

Just two bidders left in race to take over HMM

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HMM

Widespread reports in South Korea suggest the battle to take over HMM, the country's flagship line, now has just two parties interested with logistics group LX Group dropping out of the race.

HMM's creditors, including state-run Korea Development Bank and Korea Ocean Business Corp, have put up for sale a stake of about 58% in HMM, however there is

growing concern that the high price tag – as much as \$6.2bn – might lead to a collapse of the sale.

Harim Group, which controls Korean line Pan Ocean, has teamed with a local private equity firm for its bid. It is joined by Dongwon Group, a firm with interests in seafood and logistics.

A preferred bidder is meant to be announced this month with the state creditors keen to get the sale completed by the end of the year.

HMM is the largest shipping company in South Korea. Its fleet consists of 88 containerships, five bulk carriers, 10 oil tankers, four heavylift ships as well as three PCTCs under construction.

HMM has been under state control since 2016 when it ran into extreme financial difficulties at the same time as Hanjin Shipping with the latter going bankrupt.

HMM is one of a host of Korean shipowners who have been put for sale this year.