

Baltcap invests in Jelgavas Maiznieks Jsc. and Liepajas Maiznieks Jsc.

Owners of companies Jelgavas Maiznieks Jsc. and Liepajas Maiznieks Jsc. has attracted new financial investor, to successfully complete the planned merger of both companies, to increase production volume and ensure high quality customers service.

The investment fund „Baltic SME Fund“ administrated by Baltcap Management Latvia has obtained 27,5 % of both bakeries shares. Between existing shareholders there is one more finance investor, Swedish investment company East Capital.

New shareholders are planning to invest financial resources into upgrading of both production units according to EU requirements and expand facilities in Jelgava for products preparation and completion before delivery to shops, which will allow to increase volumes and ensure high quality customers service.

In the year 2004, according to the AC Nielsen data, companies were able to ensure the second best own products distribution in the territory of Latvia. In last year, total turnover of bakeries were EUR 7,7 mlj. and at the moment companies are employing 530 employees.

Merging is planned to be finished in the middle of the year 2005, establishing industrial bread producing company, which will take second place in Latvia's bread products market and will keep leader positions in bakeries business.

New investor, which is represented by Baltcap Management Latvia, is also having seven other investments in Latvia, between them are companies such as DT Mobile, Hanzas Elektronika, Intrac, Adam Auto, V.L.T.