



ADIENT & SUMMIT CORPORATION LTD.

“The application of automation to our manufacturing process will result in a 20% increase in the productivity of our plant. BOI’s backing on corporate income tax exemption also helps us to reduce the costs of taxation – enabling us to have additional budget for improving our production processes and take better care of our employees in terms of compensation and benefits during this crisis.”

Mr. Kijna Karaket
Managing Director (Thailand)

Upgrading Technology to Improve Production Efficiency

Located in the Eastern Sea Board Industrial Estate of Rayong, Thailand, Adient & Summit Corporation Ltd. is a subsidiary of the world's largest automotive seat manufacturer, Adient Plc., a company with over US\$16.5 billion in sales in 2019. Since 2009, the company has benefited from BOI’s promotions for the automotive components business. The company designs, manufactures and markets a range of seating systems and components including products for passenger cars and commercial vehicles, as well as vans, pick-up trucks and sport/crossover utility vehicles. The company has a full range of offerings for automotive seating solutions, including seating systems, frames with reclining and adjustment mechanisms, foam cushioning, head restraints, armrests and trim covers. They also provide numerous other products for automotive interiors, such as instrument panels, floor consoles, door panels, overhead consoles, cockpit systems, decorative trim and other automotive interior products.

With more than 230 manufacturing and assembly plants across 34 countries, they are well positioned to meet the needs of automakers everywhere. They purposely position themselves be close to their customers’ facilities. As the global leader in automotive seating, they support all major automakers in differentiating their vehicles by providing superior quality, technology and performance. With expertise in engineering, industrial design, and manufacturing, they believe in creating a high-performance culture that inspires their employees to continuously seek to improve the travel experience of the mobile world in automotive seating, and beyond. For example, their ComfortThin seats help reduce vehicle weight and improve fuel efficiency, while their eco-friendly foam formulations are made with recyclable materials to help protect the environment.

Their commitment to getting things precisely right extends to everything they do – including their internal business practices. Their world-class IT

system helps to ensure that all of their operations run smoothly by providing a standardized core system that creates consistency across all departments, while their cloud computing resources make their entire organization run faster.

Vision for the Future

While their manufacturing processes are able to deliver on a just-in-time basis, their product design work begins well in advance. They plan their developments from one to as long as ten years in the future. For example, they are currently developing concepts for autonomous vehicle seating solutions, both for privately owned vehicles as well as for ride sharing vehicles. They are also currently looking to expand their production capacity. While some other business may have decided to pause or put their current investment plans on hold during the COVID-19 crisis and wait to restart at the post-pandemic recovery period, Adient & Summit are moving ahead. They plan to improve the automation level of their plant, and have decided to apply for the BOI's Measure for Improvement of Production Efficiency promotion. The focus will be to increase manufacturing capacity for future purchasing demands by upgrading the technology used and adding fully automated machinery to many production lines, for example their car seat foam,

fabric and leather covered car seat assembly lines. The investment budget for this project is Baht130 million. This promotion provides:

1. An exemption of import duty on machinery.
2. A three-year corporate income tax exemption on the revenue from an existing project, with the corporate income tax exemption cap not to exceed 50 percent of the investment capital (excluding cost of land and working capital).
3. In the case of investment in automation systems, the corporate income tax exemption cap is raised to 100% of the investment excluding land cost and working capital if the value of the linkages to the Thai automation industry reaches at least 30% of the total value of the automation system.
4. The corporate income tax exemption period starts from the date of revenue derivation after the promotion certificate is issued.

Mr. Kijna Karaket, Managing Director (Thailand) of Adient & Summit Corporation Ltd. said, "The Company plans to increase production capacity to match our customer's needs. One of our customers is a global automotive manufacturer who plans to launch their new model within the next 2 or 3 years. Thailand will be the production hub of this new model – to be exported globally. This investment

will therefore have a great impact on our company.”

Attractive BOI Incentives

The Thailand Board of Investment (BOI) offers a wide range of tax and non-tax incentives for projects that meet national development objectives. Tax-based incentives include an exemption or reduction of import duties on machinery and raw materials, as well as corporate income tax exemptions of up to eight years. Non-tax incentives include permission to bring in expatriates, own land and take or remit foreign currency abroad.

Additional information about specific activities relating to the automotive parts industries can be found by clicking [here](#) or contacting the BOI's Investment Promotion Bureau 2.

Source: [Amid COVID-19 Pandemic Overcoming Downturn with BOI's Measure for Improvement of Production Efficiency](#) and <https://www.adiant.com>

As of October 30th, 2020
