

Nestl  to Invest \$688Mn in AI-Powered Coffee Factory and Distribution Hub in Thailand

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The Thailand Board of Investment (BOI) approved a \$688 million (23 billion baht) investment by Nestl  (Thai) Co., Ltd. to construct a smart factory and distribution centre. The greenfield project will deploy artificial intelligence and advanced automation, positioning Thailand as the multinational's strategic production and logistics hub for Southeast Asia.

The approval highlights Thailand's accelerating momentum in attracting high-tech, high-value food and beverage manufacturing as global corporations seek resilient, technology-driven supply chains in Southeast Asia.

"This greenfield investment will support growing domestic and regional market demand while linking directly with our domestic supply chain," said Narit Therdsteerasukdi, Secretary General of the Thailand Board of Investment. "By using local raw materials, helping our farmers and entrepreneurs, and sharing knowledge, this project will boost the potential of the Thai coffee industry and strengthen Thailand's position as a key food and beverage hub in the region."

The new automated facility, located in the Araya Industrial Estate in Samut Prakan province, is scheduled to start operations in the fourth quarter of 2028 with an annual capacity of 170,000 metric tonnes of NESCAF  soluble coffee, coffee mixes, and ready-to-drink beverages. The project is expected to create over 520 jobs for Thai engineers and technical specialists.

By integrating AI-driven systems and robotic automation, the facility aims to maximise operational efficiency and minimise its environmental footprint. This directly supports Thailand's Bio-Circular-Green (BCG) economic agenda.

Nestl , the world's largest food and beverage company, counts Thailand among its longest-serving markets. Its NESCAF  brand has led the Thai coffee market for more than 50 years, with more than half the market share.

"Thailand has been an important market for Nestlé for more than 130 years," said Nikhil Chand, Chairman and Chief Executive Officer of Nestlé Indochina. "This investment reflects our confidence in the country and our commitment to contributing positively to Thai society, the economy, local communities, and the environment. The new facility will use a wide range of locally sourced ingredients, including coffee beans, sugar, and fresh milk, further supporting local agriculture and economic development."