Osborne Clarke

Turning patent cliffs and AI disruption into a decade of growth

M&A in biotech and pharmaceuticals

As major patent expiries hit between now and 2030, revenue growth for biotech and pharma companies is increasingly driven by acquisitions and strategic alliances.

5 forces reshaping biopharma M&A and licensing

AI as a deal enabler:

AI is used to source targets earlier, assess IP and data assets faster, and prioritise acquisitions that can replace lost revenue and improve R&D productivity. Clients are increasingly seeking or selling AI-enabled platforms, and need to structure transactions that protect data, models and future value.

We supported **BioNTech** on its acquisition of InstaDeep, turning an AI-powered discovery platform and its training data into the core deal asset in a cutting-edge biopharma transaction.

Demographic & workforce pressure:

Ageing populations and constrained healthcare workforces are increasing demand for innovation in care pathways, medicines and technology-enabled services. Clients are using M&A and collaborations to build or acquire platforms that expand access, improve outcomes and address workforce and capacity constraints.

We acted for **Hims & Hers** on the UK, German and Dutch aspects of its acquisition of Eucalyptus, building a scalable telehealth platform that directly tackles access and capacity constraints in healthcare.

Digital health & EU policy tailwinds:

EU initiatives (e.g. European Health Data Space, Critical Medicines Act) are driving investment into medtech, data and digitalisation, and supporting local manufacturing. Deals must now reflect evolving health-data, AI and interoperability requirements, as well as policy expectations around critical medicines and supply resilience.

We advised **CoaguSense** on the asset purchase of DOASENSE's DOAC testing business. We provided comprehensive support on deal structuring and negotiation, corporate/M&A, IP and IT, medical devices regulation, competition, employment and commercial matters in a highly regulated medtech environment.

Capital markets & investor behaviour:

Investors are more selective, favouring later-stage, milestone-based and structured deals; PE expected to refocus on carve-outs, platform roll-ups and sponsor-to-sponsor trades. Clients face greater scrutiny on deal rationale and returns and need transaction structures that align with current investor expectations and risk appetites.

We advised the management team of **Sterling Pharma Solutions** on the investment by GHO Capital and Partners Group, reflecting how private equity is backing CDMO platforms through disciplined, growth-oriented deals in life sciences.

Patent cliffs & portfolio optimisation:

Major patent expiries are forcing companies to replenish pipelines and rebalance portfolios towards high-growth, specialty areas. For clients, this creates urgency to use M&A and strategic deals to replace at-risk revenues and exit non-core assets.

We advised **Octane Group** on its strategic acquisition of Aesculap AG's stake in regenerative medicine company TETEC Tissue Engineering Technologies AG on an interdisciplinary basis. Our interdisciplinary team covered corporate/M&A, restructuring, employment, merger control, IP, commercial, real estate and data protection aspects of the transaction.

> *"The deep experience within the Osborne Clarke team efficiently guided the Sterling management to a timely and successful conclusion"*
>
> **Kevin Cook**
> CEO of Sterling Pharma Solutions

Osborne Clarke's biopharma team brings together deep scientific understanding with seasoned transactional and regulatory experience to advise clients across the full lifecycle of deals and collaborations, including:

Advising on cross-border M&A and strategic alliances that clients use to replenish pipelines, secure innovative platforms and optimise portfolios.

Supporting with patent and technology licensing as part of their broader deal activity, aligning intellectual property and technology assets with portfolio optimisation and development strategies.

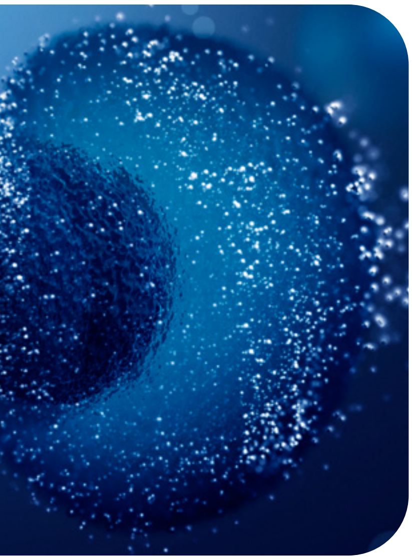
Helping clients to navigate complex regulatory and competition frameworks, including heightened merger control scrutiny and increased antitrust focus on "killer acquisitions" and sector consolidation. Our advice reflects developments such as the European Health Data Space and the EU Critical Medicines Act, together with pricing and reimbursement dynamics.

Providing advise on manufacturing and supply arrangements in light of policy tailwinds and critical-medicines initiatives, supporting structures that enhance drug development and manufacturing capabilities and support local production where relevant.

Supporting with employment and people issues in biopharma deals, including TUPE, consultation with works councils in cross-border transactions, and integration of global teams and incentive structures.

Advising on data and privacy aspects of transactions, including health-data and clinical-trial data transfers, AI training data and model governance, and compliance with EHDS, GDPR and sector-specific privacy rules in deal structures.

Client case studies



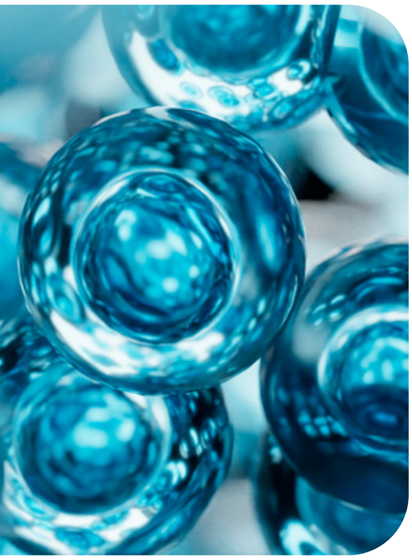
Legal insight that powers smart acquisitions

We provided legal advice to the Dr. Willmar **Schwabe Group** of Companies on its acquisition of a majority stake in hydration specialist Hydraid®. With this investment, Schwabe is linking an established health company with a fast-growing start-up in the field of functional sports hydration and electrolytes.

Schwabe has been building a broad ecosystem of natural health solutions, alongside its core European herbal medicines business and a rapidly growing, digitally driven supplements portfolio. Hydraid®, founded in 2021, is known in the DACH region for Hydration Helper®, a powder-based electrolyte product designed to improve hydration for athletes and active consumers.

The investment is strategically aligned for both parties. Schwabe expands its supplements and nutrition offering with a scientifically robust hydration product that fits seamlessly into its portfolio, while Hydraid® gains a partner with deep health market expertise and international brand-scaling experience.

Our experts provided comprehensive legal advice on all aspects of the transaction, including structuring the investment, drafting corporate documentation and negotiating the transaction agreements, with particular focus on the specific requirements of the acquisition and integration of a fast-growing consumer health and direct-to-consumer business, including issues relating to brand and IP strategy, commercial distribution agreements, as well as employment and tax law matters.



Joined-up advice across the investment lifecycle

We advised **Grifols**, the major shareholder of Biotest AG, on the conversion of Biotest AG from a German stock corporation (AG) into a partnership limited by shares (GmbH & Co. KGaA). The conversion was approved at an extraordinary general meeting on 17 December 2025 and completed with entry in the commercial register on 15 April 2026. The new general partner, Biotest Management GmbH, now manages Biotest GmbH & Co. KGaA.

Grifols is a leading international healthcare and pharmaceutical company and Europe's market leader in blood plasma derivatives. Biotest develops and markets biological drugs derived from human plasma, focusing on clinical immunology, haematology and intensive/emergency medicine.

This transaction continues Osborne Clarke's support for Grifols across the full investment lifecycle: we advised Grifols in 2021 on its €1.1 billion acquisition of Biotest's ordinary and preference shares, and in 2025 on the delisting of Biotest AG and the related public delisting offer by Grifols Biotest Holdings GmbH.

Discover more about how strategic M&A forms resilient, innovation led life sciences businesses here, and connect with our experts below:

Matthew Edwards
Partner, United Kingdom

Philipp Reeb
Partner, Germany

Herke van Hulst
Partner, Netherlands

Hadrien Chef
Partner, Belgium

Javier Bau
Partner, Spain

Catherine Olive
Co- Managing Partner, France

Luca Saraceni
Partner, Italy

Mikael Nelson
Partner, Sweden

Sunjay Malhotra
Partner, UK

Steve Yu
Managing Partner, China

Tomasz Olkiewicz
Co-Managing Partner, Poland

Xerxes Antia
Partner, India*

Andrea Schmoll
Partner, International Life Sciences and Healthcare Sector Co-Leader, Germany

Will James
Partner, International Life Sciences and Healthcare Sector Co-Leader, United Kingdom

*Services in India are provided by a relationship firm