

# Course reversal: HMM sale not on the cards

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South Korea's Oceans and Fisheries Minister Kang Do-hyung said the government is not planning another attempt to sell its interest in HMM anytime soon.

Kang was speaking at a government forum on 7 March, when he was asked about the [recent failure](#) to sell the country's flagship carrier to the Harim Group-JKL Partners consortium.

[HMM's 2023 net profit](#) had plunged 90% year-on-year, to US\$750 million, as the Covid-19-fuelled boom ended. Given the economic uncertainties and the Red Sea crisis, observers believe it will be hard to find a buyer.

Kang stated, "HMM is financed by the state, so I will only say that we're working on a plan to ensure that it operates in a healthy manner. Our priority will be stabilising HMM's operations, before reconsidering a sale."

The state's interest is held through Korea Development Bank (KDB) and Korea Ocean Business Corporation (KOBIC).

Kang's words dismissed speculation that HMM's owners could reach out to 3PL firm Dongwon LOEX, to sell the company.

In December 2023, Dongwon LOEX lost out to the Harim Group-JKL Partners in being chosen as the favoured buyer.

KDB and KOBC became HMM's majority owners after a debt-for-equity stake rescued the company from the brink in 2016. KDB had wanted to offload its stake in HMM after the liner operator achieved record windfalls during the pandemic.

However, the sale was plagued with challenges, with aspersions cast over Pan Ocean owner Harim Group's financial strength and HMM employees protesting against the latter.

Meanwhile, local media report that the struggle to sell HMM has reportedly caused the company to back out of a consortium to acquire compatriot dry bulk shipping outfit Polaris Shipping.

KOBC and HMM had initially agreed to join a consortium headed by Woori Financial Group's private equity arm, Woori Private Equity, to acquire Polaris, whose owners had put up the company for sale.

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