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Korean firm Celltrion announces business merger for achieving KRW 12 Tn in sales by 2030

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Celltrion aims to complete the merger by the end of the year



South Korea-based Celltrion Group has announced that the merger agreement between Celltrion, Inc. and Celltrion Healthcare Co. has been approved at the extraordinary general meeting of shareholders (EGM) of the two companies held on October 23, 2023.

According to Celltrion Group, this development allows the company to move one step closer to achieving its vision of achieving KRW 12 trillion in sales by 2030 and making a leap to become a global biopharma.

Under the merger plan, Celltrion will merge Celltrion Healthcare and issue Celltrion shares to Celltrion Healthcare shareholders. Celltrion Healthcare shareholders will receive 0.4492620 shares of Celltrion for each Celltrion Healthcare share they own. The merger price per share is KRW 148,853 for Celltrion and KRW 66,874 for Celltrion Healthcare.

Meanwhile, Celltrion Group held a board of directors meeting on the same day and decided to retire and acquire an additional volume of treasury shares to enhance shareholder value and strengthen shareholder return policies following the merger.

The board resolved to retire 2,309,813 treasury shares owned by Celltrion, worth about KRW 359.9 billion. These shares are equivalent to the amount of the newly issued shares to be allocated to the treasury shares held by Celltrion Healthcare. The planned retirement date is January 4, 2024, when the merger registration is expected to be completed.

Under the acquisition plan, Celltrion will buy back 2,426,161 shares, worth about KRW 345 billion, and Celltrion Healthcare 2,440,000 shares, worth about KRW 155 billion. Both companies plan to buy back these shares via open market from October 24, 2023.