DOING BUSINESS IN THAILAND: A BDO ROADMAP

Ideas | People | Trust

Preface – A message from our Managing Partner

NOEL ASHPOLE
Managing Partner
BDO in Thailand

"Our team of experts have thoughtfully compiled this guide to cover not only regulatory compliance but also to provide a commercial perspective that supports your business objectives.

We aim to share valuable insights that go beyond the fundamentals, adding a strategic angle to help you make informed decisions.

Those who do business in Thailand know that, like any challenge there are opportunities abound in this vibrant and beautiful country. We are happy to discuss the content of this booklet further or address any questions you might have.

Thank you for taking the time to read our publication. We wish you the best of success in your business endeavors."

BDO

The BDO Roadmap – Steps to doing business in Thailand

Definitions, abbreviations and glossary of terms

Abbreviation	Meaning
AGM	Annual General Meeting
ASEAN	The Association of Southeast Asian Nations
B/L	Bill of loading
BOD	Board of directors
BOI	Board of Investment
BOT	Bank of Thailand
CbCR	Country-by-Country Report
CCC	Civil and Commercial Code
CEs	Constituent entities
CIT	Corporate Income Tax
CLMV	Cambodia, Laos, Myanmar, and Vietnam.
CPA	The Center for Professional Assessment
CRS	Common Reporting Standards
CVC	Corporate venture capital
CWEC	Central Western Economic Corridor
DBD	Department of Business Development
DTA	Double Tax Agreements
DTV	Destination Thailand Visa
E&E	Electrical and Electronics
EEC	Eastern Economic Corridor

Abbreviation	Meaning
EECa	Eastern Airport City
EECd	Digital Park Thailand
EECg	Genomics Thailand
EECi	Eastern Economic Corridor of Innovation
EECmd	Medical Hub Thammasat University (Pattaya)
EMEA	Europe, the Middle East and Africa
FAQs	Frequently Asked Question
FBA	The Foreign Business Act
FDI	Foreign Direct Investment
FTA	Free Trade Agreement
GDP	Gross Domestic Product
GPT	Government Procurement Transformation
GSP	Generalized System of Preferences
GWh	Gigawatt hours
IBC	International Business Centers
ICO	Initial Coin Offering
IEAT	The Industrial Estate Authority of Thailand
IFRS	International Financial Reporting Standards
IIR	Income Inclusion Rules
IOI	Indication of interest

Definitions, abbreviations and glossary of terms

Abbreviation	Meaning
IPO	Initial public offering
JCI	Joint Commission International
LNG	Liquefied natural gas
LOI	Letter of intent
LTR	Long-Term Residence
MAI	Market for Alternative Investment
Mn	Million
MNE	Multinational enterprises
MOA	Memorandum Of Association
NEC	Northern Economic Corridor
NeEC	Northeastern Economic Corridor
NIA	National Innovation Agency
NIC	Newly Industrialising Countries
NPAE	Non-Publicly Accountable Entities
NPLs	Non-performing loans
PAE	Publicly Accountable Entities
PAPD	Personal Data Protection Act
PIT	Personal Tax Income
PT	Petroleum Income Tax
QDMTT	Qualified Domestic Top-Up Tax

Abbreviation	Meaning
RCEP	Regional Commprehensive economic partnership
RD	Revenue Department
RE	Renewable Energy
SBT	Specific Business Tax
SD	Stamp Duty
SEA	South East Asia
SEC	The Securities and Exchange Commission
SET	The Stock Exchange of Thailand
SME	Small and medium enterprises
SMEs	Small and medium-sized enterprises
SSO	Social security office
TFAC	Thai Federation of Accounting Professions
TFRS	Thai financial reporting standards
THB	Thai Baht
THBb	Billion Thai Baht
TP	Transfer pricing
TRD	Thai Revenue Department
UPE	Ultimate parent entity
USD	The United State Dollar
UTC	Coordinated Universal Time

Definitions, abbreviations and glossary of terms

Abbreviation	Meaning
UTPR	Undertaxed Payment Rules
VAT	Value added tax
VC	Venture Capital
WHT	Withholding Tax


LIBYA
ALGERIA
EGYPT
NIGER
CHAD
NIGERIA
ETHIOPIA
KENYA
D. R. CONGO
TANZANIA
ANGOLA
NAMIBIA
BOTSWANA
MADAGASCAR
SAUDI ARABIA
YEMEN
COMOROS
SEYCHELLES
SOUTH AFRICA

01

About BDO

BDO

Global Solutions. Driven to be the best

BDO's vision is to be the leader for exceptional client service, by delivering high-quality, consistent service across all offices globally.

Revenue

US $16 bn*

By region

- +0.4% Americas
- +7% EMEA
- +3% Asia Pacific

By service line

- +3% Audit & Assurance
- +4% Advisory
- +7% Tax
- +2% Business service & Outsourcing

Peoples

+94,900 People

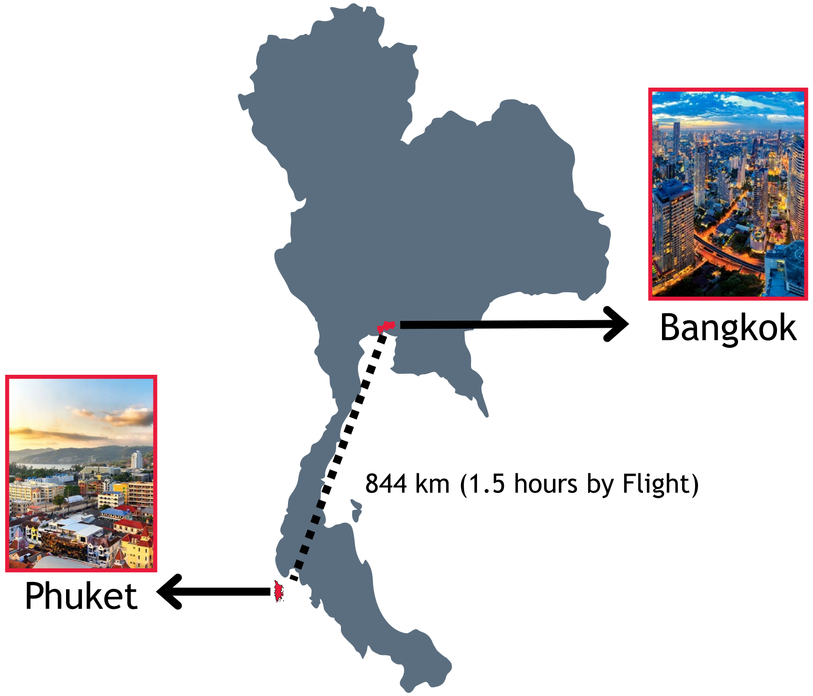
Presence

870 Offices
169 Countries & territories

** At 30 September 2025*

BDO in Thailand

BDO in Thailand is a professional business consultancy firm that provides comprehensive audit & assurance, advisory, tax and legal, and business services & outsourcing services to companies large and small. Our company is based in Bangkok and Phuket, with Thai CPAs, SEC registered auditors, and advisory experts that provide professional service to companies in Thailand and nearby countries.



Advisory

- Cybersecurity
- Deal Advisory
- Global Forensics
- Risk Advisory Services

Business Services & Outsourcing

- Accounting, Bookkeeping and Tax Compliance
- BDO Drive
- Business Advisory and Efficiency
- Buying & Selling
- Data Analytics & Insights Services
- Family Business & Succession Planning Services
- Finance & Accounting Technology
- Financial Reporting
- Payroll Solutions
- Support and Services for Entrepreneurs

Audit & Assurance

- External Audit
- Financial Reporting Solutions
- International Financial Reporting Standards (IFRS)
- Other Assurance Services
- Reporting Accountants and Initial Public Offerings

Tax & Legal

- Board of Investment (BOI) and Foreign Business License Applications
- Corporate and International Tax
- E-Services Tax
- Global Employer Services
- Company Formation and Company Secretarial Services
- Private Client Services
- Tax Assurance and Risk Management Services
- Tax Dispute Resolution Services
- Tax Health Check Services
- Tax and Legal Advisory Services
- Transfer Pricing
- Services related to Personal Data Protection Act
- Visa, Work Permit and Long-Term Resident Visa

02 Overview of Thailand

Thailand at a First Glance

Key information on Thailand – The Land of Smiles

Population (2025): 70.3 million

GDP (2024): 577 billion USD (up 2.4% YoY)

The total labor force (2025): 40.2 million

Time zone is UTC+7

Currency is Thai Baht (Baht or THB)

Official language is Thai

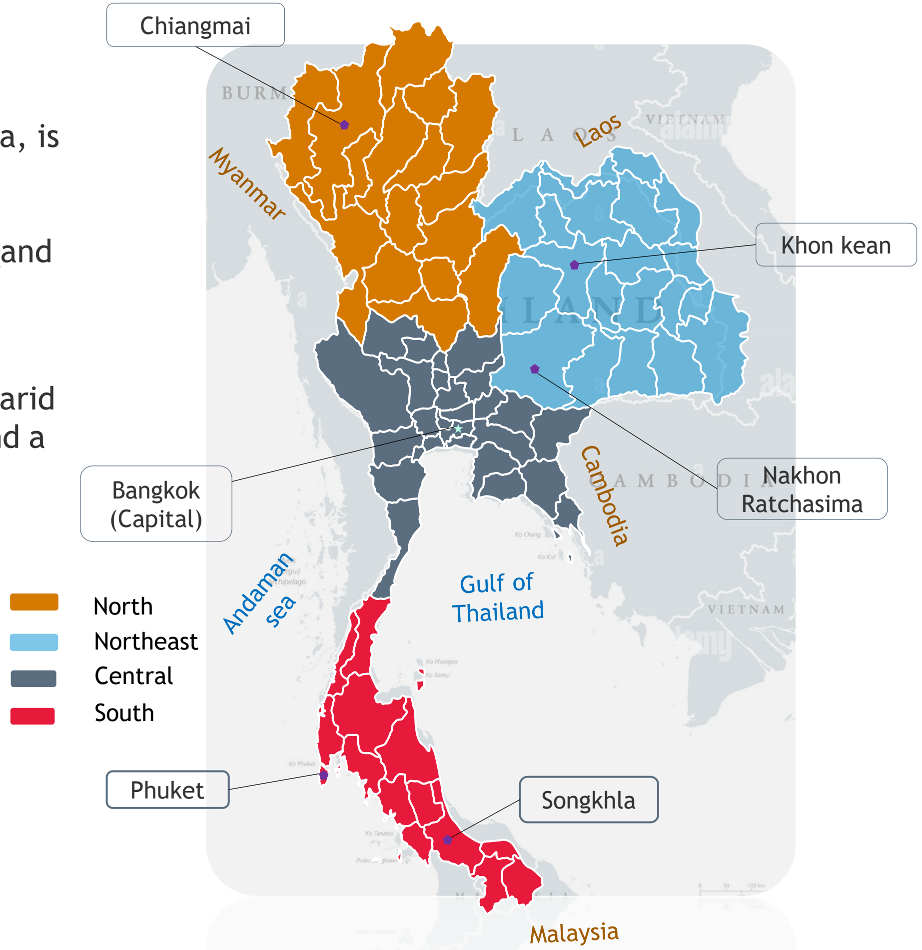
Religion Buddhist (~94%), Islam (~5%) and Christianity (~1%)

Location

Thailand, located in Southeast Asia, is bordered by Cambodia, Laos, Myanmar, and Malaysia. It has coastlines along the Andaman Sea and the Gulf of Thailand

The country has four geographic regions: mountainous north, semi-arid northeast, fertile central plain, and a mineral-rich southern peninsula.

Land area is 513,000 km^2, with 76 provinces



Source: National Statistical Office Thailand (NSO), International Monetary Fund (IMF), Bank of Thailand (BOT), Office of the National Economic and Social Development Council (NESDC), United Nations Population Fund (UNFPA) and World Bank, The Government Public Relations Department (PRD)

Thailand's Economy Overview

Tourism, manufacturing & export, FDI, domestic consumption & import and government infrastructure projects are still key economic drivers that are currently shaping Thai economy growth

Key pillars of Thailand economy

- Tourism (Tourism revival)
- Foreign Direct Investment (FDI)
- Import & Export (Import & Domestic consumption; Export & Manufacturing)
- Key mega projects (Government Infrastructure Projects)

Tourism

International Arrivals Q4/2025 **8.9m**

International Arrivals Q4/2019 **10.4m**

Top 5 source markets as of 2025

Malaysia	Mainland China	India	Russia	Korea
4.5m arrivals	4.4m arrivals	2.4m arrivals	1.8m arrivals	1.5m arrivals

Foreign Direct Investment

Top 5 Foreign Direct Investment in 2025

THB 433,019 mn	THB 224,250 mn	THB 198,158 mn	THB 89,195 mn	THB 67,158 mn
425 projects	237 projects	984 projects	23 projects	248 projects

*The figures represent the approved foreign investments for promotion under the Board of Investment (BOI).

Import & Export

Value Export 2025 (Million Baht) **11,138,480**

Value Import 2025 (Million Baht) **11,448,766**

Main destination
As of 2025

	Export	Import
1 USA	2,374,123	702,112
2 CHINA	1,303,366	3,568,525
3 JAPAN	772,524	984,986
INDIA	520,629	199,365
Malaysia	440,322	493,339

Million Baht

Export		Import	
1,312,511	Automatic data processing machines and parts	1,141,960	Electronic integrated circuits
1,032,212	Motor cars, motor vehicles, parts and accessories	1,058,377	Electrical machinery and parts
883,023	Precious stones and jewellery	912,913	Crude oil
512,439	Rubber products	849,161	Jewellery including silver bars and gold
390,566	Machinery and parts thereof	848,084	Machinery and parts

Key mega projects

- Extension of orange line train (Bang Khun Non – Thailand Cultural Center) budget THB 7.8 billion
- Projects in the EEC, spanning 13,000 sq.km across 3 provinces with USD c.50b investment for first 5 years.
  - U-Tapao Airpo
  - Map Ta Phut Port Phase 3
  - Laem Chabang Port Phase 3
- First phase of Thai-Chinese high-speed train project (Bangkok-Nakorn Ratchasima) — 250 km with 6 station
- Construction of a double-track railway, Nakhon Pathom-Chumphon section — Budget THB 2.2 billion

Source: BOI/Bangkok Post/Thailand's Trade Statistic/nationalthailand.com/southeastasiainfra.com/BOT

Thailand's Business Landscape

Thai economy is mainly dominated by few giant key players

Family-owned conglomerates

Chearavanont Family (CP)
Listed Entity: CPALL
Total revenue(2025): THB 1,022.1 billion
Market influence: 7-Eleven has >15,245 branches, while Lotus, Makro, and supermarkets manage >2,700 branches, employing ~450,000 people (~1.10% of total labor force in Thailand) across 21 countries.

Chirathivat Family (Central Group)
Listed Entity: CRC
Total revenue (2025): THB 253 billion
Market influence: Operates >2,800 stores across 3 countries with commercial area of ~700k sq.m.

Sirivadhanabhakdi Family (ThaiBev)
Ownership: Publicly listed
Listed Entity: Thai Beverage Public Company Limited (ThaiBev) on the Singapore Exchange (SGX)
Total Revenue (**) (9m2025): THB 258 billion
Market share influence: >90% for spirits and ~40% for beer in Thailand and Vietnam, based on sales volume.

(**) Listed ThaiBev's figure

Yoovidhya Family (TCP Group)
Ownership: Private
Listed Entities: None
Total revenue(***) (2024): THB 32.1 billion
Market Influence: Major player in the energy drinks sector, with a market share of >18% in Thailand, > 50% in Vietnam and >40% in China (2024). Its most notable product Red Bull dominated global market share with >40% (2022)

(***) T.C. Pharmaceutical Industries Company Limited's figure

Srivaddhanaprabha Family (King Power)
Ownership: Private (King Power International Group)
Listed Entities: None
Total revenue (2023*): THB 20.06 billion
Market Influence: the largest duty-free retailer in Thailand, holding a monopoly on duty-free operations at major Thai airports.

Top listed companies (by market cap as of Dec 2025)

Sector	Company	Market cap
Electronic Components (ETRON)	DELTA	THB 2,157,970 mn
Energy & Utilities (ENERG)	PTT	THB 914,015 mn
Energy & Utilities (ENERG)	PTTEP	THB 448,608 mn
Energy & Utilities (ENERG)	GULF	THB 623,738 mn
Banking (BANK)	SCB	THB 468,027 mn
Banking (BANK)	KBANK	THB 460,834 mn
Transportation & Logistics (TRANS)	AOT	THB 757,142 mn
Commerce (COMM)	CPALL	THB 390,764 mn
Health Care Services (HELTH)	BDMS	THB 306,715 mn
Information & Communication Technology (ICT)	ADVANC	THB 930,927 mn

2nd home for global/regional MNEs

Chemicals

Electronics

Automotives

Energy

Hospitality

Transportation & Logistics

Note: King Power (2024/2025) / TCP Group (2025)'s revenues are not publicly disclosed
Source: BOI/ SET/Companies 'websites/Corpus/Bangkok post

Why Thailand ?

Thailand with "Beyond" and "Better" value proposition

Beyond

Being the Heart of the Regional Economy

The heart of the ASEAN Economic Community and the second largest economy in Southeast Asia

CLMV

300 Mn Consumers

Within 1,000 KM

ASEAN

670 Mn Consumers

Within 3,000 KM

Source: BOI (July 2024)/ Thailand Trade policy and strategy office

Better with

World class Business Ecosystem

Trade Network (*)
16 FTAs with 23 nations

Infrastructure Connectivity
Well-established Rail, Water, and Air Infrastructures which are connected to ASEAN and China

Robust Supply Chain
Home to world leading Multinational Corporations and high-quality workforces

Government Support
Comprehensive government supporting measures aligning with BOI investment incentives

Green Transition Policy Incentives on green transition activities / RE

Thailand – A New Industrializing Country

As an NIC, Thailand expands businesses' access to a consumer base eager for new products and services

Thailand's regional and rural areas offer significant business opportunities due to:

Early Mover Advantage: Businesses can capitalize on being among the first to enter these markets.

Improved Accessibility

Underdeveloped Markets: Potential for growth.

Thailand is evolving from traditional manufacturing to:

- Advanced Manufacturing Technologies
- **Regional Hub:** Focused on industries like automotive, electronics, and robotics.

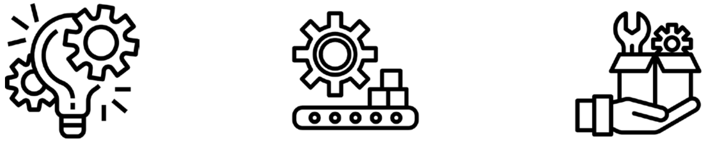
This shift creates opportunities for businesses in related supply chains.

Note: NIC = Newly Industrialising Countries

Thailand's NIC status has resulted in:

- Improved Education and Vocational Training
- Skilled and Adaptable Workforce.

Thailand is evolving from traditional manufacturing to:



Technology | Manufacturing | Service

Thailand is rapidly adopting digital technologies, leading to:

- Easier implementation of e-commerce
- Integration of fintech solutions
- Access to essential digital services for modern business operations

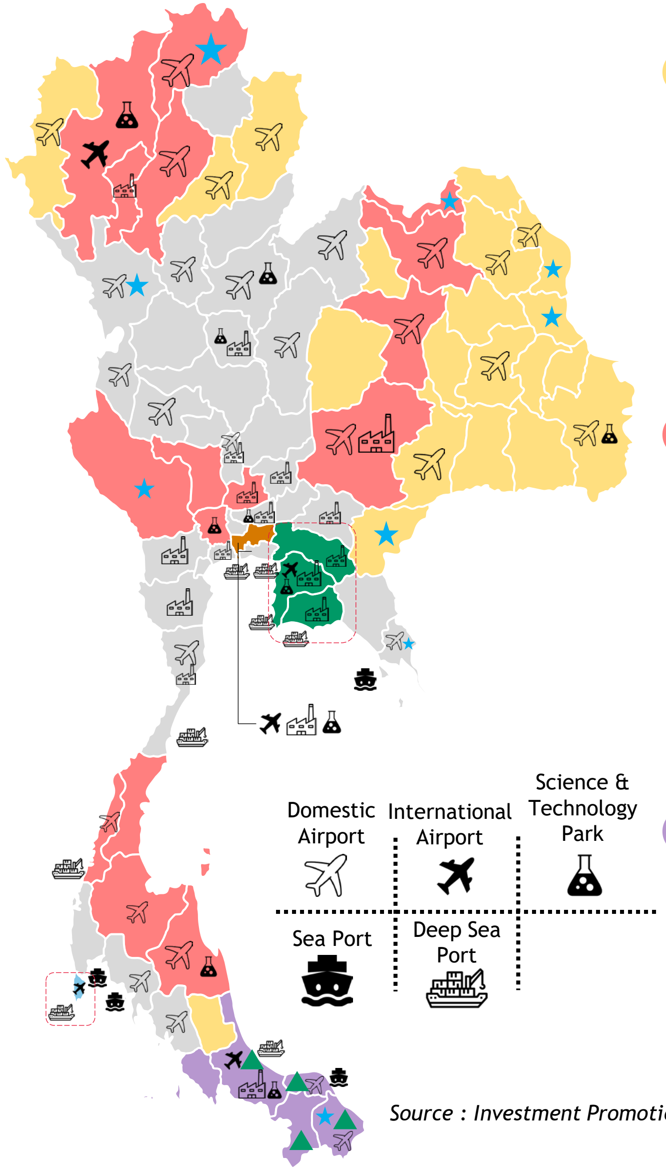
Thailand is one of the most popular tourist destinations in the world, which presents significant opportunities for businesses in hospitality, retail, and related services. The tourism industry also supports growth in infrastructure, creating demand for new developments and investments.

03

Choose a strategic location

Making a strategic decision

The best location will depend on specific business needs, target market, and long-term goals



20 Provinces with lowest income per capita

Kalasin, Chaiyaphum, Nakhon Phanom, Nan, Bueng Kan, Buri Ram, Phatthalung, Phrae, Maha Sarakham, Mukdahan, Mae Hong Son, Yasothon, Roi Et, Si Sa Ket, Sakhon Nakhon, Sa Kaeo, Surin, Nong Bua Lamphu, Ubon Ratchathani and Amnatcharoen.

Special Economic Zones in four Regions (NEC, NeEC, CWEC, SEC)

Covering 16 provinces: Chiang Rai, Chiang Mai, Lamphun, Lampang, Khon Kaen, Udon Thani, Nakhon Ratchasima, Nong Khai, Ayutthaya, Nakhon Pathom, Suphan Buri, Kanchanaburi, Chumphon, Ranong, Surat Thani and Nakhon Si Thammarat.

Promoted Border Provinces in Southern Thailand

Southern Border Provinces include Narathiwat, Pattani, Yala, Satun and four districts in Songkhla (Jana district, Natawee district, Saba Yoi district and Taypa district).

Promoted Industrial Estate / Zone

Projects located within industrial estates or promoted industrial zones shall be granted one additional year of corporate income tax exemption.

Special Economic Zones

90 sub-districts in 23 districts of 10 provinces which are Chiang Rai, Nakhon Panom, Tak, Kanjanaburi, Nongkhai, Mukdahan, Sa Ka ew, Trad, Songklah and Narathiwas.

Model City Project in the Southern Border Provinces

Nong Chik District, Pattani; Betong District, Yala; Jana District, Songkhla; Su-ngai Kolok District, Narathiwat

Bangkok (capital)

A major growth engine for Thailand's economy.
According to World Bank's Thailand Economic Monitor 2024 report, Bangkok's GDP is nearly 40x greater than the next largest city, Chon Buri.

The Eastern Economic Corridor (EEC)

31% of foreign investors (99 investors) targeted the EEC area in the first five months of 2024.

EEC attracted 18.2 THBb, making up 25% of total FDI in Thailand during the period.

Phuket Island

A major driver of Thailand's tourism ('Best City' in DestinAsian's 2024 Readers' Choice Awards.)

2023-27 plan targets international education hub status and digital innovation for value creation.

Source : Investment Promotion Guide (BOI)/World Bank report/ Bangkok post/ Statista

Bangkok Metropolis

Bangkok Metropolitan area and its vicinities – the journey into a regional business hub

The Thai capital

is the biggest city and the government center with

Population(2025)
c.11.4m

Thai focal point for

Economy | Education | Culture

30-35% of the total Thailand's GDP

Tourism

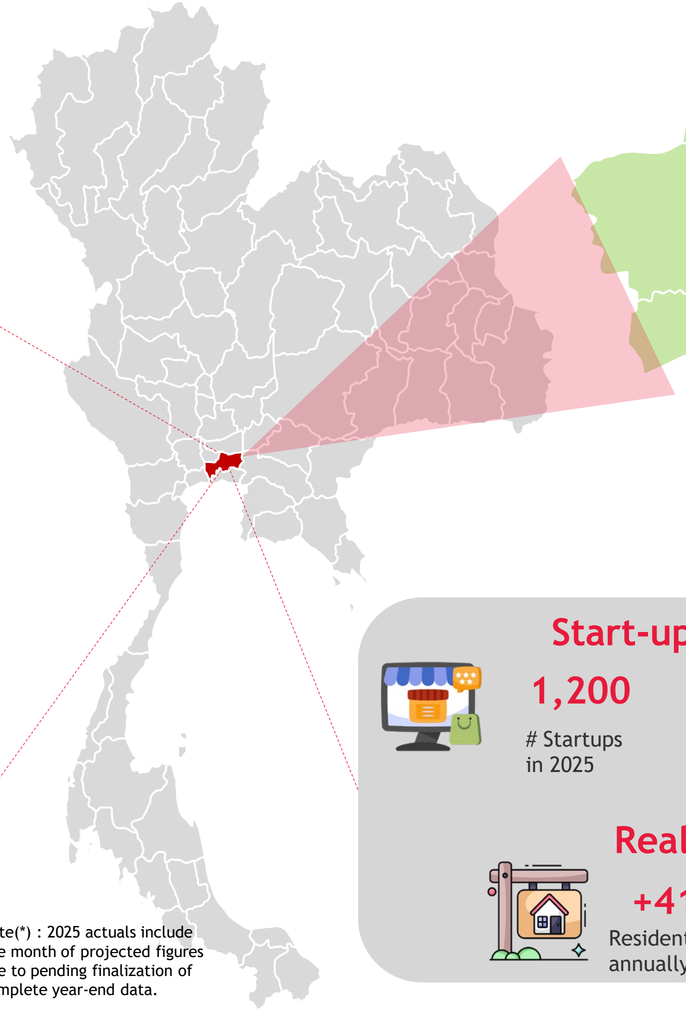
***32.9** million ▼
In 2025

35.5 million
In 2024

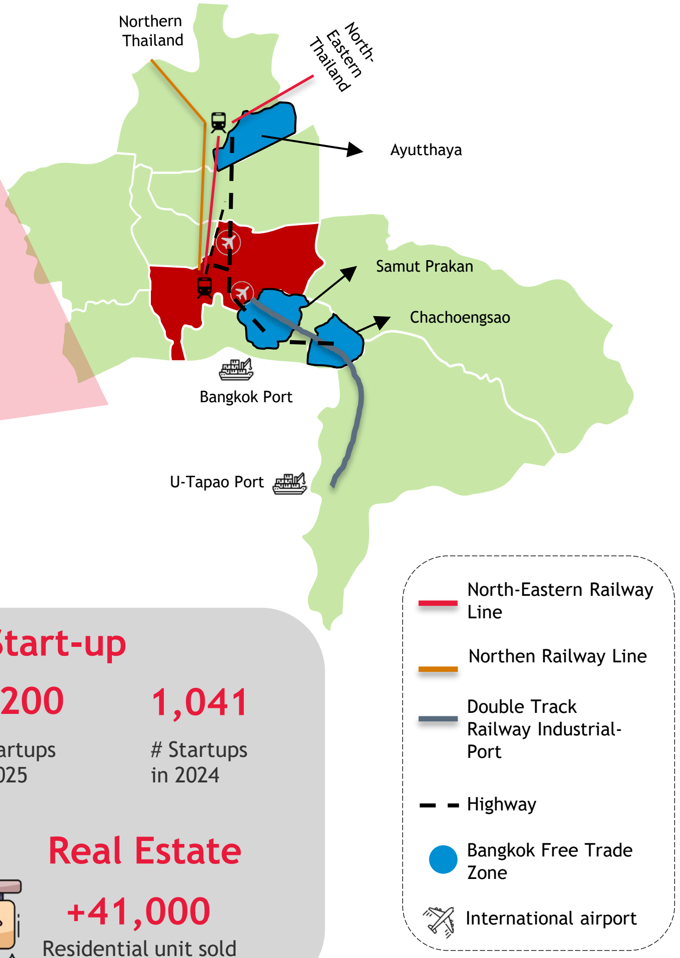
Restaurant

+2,800
New establishments in 2025

c.20% national share



Note(*) : 2025 actuals include one month of projected figures due to pending finalization of complete year-end data.



Start-up

1,200
Startups in 2025

1,041
Startups in 2024

Real Estate

+41,000
Residential unit sold annually

Bangkok Free Trade Zone

Tax Benefits:

A Free Zone is an indicated area for industrial manufacturing, logistic and other business activities operations with no customs duty and VAT on purchases or importation of raw materials, components or finished goods.

Strategic Location

- **Ayutthaya Free Trade Zone:**
A gateway to Northern and Northeastern Thailand, facilitating trade and logistics in these regions.

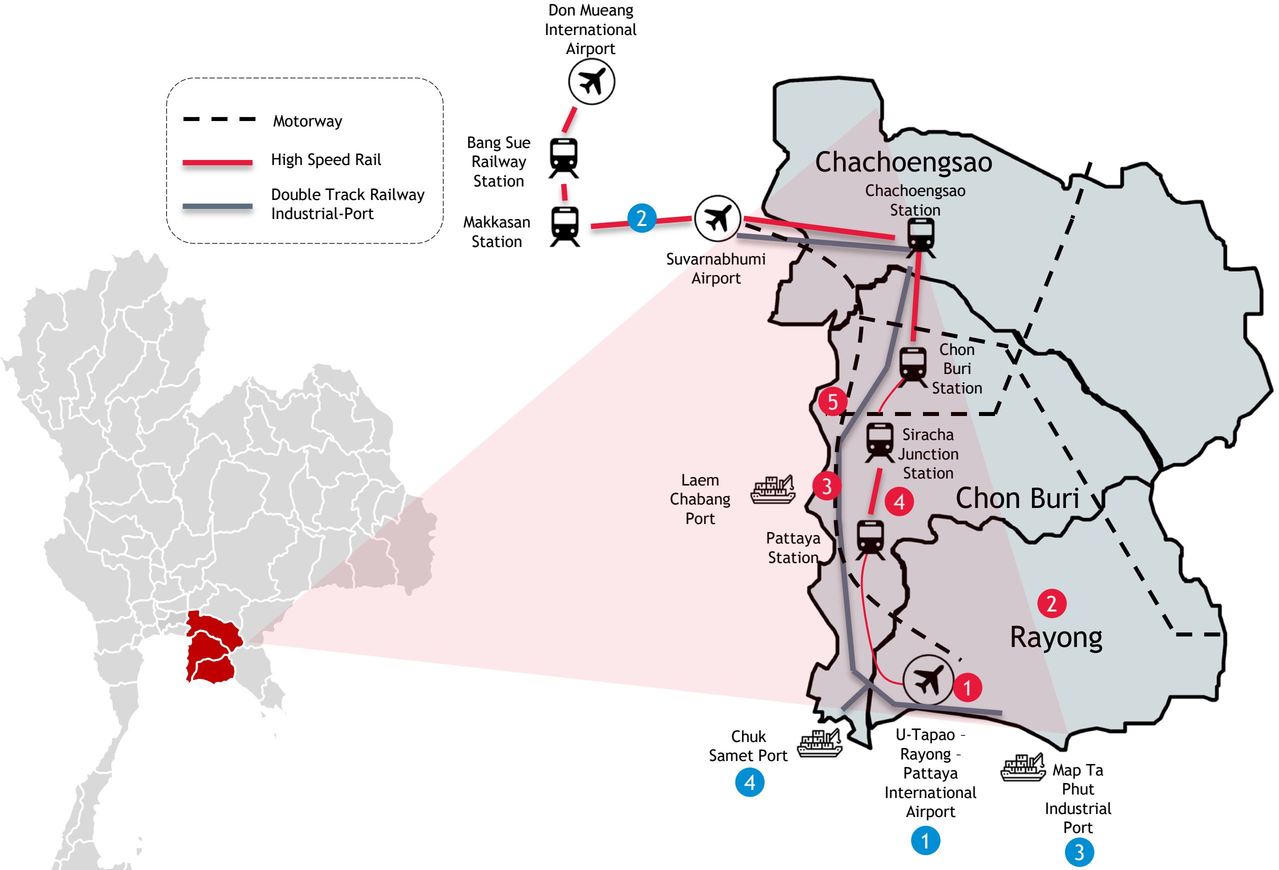
- **Chachoengsao Free Trade Zone:**
An entry point to the Eastern Economic Corridor (EEC), supporting economic development in this crucial area.

- **Samut Prakan Free Trade Zone:**
Excellent connectivity for international trade, being strategically located near both Suvarnabhumi Airport and Bangkok Port.

Source : Office of the National Economic and Social Development/ Bangkok Post / Mastercard report (Aug 2024)/Statista/Krungsri report / DOPA / World Population/LH bank & BDO research and estimation/startupblink/nationalthailand

Eastern Economic Corridor (EEC)

EEC is positioned as the main engine of growth for Thailand's 4.0 economic model



1 **60m passengers annually** by 2050. Expected to operate in **2025**.

2 High-speed rail line connecting 3 international airports

3 Expansion for LNG and petrochemical handling. New facilities expected to start operations by **2027**.

4 Expanding container handling capacity, with new facility operations expected by **2027**.

Source : The Eastern Economic Corridor Office of Thailand (EECO)

EEC tax incentives

- Eligible companies can receive corporate income tax exemptions or reductions for up to 13 years.
- Investors in activities granted tax incentives for five or more years may apply for additional benefits, with some conditions excluding core technologies and negative-listed activities.
- Tax incentives are categorized by the following zones:

1 Eastern Airport City (EECa)
2 Eastern Economic Corridor of Innovation (EECi)
3 Digital Park Thailand (EECd)
4 Medical Hub Thammasat University (Pattaya) (EECmd)
5 Genomics Thailand (EECg)

BOI Standard Incentives:

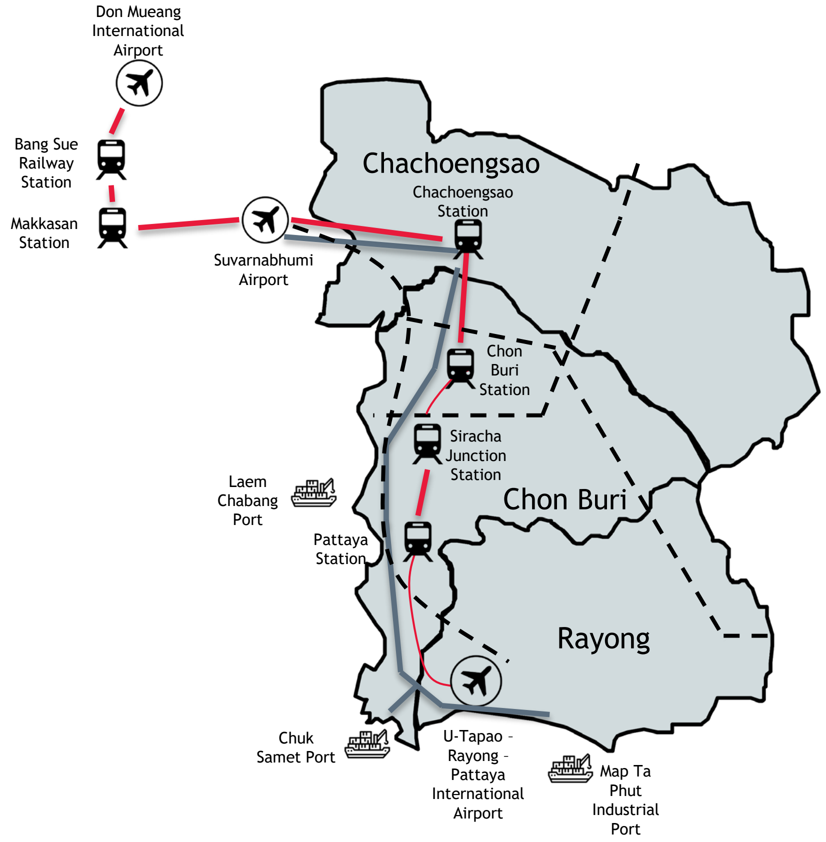
- Additional corporate income tax (CIT) exemption for up to two years for certain activities.
- CIT reduction of 50% for three years after the end of the tax holiday.

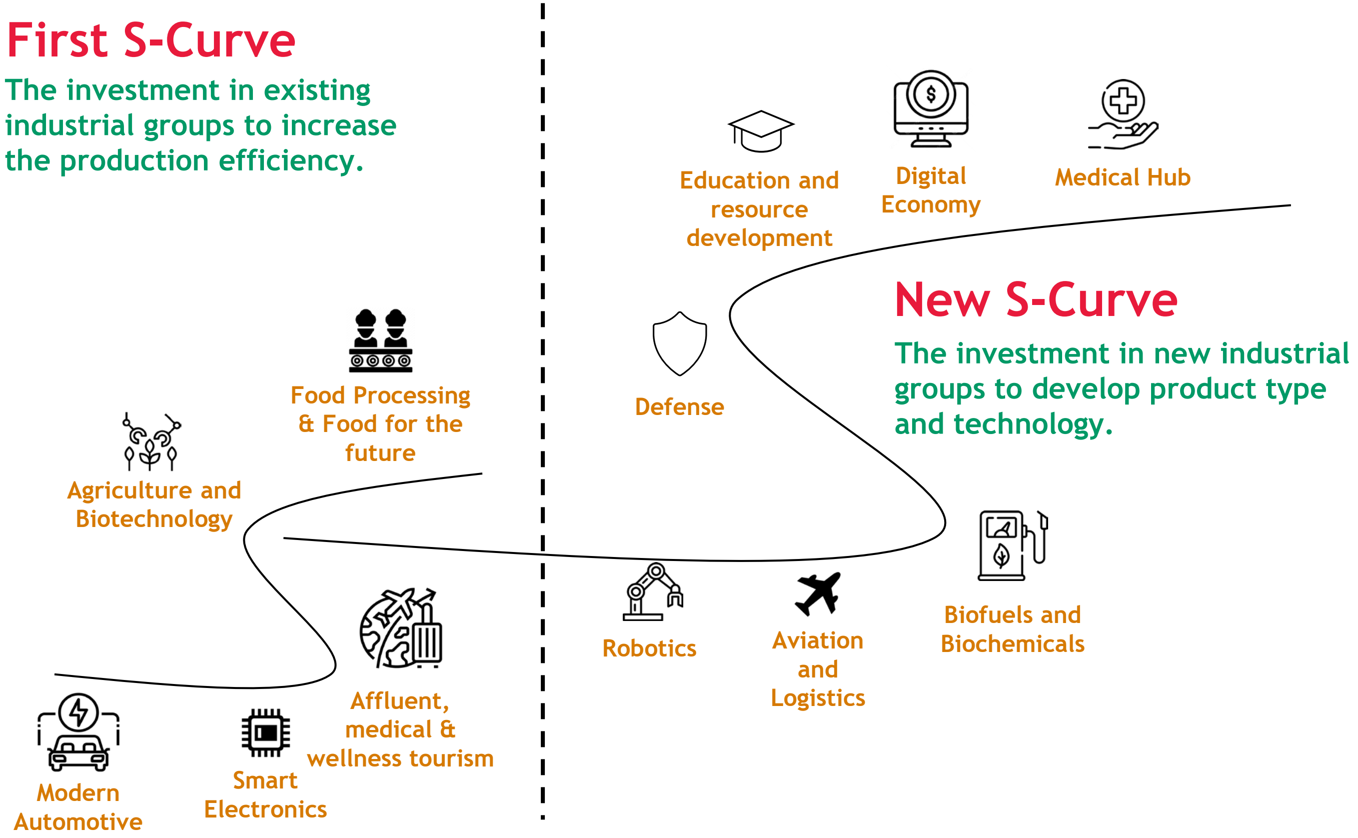
Personal Income Tax (PIT) Incentives:

- Qualified expatriates and Thai employees could get PIT reduction & receive a flat 17% personal income tax rate on income earned from companies involved in target activities within the EEC.

Eastern Economic Corridor (EEC)

EEC focuses on attracting foreign investments in 12 targeted industries with specific EEC tax incentives





Source : The Eastern Economic Corridor Office of Thailand (EECO)

Phuket island

A vibrant Thai island known for its stunning beaches, lively nightlife, and rich cultural heritage

Population (2025) — **432,464**

Passengers arrivals to Phuket in 2025 — **17.4 million** passengers

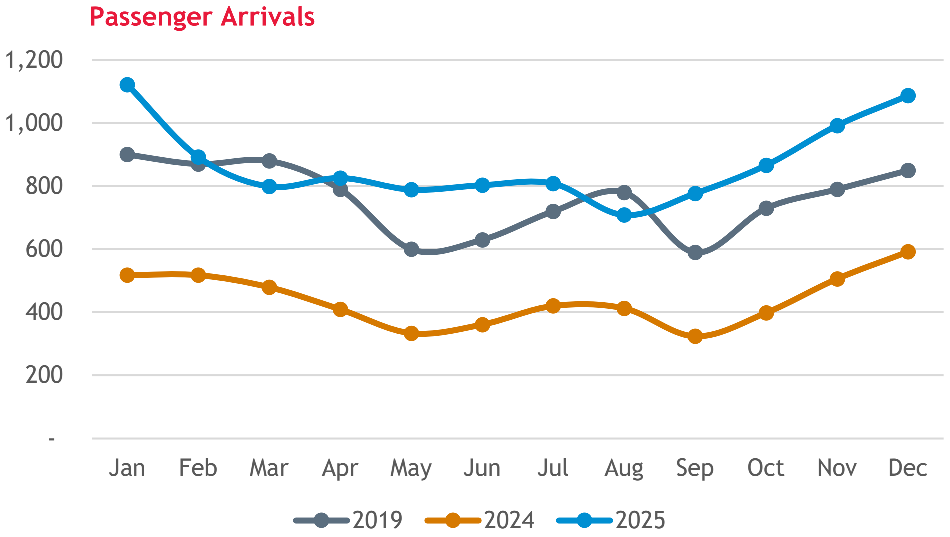
Hotel in pipeline 2026-2030 — **41** new properties are in pipeline

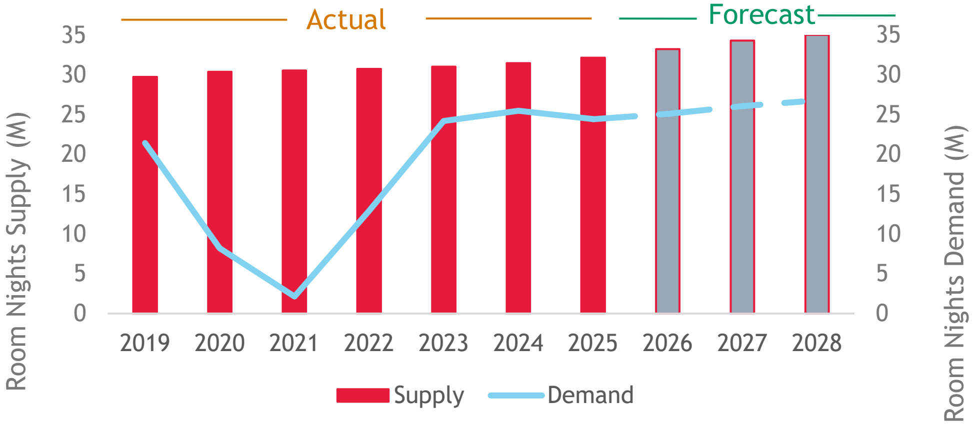
International VS Domestic arrivals

(Total Passenger at Phuket International Airport as of 2025, in comparison with 2019.

Top 5 arrivals in 2025 (YoY)

Russia	India	China	Australia	UK
1.12M (+5%)	0.62M (+29%)	0.55M (-45%)	0.27M (-2%)	0.26M (+3%)





Source: C9 Hotel works, DOPA, Ministry of Tourism & Sports (MOT)/ BDO research & estimate

Blueprint for Progress: Southern Thailand's Infrastructure Revolution

Major projects underway for Phuket's economic and tourism development

2032

Andaman International Airport

70-billion-baht project under development by Airports of Thailand

- 23M Passengers per year
- 44 Aircraft Stands
- 2 Runways
- 44 Flights per Hour

Status:
Feasibility and cost study underway.

2030

Phuket International Airport Phase 2 Expansion

THB 6+ billion project under development by AOT; currently in the design stage.

- 18M Passengers per year
- 44% Capacity expansion
- 45 Aircraft Stands
- 25 Flights per Hour

2028

Phuket Tram

- The project timeline has been delayed due to budget reviews, route revisions, and traffic congestion concerns during construction.

35-billion-baht, 42 km track connecting Phuket Airport(s) to the Old Town and Ha Yaek Chalong

- Current plans target project bidding in 2027-2028, construction commencement in 2028, and operations around 2031-2032.

Phuket International Airport – Thalang – Two Heroines – Koh Kaew – Bus Terminal – Old Town – Ha Yaek Chalong

Source: mrta, nbtworld

04

Establish a strong footing

Common business structures

There are different business models available in Thailand that may be of interest to foreigners planning their business in the country

Limited Companies

- Private Limited company
- Public Limited Company

Partnerships

- Ordinary Partnerships
- Limited Partnerships

Others

- Branch Office
- Representative Office

Limited Companies

There are two types of limited companies: private and public companies, in which Private companies are governed by the Civil and Commercial Code (CCC) of Thailand

Management and Liability:

- Managed by a board of directors.
- Directors' liabilities maybe unlimited, depending on the company's Memorandum of Association, Articles of Incorporation, and relevant laws.

Shares and Capital:

- All shares must be subscripted to, with at least 25% of subscribed capital paid up.
- Common and preferred shares can be issued, but all shares must have voting rights.
- Minimum par value per share is THB 5.
- A Limited company cannot own its own shares or take them in pledge.

Formation Requirements:

- Formed by at least 2 promoters who must be natural persons.
- Minimum of 2 shareholders, which can be natural person or limited companies.
- Shareholders' liability is limited to their share subscription amount.

Share certificate:

- Must be stamped with the company sealed (if available) and signed by an authorized director.

Electronic Meetings and Voting:

- Meetings and voting can be conducted electronically under the required standard and procedure.
- Meeting notices can be sent electronically, publication is no longer required in general.
- Attendees' identities must be verified, and an audio or audiovisual recording of the meeting must be kept and verifiable.

Limited Companies

whereas public companies are governed by the Public Limited Companies Act B.E. 2535 (1992)

General Characteristics:

- Can offer shares, debentures, and warrants to the public.
- Eligible to apply for listing on the Stock Exchange of Thailand (SET).

Listing Requirements:

- Requires approval of disclosure documents by the SEC.
- SET must approve the listing of shares.

Formation Requirements:

- Minimum of 15 promoters needed, unlike private limited companies.

Board of Directors:

- Minimum of 5 directors, elected by cumulative vote.
- At least half of the Board shall reside within Thailand
- Meetings must be held at least once every 3 months.

Independent Directors:

- Required for listed company under Securities and Exchange Act B.E. 2535
- Must constitute at least one-third of the board, but no less than 3 directors.
- Independent directors must not have a business relationship with the company or its subsidiaries.

Partnerships

There are two types of partnerships under the Thai Civil and Commercial Code (CCC)

Ordinary partnerships

All the partners are jointly and wholly liable for all obligations of the partnership. Divided into 2 types:

- Non-registered Ordinary Partnership: not a juristic person and subject to individual tax treatment
- Registered Ordinary Partnership: registered with the Register and subject to corporate tax.

Contribution from partner may consists of:


Money


Properties


Services

Limited Partnerships

Is a combination of:

Limited partners + Unlimited partners = Limited Partnerships

- Limited partners: Individual liability is limited to the amount of capital contributed
- Unlimited partners: Jointly and unlimitedly liable for all obligations

Other forms: Branch offices

A branch office of a foreign company operating business in Thailand is treated as foreign, just like its head office

- Thai Civil and Commercial Code (CCC) does not have specific requirement on how it should be registered with DBD.
- A majority foreign owned entity in Thailand, required to secure a License unless the business activity is not restricted under FBA.
- Foreign entities undertaking non-restricted business in Thailand under FBA shall apply for a juristic person number with the DBD.

Branch Office

- The minimum capital requirement in this case is THB 3 million per activity.
- The Branch Office must operate with a branch manager appointed by the board of directors of its head office.

- A branch office does not have a separate legal personality form its head office. Thus, the head office can be exposed to civil, criminal and tax liabilities arising in Thailand.

Other forms: Representative offices

A foreign enterprise can set up a representative office in Thailand to provide information and support to its head office

Activity Engagement

Representative offices of foreign companies can only engage in 5 activities, mainly providing services for its head office. It is a non-income generating type of legal presence in Thailand. These activities are:

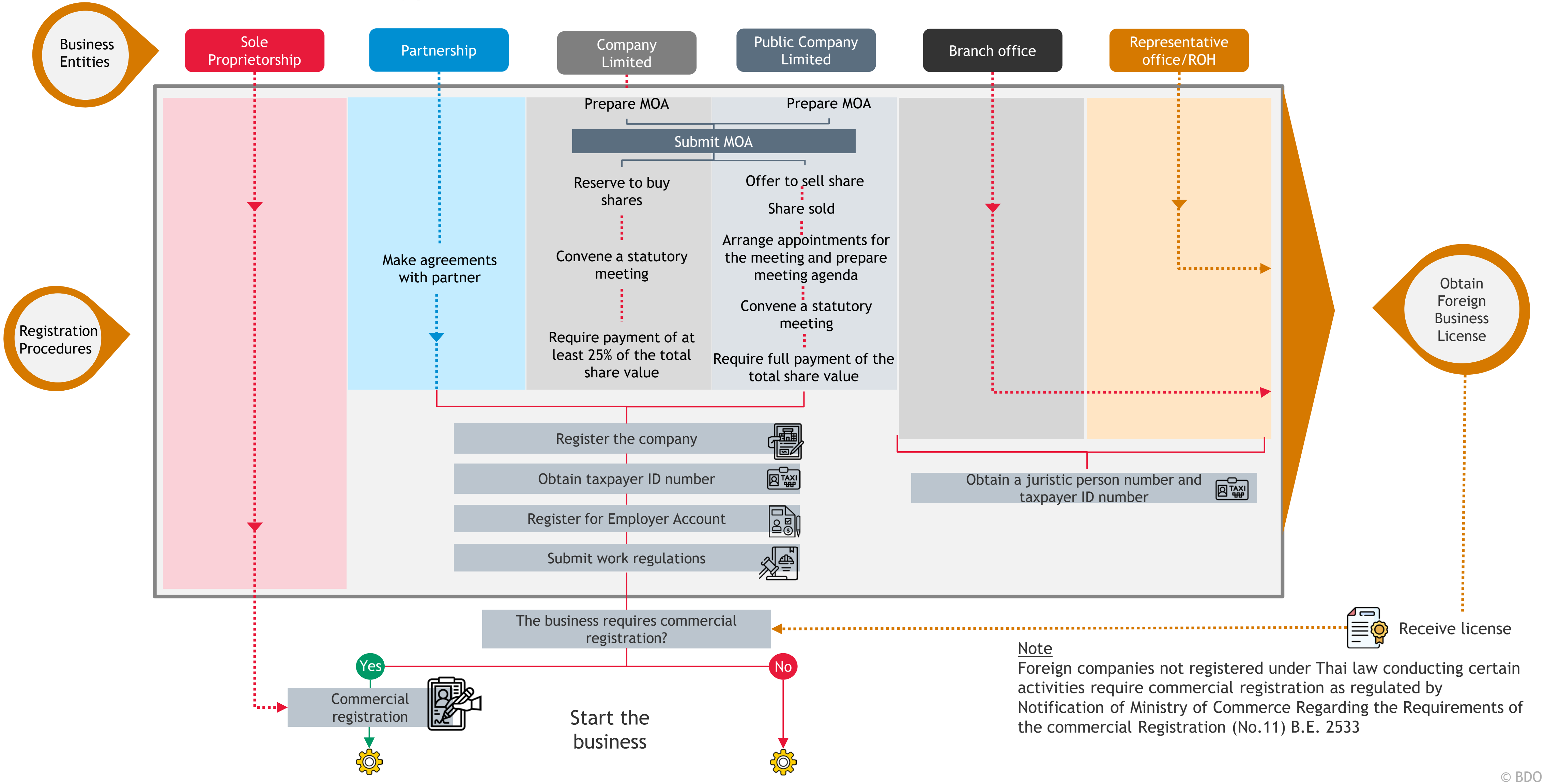
- Sourcing of goods or services in Thailand for its head office.
- Quality control check for the goods purchased in Thailand by its head office.
- Provide assistance concerning goods sold by its head office to agents or consumers in Thailand.
- Disseminate information concerning new goods or services offered by its head office in the Thailand market.
- Provide reports on business developments in Thailand to its head office.

!

Although the activities of a Representative Office are deemed provision of services under the FBA, it is no longer required to secure a Foreign Business License. However, it is still required to register and submit documents to DBD for juristic person number.

Business Registration Procedure

Registration process vary for each type of structure



Note
Foreign companies not registered under Thai law conducting certain activities require commercial registration as regulated by Notification of Ministry of Commerce Regarding the Requirements of the commercial Registration (No.11) B.E. 2533

Foreign investment & ownership

Some legal hurdles need to be considered when it comes to foreign ownership in Thailand

Aliens/ Foreigners definition based on Foreign Business Act B.E. 2542 (1999)

Definition of “aliens” or “foreigners”

- Natural person or juristic entities who do not possess Thai nationality

- Companies registered in Thailand of which 50 percent or more of their share capital belongs to foreign individuals or juristic entities

- A partnership 50 percent or more of its partners are foreign individuals or if its managing partner or manager is foreigner

3 categories of businesses that are restricted for foreign investors

List One	• Prohibits foreign ownership	Businesses prohibited to be operated by foreigners due to special reason Examples: Newspapers, Farming, and Land Trading
List Two	• At least 40% of shares must be held by Thais • Foreigners may not operate such businesses, unless they have obtained permission from the Ministry of Commerce, along with the approval of the Cabinet.	Businesses related to national safety or security, or affecting arts and culture, traditions, folk handcraft, or natural resource and the environment. Example: Domestic Airline Businesses, Production of Carved Wood, and Mining
List Three	• Foreigners may not operate such businesses unless they have obtained permission from the Director-General of the Department of Business Development, along with the approval of the Foreign Business Committee	Businesses in industries where Thai entities are not yet ready to compete. Examples: Broker or Agent Businesses, retailing and Wholesaling of Goods, and any Service Business.

Timeframe for processing Foreign Business License (FBL) application

The Cabinet (for businesses in Schedule Two) or the director-general (for businesses in schedule Three), must complete consideration of an application for a Foreign Business License within 60 days from the date of receipt. If the cabinet, in a case of necessity, is unable to complete its consideration within such period, it may be extended as necessary but shall not exceed a further 60 days.

Timeframe

60 days

The date of receipt the FBL application → The Cabinet/Committee must complete consideration within 60 days upon receipt (Extendable)

Exemptions

Foreigners who have been granted exemptions from the FBL will instead be required to obtain a Foreign Business Certificate

1 Treaty protection or treaty imposing obligations

- Foreigners operating businesses specified in the Lists annexed hereto by virtue of a treaty to which Thailand becomes a party or by which Thailand is bound in consequence of obligations such as Treaty of Amity between Thailand and the United State, ASEAN Comprehensive Investment Agreement (ACIA), ASEAN Framework Agreement on Services (AFAS) , Thailand-Australia Free Trade Agreement (TAFTA), and Japan-Thailand Economic Partnership Agreement (JTEPA).

2 Permission granted pro tempore by the Government of the Kingdom of Thailand

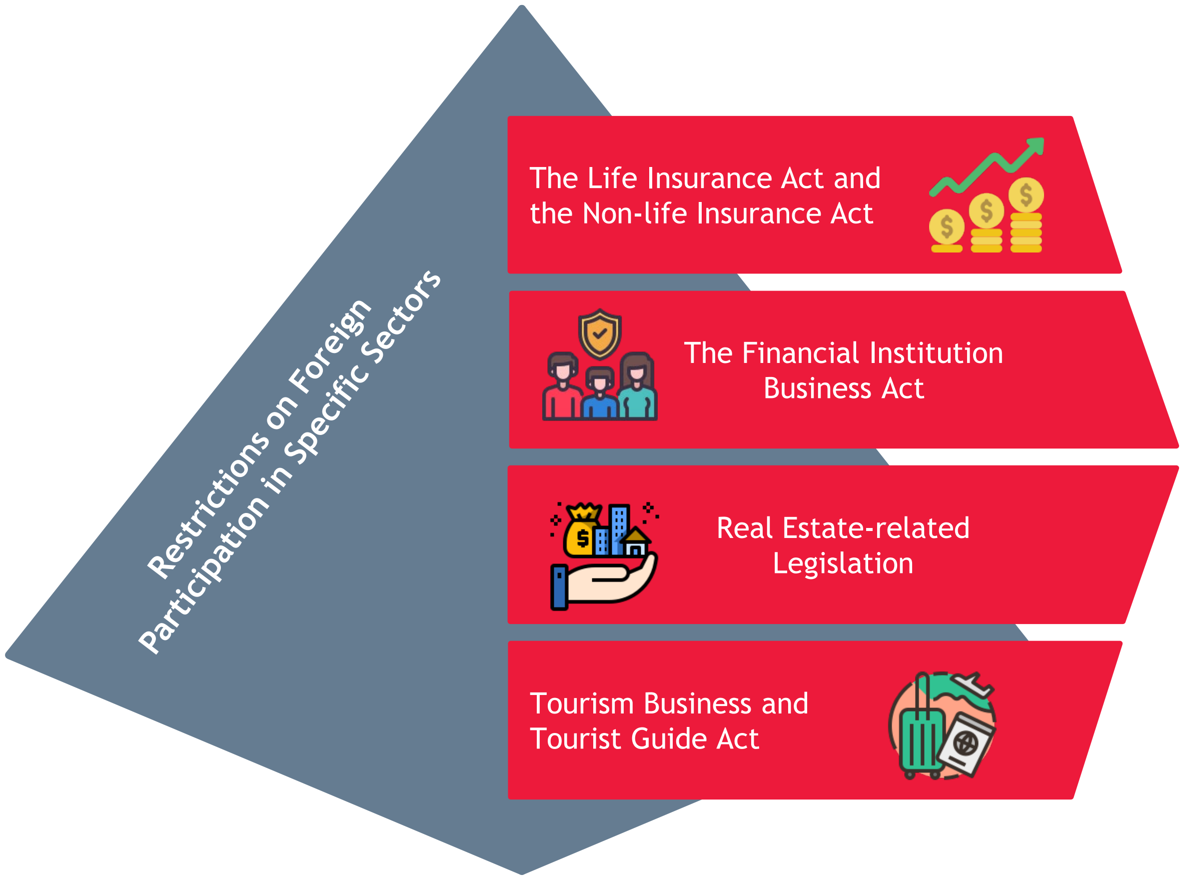
- Foreigners who engage in regulated businesses with the permission of the Thai government for a specified duration

3 BOI and IEAT

- Foreigners who have been granted investment promotion from the Board of investment (“BOI”) or permission for the operation of the industry or the operation of trade for export by the Industrial Estate Authority of Thailand (“IEAT”) for businesses in List Two or Three.

Foreign investment & ownership

In addition to the FBA (1999), several statutes impose conditions of majority ownership and management by Thai nationals for specific business sectors



1. **Insurance Companies (Life and Non-life Insurance Acts)**
   - Generally limited to less than 25% foreign ownership
   - Can be increased to 49% with approval from OIC
   - Exemption possible in cases of finance distress or to enhance industry stability with the approval from Ministry of Finance

2. **Financial Institutions (Financial Institution Business Act)**
   - Generally limited to 25% foreign ownership
   - Can be increased to 49% with approval from Bank of Thailand
   - At least 3/4 of directors must be Thai nationals
   - Exceptions possible for improving stability of institution or financial system

3. **Real Estate (Various Real Estate Laws)**
   - Foreigners generally prohibited from owning land
   - Can own up to 49% of total area in condominiums
   - 100% ownership of buildings possible, but not the land
   - Long-term leases (up to 30 years, renewable) are common alternatives
   - Special exceptions for BOI promoted projects or significant investments

4. **Tourism (Tourism Business and Tourist Guide Act)**
   - At least 51% of total issued shares in tourism companies must be held directly by Thai nationals.
   - At least 50% of the board of directors of tourism companies must be Thai nationals.
   - Authorized directors of tourism companies must also be Thai nationals.

05

Finance your business

Initial Capital

A checklist for Setup Costs, assisting businesses when it comes to the capital funding for their initial operations in Thailand

Human Capital

- Initial Workforce: Examine local hiring practices and the availability of skilled labor in Thailand. Assess the costs related to salaries, benefits, and any training required for local employees.
- Future Staffing Needs: Anticipate changes in labor requirements while considering Thai labor laws, which can affect hiring and downsizing flexibility over time
- Visa Costs: For businesses needing foreign expertise, factor in costs for work permits and visas, including associated legal and processing fees.

Equipment

- Essential Equipment: Evaluate whether to purchase or lease equipment locally, factoring in import taxes that can substantially affect overall costs.
- Cybersecurity: In light of rising digital threats, invest in localized cybersecurity solutions that comply with Thai regulations, especially for businesses managing customer data.

Rent and Utilities

- Physical Space: How much will it cost to lease and maintain one or more physical locations? Are there regions offering lower costs or incentives?
- Cost Increases: How might rent and utility costs rise over time, and what funds will be needed to accommodate these increases?

Marketing

- Website Domain: Will you need to establish a Thai domain or a separate website? Will translation services be required?
- Legal Compliance: What data privacy and cybersecurity regulations apply to your website and customer management system?
- Customer Reach: How will you reach your target audience, and what channels will you utilize?
- Marketing Investments: What advertising and marketing strategies are essential for attracting and retaining customers?

Insurance

- Physical Assets: What physical assets need insurance coverage, including real estate, manufacturing facilities, equipment, supplies, and vehicles?
- Intellectual Property: What intellectual property assets need protection, including patents, trademarks, copyrights, or trade secrets?
- Employee Benefits: Are you offering health, dental, or other benefits to your employees? If so, what are the associated costs?

Licenses and Permits

- What licenses and permits are necessary to operate the business legally, both at the national, provincial, and local levels?
- Fees: What are the associated costs for obtaining and maintaining these licenses and permits? Are there any recurring fees?

Other Expenses

- Local Advisors: Will you need external advisors to help with securing contracts or navigating Thai laws and regulations?
- Legal Counsel: Will you need to hire an attorney to protect your intellectual property or provide ongoing legal advice?

Initial Capital

Securing initial capital and the common sources of funding available in Thailand is of importance

Initial capital is the financial foundation upon which a business is built, providing the necessary resources to cover startup costs, purchase equipment, hire employees, and fund operations until the business becomes self-sufficient.

Securing adequate initial capital is a critical step in the entrepreneurial journey.

Importance of Initial Capital

01 Funding Operations

Initial capital allows businesses to cover expenses such as rent, utilities, salaries, and marketing costs during the early stages of operation.

02 Purchasing Assets

Businesses often need to invest in equipment, machinery, or inventory to start operations. Initial capital provides the funds for these purchases.

03 Managing Cash Flow

A healthy cash flow is crucial for a business's survival. Initial capital can help cover the gap between expenses and revenue, especially during the early stages when income may be limited.

04 Attracting Investors

A well-funded business is more likely to attract investors or partners who are willing to provide additional capital or support.

Common Sources of Funding in Thailand

1. Personal Savings: One of the most common sources of initial capital is personal savings. Entrepreneurs often use their own funds to start a business.

2. Loans:
- Banks: Thai banks offer various loan products for businesses, including business loans, working capital loans, and equipment financing.
- Non-Bank Financial Institutions: These institutions, such as leasing companies and credit cooperatives, can also provide loans to businesses.
- Microfinance Institutions: These organizations specialize in providing small loans to individuals and businesses, particularly those in rural areas.

3. Government Grants: The Thai government offers various grants and subsidies to support businesses, particularly those in certain sectors or regions. These grants can provide a significant boost to initial capital.

4. Venture Capital: Venture capital firms invest in high-growth potential businesses. They typically provide larger amounts of capital in exchange for equity.

5. Crowdfunding: This involves raising funds from a large number of people through online platforms like Crowdfunding can be a popular option for startups and creative projects.

Loan Products

Thai banks offer a diverse range of product to support businesses and start-up

Business Loans

Working Capital Loans	These loans provide businesses with funds to cover day-to-day expenses, such as payroll, inventory, and rent.
Term Loans	Longer-term loans used to finance capital expenditures, such as purchasing equipment, expanding facilities, or acquiring other businesses.
Overdraft Facilities	A type of loan that allows businesses to overdraw their bank account up to a pre-approved limit
Invoice Financing	A financing option where a business sells its unpaid invoices to a financial institution at a discount, providing immediate cash flow.
Export Financing	Loans and guarantees to support businesses engaged in international trade.

Startup Loans and Grants

Startup Loans

Specialized loans for new businesses offer flexible terms and lower interest rates to help them get started

Other Loan Products

Equipment Financing

- Loans to purchase machinery, equipment, or vehicles.

Real Estate Loans

- Loans to purchase or develop commercial or residential properties.

Microfinance Loans

- Small loans provided to individuals and businesses, often in rural areas.

Factors Affecting Interest Rates

Interest rates for loans in Thailand can vary depending on several factors, including:

- Loan Type: Different types of loans may have varying interest rates.
- **Credit Score:** Businesses with a good credit score may qualify for lower interest rates.
- **Loan Amount:** Larger loan amounts may have slightly lower interest rates.
- **Loan Term:** Longer loan terms may come with higher interest rates.
- **Collateral:** Loans secured by collateral (such as property or equipment) may have lower interest rates.
- **Economic Conditions:** The overall economic environment can influence interest rates.

It's important to compare offers from different banks and financial institutions to find the most competitive interest rates and terms for your specific needs. Additionally, consider factors such as fees, repayment terms, and any additional requirements before deciding.

Major banks in Thailand

The Thailand banking scene comprises both domestic and international banks

Bank		International Presence	Bank		
Local commercial banks					
	Bangkok Bank (BBL)	http://www.bangkokbank.com 333 Silom Road, Bangrak Bangkok 10500 Tel. 0-2231-4333 Fax. 0-2231-4742		Government Saving Bank	http://www.gsb.or.th 470 Phaholyothin Rd., Samseannai, Phayathai,Bangkok 10400 Tel. 0-2299-8000 Fax. 0-2614-9573
	Kasikornbank (K Bank)	http://www.kasikornbank.com 1 Soi Kasikornthai, Ratburana Road, Bangkok 10140 Tel. 0-2273-1050-55, 0-2273-1060-4, 0-2273-1073-6 Fax. 0-2273-1090		Bank for agriculture and agriculture cooperatives	http://www.baac.or.th 2346 Phahon Yothin Road, Sena Nikhom, Chatuchak, Bangkok 10900 Tel. 0-2558-6555 Fax. 0-2558-6341
	Krung Thai Bank (KTB)	http://www.ktb.co.th 35 Sukhumvit Road, North Klongtoey, Bangkok 10110 Tel. 0-2255-2222 Fax. 0-2255-9391-3		The government Housing Bank	http://www.ghbank.co.th 63 Rama 9 Rd., Huaykhwang, Huaykhwang, Bangkok 10320 Tel. 0-2645-9000 Fax. 0-2645-9001
	TMBThanachart Bank (TTB)	http://www.ttbbank.com 3000 PHAHON YOTHIN ROAD,CHATUCHAK, BANGKOK 10900 Tel. 0-2299-1111 Fax. 0-2990-6010		Tisco Bank Public company Limited	http://www.tisco.co.th TISCO Tower, 48/2 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. 0-2633-6000 Fax. 0-2633-6800
	SCB (Siam Commercial Bank)	http://www.scb.co.th 9 Rutchadapisek Road, Chatuchak, Bangkok 10900 Tel. 0-2544-1000 Fax. 0-2544-4948		Kiatnakin Phatra Bank Public company Limited	http://www.kkpfg.com 209 KKP Tower, Sukhumvit 21 (Asoke), Khlong Toei Nuea, Watthana, Bangkok, 10110 Tel. 02-165-5555 Fax.
	Bank of Ayudhya (Krungsri)	http://www.krungsri.com 1222 Rama III Road, Bang Phongphang Yan Nawa, Bangkok 10120 Tel. 1572 Fax.		Land and House Bank public company limited	http://www.lhbank.co.th 1 Q. House Building Lumpini, South Sathorn Rd., Sathorn, Bangkok 10120 Tel. 0-2359-0000 Fax. 0-2677-7227
International commercial banks					
	United Overseas Bank (UOB)	http://www.uob.co.th UOB Plaza Bangkok 690 Sukhumvit Road, KhlongTon, Khlong Toei, Bangkok 10110, Thailand Tel. 0-2343-3000 Fax. 0-2287-2973-4		CITIBANK, N.A.	https://www.citigroup.com/global/about-us/global-presence/thailand Interchange 21 Bldg., 399 Sukhumvit Rd., Klongtoeynuea, Wattana, Bangkok 10110 Tel. 0-2232-2345 Fax. *Note: Consumer banking operation in Thailand market is acquired by UOB in 2022
	Standard Charted Bank	https://www.sc.com/th/ 140 Wireless Road, Lumpini, Patumwan, Bangkok 10330 Tel. 02-106-1000 Fax. 02-106-1111		CIMB Thai Bank company Limited	http://www.cimbthai.com 44 Langsuan Rd., Lumpini, Pathumwan, Bangkok 10330 Tel. 0-2638-8000,0-2626-7000 Fax. 0-2657-3333
	Industrial and Commercial Bank of Chaina (ICBC)	http://www.icbcthai.com 11- 13 Fl., Emporium Tower 622 Sukhumvit Road, khlongTon,Khlong Toei, Bangkok 10110 Tel. 0-2663-9999 Fax. 0-2663-9888		Over sea-Chinese Banking corporation Limited	http://www.ocbc.com/business-banking/large-corporates/international-presence-thailand.html 1 Q.House Lumpini Bulding Floor 15 Unit 2 satorn Road Tungmahamek satorn Bangkok 10120 Tel. 02-287-9888 Fax. 02-287-9898

Source: Bank of Thailand

Investment Partners

Investment partners play a pivotal role in driving growth, mitigating risks, and ensuring strategic success for businesses in Thailand

Roles of Investment Partners in Thai Businesses

Investment partners in Thailand play a multifaceted role in supporting businesses, particularly those seeking to expand or grow. Here are some key roles they often assume:

Capital Provision

Providing financial resources to support growth initiatives like market expansion, product development, or acquisitions.

Strategic Guidance

Providing insights and advice on marketing, operations, and financial management.

Network Expansion

Connecting businesses to networks that create new opportunities, partnerships, and customers.

Risk Mitigation

Sharing risks and rewards helps alleviate financial burdens and provides a safety net for unforeseen challenges.

Governance and Oversight

Involvement in decision-making and oversight ensures the business operates effectively.

Cultural Understanding

Providing insights into Thai cultural nuances and business practices is invaluable for foreign investors.

Government Relations

Helping businesses navigate the Thai regulatory landscape and connect with government officials.

Talent Acquisition

Helping businesses recruit and retain top talent, especially in specialized areas.

Exit Strategy

Providing guidance on exit strategies, such as IPOs, mergers, or acquisitions.

Attracting and Selecting the Right Partner

Define Your Needs	Clearly articulate your business's goals, financial requirements, and the type of partner you're seeking. Consider factors such as industry experience, investment preferences, and cultural fit.
Create a Compelling Pitch	Develop a persuasive pitch that highlights the unique value proposition of your business and the potential for significant returns.
Leverage Your Network	Reach out to your existing network of contacts, including friends, family, and business associates, to identify potential investors.
Utilize Online Platforms	Explore online platforms and crowdfunding websites that connect businesses with investors.
Attend Industry Events	Networking events and conferences can be excellent opportunities to meet potential investors.
Due Diligence	Conduct thorough due diligence on potential investors to assess their track record, investment philosophy, and compatibility with your business.
Negotiate Terms	Carefully negotiate the terms of the investment, including valuation, ownership structure, and governance rights.

By attracting and selecting the right investment partners, businesses can position themselves for long-term growth and success. It's essential to find partners who align with your vision, share your values, and can provide the necessary support to help your business reach its full potential.

Government grants

Thai government agencies have initiated government programs to fund startups, including grants and direct investments

Depa Digital Startup Fund

	S1: Conceptual Plan	S2: Launch	S3: Growth
Objective	▸ To prepare the conceptual plan for startup in digital industry.	▸ To support the investment or operation of digital startup in the launch stage.	▸ To support the investment or operation of digital startup in the growth stage who planning to scale up.
Fund capital	Up to THB 50,000	Up to THB 1 million	Up to THB 5 million
Project duration	≤ 1 year	≤ 3 years	≤ 3 years
Target group	▸ **Fund from:** Government agencies, Government enterprise, Private Organisation, Private and Government Educational Institutions ▸ **Fund to:** SMEs, Individual, Students and including non-juristic person		

BOI Matching Fund

Objective	▸ BOI to support funding for potential start up from THB 20 million - THB 50 million in the form of matching fund in collaboration with private venture capital funds.
Qualifications	▸ Must be juristic person registered under Thai's laws and regulations and no less than 51% Thai shareholders. ▸ Has been funded by VC and CVC no less than THB 15 million. ▸ Founder must hold the share at least 60%. ▸ Operating business in target industry i.e. digital electronics, modern automotive, agriculture, food, medical, biotechnology, robot etc.
Conditions	▸ Verification of fund received by listed VC which registered with NIA. ▸ Must be a potential business with clear business plan i.e. financing plan, exporting plan etc. ▸ Never funded by other Government Agencies during this funding period.

Source: BDO research

Government grants

While NIA supports innovative businesses and startups in general, Depa focuses on digital startups, and BOI aims to attract both domestic and foreign investment across various sectors

NIA Innovation Funding

	Open Innovation		Thematic Innovation	Zero Interest	Mind Credit	Government Procurement for Startup
Goal	Area-based Innovation		Mandatory Innovation	Innovative Business Development		
Mechanisms	Innovation Coupon for SMEs	NIA Venture	Thematic Grant	Good Innovation...No Interest	Mind Credit	GPT Grant
Budgets	<USD 46,296 (25/75)	<USD 46,296 (25/75)	USD 46,296 - 154,320	<USD 154,320	<USD 30,864 (25/75)	<USD 15,432
Sectors/ Clusters	**All Regions Economic Sectors** • Bioeconomy • Manufacturing and Circular Economy • Service and Sharing Economy		**Thematic Theme** • Healthcare Business • AgTech & FoodTech Innovation-Driven Enterprises	**Economic Sectors** • Bioeconomy • Manufacturing and Circular Economy • Service and Sharing Economy	**Focus Area** • Law • Intellectual Property • Finance and Accounting • IT	**Economic Sectors** • Bioeconomy • Manufacturing and Circular Economy • Service and Sharing Economy
Beneficial Groups	Smart SME	Startup	High-growth Innovative Enterprise	Innovation-based Enterprise	Innovation-based Enterprise	Startup

Exchange rate as of 27 September 2024: USD 32.4

Source: BDO research

Government grants

While NIA supports innovative businesses and startups in general, Depa focuses on digital startups, and BOI aims to attract both domestic and foreign investment across various sectors

NIA Innovation Funding

Mechanism	Funding Period	Budget Framework	Use of Fund	Focused Sectors
Thematic Innovation	Stage 4 Market Validation & Testing	▸ Matching Grant Max. 75% ▸ Max. 5,000,000 THB/project ▸ Duration ≤ 3 years	Market testing, product improvement, cost-effectiveness assessment & investment analysis	Food & Fruits; Agri Commodity; Circular Economy; Clean Energy; ARI Tech; EV
MIND (Advisory Support)	STAGE 5 Launch & Beyond	▸ Technical Assistance Max. 50% ▸ Max. 1,000,000 THB/project ▸ Duration ≤ 1 year	Consulting for process improvement, business strategy, marketing, IP, finance & international trade	Food & Fruits; Agri Commodity; Circular Economy; Clean Energy; ARI Tech; EV
Standard Testing	STAGE 5 Launch & Beyond	▸ Matching Grant Max. 50% ▸ Max. 1,500,000 THB/project ▸ Duration ≤ 1 year	Consulting, product/process development, testing for certification and standard registration	Food & Fruits; Agri Commodity; Circular Economy; Clean Energy; ARI Tech; EV
Market Expansion	STAGE 5 Launch & Beyond	▸ Technical Assistance 50-100% ▸ Max. 2,000,000 THB/project ▸ Duration ≤ 1 year	Budget execution within target customer groups, cost-effectiveness evaluation & business management	Agri Commodity; Circular Economy; Clean Energy; ARI Tech; EV
Working Capital Interest	STAGE 5 Launch & Beyond	▸ Matching Grant Max. 75% of actual interest ▸ Max. 1,500,000 THB/project ▸ Duration ≤ 1 year	Boost working capital liquidity to support the ongoing operations of innovation businesses	Food & Fruits; Agri Commodity; Circular Economy; Clean Energy; ARI Tech; EV
Corporate Co-funding	STAGE 5 Launch & Beyond	▸ Recoverable Grant Max. 50% of investment value ▸ Max. 5,000,000 THB/project ▸ Duration ≤ 5 years	Business development activities: product development, marketing, production scaling, IP management	Food & Fruits; Agri Commodity; Circular Economy; Clean Energy; ARI Tech; EV
Zero loan Interest	STAGE 5 Launch & Beyond	▸ Recoverable Grant 100% of interest value ▸ Max. 5,000,000 THB/project ▸ Duration ≤ 3 years	Expand production or services to commercial scale	Food & Fruits; Agri Commodity; Circular Economy; Clean Energy; ARI Tech; EV

Source: National Innovation Agency (NIA)

VC ecosystem fundraising

Thailand's VC landscape is dominated by CVC firms, who tend to focus their investments on fintech or E-commerce

Breakdown of Thai-based VC firms and CVC firms up to 2025

Firm type	Accumulated number of deals	Accumulated numbers of exits
VC + Micro VC firms	187	15
CVC firms	215	23

- Thai-based CVC firms are more active than their counterpart (Thai-based VCs), taking the lead in both number of investments and the number of exits they have secured.
- For full list of local active CVCs and VCs in Thailand, please refer to pages 74, 75, 76.

Major Thai CVCs

New VC funds

- The Finno Efra Fund was launched earlier in 2024 with the aim of investing THB 1.3billion into start-ups across Thailand and Southeast Asia over the next 4 years.
- True Corporation is considering establishing a VC fund worth $200-300 million, with potential to increase to $500 million through strategic partnerships.

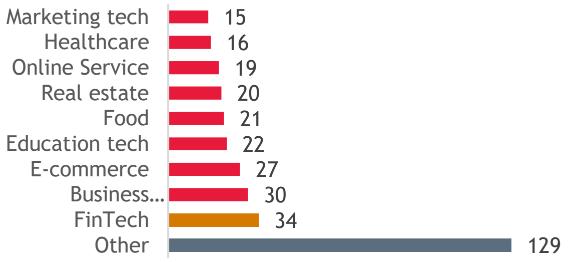
5
Companies that raised more than US$100m as of Dec-25

4th
SEA ecosystem index ranking 2025

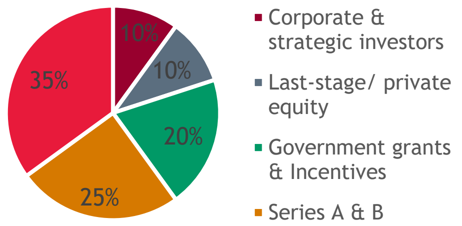
~2100
Startups, of these 700 are in the pre-seed funding stage

$419m
Value of startup funding in Thailand (2025)

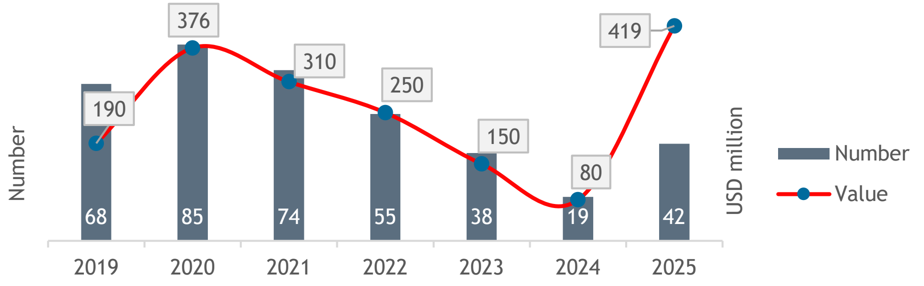
Number of startups in Thailand as of April 2025, by sector



Distribution of startup funding in Bangkok (2023-2025)



Number and value of startup funding deals in Thailand from 2019 to 2025



Source: Crunchbase (2024)/ BCG / Tech in Asia /Bangkok post/ Startup Blink report/Statista/ AboveA

Crowdfunding

Crowdfunding provides businesses a regulated and accessible path for raising capital through innovative online platforms

Alternative investments and fund raising: equity and debt crowdfunding

Steps in the Fundraising Process

1. Company Seeking to Raise Fund (issuer): The issuer submits the project to the Funding Portal.
2. Funding Portal: The portal selects the issuer and discloses the information on the website after getting approval from the SEC (Securities and Exchange Commission).
3. Investors: Investors review the investment details before choosing the issuer and make payment for the investment.
4. Escrow Agent: The funds are held by the escrow agent until the fundraising goal is met. If the fundraising is unsuccessful, the funds are returned to the investors.
5. Issuer Issues Shares/Debt: The issuer issues shares or debt to the investor's utilizers the funds for the project, along with periodic report on progress.

- Shares: All-or-Nothing model (funding must reach 100%
- Debt: According to the Funding Portal’s terms, fundraising must reach at least 80% of the proposed amount to be successful.

Crowdfunding

Crowdfunding: an alternative means of raising funds by private and public companies, by issuing shares or debentures via an online platform is regulated under the Notification of the Capital Market Supervisory Board No. TorJor, 21/2562 re: Regulations on the offering of securities via Crowd Fudding Portals.

Regulatory Environment

Securities and Exchange Commission (SEC) updated regulations in July 2023:

- Increased maximum offering for retail investors to 50 million baht (from 40 million)
- No limit for institutional, high-net-worth, and ultra-high-net-worth investors
- Expanded definition of institutional investors to include private equity, venture capital, and angel fund investors
- Amendments to the Emergency Decree on Digital Asset Businesses B.E. 2561 (2018) (Digital Asset Business Law) and the Emergency Decree on Measures for the Prevention and Suppression of Cybercrime B.E. 2566 (2023) (“Cybercrime Law”). The amendments aim to strengthen measures against cybercrime and mule accounts, enhancing the security of public financial transactions and improving the effectiveness of combating online scams. (2025)

Source: www.sec.or.th

06

Access the right workforce

Understanding the talent pool

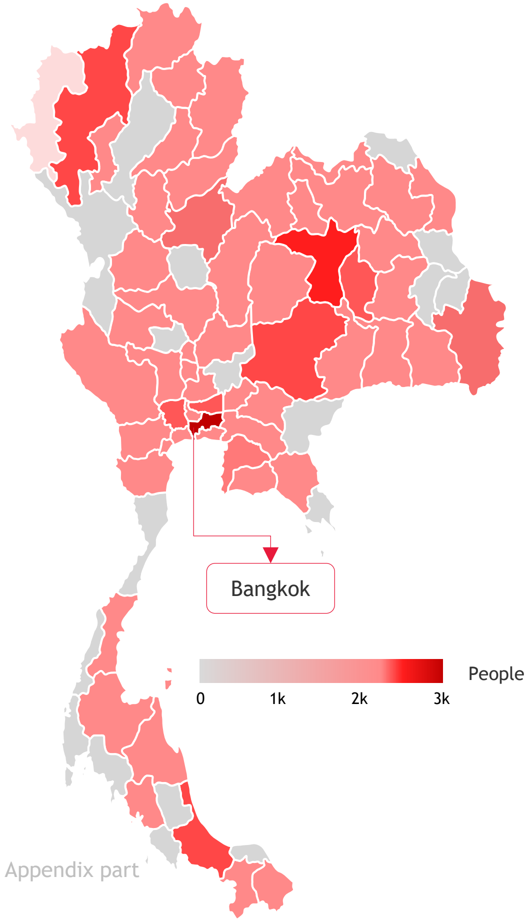
The number of high-skilled workers are most dense in Bangkok

Comparison of Minimum Wage among the 10 ASEAN Countries (2025)

Note: (*) Singapore does not legally have a minimum wage and use a Progressive Wage Model (PWM)
(**) For detailed minimum daily wage by provinces, please refer to Appendix part

Source: World Stats(2025)/ Wage.is

Thailand high-skilled talent map



Talent competitiveness ranking 2025

▶ Overall top strengths

	Investment & Development		Value	2025 Rank
	Apprenticeships	Are sufficiently implemented	5.93 survey [0-10]	22
	Employee training	Is a high priority in companies	6.75 survey [0-10]	23
▶	Health infrastructure	Meets the needs of society	7.59 survey [0-10]	12
	Appeals		**Value**	**2025 Rank**
▶	Worker motivation	In companies is high	6.37 survey [0-10]	20
▶	Foreign highly skilled personnel	Are attracted to your country's business environment	5.98 survey [0-10]	25
▶	Collected personal income tax	On profits, income and capital gains, as a percentage of GDP	1.90 %	14
	Readiness		**Value**	**2025 Rank**
	Skilled labor	Is readily available	5.83 survey [0-10]	34
▶	International experience	Of senior managers is generally significant	6.65 survey [0-10]	14
	Competent senior managers	Are readily available	6.41 survey [0-10]	21

Source: IMD (2025)

Attracting and retaining the talent

Adapting workforce strategies for a competitive edge: balancing talent, benefits, and cultural integration in Thailand

Evaluating the Compensation Environment:

- **Competitive Compensation Packages:** Understand local market rates and offer competitive salaries and benefits tailored to Thai standards.
- **Equitable Compensation:** Ensure pay parity across various roles and geographies, considering local practices and expectations.
- **Performance-Based Incentives:** Include local-specific incentives like annual bonuses, profit-sharing, or equity options that align with Thai business culture.

Crafting Attractive Benefits Packages:

- **Health & Wellness:** Provide comprehensive health insurance, wellness programs, and local benefits like accident insurance which are valued in Thailand.
- **Work-Life Balance:** Offer flexible working hours, remote work options, and extended family leave, which are increasingly valued among Thai workers.
- **Retirement Plans:** Incorporate pension or provident fund schemes tailored to local regulations.

Recruitment Strategies Tailored to Thailand:

- **Local and Digital Recruitment Platforms:** Leverage popular local job portals and digital channels for sourcing candidates.
- **Talent Acquisition Specialists:** Invest in local recruitment agencies or specialists familiar with the Thai market nuances.
- **Visibility through Local Events:** Attend or host recruitment fairs and local networking events to engage with the talent pool directly.

Broadening Hiring and Onboarding Approaches:

- **Expatriate and Local Talent:** Balance between local hires and expatriates, offering relocation packages when necessary.
- **Onboarding Processes:** Develop onboarding programs tailored to Thai cultural nuances, including mentorship and language support if needed.

Ensuring Transparent Communication:

- **Clear and Consistent Updates:** Maintain open communication channels during the hiring process and keep candidates engaged.
- **Feedback Culture:** Create a supportive environment by providing regular feedback and career growth opportunities.

Implementing Digital Transformation and Employee Training:

- **Technology Adoption:** Equip employees with the necessary digital skills through continuous training, especially important for industries moving towards automation.
- **Education Support:** Encourage upskilling programs to adapt to the evolving market demands.

Tailored Workforce Solutions for Foreign Investors:

- **Compliance with Local Regulations:** Align hiring practices with Thai labor laws, including work permits and visas for expatriates.
- **Cultural Integration Programs:** Facilitate smooth integration of foreign staff into the Thai working environment through cultural training and language support.

Navigating labor law

Safeguarding working conditions, fair wages, and protections for women and children are one of the essences under employment practice

Key Employee's rights under Labor Protection Act B.E. 2541

Working Hours
- 8 hrs/day and < 48 hrs/week
- Interval >1 hr/day within the first 5 hrs of working

Holiday
- Weekly: >1 day/week
- Traditional: >13 days/year
- Annual: > 6 days/year

Leaves
- Maternity: 120 days/one child with 60 days paid leave (additional 15 days of leave is provided at 50% pay if the child has a medical condition that poses a risk of complications, abnormalities, or disability.)
- Paternity: up to 15 days of leave to assist their spouse following childbirth.

Sterilization leave | Business leave | Military leave | Training leave

Wage and Overtime
- Employees are entitled to receive wages that are not less than the established minimum wage.
- Employees are entitled to receive additional wages for overtime work and holiday work.

Protection of child and women labor
- Pregnant female employees are entitled to up to 120 days of leave for childbirth. Included days for prenatal check-ups.
- Employers are prohibited from assigning female employees to work on scaffolding that is more than 10 meters above the ground.
- Employers are prohibited from hiring children under 15 years old.
- Employers are prohibited from allowing child employees under the age of 18 to work between 10:00 p.m. and 6:00 a.m.

Navigating labor law

Termination policies, worker protection, and legal compliance with Thai labor laws should not be taken lightly

Termination

The employer or employee can terminate the contract with written notice on or before the payment date to be effective on the next payment date if no duration is specified. The employer is not required to provide severance pay if the employee engaged in malpractice or dishonest conduct.

Notice period

1-3 months

based on the company's policy.

Severance pay

Employment in Thailand may be terminated without a specific reason. The severance pay is structured as follows:

Employment period	Severance pay
120 days - 1 year	30 days salary
1 - 3 years	90 days salary
3 - 6 years	180 days salary
6 - 10 years	240 days salary
10 - 20 years	300 days salary
20 years and more	400 days salary

Social Security Fund

Both employees and employers must contribute 5% of the staff member's income (Max 875 THB / monthly)

Worker's compensation

The fund is designed to provide immediate protection against injury, illness, disability, or death resulting from employment.

Work regulations

The work rules is required for the employment of 10 employees and above must clearly outline the following details:

- Working Days, normal working hours and rest periods
- Holidays and rules for taking Holidays
- Rules governing Overtime and Holiday Work
- Date and place of payment of Wages, Overtime Pay, Holiday Pay and Holiday Overtime Pay
- Leave and rules for taking Leave
- Discipline and disciplinary measures
- Lodging of grievances
- Termination of employment, Severance Pay and Special Severance Pay.

Employee Welfare Fund

Effective from October 1, 2026, employers with 10 or more employees that do not provide a provident fund or equivalent fund under other laws shall contribute 0.25% of employee's wages. From October 1, 2031, onward, such rate will be increase to 0.5%.

The main difference* between independent contractors and employees in Thailand is:

An employee is governed by an employment agreement.

A contractor operates under a service agreement.

*Additional factors shall also be considered.

07

Ensure ongoing legal and regulatory compliance

Data protection law

Thailand's Personal Data Protection Act (PDPA) establishes legal standards for the processing, collection, use and safeguarding of personal data to ensure privacy and accountability for all entities.

Key Points of PDPA

Related parties:

- Data subject – An individual who owns the personal data
- Data controller - An entity or individual that determines the purposes and means of processing personal data
- Data Processor - A party that processes personal data on behalf of the data controller, following its instructions.

Key factors for the collection and processing of personal data

- Must be collected and processed based on a lawful basis.
- The purpose of data collection must be notified.
- Consent must be obtained through a separate and explicit section, distinct from other terms.
- The consent message must be clear, concise, and easy to understand.
- Data subjects are granted a range of rights concerning their personal data such as right to access, rectify, erase, object, withdraw etc.
- Notify breach in accordance with the relevant law.

Applies to

- Data controllers and processors located in Thailand and
- Data controllers and Data processors outside Thailand who:
  - Offer goods or services to people located in Thailand.
  - Monitoring of a data subject's behaviour occurring within Thailand.

Liability and penalties

- **Civil liability** - The perpetrator of a personal data breach may need to pay compensation of up to twice the actual compensation for the violation of personal data protection law.
- **Criminal penalty** - Imprisonment for a term not exceeding 1 year, or a fine not exceeding THB 1,000,000, or both for serious offences i.e. illegal disclosure or access of data etc.
- **Administrative penalty** - A fine of up to THB 5,000,000 for the violation of personal data protection law i.e. failure to notify the data subject of the purpose of data collection and asking for consent by scamming etc.

Sensitive personal data

Under the PDPA, sensitive personal data refers to specific categories of information that require heightened protection due to their potential impact on an individual's privacy. The collection and processing of such data is strictly regulated and generally requires explicit consent, unless exceptions apply under the law.

- Nationality
- Criminal record
- Political opinions
- Medical record
- Belief in a cult, religion or philosophy
- Labor union information
- Sexual behavior
- Genetic information, biological information

International trade

There can be shifting risks related to customs duties and tariffs when doing business in Thailand

Import control

- Governed by The Export and Import Act B.E. 2522 (1979)
  - Categories of goods subject to import control (permission, licensing, or prohibition).
  - Regular updates from the Ministry of Commerce for controlled goods.
- Key items under control for importation into Thailand under various laws
  - Drug Act B.E. 2510 (1967): License required for importing modern drugs.
  - Minerals Act B.E. 2560 (2017): Restrictions on minerals like tin.
  - Firearms, Ammunition, Explosives, Fireworks, and Imitation Firearms B.E.2490 (1947): Requires license for importing military equipment.
  - Act on Ancient Monuments, Antiques, Objects of Art, and National Museums, B.E. 2504 (1961): Controls on importing antiques objects
  - Cosmetics Act B.E. 2558 (2015): License required for controlled cosmetics.

Export control

- Governed by The Export and Import Act B.E. 2522 (1979) and other specific law. Thai Ministry of Commerce does periodically announce restrictions or limitations on the export of certain goods.
- Control of Item in Relation to the Proliferation of Weapons of Mass Destruction Act B.E. 2562 (2019): Regulates export of dual-use items and armaments.
- Export licenses or certificates required for specific goods (e.g., tobacco, sugar, rice, etc.).

Foreign Currencies Exchange control

- Managed by the Bank of Thailand (BOT). Also, import/export compliance through licenses and currency exchange controls.

Prohibited products

- Items prohibited from import/export, including narcotics, fake goods, etc.

Custom duties

- Governed by the Customs Act B.E. 2560 (2017) and Customs Tariff Decree B.E. 2530 (1987).
- Based on the Harmonized Commodity Description System (HS Code).
- Duties and VAT applicable at entry

Opportunities: Generalized System of Preferences (GSP) and Bilateral Trade Agreements

- Generalized System of Preferences (GSP)
  - GSP was Introduced in 1971: Allows industrialized countries to grant non-reciprocal tariff reductions to developing countries.
  - Thailand was granted GSP rights to export to the US, Switzerland, Norway, Japan, and the Commonwealth of Independent States (CIS).
- Bilateral and Multilateral Agreements : Thailand is a member of RCEP, one of the world's largest trade deal, and has signed FTAs with numerous trading partners worldwide.

Thailand's FTA network

Regional Comprehensive Economic Partnership

Source: Department of Trade Negotiation Thailand

International trade

Thai government puts efforts to streamline import & export with step-by-step customs procedures

Import procedures

1. Register as an importer/exporter
2. Review and identify controlled goods
3. Submission and verification of declaration
4. Payment of duties and taxes
5. Inspection (if required) and release of cargo

Supporting documents when importing goods in general:

- Bill of Lading (B/L) or Air Waybill
- Invoice
- Packing list
- Import license for controlled goods (if required)
- Insurance premium invoice
- Certificate of Origin
- Other relevant documents (e.g. list of ingredients, technical standard certificates, product specifications and functions)

Export procedures

1. Register as an importer/exporter
2. Review and identify controlled goods
3. Submission and verification of declaration
4. Payment of duties and taxes
5. Inspection (if required) and release of cargo

Documentation generally required before the shipment can leave Thailand:

- Air Waybill
- Invoice
- Packing List
- Export license for controlled goods (if required)
- Other relevant documents, e.g. Food and Drug Administration approval, destination, etc.) information

Accounting, financial reporting and tax compliance

In Thailand, businesses are required to submit specific filings mandated by the Thai authorities with the various filings and forms

Annual Financial statement and Corporate income tax compliance filing

- An Annual General Meeting (AGM) of Shareholders must be held within 4 months after the business's financial year-end. Within 14 days of the AGM, the shareholders' list must be updated and submitted to the Department of Business Development (DBD). An audited financial statement must be filed with the DBD within one month after the shareholders' approval, and with the Revenue Department (RD) within 150 days after the financial year-end. Additionally, businesses must submit a Corporate Income Tax Return (Form PND50) and, if annual revenue exceeds THB 200 million, a Transfer Pricing (TP) disclosure form to the RD within 150 days after the financial year-end.

Regular Tax compliance requirement and due date

- Businesses must submit monthly and half-yearly tax forms to Thai tax authorities by specific deadlines. For paper filing, monthly withholding tax, overseas payment withholding returns (PND.1, 2, 3, 53, 54) and monthly reverse-charged VAT returns for overseas payments (PP.36) are due by the 7th days of the following month, while the monthly VAT return (PP.30) is due by the 15th days of the following month. Online submissions have extended deadlines - 15th for withholding tax returns and PP.36, and 23rd for VAT return. Half-year corporate income tax returns must be filed within 2 months after the end of first six months, with 8 extra days for online submission.

Payroll related tax compliance requirement and due date

- Businesses in Thailand must comply with monthly and annual tax and social security filing requirements. Monthly obligations include payroll tax returns (PND.1) and Social Security Fund reports, both due by the 15th days of the following month. Annually, companies must submit the Workmen Compensation Fund payment (Kor Tor 26 Kor) by the end of January, followed by the Annual Wage Report (Kor Tor 20 Kor) by the end of February. Any discrepancies between estimated and actual contributions are reconciled by the end of March (Kor Tor 25 Khor). Additionally, the annual payroll tax return (PND.1 Kor) is due by the end of February, with 8 extra days for online submission.

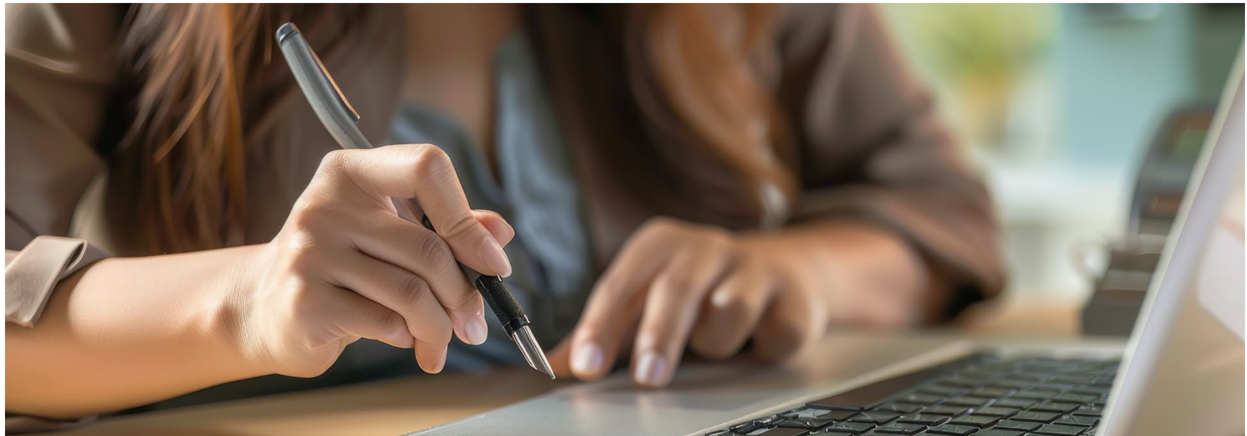
Audit Requirements and Framework

- It is important that all Annual Financial Statements prepared according to Thai Financial Reporting Standards (TFRS) or Thai Financial Reporting Standards for Non-Publicly Accountable Entities (TFRS for NPAEs) must be audited by the CPA - external Auditor.

The Thai Federation of Accounting Professions (TFAC) oversees the development of Thai Financial Reporting Standards (TFRS), which are modeled after International Financial Reporting Standards (IFRS).
Currently, TFAC offers two sets of TFRS:

1. TFRS for Publicly Accountable Entities (TFRS for PAEs): This set is mandatory for publicly accountable entities such as listed companies and financial institutions.

2. TFRS for Non-Publicly Accountable Entities (TFRS for NPAEs): Private limited companies can choose to apply either TFRS for PAEs or TFRS for NPAEs.



Corporate Income Tax

Corporate Income Tax in Thailand is generally 20%, with special rates and regulations for SMEs, and non-resident companies, and tax filing requirements, including mid-year and annual corporate income tax.

Corporate Income Tax (CIT)

Levied on juristic companies and partnerships conducting business in Thailand. The regular CIT rate is 20%, applicable to net taxable profits, except for small and medium enterprises (SMEs) which may be eligible for reduced rates.

Non-resident companies earning certain types of income from Thailand are subject to withholding tax at rates ranging from 5% to 15%.

The calculation of CIT for juristic companies and partnerships in Thailand follows the accrual basis. This means that all revenue arising from the business, as well as all expenses incurred during an accounting period (whether paid or unpaid), must be included. The net profits reported in the books are then adjusted in accordance with the Thai Revenue Code ("TRC"). This includes making adjustments for items such as non-deductible expenses, tax allowances and ensuring compliance with specific rules for asset depreciation and bad debt write-offs.

Tax losses may be carried forward for up to 5 years from the year in which the loss occurred, though no carryback of losses is allowed.

Thailand does not have thin capitalization rules.

Tax depreciation rates are governed by Royal Decree No. 145 and related regulations.

In Thailand, there are two types of CIT returns that juristic companies and partnerships must file:

1. Mid-Year Tax Return (PND 51):

- This return is based on estimated net taxable profits, calculated from the estimated revenue and expenses for the entire year.
- The PND 51 must be filed within two months after the end of the first six-month period of the company's fiscal year, with an extra 8 days given for online filing.
- Juristic companies are exempt from filing the PND 51 in their first and final year of operations if the period of operations is less than 12 months.
- If the estimated net profit is understated by more than 25% without a reasonable excuse, a surcharge of up to 20% of the tax shortfall may be imposed.

2. Annual Tax Return (PND 50):

- The PND 50 is the final tax return and must be filed within 150 days after the end of the company's fiscal year, with an extra 8 days given for online filing.

Tax rates for Small and Medium Enterprises (SMEs):

- Net profit up to THB 300,000 - Exempt.
- Net profit exceeding THB 300,000 but not exceeding THB 3 million - 15%.
- Net profit exceeding THB 3 million - 20%.

Taxation of non-resident companies

Foreign companies carrying on business in Thailand, whether through a duly registered branch office, or by having a permanent establishment or agents in Thailand, are subject to the regular CIT rate of 20% on net profits earned from business in Thailand. However, international transportation companies are subject to a 3% tax on gross receipts derived from Thailand. Additionally, the international transportation companies were required to submit PND 52 return within 150 days after the end of the company's fiscal year, no half-year tax return is required.

Special Corporate Tax Considerations for Specific Industries and Incentivized Businesses

BOI-promoted companies must segregate income for non-BOI & BOI activities, while petroleum firms face specialized tax on global profits.

Board of Investment (BOI) Promoted Companies:

BOI-promoted companies that receive tax exemptions under the Board of Investment schemes are still required to file CIT returns following the same rules as non-promoted companies. However, if a company operates both BOI-promoted and non-BOI-promoted activities, it must segregate these activities in its financial records. The income and expenses related to BOI-promoted activities should be separated from non-BOI activities, and both sets of data must be reported accordingly under separate columns in the CIT returns.

Petroleum Income Tax (PT):

Petroleum Income Tax (PT) is an annual tax imposed on the net profits of companies involved in petroleum exploration and production. Unlike the regular CIT, PT also applies to profits disposed of outside Thailand. The PT is governed by specific regulations under the Petroleum Income Tax Act, which includes different tax rates, penalties, and surcharge rules compared to the standard CIT system.

Value Added Tax (VAT)

Thailand applies a 7% VAT on goods and services, with 0% for exports, and requires VAT registration for businesses with annual earning exceeding THB 1.8m

Thailand follows the consumption type of VAT. The VAT rates are as follows:

- The statutory rate is 10% inclusive of municipal tax but the rate is always reduced to 7% on an annual basis. Sale of goods and provision of services consumed in Thailand are subject to 7% VAT. Import of goods is also subject to 7% VAT.
- For exports, goods and services are subject to a 0% VAT rate. However, to qualify for this rate, services must be used entirely outside of Thailand. If not, the standard 7% VAT applies.
- Certain business activities are exempt from VAT such as healthcare, domestic transportation, statutory audit services, educational services, etc.

VAT registration

Businesses engaged in selling goods and services earning 1.8 Million Baht per year must register for VAT within 30 days of reaching such threshold.

VAT invoices must comply with the minimum required contents under the VAT law.

VAT returns

Once the taxpayer is registered for VAT, a VAT return (Por Por 30) must be filed monthly no later than 15th day of the following month.

The VAT liability is calculated as follows: VAT liability = Output tax - Input tax

Output Tax is the VAT collected or collectible by a VAT registered person from his customers when goods are supplied, or services are provided.

Input Tax is a tax charged by another VAT registered person on any purchase of goods or provision of services.

Non-resident service providers

Non-resident service providers where services are consumed in Thailand, the income payor in Thailand must submit the Por Por 36 Form to the Thai Revenue Department (TRD) no later than the 7th day of the month following the date of payment, with 8 extra days for online submission.

Non-resident electronic service providers and electronic platforms, who receive income of more than 1.8 million baht per year from providing electronic services to non-VAT registered customers in Thailand, shall register for VAT, file VAT returns, and pay VAT in Thailand. The amount of VAT payment is based on output tax without input tax deduction starting from 1 September 2021. The electronic service providers and electronic platforms are not allowed to issue a tax invoice and are not required to keep input tax report.

Withholding Tax (WHT)

Thailand imposes withholding tax (WHT) of 1% to 15% on payments, with non-residents benefiting from reduced rates under over 61 double tax agreements

WHT is a deduction from the payments made to recipients. The withholding tax rates depend on the types of income and the status of the resident. The rates range from 1% to 15% and are deducted on gross payments.

General withholding tax rates

Type of Income	WHT rate
1. Service fee	3% (15% if paid to non-resident taxpayers, subject reduction/exemption under the relevant DTA)
2. Royalties	3% if paid to domestic companies; 5%, 8%, 15%, if paid to non-resident companies, depending on the DTA rates.
3. Dividend	10% unless deemed as inter-corporate dividends [1]
4. Transportation	1%
5. Advertising fees	2%
6. Remittance of branch profits	10%
7. Interest payment	15%, if paid to non-resident companies

[1] Dividend recipient is a company listed in the Stock Exchange of Thailand or the recipient is a Thai company owns at least 25% of the distributing company's capital interest, provided that the distributing company does not own a direct or indirect capital interest in the recipient company. The exclusion of dividends is applied only if the shares are acquired not less than 3 months before receiving the dividends and are not disposed of within 3 months after receiving the dividends.

WHT Returns

All registered taxpayers in Thailand are constituted as withholding agents of the government and must withhold the relevant tax at the time of payment.

Withholding tax returns (PND 53, 3, 54, etc.) are generally required to be submitted with the TRD not later than the seven (7) days of the month following the date of payment, extended by eight (8) days from the general due date provided for electronic filing. The fine and penalty for late filing will be calculated based on the payment date.

Non-resident companies

For non-resident companies not carrying on business in Thailand but deriving income from Thailand, their income is subject to withholding tax at the rates ranging from 5% to 15%, subject to reduction or exemption under a relevant DTA.

Double Tax Agreements (DTA)

Thailand has more than 61 double tax agreements with other countries. These are: Armenia, Australia, Austria, Bahrain, Bangladesh, Belarus, Belgium, Bulgaria, Canada, Cambodia, Chile, China P.R., Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Great Britain and Northern Ireland, Hong Kong, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Korea, Kuwait, Laos, Luxembourg, Malaysia, Mauritius, Myanmar, Nepal, the Netherlands, New Zealand, Norway, Oman, Pakistan, the Philippines, Poland, Romania, Russia, Seychelles, Singapore, Slovenia, South Africa, Spain, Sri Lanka, Sweden, Switzerland, Taiwan, Tajikistan, Turkey, Ukraine, United Arab Emirates, United States of America, Uzbekistan, and Vietnam.

Specific Business Tax (SBT)

Specific Business Tax (SBT) applies to certain non-VAT businesses, with rates ranging from 0.011% to 3.3% on gross income.

Specific Business Tax (SBT) is an indirect tax. Certain businesses that are not subject to VAT but are subject to SBT on the gross income derived from such business.

For example:

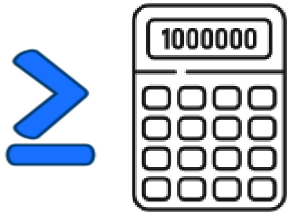
- Life insurance businesses
- Pawn broking under the law governing pawnshops
- Sale of immovable properties in a commercial or profitable manner, irrespective of the way such property is acquired.
- Sale of securities in a securities market under the law governing securities exchange of Thailand
- Banking and other financial institutions including businesses transaction that are similar to commercial bank such as lending money.

The SBT rate depends on the type of businesses from 0.011% - 3.3 % inclusive of municipal tax.

Stamp Duty (SD)

Stamp duty applies to certain contracts, and for instruments executed offshore, payment must be made in cash at the tax office within 30 days

Certain contracts or legal instruments are subject to stamp duty at the rates prescribed in the stamp duty schedule. Such instruments include rental agreements, hire of work contracts, loan agreements, etc.



Certain instruments, including hire of work agreements with a value of THB one (1) million or more, shall be paid in cash at TRD instead of affixing stamp duty.

If the agreement is executed offshore, the first holder of the instrument in Thailand shall pay the full duty within thirty (30) days from the date of receipt.

Transfer Pricing Rules

Thailand's transfer pricing law mandates compliance with the arm's length principle, requires disclosure for related-party transactions, and enforces strict documentation and reporting rules

On 21 November 2018, the Thai government issued Amendment of Revenue Code No. 47 containing the formal transfer pricing ("TP") law in Thailand. The law provides for the following TP provisions:

1 Power to Adjust Income/Expenses

The Revenue Department ("TRD") shall be granted the authority to adjust the revenue and expenses of corporate taxpayers concerning related-party transactions that do not comply with the arm's length principle, in accordance with the rules, procedures, and conditions prescribed by the applicable Ministerial Regulation.

2 Definition of Related Party

The term "related party" is defined as:

- A legal entity owning directly or indirectly 50% or more of the total shares of another legal entity; or
- A legal entity of which 50% or more of its total shares are directly or indirectly held by a shareholder or partner who also directly or indirectly holds 50% or more of the total shares of another legal entity; or
- A legal entity that has a dependent relationship with another legal entity in terms of capital, management, or control, to the extent that one entity cannot be operated independently from the other.

3 Tax Refund Rights for Transfer Pricing Adjustments

To avoid double taxation arising from any TP adjustments, taxpayers have the right to claim for a tax refund of the excess taxes within three years from the last due date for filing the PND 50 *or* 60 days of receiving notification of the tax assessment results, whichever is later.

4 Transfer Pricing Disclosure Requirement and Penalties

Taxpayers who have an annual revenue of THB 200 million or more are required to submit a Transfer Pricing Disclosure Form ("TPDF") together with their annual corporate income tax return (e.g., PND 50 return).

The TPDF requires disclosure of related party relationships and the value of related party transactions undertaken during the accounting period.

Failure to submit the TPDF or supporting documentation on time, or the submission of incomplete or inaccurate information, may result in penalties of up to THB 200,000, in addition to potential TP adjustments by the tax authorities.

5 Request of Transfer Pricing Documentation

The TRD has the authority to request TP documentation from the taxpayers within five years of the report filing.

Upon receiving such a request, taxpayers are required to submit the documentation within 60 days, with a possible extension of up to 120 days.

The full documentation is due 180 days after the first notification from the TRD.

6 Country-by-Country Reporting ("CbCR") Requirements

In September 2021, the TRD outlined the requirements for the preparation of a CbCR for fiscal years starting on or after January 1, 2021.

The CbCR is due 150 days after the year-end and applies to companies with consolidated revenues of at least THB 28 billion. If the Ultimate Parent Entity ("UPE") or Surrogate Parent Entity (""SPE) is in Thailand, the CbCR is due within 12 months after year-end. Otherwise, it must be submitted within 60 days of receiving a request from the TRD.

Even if a CbCR filing is not required, a Thai subsidiary of such an MNE Group must notify the TRD by submitting a CbCR Notification within 12 months after year-end. If multiple Thai subsidiaries exist, one entity may submit the notification on behalf of the group.

Thai Transfer Pricing Filing Requirements

Thailand's transfer pricing law mandates compliance with the arm's length principle.

Master File

Contents

- Organizational structure
- Business overview
- Intangibles
- Inter-company financial arrangements
- Financial and tax position

Preparation

- One Master File for the entire group
- Translation may be required by the tax authorities

Update - updated for material changes in group operations or intercompany arrangements

Submission - require to be submitted upon request.

Local File

Contents

- Local structure and business overview
- Related party transactions
- Inter-company arrangements
- Functions, assets, and risks (FAR analysis)
- Industry and market overview
- Comparability and benchmarking analysis
- Financial information

Preparation - annually by entities with related party transactions

Update - updated on an annual basis

Submission - required to be submitted within 60 days upon request in Thai Language.

Disclosure form

Contents

- Related party information (domestic and overseas)
- Details of related party transactions

Preparation - prepared annually by companies with annual revenue of THB 200 million or more

Update - annually if the revenue threshold is met.

Submission - Required to be submitted within 150 days from end of financial year, with the annual corporate income tax return in Thai Language. Online filing.

Country-by-Country Report ("CbCR")

Contents

- Revenue related and unrelated party
- Profits before tax
- Taxes paid/ accrued
- Stated capital and retained earnings
- Number of employees
- Other financial operation details.

Preparation - prepared each year by group with a consolidated revenue of THB 28 billion or more.

Update - annually if the consolidated revenue threshold is met.

Submission -Required to be submitted by parent company or surrogate company within 12 month, and within 60 days in specific case in English Language. Online filing.

CbCR Notification

Contents

- Identification of the reporting entity (UPE, SPE, or designated entity)
- Jurisdiction of the reporting entity
- Reporting fiscal year
- Details of the Thai constituent entity(ies)

Preparation - prepared by one designated Thai entity on behalf of the MNE group with consolidated annual revenue of THB 28 billion or more.

Update - annually if the consolidated revenue threshold is met.

Submission - required even if the Thai entity is not responsible for filing the CbCR. Due within 12 months after fiscal year-end. Online filing.

Global Minimum Tax (Pillar Two)

Emergency Decree on Top-up Tax, B.E. 2567 (2024) was officially promulgated in the Royal Gazette on 26th December 2024 and take effect for accounting periods commencing on or after 1st January 2025.

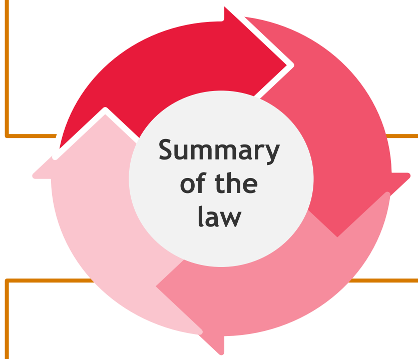
It applies to large multinational enterprises (MNEs) with annual consolidated revenue of at least EUR 750 million in at least two of the preceding four accounting periods.

If an MNE has more than one constituent entities (CEs) in Thailand, the Group may assign the Top-Up Tax liability among themselves as may be specified under the law.

Qualified Domestic Top-Up Tax (QDMTT), Income Inclusion Rules (IIR), and Undertaxed Payment Rules (UTPR) are applied.

Substance Base Income Exclusion is at 5% of the amount of tangible assets and employment cost in the low-taxed country.

Failure to pay Top-Up Tax within the due date would be subject to 1 - 2 times of fine, 1.5% surcharge per month, and other criminal penalties.



The Pillar Two filing includes: Data report (notification), GloBE Information Return, Top-Up Tax return.

The submission of tax return and payment under the Top-Up Tax shall be done via the electronic means within 15 months from the end date of the fiscal year (extended to 18 months for the first fiscal year).

The duty for filing the GloBE Information Return may be exempt if the UPE files the return in a country where a Qualifying Competent Authority Agreement with Thailand is in effect.

The assessment officer has authority to assess and charge the Top-Up Tax for up to 10 years from the last day of the specified period of filing returns, whether the duty to file the return is exempt or not.

The Revenue Department is responsible for enforcement, compliance, and issuing secondary regulations. Additional guidance and implementing regulations are expected to be issued by the Revenue Department to clarify compliance procedures especially the safe harbour.

BOI measures on Pillar Two

Affected BOI-promoted companies may opt to shift to the measures issued by the BOI. If they do, the BOI-promoted entity may opt to be subject to 50% CIT rate (10%). If the option is chosen, the reduced CIT rate can be enjoyed for twice the remaining income tax holiday period but not exceeding 10 years. For the existing BOI project, the BOI entity must have at least 1-year remaining CIT exemption period.

Personal Income Tax

Personal income tax (PIT) is also a direct tax levied on the income of a "**person**", which is defined as an individual, an ordinary partnership, a non-juristic body of person and an undivided estate

Thailand's tax laws distinguish between residents and non-residents:

Residents: Subject to tax on both Thailand-sourced income and foreign-sourced income remitted to Thailand (starting 1 January 2024, foreign income earned and remitted to Thailand is taxable, regardless of the year it was remitted).

Non-residents: Taxed only on income sourced within Thailand.

Assessable Income

"Assessable income" under Thai law covers any income, both in cash or kind, including benefits provided by employers, such as rent-free housing or taxes paid on behalf of the employee. The law categorizes income into eight types:

- 01 Employment income
- 02 Service income (excluding employment and liberal professions)
- 03 Income from rights (e.g., copyright, franchise, goodwill, annuities, etc.)
- 04 Investment income (e.g., dividends, interest, profit sharing, gains from mergers, etc.)
- 05 Rental income
- 06 Income from liberal professions
- 07 Hire of work
- 08 Other income

Allowable Deductions

Net taxable income is calculated by deducting allowable expenses from assessable income, which vary by income type:

- **Employment income**: 50% deduction (up to 100,000 Baht)
- **Copyright income**: Actual expenses or 50% deduction (up to 100,000 Baht)
- **Rental income**: 10% to 30% deduction, depending on the property
- **Liberal professions**: 30% deduction, except for the medical profession (60%)
- **Hire of work**: Actual expenses or 60%
- **Other income**: 40%-60% deduction, depending on the type

Personal Allowances

Personal allowances further reduce taxable income. Examples include:

Type of allowances [Amount (in Baht)]

1. Single taxpayer: 60,000
2. Undivided estate: 60,000 for the taxpayer's spouse
3. Non-juristic partnership or a non-juristic body of persons: 60,000 for each partner but not exceeding 120,000 in total
4. Spouse allowance (if no income): 60,000
5. Children allowance (children must be one of the followings: under 20 years old and unmarried, under 25 years old and studying at university level, an adjudged incompetent/quasi-incompetent person): 30,000 for 1st child and 60,000 per child for the 2nd and subsequent children who are born in 2008 or later.
6. Parents allowance: 30,000 for each of taxpayer's and spouse's parents, but up to 120,000 in total, if such parents are above 60 years old and have assessable income less than 30,000 in the calendar year
7. Life insurance premium paid by taxpayer or spouse: Amount actually paid but not exceeding Baht 100,000 by taxpayer and 10,000 by spouse, who has no income.
8. Provident Fund, RMF, SSF and pension insurance: Amount actually paid at the rate not more than 15% of wage, but up to 500,000
9. Home mortgage interest: Amount actually paid but not exceeding 100,000
10. Social security fund: 9,000/year
11. Other funds: up to 200,000 to 500,000 per year, depending on the type of funds (ESG,RMF,SSF)
12. Donation:

- 200% of charitable contributions paid to support education/sports/social development but not exceeding 10% of assessable income after expenses and deductions
- 200% of the amount paid as e-Donation but not exceeding 10% of assessable income after expenses and deductions
- Amount actually paid for general donations but not exceeding 10% of assessable income after expenses and deductions
- Amount actually paid as donations to political parties but not exceeding Baht 10,000

Personal Income Tax (cont'd)

Thailand's progressive PIT rates range from 5% to 35%, with reduced rates for expatriates in certain sectors

PIT Rates

The standard PIT rates are progressive:

- 1-150,000 Baht: 0%
- 150,001-300,000 Baht: 5%
- 300,001-500,000 Baht: 10%
- 500,001-750,000 Baht: 15%
- 750,001-1,000,000 Baht: 20%
- 1,000,001-2,000,000 Baht: 25%
- 2,000,001-5,000,000 Baht: 30%
- More than 5,000,000 Baht: 35%

Reduced PIT Rates

Expatriate employees of International Business Centers (IBC) in Thailand can qualify for a reduced PIT rate of 15%, provided they meet certain conditions. Experts and expatriate employees in the targeted industries promoted by the Board of Investment (BOI) may enjoy a reduced PIT rate of 17%. These reduced rates apply to gross income, with no deductions allowed.

Inheritance Tax

In Thailand, inheritance tax was introduced in 2016 and applies to both Thai nationals and foreigners. The tax rate is 5% for direct descendants and ascendants (e.g., children, parents) and 10% for other heirs.

However, the first 100 million THB of inherited assets is exempt from tax. Taxable assets include but not limited to real estate, bank deposits, securities, registered vehicles.

Filing Personal Income Tax Returns

Annual PIT returns must be filed by 31 March of the following year if:

- Single taxpayers earn over 60,000 Baht in the prior year.
- Married taxpayers earn over 120,000 Baht (220,000 Baht for employment income only).

Types of returns:

- **PND 91**: For employees with wages only.
- **PND 90**: For individuals with mixed income.
- **PND 95**: For expatriates qualifying for reduced PIT rates.
- **PND 93 (Temporary)**: For individuals leaving Thailand permanently within the tax year.

Common Reporting Standards (CRS)

Thailand adheres to the Common Reporting Standard (CRS), an international protocol for sharing financial account information to combat tax evasion. The first exchange of information covers 2022 data, with reporting completed by September 2023.

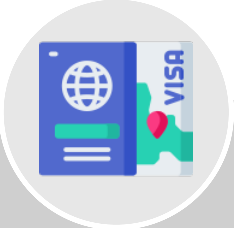
Work Permit and Visa

Foreign nationals need a Non-immigrant B visa and work permit to work in Thailand, while long-term residence visas offer tax benefits for wealthy individuals, retirees, remote workers, and skilled professionals

Work permit

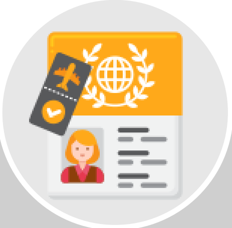
All foreign nationals who intend to work in Thailand must secure a work permit before commencing any work in Thailand. While an advance application for a work permit can be filed by the Thai employer, the work permit can be issued once the expatriate arrives in Thailand with Non-immigrant B visa. If the foreigner comes to Thailand with a tourist visa, he must convert the type of visa to be Non-immigrant B visa before a work permit can be processed.

A recent medical certificate from a recognized medical practitioner in Thailand stating that the applicant is of a sound mind, he/she is not suffering from leprosy, acute tuberculosis, elephantiasis, narcotic addiction, habitual alcoholism or stage 3 of syphilis, which must be presented.



Non-B visa

Foreigners who intend to work in Thailand must obtain a non-immigrant B visa outside of Thailand. If he is coming to Thailand with family members, all family members must also secure non-immigrant visas prior to entering into the Kingdom.



Other types of visa

Foreigner with Non-immigrant O visa (Thai spouse) or Long-term residence visa (except the Work from Thailand Professionals) are also eligible to apply for a work permit under certain condition as well.

Long-term residence visa

The government had launched 4 types of long-term residence visa in 2022 and amended criteria in 2025 , as follows:

01 Wealthy global citizen

With at least USD 1 million worth of assets and investment of at least USD 500,000 in Thai government bonds, direct in vestment in Thai limited company, or Thai properties under the applicant's name.

02 Wealthy pensioner

Retirees aged 50 years old and older who have an annual pension or stable passive income; personal income of at least USD 80,000/year at the time of application. If the personal income is below USD 80,000/year but no less than USD 40,000/year, the applicant must invest at least USD 250,000 in Thai government bonds, foreign direct investment, or Thai properties under the applicant's name.

03 Work from Thailand professional (a.k.a., digital nomads)

Remote workers working for well-established companies overseas with personal income of at least USD 80,000 / year in the past two years; employed by a public company listed on any stock exchange; or private company in operation for at least 3 years with a combined revenue of at least USD 50 million in the last 3 years; being a wholly owned subsidiary which has the company meeting one of the mentioned criteria.

04 Highly-skilled expatriate professionals

Expatriates working in targeted industries or work that uses expertise in the fields specified by BOI, or those working for business entities or higher education institutes or research centers or specialized training institutions in Thailand or Thai government agencies, with personal income of at least USD 80,000 / year in the past two years; and currently works in the targeted industries except for applicants with a Master's Degree or above in the relevant fields or working for Thai government agencies.

The government fee of Baht 50,000 is collected once the LTR application is approved. The LTR will be issued for 5 plus 5 years.

The first 3 types of LTR visa holders are entitled to tax exemption on foreign source income remitted to Thailand, whereas highly-skilled expatriate professionals are entitled to a reduced PIT rate of 17% on gross income.

Work Permit and Visa (cont'd)

Thailand has launched a new type of visa called the "Destination Thailand Visa" (DTV), a part of the Thai government's efforts to boost tourism and attract more visitors, designed to attract digital nomads and remote workers from offshore

The DTV is a multiple entry visa that allows its holder to stay in Thailand for up to 180 days per visit, with option to extend for an additional 180 days each time. The DTV is valid for 5 years, which makes it attractive to digital nomads or remote workers who cannot meet the required experience and financial conditions under the Long-Term Residence (LTR) visa scheme.

The DTV Announcement was published in the government's official Gazette on 15 July 2024 and takes effect immediately.

Categories of DTV

The DTV can be issued under the following two categories:

1. **Workcation** – it applies to digital nomads, remote workers, foreign talents or freelancers working for foreign clients.

   In this case the applicant shall prove the following:

   - Document indicating current location.
   - Financial evidence: amount of no less than Baht 500,000 or its equivalent, e.g. bank statements issued by his/her bank offshore or pay slips.
   - Employment contract or employment certificate issued in the applicant's country, or other documents proving
   - Professional portfolio showcasing digital nomad, remote worker, foreign talent or freelancer status.

2. **Thai soft power related activities** – the following activities are deemed 'soft-power related activities':

   Muay Thai, Thai cuisine, education and seminars, sports, medical treatment, foreign talents, arts and music

   In this case the applicant shall prove the following:

   - Document indicating current location - place where the applicant is currently staying legally.
   - Financial evidence: amount of no less than Baht 500,000 or its equivalent, e.g. bank statements issued by his/her bank offshore or pay slips.
   - Proof of confirmation to attend the specific 'soft-power related activity', or letter of appointment from hospital/medical center.

Government fee:

The DTV fee ranges from Baht 10,000 to 50,000 THB depending on the country of application.

08

Navigate the road ahead

Future Planning - Exit

When investing in or starting a business in Thailand, it's important to have an exit strategy in mind from the beginning

Business Exit Strategy

Liquidation

Current Market conditions

Opportunity for fresh beginnings

EXIT

Financial Plan

Timing and Market Conditions

Merger & Acquisition

Attract Potential Investors and Lenders

IPO(*)/ICO

YOU ARE HERE

EXIT

EXIT

Maximize Returns and Minimize Losses

Smooth Transition

EXIT

Financial Security

(*) Companies seeking to conduct an IPO in Thailand must have an internal audit function in place. This is a key component of the governance framework required by the SEC of Thailand.

Bankruptcy

IPO Roadmap - Overview

An overview of the process and preparation for an Initial Public Offering (IPO) in Thailand

Preparation

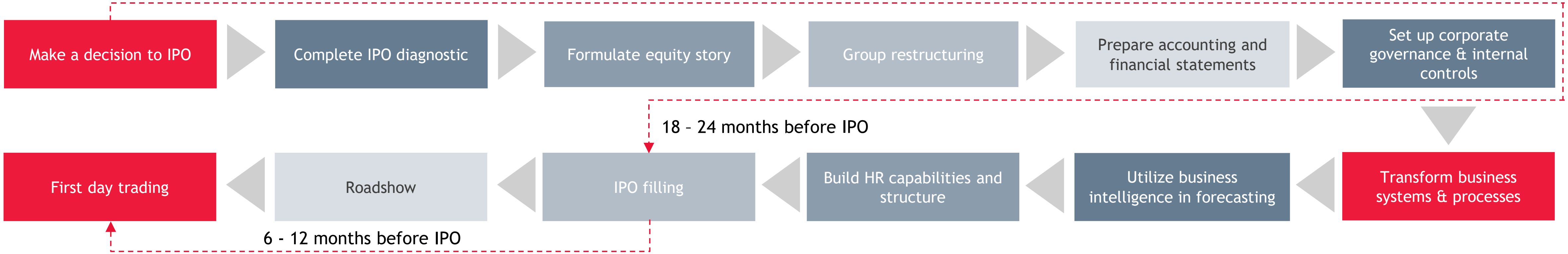
1. **Business Review**: Assess the company's financial performance, business model, and growth according to the guidelines set by the Stock Exchange of Thailand (SET) or the Market for Alternative Investment (MAI).
2. **Corporate Restructuring**: If needed, adjust the company's structure to comply with regulatory requirements. This may involve changes to the legal structure, capital structure, or ownership.
3. **Engage Advisors**:
    - **Financial Advisors**: Help with valuing the company, deciding on the IPO size, and structuring the offering.
    - **Legal Compliance**: Ensure adherence to all legal requirements, including securities laws, corporate laws, and other relevant regulations.
    - **Underwriter**: Manage the IPO process, including share issuance, pricing, and marketing.
    - **Auditor**: An auditor approved by the Securities and Exchange Commission (SEC) to audit the financial statements.

Regulatory Compliance

1. **Corporate Governance**: Establish governance policies and procedures, including independent directors and audit committees.
2. **Financial Statements**: Prepare three years of financial statements in line with Thai Financial Reporting Standards (TFRS). These statements must be audited by an SEC-approved auditor.
3. **Prospectus Preparation**: Develop a prospectus that includes financial information, the business model, potential risks, and plans for the use of IPO proceeds.

Application to the Stock Exchange of Thailand (SET)

1. **Submission of the Filing**: Submit the prospectus, financial statements, and other required documents to the SET and SEC.
2. **Review Process**: The SET and SEC review the application to ensure it meets regulatory and disclosure standards.
3. **SEC Approval**: Obtain approval from the SEC to proceed with the IPO. Once approved, the company can move forward with the IPO process.
4. **Listing on the Stock Exchange**: List the company's shares on the SET or MAI and begin trading.



ICO Roadmap - Overview

An overview of the process and preparation for an Initial Coin Offering (ICO) in Thailand

1. Offering of Digital Tokens to the public

Key Criteria for the ICO portal

- Company established in Thailand with registered capital≥ 5 million Baht
- Have a proper working system with sufficient responsible staff
- Directors, executive directors, persons with management power must not have any prohibited characteristics prescribed by the SEC
- Must not have a risk on financial status or conflict of interest

Office of the Securities and Exchange Commission (SEC)

- Main regulator of all activities related to Digital Assests in Thailand
- Entitled to issue regulations to exempt or specify any regulated activities or products in relation to Digital Assets
- Supervise and approve ICO Portal, offering of Digital Tokens and Digital Asset Businesses
- Other authority and power to regulate, supervise or prohibit some activates regarding Digital Assets

Issuer Entity

- Company established in Thailand
- Directors, executive directors, persons with management power must not have prohibited characteristics prescribed by the SEC office
- Must have a solid business plan
- Must have the audited financial statements complied with Thai Financial Reporting Standards (TFRS) by an auditor whose name is in the approved lists or as prescribed by the SEC office

Digital Tokens →

← Thai baht/ Approved Cryptocurrencies

Investors

- Institutional investors
- Ultra-High-Net Worth
- High-Net-Worth

} able to invest without limitation

- Retail Investors ≤ THB 300,000 /person/offering*

2. Digital Asset Businesses

Persons or entities intend to invest in Digital Tokens

Digital Tokens ⟷ Thai Baht / Approved Cryptocurrencies

Digital Asset Businesses

- Established in Thailand
- Qualified and approved by Office of the SEC

Digital Asset Exchange

- Shareholders' equity ≥ THB 50 million
- Product screening
- Proper KYC/CDD
- Appropriate cybersecurity systems
- Asset safekeeping
- Fair marketplace

Digital Asset Broker

- Shareholders' equity ≥ THB 25 million
- Client suitability
- Proper KYC/CDD
- Appropriate cybersecurity systems
- Asset safekeeping

Digital Asset Dealer

- Shareholders' equity ≥ THB 5 million
- Proper KYC/CDD
- Appropriate cybersecurity systems

Bankruptcy

Many conditions need to be met before one can commence bankruptcy, financial restructuring, or insolvency proceedings

If there occurs any of the following circumstances, it shall be presumed that the debtor is insolvent (Bankruptcy Act (Section 8):

- The debtor transfers his property or the right to its management to any other person for the benefit of all of his creditors, whether such act is carried out within or outside the Kingdom.
- The debtor transfers or delivers his property with fictitious intent or by fraud, whether such act is carried out within or outside the Kingdom.
- The debtor transfers his property or creates over such property any right in rem which, where the debtor is bankrupt, shall be deemed as favourable, whether such act is carried out within or outside the Kingdom.
- the debtor carries out any of the following acts for the purpose of delaying payment or preventing a creditor from receiving payment of the debt:
  - leaving the Kingdom or having left the Kingdom and remaining outside the Kingdom
  - leaving the dwelling place where he resided or concealing himself in a dwelling place or absconding by any other means or closing his place of business
  - diverting the property out of the jurisdiction of the Court
  - allowing himself to be subjected to a judgment compelling payment of money which he ought not to make
- The debtor is subject to seizure of property under a writ of execution or has no property susceptible of seizure for payment of the debt.
- The debtor makes to the Court a declaration, in any action, of his inability to pay the debt.
- The debtor makes a notification to any of his creditors of his inability to pay the debt
- The debtor makes a debt composition proposal to at least two creditors
- The debtor has received from the creditor a letter of demand at least twice with an interval of not less than thirty days and the debtor has failed to make payment of the debt

Commencing Bankruptcy Proceedings

1. The creditor can file a bankruptcy action with the court if the debtor is insolvent and indebted to one or more creditors for at least THB 1 million if the debtor is an individual or THB 2 million if the debtor is a juristic person.
2. If the court is satisfied of certain facts that the debtor is insolvent under the conditions of the Bankruptcy Act, the court will order the debtor to be under absolute receivership.
3. Where the court has ordered the debtor to be under absolute receivership, the receiver must call a meeting of all the creditors as soon as possible to consider whether the debtor's proposal should be accepted, or whether the court should be asked to declare the debtor bankrubt, and to consult on the future management of the debtor's assets.

Once receivership order is issued:

✓ Creditor can receive payment of debt only in accordance with the procedures (even if there is a civil action).

✓ Receiver will ensure that the order is published in the Government Gazette and in at least one daily paper newspaper.

The Official Receiver:

✓ Will organize a first meeting with creditors to decide whether to accept the debt composition of the debtor.

✓ May summon meetings with creditors and preside over them.

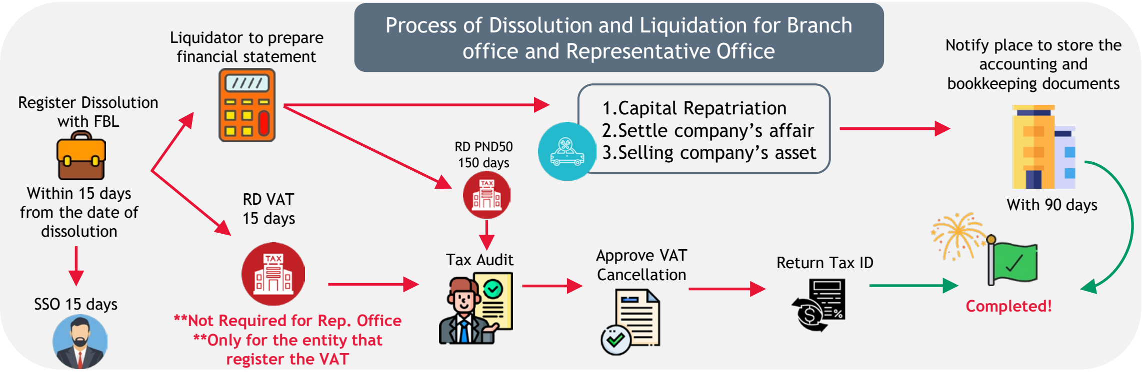
✓ Governed by Chapter 5 of the Bankruptcy Act.

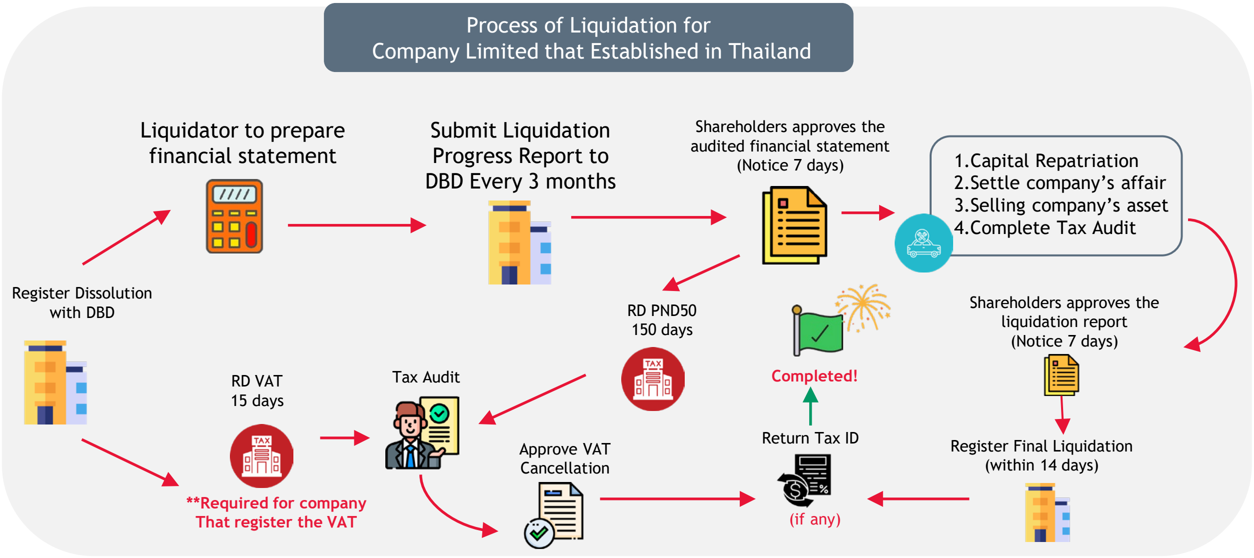
Liquidation & Dissolution

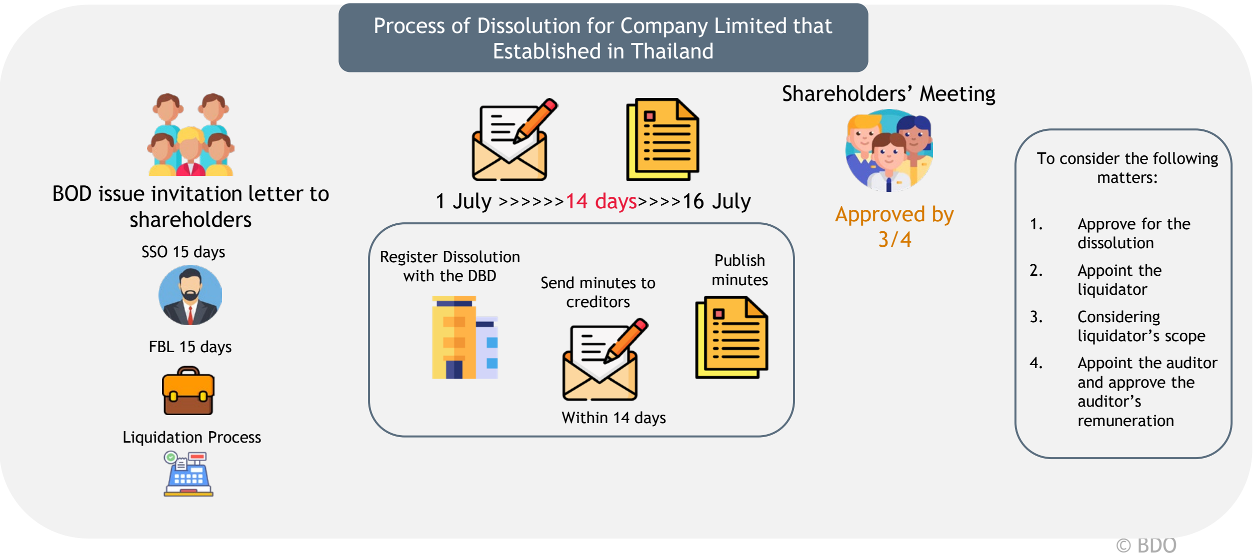
Liquidation and dissolution processes might vary depending on the type of business entity in Thailand

Comparison of the Dissolution Process for Each Type of Entities

Process	Company Limited	Branch Office	Rep. Office
Hold shareholdings' meeting to approve the dissolution	Yes	No	No
Registration of dissolution with DBD	Yes	No	No
Registration of dissolution with the FBL	Yes	Yes	Yes
Registration of dissolution with RD + Revenue Audit	Yes	Yes If register the VAT	No
Hold shareholdings' meeting to approve the audited financial statement	Yes	No	No
Liquidator to settle debt, assets, etc.	Yes	Yes	Yes
Hold shareholdings' meeting to approve the liquidation report	Yes	No	No
Register the final liquidation with DBD	Yes	No	No
Report place to store the accounting documents	No	Yes	Yes
Store corporate and accounting documents	Yes 7 years	Yes 7 years	Yes 5 years
Submit audited financial statement to RD	Yes	Yes	Yes
Returning corporate tax ID	Yes	Yes	Yes







M&A option for sell-side

Different stages of a deal may involve various external parties to expedite the divestment process for the seller

	Preparation	Solicitation	Receive IOI*	Receive LOI**	Conduct due diligence	Sign purchase agreement
Activities	▸ Conduct valuation ▸ Build confidential information memorandum (CIM) ▸ Build buyer prospect list, including warm and cold connections ▸ Create data room and due diligence package ▸ Build and finalize financial models and business documents ▸ Generate audited financial statements ▸ Create an objection-handling script	▸ Solicit buyer with a request for an indication of interest ▸ Give buyer a commitment timeline when appropriate ▸ If prospect passes, ask for a referral ▸ Rebut objections based on preparation ▸ Provide more information as requested, but avoid giving access to data room	▸ Create and negotiate valuation range, earnout, and acquisition terms ▸ Share information needed for buyer to create valuation, such as growth story and customer information	▸ Negotiate and refine deal term, such as valuation, earnout, and equity rollover ▸ Determine due diligence needs and exclusivity post LOI execution	▸ Due diligence activities including but not limited to legal, operational, financial, vendor, working structure, facilities, and advisor items	▸ Updating valuation, earnout, equity rollover, and other related items based on material due diligence discoveries ▸ Conditions to close ▸ Representations and warrants ▸ Covenants and indemnification
Deliverables	Confidential information memorandum Objection-handling script Prospect list Financial projections and audited financial statements	List of FAQS List of expected objections and how to handle them	List of open items for an LOI Formal IOI	Due diligence list Executed LOI	Completed due diligence checklist Data room containing artifacts	Signed purchase agreement Money transferred
Stakeholders	Seller, Banker, Lawyer, Accountant	Seller, Banker	Seller, Banker	Seller, Banker, Lawyer	Seller, Banker	Seller, Banker, Lawyer

*IOI: Indication of interest (nonbinding) **LOI: Letter of Intent (may be binding)

09 Appendix

Key Differences Between NPAES to TFRS

Topics	TFRS	TFRS for NPAEs
Investment in marketable securities	Fair value to PL or Fair Value to OCI	Fair Value – Trading or Available for Sale
Other investments	Fair value to PL or Fair Value to OCI	Cost
Investment in subsidiary, associates, JV	Consolidated/ Equity method	Cost or Consolidation/ Equity method (Optional)
Intangible assets with indefinite useful lives	Cost less impairment (if any)	Cost less amortization (</ 10 years)
Goodwill	Cost less impairment (if any)	Cost less amortization (useful life or 20 years)
Employee benefits obligation	Actuarial basis required	Actuarial basis or best estimate or TAS 19 – Employee Benefits (Optional)
Derivatives	Fair value to PL or Hedge accounting	Options (Off-balance/ Accrual Basis/ Fair value to PL/ Hedge accounting)
Revenue recognition	Apply 5-step model	Sales (Risks and rewards) Service (Percentage of completion)
Share-based payments	Recorded as expenses or else	Not required
Lease (lessee recognition)	On-balance sheet accounting model	Finance lease/ Operating lease
Income taxes	Deferred tax	Current tax/ Deferred tax (optional)
Statement of cash flows	Required	Optional
Disclosure	Extensive	Less disclosure

List of local PEs, VCs and CVCs active in Thailand

List of active CVCs

Organisation/Person Name		Number of Investments	Number of Exits	Description
	SCB 10X	66	8	SCB 10X is an investment firm that invests in technology startups.
	Krungsri Finnovate	39	2	Krungsri Finnovate is a venture capital firm aiming to be a strategic investor supporting startups to grow toward their set goals.
	Beacon Venture Capital	38	5	Corporate venture capital fund of KASIKORNBANK focusing on early and growth-stage technology companies
	AddVentures	24	2	AddVentures is a venture capital that partners and invests in the best digital innovations in Industrial-Enterprise-B2B verticals.
	InVent	19	4	InVent is a CVC project of the Intouch Group, focusing on investments in high-growth companies, particularly in sectors related to telecommunications, IT, and digital media.
	TOP Ventures	8	-	TOP Ventures, the investment arm of Thai Oil Public Company Limited (TOP).
	KVision	4	1	KVision is the corporate VC arm of Thailand's Kasikorn Bank.
	Xplor Ventures	3	-	Xplor Ventures is a venture capital firm for PTTEP.
	Nexter Ventures	3	1	Nexter Ventures operates as a venture capital firm.
	Betagro Ventures	3	-	Betagro Ventures is Betagro Group's corporate venture arm.
	AI and Robotics Ventures	2	-	AI and Robotics Ventures aims to innovate and develop new technologies and creates AI and Robotics solutions.

Source: Crunchbase (2025)

List of local PEs, VCs and CVCs active in Thailand

List of active CVCs

Organisation/Person Name		Number of Investments	Number of Exits	Description
	GC Ventures	2	-	GC Ventures is a venture capital arm of PTT Global focusing on strategic investments and collaborations related startups around the world.
	Thai Union Ventures	2	-	Thai Union Ventures is a corporate venture arm of thai union group.
	MAX Ventures	1	-	Corporate venture arm under PTG Energy PLC.
	SCG Cleanergy	1	-	SCG Cleanergy is a wholly owned subsidary of SCG.

Source: Crunchbase (2025)

List of local PEs, VCs and CVCs active in Thailand

List of active VCs

Organisation/Person Name		Number of Investments	Number of Exits	Description
	Ardent Capital	37	3	Ardent Capital invests in early-stage technology companies across Southeast Asia with a focus on eCommerce (B2B, B2C, Logistics) and more.
	ORZON Ventures	18	1	ORZON Ventures is a venture capital firm that focuses on investing in promising start-up companies.
	Inspire Ventures	14	2	Inspire is a venture builder and investor with a broad Southeast Asian footprint.
	Alpha Founders Capital	12	2	Alpha Founders Capital (AFC) is a venture capital firm with focus on Indochina. We typically invest into late seed rounds.
	Galaxy Ventures Co., Ltd	11	2	Galaxy Ventures is an early-stage corporate investment firm based in Bangkok focused on entertainment, e-commerce and everything digital.
	Bualuang Ventures	11	1	Bualuang Ventures is an investment Firm.
	The Radical Fund	9	-	The Radical Fund is a climate fund for founders building radical ventures- that (probably) don't look like climate companies.
	KXVC	9	-	KXVC aims to nurture the massive adoption pathway of 'AI' and 'Web3.0' technologies by leveraging strongholds in Southeast Asia.
	K2 Venture Capital	7	1	K2 Venture Capital invests into early stage technology companies in Southeast Asia.
	Singha Ventures	6	1	Singha Ventures is a venture capital fund.
	Indorama Ventures	4	-	Indorama Ventures is a chemical company that engages in the integrated PET, olefin, fiber, packaging, and specialty chemicals segments.

source: Crunchbase (2024)

Source: Crunchbase (2025)

List of local PEs, VCs and CVCs active in Thailand

List of active VCs

Organisation/Person Name	Number of Investments	Number of Exits	Description
Fuchsia VC	4	-	Fuchsia VC is a venture capital firm. The firm prefers to invest in companies operating in the media and technology sectors.
CU ENTERPRISE CO., LTD.	4	-	A Holding Company of Chulalongkorn University, Thailand
TK & Partners	3	-	TK & Partners is a venture-capital firm funding early-stage Southeast Asian startups, offering capital, guidance and growth support.
Thai Wah Ventures	3	-	Thai Wah Ventures is a venture capital arm focusing on the greentech space in business-to-business (B2B) food and agritech startups.
Sparx Ventures	3	-	Sparx Ventures is an early stage venture capital firm that finances high-growth internet-related businesses in South East Asia.
Benchachida Holding company Limited	3	-	Benchachinda Group is a leading digital service provider in Thailand.
Siri Ventures	2	1	Siri Ventures is here to create, invest and partner.
Disrupt Technology Venture	2	-	Disrupt Technology Venture brings cutting-edge tools, frameworks and methodologies of innovation and startups.
ECG venture capital	2	-	ECG focuses on investing in well-known and globally renowned startups as well as high-quality real estate.
Winvestment	2	-	Winvestment is a commercial investment holding company owned by Phataraprasit family
BCH Ventures	2	-	BCH Ventures is the investment fund.

Source: Crunchbase (2025)

List of local PEs, VCs and CVCs active in Thailand

List of active VCs

Organisation/Person Name		Number of Investments	Number of Exits	Description
	Moonshot Venture Capital	2	-	Moonshot Venture Capital is a private equity firm that provides investment advisory services to various sector businesses.
	Muang Thai Fuchsia Ventures	2	-	Muang Thai Fuchsia Ventures is a Thailand-based insurance firm.
	Infinity Global Investments	2	1	Infinity Global Investments is a company that specializes in investment solutions.
	Horizon	2	-	Horizon Blockchain-based investment.
	Buzzebees	1	-	Buzzebees is a #1 Loyalty CRM and digital engagement solution in SEA.
	981	1	-	981 operates in the management, scientific, and technical consulting space, with a focus on venture capital and private equity.
	Vnet Capital	1	-	Vnet Capital Co., Ltd is a Thai venture capital firm. We provide capital, strategic and financial advice, and business networks to companies at various stages of development, from start-ups to growth stages.
	2W Group	1	-	2W Group seeks value-orientated returns through strategic investments across a variety of industries and asset classes.
	STECX Ventures	1	-	STECX Ventures is a Venture arm of Stecon Group Global Private Limited.
	Sasin Bangkok Venture Club	1	-	Sasin Bangkok Venture Club is an ecosystem stakeholders targeting startup investment in Southeast Asia.
	Shift Ventures	1	-	Shift Ventures connects investors to high-growth companies for investment opportunities.

Source: Crunchbase (2025)

List of local PEs, VCs and CVCs active in Thailand

List of active VCs

Organisation/Person Name		Number of Investments	Number of Exits	Description
	Rosewood Capital Co., Ltd.	1	-	Rosewood Capital Co., Ltd. operates as an investment firm.
	Aviary Asia Capital	1	-	Aviary Asia Capital is a venture capital firm and invest in blockchain, financial technology, and climate technology sectors.
	Metro Company	1	-	Metro Company is a venture capital investment firm which offers funding, investments and other financial services.
	Seven Peaks Software	1	-	International software and design agency based in Bangkok, providing high quality remote development and design teams

Source: Crunchbase (2025)

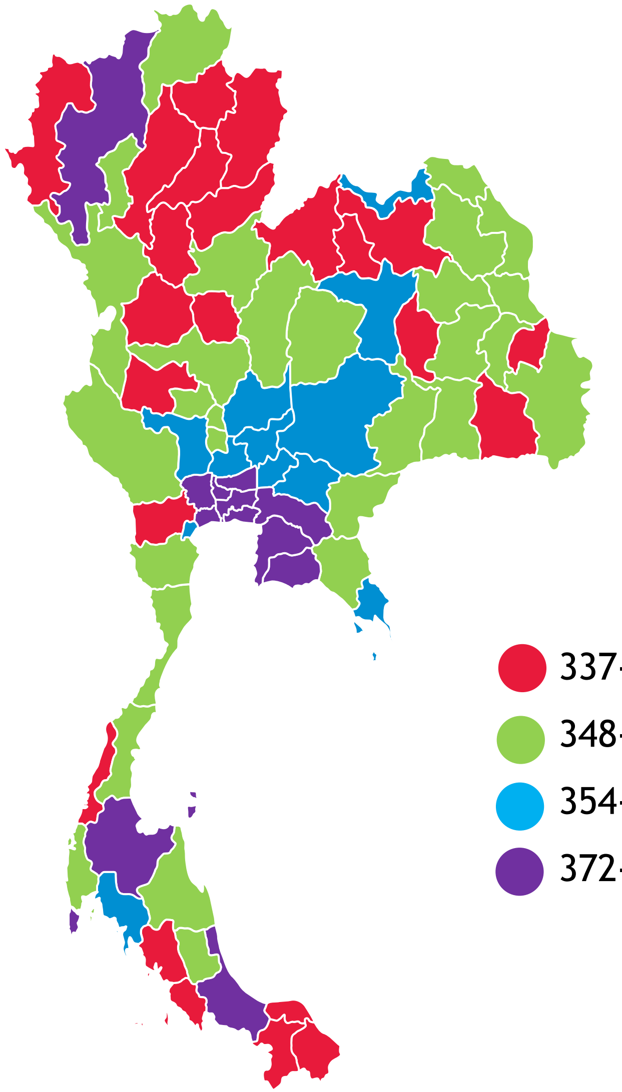
List of local PEs, VCs and CVCs active in Thailand

List of active PEs

Organisation/Person Name	Number of Investments	Number of Exits	Description
New Horizon Capital	34	9	New Horizon Capital is a top-tier private equity fund focused on investing in China.
NVEST VENTURE	30	2	Since 2014, N-Vest Venture has helped transform many disruptive ideas into practical and scalable businesses
ECG-Research	9	-	ECG-Research is a private equity firm that focuses on growth businesses in Thailand.
PTT Oil and Retail Business Public Company	7	-	PTT Oil and Retail Business Public Company engage in the oil and retail business together with related businesses.
Premier Advisory	5	-	Private Equity by Thailand's Government Savings Bank
Siam Alpha Equity	5	-	Siam Alpha Equity is a private equity firm.
Lombard Asia	1	-	Lombard Asia is a private equity firm focused on growth investments in Southeast Asia's mid-sized companies.
Kuvera Capital Group	1	-	Kuvera Capital Group is an investment company with a diverse portfolio, giving it a balance between current return and future growth.
Finnoventure Fund I	1	-	Finnoventure Fund I is an investment firm, managed by Krungsri Finnovate.

Source: Crunchbase (2025)

Minimum daily wages in Thailand by provinces



Minimum Wage (THB/Day)	Provinces
337	Narathiwat, Pattani, Yala
345	Trang, Nan, Phayao, Phrae
347	Ranong, Satun, Loei, Nong Bua Lamphu, Udon Thani, Maha Sarakham, Sisaket, Amnat Charoen, Mae Hong Son, Lampang, Sukhothai, Uttaradit, Kamphaeng Phet, Phichit, Uthai Thani, Ratchaburi
348	Chainat, Sing Buri, Phatthalung, Chaiyaphum, Ang Thong
349	Nakhon Si Thammarat, Bueng Kan, Kalasin, Roi Et, Phetchabun
350	Yasothon, Lamphun, Nakhon Sawan
351	Phetchaburi, Chumphon, Surin
352	Kanchanaburi, Prachuap Khiri Khan, Songkhla (other) , Phang Nga, Chanthaburi, Sa Kaeo, Nakhon Phanom, Mukdahan, Sakon Nakhon, Buriram, Ubon Ratchathani, Chiang Rai, Tak, Phitsanulok, Surat Thani (other)
354	Krabi, Trat
355	Suphanburi, Nakhon Nayok, Nong Khai
356	Lop Buri
357	Phra Nakhon Si Ayutthaya, Saraburi, Prachinburi, Khon Kaen, Chiang Mai (other)
358	Samut Songkhram
359	Nakhon Ratchasima
372	Nakhon Pathom, Nonthaburi, Pathum Thani, Samut Prakan, Samut Sakhon
380	Chiangmai (Muaeng), Song kla (Hat Yai)
400	Bangkok, Chonburi, Rayong, Phuket, Surat Thani (Samui Island), Chachoengsao, and other cities that provide entertainment and hospitality services, including hotels classified as Types 2, 3, and 4

Source: Ministry of Labour