



Media Release

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SSANGYONG MOTOR COMPANY FILES FOR REHABILITATION PROCEDURES

- **Board meeting held on December 21 agrees to apply Autonomous Restructuring Support**
- **Plans to withdraw early before the rehabilitation procedure to be agreed with stakeholders**
- **Another step in the transformation and rebirth of SsangYong into a competitive company**

KOREA - Following a board meeting on 21st December, SsangYong Motor Company (SYMC) has decided to apply for rehabilitation procedures including a Company Property Preservative Measure, a General Prohibition Order and Autonomous Restructuring Support. The decision whether to commence with the rehabilitation procedures is to be agreed with stakeholders.

SYMC delayed repayment of 60 billion won in loans and interest due to worsening business conditions. The company has been seeking to extend the maturity date with its lenders, but has been unable to reach an agreement, and decided to apply for rehabilitation procedures to avoid interrupting its business operations.

However, the company plans to resolve the current liquidity issue early before the rehabilitation procedures are commenced by applying for Autonomous Restructuring Support.

Autonomous Restructuring Support is a private restructuring support programme made with the court which delays the initiation of the rehabilitation procedures by up to three months while the company continues its attempts at private restructuring. During this period, the company continues its normal business activities. When the company and its interested parties reach the final agreement for the restructuring, the rehabilitation procedure application is withdrawn, and it returns to its normal company status without harm to its reputation.

An official spokesperson from Mahindra, said: "During the period of Autonomous Restructuring Support, Mahindra will take responsibility as a major shareholder, and actively cooperate with SsangYong for the normalisation of management through to the early conclusion of negotiations with interested parties."

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SYMC has agreed to adjust the concerns of interested parties while the rehabilitation procedures have been suspended. During this time, the repayment burden of the principal loan and interest is lifted, and the company plans to complete the negotiations and apply to the court as soon as possible to withdraw the rehabilitation procedures.

An official source from SYMC, said; "We very much regret this situation which is the result of the difficulties being experienced from the worldwide COVID-19 situation, and the concern caused to our partners and stakeholders, especially our employees, sales networks and financial institutions. We are making every effort to transform the situation, and to build a more robust and competitive company for the future."

In the meantime, SsangYong Motors UK continues to operate as normal. Kevin Griffin, managing director for the brand in the UK, said: "Whilst this situation is not ideal, I strongly believe that the Autonomous Restructuring Programme will result in the birth of a stronger company. I want to reiterate that our UK operations are totally unaffected, and we are very much open for business."

-ENDS-

Made in Korea

SsangYong cars are manufactured in South Korea by SsangYong Motor, which is 75 per cent owned by the Indian engineering conglomerate Mahindra & Mahindra and imported into the UK by SsangYong Motor UK. Established in 1954, SsangYong is Korea's oldest vehicle manufacturer and only 4x4 and SUV specialist producer. There are currently some 65 SsangYong dealers covering England, Northern Ireland, Scotland and Wales, with new locations being added to the network all the time.

To download hi res images via the SsangYong online press office visit: <https://media.ssangyonggb.co.uk/>

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