



## APAC Corporate secretarial newsletter

Our APAC corporate secretarial newsletter serves as a valuable resource to enhance your understanding and ensure compliance with the evolving regulatory environment. We bring you the latest updates on corporate secretarial matters across the region. As we navigate through the dynamic business landscape, companies and professionals must stay informed about regulatory changes, compliance requirements, and best practices in corporate governance. In this newsletter, we aim to provide you with valuable insights and updates from various countries in the APAC region.

[Australia](#)   [Hong Kong](#)   [Indonesia](#)   [Korea](#)   [Philippines](#)   [Taiwan](#)   [Vietnam](#)  
[China](#)   [India](#)   [Japan](#)   [Malaysia](#)   [Singapore](#)   [Thailand](#)

### Corporate secretarial annual assurance package

In managing corporate secretarial compliance across multiple countries, you will face different filing formats, deadlines, and reporting requirements. It can also be problematic and inefficient using multiple local providers and hiring specialists in country.

How can we help you?

Mazars offers a comprehensive corporate secretarial annual assurance package that is seamless and efficient. By centralizing your company secretarial services with one experienced firm, you retain greater control over the various regulations required to comply across multiple countries. We have a consistent package which covers the mandatory compliance/filings in each country with a retainer offering a discount on one-off services required when you have a corporate action that requires corporate secretarial support.

For more information, please visit our [Global Corporate Secretarial Services](#).



# Australia

## 2023 updates

### Reporting Requirements and Deadlines

- The Corporations Act sets out the requirements for a company to prepare a financial report for lodgement with ASIC, and the need to have the report audited. Once lodged with ASIC, the financial report is available to the public. The reporting requirements for proprietary companies and registered foreign companies depends on whether the company is defined as large or small under the Act.
- A company is defined as small if it meets two of the following three criteria's:
  - Consolidated gross operating revenue less than \$50 million for the year.
  - Consolidated gross assets less that \$25 million at year end.
  - Number of employees at year end is less than 100 for that entity and all controlled entities.
- The proprietary company is otherwise considered large.
- Small foreign controlled proprietary companies are required to prepare an audited financial report for lodgement with ASIC unless they obtain one of the following exemptions:
  - Where their results are included in a consolidated financial report lodged with ASIC by a registered foreign company or and Australian company; or
  - Where the company is a small controlled foreign company that is not part of a 'large' group and obtains relief from ASIC. This relief can only be applied for during the period 3 months before commencement of the relevant financial year and ending 4 months after the end of the relevant financial year.
- Section 319 of the Corporations Act requires a disclosing entity or registered managed investment scheme to lodge the complete financial reports within three months after the end of the financial year. All other companies must lodge their financial reports within four months after the end of the financial year.
- Registered foreign companies must lodge financial statements with ASIC at least once every calendar year. The time between financial statements can't be more than 15 months.

### **Director ID requirements**

- It is a requirement for a director, if appointed after 1 November 2022, to have obtained a director identification number prior to being appointed. Should you require assistance with the application process, our team can assist with the Director ID process by consulting and liaising with the ABRS directly, drafting of application forms, reviewing identification documents prior to submission and reviewing the final application prior to submitting to the ABRS. Please reach out to our Corporate Secretarial team should you require assistance with this process.

For more information, go to:

- [Mazars in Australia website](#)
- [Latest news](#)



## 2023 updates

### Catalogue of Encouraged Industries for Foreign Investment

- On 1 January 2023, the Edition 2022 is put into effective.
  - Continue to encourage foreign investment in manufacturing sector.
  - Continue to encourage foreign investment in producer service sector.
  - Continue to optimize the regional distribution of foreign investment.

For more information, go to:

- [Mazars in China website](#)



## 2023 updates

### Commencement of holding of general meetings by using virtual meeting technology under the Companies (Amendment) Ordinance 2023

- The Companies Ordinance rewrite exercise in 2012 only included provision in the Companies Ordinance (Cap. 622) (“CO”) for a company to hold its general meeting at 2 or more places using any technology that enables the members of the company who are not together at the same place to listen, speak and vote at the meeting. However, there is no express provision in the CO dealing with virtual general meeting.
- The Amendment Ordinance effective from 28 April 2023 expressly caters for the scenario of Hong Kong companies holding general meetings that are fully virtual or hybrid using virtual meeting technology (“VMT”).
- These are the key highlights of the Amendment Ordinance: -
  - Amendment Ordinance - holding of general meetings by using VMT.
  - VMT means a technology that allows a person to listen, speak and vote at a meeting without being physically present at the meeting.
  - The Amendment Ordinance makes clear that Hong Kong companies:
    - (1) Can hold meetings that are fully virtual or hybrid (i.e., meetings that are attended both at a physical location or locations and virtually) if the Articles of Association (“AoA”) do not contain any “Preclusions” (see below);
    - (2) Can hold hybrid meetings, but not fully virtual ones, if the AoA do not contain Preclusions 1 and 2, but 3 only;
    - (3) Cannot hold fully virtual or hybrid meetings if the AoA contain Preclusions 1 or 2.
- Preclusions
  - Preclusion 1 — AoA expressly preclude the use of VMT for general meetings.
  - Preclusion 2 — AoA require meetings to be held only at a physical venue.
  - Preclusion 3 — AoA require at least one physical venue, e.g., require notice of a general meeting to specify a physical venue.

**Phase 3 of the new inspection regime to enhance privacy rights of directors and other officers under the Companies Ordinance**

- Following Phase 1 and Phase 2 of the New Inspection Regime under the Companies Ordinance (Cap. 622) (“CO”) implemented on 23 August 2021 and 24 October 2022 respectively as mentioned in our Newsletter Vol. 1 issued in January 2023, it is stipulated that Phase 3 will commence from 27 December 2023.
- As from 27 December 2023, individual director, reserve director, company secretary or persons in these former capacities may make application to withhold their usual residential addresses and identification document numbers filed with the Companies Registry from public searches at the Companies Registry. The information coming in, and which may be clarified by the Companies Registry in due course, is that the application is made on a case-by-case basis and not a single global application made by a company.

**New licensing regimes under the Anti-Money Laundering and Counter-Terrorist Financing (Amendment) Ordinance 2022**

- Further to our brief introduction of the Anti-Money Laundering and Counter-Terrorist Financing (Amendment) Bill 2022 passed by the Legislative Council on 7 December 2022 in our Newsletter Vol. 1 issued in January 2023, this Newsletter provides the details of the amendments below.
- The Amended AMLO introduces: -
  - (1) a licensing regime for virtual asset service providers (“VA”) — commenced on 1 April 2023:
    - Any person who engages in virtual asset exchange business is required to obtain a licence from the Securities and Futures Commission (“SFC”);
    - A VA must satisfy the fit and proper test and comply with the anti-money laundering and counter-terrorist financing (“AML/CFT”) requirements under the AMLO, as well as other regulatory requirements on investor protection;
    - Licensed VA and its wholly-owned subsidiaries need to regularly submit audited accounts and financial information to the SFC;
    - The SFC is empowered to enter VA’s business premises for conducting inspections and investigations when necessary; and
  - (2) a two-tier registration regime for dealers in precious metals and stones — commenced on 1 June 2023:
    - Any person who deals in precious metals and stones in Hong Kong and engages in transactions for HK\$120,000 or above is required to register with the Commissioner of Customs and Excise;
    - Dealers engaging in non-cash transactions (Category A) are not required to implement specified customer due diligence (“CDD”) and record keeping measures;
    - Dealers engaging in cash transactions (Category B) need to comply with the requirements of the Financial Action Task Force (“FATF”) and is subject to AML/CFT supervision.

For more information, go to:

- [Mazars in Hong Kong website](#)
- [Latest news](#)





## 2023 updates

### **Companies (Appointment and Qualification of Directors) Amendment Rules, 2023**

- The Ministry of Corporate Affairs (MCA) issued a notification dated 20 January 2023 of the Companies (Appointment and Qualification of Directors) Amendment Rules, 2023 effective from 23 January 2023.
- Directors were required to inform the concerned companies about their disqualification under section 164(2), mainly pertaining to holding one or more Directorships, where one or more of the companies concerned failed to meet with requirements for annual filings, or failed to repay deposits, redeem debentures, or pay interest or dividend. Now, this requirement to inform other companies in which Directorships are held (in Form DIR-9) has been extended to disqualifications due to a person being of unsound mind, an undischarged insolvent, adjudicated as an insolvent, convicted by a Court of any offence, or under an order for disqualification passed by Court or Tribunal, or has not paid any calls on shares, or been convicted of any offence pertaining to related party transactions.
- The amendment under Section 164 of the Companies Act, 2013 specifies that if a director informs the company about his disqualification under sub-section (1) or (2) of Section 164 in Form DIR-8 before his appointment or re-appointment, the company has to file Form DIR-9 within 30 days of receipt of such information with the Registrar. This amendment was introduced to ensure that companies are aware of the disqualifications of directors before their appointment or re-appointment and can take appropriate action accordingly.
- Consequential amendments have been made to related filings and forms.

### **Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2023**

- The Ministry of Corporate Affairs (MCA) issued a notification dated 21 January 2023 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2023 effective from 23 January 2023.
- The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules of 2023 have substituted Form MR-1 and Form MR-2 present in the annexure of Companies (Appointment and Remuneration of Managerial Personnel) Rules of 2014 with amended versions of the same forms.
- Form number MR-1 deals with the return to be filed with the Registrar of companies regarding the appointment of managerial personnel and Form number MR-2 contains the application which shall be made to the central government to obtain its approval appointment of a manager or managing director or a whole time director.
- The main objective of the amendment to the Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014 is to enhance the various disclosures in the form MR-1 and MR-2 for better transparency regarding the appointment of Non-resident Key Managerial

Personnel. Further, it will also help the Government to track the pending proceedings before National Company Law Tribunal(s) (NCLT) / National Company Law Appellate Tribunal (NCLAT).

### **Companies (Share Capital and Debentures) Amendment Rules, 2023**

- The Ministry of Corporate Affairs (MCA) issued a notification dated 21 January 2023 of the Companies (Share Capital and Debentures) Amendment Rules, 2023 effective from 23 January 2023.
- The amendment brings about changes to the provision relating to buy-back of shares or other securities. The requirement of annexing a certificate along with the return in Form SH.11 has been substituted with submitting of a declaration instead. This declaration must be signed by two directors of the company including the managing director, if any, certifying that the buy-back of securities has been made in compliance with the provisions of the Act and the rules made thereunder. Earlier, a certificate in Form No. SH.15 certifying that the buy-back of securities has been made in compliance with the provisions of the Act and the rules made thereunder was required to be annexed. Now MCA has removed the requirement to annex Form SH-15 along with SH-11. The main objective of the amendment to the Companies (Share Capital and Debentures) Rules, 2014 is to make the buyback process more transparent and more compliant by seeking additional disclosures in Form SH-7 and SH-8, which would lead to better transparency regarding the share capital structure and alteration of share capital.

### **Companies (Indian Accounting Standards) Amendment Rules, 2023**

- The Ministry of Corporate Affairs (MCA) issued a notification dated 31 March 2023 of the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective from 1 April 2023.
- The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023. As per the amended rules, a new para 39AG has been inserted in Indian Accounting Standards 101, which states that 'deferred tax related to assets and liabilities arising from a single transaction' shall apply for annual reporting periods beginning on or after 1 April 2023. Further para B14 has also been inserted which provides 'deferred tax related to leases and decommissioning, restoration, and similar liabilities. Various other amendments have also been notified. These rules shall be applicable from the financial year beginning on or after 1 April 2023.
- These changes aim to provide a clearer and more detailed picture of the company's affairs for shareholders, investors, and lenders, as material policies have a significant impact on the financial statement users' decision-making. Moreover, the guidelines on determining what constitutes material accounting policy information would further enhance transparency and improve the quality of financial reporting.
- It is now provided that at the time of transition to Indian Accounting Standards, a first-time adopter shall recognise a deferred tax asset and a deferred tax liability for all deductible and taxable temporary differences associated with right-of-use assets and lease liabilities and decommissioning, restoration, and similar liabilities.
- These amended rules are better aligned with International Financial Reporting Standards. The basic intent of the change is to ensure that only relevant and material information is shared in the financial statements, and it is not bulky, resulting in a better disclosure by the companies and better understanding of the financial statements.



**Companies (Removal of Names of Companies from the Register of Companies) Second Amendment Rules, 2023**

- The Ministry of Corporate Affairs (MCA) issued a notification dated 10 May 2023 of the Companies (Removal of Names of Companies from the Register of Companies) Amendment Rules, 2023 effective from 10 May 2023.
- MCA has inserted proviso in Rule 4, sub-rule (1) of the principal rules i.e. Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016 regarding submission of application to registrar, the company shall not file an application unless it has filed overdue financial statements and overdue annual returns, up to the end of the financial year in which the company ceased to carry its business operations. It is also provided that once a notice intimating the strike-off of a company has been issued by the authorities, a company shall not then be allowed to file an application for strike-off. This will for example make it more difficult for Directors, who have not had accounts and annual returns filed for years, escape disqualification at the last possible moment prior to notification of the resulting strike-off by the authorities.

**Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2023**

- The Ministry of Corporate Affairs (MCA) issued a notification dated 15 May 2023 of the Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2023 effective from 15 June 2023.
- The amendments specifically modify sub-rules (5) and (6) of rule 25 in the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The new sub-rules introduce provisions regarding objections, suggestions, and confirmation orders related to schemes of merger or amalgamation under section 233 of the Companies Act, 2013.
- Section 233 of the Companies Act, 2013 talks about Fast Track Merger between Holding Company and its Wholly owned Subsidiary; between two SMALL Companies as defined under the Companies Act, 2013. The introduction of a 60-day timeline for fast-track mergers through the MCA notification is a significant step towards ensuring the timely completion of merger applications in such cases.

**Companies (Accounts) second Amendment Rules, 2023**

- The Ministry of Corporate Affairs (MCA) issued a notification dated 2 June 2023 of the Companies (Accounts) Amendment Rules, 2023 effective from 31 May 2023.
- These provisions became effective on 2 June 2023. Rule 12 of the Companies (Accounts), 2014, has been amended. The amendment specifies that for the financial year 2022-2023, a separate filing of Form CSR-2 is required by the 31 March 2024 deadline. This filing of Form CSR-2 should be done after submitting Form No. AOC-4/Form No. AOC-4-NBFC (Ind AS)/Form No. AOC-4 XBRL, depending on the applicable case.
- The newly introduced form CSR-2 (report on Corporate Social Responsibility) is required to be filed by companies, which are required to report on the status of their Corporate Social Responsibility (CSR) activity. With the introduction of Form CSR-2 the authorities would use data analytics and artificial-intelligence to identify any irregularities in the adherence to, or misuse of, CSR norms.

For more information, go to:

- [Mazars in India website](#)
- [Latest news](#)



There is no update since the last Newsletter.

For more information, go to:

- [Mazars in Indonesia website](#)
- [Doing Business in Indonesia,](#)
- [Latest news](#)



## Japan

### 2023 updates

#### Immigration

- Since April 2023, Special Highly Skilled Personnel System (J-Skip) has been implemented. If the academic background/work experience/annual income exceed a certain level, the residential status of “Specially Highly Skilled Human Resources” is granted. Those who obtained this special status can receive better preferential treatments, as compared to the current Highly Skilled Personnel System.

For more information, go to:

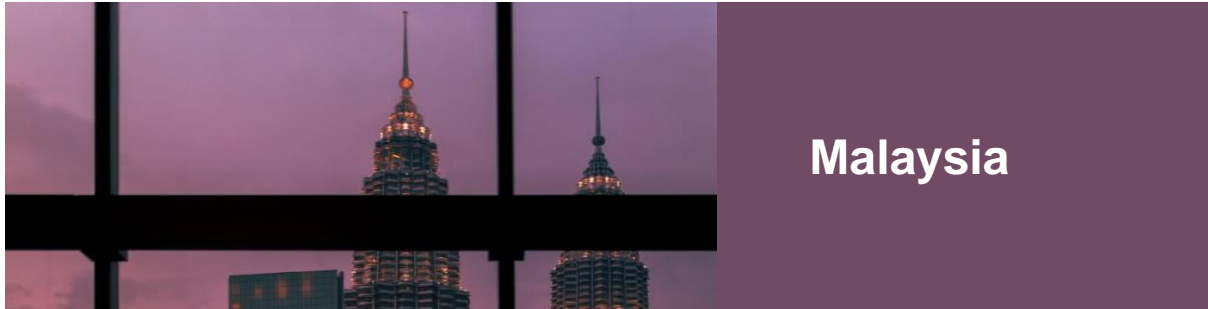
- [Mazars in Japan website](#)
- [Latest news](#)



There is no update since the last Newsletter.

For more information, go to:

- [Mazars in Korea website](#)
- [Latest news](#)



## 2023 updates

### Updated Section 28 Form and New Section 29(1) Form

- Suruhanjaya Syarikat Malaysia (“SSM”) had on 26 May 2023 issued the updated Section 28 Form and introduced a new Section 29(1) Form. Pursuant to Section 29, a company may be directed by the Registrar to change its name within 60 days even after incorporation if the Registrar has reasonable grounds to believe that such a name should not be registered.
- For further details, go to [Section 29\(1\) Form](#)

### SSM - Compliance by Exempt Private Company

- The Corporate Compliance Division of SSM issued e-postcards creating awareness amongst the directors and company secretaries of the exempt private company (EPC) of the following:
  - E-Postcard 1
    - Section 2 relating to the definition or conditions for a private company to qualify as EPC.
    - Section 47(1)(h), (2) & (3) relating to the requirement to keep a copy of the company's financial statements at the registered office.
    - Section 257(1) & (2) relating to the duty to circulate copies of Financial Statements and Reports.
    - Section 260(1) & (2) relating to the duty to lodge an EPC certificate.
    - Section 261(1) relating to lodgement of a statement signed by an auditor.
    - For further details, go to [E-Postcard 1](#)
  - E-Postcard 2
    - Section 245(1), (2), (3) & (4) relating to the duty to cause appropriate entries to be made in the accounting and other records within 60 days of the completion of the transactions and to retain them for 7 years.
    - For further details, go to [E-Postcard 2](#)

For more information, go to:

- [Mazars in Malaysia website](#)
- [Latest news](#)





## Philippines

### 2023 updates

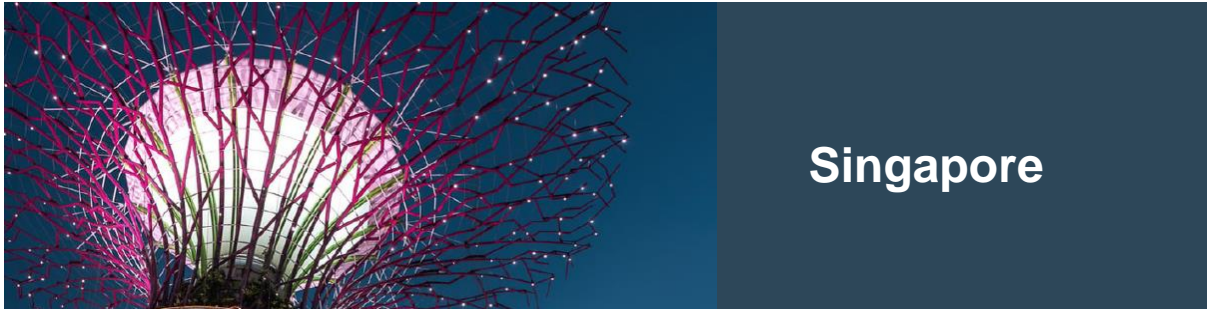
#### Amnesty Program of the Philippine Securities and Exchange Commission

- In March 2023, the Philippine Securities and Exchange Commission (SEC) issued Memorandum Circular No. 2 Series of 2023 (or the “SEC Amnesty”) available to all corporations who have not been compliant with their corporate filing responsibilities.
- The SEC Amnesty imposed a rate of PHP 5,000 to cover all the violations of corporations who have:
  - (1) Not filed the latest GIS and that of prior years
  - (2) Filed all the GIS late
  - (3) Not filed the latest AFS and that prior years
  - (4) Filed all the AFS late
  - (5) Not complied with MC28
- The list of corporations who could avail of the amnesty, was published by the SEC, which list also included suspended and revoked corporations.
- For revoked corporations, the amnesty rate is 50% of the assessed fines (encompassing all violations on non-filing and late filing of GIS and AFS and its attachments).
- Part of the application requirements include, among others, an Online Expression of Interest Form (“EOI”), a notarized Secretary’s Certificate (for local corporations) or Board Resolution or Power of Attorney of the Resident Agent (for foreign corporations).
- The annual corporate filing requirements include the General Information Sheet (“GIS”) and Annual Financial Statements (“AFS”). The GIS is required to be filed within 30 calendar days from the actual date of the annual stockholder’s meeting (for stock corporations) or membership meeting (for non-stock corporations) or 30 days from the anniversary date of the SEC License for foreign corporations. The AFS, on the other hand, is required to be filed on the date determined by the SEC depending on the last numerical digit of the corporation’s Registration or License. However, if the corporation’s fiscal year ends on a date other than 31 December, they may file their AFS within 120 days from the end of their respective fiscal years.
- The SEC Amnesty also extended to corporations who have not complied with the filing of the requirements under Memorandum Circular No. 28, S. 2020 (“MC28”). MC28 requires all corporations in the Philippines, whether local or foreign, to create and designate an official email address and mobile number.

- However, there were several corporations that were excluded from the coverage of the amnesty. These included publicly listed companies, corporations whose securities are registered with the Philippine Stock Exchange but are not listed, public companies, corporations with intra-corporate disputes, corporations with disputed GIS, and other corporations covered under the Securities Regulation Code.
- The original deadline was set for the end of April 2023, but due to the volume of the applications, the SEC has extended the deadline to 30 June 2023. This provided corporations with an additional two months to apply and to take advantage of the grant of amnesty program.

For more information, go to:

- [Mazars in Philippines website](#)
- [Latest news](#)



## 2023 updates

### Companies, Business Trusts and Other Bodies (Miscellaneous Amendments) Act 2023

- The Companies Act 1967 (CA), the Companies, Business Trusts and Other Bodies (Miscellaneous Amendments) Bill was passed by the Parliament on 9 May 2023. The Miscellaneous Amendments to the CA aims to promote a more pro-business environment whilst upholding market confidence and safeguarding public interest.
- Fully virtual or hybrid meetings
  - The Bill has amended the CA to enable the conduct of virtual company meetings which came into operation on 1 July 2023 and a new Section 173(J) to provide for the holding of meetings using virtual meeting technology, where wholly or partly.
  - The Bill also amends the Business Trusts Act 2004, the Variable Capital Companies Act 2018 and the Singapore Labour Foundation Act 1977 to permanently provide business trusts, variable capital companies and the Singapore Labour Foundation with the option to conduct fully virtual or hybrid meetings, consistent with amendments that have been made to the CA.
  - Virtual meeting technology is defined in Section 4(1) CA to mean “any technology that allows a person to participate in a meeting without being physically present at the place of meeting”.
  - The types of meetings which Section 173(J) will apply to:-
    - (a) an annual general meeting of a company;
    - (b) an extraordinary general meeting of a company;
    - (c) a statutory meeting of a company;
    - (d) a general meeting of an amalgamating company mentioned in section 215C or 215D of the CA;
    - (e) a meeting of a class of members of the company;
    - (f) where a Court directs, a meeting ordered by the Court under section 182 to the CA; and
    - (g) where a Court directs, a meeting of creditors, members of a company, holders of units of shares of a company, or a class of such persons, ordered by the Court under section 210 of the CA.
  - In addition, company can choose to hold fully virtual or hybrid company meetings, without having to amend their Constitution. This will give greater clarity as to whether companies may hold such meetings.
  - Shareholders’ rights are protected via a set of default rules that addresses how key shareholder rights such as the rights to attend, speak and vote are to be applied at a meeting held using virtual meeting technology under a new section 173J(4) of CA.

- The amendments also make it mandatory for companies to accept an appointment of a proxy that is made using electronic means, regardless of the company's constitution.
- For listed companies, SGX's Practice Note 7.5 on General Meetings provides detailed guidance to listed issuers on how virtual general meetings may be conducted (such as providing shareholders with the opportunity to ask written questions within a reasonable time prior to general meetings, and the safeguards required to validate votes).
- More details can be found at this [link](#)
- Threshold for compulsory acquisition of shares under Section 215 of CA
  - Under the amendment, shares held or acquired by the following persons are excluded from the computation of the 90% shareholders' approval threshold required for compulsory acquisition of shares under Section 215 of CA:
    - (a) Bodies corporate who are controlled by the offeror;
    - (b) Persons who are controlled or can be influenced by the offeror to approve of his offer, i.e., his close relatives, and bodies corporate controlled by such persons; and
    - (c) Persons who control the offeror and the bodies corporate controlled by such persons. This means that even if a person makes an offer through a special purpose vehicle, the person's shares will be excluded from the computation of the 90% threshold since the person also controls the special purpose vehicle.
- Disqualified directors allowed to apply to the Registrar for permission to act.
  - The amendment enhances the regime for disqualification under Section 155A of CA, including:
    - (a) Reducing the length of automatic disqualification for first-time offenders from 5 years to 3 years;
    - (b) Empowering the Registrar to grant leave to disqualified directors, in addition to directors' existing right to seek leave from the High Court; and
    - (c) Clarifying the disqualification provision which is that directors are disqualified so long as they have at least three companies struck off by Registrar.
- Increased penalties for failure to prepare and table financial statements in compliance with the prescribed accounting standards in Singapore.
  - The amendment increases the maximum punishment for offences pertaining to financial statements/profit and loss accounts of companies/foreign companies not giving a true and fair view and complying with the Accounting Standards to a maximum fine of \$250,000 (if there is no intent to defraud) and a maximum fine of \$250,000 and/or up to 3 years' imprisonment (if there is intent to defraud).

For more information, go to:

- [Mazars in Singapore website](#)
- [Latest news](#)



## Taiwan

There is no update since the last Newsletter.

For more information, go to:

- [Mazars in Taiwan website](#)





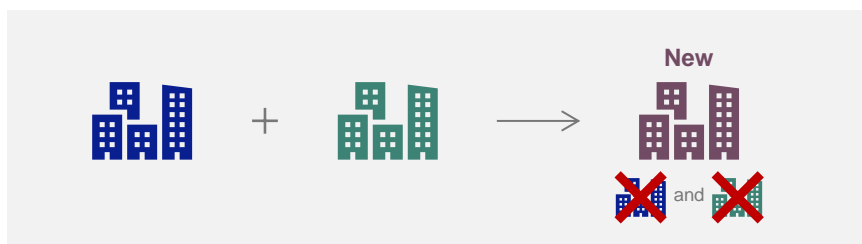
## 2023 updates

### Changes in the law regarding business combinations

- Several changes in the Civil and Commercial Code (“the CCC”) became effective on 7 February 2023. These include minimum requirements for promoters and shareholders for incorporating a limited company, as well as changes in business combinations for limited companies in Thailand.
- Previously, while amalgamations were allowed, mergers were not. However, the recent changes in the CCC now allow mergers as well. We set below more details, including changed or new provisions that apply to amalgamations and mergers.

- Amalgamation

- The CCC still allows two or more companies to be amalgamated into a new company, with the amalgamating companies being dissolved, and a new company being incorporated.



- Merger

- The CCC now also allows two or more companies to be combined, with one company being the surviving legal entity, with the others being dissolved (A + B = A or B). Under this structure, the surviving company takes over the dissolved company’s assets, rights, and liabilities.

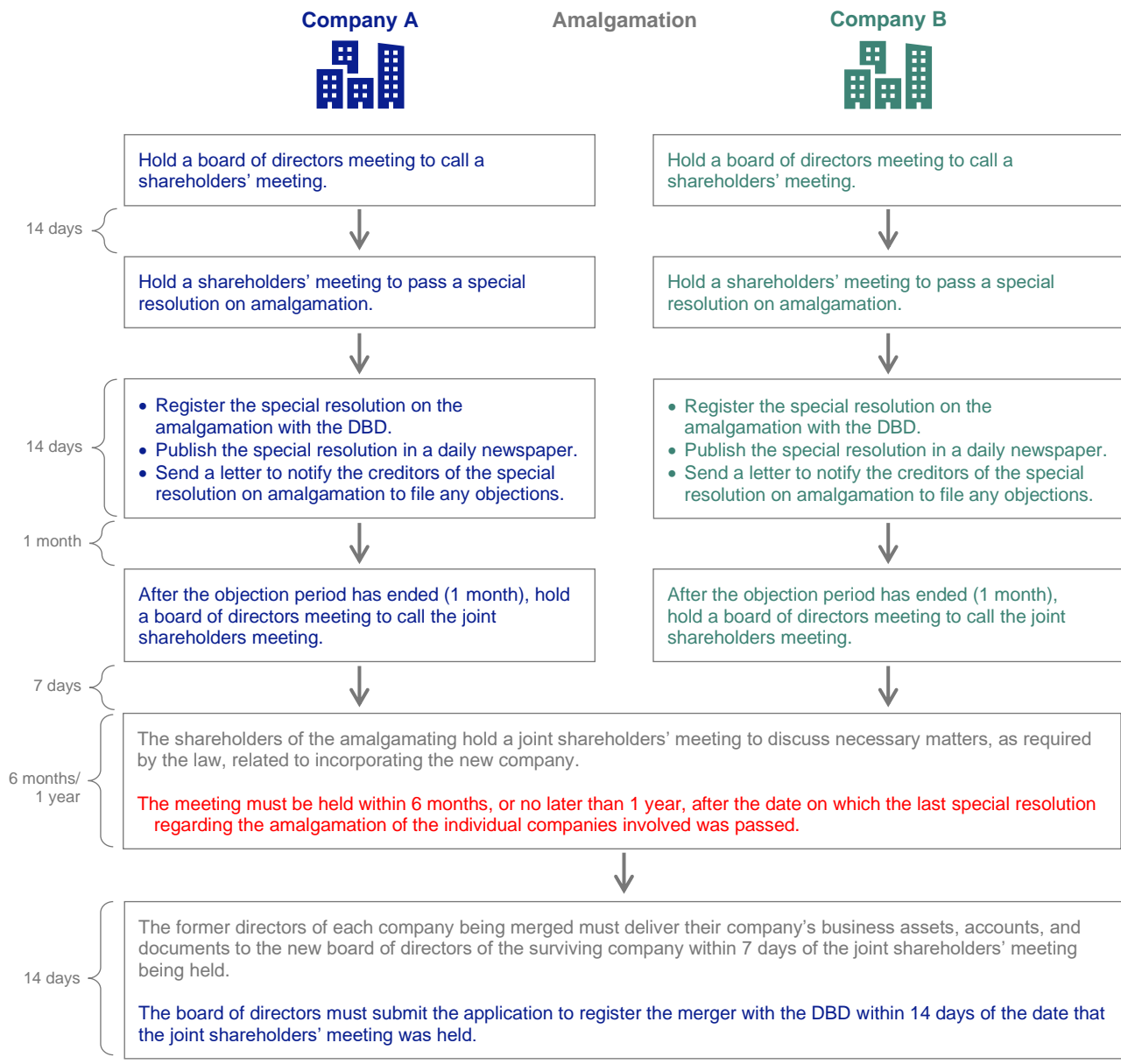


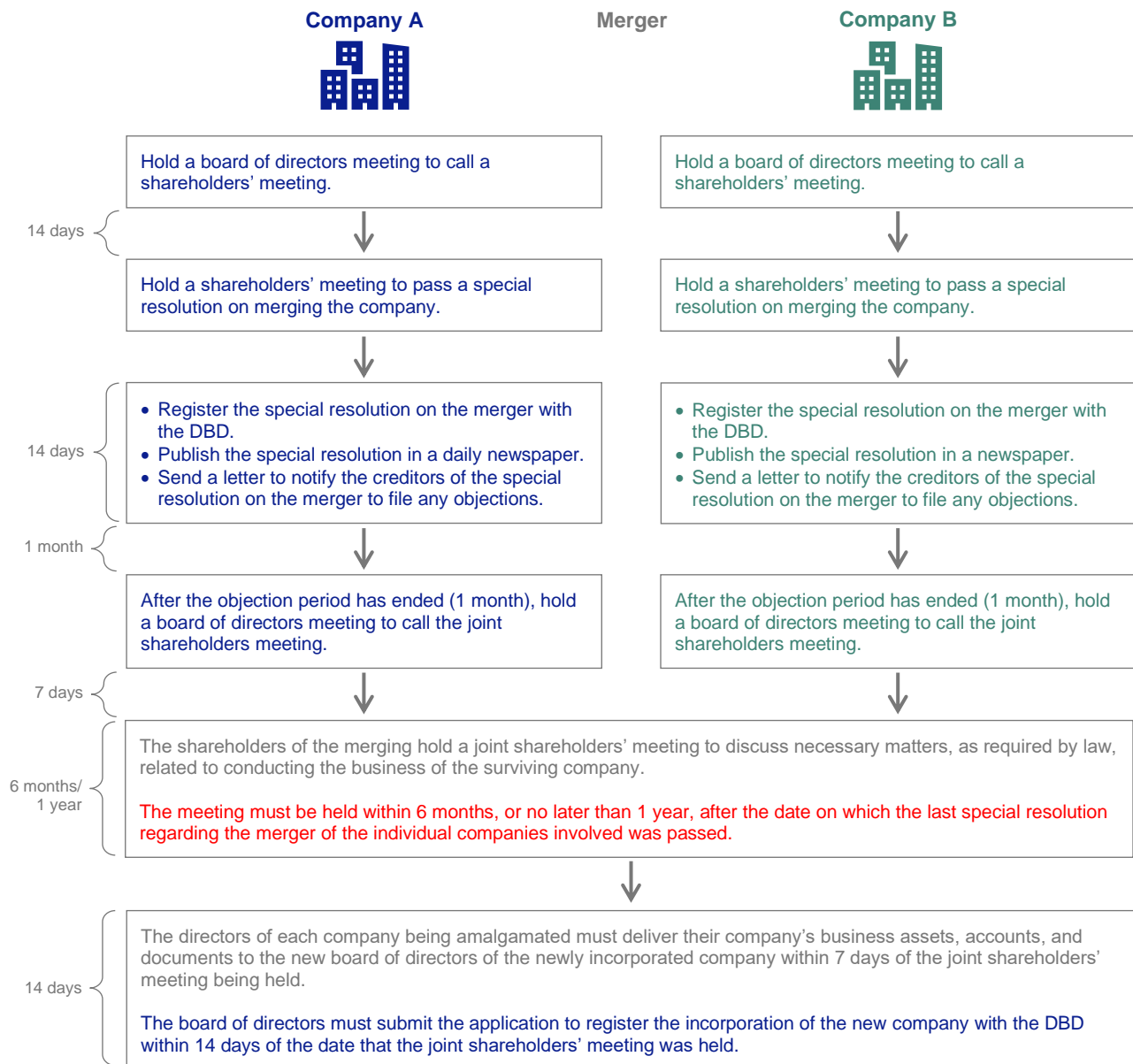
- The CCC also changed or added certain provisions related to amalgamations and mergers, as follows:

Matters	Details	Remarks
1. <b>Buyout of shares of objecting shareholders</b>	<ul style="list-style-type: none"> <li>Companies can find suitable buyers to buy out the shares of shareholders who object to the amalgamation or merger. The price of the shares to be sold must be agreed on between the buyer and the objecting shareholder.</li> <li>If the objecting shareholder and the buyer cannot agree on the sale price for the shares, the company must appoint an appraiser to evaluate the shares in accordance with the criteria to be set out in a Ministerial Regulation of the Ministry of Commerce (these criteria have not yet been issued).</li> <li>The prospective buyer must issue a written offer to the objecting shareholder specifying the price to be paid for the shares. The objecting shareholder must accept or reject this offer within 14 days of receiving it.</li> <li>If the objecting shareholder refuses to sell the shares to the buyer within this 14-day period, the company can proceed with the amalgamation or merger, and the objecting shareholder will become a shareholder of the amalgamated or merged company.</li> </ul>	This is a new provision.
2. <b>Objection period for creditors</b>	<ul style="list-style-type: none"> <li>After the shareholders pass a resolution to amalgamate or merge the companies, the companies must publish the resolution in a daily newspaper and notify their creditors of such a resolution in writing within 14 days of the date on which the shareholders passed the special resolution.</li> <li>Objections by creditors must be made within one month of the date on which the creditor received notice of the resolution being passed by the shareholders.</li> </ul>	The objection period was reduced from 60 days to 1 month.
3. <b>Holding a joint shareholders' meeting</b>	<ul style="list-style-type: none"> <li>After the objection period has ended, the directors of the companies to be amalgamated or merged must call a joint shareholders' meeting to consider the following matters: <ul style="list-style-type: none"> <li>The name of the new or surviving company. This can be a new name or the name of one of the companies being amalgamated or merged.</li> <li>The business objectives of the new or surviving company.</li> <li>The share capital of the new or surviving company. <b>The share capital must not be less than the share capital of the companies being amalgamated or merged.</b></li> <li>The allocation of shares to the shareholders.</li> </ul> </li> </ul>	This is a new provision.

Matters	Details	Remarks
	<ul style="list-style-type: none"> <li>○ The memorandum of association of the new or surviving company.</li> <li>○ The articles of association of the new or surviving company.</li> <li>○ The election of directors of the new or surviving company.</li> <li>○ The appointment of the auditor of the new or surviving company.</li> <li>● The joint shareholders' meeting must be convened within <b>6 months</b> of the date on which the last special resolution regarding amalgamation or merger of the individual companies involved was passed. If the joint shareholders' meeting is postponed until after the six-month period for some reason, it must be held no later than one year after the last special resolution regarding amalgamation or merger of the individual companies involved was passed.</li> </ul>	
<p><b>4. Forming a quorum and voting at the joint shareholders' meeting</b></p>	<ul style="list-style-type: none"> <li>● In order for a quorum of the joint shareholders' meeting to be formed, shareholders holding at least 50% of the total number of shares in each of the companies to be amalgamated or merged must be present.</li> <li>● Resolutions of the joint shareholders' meeting must be passed by a majority vote of the shareholders attending the meeting, unless they agree otherwise at the meeting.</li> </ul>	<p>This is a new provision.</p>
<p><b>5. Duties of the directors of the companies being amalgamated or merged</b></p>	<ul style="list-style-type: none"> <li>● The directors of each company being amalgamated or merged must deliver their company's business assets, accounts, documents, and evidence of the company to the board of directors of the new or surviving company within 7 days of the joint shareholders' meeting being held.</li> </ul>	<p>This is a new provision.</p>

- Timeline for amalgamation and merger





For more information, go to:

- [Mazars in Thailand website](#)
- [Latest news](#)





## Vietnam

There is no update since the last Newsletter.

For more information, go to:

- [Mazars in Vietnam website](#)
- [Latest news](#)

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