

## Montenegro: State bought EPCG shares for 2.85 million euros

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Montenegrin state bought 636,793 shares of power utility EPCG from Italian company A2A for some 2.85 million euros. Thus, it increased its share in EPCG's ownership structure by additional 0.5 % to 88.6 %.

In November, the Government said that it will buy the remaining 3.2 % stake held by A2A for some 17.1 million euros by the end of the year. The plan is to buy back A2A's remaining stake in two tranches - a total of 3,202,845 shares will be purchased from A2A for 14.33 million euros by 30 November 30 and the remaining 636,793 shares will be bought for 2.85 millions euro by 31 December.

In July 2017, Italian company A2A has offered its stake in power utility EPCG to the Montenegrin Government for 250 million euros. A2A submitted the put option notice in which it informs the Government that it intends to sell its entire stake in EPCG for 250 million euros.

The amount is to be paid in seven annual installments starting at 1 May 2018. Press release from the Government said that by activating this option, the process of A2A's withdrawal from the EPCG ownership has officially started, adding that A2A has no right anymore to block decisions presented by the state. However, in further negotiations, the two sides agreed to a payment of 230 million euros in four semi-annual installments. Last May, Montenegrin Ministry of Economy said that the Government has paid the first tranche of 68.9 million euros to A2A and thus bought 17,252,885 shares of power utility EPCG, increasing its stake in the company from 51.07 % to 70.16 %. The second tranche in the amount of 51.65 million euros for 9.946 % stake in EPCG was paid in September 2018. In April, the state bought another 8.826.438 (6.73 %) shares of EPCG from A2A worth 39.9 million euros as a third tranche of payments for A2A's leaving the ownership structure of the company. In September, EPCG bought another package of 11.8 million shares owned by Italian company A2A for 52.87 million euros.