

12% growth pushes APAC bioscience to \$173 bn

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APAC market marks its global presence, registering revenues crossing \$173 billion says Biospectrum survey



Singapore: Amidst turmoil in many of the Asia-Pacific markets in the past year with general economic slowdown and regulatory and quality issues, the regional bioscience industry had done well in 2013. The 7th annual BioSpectrum Asia-Pacific Bioscience Survey indicates that the industry grew by 12 percent in 2013, compared to 11 percent in 2012. The total revenues crossed \$173 billion compared to \$154 billion in 2012.

Over 300 publicly listed bioscience companies in the region are the main engines of growth for the APAC industry. Collectively, these companies crossed the \$100 billion mark for the first time. Privately held companies, mostly in India and China, accounted for more than 40 percent of the industry's revenue.

Within the region, the performance of various national markets varied wildly. While the industry in China grew by 22 percent in 2013, India's industry recorded an abysmal 3 percent growth only. In terms of growth, Singapore was a big winner with the national bioscience industry on a booster dose with 48 percent growth in 2013. The pharma manufacturers in Singapore had their best year in the past decade, thanks to big orders from the region for many of the locally-made products.

China continued the trend of hosting the largest segment of bioscience industry in the region, followed by India. There are nearly 100 publicly listed bioscience companies in China and their revenue crossed the \$50 billion mark for the first time. India's companies are second to China but their combined revenue was just half of that of China, accounting for about \$26 billion. In fact, the \$25.8 billion revenue of government-controlled, Sinopharm, the No. 1 bioscience company in APAC, is almost equivalent to the combined revenue of all the publicly listed pharma companies in India. The wide gap between the No 1 and No 2 bioscience markets has remained more or less the same for the past five years.

In the BioSpectrum APAC Top 20 Club, there are nine Chinese companies. Companies from India are very close, accounting for eight and Australian companies make up the balance of three in this exclusive category. Of course, the gap between the No 1 Sinopharma (\$25.8 billion) and No 2 CSL of Australia (\$5.02 billion) indicates the domination of the region's top company in all the segments it operates. The top company from India is Sun Pharma in the 5th position with revenue of \$2.46 billion. Sun Pharma's ranking is expected to improve by a few places in 2014, with the intended acquisition of the \$1.7 billion Ranbaxy Laboratories (currently No 9).

One of the interesting aspects of this year's BioSpectrum APAC Top 20 Club is the fact that for the first time, all the 20 companies in this classification are in the \$1 billion + revenue category. The formation of this Billion dollar Top 20 club indicates that the APAC bioscience industry is acquiring size and is here to stay for a long time to come and make its presence felt globally in a variety of ways.