

Saab Secures \$36M Loan To Help Pay Workers

Malin Rising, Associated Press

STOCKHOLM (AP) — Saab has secured a euro25 million (\$36 million) bridge loan from Gemini Investment Fund Ltd. that will help the troubled carmaker stay afloat in the short term, its owner said Wednesday.

The loan is the latest in a string of deals presented this week to solve the liquidity crisis that forced Saab to stop production at its plant in southwestern Sweden and delayed its employees' June pay checks.

Shares in Swedish Automobile NV surged 50.2 percent on the news to euro1.82 (\$2.60) on the Amsterdam stock exchange.

Swedish Automobile, previously known as Spyker Cars NV, said the loan has a maturity of six months and an interest rate of 10 percent per year.

It said it can redeem the loan at any time without a penalty and intends to do that once the funding from its Chinese partners Pang Da Automobile Trade Co. and Zhejiang Youngman Lotus Automobile Co. has been confirmed.

Pang Da has agreed to invest euro109 million for a 24 percent stake in Swedish Automobile, and Youngman wants to add euro136 million for a 29.9 percent holding. Their investments are awaiting approval from Chinese authorities.

On Monday, Saab said it had received a euro13 million car order from a Chinese company that would help pay the salaries, and on Tuesday it agreed to sell 50.1 percent of its properties to Swedish company Hemfosa for euro28 million.

Swedish Automobile, which is based in The Netherlands, said it hopes the deals mean it can now reach an agreement with suppliers and restart production within two weeks.

"I am relieved to report that we made the June salary payments this afternoon from the proceeds of the sale of cars we announced last Monday," Swedish Automobile CEO Victor Muller said in a statement. "We have clearly gone through a very rough patch in the past few weeks and hopefully we can now reach agreement with our suppliers so as to ensure a resumption of our production in a controlled way."

Still, Saab's future remains in doubt as it needs a lot more funding to stay afloat in the longer term.

In Sweden, many people have pegged their hopes to Russian investor Vladimir Antonov, who has said he wants to inject between \$50 million and \$150 million into

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Saab.

However, Antonov hasn't yet received the necessary approval from the European Investment Bank.

The Russian was forced out of Spyker amid reports of money laundering when Spyker bought Saab from General Motors in 2010. He has denied those allegations and has never been charged.

On Thursday, Antonov will be in Sweden for engagements relating to Saab, his Swedish spokesman Lars Carlstrom told local news agency TT.

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