

Amendment to the Public Limited Companies Act Coming into Full Effect

Linda O., Partner; Saithip M., Partner & Duangpanomporn C., Senior Associate

Further to our previous article published on 16 March 2022, the Public Limited Companies Act B.E. 2535 has now been amended by the Public Limited Companies Act (No. 4) B.E. 2565 (2022) as published in the Government Gazette on 23 May 2022 and is now **coming into full effect on 24 May 2022** (the “PLCA Amendment”).

With this amendment, public limited companies will have increased flexibility in conducting corporate arrangement procedures through electronic media and electronic systems, such that meeting attendees can attend meetings remotely from any place and meetings can be conducted at lower costs.

The key aspects of the PLCA Amendment are as follows:

1. Companies may advertise or publish their statements via public electronic means instead of via newspapers and other written media (*S.3 of the PLCA Amendment*). The purpose of this amendment is to provide an alternative channel to the public limited companies, who are currently required to provide a notification, notice or advertisement of any statement related to them only via the written media of Thai daily newspapers.
2. Companies or board of directors may send letters or documents to directors, shareholders or creditors of the companies through electronic means *provided that* the intentions or consents to receive such letters or documents are given to the companies by those receivers (*S.4 of the PLCA Amendment*).
3. Unless prohibited in the Articles of Association, a board of directors’ meeting and a shareholders’ meeting can be held via electronic means in accordance with the laws on electronic meetings. In such case, the principal business office shall be considered as the meeting venue of such electronic meeting (regardless of where the meeting physically takes place). **In addition**, the meeting venue shall be considered the principal business office or in nearby provinces, or unless otherwise provided in the Articles of Association, as long as it is in the Kingdom of Thailand (*S.5, S.9 and S.10 of the PLCA Amendment*).
4. Where there is a reasonable cause or it is deemed necessary to do so in order to protect rights or benefits of the company, at least two directors may request the Chairman to call for a board of directors’ meeting stipulating the matters and reasons to be proposed to a meeting. In such case, the Chairman must call for a board of directors’ meeting to be held within 14 days as from the date of receipt of request. Where a Chairman fails to do so, such requesting directors can directly call for a board of directors’ meeting within 14 days after the expiration of previously mentioned duration (*S.6 of the PLCA Amendment*).
5. The Vice President can call for a board of directors’ meeting in the case of the absence of the Chairman of the board of directors or, in the case of the absence of both the Chairman and the Vice President, at least two directors can call for a board of directors’ meeting (*S.7 of the PLCA Amendment*).
6. Only three days’ notice prior to a board of directors’ meeting is required. In addition, in the case of necessity or urgency for the purpose of protecting rights or benefits of companies, a summons of a meeting can be sent through an electronic or other means and a shorten period of notice may be sent (*S.8 of the PLCA Amendment*).

7. Notice about the shareholders' meeting which is requested by shareholders can be sent through an electronic means provided that such shareholders have declared their intentions or gave consent to the companies or the board of directors to receive notice via electronic means (*S.11 of the PLCA Amendment*).
8. Appointment of proxy may be done via electronic means (e-proxy) with safe and credible methods (*S.12 of the PLCA Amendment*).

Finally, please note that the Department of Business Development, Ministry of Commerce is now preparing the draft notifications in which relevant requirements and criteria are stipulated to be in accordance with the PLCA Amendment (the “**DBD Notifications**”). We anticipate that the DBD Notifications will be issued in June 2022 and will keep you updated on the progress of the DBD Notifications.

For more information, please contact:

Linda Osathaworanan | Partner: linda@siampremier.com

Saithip Mansri | Partner: saithip@siampremier.com

Duangpanomporn Chupikulchai | Senior Associate:

Duangpanomporn@siampremier.com

Or Tel: +66 2 646 1888



**SIAM PREMIER
INTERNATIONAL LAW OFFICE LIMITED**

26/F The offices at Central World No. 999/9
Rama I Road, Pathumwan, Bangkok 10330

Tel: +66 (0) 2646 1888

Email: spi-info@siampremier.com