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ASIA EDITION

2024 sets to see rising investment and innovation in healthcare & life sciences in APAC: Report

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Collaboration with AI healthtech startups to transform drug discovery, bioinformatics, diagnosis, treatment, monitoring and outcome predictions is picking up pace



Asia Pacific (APAC) remains a prominent innovation hub and magnet for investment in Healthcare and Life Sciences, according to Baker McKenzie's new digital report 'Unlocking and Accelerating Growth: Healthcare and Life Sciences in Asia Pacific.'

As governments and key market players strive to expand healthcare access, quality and affordability in the region, the market is experiencing an increase in transformation-focused investment activity. Healthcare organisations are refocusing product portfolios and divesting non-core assets to release capital and build flexibility into their supply chains, and create further investment opportunities.

Transformation-focused investment draws great significant interest from private capital investors

Global pharmaceutical and medical device companies are feeling the effects of inflation, pricing pressure, patent cliffs and trade shocks. Healthcare companies continue to look to build their pipeline and achieve growth in new technologies and products via collaborations and licensing agreements. At the same time, faced with higher interest rates and tightening credit conditions, biotechs urgently need to source funding to advance drug approvals, run clinical trials and go to market.

Complex therapies and emerging product areas demand more innovative collaboration structures, partnerships and licensing agreements

Dual licensing is growing ever more popular as a means of driving co-creation and transformation in the industry. We also expect to see continuing use of Co-Development, Co-Marketing and Co-Promotion Agreements, Co-operative Research Agreements and other innovative forms of collaborative structures moving forward.

Rise in AI deals on the horizon; embrace ethics-based governance to mitigate regulatory complexity

Asia Pacific is home to almost 600 AI Healthtech startups, most of which are based in Australia, China, Japan and Singapore. We anticipate that deal activities in these markets will rise as AI matures, existing applications scale and new use cases are

discovered.

Until AI regulations are harmonized, organisations can look to 'soft law' principles and adopt ethical governance frameworks to guide AI adoption.