

## HMM privatisation process collapses

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HMM

The long planned privatisation plans for South Korea's flagship carrier lie in ruin today. Harim Group, whose bid with a local private equity firm had been the one selected by state banks, announced in a stock market release that it was pulling out of the deal to take HMM private.

"Negotiations were conducted on the main contents of the agreement between bondholders, but no agreement was reached," Harim stated. The group, best known as a poultry producer, also has a shipping presence already, having taken over Pan Ocean, one of the nation's largest bulk owners, a few years ago.

"No private company can easily accept a deal that only makes it the major shareholder without guaranteeing actual management rights," Harim noted.

Korea Development Bank (KDB), one of the two state creditors, stated: "We were not able to reach an agreement over different views on some details."

HMM was placed under state control in 2016 at a period of severe financial distress for many Korean shipping firms, which saw its local rival, Hanjin Shipping, liquidated a few months later.