

Montenegro: Power utility company EPCG increases capital to one billion EUR

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After the capital increase the total capital value of the Electric Power Industry of Montenegro (EPCG), amounts to one billion EUR. In the notice on the capital increase of EPCG, published on the Montenegro Stock Exchange, states that the company increased its capital by registration of issue shares based on the debt conversion into the equity.

Before the transaction the state has 55 percent stake and strategic partner A2A 43.7 percent stake.

"After the changes, the total capital value of the company amounts more than one billion EUR, or 131.23 million shares with a nominal value of 7.6482 EUR per each one", writes in the statement.

Assembly of EPCG adopted on 17 July decision on EPCG tax debt conversion of 45 MEUR into the equity. After completion of the transaction, the Government, according to the Central Depository Agency (CDA) has 57.02 percent stake in EPCG and the Italian company A2A 41.75 percent. Before the transaction the state has 55 percent stake and strategic partner A2A 43.7 percent stake.

In December last year the Parliament requested the debt of the 45 MEUR from taxes and fees to be replaced with capital based on the nominal shares value.

The Government should have collected a tax debt by March 31st through the EPCG recapitalization, on the basis of amendments of SDP Member of Parliament, Damir Sehovic, which has become an integral part of the Budget Law.