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Versartis, Aravive enter into merger agreement

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The transaction will result in a clinical stage, Nadsaq-listed company, based in Houston, Texas, focused on the development of innovative oncology therapeutics.

Singapore- Versartis and Aravive Biologics jointly announced that they have entered into a definitive agreement under which Aravive will merge with a wholly owned subsidiary of Versartis in an all-stock transaction. The transaction will result in a clinical stage, Nadsaq-listed company, based in Houston, Texas, focused on the development of innovative oncology therapeutics.

Aravive Biologics is a privately held clinical stage biopharmaceutical company developing novel, highly selective therapies designed to treat serious cancers and certain fibrotic diseases.

Aravive's lead program is focused on inhibition of the GAS6-AXL signaling axis, which is a known target associated with the growth and proliferation of multiple tumor types. In preclinical studies, GAS6-AXL inhibition has shown activity, whether achieved by a single agent or in combination with a variety of anticancer therapies including radiation therapy, immuno-oncology agents, and drugs that affect DNA replication and repair. Clinically, elevated GAS6 levels have been associated with poor prognosis in cancer. Aravive has established clinical proof-of mechanism for its first-in-class drug candidate, demonstrating full GAS6 neutralization with AVB-S6-500, and plans to initiate an expanded clinical development program combining it with standard of care therapies in patients with a number of tumor types, initially in ovarian cancers in the second half of 2018.

"Following an extensive and thorough review of strategic options, we are very pleased to announce our agreement to merge with Aravive. The transaction will provide Versartis stockholders with a significant ownership stake in a promising biopharmaceutical company with a novel approach that has the potential to enhance therapeutic efficacy for patients facing a variety of resistant or metastatic cancers," said Jay Shepard, Chief Executive Officer of Versartis. "The combined company offers a compelling pipeline, as well as talent and financial resources to advance the clinical development program to multiple important inflection points over the next 24 months."