



Hakuzo Medical Asia Co., Ltd.

“With an unwavering commitment to supporting front line medical treatment, at Hakuzo Medical Asia we ensure that hospitals and nursing home facilities are able to access healthcare products that meet the needs of the people they serve.”

Mr. Koichiro Sasakim

Managing Director of Hakuzo Medical Asia Co., Ltd

Developing Products for the Medical Community

Founded in early 2019, Hazuko Medical Asia is an affiliate company of the well-known Japanese company Hazuko Medical Corporation, a company with over 60 years of experience in providing the highest quality products to both government and private hospitals and nursing care facilities. Located in Klongtan Nuea, Vadhana, Bangkok, the company specializes in the distribution and export of medical devices within Thailand, as well as to ASEAN and Australia. In the 2019 fiscal year, Hakuzo Medical recorded net sales of 12.959 billion yen (about 3.9 billion Baht), a 17% increase from 2015. Hakuzo Medical Asia is expected to build upon the strong financial performance of its parent company in the months and years ahead. They are presently working on further expanding their presence in Thailand with the establishment of a new production facility in WHA Chonburi Industrial Estate 2 (WHA CIE 2). Slated for completion by the end of 2020, it is expected that this facility should be fully operational by the first quarter of 2021.

Initially, Hakuzo Medical Asia has determined that its starting focus will be on the production of specialized plasters used during the course of dialysis

treatment. Thereafter the company will expand to producing ‘kits’ (custom procedure packs) which are used for surgeries, general patient care, and dental procedures. Many of these kits will also be useful in Thailand’s battle against the COVID-19 Corona virus.

Why Thailand

Mr. Koichiro Sasakim, Managing Director of Hakuzo Medical Asia Co., Ltd., had this to say about why Hazuko chose to locate their affiliate company and invest in Thailand. “Because of Thailand’s robust medical infrastructure, and the country’s reputation as a regional hub for medical tourism, we are geared towards a long-term investment in the country. It is expected that, if companies such as ours continue to invest in Thailand’s medical services industry, Thailand will become a regional home for all types of treatment”.

Vision for the Future

Having now commenced operations in Thailand and established itself as a reputable producer of safe and secure medical products for hospitals and nursing care sites across the country, Hakuzo Medical Asia’s new production facility will enable it to further service the

rising demand for its medical products both within Thailand and across ASEAN. Upon its completion, it is estimated that Hakuzo Medical Asia will initially employ approximately twenty full-time local staff; this number is expected to double as the company grows.

As a newly registered Thai company, Hakuzo Medical Asia has yet to fully benefit from the BOI's range of tax and non-tax incentives. However, as the company's new production facility reaches completion, it is expecting to benefit soon from import duty exemptions on machinery, import duty exemptions on raw materials used for export production, and additionally, important non-tax incentives such as support for the acquisition of foreign employees.



Supporting Policies from the Government

Thailand's position as an international medical hub attracts both patients and tourists to the country. Total Healthcare Services is one of the targeted industries that the government actively supports, assisting to position Thailand as both the main medical hub and key medical technology and devices exporter in the region. The Thai government, in recognition of the importance of the medical sector to the economy, has allocated 12.5 billion baht (US\$ 376.3 million) in

healthcare spending. The government and the BOI also strongly support the efforts of Thai companies in the private sector which are looking to generate increased business opportunities in the global market.

Attractive BOI Incentives

The Thailand Board of Investment (BOI) offers a wide range of tax and non-tax incentives for projects that meet national development objectives. Tax-based incentives include an exemption or reduction of import duties on machinery and raw materials, as well as corporate income tax exemptions of up to eight years. Nontax incentives include permission to bring in expatriates, own land and take or remit foreign currency abroad.

In response to the ongoing COVID19 health pandemic, on 13 April 2020 the Board of Investment announced a variety of additional measures to further support investment in Thailand's medical manufacturing sector. These amendments for BOI-eligible businesses aim to accelerate investment in the production of crucial medical equipment and supplies. Amendments include a 50% corporate income tax reduction for an additional three years, supplementary import duty exemptions, and expanded timelines for income tax exemptions.

Additional information about specific activities relating to the medical and healthcare industries can be found by clicking [here](#) or contacting the BOI's Investment Promotion Bureau 1.
