

**BOI ANNOUNCEMENT ON EFFICIENCY ENHANCEMENT MEASURE FOR ALTERNATIVE ENERGY UTILIZATION**

On 9<sup>th</sup> April 2025, the Board of Investment of Thailand (“**BOI**”) issued Announcement No. 2/2568 re: Amendment to Efficiency Enhancement Measure for Alternative Energy Utilization Through Installation of Solar Energy Power Generation Systems according to the enhancement measures for smart and sustainable industry under the BOI Announcement No. 15/2565. This Announcement supersedes the BOI Announcement No. 12/2567 previously issued on 3<sup>rd</sup> September 2024 concerning the same subject.

The alternative energy utilization measure is one of the six Industry Enhancement Measures of the BOI. Both existing BOI projects and non-BOI projects with an investment capital of at least THB 1 million (excluding the cost of land and working capital) are eligible to apply for incentives under this measure, with the exception of certain business activities prescribed by the BOI Office. However, existing BOI projects can only apply after their tax exemption or reduction period has expired. An investment plan for machinery replacement or upgrades related to alternative energy utilization must be submitted to the BOI as part of the application.

The maximum corporate income tax (“**CIT**”) exemption supported by the BOI is based on the investment value of not exceeding THB12 million, THB30 million or THB40 million per 1 megawatt (MW) of electricity production capacity, depending on the type of investment specified by the BOI. The investment value in efficiency enhancement through alternative energy utilization via the installation of solar energy power generation system includes: (1) investment in primary machinery and/or equipment essentially for efficiency enhancement, e.g. solar panels (PV module), power inverter, electrical transformer, power distribution systems, weather stations, solar panel cleaning systems, battery energy storage system (BESS) and BESS inverter; and (2) installation costs of mounting structure of the primary machinery and/or equipment under (1).

The incentives granted under this measure are an exemption of import duties on machinery and a 3-year CIT exemption on the revenue of existing project, subject to a cap of 50% of the investment capital (excluding cost of land and working capital).

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