

Drugmaker GSK buys US cancer firm for \$1.9 bn

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GlaxoSmithKline on Wednesday said it had agreed to buy US group Sierra Oncology, a specialist in medicines for rare forms of cancer, for \$1.9 billion as the British drugs giant restructures.

The purchase, worth the equivalent of 1.7 billion euros, aims to support the development of new medicines alongside Sierra's bone marrow cancer treatment Momelotinib.

The deal, set to be completed this year, represents a near 40-percent premium to Sierra's closing share price on Tuesday, GlaxoSmithKline said in a statement.

Momelotinib could help address the "significant unmet medical needs" of patients with the blood cancer myelofibrosis and anaemia, said GSK chief commercial officer Luke Miels.

"With this proposed acquisition, we have the opportunity to potentially bring meaningful new benefits to patients and further strengthen our portfolio of specialty medicines," he added.

The acquisition comes as chief executive Emma Walmsley seeks to reshape GSK after she faced fierce investor criticism over the company's delay in producing COVID jabs and treatments.

Activist investors have slammed GSK over its failure to swiftly produce a successful COVID vaccine, in contrast to Anglo-Swedish rival

AstraZeneca.

GSK is in the process of demerging its consumer healthcare arm Haleon—a [joint venture](#) with US peer Pfizer—to concentrate on its main pharmaceutical business.

After rejecting a bid worth £50-billion (\$65 billion) for the unit from [consumer goods](#) titan Unilever, GSK plans to list the newly-named Haleon on the London stock market.

The division's products include Sensodyne toothpaste, pain relief drug Panadol and cold treatment Theraflu.

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