

Dear Shareholders,

As the representative director of Hyundai Glovis (the “Company”), I am writing to inform you of certain material developments with respect to the proposed spin-off merger between the Company and Hyundai Mobis.

On March 28, 2018, the Board of Directors of the Company resolved to merge the module parts and after-sales parts business that would be spun off from Hyundai Mobis with the Company. Through the proposed spin-off merger, the Company planned to transition into a company that specializes in both supply chain management, such as assembly, logistics and after-sales, and next generation mobility, while Hyundai Mobis planned to become a core automotive parts technology company and a leader in future technology such as autonomous driving platforms and connectivity. The Company’s restructuring plan was a proactive response to changes in the global business and regulatory environment, and we believed it would enhance the Company’s core competencies and expertise. Most importantly, we strongly believed that the restructuring plan was in the best interests of our shareholders because it would increase the corporate value of the Company in the long term.

Since the announcement of the restructuring plan, however, we have heard much constructive feedback and certain criticisms from a number of shareholders, investors and other market participants. This has led us to understand that our communications with our shareholders and the market regarding the need for the restructuring were insufficient.

Considering the foregoing, after a thorough review and internal discussions at the senior management level, the Company determined that it and Hyundai Mobis will withdraw the proposal in its current form in order to have an opportunity to supplement and improve the restructuring plan, including the proposed spin-off merger. Therefore, on May 21, 2018, the Board of Directors of the Company resolved to terminate the spin-off merger agreement and seek approval for an updated restructuring plan at a later date.

The Company strongly believes that no restructuring of its business or corporate governance can be accomplished without the full trust and support of our shareholders. In order to become a more transparent company that can compete on a global basis, we intend to actively and humbly seek out and accept thoughts and opinions from our shareholders and the market in the development of our updated restructuring plan. Thank you for your continued support of the Company.

Sincerely,

Jeong Hoon Kim  
Representative Director