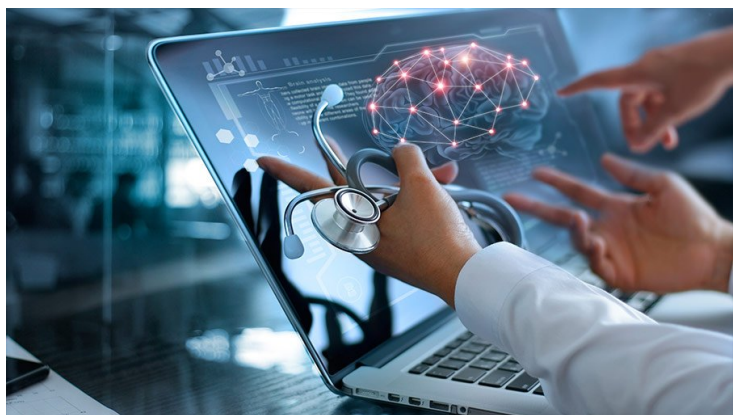


Boom or Bust for Asian Healthcare?

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Asia Pacific (APAC) is leaping with novel innovations while connecting the APAC market with global trends. Life sciences sector remains an attractive industry for investment from both strategic players and financial investors. The accelerated R&D activities amidst the pandemic are attracting both outward direct investment (ODI) and foreign direct investment (FDI) in potential bio-pharma sectors at an estimated size of \$40.25 billion in 2021. The surge in the pandemic is burgeoning consumer demand for innovative and potential healthcare products with the emerging digital health tech market. Thus, it's essential to statistically analyse the perspective of the investment attractiveness in the APAC economy and translate it into a quantitative score to benchmark the performance of innovation and investments. Let's gather some industry perspective on policy strengths and challenges in the markets for different stakeholders.



Being the largest pharma market hub and the land of innovative therapeutics, Asian countries have always been leading the ever competitive biopharmaceutical ecosystem. Yet, identifying potential healthcare assets from the large pool of available deals will lead to challenges, especially if the market is opaque. The ability to evaluate consumer needs, competitive dynamics, regulatory pressures, differences among geographies, and emerging sectors will be the gauge to measure, understand, and compare performing economies. Often it is difficult to obtain accurate and comprehensive evidence on the relevant markets.

According to Market Data Forecast, the size of the APAC biopharmaceutical market witnessed a market size worth \$40.25 billion in 2021 and is estimated to be growing at a CAGR of 10 per cent reaching \$64.96 billion by 2026. Asian populace is swelling and thus the ageing population with increasing awareness opens the window to generic drugs, biological drugs, and synthetic therapeutics. The market is also driven by increasing investment in R&D, cost-effective manufacturing plants, bio parks, efficient logistics, an intricate supply chain, and a highly-skilled workforce at low expenditures.

Investments drivers

The healthcare assets in APAC are experiencing an incremental deal value and volume, enlarging the venture capital zone and intensifying the capital investments. Experts observed a heightened investor interest amidst the pandemic with a significant impact on biopharma market trends and entrepreneurship, shifting R&D focus through novel scalable technologies.

Investors are always driven by disease relevance and are focusing on supporting promising therapeutics, robust healthcare technologies, and transformative remedies, balanced with scientific and market insight. In 2020, healthcare investors in APAC deployed \$16.9 billion in capital, up from \$11 billion the previous year, states a recent report from Bain & Company. The biopharma sector secured over half of this capital, with 86 deals in 2020 as compared to 28 in 2019, the report explains.

While the APAC countries are endeavoring to achieve universal healthcare goals, healthcare sustainability and financial reserve needs in the drug industry are experiencing funding stress. Besides, generic drug candidates confront rigid Food and Drug Administration (FDA) screening and the threat of counterfeit drugs. Given the complex, varied and interdependent factors influencing the success of bio-pharma policies, favourable policies, and cost-containment initiatives are essential. Some vendors are using outsourcing as a strategy to reduce their capital, which will be advantageous to pharma companies to a certain extent. Operations at Good Manufacture Practice (GMP) can also be streamlined through better financial assistance via public health agencies and government aids.

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