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Thailand

Capital Markets

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This country-specific Q&A provides an overview of capital markets laws and regulations applicable in Thailand.

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Thailand: Capital Markets

1. Please briefly describe the regulatory framework of equity capital markets in your jurisdiction, including the major regimes, regulators and authorities.

The Securities and Exchange Commission of Thailand (the "**SEC**") is the primary regulator overseeing equity capital markets in Thailand. The principal legislation is the Securities and Exchange Act B.E. 2535 (A.D. 1992), as amended (the "**SEC Act**"), which governs, among others, securities offerings, disclosure requirements, licensing and supervision of market intermediaries, and the conduct of the intermediaries and listed companies. Other key relevant statutes include:

- Derivatives Act B.E. 2546 (A.D. 2003), governing derivatives trading; and
- Trust for Transactions in Capital Markets Act B.E. 2550 (A.D. 2007), enabling the use of trust structures for permitted purposes, including private equity trust and real estate investment trust.

The Stock Exchange of Thailand (the "**SET**") is the principal securities exchange operating three distinct boards tailored to different types of issuers:

- SET Board: For large, well-established companies with stringent financial and corporate governance requirements.
- Market for Alternative Investment (mai) Board: Tailored for high-growth and smaller companies with more flexible listing criteria.
- LiVE Exchange: Designed for startups and SMEs to raise early-stage capital.

Each board has distinct listing criteria. The SET also regulates disclosure obligations and promotes good corporate governance across all listed entities.

In addition to equities, the SET facilitates trading of various instruments, including warrants, derivative warrants, depositary receipts, real estate investment trusts and infrastructure funds. The SET's subsidiaries also provide central clearing and settlement, securities depository and securities registrar services.

The SET actively enforces disclosure rules to ensure adequate, equal, and timely disclosure of material information. The Listed entities that no longer meet regulatory requirements may have their securities delisted from an exchange.

2. Please briefly describe the regulatory framework of debt capital markets in your jurisdiction, including the major regimes, regulators and authorities, to the extent different from the above.

The SEC is also the primary regulator overseeing debt capital markets in Thailand. The principal legislation is the SEC Act, which governs debt offerings and disclosure requirements, as well as the licensing and supervision of market intermediaries, similar to the regulatory framework of equity capital markets. Other key relevant statutes include the Royal Enactment on Special Purpose Juristic Persons for Securitization B.E. 2540 (A.D. 1997), enabling the securitization.

Market Structure

Unlike equities, which are predominantly traded on an exchange (such as the SET) through brokers acting as intermediaries with strict order-matching rules, the Thai debt securities market operates primarily as an over-the-counter (OTC) market. In this OTC structure, transactions are conducted through dealers who act as market makers, purchasing debt instruments on their own accounts and deriving revenue from the spread between the purchase price (bid price) and the sale price (ask price) quoted to market participants. The OTC market framework provides a general regulatory structure while allowing for price negotiation between counterparties, in contrast to the more rigid rules governing exchange-based equity trading.

In addition, the SEC has established investor protection mechanisms for the debt capital markets, including the requirement to appoint a bondholders' representative for certain types of bond offerings. For public offerings, a credit rating agency (CRA) must be engaged to provide investors with clear and reliable information regarding the issuer's creditworthiness and debt repayment capacity.

Under the SEC's mandate to support the self-regulatory organisation (SRO) role of the Thai Bond Market Association (ThaiBMA), dealers holding a debt securities trading licence are required to be ThaiBMA members, and bond transactions must be reported to ThaiBMA. Currently, the SET is in the process of establishing an exchange-based secondary market for trading government bonds, which is intended to provide investors with a more convenient channel for trading such instruments.

3. Are there self-regulatory organizations with delegated regulatory powers? How significant is their role compared to the government regulator?

Pursuant to Sections 230 – 231 of the SEC Act, the SEC has authority to approve the establishment of self-regulatory organisations (SROs) formed by licensed market intermediaries. While the SEC remains the principal regulator with overarching supervisory authority over Thailand's capital markets, SROs serve a supportive function by assisting the SEC in formulating industry rules, overseeing member conduct, and establishing professional and ethical standards. This collaborative framework aims to enhance market transparency, improve operational efficiency, and promote alignment with international regulatory standards.

The key associations approved by the SEC to operate as SROs in Thailand's capital markets are as follows:

Thai Bond Market Association (ThaiBMA): Serves as Thailand's self-regulatory organization (SRO) and central information hub for the bond market, playing a key role in promoting market development, transparency, and investor confidence. Its principal functions include: (i) establishing rules, standards, and market convention for bond market participants to promote fair, transparent and efficient market operations; (ii) acting as the central repository and dissemination platform for bond market information, including trading data and bond-related disclosures; (iii) publishing reference yields, yield curves, and bond indices that are widely used for pricing and valuation purposes; and (iv) supporting the development of the bond market through initiatives relating to new investment products, including ESG bonds, as well as investor education and market outreach programs.

Association of Thai Securities Companies (ASCO): Serves as the SRO for securities companies. ASCO is responsible for setting professional and ethical standards for its members, including rules governing the conduct of securities business and investor protection.

Association of Investment Management Companies (AIMC): Serves as the SRO for asset management companies. AIMC is responsible for establishing operational standards and promoting best practices in fund management and related services.

SROs operate under the oversight of the SEC and are required to comply with all applicable SEC regulations. Their regulatory authority is limited to specific areas delegated by the SEC, such as member conduct, trading practices, and professional standards, rather than encompassing the full scope of market regulation.

4. Please briefly describe the common exemptions for securities offering without prospectus and/or regulatory registration in your market.

Public offerings of securities require prior approval from the SEC and the registration statement and prospectus must be declared effective by the SEC before any public offering can take place. However, exemptions (from both approval and filing requirements) apply in the following circumstances:

Type of Offering	Applicable Instrument	Conditions/Limitations
Rights Offering	Shares, Bonds, Warrants	Offering to existing shareholders in proportion to their shareholdings.

Private Placement to Institutional Investors	Shares	No limit on number of investors or offering value. Must qualify as "Institutional Investors" under SEC rules.
Private Placement to Non-Institutional Investors	Shares	£ 50 investors or aggregate offering value £ THB 20 million within any 12-month period.
Private Placement to High-Net-Worth and Ultra-High-Net-Worth Investors (PP10)*	Bonds	Outstanding bonds plus current bonds offering are limited up to 10 investors and aggregate value of bonds £ THB 50 million. Must qualify as "High-Net-Worth Investors" and "Ultra-High-Net-Worth Investors" under SEC rules.
Private Placement to Institutional Investors (PP10II)*	Bonds	£ 10 investors within any 4-month period. Must qualify as "Institutional Investors" under SEC rules.
Offering to Existing Creditors for Debt Restructuring*	Bonds	No general investor cap, but must be made solely to restructure existing debt.

Remark: (*) Subject to bonds transfer restrictions

5. Please describe the insider trading regulations and describe what a public company would generally do to prevent any violation of such regulations.

Public companies whose shares are listed on the SET (the "**Listed Companies**") are subject to insider trading regulations of which the key substance can be summarized as follows:

(1) Insider Trading Regulations

Insider trading is strictly prohibited under the SEC Act. The law bars any individual in possession of material non-public information (MNPI) from trading securities for their own or others' benefit. This prohibition applies to a broad range of persons, including directors, executives, employees and other related persons such as auditors, advisors, appraisers, and government officials who receive such MNPI through the performance of their roles.

"Tippees" — individuals who receive MNPI from insiders and use it for trading — are also liable. Both insiders and tippees are prohibited from buying, selling, transferring or accepting transfer of securities using MNPI. Moreover, disclosing MNPI to or encouraging others to trade based on such information is also prohibited.

Violations of the insider trading regulations can lead to criminal liability, which may include fines and imprisonment. However, the SEC may opt to impose civil sanctions instead, depending on the circumstances of each case. If the offender complies with the civil sanctions, the corresponding criminal charges will be waived. Civil sanctions may include fines, restitution and disqualification from serving as a director or executive of a listed company for up to 10 years.

(2) Key Preventive Measures Typically Adopted by Listed Companies

- Insider Trading Policies: Companies should adopt clear internal policies prohibiting insider trading.
- Trading Blackout Periods: Insiders are generally prohibited from trading securities during periods of material announcements (including the period of 24 hours after such announcement).
- Disclosure Controls: Companies should adopt clear internal protocol to control and monitor access to MNPI.
- Confidentiality Agreements: Mandating insiders and third parties with access to MNPI to execute non-disclosure agreements (NDAs).
- Training and Awareness: Ongoing training program to educate staff on insider trading regulations and the relevant internal policies.

6. Please describe the potential prospectus liabilities in your market. What type of sanctions or disciplinary measures can be imposed by regulators for violations of securities regulations?

An issuer offering securities to the public must file a registration statement and draft prospectus (the "**Filing Documents**") with the SEC, and the Filing Documents must become effective before commencement of the offering. The Filing Documents must be completed, accurate, not misleading and not contain any material misstatements or omissions of any material information. If they do, the investor suffering loss therefrom shall be entitled to claim compensation from the issuer under Thai law.

In addition to the issuer, civil liability may extend to the following parties involved in the preparation and certification of the Filing Documents:

- directors who signed the Filing Documents;
- financial advisors, underwriters, auditors, and appraisers who intentionally or with gross negligence certified the Filing Documents.

Such parties may be held jointly liable, unless they can prove, among others, they:

- did not authorize or approve the false or misleading information; and/or
- had no knowledge of the misstatement or omission of any material information despite reasonable diligence.

The timeframe for bringing a civil claim is limited to one year from the date the investor becomes aware of such misleading statement or omission, and no later than two years from the effective date of the Filing Documents.

In addition, an issuer and any person who makes a false statement or omits a material fact required to be disclosed in the Filing Documents may be subject to criminal liability, including imprisonment and a fine of up to twice the total offering price of the securities offered by such person, provided that the fine is not less than THB 500,000. However, the SEC may opt to impose civil sanctions instead, depending on the circumstances of each case. If the offender complies with the civil sanctions, the corresponding criminal charges will be waived. Civil sanctions may include fines, restitution and disqualification from serving as a director or executive of a listed company for up to 10 years.

7. What are the key remedies available to shareholders of public companies in your market?

- **Shareholders of Public Companies (both Listed Companies and Non-Listed Companies)**
- **Court Petition:** At least five shareholders or any shareholders holding not less than 20% of the total issued shares may petition the court to revoke a shareholders' resolution that violates the law or company's constitutional documents, within one month of its adoption.
- **Derivative Action:** Shareholders may initiate legal proceedings on behalf of the company against directors or executives for misconduct or breach of fiduciary duty (*please see more information in Question No. 12*).
- **Class Action:** Affected investors may initiate a class action lawsuit against the company or its directors for their conduct causing widespread harm, such as false disclosures, insider trading, or corporate fraud, subject to the court certification of common legal or factual issues and if a class proceeding is deemed more efficient than individual lawsuits.

(2) Shareholders of Listed Companies

- **Complaint to the SEC:** Shareholders can file complaints with the SEC for suspected fraud, insider trading, regulatory breaches, or the disclosure of misleading or incomplete information.

8. What are the key remedies available to debt securities holders in your market?

Bondholders' Representative: The appointment of a bondholders' representative is required for (i) public or (ii) private placements to High-Net-Worth and Ultra-High-Net-Worth Investors. The bondholders' representative is responsible for monitoring the issuer's compliance with the terms and conditions of the bonds and for taking legal action against the issuer in the event of a default.

Legal Action: If the bondholders' representative fails to take appropriate legal action in response to a default, the bondholders may initiate a class action lawsuit against the issuer. They may also bring a class action lawsuit against the bondholders' representative for any damage resulting from the failure to perform its duties.

9. Please describe the expected outlook in fund raising activities (equity and debt) in your market in 2026.

1. Equity Capital Markets

Fundraising activity in Thailand's equity capital markets has shown positive signs following the general election and the formation of a new government, which have provided much-needed political clarity. The SET Index has staged a notable recovery in 2026, trading at approximately 1,582–1,588 points as of early June 2026—well above the Investment Analysts Association's consensus year-end target of 1,389 points set at the start of the year—supported by improving sentiment, robust daily trading values and early signs of foreign capital returning to the market.

To further enhance the competitiveness of Thailand's capital markets and their appeal to international issuers and investors, the SEC and the SET are in the process of reviewing and refining the relevant offering and listing regulations. The proposed changes are aimed at facilitating fundraising and listing activities, reducing regulatory barriers, increasing flexibility for issuers, particularly foreign companies, and expanding the range of investment opportunities available to Thai investors, while strengthening Thailand's position as a regional fundraising and investment centre.

2. Debt Capital Markets

Thailand's debt capital market is expected to remain resilient in 2026, driven primarily by refinancing needs and continued funding requirements of corporate issuers. According to ThaiBMA, bond issuance is expected to remain broadly stable, supported by a relatively accommodative interest rate environment and continued investor demand for fixed-income products. However, investors are expected to remain selective amid economic uncertainties and increasing concerns over credit quality, with stronger demand concentrated on investment-grade issuers. As a result, while fundraising conditions are expected to remain favourable for well-established issuers, lower-rated issuers may face greater challenges in accessing the debt capital market.

10. What are the essential requirements for listing a company in the main stock exchange(s) in your market? Please describe the simplified regime (if any) for companies seeking listing or dual-listing in your market. What are the estimated costs and timelines for completing a listing?

A foreign company seeking dual listing on the SET must comply with the regulatory requirements of both the SEC and the SET. These requirements are categorized into two main regimes: (1) the Recognized Market Regime and (2) the Full Listing Regime.

(1) Recognized Market Regime: This regime applies to a foreign company that:

- has already been or is going to be listed on a stock exchange in a jurisdiction recognized by the Thai SEC (e.g., the United States, the United Kingdom, Hong Kong, Singapore, Australia); and
- offer only a non-material portion of their total shares in Thailand.

The key requirements of the Recognized Market Regime include:

- **Financial Eligibility:** Must meet the minimum registered capital requirement and either:
- **Profit Test**: Demonstrated profitability at the specified amount over the past two or three years, including the most recent quarter prior to filing; or
- **Market Capitalization Test:** Applicable to companies in targeted sectors, such as technology, renewable energy, or advanced manufacturing, that show high growth potential, innovation capacity and sufficient working capital.
- **Minimum Public Float:** Must meet the minimum threshold for public shareholding.
- **Financial Statements:** Must be prepared in accordance with IFRS or the home-country's generally accepted accounting standard (GAAP) (with reconciliation to IFRS) and audited by the SEC-approved auditor.
- **Internal Controls**: Adequate internal control systems must be in place.
- **Integrity of Key Persons**: Directors, executives, and controlling persons must meet Thai SEC integrity standards.
- **Local Coordinator**: Appointment of a Thai-based representative to liaise with Thai investors and regulatory authorities.
- **Regulatory Mapping**: Must conduct a comparative analysis of applicable Thai and home country regulations.
- **Underwriter**: The offering in Thailand must be conducted through a Thai SEC-licensed underwriters.
- **Ongoing Compliance**: Commitment to comply with applicable Thai main exchange regulations.

(2) Full Listing Regime: This regime applies where:

- **the offering in Thailand is material relative to the issuer's total offering size** in other countries or to the **issuer's total paid**-up shares; or
- the home exchange is in a jurisdiction not recognized by the Thai SEC.

Under the Full Listing Regime, foreign companies must fully comply with the SEC and SET regulations applicable to foreign entities undertaking a primary listing in Thailand, in addition to the requirements under the Recognized Market Regime set out above. The key additional conditions are as follows:

- **Conflict of Interest Control:** The company must have no material conflicts of interest or must have appropriate mechanisms in place to manage such conflicts.
- **Enhanced regulatory mapping:** A detailed comparison of shareholder protection framework between Thailand and the home jurisdiction must be conducted, with mitigation plans for regulatory gaps.
- **Local Directors:** At least two directors must reside in Thailand, one of whom must serve on the audit committee.
- **Audit Committee Requirements:** Audit committee members must (i) possess the qualifications under Thai law, (ii) have no disqualifying characteristics, and (iii) fully perform duties as prescribed by the SEC and SET.
- **Enforcement Cooperation from Foreign Regulators:** The capital market regulatory authorities of the jurisdiction in which the company is incorporated, or in which it conducts significant business operations, must cooperate with and provide assistance to the SEC in conducting investigations and obtaining information concerning violations of applicable laws.

Estimated Costs

The costs associated with listing a company on the SET generally fall into two categories:

(1) Pre-Listing Preparation Costs: These include fees for SEC-approved auditors, internal auditors, financial advisors, and legal advisors. The actual costs vary depending on the size and complexity of the company's business.

(2) IPO and Listing Fees: These include:

- SEC application fee (base fee): THB 300,000;
- SEC filing fee for the registration statement: 0.05% of the total offering value;
- Capital registration fee with the Ministry of Commerce (for registering the capital increase and paid-up capital): THB 250,000;
- SET listing application fee (base fee): THB 50,000; and
- SET initial listing fee: 0.05% of the paid-up capital.
- Underwriting fee: The rate is negotiable with the underwriter and is typically calculated as a percentage of the total offering value.

Estimated Timeline

The timeline for completing a listing on the SET can be divided into two main phases:

(1) Pre-Filing Preparation Phase: The duration of this phase depends on each company's readiness. A key requirement is that independent directors must be appointed to the board of directors at least six months prior to the filing of the listing application.

(2) SEC Review and Listing Phase: Once the listing application and registration statement are filed, the SEC review period takes approximately 165 days. After the registration statement becomes effective, the company may proceed with the public offering. Typically, the share offering and listing on the SET can be completed within one month after the registration statement becomes effective.

11. Are weighted voting rights in listed companies allowed in your market? What special rights are allowed to be reserved (if any) to certain shareholders after a company goes public?

Thai law allows flexibility in structuring voting rights through the use of preference shares with voting rights that are less favourable than those of ordinary shares. However, a share carrying more than one vote per share is not currently permitted under Thai law. Effectively, dual-class share structures with weighted voting rights in favour of founders, executives, or other selected shareholders is not legally doable under Thai law at present.

12. Please describe the key minority shareholder protection mechanisms in your market.

Thai law provides various mechanisms to protect the rights and interest of minority shareholders of a public

company (both Listed Companies and non-Listed Companies). The key protections include:

1. Right to propose matters to be considered at a

shareholders' meeting of a Listed Company: One or more shareholders collectively holding in aggregate not less than 5% of the total voting shares may propose an agenda item for inclusion at a shareholders' meeting.

2. Right to call an extraordinary general meeting of shareholders (EGM): One or more shareholders collectively holding not less than 10% of the total issued shares may submit a written request to the board of directors to convene an EGM at any time. The request must clearly state the objectives and reasons for calling the meeting. Upon receipt, the board of directors must convene the EGM within 45 days, otherwise such shareholders (who served the notice) may convene the EGM themselves within 45 days after the lapse of the first 45-day period.

3. Right to request an inspection of the business: One or more shareholders collectively holding not less than 5% of the total issued shares may submit a written request to the registrar to appoint an inspector to investigate the company's business operation, financial position or the conduct of the board of directors.

4. Right to request revocation of a shareholders' resolution: At least 5 shareholders or shareholders collectively holding not less than 20% of the total issued shares may petition the court to revoke a shareholders' resolution if it violates the law or the company's articles of association, provided that such petition must be filed with the court within 1 month from the date on which such resolution is passed.

5. Right to initiate legal action against a director: One or more shareholders holding, in aggregate, not less than 5% of the total issued shares of a company may notify the company in writing to takes legal action against a director whose act or omission has caused damage to the company. If the company fails to take such action, such shareholders may bring a derivative action on behalf of the company to recover the loss suffered by the company and may also seek a court order removing the director from office.

13. Is there a takeover code available in your jurisdiction? If so, does it provide for the ability to squeeze out minority shareholders?

Thailand has established a takeover rule promulgated pursuant to the SEC Act which governs the acquisition of securities in Listed Companies. The key feature is the mandatory tender offer (MTO) requirement, which is triggered when an acquirer (together with related persons and persons acting in concert) reaches certain shareholding thresholds (25%, 50%, or 75% of total voting rights). However, Thai law does not provide for a squeeze-out mechanism that would allow a majority shareholder to compulsorily acquire the shares of minority shareholders. Minority shareholders retain the right to decide whether to accept the tender offer and exit, or to remain as shareholders in the company.

14. What are the common types of transactions involving public companies in your jurisdiction that require regulatory scrutiny and/or disclosure?

A Listed Company is subject to a range of disclosure and regulatory requirements when undertaking significant transactions. The following types of transactions typically trigger regulatory scrutiny and mandatory disclosure:

1. Disclosure of Material Events: A Listed Company must promptly disclose any material event that could influence investment decisions or affect the company's share price or shareholders' benefits, as prescribed by SET's disclosure rules, e.g., acquisition or disposal of a subsidiary, entering into or terminating a joint venture or significant agreement and any other events that materially impact the company's financial conditions, business operations or shareholder value.

2. Capital Increases and Equity Offerings: The issuance of new shares requires disclosure to the SET and shareholders' approval. In the case of private placements, the SEC will also review the adequacy of the disclosure before it is delivered to shareholders if the private placement involves any of the following circumstances:

(1) the offering price is below the market price;

(2) the offering results in earnings per share dilution and/or control dilution of 25% or more; or

(3) the offering may result in the allottee becoming the largest voting rights holder in the listed company.

3. Material Transactions: Transactions involving the acquisition or disposal of assets, the transfer or relinquishment of benefits or waiver of claims, the lease or hire-purchase of all or part of a business or assets, or the granting of loans or guarantees that trigger certain thresholds (calculated by reference to, among other things, the company's net asset value, net profit, or total assets) are subject to mandatory disclosure and, depending on the transaction size, may require prior approval from the board of directors or shareholders. For transactions requiring shareholders' approval, the Listed Company is also required to report progress updates through the SET's disclosure system and its annual registration statement until the transaction has been completed or cancelled.

4. Relate Party Transactions

Transactions with related persons (e.g., major shareholders, directors, executives) are subject to specific disclosures and approval requirements under the SEC regulations. Please refer to item No. 15 for more detail.

15. Please describe the scope of related parties and introduce any special regulatory approval and disclosure mechanism in place for related parties' transactions.

Transactions between a Listed Company (or its subsidiary) and a related person must comply with the regulatory framework prescribed by the SEC.

Scope of "Related Person"

The term "related person" is broadly defined to include, among others:

- A director, executive, major shareholder and controlling person of a Listed Company as well as their related persons and close relatives;
- A person who is becoming a director, an executive or a controlling person of a Listed Company as well as their related persons and close relatives;
- An entity in which such persons listed in (a) and/or (b) are a major shareholder or a controlling person of such an entity; and
- Any person whose behavior indicates that they are acting on behalf of, or under the significant influence of, any person listed in (a) to (c).

Approval and Disclosure Requirements

Before entering into a related party transaction, a Listed Company must assess the transaction value relative to its net assets (NA). The regulatory requirements escalate based on the transaction size and type. The general requirements* can be summarized as follows:

Transaction Size	Disclosure Requirement to the SEC	Approval Required*
£ 0.03% of NA or THB 1 million (whichever is higher)	No	No special approval required
> 0.03% but < 3% of NA or > THB 1 million but < THB 20 million (whichever is higher)	Yes, according to the SEC's minimum requirements	Board of directors' approval
≥3% of NA or ≥ THB 20 million (whichever is higher)	Yes, according to the SEC's minimum requirements	Shareholders' approval (excluding interested parties)**

Remark: (*) Some types of transactions are exempt from, or subject to different requirements than those listed above.

(**) A listed company must also appoint an independent financial advisor (IFA) to provide an independent opinion to its shareholders.

16. What are the key continuing obligations of a substantial shareholder and controlling shareholder of a listed company?

Substantial and controlling shareholders are not subject to fiduciary duties or fair treatment obligations akin to those imposed on directors or executives of a listed company. However, they are subject to specific obligations related to takeovers, as follows:

1. Shareholding Disclosure Obligations: Any person – who either individually or together with their related persons (e.g., their spouse, minor child) and persons acting in concert – acquires or disposes of securities in a listed company, resulting in the increase or decrease of their total voting rights to a number that reach a multiple of 5% (e.g., 5%, 10%, 15%, etc.), is required to promptly report such change to the SEC.

2. Mandatory Tender Offer (MTO) Obligations: Any person who acquires securities, either by his/her own or together with its related persons and person acting in concert with others, resulting in their total voting rights reaching 25%, 50%, or 75% of a listed company's total voting rights, is required to make a mandatory tender offer (MTO) for all remaining securities of the company.

17. What corporate actions or transactions require shareholders' approval?

Shareholders' approval (applies to both Listed Companies and non-Listed Companies) is required for various key corporate actions. These can be classified based on the type of resolution and the minimum voting threshold required at a shareholders' meeting. Key resolution requirements are as follows:

1. Ordinary Resolutions: Requiring a majority vote of shareholders present at the meeting and vote, excluding abstentions. Examples include: appointment of directors, appointment and remuneration of an auditor, declaration of annual dividends and approval of annual financial statements.

2. Special Resolutions (3/4): Requiring at least three-fourths (3/4) of the total votes of shareholders present at the meeting and entitled to vote. Examples include: amendments to the Articles or Memorandum of Association, capital increase/decrease, amalgamations, dissolution, delisting from the SET, substantial related party transactions or material acquisitions/disposals of assets, and the issuance of bonds.

3. Other Resolutions: Requiring at least two-thirds (2/3) of the total votes of shareholders present at the meeting, e.g. approval of remuneration of directors.

18. Are public companies required to engage any independent directors? What are the specific requirements for a director to be considered "independent"?

Only a Listed Company is required to have independent directors comprising at least one-third of the board of directors, and in any cases no fewer than three independent directors.

To qualify as an "independent director", such a person must possess all qualifications determined by the SEC. The key qualifications are as follows:

- **Shareholding Limit:** Must hold no more than 1% of the total voting shares of the company, including those of its parent company, subsidiaries, affiliates, major shareholders or controlling persons.
- **Employment and Executive Roles:** Must not currently be, or have been within the past two years, an executive, employee, salaried advisor, or person with control over the company or its group companies.
- **Family Relationship:** Must not be a close relative (i.e., parent, spouse, sibling, child, or child's spouse) of any director, executive, major shareholder, or controlling person of the company or its subsidiaries.
- **Business Relationships:** Must not have (or have had within the past two years) any material business relationship with the company or its related entities that could affect their independent judgment, including being a major shareholder or having control over a key business partner of the company.
- **Professional Services:** Must not currently be, or have been within the past two years,

– an auditor of the company or its group company; or

– a provider of professional services (such as, legal, financial or consulting services) to the company or its group where the service fees exceeded THB 2 million per year.

- **Representation of Major Shareholder:** Must not be a director appointed as a representative of a major shareholder or any related party.
- **Competitive Business Involvement:** Must not operate, hold more than 1% of shares or serve in management or paid advisory capacity in any business that directly competes with the company or its subsidiaries.

19. What financial statements are required for a public equity offering? When do financial statements go stale? Under what accounting standards do the financial statements have to be prepared?

Under Thai SEC regulations, an issuer conducting a public equity offering in Thailand must include in its prospectus audited financial statements for the past three fiscal years and the latest reviewed quarterly financial statements that meet specific accounting standards. The requirements differ for Thai and foreign issuers.

1. For a Thai Issuer: Financial statements must comply with Thai Financial Reporting Standards (TFRS) for publicly accountable entities.

2. For a Foreign Issuer: Financial statements must be prepared under one of the following standards:

- TFRS;
- International Financial Reporting Standards (IFRS)
- Generally Accepted Accounting Principles (GAAP) of the issuer's home country (home-country GAAP), provided that a reconciliation to IFRS is also submitted.

20. Please describe the key environmental, social, and governance (ESG) and sustainability requirements in your market. Additionally, what are the most significant recent changes or potential upcoming changes in this area?

Key ESG and **Sustainability** ***Disclosure Requirements in the Form 56-1 One Report***

The Listed Companies are required to disclose environmental, social and governance (ESG) and sustainability information as part of their annual registration statement, so-called the "Form 56-1 One Report" within three months after the end of their fiscal year. This report must be filed with the SEC and SET, and must be made available to shareholders. It includes the disclosure of key ESG information, such as:

- A clearly defined ESG and sustainability policy and strategic goals that align with the company's overall business strategy.
- Quantitative data on greenhouse gas (GHG) emissions, which must be verified by either the Thailand Greenhouse Gas Management Organization (TGO) or another internationally recognized verification body. If GHG emissions data is unavailable, an explanation must be provided.
- The board-approved policies, plans and procedures on ESG and sustainability management, along with results or outcomes compared to the established goals.

Recent Developments in ESG and Sustainable Finance

- The SEC actively promotes the development of Thailand's sustainable finance ecosystem. As part of this effort, the SEC has waived filing and application fees for the issuance of sustainable debt instruments – including green bonds, social bonds, sustainability bonds, and sustainability-linked bonds– until the end of May 2028. However, for green, social and sustainability bonds, the waiver of filing fees is condition upon the inclusion of project selection information reference the Thailand Taxonomy or ASEAN Taxonomy, along with an independent external review confirming alignment with the referenced standards.
- The SET has also launched an ESG Data Platform, which provides structured, accessible ESG information from Listed Companies on the SET website. The initiative is intended to meet the rising demand from institutional and retail investors for sustainable investment data, and to standardize ESG disclosure practice in Thailand's capital markets.
- The SEC has introduced new disclosure requirements mandating Listed Companies to disclose their Carbon Footprint for Organization (CFO) data, as part of the effort to enhance sustainability disclosure standards. The phased implementation is as follows:
  - SET50 companies: The requirement will take effect in 2027, with the first report to be submitted in 2028.
  - SET100 companies: The requirement will take effect in 2028, with the first report to be submitted in 2029.
  - All SET-Listed Companies and IPO companies: The requirement will take effect in 2029, with the first report to be submitted in 2030.

21. Are trust structures adopted for issuing debt securities in your jurisdiction? What are the typical trustee's duties and obligations under the trust structure after the offering?

Under the Trust Act, the SEC Act, and related notifications issued thereunder, a trust may be created for the benefit of capital market transactions as specified in SEC notifications. Examples include:

- Active Trust: A trust created for the active investment management of assets held by the trust, involving the issuance of trust units—for example, Real Estate Investment Trusts (REITs) and Infrastructure Trusts (Infra

Trusts). REITs and Infra Trusts are permitted to issue debt securities under the SEC Act to raise funds for asset investments. In such cases, bondholders are considered creditors of the REIT or Infra Trust.

- Passive Trust: A trust created to hold assets or facilitate debt repayment in connection with securities issuance—for example, a trust holding money or assets in a reserve account, sinking fund, or cash collected from assets held by a SPV for bond repayment.

Trusts established under the Trust Act are supervised by the SEC and are subject to a comprehensive regulatory framework designed to protect investors. The trustee has a duty in administering the trust in accordance with the trust deed and the provisions of the Trust Act.

22. What are the typical credit enhancement measures (guarantee, letter of credit or keep-well deed) for issuing debt securities? Please describe the factors when considering which credit enhancement structure to adopt.

Credit enhancement is often employed to improve the creditworthiness of debt securities, particularly in offerings involving unrated, non-investment-grade, or unsecured bonds. Typical credit enhancement measures include

- **Collateral and Asset-Based Enhancements**: Issuers may secure bonds using physical assets, project-generated cash flows, or receivables, particularly in project finance or structured debt transactions. The use of ring-fenced assets is intended to isolate credit risk and provide recourse for bondholders.
- **Guarantees and Support Agreements:** These may include guarantees from a parent company or affiliate, bank guarantees or keep-well agreements. However, such forms of credit enhancement are seldom used in Thailand.

23. What are the typical restrictive covenants in the debt securities' terms and conditions, if any, and the purposes of such restrictive covenants? What are the future development trends of such restrictive covenants in your jurisdiction?

In Thailand, restrictive covenants are a standard feature in the terms and conditions of debt securities, particularly unrated, below-investment-grade, or unsecured bonds offerings. These covenants are designed to help mitigate credit risks and protect investors by limiting the issuer's ability to take actions that could adversely affect its financial health and debt servicing capacity.

Typical restrictive covenants include negative pledge, limitation on additional indebtedness, dividend restrictions, restrictions on asset disposals or mergers, and financial maintenance covenants (i.e., requirements for an issuer to maintain certain financial ratios, such as minimum interest coverage ratio, maximum debt-to-equity ratio and net debt to EBITDA thresholders, where applicable).

The restrictive covenants are intended to serve various purposes, for example:

- To preserve the issuer's credit profile during the life of the bond;
- To prevent structural subordination or asset leakage that could disadvantage bondholders;
- To ensure adequate financial discipline, particularly in high-risk or high-leverage environments; and
- To provide early warning mechanisms for investors and trustees in the event of financial deterioration.

In terms of trends and development, there is growing demand from institutional investors for more robust financial maintenance tests, particularly in high-yield or unrated offerings. Investment-grade or highly rated issuers may negotiate for fewer or less stringent covenants, as investor confidence is primarily based on issuer's reputation and track record.

24. In general, who is responsible for any profit/income/withholding taxes related to the payment of debt securities' interests in your jurisdiction?

Under Thai tax law, the debt securities holders (i.e., the bondholders) are ultimately responsible for any profit, income, or withholding taxes arising from interest payments received on debt securities.

The issuer has a legal obligation to, at the time of making interest payments, (a) withhold the applicable amount of tax at source; and (b) remit the withheld tax to the Thai Revenue Department within the timeline prescribed by law.

25. What are the main listing requirements for listing debt securities in your jurisdiction? What are the continuing obligations of the issuer after the listing?

Debt securities are not listed on the SET in the same way as equities. Instead, they are registered with the Thai Bond Market Association (ThaiBMA) and traded on the over-the-counter (OTC) market.

Following a public offering of bond, issuers are subject to ongoing disclosure and reporting requirements, primarily governed by the SEC, of which the key requirements include:

a. Annual and Quarterly Financial Statements: Must be submitted to the SEC within prescribed timelines;

b. Key Financial Ratio and Financial Covenant Compliance Report: A report confirming the issuer's compliance with the financial covenants outlined in the bond terms and conditions must be submitted to the SEC together with the financial statements; and

c. Annual Registration Statement (Form 56-1 One Report): Must be filed on an annual basis to provide updated corporate, operational and financial information.

Non-Listed Companies that issue debt securities through private placements to institutional investors (II) or high net worth investors (HNW) are exempt from submitting quarterly financial statements and annual registration statements (Form 56-1 One Report). Instead, they must submit annual financial statements and semi-annual (half-year) financial statements.

26. What are the requirements and restrictions for a foreign issuer to conduct a public offering or list securities in your jurisdiction? Are there any significant differences compared to domestic issuers in terms of disclosure obligations, continuing obligations, or regulatory compliance burdens?

A foreign company that is not listed on an SEC-recognized foreign stock market and wishes to conduct a public offering and list its shares in Thailand must comply with substantially the same regulatory requirements as domestic issuers, including obtaining SEC approval and filing a registration statement and prospectus. Please refer to item No. 10 for the requirements and restrictions for a foreign company seeking a public offering in Thailand. However, foreign issuers seeking a listing under the Full Listing Regime are subject to additional and more stringent requirements compared to domestic issuers, as summarized below.

Additional Requirements for Foreign Issuers

- **Regulatory Mapping:** Foreign issuers must conduct a comprehensive regulatory mapping exercise to identify differences on certain issues between Thai laws and the laws of their home jurisdiction. This includes an analysis of, among others, shareholder protection measures and corporate governance standards, and the issuer must propose mitigation plans to address any identified regulatory gaps.

Local Coordinator: Foreign issuers must appoint a local coordinator in Thailand to liaise with Thai investors and regulatory authorities and designate a responsible person in Thailand to prepare and maintain corporate documents.

- **Local Directors:** Foreign issuers must have at least two directors who must be Thai nationals residing in Thailand, and at least one of them must serve on the audit committee.

Key Post-Approval Continuing Obligations for Foreign Issuers

- **Shareholders' Meeting Arrangements:** Foreign issuers must provide a meeting venue or communication channel and method that enable shareholders in Thailand to conveniently express their opinions to other shareholders and cast their votes. Such channels and methods must also comply with the applicable laws and regulations of the issuer's home jurisdiction.
- **Directors and Executives:** Foreign issuers must ensure that their directors and executives are registered on the SEC's Whitelist.

27. To what extent do public markets remain a viable exit strategy for private equity investors in your jurisdiction?

Public markets remain a viable exit strategy for private equity investors in Thailand. Private equity investors are generally permitted to dispose of their shares following an IPO. However, shareholders holding more than 5% of the paid-up capital of the IPO issuer (including shares held by their related persons) may be subject to the silent period requirements.

Under the silent period rules, existing shareholders, which may include private equity investors, are required to retain shares representing 55% of the issuer's paid-up capital following the IPO. Such shares are subject to a one-year transfer restriction commencing from the first trading date on the SET. After six months have elapsed, shareholders may sell up to 25% of the shares subject to the silent period, with the remaining shares becoming freely transferable upon expiry of the one-year period.

28. What is the current regulatory trend in your jurisdiction – are regulators and stock exchanges taking steps to expand oversight, simplify requirements, or both? Please elaborate on recent initiatives.

Thailand's regulatory trend reflects a dual policy objective of strengthening regulatory oversight and investor protection while simultaneously simplifying fundraising and compliance requirements to enhance the competitiveness of the Thai capital markets.

On the oversight front, the SEC has introduced significant amendments to the rules governing material transactions (MT) and related party transactions (RPT) of Listed Companies, which will take effect on 1 July 2026. The revised framework adopts a more substance-over-form approach, allowing the SEC to assess transactions based on their economic substance rather than their legal form. The amendments also strengthen investor protection through enhanced disclosure obligations, revised transaction aggregation and calculation rules, expanded shareholder rights in certain transactions, and a new requirement for Listed Companies to provide periodic progress reports following shareholders' approval until the transaction is completed or cancelled.

At the same time, regulators have sought to reduce unnecessary procedural burdens. As part of the MT and RPT reforms, certain approval and disclosure processes have been streamlined and clarified to improve regulatory efficiency and provide greater certainty to issuers and investors.

In the debt capital markets, recent regulatory initiatives have focused on expanding fundraising channels and supporting sustainable finance. In 2026, the SEC introduced a proposed regulatory framework for Transition Bonds and Thailand Amber Bonds and proposed enhancements to ESG bond disclosure requirements, with the aim of facilitating transition-related fundraising while strengthening the credibility and transparency of sustainable debt instruments. In addition, the SEC has recently launched a public consultation on proposed amendments to the regulations governing bondholders' representatives, with the objective of enhancing regulatory clarity and ensuring that the framework remains aligned with current market practices, thereby strengthening investor protection in the debt capital market.

29. Is there active consideration or development of a regulatory framework for crypto assets in your jurisdiction's capital markets?

Yes. Thailand already regulates digital asset businesses under the Emergency Decree on Digital Asset Businesses B.E. 2561 (A.D. 2018), covering exchanges, brokers, dealers, custodians, ICO portals and digital token offerings. Recent regulatory developments indicate that the SEC is expanding its focus beyond licensing and supervision towards integrating digital assets into the broader capital market ecosystem.

Key initiatives include regulatory sandboxes for digital asset services and tokenisation, proposed Government Tokens (G-Tokens) as a public fundraising instrument, and enhanced investor protection measures. The SEC is also consulting on a framework for Crypto ETFs and, following a proposal by the Ministry of Finance, has expanded the scope of permissible underlying assets for derivatives to include digital assets, paving the way for crypto-related derivatives products on Thailand Futures Exchange (TFEX). In addition, the SEC has approved USDC and USDT as eligible cryptocurrencies for ICO investments and trading pairs on licensed exchanges.

The SET is also supporting the development of digital capital markets through Thai Digital Assets Exchange Co., Ltd. (TDX), its licensed digital token exchange. Collectively, these initiatives demonstrate a clear regulatory trend towards integrating digital assets into Thailand's capital markets while maintaining investor protection and market integrity.

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