

ECM deepened loss last year

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ECM Real Estate Investments (ECM) deepened their loss to EUR 94.5 million last year, ie. about CZK 2.3 billion. Total assets of the company fell by 54 % to EUR 156 million (roughly CZK 3.8 billion). The total capital of the company fell into the red, to EUR 72.8 million. It was EUR 30.2 million the year before. The company is currently struggling with high debts. Due to high debts the board of directors is currently analyzing the option of out-of-court company restructuring, ie. debt repayment without insolvency proceedings, ECM statement claims. Another option under consideration is insolvency scenario with company reorganization. "Negotiations with unsecured creditors on these scenarios will continue in expedited proceedings," the company stated. One of ECM's major creditors is Česká spořitelna. The bank has already submitted an insolvency petition. However, the court rejected it saying that Česká spořitelna failed to substantiate other obligations of ECM, which are more than 30 days overdue. But the bank sees the insolvency petition as flawless and is considering further steps.

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