The Great Licensing: China–US Biopharma Innovation

Looking Back at 2025: How China–US Licensing Reshaped the Biopharma Innovation Highway

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If 2025 had a single defining biopharma storyline, it was this: cross-border licensing did not merely recover—it exploded. The most dynamic corridor ran decisively from China to the United States. China's biotech sector moved beyond its historical role as a domestic fast follower and emerged as a global supplier of innovative assets. At the same time, US and European multinationals, facing near-term patent expiries and widening innovation gaps, showed unprecedented appetite for China-origin pipelines. Artificial intelligence further accelerated this shift, transforming from a compelling narrative into a measurable productivity engine that compressed research timelines and delivered global-ready molecules earlier than ever before.

Cross-border licensing reached historic highs. The scale, frequency, and ambition of China outbound licensing deals in 2025 were unlike anything the industry had previously seen. Billion-dollar packages became routine rather than exceptional, spanning oncology, cardiovascular disease, immunology, and AI-enabled discovery platforms.

Deal values climbed sharply in 2022 and 2023, reached approximately US$25 billion in each year, accelerated further in 2024 to around US$50 billion, and in 2025 approached an annualized volume nearing US$100 billion. This trajectory reflects a structural shift rather than a cyclical rebound.

China-origin assets increasingly entered agreements as global development programs, signaling that China is no longer viewed as a peripheral source of optionality but as a primary pipeline partner for global pharma.

Illustrative Cross-Border Deal Examples: Structural Change in Action

This structural reorientation is further evidenced by several landmark cross-border transactions concluded in 2025, including licensing and collaboration agreements between Hansoh Pharma and Merck, and between 3SBio and Pfizer. Among the most prominent was Takeda Pharmaceutical's strategic oncology collaboration with Innovent Biologics. Under the agreement, Takeda licensed multiple oncology assets from Innovent, including late-stage antibody-based programs, with rights outside Greater China. The deal included an upfront payment of approximately US$1.2 billion and up to US$10.2 billion in milestone payments.