OFFICE OF THE ECONOMIC ADVISER TO THE PRESIDENT
Republic of the Philippines

DOMESTIC CONGLOMERATES & CORPORATE ALLIANCES

IN THE ASEAN-6 AUTOMOTIVE SECTOR

FDI Interaction Models, Structural Barriers, Financial Profiles, & Philippine Corporate Candidates for Automotive Sector Entry

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1. The Role of Domestic Corporations, Alliances & Conglomerates in ASEAN-6 Automotive Development

Across ASEAN-6, the development of automotive industries did not emerge purely from foreign OEM initiative. In every case where a country achieved manufacturing depth — as opposed to mere assembly — a domestic corporate anchor was present: a locally rooted enterprise with sufficient capital, political access, market knowledge, and long-horizon commitment to absorb the risks that purely foreign actors were unwilling to bear alone. The architecture of this domestic corporate role, and the mechanisms through which domestic enterprises interacted with Japanese, South Korean, and Chinese investors, is the core subject of this section.

1.1 The Domestic Anchor Model: How It Works

The domestic automotive anchor model has three defining characteristics that distinguish it from passive FDI attraction. First, the domestic enterprise provides political risk mediation — navigating government relations, licensing, and regulatory environments that foreign OEMs find opaque or unpredictable. Second, it provides capital co-investment, typically through equity joint ventures, that signals domestic commitment and reduces the foreign partner's effective capital exposure to a single-country bet. Third, it provides market distribution networks — the network of dealers, finance companies, after-sales service centres, and fleet relationships that are costly to build from scratch and that foreign OEMs value as ready-made commercial infrastructure.

In return, the domestic partner captures technology transfer, brand royalty income, training investment, and — over time — increasing control over the local supply chain. The degree to which this returns compounding industrial capability (the Thailand and Vietnam model) versus rent extraction without supply chain development (a risk in the Philippines context) depends entirely on whether the domestic partner and government use the joint venture framework to actively drive local content escalation or treat it as a permanent distribution fee arrangement.

1.2 FDI Interaction Typology: Four Models

Analysis of ASEAN-6 domestic conglomerate-OEM relationships reveals four distinct FDI interaction models:

- The Delegated Distribution Partner Model (Philippines, Singapore): The domestic entity holds distribution and dealer network rights but exercises no manufacturing or supply chain role. Revenue is dealer margin and after-sales service. No technology transfer or local content development occurs. The highest-risk model for industrial policy — commercially viable for the domestic partner but generates no manufacturing employment, supply chain development, or export capability.
- The Manufacturing JV Model (Thailand, Malaysia, Indonesia): The domestic entity co-invests in an OEM assembly plant, typically holding 30-51 percent equity, with the foreign OEM providing technology, tooling, and product. Supply chain development occurs progressively as local content rules are applied. The Astra-Toyota, Astra-Honda, and Thai Summit-Toyota relationships are the archetype. The key insight is that the domestic partner's initial role is manufacturing services and co-investment, not brand ownership or design.

- The National Champion Acquisition Model (Malaysia-Geely/Proton): The domestic state-linked enterprise (DRB-HICOM/Proton) reaches a point of financial distress or strategic limitation, at which point a foreign strategic partner acquires a significant minority stake and provides technology and management in exchange for market access. This model delivers the fastest technology upgrade for a struggling domestic brand but carries the risk that the domestic partner gradually loses strategic autonomy as the foreign partner's technology dependence deepens.
- The Conglomerate-Backed Indigenous OEM Model (Vietnam-VinFast): The domestic conglomerate deploys its own capital, acquires or licenses foreign technology, establishes a wholly-owned manufacturing entity, and pursues an independent brand strategy. This model maximises industrial sovereignty but requires the highest capital commitment, carries the greatest financial risk, and depends on a sufficiently large domestic market and supporting government demand stimulus to achieve commercial viability.

The Philippines currently operates almost exclusively in Model 1 (Delegated Distribution). The strategic imperative is to transition to Model 2 (Manufacturing JV) for four-wheel commercial vehicles and EVs, and to explore Model 4 (Indigenous OEM) for motorcycles, tricycles, and jeepneys where capital thresholds are manageable.

2. Thailand: Conglomerates as Supply Chain Builders

Thailand's domestic automotive sector is structurally dominated not by single large conglomerates owning OEM equity stakes (as in Indonesia), but by an extensive ecosystem of Tier 1 and Tier 2 manufacturing groups that built their business models around long-term supply contracts with Japanese OEMs. This supply-chain-first model — distinct from the equity-JV model in Indonesia or the national champion model in Malaysia — explains both Thailand's industrial depth and its successful pivot to accommodate Chinese OEMs: the supplier ecosystem is OEM-agnostic, serving Toyota, Honda, and BYD with equivalent professionalism.

Key Thai Domestic Automotive Conglomerates

- Siam Motors Group (Kraisorn Chansiri family): Founded 1952. Historically the exclusive Toyota assembler and distributor until Toyota's global rationalisation created direct OEM operations. Siam Motors remains a major dealer network operator and has investments in auto parts manufacturing, industrial estates, and logistics. Revenue approximately USD 3.5 billion (est. 2024). Currently positioning for EV after-sales and service infrastructure.
- Thai Summit Group: One of Thailand's largest Tier 1 automotive parts manufacturers, producing pressed steel components, stamping parts, and body assemblies for Toyota, Honda, Isuzu, and Mitsubishi. Operates 27 factories in Thailand and ASEAN. Revenue approximately USD 2.8 billion (est. 2024). Thai Summit's relationship with Toyota is the template for OEM-domestic supplier partnership: decades of incremental quality certification, technology licensing for manufacturing processes, and progressive expansion into higher-value components. Critical for EV transition: Thai Summit is developing EV battery tray and chassis stampings.
- Charoen Pokphand Group (CP Group, Dhanin Chearavanont): Thailand's largest conglomerate with USD 65 billion in revenue (2024) across agribusiness, telecom, retail, and automotive. CP Group's automotive involvement is through True Move H mobile ecosystem integration into connected vehicles, Siam Makro parts distribution, and CP's joint venture in Foxconn-linked EV component manufacturing. CP Group is an indirect beneficiary of the Chinese EV cluster in Thailand through its extensive logistics and cold chain infrastructure.
- WHA Corporation (Jareeporn Jarukornsakul): Developer and operator of WHA Industrial Estates in the EEC, which hosts the majority of the Chinese OEM manufacturing cluster (BYD, Great Wall, SAIC). WHA is not an OEM or parts manufacturer but is the critical enabling infrastructure for Thailand's EV industrial transformation. Revenue USD 0.8 billion (2024). WHA's success in attracting Chinese EV OEMs to its estates is the single most important non-OEM domestic corporate contribution to Thailand's EV industrial development.
- Itochu-Thai / SCG (Sahaviriya Steel Industries, now SCI): Thailand's domestic steel and materials sector has deep integration with automotive: SCI supplies automotive-grade flat-rolled steel to Toyota, Honda, and the Chinese OEM cluster. The integration between domestic materials supply and automotive manufacturing supply chain is a critical competitive advantage that the Philippines lacks.

Entity / Group	Primary Sectors	2024 Rev (USD Bn)	2024 Net Profit (USD Bn)	% of GDP (approx.)	Automotive Sector Role
Siam Motors Group	Auto distribution, parts, industrial estates, logistics	~3.5	~0.20	~0.6%	Toyota/Honda dealer network; EV service infrastructure development
Thai Summit Group	Tier 1 stamped steel parts, body assemblies, ASEAN mfg	~2.8	~0.15	~0.5%	Tier 1 supplier Toyota, Honda, Isuzu; EV battery tray/chassis development
CP Group (Charoen Pokphand)	Agribusiness, telecom, retail, logistics, EV components	~65.0	~1.80	~11.2%	Telecom-EV connectivity JVs; Foxconn EV components alliance
WHA Corporation	EEC industrial estates, utilities, logistics	~0.8	~0.18	~0.14%	Developer/operator of BYD, GWM, SAIC factory sites in EEC
PTT Group (state-owned)	Oil & gas, petrochemicals, EV infrastructure	~62.0	~2.10	~10.6%	EV charging infrastructure; battery module JV with Gotion Hi-Tech
Bangkok Dusit Medical	Healthcare — included as structural comparison	~2.1	~0.25	~0.4%	No automotive role; structural GDP reference

Thailand GDP 2024: approximately USD 580 billion. GDP percentages are estimates based on parent company or group revenue vs. GDP. Sources: company annual reports 2024; SET disclosures; Bangkok Post; Krungsri Research.

3. Indonesia: Astra International and the Conglomerate-OEM Partnership Archetype

Indonesia's domestic automotive sector is defined by one entity above all others: PT Astra International Tbk, majority-owned by Jardine Cycle & Carriage (itself a subsidiary of Jardine Matheson, Hong Kong). Astra's relationship with Toyota, Daihatsu, Isuzu, and Honda is the most studied OEM-domestic partner model in ASEAN, and its interaction with Hyundai's HMMI decision and the Chinese EV cluster provides the most instructive comparative case for Philippine policy.

PT Astra International: The Archetype

Astra International is Indonesia's largest automotive group and one of its largest conglomerates by any measure. Its 2024 consolidated revenue of IDR 330.9 trillion (approximately USD 20.7 billion) and net income of IDR 34.2 trillion (approximately USD 2.1 billion) make it one of Southeast Asia's most profitable diversified industrial companies. Its automotive segment alone generated IDR 133.05 trillion (approximately USD 8.3 billion) in revenue in 2024, maintaining a 56 percent car market share and 78 percent motorcycle market share (through Astra Honda Motor).

The Astra-Toyota relationship is the template for Indonesia's entire automotive industrial development. Astra provides Toyota with: (a) domestic political navigation and government relations; (b) a 6,000+ dealer network across 34 provinces; (c) financial services integration (Astra's financial services arm, Toyota Astra Financial Services, finances approximately 60 percent of Toyota vehicle purchases in Indonesia); (d) a supplier ecosystem (Astra has 75 associate companies across parts manufacturing, including Astra Otoparts — a Tier 1 parts group with USD 1.2 billion in revenue). In exchange, Toyota provides technology, tooling, production standards, and brand IP. This symbiosis has been commercially durable for over 50 years.

The Hyundai HMMI decision — to build a wholly-owned factory without an Astra partnership — was a deliberate departure from this model. Hyundai's assessment was that the Astra-JV model, while commercially secure, would limit Hyundai's EV technology control and pricing strategy in Indonesia. HMMI's wholly-owned structure gives Hyundai direct supply chain management, direct pricing authority, and full retention of EV technology IP in Indonesia. This choice reflects the increasing tension in ASEAN between legacy OEM-domestic partner equity JVs (optimised for ICE-era commercial security) and next-generation EV manufacturers seeking full operational control in a technology-sensitive competitive environment.

Other Major Indonesian Domestic Automotive Groups

- PT Indomobil Sukses Internasional (Salim Group): The Salim Group's automotive arm, assembling and distributing Suzuki (40%+ market share in Indonesia for light commercial vehicles), Nissan, Renault, Volkwagen, Audi, and — critically for EV transition — GAC Aion. Indomobil partnered with GAC Aion in 2024 to assemble four EV models in Indonesia, demonstrating the Model 2 Manufacturing JV transition with a Chinese OEM.
- PT Soeleman Group / TC Motor (Hyundai Thanh Cong parallel): Not directly applicable in Indonesia but the Hyundai Thanh Cong model in Vietnam provides the closest Indonesian parallel — a domestic conglomerate-OEM joint venture that invested in greenfield factory construction and achieved export capability.
- Indonesia Battery Corporation (IBC): State-owned consortium comprising MIND ID, Pertamina, PLN, and Antam — four state-owned enterprises — formed to capture the full nickel-to-battery value chain. IBC's strategic role is to ensure that Indonesia's nickel resource advantage is converted into domestic battery manufacturing equity, not merely royalty revenue from foreign mining. CATL and LG Energy Solution both partnered with IBC for their Indonesia battery factories, giving Indonesia state-linked equity in the most strategic component of the EV supply chain.

Entity / Group	Primary Sectors	2024 Rev (USD Bn)	2024 Net Profit (USD Bn)	% of GDP (approx.)	Automotive Sector Role
PT Astra International	Auto (Toyota/Daihatsu/Honda moto), financial services, mining, agri, infra, IT, property	20.7	2.10	~1.9%	Toyota/Daihatsu OEM partner; Honda moto JV; Isuzu/Peugeot/BMW distribution; 56% car mkt share
PT Indomobil (Salim Grp)	Auto assembly/distribution (Suzuki, Nissan, GAC Aion, VW), financial svcs	~5.2	~0.22	~0.5%	Suzuki mfg JV; GAC Aion EV assembly JV (2024); Nissan distribution

Astra Otoparts (AOT)	Tier 1-2 auto parts: filters, plastics, batteries, electronics	~1.2	~0.08	~0.1%	Tier 1 supplier to all Indonesia OEMs; EV parts transition underway
Indonesia Battery Corporation (IBC)	State EV battery ecosystem: nickel, cell, pack	~6.0 (total committed capital)	n/a (not yet operational)	n/a	Nickel-to-battery value chain state vehicle; CATL and LGES JV partners
PT Medco Energi	Energy, mining, infrastructure	~2.4	~0.25	~0.2%	No direct automotive role; nickel upstream involvement potential
Waskita Karya / WIKA	State construction, infra	~2.0	~0.05	~0.2%	EV charging infrastructure construction; no OEM role

Indonesia GDP 2024: approximately USD 1.09 trillion. Astra data: Jardine Matheson annual report 2024; IDX financial disclosures. IBC capital figure represents total committed ecosystem investment, not single-entity revenue.

4. Malaysia: National Champions, Protected Market, and the Geely Transformation

Malaysia is the most distinctive ASEAN-6 case for domestic automotive industrial policy because it deliberately created two national automotive brands — Proton and Perodua — through state equity, tariff protection, and technology transfer mandates. The subsequent evolution of both brands, driven by foreign strategic partnerships, illustrates both the long-term benefits and the structural dependencies created by the national champion model.

Proton Holdings and the DRB-HICOM Alliance

Proton Holdings Bhd., founded in 1983 under direct state equity and Prime Minister Mahathir's personal sponsorship, is the most politically significant domestic automotive enterprise in ASEAN. Its history — from 73 percent market share peak in 1988 to near-insolvency in 2016, followed by the 2017 Geely Holdings 49.9 percent acquisition and subsequent return to profitability — is a case study in the limitations of purely protectionist national champion policy and the transformative potential of the strategic foreign partner acquisition model.

DRB-HICOM, the state-linked industrial conglomerate retaining 50.1 percent of Proton, is itself a diversified Malaysian industrial group with interests in automotive assembly (Honda, Mitsubishi, Daimler under licence in addition to Proton), defence manufacturing, postal services (Pos Malaysia), and property. DRB-HICOM's 2024 revenue was approximately MYR 12.1 billion (approximately USD 2.7 billion), with automotive contributing approximately 55 percent.

Perodua and the UMW Holdings Partnership

Perodua, Malaysia's largest-selling automotive brand since 2006 (358,102 units in 2024, approximately 38-40 percent market share), is owned by a consortium: UMW Holdings (38 percent), MBM Resources (22.6 percent), Daihatsu (20 percent, via Toyota), PNB/Employees Provident Fund (10 percent), and others. UMW Holdings, a government-linked company under the state investment arm Permodalan Nasional Berhad (PNB), is the primary domestic anchor for Perodua and for Toyota distribution in Malaysia. UMW Toyota Motor Sdn Bhd is the Toyota official distributor, assembler, and dealer network operator.

The Geely-Proton transformation is the key case for Philippine policy advisers. From 2017 to 2024, Geely: (a) injected MYR 4.9 billion (approximately USD 1.1 billion) in new capital into Proton; (b) transferred the Geely LYNK & CO platform for the Proton X50 and Proton X90; (c) enabled Proton to export vehicles to Bangladesh, Pakistan, and ASEAN markets; (d) developed the e.MAS 7 (the first domestically produced Malaysian EV, a re-engineered Geely Galaxy E5) launched December 2024. The total Geely ecosystem investment in the Proton-DRB ecosystem is cited at USD 10 billion (cumulative since 2017 including supply chain, technology, and factory upgrade).

Other Key Malaysian Automotive Corporate Groups

- Bermaz Auto Alliance (Mazda, Kia, Peugeot distribution and CKD assembly): Bermaz is Malaysia's most important independent OEM assembly and distribution conglomerate after DRB-HICOM. Its Kia assembly at the Inokom plant in Kulim, Kedah (KIA Malaysia Sdn Bhd, a JV with Hyundai Motor Group) positions Malaysia as a potential Kia CKD export platform under Korea's ASEAN manufacturing strategy.
- Sime Darby Motors: Part of Sime Darby Berhad (one of Malaysia's largest listed conglomerates, with revenue approximately USD 9.5 billion in 2024 across agribusiness, industrials, and motors). Sime Darby Motors distributes BMW, Hyundai, Land Rover, and Volkswagen in Malaysia and across ASEAN-6 and Greater China. Sime Darby's ASEAN-wide distribution network is a strategic asset — it represents the kind of multi-country OEM distribution infrastructure that the Philippines lacks for a potential Philippine-manufactured EV export programme.
- Tan Chong Motor Holdings (Nissan, Subaru): A Malaysian family-controlled conglomerate with vehicle assembly (Nissan Sentra/Navara in Serendah, Selangor) and distribution across Malaysia, Vietnam, and Myanmar. Tan Chong is the archetype of the regional family conglomerate that moves from distribution to CKD assembly to limited export over decades — exactly the trajectory being recommended for Philippine conglomerates in this report.

Entity / Group	Primary Sectors	2024 Rev (USD Bn)	2024 Net Profit (USD Bn)	% of GDP (approx.)	Automotive Sector Role
DRB-HICOM	Auto assembly (Proton, Honda, Mitsubishi, Daimler), postal, defence, property	~2.7	~0.06	~0.7%	50.1% Proton owner; Honda/Mitsubishi CKD assembly; Geely strategic JV vehicle

UMW Holdings (PNB)	Toyota distribution, Perodua (38%), equipment, manufacturing	~2.3	~0.14	~0.6%	Toyota Malaysia distributor/assembler; Perodua co-owner (38%)
Sime Darby Motors	BMW, Hyundai, Land Rover, VW distribution; ASEAN network	~9.5 (group)	~0.45	~2.5%	Multi-brand distribution across ASEAN-6; EV import distribution push
Bermaz Auto	Mazda, Kia, Peugeot assembly + distribution	~1.6	~0.12	~0.4%	Kia Malaysia CKD assembly (Inokom); Hyundai Motor Group JV partner
Tan Chong Motor	Nissan, Subaru assembly + distribution (MY, VN, MM)	~1.1	~0.04	~0.3%	Nissan CKD assembly; multi-country regional distributor template
Proton Holdings	EV mfg (e.MAS 7), ASEAN export, Geely platform vehicles	~1.8	~0.09	~0.5%	National EV champion; Geely tech transfer; ASEAN export capability

Malaysia GDP 2024: approximately USD 382 billion. Sources: Bursa Malaysia disclosures; DRB-HICOM, UMW Holdings, Sime Darby, Bermaz annual reports 2024; MIDA; The Edge Malaysia.

5. Vietnam: Conglomerate Capital Meets National Industrial Ambition — VinFast and THACO

Vietnam's domestic automotive conglomerate landscape is the youngest and most dramatically evolving in ASEAN-6. Two enterprises dominate: Vingroup JSC (through VinFast) as the EV national champion, and THACO (Truong Hai Auto Corporation) as the multi-brand assembly and commercial vehicle leader. Their divergent models — conglomerate-backed indigenous EV brand versus multi-brand licensed assembly — represent the two viable paths for domestic automotive industrial development in ASEAN markets of comparable scale to the Philippines.

Vingroup JSC and VinFast: The Conglomerate EV Bet

Vingroup JSC, Vietnam's largest private conglomerate (2024 net revenue approximately VND 192.16 trillion, approximately USD 7.5 billion; net profit approximately VND 5.25 trillion, approximately USD 209 million), committed its full conglomerate balance sheet to VinFast's EV development in a decision with no parallel in ASEAN automotive history. The USD 1.5 billion Hai Phong factory — built from rice paddies in 21 months — represents a scale of domestic capital mobilisation unmatched by any other ASEAN indigenous automotive investment. Vingroup's chairman Pham Nhat Vuong personally pledged USD 2.1 billion in VinFast sponsorship (November 2024), in addition to Vingroup's commitment to convert USD 3.3 billion in VinFast loans to preferred shares and lend an additional USD 1.4 billion through 2026.

VinFast delivered 87,000 vehicles in Vietnam in 2024 — a 44.4 percent year-on-year increase — becoming Vietnam's best-selling automotive brand and capturing approximately 18 percent domestic market share. This was achieved alongside market entries in the Philippines, Indonesia, Myanmar, and Thailand, plus continued presence in the US, Canada, and Europe. VinFast's financial profile remains deeply negative at the gross margin level (cost of goods sold exceeded revenue in 2024, with a negative 61 percent gross margin in H1 2024), sustained entirely by Vingroup balance sheet support. VinFast's path to breakeven (targeted end-2026) depends on scale economies from production volume growth, battery cost reduction, and the removal of the free charging programme.

THACO (Truong Hai Auto Corporation): The Assembly-to-Export Model

THACO, fully privately owned by founder Tran Ba Duong, is Vietnam's largest OEM sales conglomerate by VAMA volume (90,989 units sold in 2024) and Southeast Asia's most successful case of a domestic conglomerate evolving from licensed assembly to limited export through progressive supply chain deepening. THACO's Chu Lai complex in Quang Nam — a 10,000 hectare industrial, agricultural, and port zone — includes assembly plants for Kia, Mazda, and Peugeot; THACO-brand bus and truck production; and a dedicated automotive parts supply chain village. THACO exported approximately 1,200 vehicles in 2024 and targets 4,200 in 2025, with ambitions for 10,000+ annual exports to ASEAN, Africa, and the Middle East by 2027.

The THACO model is the most directly applicable template for a Philippine conglomerate-led automotive industrial development strategy. THACO started from zero automotive capability in 1997, used licensed assembly agreements (Kia, Mazda) as its capability-building foundation, invested progressively in supply chain depth at its own industrial complex, and moved to limited brand manufacturing (THACO trucks and buses) and then export. The full journey from first assembly to export took approximately 20 years — but the Philippine conglomerate sector can compress this timeline significantly by targeting electric commercial vehicles (where Chinese drivetrain and battery technology is available at accessible licensing cost) rather than replicating THACO's ICE journey.

Entity / Group	Primary Sectors	2024 Rev (USD Bn)	2024 Net Profit (USD Bn)	% of GDP (approx.)	Automotive Sector Role
Vingroup JSC	Real estate (Vinhomes), healthcare, retail (Vinmart), EV (VinFast), education	~7.5	~0.21	~1.9%	VinFast parent; USD 1.5B Hai Phong EV factory; full EV brand owner
VinFast (listed subsidiary)	Pure-play EV manufacturer (cars, e-scooters, e-buses)	~1.1	(-1.30) loss	~0.3%	Vietnam's #1 brand 2024; 87,000 units; ASEAN + US + Europe expansion
THACO (Truong Hai)	Kia/Mazda/Peugeot assembly, THACO trucks, buses, Chu Lai complex	~4.2 (est.)	~0.20 (est.)	~1.0%	Largest VAMA seller; multi-brand assembly; Chu Lai export hub; BMW distributor

TC Motor / Hyundai Thanh Cong	Hyundai vehicle assembly and distribution (Vietnam)	~2.5 (est.)	~0.12 (est.)	~0.6%	Hyundai JV: 2nd Ninh Binh factory; 180,000-unit capacity; Palisade ASEAN export
Hoa Phat Group	Steel, iron ore, real estate	~4.8	~0.30	~1.2%	Auto-grade steel supplier to VinFast and THACO — critical upstream link
Vietnam Engine & Agricultural Machinery Corp (VEAM)	Vehicle assembly (Honda, Toyota), engines, agri-machinery	~0.8	~0.12	~0.2%	State JV partner for Honda and Toyota assembly in Vietnam

Vietnam GDP 2024: approximately USD 413 billion. THACO is privately held; revenue/profit figures are estimates from VAMA, press reports, and analyst compilations. VinFast data: Nasdaq (VFS) filings 2024.

6. Philippines: Conglomerates in the Automotive Sector — Current Position and Entry Potential

The Philippine conglomerate landscape is characterised by seven or eight family-controlled business groups that collectively account for approximately 60-75 percent of market capitalisation on the Philippine Stock Exchange. These groups operate across banking, real estate, power, telecoms, retail, food, and infrastructure — but, with one partial exception (GT Capital/Toyota), none has committed to automotive manufacturing investment at a scale comparable to their ASEAN peers. This section profiles each major Philippine conglomerate currently engaged in or adjacent to the automotive sector, assesses their financial capacity for automotive manufacturing entry, and makes specific recommendations for government engagement.

6.1 GT Capital Holdings (Ty Family) — The Incumbent Automotive Conglomerate

GT Capital Holdings, Inc. (PSE: GTCAP) is the Philippines' only large conglomerate with deep, committed automotive sector involvement. Through its 51 percent equity stake in Toyota Motor Philippines Corporation (TMP) and 100 percent ownership of GT Capital Auto Dealership Holdings Inc. (GTAD, the largest Toyota dealer network in the Philippines), GT Capital generated total consolidated revenues of approximately PHP 363 billion (approximately USD 6.3 billion) in 2024, with core net income of PHP 28.1 billion (approximately USD 0.49 billion) — an 11 percent year-on-year increase.

TMP's contribution to GT Capital's 2024 results was transformative: Toyota Motor Philippines posted net income of PHP 4 billion in Q1 2024 alone (with annual consolidated revenues of approximately PHP 220 billion — approximately USD 3.8 billion — in full year 2024). GT Capital's 9-month 2025 core net income reached a record PHP 26 billion, driven by TMP's PHP 16.8 billion earnings contribution and Metrobank's PHP 37.3 billion net income — confirming that the Toyota franchise remains the most commercially valuable non-banking asset in the Philippine conglomerate sector.

The strategic question for the Philippine government is whether GT Capital's existing TMP relationship can be leveraged as a manufacturing deepening vehicle rather than merely a distribution franchise. TMP's CARS Program participation (Vios/Yaris production at Santa Rosa, Laguna) and the CKD investment for the Toyota Tamaraw IMV-0 (PHP 5.5 billion committed) demonstrate that GT Capital and TMP are willing to invest in Philippine manufacturing. The critical next step is extending this manufacturing commitment to include a BEV production track — leveraging Toyota's bZ series EV platform — within the CARS successor framework.

6.2 San Miguel Corporation (Ramon Ang / Ang Family) — The Infrastructure Giant with Untapped Industrial Potential

San Miguel Corporation (PSE: SMC) is the Philippines' largest company by revenue, posting consolidated revenues of PHP 1.6 trillion (approximately USD 27.5 billion) in 2024 — up 9 percent year-on-year — and consolidated operating income of PHP 160.8 billion (approximately USD 2.8 billion). SMC operates across six segments: Food & Beverage (Petron fuel), Power (San Miguel Global Power), Infrastructure (NAIA, MRT-7, TPLEX, CCLEX), Packaging, Cement, and Banking.

SMC's automotive sector involvement is currently limited to fuel distribution (Petron, one of the Philippines' two largest oil companies) and toll road operation (its infrastructure portfolio carries approximately 1.034 million vehicles per day across its tollways). However, SMC's infrastructure reach — including NAIA airport management, Manila North Harbor port operations, and MRT-7 rail construction — gives it unique visibility into Philippine mobility infrastructure needs and the most credible corporate base from which to develop EV charging infrastructure at national scale. SMC's balance sheet (total assets approximately PHP 3.7 trillion) and its demonstrated capacity for billion-dollar capital deployment in infrastructure make it the single most financially capable Philippine conglomerate for a large-scale automotive or EV manufacturing commitment.

The recommended government engagement with SMC is an electric commercial vehicle and EV infrastructure play rather than passenger car OEM manufacturing. SMC's Petron station network (approximately 2,600 stations nationwide) provides the backbone for a national EV fast-charging network. SMC's MRT-7 project integrates a maintenance facility that could logically expand to include electric bus manufacturing capability. A government-to-SMC industrial policy dialogue, framed around SMC's infrastructure footprint rather than its food and energy businesses, is the most productive starting point.

6.3 Ayala Corporation (Zobel de Ayala Family) — Technology and Clean Energy Alignment

Ayala Corporation (PSE: AC) posted consolidated revenues of approximately PHP 398 billion (approximately USD 6.56 billion) in 2024, with core net income of approximately PHP 49.6 billion (approximately USD 0.86 billion) across its banking (BPI), real estate (Ayala Land), telecom (Globe), power (ACEN), and industrial technology (AC Industrials) business lines. Ayala is the Philippines' oldest and most institutionally respected conglomerate (founded 1834), with a reputation for governance and long-term capital discipline that distinguishes it from shorter-horizon family business groups.

Ayala's most relevant automotive sector capability resides in AC Industrials, which operates Integrated Micro-Electronics Inc. (IMI) — a globally significant contract electronics manufacturer (2024 revenue approximately USD 1.26 billion) with factories in the Philippines, Bulgaria, Serbia, Czech Republic, China, and Mexico. IMI produces automotive electronics for Tier 1 global automotive suppliers including Delphi Technologies (now BorgWarner), Flex, and Jabil. IMI's automotive electronics revenue accounts for approximately 40-45 percent of total IMI revenue — making Ayala, through IMI, the Philippines' single largest producer of automotive electronics by value. This is a critical and underappreciated strategic asset: IMI's capability in automotive power electronics, BMS circuits, EV motor controllers, and ADAS sensor assemblies is directly applicable to the EV supply chain components identified in the previous report as Philippine strategic entry points.

The recommended government engagement with Ayala Corporation prioritises IMI's EV electronics supply chain expansion as the anchor investment for a Philippine EV Supply Chain Development Programme. IMI's existing relationships with global Tier 1 automotive electronics suppliers provide the vendor certification pathway that Philippine-based EV parts manufacturers would need to access Japanese, Korean, and Chinese OEM supply chains.

6.4 Aboitiz Equity Ventures (Aboitiz Family) — Power Infrastructure and Industrial Zones

Aboitiz Equity Ventures (PSE: AEV) reported 2024 consolidated revenues of approximately PHP 211 billion (approximately USD 3.7 billion) and net income of approximately PHP 24.2 billion (approximately USD 0.42 billion), operating across power generation (AboitizPower, one of the Philippines' two largest power utilities), banking (UnionBank), real estate (Aboitiz Land), food (Pilmico), and construction materials. AEV's strategic relevance for automotive industrial policy lies primarily in two areas: power infrastructure and industrial estate development.

AboitizPower's RE:INVEST programme (targeting 4,600 MW of additional renewable energy capacity by 2030) is the most credible commercial pathway to reducing Philippine industrial electricity costs for automotive manufacturers. AboitizPower has already committed to dedicated industrial power supply agreements with PEZA zone tenants at rates below the grid-weighted average — exactly the mechanism needed to make the Special Automotive Manufacturing Power Rate recommended in the previous report commercially viable without full EPIRA legislative amendment. The Aboitiz InfraCapital industrial estate portfolio in Davao, Cebu, and Luzon provides potential site infrastructure for automotive manufacturing expansion beyond the CALABARZON corridor.

6.5 JG Summit Holdings (Gokongwei Family) — Petrochemicals and Logistics

JG Summit Holdings (PSE: JGS) reported 2024 consolidated revenues of PHP 379.7 billion (approximately USD 6.24 billion) and core net income of PHP 24.9 billion (approximately USD 0.43 billion) across its food (Universal Robina Corporation), air transport (Cebu Pacific), telecom (PLDT stake), banking (RCBC, post-merger), petrochemicals (JG Petrochemicals), and real estate (Robinsons Land) businesses. The JG Summit Petrochemical Corporation complex in Batangas — one of Southeast Asia's largest integrated petrochemical facilities — produces polypropylene and polyethylene resins that are direct feedstock for automotive plastic components. JG Summit's petrochemical output is an underutilised upstream input for a Philippine automotive parts manufacturing ecosystem.

The recommended engagement with JG Summit is as a petrochemical feedstock anchor for an automotive plastics and composites supply chain — working with BOI to designate JG Summit's Batangas petrochemical output as a priority domestic input for automotive parts manufacturers establishing in the CALABARZON EV manufacturing zone.

6.6 Metro Pacific Investments Corporation (Manuel V. Pangilinan / MPIC) — Urban Mobility Infrastructure

Metro Pacific Investments Corporation (PSE: MPI) reported 2024 consolidated core income of approximately PHP 20.8 billion (approximately USD 0.36 billion) across toll roads (Metro Pacific Tollways), water utilities (Maynilad), hospitals (Metro Pacific Hospitals), and power distribution (Meralco, through First Pacific stake). GT Capital holds approximately 18 percent of MPIC, creating a structural link between MPIC's infrastructure portfolio and GT Capital's Toyota automotive franchise. MPIC's Meralco subsidiary — the Philippines' largest electricity distribution utility serving 7.7 million customers in Metro Manila and adjacent areas — is the natural vehicle for a large-scale EV public charging infrastructure deployment. Meralco's e-vehicle charging division (Meralco EV Solutions) has deployed charging infrastructure at commercial centres and is positioned to scale significantly with the right tariff and incentive framework from ERC.

6.7 SM Investments Corporation (Sy Family) — Retail Network as EV Distribution Platform

SM Investments Corporation (PSE: SM) posted 2024 revenues of approximately PHP 660.5 billion (approximately USD 11.43 billion) and net income of approximately PHP 40.2 billion (approximately USD 0.70 billion) across retail (SM Malls, SM Supermarkets), banking (BDO Unibank, the Philippines' largest bank by assets), and real estate (SM Prime). SM's retail network of 80+ malls nationwide — covering every major Philippine metropolitan area — is the most extensive retail infrastructure in the country. SM's relationship with Hyundai (through an SM dealership network in select SM malls) and its BDO Auto Loan portfolio (BDO is the Philippines' largest auto loan provider by volume) give it direct commercial interests in the automotive sector's growth. SM's mall footprint, if coordinated with Meralco EV Solutions, could serve as the backbone for a national EV consumer charging network — the demand-side infrastructure that accelerates EV adoption and makes Philippines-manufactured EVs commercially competitive.

6.8 Lucio Tan Group (LT Group, PAL Holdings, Allied Bank) — Port and Logistics Potential

The Lucio Tan group, operating across banking (Philippine National Bank), tobacco (PMFTC), brewing (Asia Brewery), and aviation (Philippine Airlines), has less obvious automotive sector relevance but controls a significant port logistics asset through MacroAsia Corporation's ground handling operations at NAIA. More strategically relevant is the LT Group's Tanduay Distillers, whose industrial alcohol production could be reoriented toward biofuel blending for hybrid vehicles — a niche but credible contribution to automotive industrial policy. LT Group's combined revenue across its listed entities approximates PHP 170 billion (approximately USD 2.9 billion) in 2024.

6.9 Philippine Conglomerate Consolidated Financial Table (2024)

Entity / Group	Primary Sectors	2024 Rev (USD Bn)	2024 Net Profit (USD Bn)	% of GDP (approx.)	Automotive Sector Role
GT Capital Holdings	Banking (Metrobank), automotive (Toyota, 51%), property, infrastructure, insurance	~6.30	~0.49	~1.4%	INCUMBENT: Toyota MFG (CARS); Tamaraw IMV-0 CKD; PRIME EV JV candidate
San Miguel Corporation	Food & beverage, fuel (Petron), power, infrastructure (NAIA, MRT-7, tollways), packaging, banking	~27.50	~0.62	~6.1%	Fuel infra; EV charging via Petron network; electric commercial vehicle/bus candidate
SM Investments Corp.	Retail (SM Malls), banking (BDO), real estate (SM Prime)	~11.43	~0.70	~2.5%	EV retail showrooms; BDO auto loans; Hyundai dealership; EV charging mall deployment
Ayala Corporation	Banking (BPI), real estate, telecom (Globe), power (ACEN), industrial tech (IMI)	~6.56	~0.86	~1.5%	IMI: auto electronics Tier 1-2 supplier; ACEN RE power for auto mfg zones; EV supply chain ANCHOR
JG Summit Holdings	Food (URC), aviation (Cebu Pacific), petrochem, telecom, banking, real estate	~6.24	~0.43	~1.4%	Petrochemicals feedstock for auto plastics; no current auto role
Aboitiz Equity Ventures	Power (AboitizPower), banking (UnionBank), food, real estate, construction	~3.70	~0.42	~0.8%	Industrial power cost reduction (RE:INVEST); industrial estate development; EV infra power supply
Metro Pacific Investments	Toll roads, water, hospitals, power distribution (Meralco), rail (LRT-1)	~3.60	~0.36	~0.8%	Meralco EV charging infrastructure; toll road EV fleet logistics; urban e-mobility
Alliance Global (Megaworld/Emperador)	Real estate, food/spirits, tourism, banking	~3.10	~0.18	~0.7%	Potential EV industrial estate developer; no current auto role
LT Group / PAL Holdings	Banking (PNB), tobacco, aviation (PAL), port logistics	~2.90	~0.12	~0.6%	Port logistics for auto CKD; MacroAsia ground handling; limited auto relevance
DMCI Holdings (Consunji)	Mining, construction, real estate, power, water	~2.50	~0.18	~0.6%	Nickel mining potential (battery materials); construction for auto industrial zones

Philippines GDP 2024: approximately USD 450 billion. Revenue figures in USD billions, converted from PHP at approximately PHP 57.5/USD average 2024. Sources: PSE disclosures; BusinessWorld Top 1000 (2026 edition); Fortune Southeast Asia 500 (2025); individual company annual reports 2024; Forbes Philippines.

6.10 Priority Automotive Entry Candidates: Government Engagement Recommendations

The following table synthesises the analysis above into a prioritised recommendation matrix for the Office of the President, identifying specific Philippine conglomerates as candidates for targeted government engagement in the automotive industrial programme. Suitability is scored High (H), Medium (M), or Low (L) based on: financial capacity; existing operational adjacency to automotive; governance and management capability; existing OEM or technology relationships; and appetite signals from public statements and corporate strategy documents.

Conglomerate	Sectors	2024 Rev (USD Bn)	2024 Profit (USD Bn)	Suitability Score	Automotive Entry Rationale & Recommended Role
GT Capital / Ty Family	Banking, auto (Toyota), property, infra, insurance	6.30	0.49	★★★★★ H	LEAD VEHICLE: GT Capital-TMP should be the anchor of any Philippine EV manufacturing investment programme. Government action: (1) CARS BEV track negotiation with TMP for Toyota bZ series CKD/manufacturing; (2) Presidential bilateral with Toyota Motor Corporation and GT Capital to discuss 50,000-unit BEV production commitment; (3) EVIDA production offset designation of TMP as qualifying producer.
Ayala Corporation / Zobel	Banking, real estate, telecom, power (ACEN), IMI electronics	6.56	0.86	★★★★☆ H	EV SUPPLY CHAIN ANCHOR: IMI's automotive electronics capability is the Philippines' most underutilised strategic asset. Government action: (1) designate IMI under CARS successor as Tier 1 automotive electronics supplier with BOI CIT holiday extension; (2) DOE-ACEN MOU for dedicated RE industrial power to CALABARZON EV zone at competitive rate; (3) invite Ayala-IMI to co-chair the proposed PATCC advisory board.
San Miguel Corp / Ang	Food, fuel (Petron), power, infra (NAIA, MRT-7, tollways), packaging	27.50	0.62	★★★★☆ H	EV INFRASTRUCTURE AND COMMERCIAL VEHICLE: SMC's Petron network + infrastructure reach = national EV charging backbone + electric bus/commercial vehicle manufacturing candidate. Government action: (1) ERC fast-track approval for Petron EV charging station tariff; (2) DOTr-SMC MOU for electric bus procurement (MRT-7 operations); (3) SMC-led consortium feasibility for electric jeepney manufacturing facility.
Aboitiz Equity Ventures	Power, banking, food, real estate, construction materials	3.70	0.42	★★★☆☆ M	POWER AND INDUSTRIAL ZONES: AboitizPower RE:INVEST as industrial power cost mechanism; InfraCapital zones as Visayas/Mindanao EV assembly sites. Government action: (1) DOE-AboitizPower Power Supply Agreement template for EV manufacturing zones at special rate; (2) BOI engagement on Aboitiz InfraCapital Cebu and Davao zones as secondary EV industrial clusters.

Metro Pacific / MVP	Toll roads, water, hospitals, Meralco, LRT-1	3.60	0.36	★★★☆☆ M	CHARGING INFRASTRUCTURE: Meralco EV Solutions is the Philippines' most credible large-scale EV charging network operator. Government action: (1) ERC approval for Meralco time-of-use EV charging tariff; (2) EVIDA CREVI designation of Meralco EV Solutions as national grid-connected charging infrastructure operator; (3) PhilGuarantee credit support for Meralco EV charging capex.
JG Summit / Gokongwei	Food, aviation, petrochem, telecom, banking	6.24	0.43	★★★☆☆ M	PETROCHEMICAL FEEDSTOCK: JG Petrochemicals PP/PE resin as domestic feedstock for auto plastics parts manufacturers. Government action: (1) DTI-JG Summit feedstock supply agreement for CALABARZON auto plastics suppliers; (2) BOI local content credit for automotive parts using JG Summit domestically produced resin.
DMCI Holdings / Consunji	Mining, construction, real estate, power	2.50	0.18	★★☆☆☆ M	NICKEL MINING BATTERY MATERIALS: DMCI's nickel laterite mining operations in Mindanao and Zambales could be positioned as battery materials supply in G2G investment discussions with Korean and Chinese battery manufacturers. Government action: (1) DENR-DMCI critical minerals designation; (2) DTI-DMCI inclusion in Philippine Battery Materials Strategy.
Alliance Global / Tan	Real estate, spirits (Emperador), tourism	3.10	0.18	★★☆☆☆ L	INDUSTRIAL ESTATE DEVELOPER: Alliance Global's Megaworld township model could incorporate an automotive manufacturing district concept in its Ilollo and Clark developments — expanding the geographic scope of Philippine auto manufacturing beyond CALABARZON. Government action: BOI engagement on Megaworld Clark as EV industrial zone anchor site.

Suitability score: ★★★★★ = highest priority; ★★☆☆☆ = supporting role. Scoring based on: financial capacity (balance sheet and revenue scale); operational adjacency (existing manufacturing, logistics, or technology capability relevant to automotive); governance quality (PSE listed company with international audit standards); OEM relationships (existing engagement with Japanese, Korean, or Chinese automotive entities); and public appetite signals (corporate strategy statements, prior investment interest).

7. Structural Barriers to Philippine Conglomerate Automotive Entry

Even among the highest-rated conglomerate candidates, structural barriers inhibit automotive manufacturing entry beyond the CARS Program framework. These barriers are distinct from the policy and FDI barriers identified in the previous report and relate specifically to the internal and market-level constraints facing domestic enterprises.

Barrier Category	Description
Return on Capital Competition	Philippine conglomerates consistently earn higher risk-adjusted returns on capital from banking (Metrobank, BDO, BPI: 15-20% ROE), real estate (Ayala Land: 12-15% ROE), and telecommunications (Globe: 18% ROE) than automotive manufacturing can deliver under current Philippine market conditions (GT Capital's Toyota franchise: 8-10% ROE). Without a structural policy intervention that improves automotive manufacturing returns — through tax holidays, production offset incentives, or guaranteed government procurement — the opportunity cost of automotive capital deployment remains unattractive relative to these alternatives.
Capital-Intensive Entry Threshold vs. Asset-Light Business Models	The post-COVID strategic direction of most Philippine conglomerates has shifted toward asset-light, high-margin service businesses (digital banking, logistics tech, e-commerce). Automotive manufacturing requires large, illiquid capital commitments (land, factory, tooling) with 10-15 year payback periods — structurally incompatible with the quarterly earnings pressure facing PSE-listed conglomerates without a clear government risk-sharing mechanism.
Technology Partnership Access	Philippine conglomerates currently lack the established OEM technology relationships that would enable an independent entry into EV manufacturing. GT Capital's TMP relationship (Toyota) and Ayala's IMI contracts (BorgWarner, Delphi, Jabil) are the two existing access points. A new entrant (e.g., San Miguel or Aboitiz) would need either a G2G-brokered introduction to a Chinese EV platform licensor (BYD, Chery, Wuling) or a government-facilitated joint venture framework that structures the technology access pathway before private investment is committed.
Supply Chain Ecosystem Depth	Philippine automotive parts manufacturers are insufficient in number (fewer than 80 automotive-grade firms vs. Thailand's 2,500+) and insufficient in EV-specific capability to support a new OEM entrant sourcing 40 percent local content within 5 years. A conglomerate entering automotive manufacturing without a parallel government-funded supply chain development programme would face either excessive import dependency (negating manufacturing economics) or a decade-long supply chain development burden (negating commercial viability). The proposed Philippine Automotive Supply Chain Development Fund (PHP 10-15 billion) is the essential complement to any conglomerate manufacturing commitment.
Power Cost Competitiveness	Philippine industrial electricity at USD 0.18-0.22/kWh remains approximately double Thailand and Vietnam. Any Philippine conglomerate committing to automotive manufacturing faces a structural annual operating cost premium of USD 8-12 million per 50,000-unit plant versus a Thai or Vietnamese competitor. Until AboitizPower's RE:INVEST programme or an equivalent mechanism reduces industrial power cost to USD 0.11-0.13/kWh, this premium is a persistent financial disincentive to manufacturing investment that no BOI tax holiday can fully offset.
Management Bandwidth and Technical Expertise	The Philippine automotive manufacturing workforce — while trainable and English-proficient — currently lacks the density of automotive-certified technicians, process engineers, and quality management specialists required by Japanese and

	Korean OEM production systems. Building this workforce requires a 5-7 year investment in co-located vocational training infrastructure (TESDA-OEM partnerships), which precedes commercial production by several years. Conglomerates considering automotive entry must budget for this workforce development cost before production revenue begins.
Political Risk of Industrial Policy Continuity	Philippine conglomerates with long institutional memory recall that the CARS Program enrollment decision required multi-year negotiations, and that CARS funding was subsequently subjected to annual appropriation risk that materialised as a programme crisis in 2025-2026. The credibility deficit created by CARS funding instability — only partially repaired by the January 2026 Presidential commitment — creates residual hesitancy for new automotive capital commitments without binding multi-year legislative appropriation or a tax-expenditure-based incentive framework that is not subject to annual budget politics.

8. Strategic Recommendations: Which Philippine Corporations to Engage and How

Drawing together the corporate assessment and barrier analysis, this section provides specific government engagement recommendations structured as a three-tier priority framework.

Tier 1: Immediate Presidential-Level Engagement (Priority Actions, 2026)

The following enterprises warrant direct Presidential engagement — either through the President's bilateral meetings with OEM executives, or through dedicated inter-agency investment facilitation — because they represent either existing automotive manufacturing capacity that must be deepened, or strategic capabilities that are essential to any Philippine EV manufacturing programme:

- GT Capital / Toyota Motor Philippines: Immediate goal — CARS successor programme BEV production track commitment for Toyota bZ series, with 50,000-unit minimum over 5 years. The Ty family's decision on this commitment is the single most determinative event for Philippine automotive industrial policy in 2026. A Presidential bilateral with Toyota Motor Corporation President Koji Sato, co-facilitated by GT Capital's George SK Ty, is the recommended mechanism.
- Ayala Corporation / AC Industrials / IMI: Immediate goal — DTI-Ayala MOU designating IMI as the anchor supplier for a Philippine EV Electronics Supply Chain Hub, with BOI extended CIT holiday for IMI automotive EV electronics lines and a committed ACEN power supply agreement for the CALABARZON EV manufacturing zone. Ayala's governance quality and IMI's existing international audit standards make this the lowest-risk large-capital industrial commitment in the Philippine conglomerate sector.
- San Miguel Corporation: Immediate goal — ERC fast-track approval for Petron EV charging tariff framework, and a DOTr-SMC electric bus procurement MOU for MRT-7 operations. SMC's NAIA management role and MRT-7 position give it a captive demand base for electric commercial vehicles that could anchor an electric bus manufacturing feasibility study.

Tier 2: Senior DTI/BOI-Level Engagement (6-18 Months)

The following enterprises should be engaged at DTI Secretary and BOI Chairman level, with clearly structured investment proposals rather than exploratory discussions:

- AboitizPower / Aboitiz InfraCapital: BOI power supply agreement template + Visayas/Mindanao EV industrial zone designation. The Cebu and Davao economic zones managed by Aboitiz InfraCapital provide geographic diversification for Philippine automotive manufacturing beyond the Metro Manila-CALABARZON concentration.
- Metro Pacific / Meralco EV Solutions: ERC regulatory engagement + EVIDA CREVI designation. Meralco's customer base of 7.7 million households is the ready-made mass-market EV charging infrastructure foundation. Without competitive EV charging tariffs and clear regulatory authorisation, this asset is underutilised.
- JG Summit Petrochemicals: DTI feedstock supply agreement for BOI-registered automotive plastics manufacturers. JG Summit's Batangas petrochemical complex is the most underutilised strategic input for Philippine automotive parts manufacturing.

Tier 3: G2G-Brokered OEM Technology Introductions (12-36 Months)

The following non-automotive conglomerates have the financial capacity and strategic motivation to enter automotive manufacturing but lack the OEM technology access that would trigger investment commitment. Government should broker technology introduction meetings — ideally at the sidelines of Presidential state visits to China, South Korea, or Japan:

- SM Investments: SM's BDO auto loans portfolio and SM Mall distribution infrastructure make it a natural distribution and financing partner for a Chinese EV brand seeking Philippine market deepening beyond pure import. A government-facilitated SM-BYD or SM-Chery technology licencing introduction — modelled on Malaysia's government role in the DRB-HICOM/Geely introduction — could trigger an SM entry into domestic EV assembly.
- Alliance Global / Megaworld: The Clark Freeport Zone development in Pampanga — managed by Megaworld as a township — is an architecturally suitable location for an EV industrial complex outside the CALABARZON corridor, with proximity to Subic Bay port and Clark International Airport for CKD parts inbound logistics and CBU exports. A BOI-Megaworld-Alliance Global MOU designating the Clark Economic Zone as an automotive manufacturing zone would create a second industrial hub option for OEM investors.

9. Conclusion

The Philippine conglomerate sector is not absent from the automotive sector — it is undercommitted relative to its financial capacity and strategic positioning. GT Capital's Toyota franchise is commercially excellent but structurally confined to an ICE-era distribution and assembly model. Ayala's IMI is a globally significant automotive electronics manufacturer that has not been activated as an anchor for domestic EV supply chain development. San Miguel's infrastructure footprint — the most extensive in the Philippines — has not been marshalled for EV charging or commercial vehicle manufacturing. The gap between what Philippine conglomerates could do in automotive and what they are currently doing is primarily a policy gap, not a capital gap.

The ASEAN-6 peer comparison makes the prescription clear. In every country where domestic conglomerate capital was deployed at scale in automotive — Astra in Indonesia, DRB-HICOM/Proton in Malaysia, Vingroup/VinFast in Vietnam, Thai Summit and WHA in Thailand — the trigger was a combination of government-mandated local content obligation, government demand stimulus, and a credible foreign OEM technology partner. None of these three elements is uniquely beyond the Philippines' capacity to provide. The critical difference is that in Thailand, Indonesia, Malaysia, and Vietnam, the government constructed these elements as an integrated, binding industrial policy framework rather than as aspirational guidelines subject to annual budget reappropriation.

The Marcos administration's window for this policy construction is 2026-2027. The financial capacity is present — Philippine conglomerates collectively hold more than sufficient capital to fund the automotive manufacturing commitments needed for the Philippines to become a credible ASEAN EV production hub. What is required is the Presidential directive that converts that latent capacity into committed investment: a binding EV production offset, a stable BOI tax-expenditure incentive, a government-facilitated G2G technology partner introduction, and a clear, Presidential-level signal that the Philippines is open for automotive manufacturing business — not merely as a consumer market, but as a production platform for the next generation of ASEAN mobility.

— END OF REPORT —

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Primary sources: PT Astra International 2024 Annual Report (Jardine Matheson); Vingroup JSC 2024 Earnings Report (HoSE: VIC); VinFast Full Year 2024 Financial Results (Nasdaq: VFS); DRB-HICOM Annual Report 2024 (Bursa Malaysia); UMW Holdings 2024 Annual Report; Bermaz Auto 2024 Annual Report; GT Capital Holdings 2024 Annual Report (PSE: GTCAP); San Miguel Corporation 2024 Annual Results (PSE: SMC); SM Investments Corporation 2024 Annual Report (PSE: SM); Ayala Corporation 2024 Annual Report (PSE: AC); JG Summit Holdings 2024 Annual Report (PSE: JGS); Aboitiz Equity Ventures 2024 Annual Report (PSE: AEV); BusinessWorld Top 1000 Corporations Philippines 2025 edition; Fortune Southeast Asia 500 (2025); Forbes Asia Best Over A Billion list; The Edge Malaysia; Bangkok Post automotive industry reports 2024-2025; Jakarta Post Astra coverage; UNCTAD World Investment Report 2024; ISEAS-Yusof Ishak Institute 'The Political Economy of Automotive Industry Development in Southeast Asia' (Tham Siew Yean et al., 2023); ADB Working Paper 'Strengthening Philippines Manufacturing' (2024); JICA Philippines Manufacturing Sector Study 2023; DTI-BOI automotive sector filings; CAMPI/TMA 2024 sales data; IMI Corporation 2024 Annual Report (PSE: IMI).