

Chinese firms: Saab bail-out deal still valid

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- [Chinese investors want all of Saab](#)

SHANGHAI (AFP) - Two Chinese firms which pledged to bail out troubled Swedish carmaker Saab said Tuesday they remained committed to the deal, even after the Dutch owner of Saab said the pact was terminated.

Pang Da Automobile Trade and Youngman Lotus Automobile struck an agreement in June with Saab's owner, Swedish Automobile (Swan), to inject 245 million euros (\$335 million) into the ailing carmaker in exchange for half the company.

But disagreements ensued and on Sunday, Swan said it had terminated the deal "in view of the fact that Pang Da and Youngman failed to confirm their commitment to the subscription agreement."

But Pang Da contradicted that account, saying in a statement to the Shanghai Stock Exchange on Tuesday that it considered the agreement legally binding. "Currently our company is still enforcing the agreement," it said.

Youngman also said the agreement remained valid and it was "regretful" that Swan had announced the deal was dead, the official People's Daily newspaper said, citing a statement.

"We are willing to continue to help Saab and provide short-term as well as mid- to long-term funding to Saab directly via other arrangements," the report quoted the company as saying.

Swan has complained that the Chinese partners had also failed to honour a deal to provide bridge financing of 70 million euros to Saab while it undergoes a three-month restructuring process that began in September.

Both Chinese companies said they would continue to negotiate with Swan.