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Teva sells its oncology business to Ignyta

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Teva Pharmaceutical has announced that Ignyta has acquired its worldwide rights and assets relating to four targeted oncology development programs. This is in exchange for 1.5 million shares (6 percent) of Ignyta's common stock.

Concurrently, Ignyta has entered into stock purchase agreements with Teva, and selected additional healthcare investors, whereby Teva will purchase a further 1.5 million shares of common Ignyta stock at a price of $10 per share in a registered direct offering. The other investors will purchase an additional 2.7 million shares at $10 per share, valuing the total offering at approximately $41.6 million.

"Teva has committed to finding novel ways for the ongoing development of early clinical stage and pre-clinical oncology R&D programs, which hold significant promise for cancer patients. Ignyta's capabilities and focus in oncology will give these assets the best chance of realizing their potential for patients, and of maximizing their value for Teva," said Mr Michael Hayden, Teva's president of global R&D and chief scientific officer.

"Acquiring these four development stage programs from Teva is truly transformational for Ignyta and well aligned with our strategic focus on developing first-in-class and best-in-class precision medicines to help cancer patients with unmet needs," said Dr Jonathan Lim, chairman and CEO, Ignyta.

He added, "These oncology programs add critical mass to our pipeline and further enable us to leverage our precision oncology platform, including our proprietary multiplex diagnostic assays and our CLIA certified, QSR compliant diagnostic laboratory. Furthermore, these new assets complement our entrectinib development program and extend our ability to target the majority of known oncogenic drivers across multiple solid tumor indications. For example, in non-small cell lung cancer alone, we believe that our product candidates have potential activity against many of the most frequent oncogenic drivers in this disease, and we plan to explore these opportunities through innovative clinical trial designs such as master protocols."