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Korea's LG Chem to acquire AVEO Oncology for $566 M

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Acquisition provides LG Chem's Life Sciences division a commercial footprint in the US to diversify its broad pipeline of oncology therapeutic drugs



South Korean chemical company LG Chem has announced a definitive agreement with AVEO Oncology in which LG Chem will acquire AVEO at $15.00 per share with an implied equity value of $566 million.

The combination of LG Chem's Life Sciences division and AVEO is expected to create a global oncology organization with a robust portfolio of innovative products supported by full capabilities from discovery to clinical, biologics manufacturing and US commercialization, at a scale capable of broadly delivering on its mission to improve the lives of patients with cancer.

Bringing together AVEO and LG Chem is expected to extend LG Chem Life Sciences' commercial footprint to the US, diversify its pipeline with a broad range of oncology therapies and accelerate LG Chem's efforts to deliver continued growth through the development and commercialization of world-class cancer therapies.

Through this transaction, AVEO will immediately establish LG Chem's commercial presence in oncology through AVEO's lead product, FOTIVDA (tivozanib), for the treatment of adult patients with relapsed or refractory advanced renal cell carcinoma (RCC) following two or more prior systemic therapies. In addition, the combined company will have significantly greater resources to develop and commercialize both companies' robust clinical pipelines of innovative oncology medicines.

Upon completion of the transaction, AVEO will establish and operate as the US commercial foundation for LG Chem Life Sciences' oncology segment. Through this transaction, the combined company will expand its high-value and sustainable pipelines in oncology and bring cancer therapies to patients in need.