

March 25, 2025

## KFTC RELEASES 2024 MERGER REVIEW STATISTICS

In February 2025, the Korea Fair Trade Commission (the "KFTC") released its merger review statistics for 2024. The following is a summary of the KFTC's release.

### I. OVERVIEW OF THE KFTC'S MERGER REVIEW ACTIVITY IN 2024

In 2024, a total of 798 merger filings were reviewed by the KFTC, marking a decrease of 129 cases (13.9%) compared to 2023. This decline is largely attributable to regulatory amendments introduced in August 2024, which broadened the scope of exemptions from merger filing requirements to additionally exempt:

- (i) Mergers or asset/business transfers between a parent and its subsidiaries as defined under the Korean Commercial Act
- (ii) The establishment of a private equity fund
- (iii) Interlocking directorates involving less than 1/3 of the board members (excluding interlocking directorates involving a representative director)

### II. BREAKDOWN OF REVIEWED CASES BY PARTY CHARACTERISTICS

The table below presents the breakdown of merger cases and their transaction values in 2024, categorized by whether the acquirer and target companies were Korean or foreign.

(Unit for value: KRW trillion)

Target  Acquirer		Korean Company		Foreign Company		Total	
		Number of Cases (%)	Value (%)	Number of Cases (%)	Value (%)	Number of Cases (%)	Value (%)
Korean Company	Large Conglomerate Group	609 (76.3)	54.3 (19.7)	13 (1.6)	0.9 (0.3)	622 (77.9)	55.2 (20.0)
		191 (23.9)	27.4 (9.9)	6 (0.8)	0.5 (0.2)	197 (24.7)	27.9 (10.1)
Foreign Company		49 (6.1)	10.5 (3.8)	127 (15.9)	210.7 (76.3)	176 (22.1)	221.1 (80.0)
Total		658 (82.5)	64.8 (23.5)	140 (17.5)	211.5 (76.5)	798 (100.0)	276.3 (100.0)

### III. PROHIBITED AND CONDITIONALLY CLEARED TRANSACTIONS

In 2024, the KFTC prohibited one transaction and conditionally approved two others by imposing remedies, as outlined below:

#### 1. Acquisition of Shares in the Leading Civil Service Exam Lecture Provider (G) by the Second Leading Provider (M) – Prohibited

The KFTC prohibited M's proposed acquisition of a 95.8% stake in G, finding that the transaction would substantially restrict competition in the market for the civil service exam prep courses. The KFTC considered that the acquisition was pursued during a period when the market was consolidating into a duopoly between G and M, and economic analysis indicated the parties would have an incentive to raise prices post-transaction.

#### 2. Acquisition of Shares in the Digital Music Industry – Conditional Clearance

The KFTC conditionally approved the acquisition by a company in the digital music industry of a 39.87% stake in another company within the same industry, concluding that the transaction could substantially lessen competition in the Korean digital music streaming market. The clearance was granted subject to the following remedies, effective for three years:

- (i) a prohibition on refusing to supply digital music without reasonable grounds, and
- (ii) the establishment of an independent monitoring body to regularly assess and report any undue preference given to newly released music distributed or owned by the acquirer.

#### 3. Acquisition of Shares in Shipbuilding Industry – Conditional Clearance

The KFTC conditionally approved acquisition by a company in the shipbuilding industry of a 35.05% stake in a company in the heavy machinery industry, determining that the transaction could restrict competition in the Korean market for ship engines. To address these concerns, the KFTC imposed the following behavioral remedies, effective for three years, specifically with respect to crankshafts—a key component of ship engines:

- (i) a prohibition on refusing to supply crankshafts,
- (ii) a minimum supply guarantee requiring the acquirer not to reject supply agreements for volumes equivalent to those contracted in 2023, regardless of production capacity,
- (iii) restrictions on crankshaft price increases, and
- (iv) a prohibition on delays in crankshaft delivery.

#### IV. TAKEAWAYS

In 2024, the KFTC handled fewer merger cases overall, but took a closer look at transactions that raised potential competition concerns. This reflects the agency's ongoing focus on speeding up reviews for straightforward cases while dedicating more resources to complex ones.

New measures introduced in 2024—such as the remedy proposal system, the pre-filing consultation process, and updated review standards that better reflect the digital economy—are expected to reduce the burden on businesses and improve the efficiency of the review process.

The KFTC is also starting to look more closely at new types of transactions, especially in emerging sectors like AI, including transactions involving talent acquisition. It has indicated that further updates to its review process may be on the way. Businesses exploring M&A opportunities should carefully consider these regulatory developments, make strategic use of the new consultation and remedy proposal systems, and proactively assess potential impacts on the relevant markets, including risks to innovation and consumer welfare. Preparing appropriate response strategies in advance will also be essential.

\* \* \*

For any inquiry or questions regarding the content of this newsletter, please contact us.

#### Related Professionals

---

**Kee Won Shin**

Senior Foreign Attorney (New York)

**T** 82.2.3404.0272

**E** keewon.shin@bkl.co.kr

**Junyeun Cho**

Partner

**T** 82.2.3404.7559

**E** junyeun.cho@bkl.co.kr

**Hwijin (HJ) Choi**

Partner

**T** 82.2.3404.6406

**E** hwijin.choi@bkl.co.kr

This publication is provided for general informational purposes only, and should not be construed as legal or professional advice on any particular matter, nor create an attorney-client relationship. Before you take any action that may have legal implications, please inquire with your contact at Bae, Kim & Lee LLC, or the authors of this publication.