



## **SEC revises regulations for the offering of securities via Crowdfunding Portals**

After gaining approval from both the Securities and Exchange Commission of Thailand (the “SEC”) and the Capital Market Supervisory Board of Thailand, a significant step has been taken to amend the rules governing securities offerings through crowdfunding portals. The primary objective is to streamline and harmonize regulations, focusing on promoting funding for SMEs and startups while ensuring effective supervision of crowdfunding platforms.

The SEC and the Capital Market Supervisory Board of Thailand have issued several Notifications in connection with the offerings of securities via crowdfunding portals. These include Notification of the Securities and Exchange Commission GorJor. 7/2566 Re: The Exemption from Filing the Registration Statement to Offer for Sale of Securities via Crowdfunding Service Providers (No. 2), Notification of the Capital Market Supervisory Board TorJor. 8/2566 Re: Specifications regarding the Offering of Securities for Sale through Crowdfunding Portals (No. 3), Notification of the Capital Market Supervisory Board TorThor. 11/2566 Re: Guidelines, Conditions and Methods for Requesting Approval or Notification by Electronic Means (No. 2) and Notification of the Capital Market Supervisory Board TorJor. 9/2566 Re: Guidelines, Conditions and Methods for the Offering of Shares of Limited Company by Shareholders (No. 5). In this relation, all aforementioned Notifications have been

officially published in the Royal Gazette and came into force on 16 July 2023.

As a result, the SEC has issued a notification containing the prescribed rules for securities offerings via crowdfunding portals which highlights the following key points:

1. **Enhanced Crowdfunding Opportunities:** The SEC increases the maximum security-based crowdfunding offering to retail investors from 40 million baht per investor to 50 million baht (including all securities issued by the company). In addition, there will be no limit for Institutional Investors, Ultra High Net Worth Investors and High Net Worth investors.
2. **Exception for Ultra High Net Worth Investors and High Net Worth investors:** Ultra High Net Worth Investors and High Net Worth investors are not required to take a knowledge test before subscription for security-based crowdfunding.
3. **Enhanced Definitions and Clarified Wording:** The SEC enhances the definition of the term "Institutional Investors" in notifications pertaining to security-based crowdfunding offering and offering of shares of a limited company by shareholders, definition of “Institutional Investors” shall include Private Equities (PE), Venture Capitals (VC) or Angel Investors and investors with expertise in alternative investments.

4. Renewal Approval for Funding portal: The Funding Portal users who wish to renew their approval can submit an application for renewal at least 60 days in advance before the current approval period expires. Upon receiving all complete and accurate documents and evidence, as outlined in the public handbook, the SEC will provide notification of the approval application results within 60 days from the date of such submission.

5. Enhancing Funding Portal Oversight: After obtaining approval, the Funding Portal will be mandatorily required to timely report to the SEC in the event of any change in any qualification or performance of duties within a specified timeframe. For instance, if the Funding Portal intends to suspend its duties or encounters challenges in maintaining qualifications as stipulated by the rules or if there are modifications in personnel holding positions such as directors, managers, division directors, or their equivalents.

Should you have any question, please do not hesitate to contact us via [info@bgloballaw.com](mailto:info@bgloballaw.com)

