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Japan's Olympus rescinds purchase of Korean gastrointestinal stent firm Taewoong Medical

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Japan's Olympus Corporation has agreed with the former shareholders of Taewoong Medical Co., a Korean medical device manufacturer, to rescind the definitive agreement to acquire shares of Taewoong Medical with immediate effect. The original closing disclosure to acquire share of Taewoong Medical was announced on January 24, 2024.

Olympus had announced the acquisition of Taewoong Medical for approximately $370 million in cash, with $255.5 million paid upfront at closing.

Olympus has found data integrity issues related to Taewoong Medical products (Facts) after the closing. The Facts were inconsistent with the representations and warranties accessible pre-closing. The firm has determined that the Facts are not in conformity with the closing conditions and took the decision to rescind the definitive agreement with mutual understanding.

To effect the rescission, the former shareholders of Taewoong Medical have refunded the amount paid by Olympus, and Olympus will return all shares of Taewoong Medical.