

SEC's public hearing on proposed principles and draft regulations on Approval of Newly Issued Shares by Holding Company

The Securities and Exchange Commission, Thailand (SEC) is seeking public comments on proposed principles and draft regulations on holding company to demonstrate a mechanism for supervising its subsidiary and associate company. The proposed principles and draft regulations aim to enhance a flexibility of investing in subsidiary and associate companies, summarized as follows:

1. Allowing the holding company to appoint directors of its subsidiary or associate company operating core businesses (“subsidiary or associate company”) lower than its shareholding proportion; however, there should be mechanism that enable the holding company to control such subsidiary and associate company according to shareholding proportion.

2. Adding a channel for the holding company to be able to appoint any of its qualified persons, from the name list approved by the holding company’s board of directors, to be the directors of the subsidiary or associate company.

3. Cancelling the regulations on the holding company appointing the executives of its subsidiary or associate company based on the shareholding proportion. The subsidiaries’ board of directors should participate the selection of persons qualified for each position.

For more details of this public hearing, please visit www.sec.or.th/hearing. Stakeholders and interested parties are welcome to give comments and/or suggestions via the website or email: corporat@sec.or.th. The consultation period ends on March 2, 2023.
