

(Unofficial Translation)

Announcement of the Board of Investment

No. 7/2546

Re: Policy on Promotion of Investment in the Thai Agricultural Industry

To promote, support, and develop the Thai agricultural industry in terms of a complete line of businesses; by virtue of Section 16 and Paragraph 2 of Section 31 of the Investment Promotion Act of B.E. 2520, amended (3rd amendment) in B.E. 2544, the Board of Investment issues this Announcement, prescribing types and conditions of promoted activities:

1. The addition of 4 new promoted activities to Section 1 of the list of promoted activities attached to Announcement of the Board of Investment No. 2/2543, dated 1 August 2000, which are designated as businesses of special importance and benefit to the country, and shall not be subject to the cap on the amount of corporate income tax exemption specified in Paragraph 2 of Section 31:

Business Activities	Conditions
1.11.8 Production or preservation of ready-to-eat or semi-ready-to-eat food.	<ol style="list-style-type: none">1. Classified as a priority activity and will receive exemption from machinery import duty and corporate income tax exemption for a period of 8 years, regardless of zone. Other rights and benefits shall be granted according to BOI Announcement No. 1/2543.2. Promoted projects will not be subject to the cap on the amount of corporate income tax exemption specified in Paragraph 2 of Section 31
1.27 Farm management.	<ol style="list-style-type: none">1. Classified as a priority activity and will receive exemption from machinery import duty and corporate income tax exemption for a period of 8 years, regardless of zone. Other rights and benefits shall be granted according to BOI Announcement No. 1/2543.2. Promoted projects will not be subject to the cap on the amount of corporate income tax exemption specified in Paragraph 2 of Section 31.
1.28 Production of packaging material or food packages.	<ol style="list-style-type: none">1. Classified as a priority activity and will receive exemption from machinery import duty and

	<p>corporate income tax exemption for a period of 8 years, regardless of zone. Other rights and benefits shall be granted according to BOI Announcement No. 1/2543.</p> <p>2. Promoted projects will not be subject to the cap on the amount of corporate income tax exemption specified in Paragraph 2 of Section 31.</p>
Business Activities	Conditions
1.29 Cold-storage transportation.	<p>1. Classified as a priority activity and will receive exemption from machinery import duty and corporate income tax exemption for a period of 8 years, regardless of zone. Other rights and benefits shall be granted according to BOI Announcement No. 1/2543.</p> <p>2. Promoted projects will not be subject to the cap on the amount of corporate income tax exemption specified in Paragraph 2 of Section 31.</p>

2. Classified the following 7 categories as priorities activities, which will not be subject to the cap on the amount of corporate income tax exemption specified in Paragraph 2 of Section 31.

- (1) 1.7: Crop drying and silo facilities
- (2) 1.17: Cold storage
- (3) 1.21: Inspection analysis, and certifying of quality standards of agricultural produce
- (4) 1.22: Inspection and analysis of crops, livestock, or aquatic-animal diseases
- (5) 1.23: Inspection and analysis of soil or water for agricultural use
- (6) 1.24: Forestry plantations
- (7) 4.2: Production of farm and food-processing machinery, which will be classified as priority activities and will be exempt from machinery import duty and granted corporate income tax exemption for a period of 8 years, regardless of zone

Effective from 18 August 2003 onwards.

Announced on 16 October 2003

(Mr. Somkid Jatusripitak)

Deputy Prime Minister

Acting Chairman of the Board of Investment