

August 20th, 2020

Goslar, Germany. Jean Goldschmidt International S.A. (“JGI”) and Zinc Nacional S.A. (“ZN”) have entered into an agreement to acquire the Zinc Recycling Business (“ZRB”) of Harz-Metall GmbH (“HMG”) located next to the historical town of Goslar in Lower Saxony. The transaction closing is subject to different closing conditions in particular with regard to the transfer of the real estate of HMG.

HMG is a leading specialist for resource-friendly recycling of lead and zinc. ZRB is a business unit of HMG, a German company that recycles electric-arc furnace dust provided by the steel industry in Europe. As a result of this recycling process, ZRB produces waelz oxides that are distributed to leading refineries in Europe.

HMG was part of the German Recylex group and applied for protective shield proceedings on 14 May 2020. On 1 August 2020, insolvency proceedings have been opened as debtor-in-possession-proceedings (*Eigenverwaltungsverfahren*).

JGI and ZN have conducted business for more than 10 years. For purposes of this acquisition, JGI and ZN established Harz Oxid GmbH (“HZO”) a joint venture where each company holds equal ownership interests. HZO will respect and protect the rich heritage of ZRB in the region. HZO understands the deep connections that ZRB has in Germany and with its supplier-customer base, and as such, it will continue to invest in the business to ensure high quality product offerings and to be an environmental custodian in the region.

JGI SA (www.jgi-hydrometal.be) is a company specialized in the trading of non-ferrous metals bearing materials and owns the company HYDROMETAL SA, specialized in the recycling of non-ferrous metals from complex materials. JGI is subsidiary of Silox SA (www.silox.com) a Belgium based group specialized in inorganic chemistry. The group manufactures and markets mostly sulphur and non-ferrous metal derivatives, with a focus on zinc.

ZN (www.zincnacional.com) is a fourth-generation family-owned business based in Monterrey, Mexico, with over 60 years of experience in zinc recycling and value-added zinc compounds production. ZN has zinc recycling plants in Mexico, South Korea, Turkey, and the United States. ZN is a subsidiary of Grupo Promax (www.gpromax.com), a Mexico based group specialized in building products and zinc products.

Linklaters (www.linklaters.com) and Hogan Lovells (www.hoganlovells.com) acted as legal advisors for JGI and ZN respectively. Seale & Associates (www.sealeassociates.com) acted as financial advisor to ZN. Dentons (www.dentons.com) and IMAP (www.imap.com) acted as legal and financial advisors respectively for HMG.

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