

Vietnamese automaker VinFast to start selling EVs in Thailand

March 26 2024, by Aniruddha Ghosal



Vu Dang Yen Hang, chief executive officer of VinFast Thailand, poses in front of its electric vehicle VF7 during the 45th Bangkok Motor Show in Nonthaburi, Thailand, Tuesday, March 26, 2024. Credit: AP Photo/Sakchai Lalit

Vietnamese automaker VinFast announced Tuesday that it plans to sell

its electric vehicles in Thailand and said it had tied up with auto dealers to open showrooms in the country.

VinFast, which only began exporting its EVs last year, faces stiff competition in Thailand from Chinese automakers like BYD. Tesla also recently entered the fray. All were displaying their latest models at the Bangkok International Motor Show.

The Thai EV market is small but growing fast, buoyed by incentives and subsidies from the government. The country of more than 70 million plans to convert 30% of the 2.5 million vehicles it makes annually into EVs by 2030.

VinFast hopes to start selling both its electric scooters and electric SUVs in the country in the next two months, Vu Dang Yen Hang, chief executive officer of VinFast Thailand, told The Associated Press.

Details about pricing and buying the EVs are likely to be announced later this year.



Vu Dang Yen Hang, chief executive officer of VinFast Thailand, smiles in front of its electric vehicle "VF7" during the 45th Bangkok Motor Show in Nonthaburi, Thailand, Tuesday, March 26, 2024. Credit: AP Photo/Sakchai Lalit

Thailand accounted for 58% of all EV sales in Southeast Asia in 2022, ahead of both Vietnam and Indonesia, according to market research firm Counterpoint Research. But the EV market remains small, accounting for only 0.5% of EV sales worldwide in 2022.



A Thai model poses next to Vinfast's electric concept pickup trucks called "Wild" during the 45th Bangkok Motor Show in Nonthaburi, Thailand, Tuesday, March 26, 2024. Credit: AP Photo/Sakchai Lalit

Thailand is trying to change this with incentives to promote manufacturing and sales of EVs, such as reducing import duties and paying subsidies to make them more price competitive.

VinFast has set a target of selling its cars in 50 markets worldwide by the end of 2024.

Initially it'll rely on existing charging developers in Thailand, but the long term plan was to work alongside V-Green, a company that builds EV charging stations and is owned by VinFast's parent company, said

Hang.

"We will be working alongside (V-Green) to build infrastructure for our customers in Thailand who are using our cars," she said.

V-Green was launched this month and plans to spend \$404 million in the next two years to build charging stations for VinFast cars in different countries. Like VinFast, it is a part of the sprawling conglomerate Vingroup, that began as an instant noodle company in Ukraine in the 1990s. It is founded and run by Vietnam's richest man, Pham Nhat Vuong.

VinFast's foray into Thailand is part of a global expansion that has included exports of EVs to the United States. The company is building an EV factory in North Carolina, where production is slated to begin later in the year. Another factory is under construction in India, and it plans another in Indonesia.



Visitors look at BYD's electric vehicle "Sealion" during the 45th Bangkok Motor Show in Nonthaburi , Tuesday, March 26, 2024. Thailand. Credit: AP Photo/Sakchai Lalit

VinFast has begun shipping EVs made in Vietnam to neighboring Laos to supply vehicles for Green SM, an EV taxi operator that is mostly owned by VinFast's founder Vuong.

Last year, the company listed its shares in August on Nasdaq, where they initially soared, pushing its [market value](#) briefly above those of General Motors Corp. and Ford Motor Co. But investor enthusiasm has cooled and the company lost more than \$1.4 billion in the first three quarters of 2023.

VinFast has struggled to sell its EVs in the U.S. and its early cars have received bad reviews, but the company [maintains](#) that if it can succeed in the crowded and competitive American market, it can succeed anywhere.

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Citation: Vietnamese automaker VinFast to start selling EVs in Thailand (2024, March 26) retrieved 11 May 2024 from <https://techxplore.com/news/2024-03-vietnamese-automaker-vinfast-evs-thailand.html>

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