

# Thailand

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#### 1 What types of debt securities offerings are typical, and how active is the market?

The Thai debt market is comparatively small when compared with the market for bank loans and equity. However, it is active and developing with various types of debt instruments.

Debt securities in Thailand mainly comprise bonds (which normally refer to government, state agency or state-owned enterprise debt securities) or debentures (which normally refer to debt securities issued by private companies). Corporate debentures are issued by both public limited companies and limited companies. Other varieties include convertible debentures, exchangeable debentures, Basel III subordinated debentures, securitised debentures, perpetual debentures and foreign debentures.

While a wide range of issue types is possible, typical corporate domestic issues are fixed-rate with bullet repayment at maturity.

According to information from the Thailand Financial Instruments Information Center, as of 31 December 2015, the amount of outstanding debt securities of Thai issuers in the domestic market was approximately 9,724 billion Thai Baht (comprising 2,689 issuances), and of Thai issuers in overseas markets approximately 665 billion Thai Baht (comprising 120 issuances).

The information provided in this chapter focuses mainly on the general requirements for an offer of debt securities for sale in Thailand, and not other types of offering.

#### 2 Describe the general regime for debt securities offerings.

The general regime for debt securities offerings in Thailand is contained in the Securities and Exchange Act (1992), as amended (SEC Act), the Public Limited Company Act (1992), as amended, the Civil and Commercial Code, as amended, and, more importantly, regulation No. 9/2552 on the application and approval on offer for sale of newly issued debt instruments (as amended) issued under the SEC Act.

The main authorities which have key roles in formulating policy and regulating the Thai bond markets are the Ministry of Finance (MOF) and the Office of the Securities Exchange Commission (SEC Office). The MOF is responsible for the country's fiscal policy and the management of the public debt: this involves the formulation of a policy framework and the structuring of government bond issuance. The MOF is the key authority to push for reform and implementation of laws to influence the bond market such as tax laws. The SEC Office is the regulator of the capital markets, supervising the offering of securities and regulating those carrying on securities businesses, such as underwriters and financial advisers. The most significant industry group in Thailand in this area is The Thai Bond Market Association (ThaiBMA), previously the Bond Dealers Club, established with the objective to establish a basic system of trading debt securities among traders in the secondary market and encourage the development of the market. The ThaiBMA focuses on being an information centre for debt securities for investors and other functions such as surveillance and establishing market standards.

#### 3 Give details of any filing requirements for public offerings of debt securities. Outline any requirements for debt securities that are not applicable to offerings of other securities?

An offer of debentures on a public offering basis requires approval from the SEC Office, and the filing of a registration statement and draft prospectus with the SEC Office, which must become effective before an offer can be

made. In practice, the SEC Office reviews and checks the accuracy of the registration statement and draft prospectus before they become effective.

The application for approval and the filing can be made to the SEC Office at the same time but the registration statement and draft prospectus will become effective only after the approval from the SEC Office is obtained.

The SEC Office has the power to require disclosure of additional documentation and to have the registration statement and prospectus amended if it considers that they are incomplete or misleading. In practice, the SEC Office carries out a detailed review of the registration statement and prospectus for a public offering in order to protect the interests of investors.

#### 4 In a public offering of debt securities, must the issuer produce a prospectus or similar documentation? What information must it contain?

As outlined in question 3, the issuer is required to produce and file a prospectus in the case of a public offering of debt securities.

The draft prospectus must be in the form specified by the relevant notification of the SEC Office: the draft prospectus for public offerings requires more detailed information than that for private placements. The information in the draft prospectus is very similar to that required in the registration statement, which includes the following:

- objectives of the offer for sale;
- name of issuer;
- capital of the issuer;
- amount and type of debentures offered for sale;
- expected selling price per unit;
- nature of business;
- financial condition, business operations and material information on business;
- management and major shareholders of the issuer;
- auditors, regularly contacted financial institutions and legal advisors of the issuer;
- procedure for subscription, underwriting and allocation of debentures;
- rights and restrictions related to the transfer of debentures (if any);
- return (interest) on the debentures;
- property or other collateral as security (if any);
- debenture holders' representative (if any);
- encumbrances on the property of the issuer (in the case of unsecured debentures);
- outstanding amount of previous debt securities;
- procedure, time and place of repayment;
- procedure for conversion of rights (if any); and
- other information as required.

#### 5 Describe the drafting process for the offering document.

The drafting process for the registration statement and draft prospectus on domestic offerings principally involves the issuer and the underwriter. In most cases, the issuer is already a public company whose shares are traded on the Stock Exchange of Thailand. Therefore, the issuer already has a yearly registration statement (called Form 56-1) updated and filed with the SEC Office and the Stock Exchange of Thailand each year. The contents of the registration statement and draft prospectus would largely contain the same information as that contained in the Form 56-1 with updated information and additional information such as management discussion and analysis. Lawyers are generally not involved with the business description

and would mainly focus on legal matters, such as the terms and conditions of the debentures governing the rights and obligations of the issuer and debenture holders (Terms and Conditions) and certain risk factors. The normal timeline for the drafting process is one to two months (excluding any due diligence process).

There are no particular documentation issues and no legal thresholds to help with disclosure. Form 56-1 requires disclosure of disputes that involve an amount of not less than 5 per cent of shareholder equity. In practice, although the registration statement and draft prospectus for Institutional Investors and High Net Worth Investors (II&HNW) placements require less information than those for public offerings, they are materially in the same form as those prepared for a public offering (PO) (see question 10).

**6 Which key documents govern the terms and conditions of the debt securities? Who are the parties to such documents? How can such documents be accessed?**

The Terms and Conditions comprise the terms and conditions of the debt securities. The issuer is required to sign the Terms and Conditions in order for them to become effective on the issue date of the debentures. Copies are kept with the issuer, the registrar, the debenture holders' representative and the SEC Office and are open to inspection by debenture holders.

The Terms and Conditions themselves are provided in the registration statement and draft prospectus. Key terms of the Terms and Conditions consist of the commercial terms (eg, interest rate, interest payment dates, maturity date), the covenants of the issuer (eg, financial ratios, negative pledge, restrictions on disposals of assets), the time, procedure and place for payment, events of default (eg, payment default, technical default, cross default, insolvency event), consequences of default (eg, immediate payment), procedure for debenture holders' meetings, appointment of debenture holders' representative (if any) and the form of debenture certificate (if any).

**7 Does offering documentation require approval before publication? In what forms should it be available?**

As outlined in question 3, an offer of debentures on a public offering basis requires approval from the SEC Office and the filing of a registration statement and draft prospectus with the SEC Office, which must become effective before an offer can be made. The SEC Office requires a file to be submitted electronically, which is then made public through being posted on the SEC Office's website with a printed version delivered to the SEC Office.

**8 Are public offerings of debt securities subject to review and authorisation? What is the time frame for approval? What are the restrictions imposed, if any, on the issuer and the underwriters during the review process?**

As mentioned in question 7, a public offer of debentures requires approval from the SEC Office.

Under the manual for the approval process issued by the SEC Office pursuant to the Facilitation Process Act (2015), the SEC Office has fixed 75 days as the maximum time for the approval process.

Once approval from the SEC Office is obtained, the SEC will issue a letter confirming its receipt of a complete registration statement and draft prospectus. In practice, if the registration statement and draft prospectus is not complete or omits certain information, the SEC Office will not issue the letter.

The registration statement and draft prospectus will become effective after the lapse of one, five or 10 business days (normally called a cooling-off period) after the date on which the SEC Office has issued the letter to start the cooling-off period.

The issuer and the underwriter can offer the debentures (including through advertisements and sending invitations) only after the registration statement and draft prospectus become effective.

The one-business-day period applies in the case of an offer of debentures on the basis of the standard terms and conditions prescribed by the SEC Office or the same terms and conditions as previous issue(s) within one year. The five-business-days period applies in the case of an offer of debentures not on the basis of the standard terms and conditions prescribed by the SEC Office. The 10-business-days period applies in the case where the SEC Office requires the issuer to disclose additional information in the registration statement and draft prospectus.

Further, the offer for sale of debentures on a public offer basis can be made only when the prospectus is distributed to investors, or in the case of an II&HNW placement (see question 10), at least with a factsheet. In practice, the prospectus is in printed or CD-ROM form and is delivered to investors with the subscription form attached.

**9 On what grounds may the regulators refuse to approve a public offering of securities?**

Generally, the SEC Office can withhold approval until it is satisfied with the information provided. It is also empowered to suspend the effectiveness of a registration statement and draft prospectus if the information in the registration statement and draft prospectus is inaccurate or misleading or new relevant information has come to light.

**10 How do the rules differ for public and private offerings of debt securities? What types of exemptions from registration are available?**

A private offering of debentures does not require approval from the SEC Office. A private offering in this regard means: an II&HNW placement; an offer to not more than 10 investors in any four-month period (a 'PP10 placement'); an offer to creditors in a debt restructuring; and an offer made with a waiver from the SEC Office (collectively the 'private placement basis').

The offer is deemed approved by the SEC Office when the issuer registers the transfer restriction with the SEC Office.

Except for an II&HNW offering, an offering on a private placement basis does not require a filing. Nor does an offer where the entire issue is to foreign investors.

An offer of debentures to II&HNW needs the filing of a specific registration statement (Form 69-DEBT-II&HNW) and draft prospectus.

An offer of debentures to the public needs the filing of a specific registration statement (Form 69-DEBT-PO) and draft prospectus.

As mentioned in questions 4 and 5, the registration statement and draft prospectus for public offerings require more detailed information than those for private placements and the SEC Office will review them much more carefully.

**11 Describe the public offering process for debt securities. How does the private offering process differ?**

The public offering process for debentures starts with the internal approval procedures of the issuer: for a Thai public limited company, a shareholders' resolution for the issuance and offer for sale of debentures is required. The following is a typical process which can be adjusted on a case-by-case basis to suit the requirements of the issuer and structure of the debentures.

**Mandate for underwriter, legal advisor and financial advisor (if any)**

A financial advisor is generally not required, particularly if the debentures are issued by a listed company or made to II&HNW or made on a private placement basis.

An underwriter would generally be engaged to assist on document preparation with respect to corporate and financial matters, due diligence and with applying for a credit rating and marketing the debentures. The mandate letter or proposal with the indicative terms and structure of debentures will be submitted to the issuer to kick off the transaction.

A legal advisor as deal counsel (for the issuer, underwriter, registrar and debenture holders' representative) in the case of a domestic offering will need to be engaged at the very beginning of the transaction. The legal advisor will help with the issuer's corporate approval process and the preparation of the Terms and Conditions, and advise on the mandate letter and other related agreements (eg, underwriting agreement, registrar appointment agreement, debenture holders' representative appointment agreement) and the filing of documents. The legal advisor would normally perform due diligence to ensure that there are no impediments to the issue (negative pledges, etc).

**Filing preparation**

For domestic offerings, lawyers are not much involved in the due diligence process. This is normally conducted by the underwriters concurrently with the preparation of the filings, to ensure the accuracy of the registration statement and draft prospectus. In addition, as outlined in question 5, in most cases, the issuer is a public company whose shares are traded on the Stock Exchange of Thailand. Therefore, the issuer already has a yearly

registration statement (Form 56-1) updated and filed with the SEC Office each year. The contents of the registration statement and draft prospectus for the offering of the debentures requires similar information to that contained in Form 56-1, with updated information and certain additional information such as management discussion and analysis.

Once the structure of the debentures is finalised and the application and filing documents (including the Terms and Conditions) are available for submission to the SEC Office, a credit rating agency will be involved.

### Marketing and pricing

After applying for approval and submission of the filing documents, the underwriting agreement will be signed after a period for marketing and book building, which is conducted on the basis of a draft prospectus.

When the application has been approved and the filing documents have become effective, the prospectus together with subscription form will be distributed to investors. The allocation and subscription process will be described in the prospectus.

### Settlement and closing

On the issue date of the debentures, the subscription monies received by the underwriters will be transferred to the issuer against the issue of debentures to the subscribers who have received allotments. The Terms and Conditions, registrar appointment agreement and debenture holders' representative appointment agreement are executed to be effective from the issue date.

The underwriter will assist the issuer to submit details of debenture holders to the registrar to prepare the register and to issue debenture certificates or inform the Thailand Securities Depository Co (TSD) (a subsidiary of the Stock Exchange of Thailand (SET) providing securities depository services) of the identity and holdings of the debenture holders in the case of debentures issued in scripless form (see further question 23).

A sales report will be made to the SEC Office and the debentures will be registered with the ThaiBMA (see question 2).

### 12 What are the usual closing documents that the underwriters or the initial purchasers require in public and private offerings of debt securities from the issuer or third parties?

For a domestic offering, a legal opinion on the corporate authority of the issuer is required and in some cases covers the validity and legal and binding nature of the documentation. However, closing certificates and auditors' comfort letters are not required in a domestic offering.

### 13 What are the typical fees for listing debt securities on the principal exchanges?

The fees to be paid to the SEC Office include a first-time application fee and a fee for each issue. The fees are currently as follows:

- first-time application: 30,000 Thai Baht (approximately US\$ 860); and
- filing (each issuance):
  - for private placements (PP): 50,000 Thai Baht (approximately US\$ 1,430) per tranche; and
  - for public offerings (PO): a percentage varying according to issue size, from 30,000 Thai Baht (approximately US\$ 860) to 500,000 Thai Baht (approximately US\$ 14,285) per tranche.

The exact fees will vary depending on the nature of the debt securities.

### 14 How active is the market for special debt instruments, such as equity-linked notes, exchangeable or convertible debt, or other derivative products?

In recent years, apart from the securitised debentures of the Secondary Mortgage Corporation (a state enterprise that has issued securitised debentures every year for more than eight years), special debt instruments are rarely issued in the market. Several perpetual debentures and subordinated debentures have been issued while convertible debentures and exchangeable debentures have been issued outside Thailand. Convertible debentures are mostly issued domestically in private placements to strategic investors only.

### 15 What rules apply to the offering of such special debt securities? Are there any accounting implications that the issuer should be aware of?

Additional rules may apply to the issue of special debt securities prescribed by the relevant authorities (eg, MOF, BOT and the SEC Office). There are no particular accounting issues.

### 16 What determines whether securities are classed as debt or equity? What are the implications for instruments categorised as equity and not debt?

If the securities in question are bonds or debentures, even though perpetual in nature, they will be considered debt under Thai law. They may be considered equity from an accounting perspective (because investors cannot demand repayment except on a liquidation, etc) but will remain debt from a legal perspective.

### 17 Are there any transfer restrictions or other limitations imposed on privately offered debt securities? What are the typical contractual arrangements or regulatory safe harbours that allow the investors to transfer privately offered debt securities?

There is no approval requirement from the SEC Office for a secondary offer even on a public offering basis.

A secondary offer on a public offering basis will require a filing except where: a primary offer has been made on the private placement basis described in question 10 and the offer is made to the investors falling within the private placement category described in question 10; or the primary offer was not made on a private placement basis and the issuer made a filing during the primary offer, the issuer has disclosed information on a consistent basis, and the debentures are rated by an approved credit rating agency.

As outlined in question 10, the SEC Office requires the issuer to register the transfer restriction for debt securities issued on a private placement basis with the SEC Office and the transfer restriction must be clearly shown in the filing and on the debenture certificates.

### 18 Are there special rules applicable to offering of debt securities by foreign issuers in your jurisdiction? Are there special rules for domestic issuers offering debt securities only outside your jurisdiction?

There are particular rules applicable to an offer of debt securities by foreign issuers in Thailand. The following are the key criteria:

#### Thai Baht-denominated debentures issued by foreign entities

##### Approval

A foreign entity can issue Thai Baht-denominated debentures (whether on a private or public offer basis) provided that the offer is approved by the Ministry of Finance and is made in accordance with the conditions of the approval; the offer will then be deemed approved by the SEC Office.

##### Filing

A foreign entity is required to submit a filing (unless the offer is made on a private placement basis (see question 10)) and the Terms and Conditions to the SEC Office and in the case of a public offer a credit rating must be obtained for the debentures. A local debenture holder's representative and a local contact person in Thailand must also be appointed. The filings and documents submitted to the SEC Office (eg, financial statements) can be in English.

#### Foreign currency-denominated debentures issued by Thai or foreign entities

##### Approval

Approval from the SEC Office is required for a public offer of foreign currency-denominated debentures in Thailand. Approval from the SEC Office will be deemed granted if the offer is made to II&HNW and the issuer registers the transfer restriction with the SEC Office. For a foreign issuer, a local contact person in Thailand must be appointed and investors must be those approved by the Bank of Thailand to invest in foreign currency-denominated debentures or otherwise the offer must be made through an underwriter.

**Filing**

A filing is required to be submitted to the SEC Office. If made to II&HNW, the filing will be in the Form 69-DEBT-II&HNW. If made to the public, the Form 69-DEBT-PO. The filings and documents submitted to the SEC Office (eg, financial statements) can be made in English.

**Domestic issuers offering debt securities outside Thailand**

There are special rules for domestic issuers offering debt securities (debentures) only outside Thailand. Generally, payments of principal and interest on the debentures must be made outside Thailand. An approval from SEC is required.

**19 Are there any arrangements with other jurisdictions to help foreign issuers access debt capital markets in your jurisdiction?**

Thailand is open for foreign issuers to access the debt capital markets in Thailand (see question 18). The debentures can be offered in a private placement or public offering in foreign currency. All sales and transfers of the debentures

**20 What is the typical underwriting arrangement for public offerings of debt securities? How do the arrangements for private offerings of debt securities differ?**

Underwriting may be on a firm commitment basis or a best efforts basis. If there is more than one underwriter it is normal for the underwriters' liability to be on a several basis.

The arrangements for private offerings of debt securities are basically the same as for public offerings.

**21 How are underwriters regulated? Is approval required with respect to underwriting arrangements?**

A licence to undertake securities business is required to be an underwriter of debt securities.

The underwriters are regulated by the SEC Office.

In principle, an underwriter is prohibited (except to fulfill its underwriting commitment if it fails to procure investors) from subscribing for the debt securities which it underwrites and may not allot the debt securities which it underwrites to, for example, itself or co-underwriters and their connected persons, connected mutual funds, or certain connected persons of the issuer.

**22 What are the key transaction execution issues in a public debt offering? How is the transaction settled?**

On the issue date of the debentures, in practice, the issuer will receive the proceeds from the offer. Further, on the issue date (or within the period specified in the prospectus, but within 15 days), named debenture certificates will be issued to the debenture holders by the registrar of the debentures, or the registrar will arrange for the deposit of debentures with the TSD (see further question 23), within seven days, if the investors or subscribers requested debentures in scripless form in their subscription forms. The registrar will record the names of the debenture holders in the register and then the debenture holders will be entitled to trade their debentures. There is currently an official secondary market, Bond Electronic Exchange (BEX), established by the SET; however, most investors deal through banks or the underwriters.

**23 How are public debt securities typically held and traded after an offering?**

Bonds and debentures are typically held in registered form and are either certificated or scripless. If certificated the name of the holder will be entered in the register and specified on the certificate delivered to the holder, while if in scripless form, no certificate is issued to the holder and the TSD will act as a central securities depository for investors who, or whose custodians, have an account with it. The TSD will record the name and other information with respect to the holder and notify the registrar upon request for any interest or principal payment, closure of the register for bondholders' meetings and any other purposes.

Generally, both certificated and scripless debentures issued to the public can be freely transferred or traded after an offering, provided that the procedures for the transfer required by the SEC Act, and specified in the relevant Terms and Conditions, and the restriction on a secondary offer on a public offering basis (as outlined in question 17) are complied with.

**24 Describe how issuers manage their outstanding debt securities.**

The issuers may manage their outstanding debt securities in various ways.

Generally, most debentures have a fixed maturity date for one bullet redemption payment and early redemption is not permitted. However, issuers may reduce their outstanding debentures by purchasing in the open market at any time after offering. If the issuer makes a general tender offer to buy back the debentures, the issuer must make a tender offer to each debenture holder and buy back the debentures pro rata from the debenture holders who wish to sell their debentures.

If the issuer wishes to redeem the debentures in a different way from the methods for redemption specified in the Terms and Conditions, the issuer may call a bondholders' meeting to amend the Terms and Conditions.

**25 Are there any reporting obligations that are imposed after offering of debt securities? What information would be included in such reporting?**

The issuer must report the result of a public offer of debentures to the SEC Office within 15 days from the end of the month in which the offer is made, and within 15 days from the closing of the offer if the offer is made as a private placement. Details to be provided include the identity of the debenture holders classified by type of investor and nationality, the results of the allotment and the amount of debentures that have been purchased by the investors.

In addition, under the SEC Act, the issuer must submit to the SEC Office financial statements, financial reports and business operation reports for the relevant periods as prescribed by SEC Office while the debentures are outstanding. The issuer must also submit a report to the SEC when certain incidents occur, for example, the issuer suffers serious losses, the issuer ceases operating all or part of its business, etc. The SEC has the power to instruct the issuer to, among other things, submit additional reports or documents, provide additional explanation, arrange an audit by an auditor and report the result to the SEC Office and disclose the information to the public. The SEC Office is empowered to disclose the information to the public itself.

**26 Describe the liability regime related to debt securities offerings. What transaction participants, in addition to the issuer, are subject to liability? Is the liability analysis different for debt securities compared with securities of other types?**

The issuer, the issuer's directors who have power to bind the issuer and signed the registration statement and prospectus, the underwriters, auditors, financial advisors or appraisers (if any) who intentionally or with gross negligence certified the information in the registration statement and prospectus, may be liable together with the issuer if the registration statement and prospectus contain material false statements or fail to disclose material facts that should have been stated as specified in the SEC Act.

In principle, there is the same liability for participants in issues of debt securities as in issues of securities of other types, for example, stocks and warrants.

**27 What types of remedies are available to the investors in debt securities?**

The SEC Act provides a remedy to an investor who purchased debt securities and suffers damage arising from the registration statement and prospectus containing material false statements or failing to disclose material facts that should have been stated in them. The investor who has purchased the debt securities before the fact became apparent has the right to claim compensation from the issuer within a specified period.

In addition, as mentioned in question 26, the transaction participants are also liable jointly with the issuer for any material false statement and failure to disclose material facts unless they can prove that they were not aware of the facts or by their position they could not have been aware of the inaccuracy of the information or the failure to disclose the facts required to be stated.

**Update and trends**

The SEC Office has been actively working on updating the applicable rules and filing procedures for debt securities. More debt securities are anticipated to be allowed to be issued in Thailand in the near future.

**28 What sanctioning powers do the regulators have and on what grounds? What are the typical results of regulatory inquiry or investigation?**

The SEC Office has broad power to control the contents of the documentation furnished by an issuer of debt securities and to instruct the issuer to, among other things, submit additional reports or documents, provide additional explanation, arrange an audit by an auditor and report the result to the SEC Office and disclose the information to the public. The SEC Office is itself empowered to disclose that information to the public. Failure of the issuer to comply with the instruction of the SEC Office could give rise to a one-off fine and a further fine for every day the contravention continues. In addition, a person who makes a material false statement or conceals a material fact which should have been stated in a registration statement or draft prospectus may be liable to imprisonment or a fine as prescribed by the SEC Act.

**29 What are the main tax issues for issuers and bondholders?**

The issuer must deduct withholding tax on interest payments under the debentures as described below.

Tax implications for bond investors depend on various factors, including but not limited to the nature of the income, the type of investor, the type of issuer, the investor's permanent address and the investor's business.

Major relevant taxes are personal income tax, corporate income tax, special business tax and stamp duty under the Thai Revenue Code. Withholding tax is part of personal income tax and corporate income tax. However, foreign investors may be exempt from or benefit from lower rates of withholding tax pursuant to double tax treaties between Thailand and relevant countries.

A summary of current relevant taxes follows. Investors should consult tax advisors with respect to their tax obligations in connection with investment in Thai bonds and debentures.

**Thai investors****Ordinary persons:**

- interest – withholding tax at 15 per cent; and
- other income from the transfer of debentures – withholding tax at 15 per cent for any profit above the acquisition cost.

Investors have the right not to include income which has already been subject to the withholding tax deduction in their annual tax return.

**Juristic persons:**

- interest – withholding tax at 1 per cent for financial institutions (except where the issuer is also a financial institution in which case the withholding tax rate will be zero per cent) and corporates and 10 per cent for certain types of foundations and associations; and
- other income from the transfer of debentures – no withholding tax but the investor needs to include the income in its annual income tax computation.

**Non-Thai investors****Natural persons (any natural person who stays in Thailand for less than 180 days in the same calendar year):**

- interest – withholding tax at 15 per cent except as provided under a relevant double taxation treaty; and
- other income from the transfer of debentures – withholding tax at 15 per cent for any profit above acquisition cost except as provided under a relevant double taxation treaty.

**Juristic persons (incorporated in any foreign country without operations or deemed operations or a permanent establishment in Thailand):**

- interest – withholding tax at 15 per cent except as provided under a relevant double taxation treaty; and
- other income from transfer of debentures – withholding tax at 15 per cent for any profit above acquisition cost except as provided under a relevant double taxation treaty.

Transfer of debentures is currently exempt from Thai stamp duty.

A holder of the debentures who is a financial institution and receives interest payable on the debentures will be required to pay specific business tax at the rate of 3.3 per cent.



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