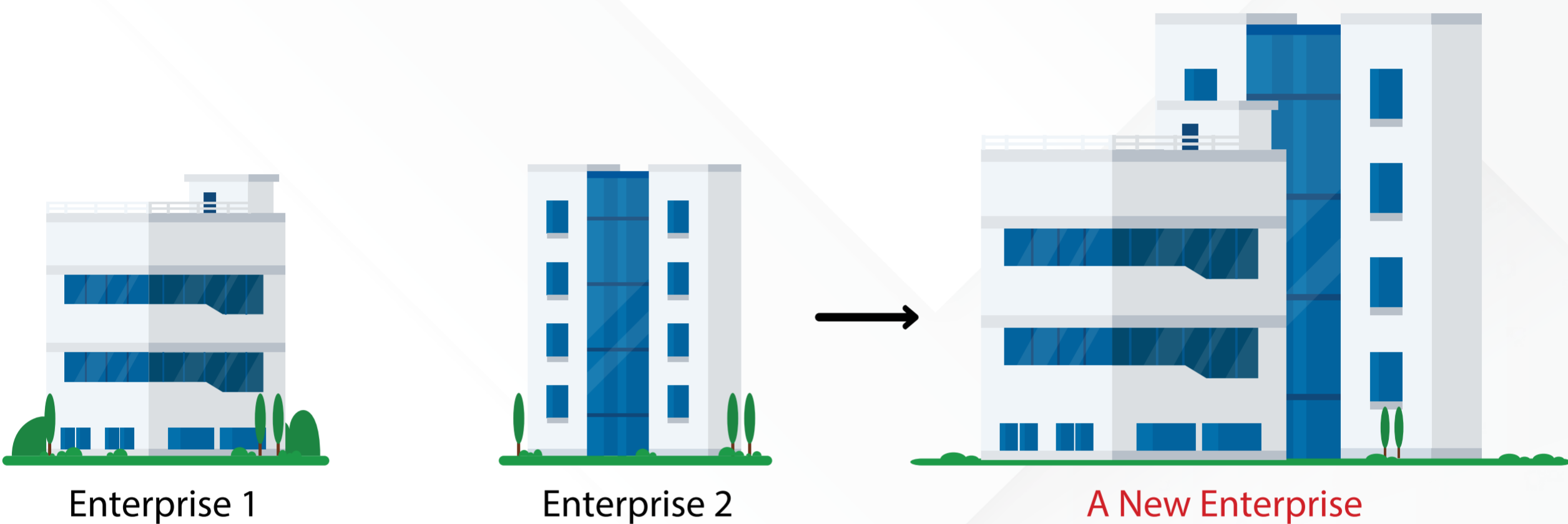


DISTINGUISH BETWEEN CONSOLIDATION AND MERGER OF ENTERPRISES

CONSOLIDATION OF ENTERPRISE

- Object: all types of enterprises.
- Definition: two or more enterprises combine to form a new enterprise.
- Work: enterprises transfer their assets, rights, obligations, and lawful interests to establish a new enterprise.
- Legal consequence: a new enterprise shall be established and consolidating enterprises shall cease to exist.



MERGER OF ENTERPRISE

- Object: all types of enterprises.
- Definition: one or some enterprises acquired by another enterprise.
- Work: all of the target enterprise's assets, rights, obligations and lawful interests shall be transferred to the surviving enterprise.
- Legal consequence: the acquired enterprise shall cease to exist.



** Legal basis: Article 200, 201 of Law on Enterprises 2020.*