

Clovis's story ends at chapter 11



[Lisa Urquhart](#)

Thank you and goodnight Clovis, which has bowed to the inevitable and [filed for Chapter 11 protection](#), ending the debt-driven death spiral [the company had been in since 2014](#). Recent blows had included [defaulting on a convertible senior note](#) and a request by the FDA to limit the use of its only approved drug Rubraca to ovarian cancer patients with a BRCA mutation; the latter added to the woes of a product that had fallen way behind Astra/Merck's Lynparza and Glaxo's Zejula. These setbacks only intensified the group's untenable debt position of \$438m in convertible senior notes against a market cap of \$29m. Arguably, one of the things Clovis did right in its 13 year history was to license radioligand FAP-2286 from 3B Pharmaceuticals. Interest in radiopharmaceuticals [has been increasing](#), a fact recognised by Novartis, which paid \$50m up front for the asset, with potential future payments of up to \$631m. FAP-2286 will add to Novartis's existing FAP assets, FAPI-46 and FAPI-74. However, the sale might not be a done deal. Clovis, which is also in discussions to sell Rubraca and other assets, stated that it would be soliciting competing bids for FAP-2286 as part of section 363 of the bankruptcy code.

Clovis convertible senior notes

Date due	Principal amount, Sept 2022 (\$m)	Interest rate
August 1, 2024	85.8	4.50%
August 1, 2024	57.5	4.50%
May 1, 2025	300.0	1.25%
Total*	438.3	

*Total includes \$4.96m credit for debt insurance cost. Source: SEC filings.

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