

THAILAND Focus 2025



“Health Tech and Advanced Therapeutic Medicine: Potential New S-Curves for Thailand’s Healthcare Industry”

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Moderator: Dr. Num Tanthuanit, Senior Advisor, Healthcare Strategy and Transactions, EY-Parthenon.

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Executive Summary

Thailand's healthcare industry is at a pivotal inflection point, executing a clear strategic shift from a service-based model, successful in medical tourism, towards becoming a hub for technology-driven innovation. A panel of the nation's leading figures in private healthcare, venture capital, and academic research presented a unified vision for two new growth curves: Health Technology and Advanced Therapeutic Medicine (ATMPs). The core message for investors is that Thailand is moving deliberately from being a consumer of high-cost imported medical technology to a developer and producer of domestic innovation. This transition is underpinned by a uniquely collaborative ecosystem where public, private, and academic sectors are working in concert, creating a de-risked environment for investment in the sector's next major growth phase.

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The Strategic Imperative: Addressing a Critical Need

- The panel established that while Thailand's healthcare model is a global success, it faces pressures from rising costs, specialist shortages, and a heavy reliance on imported technology.
- Highlighted that Thai doctors and medical personnel are highly competent, many having studied or trained abroad, and continuously updating their knowledge and skills.
- However, other medical equipment need to be imported from abroad. This import dependency, especially for high-cost advanced medicines like CAR T-cell therapies (costing up to THB 16 million per case), creates a substantial and urgent domestic market for more affordable, locally-produced alternatives. The imperative is clear: develop sovereign capabilities to ensure both economic and health security.

A Uniquely Collaborative Ecosystem

Unlike markets defined by disruptive competition, Thailand's innovation landscape is markedly symbiotic. This collaborative framework significantly lowers investment risk.

- **Corporate-Academia Partnership:** BDMS actively functions as a strategic partner and "first adopter" for innovations emerging from research institutions like Siriraj Hospital and the local start-up community. This provides a direct and scaled pathway to commercialization, solving a key hurdle for new ventures.
- **Filling the Funding Gap:** The panel identified a clear opportunity for institutional capital in the mid-stage of technological development—the so-called "Valley of death"—where innovations are proven but not yet commercially viable. This is a space where private investment can bridge the gap between government grants and large-scale corporate funding.
- **Supportive Regulatory Environment:** Thailand's regulators are viewed as enablers of innovation. The establishment of a "Health Innovation Sandbox," with specific provisions for cell and gene therapy, provides a controlled and clear pathway for testing and approving new technologies, adding a layer of regulatory certainty for investors.

Prof.Dr. Sith Sathornsumetee, Vice Dean for Research and Innovation Faculty of Medicine Siriraj Hospital, Mahidol University

From Research to Revenue: Tangible Progress

The discussion highlighted concrete examples of innovation that have successfully transitioned from the laboratory to commercial application, proving the viability of the ecosystem.

- **Health Tech in Practice:** A prime example is a diagnostic AI for radiology, developed over six years by Siriraj Hospital in partnership with Thai start-up 'Perceptra'. The technology is now being licensed to BDMS and deployed in public hospitals, representing a full-cycle success story from local R&D to national adoption.
- **Advanced Therapeutics on the Horizon:** Siriraj Hospital is at the forefront of developing homegrown ATMPs, notably next-generation CAR T-cells. The initiation of a Phase I clinical trial for a locally developed therapy is a landmark achievement, demonstrating an end-to-end domestic capability in this highly complex field.

Dr. Supachai Parchariyanon, Chief Executive Officer of RISE

Gateway for Global Innovation

- For international technology firms, Thailand serves as a strategic entry point to Southeast Asia. Dr. Supachai Parchariyanon noted how the ecosystem helps foreign companies navigate local complexities, citing the commercialization of US-based Qvin's diagnostic technology with BDMS as a successful model for partnership.

Conclusion: A Unified Call for Investment

The panel concluded with a powerful and unified message. The alignment between Thailand's foremost research institution (Siriraj Hospital), its largest private healthcare provider (BDMS), and its growing venture capital community creates a uniquely stable and supportive environment for investment. The challenges facing the sector are well understood, and the strategies to address them are already in motion, with strong support from the government.

Dr. Kongkiat Kespechara's closing remarks that **"Thailand for the healthcare development will become one team rather than try to compete on each other"** encapsulated the spirit of the discussion. For institutional investors, the message was clear: Thailand is not merely maintaining its healthcare industry but actively and collaboratively building its next engines of growth. The opportunity is to invest not just in individual companies, but in an entire national ecosystem that is primed for its next stage of development.