

The word 'Shareholder' is written in a large, bold, red, sans-serif font. It is centered within a white, rounded rectangular box that has a subtle drop shadow. The background of the entire page is a dark grey image of a person in a black suit pointing their right index finger upwards.

2026 Update on Expanded Crackdown on Nominee Shareholders and Mule Account

In recent years, the Thai government has introduced a series of increasingly stringent regulations aimed at cracking down on nominee structures and eliminating the use of “mule accounts.” Among the key government agencies driving this effort is the Department of Business Development (DBD), which has actively rolled out new compliance measures to detect, deter, and dismantle nominee arrangements across corporate registrations.

From 1st January 2026, the Central Partnerships and Companies Registration Office enforce five new set of regulations to strengthen the scrutiny applied to business registration procedures.

The key recent implemented measures are summarized below:

1. Thai Partners or Shareholders in Certain Partnership or Company Structures¹

If an application for incorporation of a partnership or limited company shows that:

- Foreign shareholding is below 50% of the registered capital, or
- There are no foreign shareholders, but a foreign national serves as an authorized signatory or co-signatory,

¹ Order of the Central Partnership and Company Registration Office No. 2/2568

A three-month bank statement, counting backward from the share payment date must be submitted for each Thai partner or shareholder. In this regard, the statement must be issued from the bank account used to fund the subscribed shares, demonstrating the legitimacy and traceability of the investment.

2. Individuals Associated with Money Laundering Allegations²

For both the incorporation of a partnership or limited company and any subsequent amendments, if any partner, director, or shareholder is identified as being associated with money laundering allegations based on the database of Anti-Money Laundering Office, such individual must appear in person before the registrar and present their identification document prior to registration approval.

In addition, the following documents shall be submitted:

- A three-month bank statement prior to the share payment date, demonstrating the alignment of funds used for share payment; and
- A consent letter from the person authorized to permit use of the registered office address, together with original supporting documents evidencing the right to use the premises.

3. Repeated Use of the Same Registered Office Address³

For the incorporation of a partnership or limited company, including any amendments, if the registrar finds that the same registered office address is used by five or more registered partnerships or limited companies, a consent letter from the authorized person permitting use of the premises, together with supporting documents evidencing the right to use such address must be submitted.

4. Holders of the State Welfare Card⁴

For the incorporation or subsequent amendments of a partnership or limited company, if any partner, director or shareholder is a holder of the State Welfare Card under the government welfare scheme, such person must appear in person before the registrar and present their identification documents. A three-month bank statement, counting backward from the share payment date, from the relevant partner's or shareholder's account and supporting documents evidencing the right to use the registered office address must be submitted.

5. Shareholders' investment confirmation letter⁵

After 3 months of enforcing the abovementioned regulations, a new order was issued to take effect from 1 April 2006 onward. In cases where an application to amend company particulars results in a change of authorized directors, from 100% Thai directors to including a foreign director with authority to sign or co-sign, a confirmation letter regarding the investment must be submitted and duly signed by authorized directors to confirm all shareholders have actually invested and contributed capitals and there is no Thai

² Order of the Central Partnership and Company Registration Office No. 3/2568

³ Order of the Central Partnership and Company Registration Office No. 4/2568

⁴ Order of the Central Partnership and Company Registration Office No. 4/2568

⁵ Order of the Central Partnership and Company Registration Office No. 1/2569

nominee arrangement in the company. Please note that providing false information constitutes a criminal offense.

Increased scrutiny going forward

Another draft order of the Central Partnerships and Companies Registration Office against the nominee arrangement has been launched for public hearing from 9 June 2026 until 29 June 2026. This draft order has been issued to establish rules and requirements for registration applications, partners, managing partners, or directors, including partnerships and limited companies, must submit supporting documents, including bank statements. This is to enable the registrar to review and verify the account balances of the partners or shareholders for consistency with the capital contributed to the partnership or limited company prior to registration approval.

The government plans to integrate technology more deeply into legal mechanisms by introducing a corporate behaviour analytics system to screen high-risk groups nationwide, particularly cases involving ownership of real estate through Thai nationals acting as nominees. Proactive inspections of financial statements and high-risk accounts will also be carried out, covering legal entities, accounting firms, and business consultants, along with integrating data among corporate registrations, financial statements, and shareholder structures to analyse and monitor irregular behaviours, to identify nominee structures and mule accounts.

It is not only the public sector that has intensified efforts to combat nominee structures; the private sector has also adapted in response to these regulatory measures. Financial institutions have strengthened their KYC procedures for opening corporate bank accounts, imposing more rigorous verification and documentation requirements. Likewise, office service providers have revised their service conditions, clearly distinguishing between virtual and physical office arrangements to ensure full compliance with legal obligations.

These developments reflect Thailand's strong and deliberate commitment to cracking down on nominee structures. As such, businesses that may be perceived as high-risk should proactively review and comply with the applicable measures. If all documentation and shareholder information are accurate and authentic, there is nothing to be concerned about—other than the additional administrative steps required to verify identities.

However, if you are considering restructuring or expanding your business, this may be an opportune moment to reassess your operational and ownership structure. For business activities that are not strictly prohibited to foreign participation, a company may apply for an approval-in-principle under the Foreign Business License (FBL) framework or Board of Investment (BOI) promotion. Securing this preliminary approval can help ensure that, should the company later restructure into a majority-foreign-owned entity, it will have a viable pathway to obtaining a full FBL or BOI and continuing its operations lawfully.

Ultimately, addressing compliance requirements early is significantly more cost-effective than resolving issues after they arise. Proactive alignment with regulatory expectations helps safeguard business continuity, mitigate legal risk, and support sustainable long-term growth.

At BDO, we support businesses at every stage—from strategic advisory to hands-on implementation. If you would like to explore the potential impact of these regulatory developments on your operations or identify the right compliance approach for your organization, please contact us for further discussion.

We are committed to helping you navigate compliance obligations with confidence, manage risk effectively, and pursue growth with greater certainty and clarity.

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