

April 9, 2020

Client Alerts

Listed Company during COVID-19

Due to the on-going COVID-19 crisis which has affected the upcoming annual general meeting (AGM). The Thai Securities and Exchange Commission ("SEC") had announced a few changes to the related regulations for the listed companies as set out below.

Regulation Changes:

- *Temporary appointment of an external auditor* – A listed company may appoint a temporary external auditor without holding an AGM. In this instance, the Board of Directors can select an external auditor approved by the SEC or allow the previous external auditor to audit the financial statements for the 1st quarter of 2020. Once the AGM can be held, the usual appointment of the external auditor shall then be officially proposed for the shareholders' approval.
- *Submission of reports concerning the financial condition and the business operation* – Taken effect from March 31, 2020, the SEC has allowed an extension of the deadline for the submission of (1) quarterly financial statements (2) annual financial statements and (3) annual registration statement with an ending period from January 1, 2020 – May 31, 2020. To be eligible for an extension, the company must:
 - 1) Submit a request for an extension to the SEC Office before the due date of such period along with explanations (COVID-19 impacts) and proposed the new submission date of the reports.
 - 2) The company must make an extension announcement via SETLink or other medium that the shareholders can access.

Provided by:

Chanchart Chotiphol
Counsel/BD
chanchartc@ilct.co.th

April 9, 2020

Client Alerts

- *Financial statements extension period* – If granted an extension, the new timeframes are as follows:
 - 1) Submission of quarterly financial statements must not exceed the end period of the next quarterly statements;
 - 2) Submission of annual financial statements and annual registration statements must not exceed 4 months from the end of the fiscal year.
- *Dividend payment* – In the absence of an AGM, the Board of Directors may approve the dividend in the form of an interim dividend payment instead. For dividend payment in the form of an asset or share, the company must still undergo a normal AGM process and obtain shareholders' approval, thus payment of dividend in this form is not advisable until an AGM can be held.
- *Shareholders announcement* – The company is required to keep shareholders updated on any change to the regulations and rules during COVID-19 outbreak (i.e. AGM postponement). Related announcements should be posted on SETLink.

For further assistance on Thai company registration process during COVID-19 outbreak, please contact us at law@ilct.co.th.

CONTACT

-  +66 2 679 6005
-  +66 2 679 6041
-  www.ilct.co.th
-  law@ilct.co.th