

Opening Address: Thailand Focus 2024 – Adapting to a Changing World

Embracing Change, Igniting Growth (10-15 mins)

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Distinguished Guests, Ladies and Gentlemen,

Good morning and welcome to Thailand Focus 2024 – Adapting to a Changing World. It is my great honor to open this event and deliver my speech on "Embracing Change, Igniting Growth." As we gather to explore the evolving landscape of Thailand, we are reminded of our remarkable journey through transformation and progress. Today, I will share with you Thailand's economic vision, our strategies for advancement, and the promising opportunities that await investors in our vibrant economy.

[Overview of the Thai Economy]

Over the past decades, the Thai economy has demonstrated its potential to adapt and its varying strengths across different time periods.

Our industrial and service sectors have been crucial in driving growth, with major exports in automotive, electronics, plastics, and chemical industries continuously developing to meet global market demands.

However, in the past years, our GDP growth rate has not reached its full potential. This is due to complex factors including global geopolitical tensions, risks of economic slowdowns, and volatility in global financial markets. Additionally, domestic factors such as political situations and delays in government budget disbursement have all impacted our economic growth. Despite these challenges, we have confidence in the resilience and adaptability of the Thai economy, and we are seeing signs of economic recovery.

Recent economic indicators show promising signs of recovery and growth. According to the latest figures from the National Economic and Social Development Council (NESDC), Thailand's economy expanded by 2.3% in the second quarter of 2024, accelerating from the first quarter. This growth was driven by private consumption and robust exports of goods and services, particularly in our tourism-related sectors. For the full year 2024, we project GDP growth to range between 2.3% and 2.8%, with an expected acceleration in the second half of the year. This projected growth is supported by various government economic

stimulus measures and accelerated public spending, which are boosting consumer confidence.

[Adaptation and Investment Promotion]

In the post-COVID-19 era, we have witnessed advancements in digital technology innovation and artificial intelligence, presenting significant opportunities for economic restructuring. Thailand has a strong economic foundation and several key strengths, including its central location in the ASEAN region, high-quality infrastructure and utilities, abundant natural resources, a climate conducive to agriculture and year-round tourism, as well as a skilled and adaptable workforce. All of this forms an important basis for future growth. However, the government is well aware of global trends, coupled with the urgent need to address climate change and the emergence of new technological innovations that are impacting traditional supply chains and businesses. Therefore, we need new investments to maintain the country's competitiveness.

The government is committed to creating a suitable environment to support both domestic and foreign investment. We are taking proactive actions through infrastructure investment, improving regulations and

supervision, offering various incentives to those considering investing in Thailand, and actively promoting technology and innovation, especially in high-growth industries and future economies.

Data from the Board of Investment (BOI) shows a trend of establishing production bases in Thailand. In the first six months of this year, investment promotion applications increased by 64% compared to the same period last year, totaling \$12.8 billion. Of this amount, 63% is investment in target industries, led by the electronics and automotive sectors. Notably, Thailand is attracting investments in industries benefiting from global production relocation trends, including data centers, industrial estates, and electronic components, aligning with the country's long-term vision of being a hub for high-value industries.

The government has established the IGNITE THAILAND strategy to position the country as a regional economic hub, focusing on 8 areas: Tourism, Wellness & Medical, Agriculture & Food, Aviation, Logistics, Future Mobility, Digital Economy, and Financial Hubs. Each of these hubs brings diverse investment opportunities for investors, especially in becoming a regional financial center that will allow global financial institutions to conduct international transactions. We are considering measures to drive this forward, with initial plans to create a ready financial ecosystem, offer various privileges, and establish a One-Stop

Authority to improve laws and regulations, attracting capable service providers and personnel to establish a base in the country. These measures will be carefully considered while maintaining financial stability.

In the capital market, we've seen developments in many areas, including measures to increase liquidity and promote good corporate governance. These improvements will enhance the Thai capital market's attractiveness to global investors. The government has continuously implemented measures for capital market development, including the "Vayupak Fund," expected to launch this year. This project aims to increase savings options for the public and support the ongoing development of the Thai capital market. It follows improved conditions and tax benefits for investment in Thai ESG mutual funds that promote sustainable business practices. Additionally, we're considering other economic stimulus measures, including a digital wallet project, with details to be reviewed by the new cabinet.

[Future Opportunities and Development Project Highlights]

Thailand is entering a transformative era, focusing on developing the country's potential across numerous sectors. We are actively

promoting new high-value industries such as semiconductors, data centers, and green energy technologies, while also positioning Thailand as a strategic production base for electric vehicles, particularly targeting right-hand drive markets across Asia and beyond. In the tourism sector, we are exploring innovative concepts to enhance our offerings, including the development of a large-scale Entertainment Complex. This ambitious project could potentially integrate performance centers, world-class concert halls, luxury hotels, gaming amenities, and a variety of other entertainment and leisure facilities into one comprehensive destination. These initiatives demonstrate our commitment to diversifying Thailand's economy and leveraging our strengths in both traditional and emerging sectors, aiming to create a more resilient and competitive economy.

Moreover, investment in large-scale infrastructure remains crucial, with several notable projects such as the expansion of Suvarnabhumi Airport, the development of high-speed rail, and the Land Bridge project connecting the Andaman Sea and the Gulf of Thailand. These initiatives will enhance Thailand's logistics and transportation potential, positioning it as a regional connectivity hub. These projects will also create extensive opportunities for public-private partnerships. Additionally, the promotion of Thai soft power in areas such as Thai cuisine, Muay Thai,

fashion, and e-Sports is another promising direction, which will open up new opportunities for entrepreneurs and investors.

[Closing]

As we look to the future, Thailand is ready to write a new chapter of economic growth. The challenges of the recent past have underscored our flexibility and adaptability. Ladies and gentlemen, I invite you all to be part of this growth, whether through capital market investment, foreign direct investment, or partnerships with high-potential companies. There are numerous opportunities for everyone to participate in growing together with the Thai economy.

Finally, I encourage you to explore the various economic opportunities presented today. Please consider the attractiveness and investment potential that Thailand offers as we prepare for change and create sustainable growth. I thank you all for your interest and hope that you will gain valuable insights and perspectives from today's seminar. Now is an excellent time to invest in Thailand. I invite you all to join us in igniting the future of Thailand together.

Thank you.