

**Public Limited Companies Act (No. 2), B.E. 2544 (2001)**

Translation

His Majesty the King Bhumibol Adulyadej  
Given on the 23rd Day of June, B.E. 2544 (2001)  
Being the 56th Year of the Present Reign

His Majesty the King Bhumibol Adulyadej is graciously pleased to proclaim that:  
Whereas it is deemed expedient to revise "the Public Limited Companies Act, B.E. 2535;  
This Act contains certain provisions which restrict individual rights and freedoms, which may be implemented by virtue of the provisions of the law stipulated in Section 29, with further reference to Section 48 of the Constitution of the Kingdom of Thailand;  
Be it, therefore, enacted as an Act by H.M. the King, by and with the advice and consent of Parliament as follows:

**Section 1**

This Act shall be called the "Public Limited Companies Act (No. 2), B.E. 2544".

**Section 2**

This Act shall come into force from the next date of its publication in the Government Gazette.

**Section 3**

The provision of Section 50 of the Public Limited Company Act, B.E. 2535 shall be repealed and replaced by the following:

"Section 50

Each share of a public limited company shall be equal in value."

**Section 4**

The following shall be added as Section 54/1 of the Public Limited Companies Act B.E. 2535:

"Section 54/1

The provision of Section 54 paragraph two shall not apply to a company under a debt restructuring process whereby new shares are to be issued for repayment of debts owed to its creditors in accordance with the debt to equity conversion scheme which was approved by a resolution of the shareholders meeting with a vote of at least three quarters of the total votes of the shareholders who attend the meeting and are entitled to vote.

The issue of new shares for debt repayment and the debt to equity conversion scheme in accordance with paragraph one shall follow the rules and procedures as prescribed in the Ministerial Regulation."

**Section 5**

The following shall be added as Section 66/1 of the Public Limited Companies Act B.E. 2535:

"Section 66/1

The provision of Section 66 regarding a company not buying its own shares shall not apply in the following circumstances:

- (a) company may repurchase its own shares from dissenting shareholders who vote against a shareholders' resolution at a shareholders' meeting approving an amendment to the articles of association of the company in respect of voting rights and the right to receive dividends which, in their opinion, is considered unfair; or
- (b) a company may repurchase its own shares for financial management purposes when the company has accumulated profits and excessive liquidity, provided that the share repurchase will not cause financial trouble to the company.

Shares respectively held by the company shall not be counted towards forming a quorum for a shareholders' meeting and shall carry no voting right as well as no right to receive dividends.

The company shall dispose of the repurchased shares in paragraph one within the time prescribed in the Ministerial Regulation. If the company fails to do so or is unable to complete the disposition within the prescribed time, the company shall reduce its paid-up capital by writing off such unsold shares.

The share repurchase in paragraph one and the disposition of repurchased shares and the shares written off in paragraph three shall follow the rules and procedures as prescribed in the Ministerial Regulation."

### **Section 6**

The following shall be added as paragraph two of Section 102 of the Public Limited Companies Act, B.E. 2535:

"Voting as referred to in paragraph one, which provides that one share, is entitled to one vote, will not be applicable in the case where the company issues preference shares with a voting right less than that of ordinary shares."

### **Section 7**

The provision of Section 119 of the Public Limited Companies Act B.E. 2535 shall be repealed and replaced by the following:

"Section 119

Where approval at a shareholders meeting has been granted, a company may transfer reserve funds referred to in Section 51 or Section 116 or other reserve funds to compensate for the accumulated losses of the company. The compensation of the accumulated losses in paragraph one will be deducted from other reserve funds first. After that, it will be deducted from reserve funds referred to in Section 116 and Section 51, respectively."

### **Section 8**

The provision of Section 139 of the Public Limited Companies Act, B.E. 2535 shall be repealed and replaced by the following:

"Section 139

A company may reduce its capital, which was registered by either lowering the par value of each share or, by reducing the number of shares.

However, the capital of the company shall not be reduced to less than one quarter of its original total capital amount.

In the case where the company has accumulated loss and it has already been compensated according to Section 119, if it still retains the accumulated loss, the company may reduce its capital to less than one quarter of its original total capital amount.

The reduction of the par value or number of shares in the first and second paragraphs to any amount and by any procedures may be by a resolution of the shareholders with a vote of not less than three quarters of the total number of

votes of the shareholders who attend the meeting and are entitled to vote, provided that the company shall apply to register such resolution within fourteen days of the date on which the meeting passes such resolution."

Countersigned by

Pol. Lt. Col. Thaksin Shinawattana

Prime Minister

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