

Fortaco sells its heavy project business in Hungary

Fortaco has signed an agreement to sell its heavy project business in Jászberény, Hungary to Cyclus GmbH (50%) and Ask US Management s.r.o. (50%). The current Managing Director, Mr. Uwe Sträter to continue as Managing Director and one of the owners. The transaction is part of the strategic evaluation of Fortaco's marine, energy, and heavy project businesses announced on 28 February 2024.

The business offerings include the whole steel fabrication process from ready-to-weld parts, welded, machined, and painted high-strength steel structures for the heavy off-highway equipment industries like mining, construction equipment, as well as marine and energy industries. The original company, Aprítógépgyár was founded in 1951 and it was acquired by Fortaco in 2013. In 2023, the company's net sales were EUR 23 million and the business was loss-making. The company employs 250 people.

"The selling of heavy project business in Hungary is the first step of our strategic evaluation announced on 28 February this year. I'm happy that we have found a good new home for the business. I trust the new owners have the needed capabilities to expand the business outside of Fortaco's strategic off-highway industry. Fortaco, as a responsible owner, hands over the business with re-settled financial terms to secure a smooth continuation for the new owners. I wish all the best to the Jászberény team and new owners to develop the business onwards," says Lars Hellberg, President & CEO of Fortaco.

"Fortaco Zrt. is well-known for its high-quality products as well as for talented and highly skilled employees. I am more than happy we could agree with Fortaco on this transaction that combines an experienced ownership structure with a stable financial base for developing the business. This will enable us to expand our product portfolio and business also outside of our traditional customer base," says Uwe Sträter, Managing Director.

The transaction is subject to the approval of Fortaco's bondholders and some customary closing conditions, and it is expected to be closed by the end of June 2024.

Fortaco expects to complete the strategic evaluation of its marine and energy businesses during the first half of 2024.

Further Information

Lars Hellberg, President & CEO
+358 40 572 9488
lars.hellberg@fortacogroup.com

Fortaco Group

Fortaco is the leading strategic partner in Europe to the heavy off-highway equipment and marine industries, providing premium offerings, like technology & zero emission solutions, vehicle cabins, steel fabrications, and assemblies. Fortaco Group has operations in multiple European and Asian business sites and technology hubs, which support our global customers. www.fortacogroup.com.