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– Mr. Thnong Kultanyawat
Chairman

VT NAMNUENG COMPANY LTD.

A highly regarded producer of fresh Vietnamese foods in Thailand

VT Namnueng is a successful and highly regarded national producer and distributor of Vietnamese foods, with over 40 outlets nationwide. Headquartered in Udon Thani province, it was established in 1997 and named after founder Mr. Thnong Kultanyawat's immigrant Vietnamese grandmother and grandfather, who themselves were successful local food vendors. The wholly owned subsidiary company, VT Namnueng 2017 Co., Ltd, manages the acquisition of fresh vegetables and produce for the company, a key resource that enables the company to deliver on their goal of providing healthy good food of good quality at an affordable price to all. Said Mr. Thnong, Chairman of VT Namnueng and VT Namnueng 2017 Co., Ltd, *“The VT family determined to deliver good*

things to everyone by selecting only good food with good quality (Good Health) in order to create happiness and a better quality of life (Good Life) for everyone.”

Said Mr. Thnong, *“We always ask ourselves, is there any better way than the way we currently do it? This is the idea that allows us to produce unique products and create a better quality of life for all our customers. Starting with the intention to produce and create food with good quality, including taste, freshness and health value. And to do so at an affordable price for the general public, not just a select group of people. It requires us to balance various elements, including the taste of the food, its freshness, the health benefits of the food, the product price, and also taking into account the sustainability of the resource with regards to people, society, and the environment. It is what we adhere to in every working process, from the selection of products*

and raw materials to its packaging and transportation. Always with the goal in mind of allowing people to eat good-tasting, high-quality, fresh food providing greater happiness and better health.”

Vision for the Future

In order to ensure the highest possible quality of vegetables and produce them to a reliable and repeatable high standard, the company has embarked on establishing an intelligent plant factory, based on technologies pioneered in Japan that ensure all vegetables are produced to meet the company's exacting standards for taste, freshness and appearance. The Plant Factory is a 100% closed system which provides for automated control of the nutrients and water supply according to the requirements of the produce at each stage of development. Starting with water purified by reverse osmosis, and LED lighting to provide the illumination, the vertical growing system delivers ten times as much product as compared to growing the same vegetables in the soil, while ensuring the products are free from any contamination or soil born pathogens. With this hydroponic system, 100% of the resulting harvest can be utilized, vs the previous 30 to 40 percent waste common to

the soil grown vegetables which previously didn't meet the company's standards. It also provides for a consistent pricing strategy, whereas market prices of fresh vegetables can vary widely with the seasons.

Mr. Thnong added, *“The establishment of the plant factory required us to import a lot of machinery from abroad. The company therefore obtained investment promotion privileges from the BOI which provided us with import duty exemptions, thereby helping us to manage and reduce our costs and improve our business operations.”*

Supporting Policies from the Government

Thailand's 20-year Agriculture and Cooperatives Strategies (2017-2036) defines the government's vision for the future of smart farming in the kingdom. It has three primary objectives, to give farmers greater financial security, to create a more prosperous agriculture segment, and to emphasize sustainable agricultural resource management. Driven by the national policy, a steering committee under the Ministry of Agriculture and Cooperatives (MOAC) was created in 2018 to spearhead the development of smart farming in the kingdom. Among the government

organizations involved in the effort are the Ministry of Higher Education, Science, Research and Innovation (MHESI), the Ministry of Digital Economy and Society (MDES) and the Ministry of Commerce (MOC), all of whom collaborate with corporate partners from various industries including agriculture - food and information and communications technology (ICT) companies. 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 agricultural 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. Specifically, the Office of the Board of Investment (BOI) promotes the transition of the agriculture sector to agriculture 4.0 by providing smart farming incentives to interested investors. Manufacturers of smart farming products, such as detection or tracking systems, resources regulation systems and smart greenhouse systems, as well as service providers that enable digitization of farming are granted a five-year corporate income tax (CIT) exemption with no annual limit. Manufacturers of electronic control and measurement instruments or their parts for agricultural use receive an eight-year CIT exemption. 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 advanced agricultural industry can be found by clicking [here](#) or contacting the BOI’s Investment Promotion Division 1.

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