executed price

STEP 1 : Mr. A placed an order to sell at a price THB 39

Image 3.1: The placement of orders that falls under the Pump and Dump Order (Order Book)

Last Executed Price increased from 34.50 Baht to 39.00 Baht					
BIDS			ASKS		
Vol (THB)	Vol (DOGE)	Rate (THB)	Vol (THB)	Vol (DOGE)	Rate (THB)
10,000	256.41	39.00			
3,000	86.96	34.50	4,000	114.29	35.00
1,500	44.78	33.50	2,000	56.34	35.50
4,500	134.33	33.50	2,000	52.63	38.00
2,000	59.70	33.50	2,000	51.28	39.00
1,500	45.45	33.00	12,000	307.69	39.00
4,500	136.36	33.00			
1,500	46.15	32.50			
1,500	46.15	32.50			
3,000	93.75	32.00			
3,000	96.77	31.00			
6,000	200.00	30.00			
3,000	101.69	29.50			
8,000	275.86	29.00			

STEP 4 : Mr. A placed another order to buy at a higher price than the last executed price

STEP 3 : Other investors purchased subsequently

STEP 5 : Mr. A gained profit from Pump and Dump

Image 3.2: The placement of orders that falls under the Pump and Dump Order (Order Book)