



“By utilizing Thai Wah’s expertise and experience together with new technology and innovation, we believe that our degradable bioplastic resin will lift and add value to the tapioca starch made in Thailand.”

*– Ms. Orn-A-Nong Witchucharn,
Group Chief Financial Officer*

A Regional Leader in Starch and Starch Related

The company was first incorporated in 1947 as Thai Wah Co., Ltd., and later went on to form the present Thai Wah Public Company Limited through the merger of Thai Wah Starch Public Company Limited (TWS) and Thai Wah Food Products Public Company Limited on October 1, 2015. Originally formed to purchase tungsten ore, the company entered the tapioca business by purchasing locally produced tapioca flour and exporting it to the USA, where demand for tapioca outstripped the available supply. Unsatisfied with the quality of the product being sold to them locally, they built a factory on Sukhumvit Road to produce their own tapioca from cassava roots. Their product quality improved significantly, and by 1963 TWS had become Thailand’s largest exporter of tapioca, where their production continued to increase steadily for the next 20 years. As the main location of most cassava plantations shifted to

Thailand’s northeast, the company followed and built additional factories in Nakorn Ratchasima, Udorn Thani, Kalasin, and Kamphaeng Phet, to be closer to the largest cassava cultivating areas. In 1985, TWS was listed on the Stock Exchange of Thailand.

While TWS was developing its tapioca business, Thai Wah Food Products Public Company Limited (“TWFP”) was pioneering the vermicelli business in Thailand. In 1952, TWFP established a factory to produce mung bean vermicelli in Thailand in Bangna, Bangkok. Over the years TWFP successfully grew its business and is now widely recognized to be the leader in the local vermicelli market. Its products are marketed under the “Double Dragon”, “Phoenix”, and “Double Kilin” brands. TWFP further expanded its business by establishing the largest vermicelli factory in Thailand in Nakorn Pathom Province in 1985, and commenced automating its vermicelli production line the following year. In

1989 TWFP was successfully listed on the Stock Exchange of Thailand.

In 2009, TWFP began trialing the production and distribution of rice noodles. In 2014, TWFP expanded its rice noodle and rice vermicelli production capacity by constructing a new factory located in the same area as the vermicelli factory. In 2015, shareholders approved the merger of the two companies.

Currently the company has expanded its business to operate in five countries in Southeast Asia, namely Thailand, China, Vietnam, Cambodia and Indonesia. The core business of the company remains starch and starch-related food products. The key products of its starch line are tapioca starch, alpha starch, tapioca pearl and glucose syrup. The key products in its food line include vermicelli, rice noodles, rice vermicelli, mung bean starch noodles and instant noodles.

Vision for the Future

Ms. Orn-A-Nong Witchucharn, Group Chief Financial Officer of Thai Wah Public Company Limited, explained that sustainability and a circular economy are important principles of company's business operation. For this reason,

many projects of the company involve reusing and recycling existing production wastes, for example the fermentation of cassava pulp and waste water which is used to create biogas that is then used as an energy source in their production process. Their newest project of bioplastic manufacturing came from executives' awareness of environmental issues, particularly plastic pollution and global warming. The bioplastic products that the company plans to establish and produce will support the sustainability, environmental and circular economy principles of the company.

Ms. Orn-A-Nong said, *"We realized that other countries use different types of starch to produce bioplastic. Thailand, however, is the hub of Tapioca starch in the eastern world. By utilizing Thai Wah's expertise and experience together with new technology and innovation, we believe that our degradable bioplastic resin will lift and add value to the tapioca starch made in Thailand."*

The initial lot of production is targeted to begin during the first quarter of FY2022. The estimated productivity during the first phase is expected to be 3,000 tons per year.

Supporting Policies from the Government

Bioplastics are regarded as a potential solution to address the world's current environmental and economic challenges. They represent the fastest growing product line for bio-based products. Thailand's Industrial Development Strategy 4.0 (2017 - 2036) emphasizes the sustainable and eco-friendly growth of the petrochemical and plastics industries. The Thai government has put in place measures to support Thai and foreign entrepreneurs who invest in research and development (R&D) and who use Thailand as a base for exporting bioplastics to the world market. As one of the targeted industries under the Thailand 4.0 development initiative, the government seeks to support companies engaged in research and development, innovation, and utilization of advanced methodologies through investment incentives and human resource development efforts designed to develop a knowledge-centric workforce, and accelerate growth in future innovation and technological advancement.

Attractive BOI Incentives

For companies considering forming new or expanding existing businesses in Thailand, 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. Non-tax incentives include permission to bring in expatriates, own land and take or remit foreign currency abroad. BOI's tax incentives and support from one-stop consultation services help businesses from planting the seeds of investment to the harvest of their rewards in this resource-rich country.

Additional information about specific activities relating to the biofuels and biochemicals industries can be found by clicking [here](#) or contacting the BOI's Investment Promotion Division 1.

Source: BOI E-journal Issue 6/2564:
<https://www.boi.go.th/upload/ejournal/2021/06/index.html#p=18>