

HEP: Signed Contract of Sales of TLM

The representatives of the Croatian Privatization Fund (HEP) and the Consortium made up of Croatian companies Konstruktor inženjering, Zagrebmontaža, Dalekovod, Aluflexpack and the company Feal from Široki Brijeg, have signed a Contract on Sale and Transfer of Shares of the Tvornica lakih metala (TLM) from Šibenik. As HFP reported, the Contract has been signed by the President of HFP Grga Ivezić and Luka Miličić, President of Management Board of Dalekovod and the Director of the company Adrial, that has been established by the Consortium members with a view of taking over TLM. The Consortium shall acquire 80.2 per cent of TLM shares for one kuna, and the new owners shall pursuant to the Contract on Sale commit themselves to keep all 1,400 workers employed within a three year period from takeover of TLM, and to invest total 107 million euros in the company.

At the same time, they assumed an obligation of providing replacement guarantees for state guarantees to the amount of ten million euros, as well as to maintain the core activities of TLM, esp. in relation to the rolling mill and manufacture of press aluminium profiles, and rehabilitation of the electrolysis plant and the contaminated ground around the plant. The Consortium is also obliged to settle the minimum portion, namely one percent of ca 375 milion kunas of liabilities due of TLM towards the Ministry of Finance based on unpaid taxes and contributions, protested and paid guarantees etc. The Draft Contract on Sale for TLM has been approved by the Government, and signed eight months after acceptance of the Consortium Bid that has arrived at the HFP Invitation to Bid for TLM, which was issued in January this year.