

Reference No. BKK 254/2025

PRIVATE & CONFIDENTIAL

DATE: 3 September 2025

ATTN: WeCopy Fintech Inc. & WeMasterTrade LTD

SEND BY E-MAIL: nyla.tran@wemastertrade.com

RE: LEGAL OPINION ON THE WEMASTERTRADE BUSINESS MODEL AND REGULATORY COMPLIANCE IN THAILAND

CLIENT CODE : 102408

MATTER CODE : 904010

Dear WeCopy Fintech Inc. & WeMasterTrade LTD or whom it may concern,

Juslaws and Consult Company Limited refers to your instruction to provide legal opinion on business model of trading platform WeMasterTrade. We understand that you want to make sure that this type of business model is mainly educational platform activities for stimulated trading and does not qualify or involve as financial activities before expanding incorporating the company in Thailand. Our legal opinion is divided into the following sections:

- A. BUSINESS MODEL**
- B. BUSINESS EXPANSION IN THAILAND**
- C. RELEVANT ORGANIZATIONS AND REGULATIONS IN THAILAND POSSIBLY INVOLVED IN THIS BUSINESS**
- D. EXISTING SIMILAR BUSINESSES IN THAILAND**
- E. CONCLUSION AND SUMMARY**

A. BUSINESS MODEL

WeMasterTrade is a trading simulation platform designed to provide users with a realistic yet risk-free trading experience. The platform allows the users to explore and learn about the world of trading using **completely virtual funds**, enabling them to practice investment strategies and strengthen risk management skills without any financial exposure.

With market data and an interface similar to professional trading platforms, users can place orders, track results, and evaluate their performance as if they were trading in the market. No real money, actual funds, or live trading accounts are involved, making it a safe and effective learning tool for beginners as well as experienced traders who wish to test new strategies.

The only payment required from users is the platform usage and evaluation access fee, which is solely for access to the simulation platform. This fee does not constitute trading capital, is not invested in the markets, and is not used for any form of live trading activity.

If users demonstrate good performance and achieve their profit targets in virtual trading, they may become eligible for their trading strategies to be used in real market trading with performance-based payouts. The funds are provided directly by the firm and are not tied to any actual profit generation or market trading by the users. The firm does not provide access to any third-party brokers, real trading accounts, trading platforms, or fund allocation. All payout returns are governed under contract law and are not considered investment returns or wages. Users are not employees of the firm.

B. BUSINESS EXPANSION IN THAILAND

(I) COMPANY INCORPORATION

For business purposes in Thailand, there are three main types of legal entities: **partnership, limited partnership, and company limited**. Among these, the **Company Limited** is the most popular form since it appears more credible and professional.

The operations of a Company Limited are determined by its shareholders. Shareholders who invest in a Company Limited bear lower risks in the event of losses or legal disputes, as their liability is limited only to the amount of their shareholding.

SHARE STRUCTURE

The company may issue only ordinary shares, or a combination of ordinary shares and preference shares. Ordinary shares entitle the shareholder to dividends based on the proportion of shares held. Preference shares entitle the shareholder to a fixed dividend (e.g., every 1,000 preference shares receive a fixed dividend of 1 THB). Preference shares may also carry different voting rights from ordinary shares (e.g., 100 preference shares equal 1 vote of an ordinary share). The purpose of issuing ordinary shares and preference shares is to ensure that ordinary shareholders retain full control of the company.

If the shareholders of a company hold more than 49% of the total shares, the company is considered a foreign company under Section 4 of the Foreign Business Act B.E. 2542. Under this Act, foreign companies are prohibited from operating certain categories of businesses, while other categories may be operated only by obtaining a license or certificate in accordance with the Business Lists, as the case may be.

DIRECTORS

The directors of a limited company are appointed by a resolution of the shareholders' meeting. Directors may be either Thai or foreign nationals, and it can also be specified which powers and authorities each director has in particular matters. However, although foreigners are permitted to serve as directors of a limited company, having a Thai director is advisable for the smooth operation of business in Thailand. In

certain cases, government authorities may require that only Thai directors have the authority to act on specific matters.

(II) FOREIGN BUSINESS LICENSE

WeMasterTrade's business model is a service platform for simulation trading. Compared with the **Foreign Business Act B.E. 2542**, it can be seen that this business falls under List three of the **Lists Annexed to the Foreign Business Act B.E. 2542**.

Foreign Business Act B.E. 2542

"Section 8. Subject to section 6, section 7, section 10 and section 12:

(3) no foreigner may operate such businesses in respect of which Thai nationals are not yet ready to compete with foreigners, as prescribed in List Three, unless upon obtaining permission from the Director-General with the approval of the Commission."

LIST THREE BUSINESSES IN RESPECT OF WHICH THAI NATIONALS ARE NOT READY TO COMPETE WITH FOREIGNERS

"(21) Other service businesses, with the exception of service business as prescribed in the Ministerial Regulation"

Therefore, if WeMasterTrade expands by incorporating a new company in Thailand with more than 49% foreign shareholding, it will be required to obtain a Foreign Business License (FBL) first.

To apply for an FBL, a foreign company must prepare an application together with a declaration containing details of the company's profile, type of business, characteristics and stages of operation, capital structure, business structure, size of business, technology transfer plan, and employment, along with supporting documents to be submitted for the Committee's consideration.

In granting permission for foreigners to operate businesses in Thailand, consideration will be given to the advantageous and disadvantageous effects on national security, economic and social development, public order or good morals, national values in arts, culture, traditions and customs, conservation of natural

resources, energy, environmental preservation, consumer protection, size of undertakings, employment, technology transfer, and research and development.

From the above, it can be seen that if foreign shareholders hold more than 49% of the total shares, an FBL (Foreign Business License) must be obtained in order to operate the business in Thailand. However, the process of applying for an FBL is rather complicated and may require considerable time and procedures.

To avoid the need for an FBL, it is recommended to adopt a 49/51 shareholding structure (49% foreign shareholders and 51% Thai shareholders) and utilize a combination of ordinary shares and preference shares by limiting the voting rights and dividend entitlements of the preference shares. This will allow the foreign shareholders holding ordinary shares to retain full control of the company.

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**C. RELEVANT ORGANIZATIONS AND REGULATIONS IN THAILAND POSSIBLY INVOLVED
IN THIS BUSINESS**

(I) BANK OF THAILAND

The Bank of Thailand (BOT) was established under the **Bank of Thailand Act B.E. 2485**. Its primary responsibilities are to oversee and regulate the nation's financial system, including issuing rules and supervising financial institutions, issuing and circulating Thai banknotes, controlling cross-border currency transfers, and monitoring the exchange rate of the Thai Baht against other currencies.

Financial Institutions under this Act includes: (1) commercial bank; (2) finance company; (3) credit foncier company; (4) any other juristic person prescribed by the Minister in the Government Gazette.

The activities of WeMasterTrade do not qualify as a financial institution under this Act, as WeMasterTrade is not a commercial bank, finance company, or credit foncier company. Therefore, **WeMasterTrade is not required to obtain any licenses from the Bank of Thailand and is not subject to any special supervision by the BOT.**

(II) THE SECURITIES AND EXCHANGE COMMISSION OF THAILAND

The Securities and Exchange Commission of Thailand (SEC) is a government organization established under the **Securities and Exchange Act B.E. 2535**. The SEC has the power and duty to formulate policies to promote and develop, as well as to supervise, matters concerning securities, securities businesses, the Securities Exchange, over-the-counter centers, and related businesses; organizations related to the securities business; the issuance or offering of securities for sale to the public; the acquisition of securities for business takeovers; and the prevention of unfair securities trading practices.

Securities under this Act include: (1) treasury bills; (2) bonds; (3) bills; (4) shares; (5) debentures; (6) investment units which are instruments or evidence representing the rights to the property of a mutual fund; (7) certificates representing the rights to purchase shares; (8) certificates representing the rights to purchase debentures; (9) certificates representing the rights to purchase investment units; (10) any other instruments as specified by the SEC.

Notification of the Securities and Exchange Commission No. KorJor. 21/2562 Re: Prescription of Additional Categories of Securities — Transferable Subscription Right

Securities businesses under this Act include: (1) securities brokerage; (2) securities dealing; (3) investment advisory service; (4) securities underwriting; (5) mutual fund management; (6) private fund management; (7) other businesses relating to securities as specified by the Minister upon recommendation of the SEC.

Notification of the Ministry of Finance Re: Prescription of Other Securities-Related Businesses as Securities Businesses — Securities Borrowing and Lending

None of these activities are applicable to WeMasterTrade business model, as:

- No real securities or derivatives are issued, sold, or exchanged.
- No investment advisory services are provided.
- No pooled funds or third-party assets are managed.

(III) ANTI-MONEY LAUNDERING OFFICE

The Anti-Money Laundering Office (AMLO) was established under the **Anti-Money Laundering Act, B.E. 2542**. It has the authority and duty to set standards and ensure compliance with this Act, as well as to examine and analyze financial information related to money laundering. Therefore, businesses or organizations must comply with this Act and may be required to report their transactions to AMLO.

Financial institution under this Act includes (1) a commercial bank, finance company and credit foncier company under the law on financial businesses and special financial institution established by law; (2) a securities company under the law on securities and exchange; (4) a life insurance company under the law on life insurance and an insurance company under the law on insurance; (5) cooperatives under the law on cooperatives, limited to a cooperative with operating capital exceeding two million Baht of total share value and having objectives of its operation relating to acceptance of deposits, lending of loans, mortgage, pawning or acquiring of money or asset by any means; (6) a juristic person carrying on such other businesses related to finance as prescribed in the Ministerial Regulation.

The Ministry Regulation B.E. 2543 issued under the Anti-Money Laundering Act, B.E. 2542

— The following juristic persons shall be considered financial institutions under the Anti-Money Laundering Act, B.E. 2542: (1) Juristic persons established under the law on special purpose juristic persons for the securitization of assets; (2) Juristic persons licensed to conduct business related to foreign payment instruments under the Exchange Control laws; (3) Financial asset management corporations under the Financial Institutions Asset Management laws; (4) Asset management companies under the Asset Management Company laws; (5) Juristic persons engaged in forward contract businesses under the Forward Contracts laws; (6) Juristic persons engaged in agricultural futures trading under the Agricultural Futures Trading laws; (7) Operators of payment systems under the Payment Systems laws; (8) Operators of payment services under the Payment Systems Act, but this does not include persons engaged in credit card business as specified in Section 16, paragraph one (8).

The activities of WeMasterTrade do not qualify as, nor are they considered, a financial institution under this Act. Therefore, WeMasterTrade is not required to obtain any licenses from AMLO, is not subject to special compliance under this Act, and is not subject to any special supervision by AMLO.

Consequently, WeMasterTrade is not subject to supervision by the Bank of Thailand or the Securities and Exchange Commission, as its activities do not constitute any regulated financial services, securities trading, or capital market activities under the applicable laws. The platform operates solely as a trading simulation service using virtual funds, which does not require licensing or regulatory approval from Thai financial authorities. Accordingly, WeMasterTrade is also not subject to special monitoring by the Anti-Money Laundering Office.

(IV) ELECTRONIC TRANSACTIONS DEVELOPMENT AGENCY

Electronic Transactions Development Agency (ETDA) is an organization established in 2011 with the primary mandate to promote, support, and develop electronic transactions (e-Transactions) or online transactions, under the Electronic Transactions Act B.E. 2544 and the Electronic Transactions Development Agency Act B.E. 2562.

Royal decree on the operation of digital platform service businesses that are subject to prior notification, B.E. 2565 – Digital platform service means the provision of electronic intermediary services that manage data to facilitate the connection, through computer networks, between business users, consumers or users with a view to concluding an electronic transaction, regardless of whether remuneration has been charged, but shall not include a digital platform service that is intended for offering goods or services of a single digital platform service operator or an affiliated company which is an agent of such operator, irrespective of whether the goods or services are offered to third persons or to affiliated companies

“Section 8. A digital platform service that possesses any of the following characteristics shall be a service business required to be notified to the Agency prior to the commencement of the business: (1) a digital platform service with annual revenue from providing the digital platform service within the Kingdom exceeding one million and eight hundred thousand baht in case the operator is a natural person, or exceeding fifty million baht in case the operator is a juristic person; (2) a digital platform service with more than five thousand monthly users, calculated from the average monthly usage in the past in accordance with the rules prescribed in the Notification of the Agency.”

WeMasterTrade is a platform that provides simulation trading services to users. This type of service may qualify as a digital platform under this Act, and the operator is required to notify the ETDA before commencing operations. If the platform is covered by this Act, the service provider has a special obligation to provide ETDA with information about the platform, such as the type of service, service channels, revenue, type of users, number of users, and complaints, on an annual basis. Any amendments, changes, or cancellations must also be reported. If the ETDA determines that WeMasterTrade does not qualify as a platform that needs to notify the ETDA, then the operator is not required to report to ETDA.

Given the possibility that WeMasterTrade may qualify as a digital platform under the Act, it is recommended to submit the notification to ETDA proactively. Should the authorities determine that it does not qualify, no further reporting will be necessary.

D. EXISTING SIMILAR BUSINESSES IN THAILAND

STREAMING CLICK2WIN

Streaming Click2Win is a **Thai trading simulation** operated by **SETTRADE.COM Company Limited**, a company under **The Stock Exchange of Thailand (SET)** group. It was developed to allow individuals interested in investment to learn, practice, and experience trading in a realistic environment, with real market data, real trading atmosphere, and virtual investment capital. The platform helps users become familiar with placing buy/sell orders online through the Streaming program and has been continuously operated since 2007. This application mirrors the real-time stock market, with an interface similar to the regular Streaming application. Users can place orders and track results using real market data; however, **the investment capital is entirely virtual**, with up to 10,000,000 THB provided. The system calculates Net Asset Value (NAV) daily to update participant rankings at 8:30 P.M. In the past, prizes were awarded to top-ranked participants, and competitions were also held.

Website: www.settrade.com/click2win
www.settrade.com/th/services-and-tools/trading-program/basic/streaming-click2win/introduction

E. CONCLUSION AND SUMMARY

Based on the structure and operations of WeMasterTrade as provided, the company is not engaged in any activity that requires licenses, permissions, or special supervision from securities or financial-related authorities in Thailand. Its business model functions primarily as an educational platform. The firm does not provide investment or advisory services, and there is no real trading, custody, brokerage, or asset management involved. The platform is fully simulated to help users practice and train their trading strategies. Any payouts made to users are based solely on performance under contractual terms and do not constitute investment returns or wages. Accordingly, there are no financial regulatory requirements under applicable Thai laws or any supervising authority that the company must comply with.

To expand its business in Thailand, however, the company should consider adopting a 49/51 shareholding structure (49% foreign shareholders and 51% Thai shareholders). Otherwise, it would be required to obtain a Foreign Business License. In addition, the company may be required to notify the Electronic Transactions Development Agency (ETDA) if its annual revenue from providing digital platform services within the Kingdom exceeds fifty million baht or if it has more than five thousand monthly users.

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We hope that our legal service will serve your purpose.

Please do not hesitate to contact us if you wish to obtain more details regarding the information contained herein.

Your Sincerely,

Juslaws & Consult International Law Firm



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Mr. Yuthana Promsin

Authorized Signatory

Director of Juslaws & Consult Co., Ltd.