BioSpectrum
the business of Bio & Health Sciences
ASIA EDITION

Complete Genomics, BGI-Shenzhen to merge

September 18, 2012 | News | By BioSpectrum Bureau

Complete Genomics and BGI-Shenzhen Announce Definitive Agreement to Merge



Singapore:Ã?Â Complete Genomics and BGI-Shenzhen, China, entered into a definitive merger agreement according to which a wholly-owned US subsidiary of BGI will launch a tender offer to purchase all outstanding shares of common stock of Complete for $3.15 per share in cash, without interest.

This price represents approximately a 54 percent premium to the $2.04 closing price per share of Complete common stock on June 4, 2012, the last trading day prior to Complete's announcement that it was undertaking an evaluation of strategic alternatives to secure the financial resources needed for continued commercialization of its technology.Ã?Â

Complete's board of directors has unanimously recommended that stockholders accept the offer and tender their shares. Based on the number of fully diluted outstanding shares of Complete, the aggregate value of the transaction is approximately $117.6 million. In addition, Complete and an affiliate of BGI have entered into an agreement pursuant to which Complete will be provided with up to $30 million in bridge financing for its operations following the signing of the merger agreement.

Dr Wang Jun, CEO, BGI, said that, "Complete has developed a proprietary whole human genome sequencing technology that, together with other sequencing platforms used by BGI, will fit well with our research and business requirements and position Complete to become an even more successful global innovator."

"With the assistance of our advisors, we engaged in a thorough review of a broad set of possible alternatives for the company, and we believe the transaction with BGI represents the best outcome for our stockholders, offering them liquidity and a premium value,"said Dr Clifford Reid, chairman and CEO, Complete. "In addition, it offers a great outcome for our customers, present and future. The combination of the companies' resources provides an opportunity to accelerate our vision of providing researchers and physicians with the genomic information needed to prevent, diagnose, and treat cancers and other genetic diseases."