COMPANY LIQUIDATION

Winding up of a private limited company in Thailand takes longer time than registering it. The Civil and Commercial Code ("**CCC**") of Thailand is the main legislation that sets out the requirements and procedures for winding up of the company as summarized below. The Articles of Associations of the company and the Shareholders Agreement (if any) made amongst the shareholders of the company may also set out requirements in addition to those under the CCC.

Dissolution

1. A Board of Directors meeting is called and convened to approve dissolution of the company and to call an extraordinary general meeting ("**EGM**") of the shareholders to approve dissolution of the company.

2. The EGM passes a special resolution (affirmative votes not less than 75% of the total votes of the shareholders attending the EGM and eligible to cast the votes) to dissolve the company, appoint one or more of its directors as its liquidator, and appoint an auditor to audit its liquidation financial statements ("**LFS**").

3. Within 14 days from the EGM date approving the dissolution ("**EGM Date**"), the liquidator registers the dissolution of the company ("**Dissolution Registration Date**") with the Department of Business Development ("**DBD**") of the Ministry of Commerce and send a dissolution notice to all the creditors of the company by registered mail for them to claim for payment of the debts owed them by the company, and publish the dissolution notice in a newspapers.

4. The liquidator notifies the Social Security Office ("**SSO**") and the Revenue Department ("**RD**") of the company dissolution after registering the dissolution with the DBD.

5. The RD may ask the DBD to suspend the registration of the company liquidation completion until after the RD has completed a tax liability investigation (if any) against the company.

Liquidation

6. After the completion of the dissolution is registered with the DBD, the liquidator must manage the affairs of the company, settle its debts, sell or otherwise dispose of its assets, arrange for preparation and audit of its LFS covering for the period from the first date of its fiscal year in which the liquidation is made up to the EGM Date or the Dissolution Registration Date, and file the audited LFS with the RD within 150 days from the Dissolution Registration Date ("**Liquidation Matters**"). For example, if the fiscal year is from 1st January to 31st December, the EGM Date is 4th June 2024 and the Dissolution Registration Date is 5th June 2024, the LFS can cover the period from 1st January 2024 to 4th or 5th June 2024. The LFS period can be shorter than the full 12 months' period of the annual financial statements.

7. Every period of 3 months from the EGM Date, the liquidator must file a quarterly liquidation report to the DBD to report the progress of the liquidation progress.

8. The liquidator must call another EGM to approve the audited LFS and the report of the liquidator on the Liquidation Matters, file the audited LFS with the DBD and register the completion of liquidation with the DBD within 14 days from the EGM date approving the audited LFS and the completion of the liquidation.

9. After completion of the liquidation completion, the liquidator must arrange for all the books and accounts (documents) of the company to be retained in Thailand for 10 years for potential investigations by official authorities.

Bankruptcy Proceedings

10. If the final audited LFS shows that the company is insolvent, i.e. its liabilities are higher than its assets, the liquidator must file a petition with the Central Bankruptcy Court for the court to adjudge the company bankrupt and have it liquidated under the bankruptcy proceedings.

Dormant Company

11. If a dormant company is not liquidated, the DBD may send a letter to it to inquire whether or not it is still operating. If the company does not respond, the DBD will include its name in the list of dormant companies, have the list published in a newspapers and the website of the DBD, send another letter to the company to notify that the company will be deleted from the Companies Register, and then strike off the company's name from the Companies Register.

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