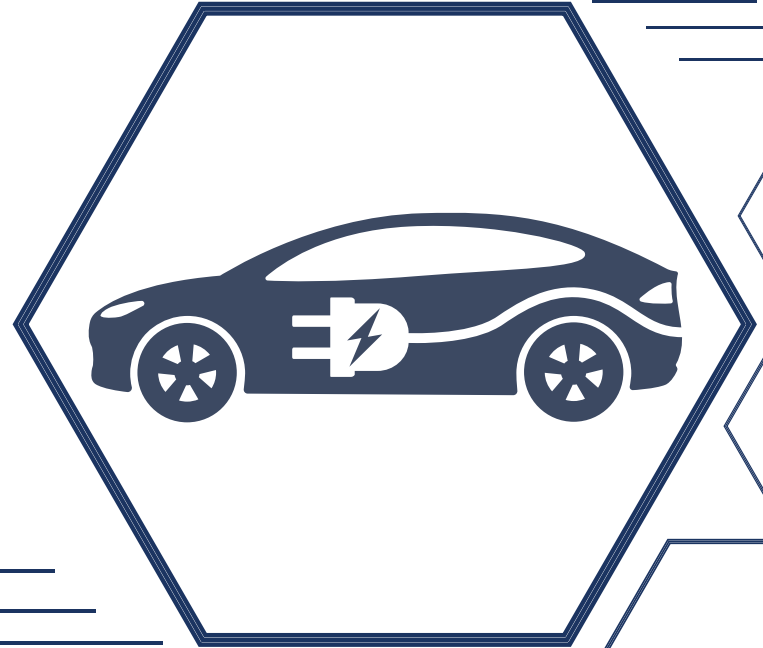




NEXT-GENERATION

AUTOMOTIVE



Global Market

Industry
in Thailand

Investment
Incentives
in EEC

Related
Agencies

Sector follows three criteria



Environmentally Friendly
with Low Carbon Emissions



Safe



Cost Efficient

A wider spectrum applies ranging from hybrid to plug-in hybrid to battery electric vehicles (BEVs).

Thailand's Next Automotive Chapter

- The government focuses on transforming Thailand into a global production hub for electric vehicles.
- The government has targeted 1.2 million electric vehicles and 690 charging stations in place by 2036.

Supply Chain

Global Market

Industry
in Thailand

Investment
Incentives
in EEC

Related
Agencies

Supporting Industries

Iron and Steel Industry

Glass Industry

Rubber and Rubber
Products Industry

Chemical Industry

Plastic Industry

Electronic and Electrical
Equipment Industry

Leather Industry

High Technology Auto-parts Industry

Engine Parts and Related Equipments

- Motor, Battery and Electrical Control Unit



Chassis and Tank

- Lightweight Parts from Carbon-Nano or Fiberglass



Other Components

- EV Quick Charge
- Software, Sensor and Electronic System related to Safety or Infotainment



Next-Generation Automotive Industry

Automotive with Energy Conservation

- Eco Car
- Alternative Energy Car
- Hybrid Car
- Plug-in Hybrid Car
- Electric Vehicle
- Hydrogen Fuel Cell Vehicle

Safety Automotive

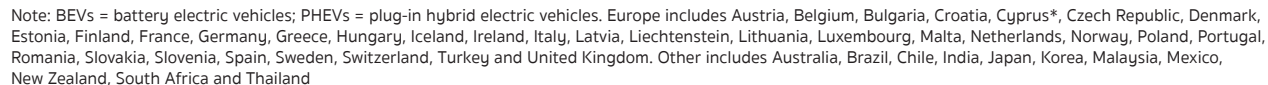
- Driverless Car

Global Market

Industry in Thailand

Investment Incentives in EEC

Related Agencies



Sources : IEA analysis based on country submissions, complemented by ACEA(2019); EAFO (2019); EV Volumes (2019); Marklines (2019); OICA (2019).

NEXT-GENERATION *AUTOMOTIVE*

5

Thailand continuously accelerates its next-generation automotive industry to follow the S-Curve promotion with higher value-added production.

Global Market

Industry
in Thailand

Investment
Incentives
in EEC

Related
Agencies



1st
Automotive Producer
in ASEAN



12th
Automotive Producer
in the World



World Ranking



5th

Light Commercial Car Producer



15th

Heavier Commercial Car Producer



17th

Passenger Car Producer



20th

Heavy bus Producer

Sources : OICA(2018)

NEXT-GENERATION* *AUTOMOTIVE

6

Structure of Thai Automotive Industry



Summary of Government Measures on EV Industry



Source : BOI

EV Current Status in Thailand

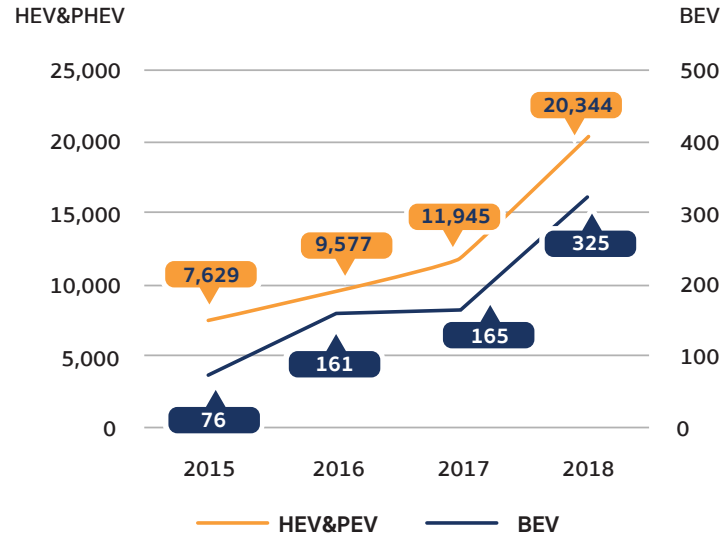
Global Market

Industry
in Thailand

Investment
Incentives
in EEC

Related
Agencies

Number of New EV Registration (Units)



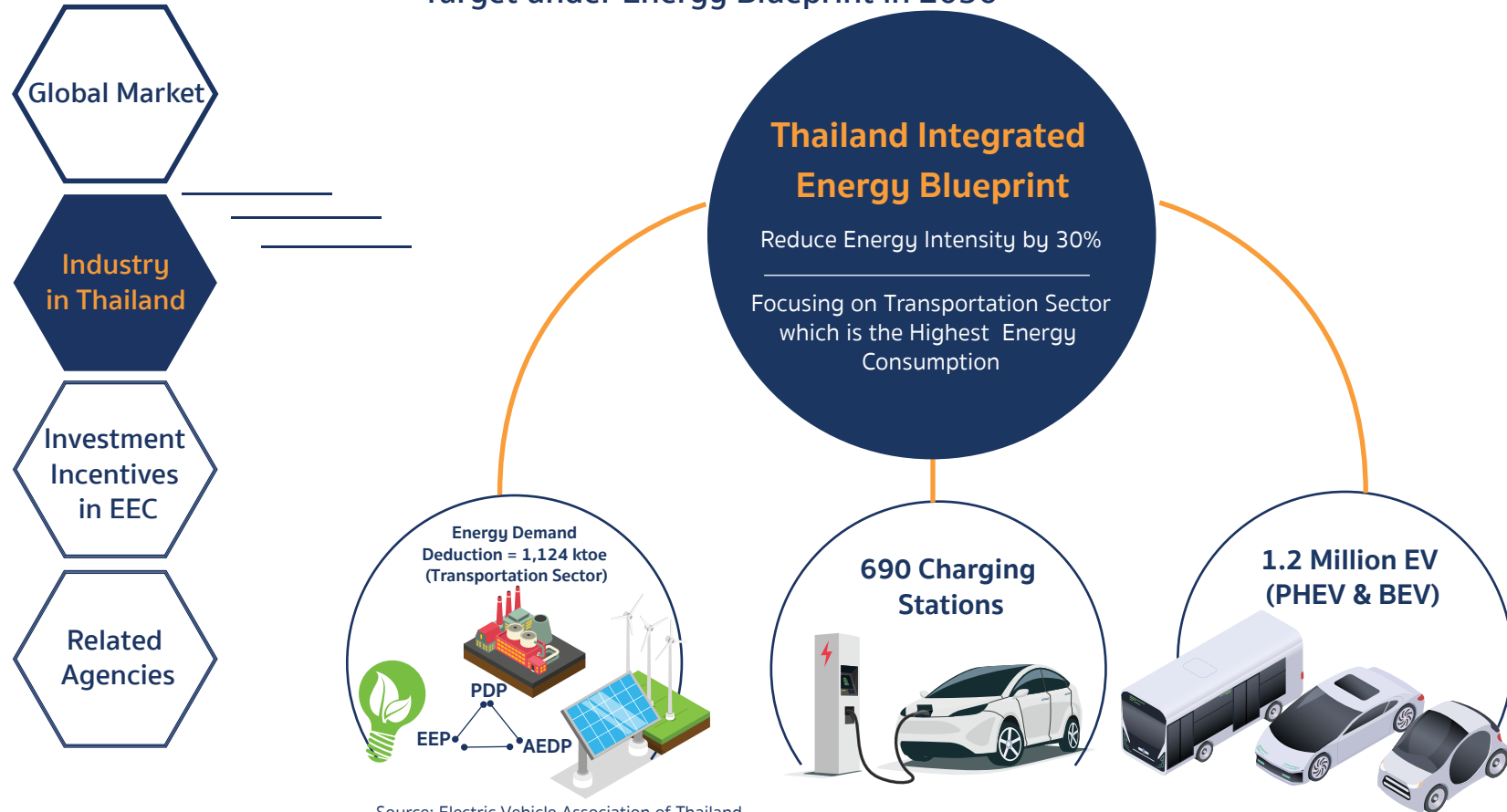
New BEV Registration by Vehicle Types in 2018

| Vehicle Types | Units |
|----------------|-------|
| Motorcycle | 135 |
| Passenger Car | 57 |
| Taxi | 50 |
| Motor Tricycle | 43 |
| Bus | 38 |
| Service Car | 2 |

Note : Data as of 31 December 2018

Source : Electric Vehicle Association of Thailand

Target under Energy Blueprint in 2036




Source: Electric Vehicle Association of Thailand



Investment incentive package for investment projects in the Eastern Economic Corridor (2020-2021)

| Key features | Investment Incentives | Targeted activities | | | |
|-------------------------|-----------------------|---------------------|------------------|---------|---------|
| | | Section 8 | A1 | A2 | A3 |
| 1. Standard tax package | Tax holidays | 10 Years (no cap) | 8 Years (no cap) | 8 Years | 5 Years |

Human resource development programs (additional tax incentives)

| | | | | | | |
|---|----------------------|------------------|---------|---------|---------|---|
| 2. Investment projects which are engaged in human resource development programs | Tax holidays | 2 Years (no cap) | - | - | - |  |
| | 50% reduction of CIT | - | 3 Years | 3 Years | 3 Years | |

Projects located in the four promoted zones for specific industries (EECi, EECd, EECA and EECmd) OR industrial estates and promoted industrial parks

| | | | | | | |
|---|----------------------|-----------------|---------|---------|---------|---|
| 3. Investments located in EECi, EECd, EECA and EECmd | Tax holidays | 1 year (no cap) | - | - | - |  |
| | 50% reduction of CIT | - | 2 Years | 2 Years | 2 Years | |
| 3. Investments located in industrial estates and promoted industrial parks. | Tax holidays | 1 year (no cap) | - | - | 1 Year |  |
| | 50% reduction of CIT | - | - | - | - | |

Remarks:

- A1 : Knowledge-based activities focusing on R&D and design to enhance the country's competitiveness.
A2 : Infrastructure activities for the country's development, activities using advanced technology to create value-added, with no or very few existing investments in Thailand.
A3 : High technology activities which are important to the development of the country, with a few investments already existing in Thailand.
Section 8 : Technology and Innovation Development includes targeted core technology development such as development of biotechnology, nanotechnology, advanced materials technology and digital technology.

New investment promotion measure in EEC

- Starting January 2, 2020

According to the announcement of the Board of Investment No.2/2563, announced on January 15th, 2020,

- Applications must be submitted by the last working day of 2021.

- Projects located in the four promoted zones for specific industries (EECi, EECd, EECA and EECmd) are eligible for the incentives without application deadline.

Global Market

Industry
in Thailand

Investment
Incentives
in EEC

Related
Agencies

Research and Development

Most of the auto assemblers in the world established their R&D and training centers in Thailand serving Southeast Asia and Asia Pacific. This emphasizes that Thailand is moving up the value chain to more value added automotive production.

THAILAND Automobile R&D Centers



Toyota Motor Asia
Pacific Engineering and
Manufacturing



Nissan Technical Center
South East Asia



Isuzu Technical Center
Of Asia



Honda R&D Asia Pacific



Mitsubishi Motors
Proving Ground

Note:

* LCV: Low Consumption Vehicle

** PPV: Pick-Up Passenger Vehicle

Source : BOI

Excellent Government Support

The Government sees automotive industry as a cornerstone of the Thai economy with strong support from many organizations including TAI, TAIA, EVAT and TAPMA*. The Government's Master Plan for Automotive Industry sets the goals for Thailand to be a global green automotive production base with strong domestic supply chains which will create higher value for the country by 2021.

Strong Supporting Organizations



Ministry of Industry



The Thai Automotive
Industry Association



Thailand Automotive
Institute



Electric Vehicle
Association of Thailand

Note:

* TAI - Thailand Automotive Institute,

TAIA - The Thai Automotive Industry Association,

EVAT - Electric Vehicle Association of Thailand,

TAPMA - Thai Autoparts Manufacturers Association

