

# PUBLIC ANNOUNCEMENT for participation in the Public Auction

## Basic Data on Auction Sale

The price for the auction documentation for each enterprise is 30.000 din, which should be paid after receiving invoice from the Privatization Agency. Purchase of auction documentation is obligatory, and at the time of purchase, the Confidentiality Agreement is also signed. After presenting evidence of payment, the auction documentation can be collected at the following address: The Privatization Agency, Terazije 23/V, Belgrade, from 9:00 to 17:00 hours, starting 14. 05. 2004. until 15.06. 2004.

**DEADLINE FOR SUBMITTING OF APPLICATIONS IS 16.06.2004. at 17.00**

Completed application forms for participation in the auction, which are included in the auction documentation, together with signed draft sale and purchase agreement and evidence of payment of the deposit are submitted in envelope clearly marked on the outside: " APPLICATION FOR PARTICIPATION ON PUBLIC

AUCTION 240604" Privatization Agency, Auction Center, Terazije 23/V, 11000 Belgrade.

APPLICATIONS THAT SHOW THE NAME OF THE COMPANY TO BE PRIVATIZED OR THE FULL AUCTION SALE CODE ON THE OUTSIDE OF THE ENVELOPE MAY BE REJECTED.

THE AUCTION WILL TAKE PLACE ON 24.06.2004.

Means of payment can be domestic currency, foreign convertible currency, bonds issued to individuals who are the citizens of the Republic of Serbia, against unpaid household foreign exchange savings with maturity not longer then capital sale day (26.06.2004). If a participant applies only for second auction payment can be made with bonds issued to individuals who are the citizens of the Republic of Serbia, against unpaid household foreign exchange savings regardless of maturity date.

If first class bank guarantee is used for a payment of the deposit, it has to be payable within 48 hours after pronouncing the buyer at the auction.

Deposit for participation at the public auction will be returned 15 days after the auction.

The Agency holds the right to change the auction or deadline date for applications if need occurs and informs interested parties. Site visits may be arranged with the Privatization Agency after signing the Confidentiality Agreement, in the period starting 14. 05. 2004. until 15. 06. 2004, at the schedule previously arranged by The Privatization Agency, phone number: + 381 (11) 3020-804; 011/3020-803 Fax: +381 (11) 3020-881.

\* Total estimated value of capital being privatized and expressed in EURO has been calculated using the official exchange rate as at 14.05.2004.

\*\* Total operating revenues and expenditures expressed in EURO have been calculated using the annual average real exchange rate.

## Short description of the PUBLIC AUCTION PROCEDURE

Sale of capital by Public Auction is performed by the Auction commission formed by the Privatization Agency. Commission performs supervision of the Auction, registration of the participants, declaring of the unsuccessful auction, signing of the auction minutes, together with other activities concerning the auction in accordance with the law. Conditions for starting of public auction are fulfilled if at least one person has acquired the status of participant and if this person or his/hers duly authorized representative are present. The Auctioneer will open the first auction at the time set for its opening where means of payment can be cash and matured foreign exchange household saving bonds. If on the first auction more then one bidder participates, the auctioneer announces the starting price and each following

increase. If after third invitation for acceptance of new announced price no bidder raise his/her hand, the auctioneer announces the end of the auction with the hit of the hammer. The sale price will be the highest offered price and the winner will be the bidder who accepted it. If after the third announcement of the starting price no interest is shown, auctioneer declares first auction unsuccessful with the hit of the hammer and starts second bidding where means of payment can be in foreign exchange household savings bonds of any maturity. Participants will be bidders applied for the second auction and from the previous auction if it was unsuccessful. If on the second auction participates more then one bidder, the auctioneer announces starting price and each following increase.

If after third announcement no interest is shown, auctioneer announces the end of the auction with the hit of the hammer. The sale price will be the highest offered price and winner will be the bidder who accepted it. If after the third announcement for acceptance of the new starting price there were no interested bidders, the auction is declared unsuccessful and participant forfeit their deposits.

When on the second auction only one bidder participates, he is invited to accept starting price for three times. If he accepts starting price he is declared a buyer where starting price is sale price. If he refuses the starting price, the auction is declared unsuccessful and he forfeits his deposit.

**1) Basic Data on Enterprise to be Privatized: Socially Owned Company 5. DECEMBER Metal processing company, BLACE**

**Auction Sale Code:** 240604- 616

**ID Number:** 07109172

**Core Activity:** Production of other agricultural machines

**Most important assets**

**A) Buildings – major objects (m²):**

1. Production hall in Blace (2880) ; Production hall in Blace (768) 3. Production hall in Prebrega (504) 4. Painting plant in Blace (324) 5. Office building in Blace (240) 6. Warehouse (384)

Total estimated value of the capital for sale: **33.472.000 CSD** or **474. 83 \*EURO** which represents **70 %** of the total capital of the enterprise.

**Deposit** for participation in the auction is: **3.347.000 CSD** or **47.428 \*EURO**

**Starting auction price** is: **6.694.000 CSD**

Minimum investment in enterprise to be privatized: **4.303.000 CSD**

4) Heating pipe for headquarters 5) Tools (5. decembar)

cembar) 3) Hidraulic machine for pipe bending

**B) Land (m²):** *Construction Land: (492)*

**Income statement for:**

Shown in:	Year 2002.		Year 2003.	
	CSD	**EURO	CSD	**EURO
Total operating revenues	35.816.000	593.422	17.409.000	267.596
Total operating expenditures	41.288.000	684.086	33.568.000	515.978

**Most important products/services:** 1) Hammer mills 2) Harrow 3) Hay collector 4) Digging machine 5) Machine for disperssion of fertilizer

**Total number of employees:** 186; **of which with university degree:** 5

**2) Basic Data on Enterprise to be Privatized: Joint Stock Company for Fruit and Vegetables Processing VOCAR-KOCELJEVA, KOCELJEVA**

**Auction Sale Code:** 240604- 807n

**ID Number:** 07647107

**Core Activity:** Processing and canning fruit

**Most important assets**

**A) Buildings – major objects (m²):**

1. Refrigeration plant(4087) 2. Finished proiducts warehouse (3519) 3. Administrative building (280) 4. Drier with porch (1041) 5. Processing hall (1334) 6. Warehouse (981)

Total estimated value of the capital for sale: **78.544.000 CSD** or **1.11 .935 \* EURO** which represents **69,426 %** of the total capital of the enterprise.

**Deposit** for participation in the auction is: **3.927.000 CSD** or **55.647 \* EURO**

**Starting auction price** is: **7.854.000 CSD**

Minimum investment in enterprise to be privatized: **15.879.000 CSD**

1) Hot processing line (Levati) 2) Cold processing line (Masinoteks) 3) Compressor plant 4) Compressor plant II (Tehnofrigo) 5) Boiler room (Minel)

**B) Land (m²):**

**Income statement for:**

Shown in:	Year 2001.		Year 2002.	
	CSD	**EURO	CSD	** EURO
Total operating revenues	246.540.000	4.143.669	272.541.000	4.515.633
Total operating expenditures	265.793.000	4.467.259	271.485.000	4.498.136

**Most important products/services:** 1) Processing and freezing raspberries 2) Processing and freezing blackberries3) Processing and freezing strawberries 4) Processing and freezing sour cherries 5) Processing and freezing plums

**Total number of employees:** 239; **of which with university degree:** 14

**3) Basic Data on Enterprise to be Privatized: Socially Owned Company Brodogradiliste KLADOVO, KLADOVO**

**Auction Sale Code:** 240604- 926n

**ID Number:** 07223838

**Core Activity:** Building and repairing ships

**Most important assets**

**A) Buildings – major objects (m²):**

1. Machine production hall (3323) . ship-fitting workshop (897) 3. Locksmithing workshop (852) 4. Open hall (2934) 5. Machine workshop (810) 6. Machine workshop (760) 7. Warehouse (792) 8. Warehouse (621) 9. Machine workshop (1243) 10. Carpentry workshop (681) 11. Management building (480) 12. Warehouse porch (625)

Total estimated value of the capital for sale: **265.993.000 CSD** or **3.7 8.993 \* EURO** which represents **70 %** of the total capital of the enterprise.

**Deposit** for participation in the auction is: **13.300.000 CSD** or **188.450 \* EURO**

**Starting auction price** is: **26.599.000 CSD**

Minimum investment in enterprise to be privatized: **109.933.000 CSD**

**B) Equipment:**

processing

in I, II, Fering) 3) Machine for forging balls and grad SSL – 10/2000) 5) Equipment for metal machine

**B) Land (m²):** *Farming land: (35375)*

**Income statement for:**

Shown in:	Year 2001.		Year 2002.	
	CSD	**EURO	CSD	** EURO

Total operating revenues	17.124.000	287.808	27.494.000	455.538
Total operating expenditures	272.062.000	4.572.624	333.313.000	5.522.542

**Most important products/services:** 1) Ship building 2) Ship overhaul 3) Salvage 4) Docking services 5) Manufacturing of metal products

**Total number of employees:** 241; of which with university degree: 11

#### 4) Basic Data on Enterprise to be Privatized: Socially Owned Company for production of special purpose equipment NIKROOPREMA unlimited, PARACIN

**Auction Sale Code:** 240604- 167

**ID Number:** 07112882

**Core Activity:** Production of special purpose equipment and machines

##### Most important assets

###### A) Buildings – major objects (m<sup>2</sup>):

1. Workshop hall (635) 2. Hall with manager office (1042) 3. New hall (997) 4. Garage building, workshop and porch (241) 5. New warehouse (168) 6. Copy room, buro (216)

Total estimated value of the capital for sale: **52.912.000 CSD** or **749. 37 \*\* EURO** which represents **70 %** of the total capital of the enterprise.

**Deposit** for participation in the auction is: **6.349.000 CSD** or **89.968 -EURO**

**Starting auction price** is: **12.699.000 CSD**

Minimum investment in enterprise to be privatized: **1.059.000 CSD**

1) Small grinder 2) Milling machine 3) Universal rabet plane (PA 25/3000) 4) Eccentric press (EPV 125) 5) Universal milling machine 6) Machine clamp iron

###### B) Land (m<sup>2</sup>):

##### Income statement for:

Shown in:	Year 2002.		Year 2003.	
	CSD	**EURO	CSD	** EURO
Total operating revenues	5.270.000	87.317	1.389.000	21.351
Total operating expenditures	11.805.000	195.593	7.161.000	110.073

**Most important products/services:** 1) Centrifugal machine 2) Duplicators 3) Kitchenwear 4) Mixer

**Total number of employees:** 81; of which with university degree: 8

#### 5) Basic Data on Enterprise to be Privatized: Socially Owned Company for production, distribution and services TEHNOENERGETIKA, KRUSEVAC

**Auction Sale Code:** 240604- 168

**ID Number:** 17423339

**Core Activity:** General machine engineering work

##### Most important assets

###### A) Buildings – major objects (m<sup>2</sup>):

1. Production hall – nonregistered user, JNA 72 (1125) 2. Garage 1 – nonregistered user, JNA 72 (200) 3. Garage 2 – nonregistered user, JNA 72 (250) 4. Biler room with anex – nonregistered user, JNA 72 (296) 5. Raw material warehouse with residential space – nonregistered user, JNA 72 (315) 6. Store – nonregistered user, JNA 72 (62)

Total estimated value of the capital for sale: **24.394.000 CSD** or **345. 52 \* EURO** which represents **70 %** of the total capital of the enterprise.

**Deposit** for participation in the auction is: **2.459.000 CSD** or **34.565 \* EURO**

**Starting auction price** is: **4.879.000 CSD**

Minimum investment in enterprise to be privatized: **5.234.000 CSD**

critical motor pump (CVP-1) 4) Universal milling machine zeta)

###### B) Land (m<sup>2</sup>):

##### Income statement for:

Shown in:	Year 2002.		Year 2003.	
	CSD	**EURO	CSD	** EURO
Total operating revenues	17.800.000	294.922	49.635.000	762.946
Total operating expenditures	17.346.000	287.400	47.505.000	730.206

**Most important products/services:** 1) Steam 2) Services 3) Sale of goods

**Total number of employees:** 39; of which with university degree: 1

#### 6) Basic Data on Enterprise to be Privatized: Друштвено предузеће за саобраћај и саобраћајну технику АУТО-ЗВЕЗДАРА, БЕОГРАД

**Auction Sale Code:** 240604- 169

**ID Number:** 07035675

**Core Activity:** Driving school

##### Most important assets

###### A) Buildings – major objects (m<sup>2</sup>):

1. Building–right of use, Jagiceva 5 (260) 2. Building–right of use, Dragice Pravice 9 (175)

Total estimated value of the capital for sale: **8.242.000 CSD** or **116.7 1 \* EURO** which represents **70%** of the total capital of the enterprise.

**Deposit** for participation in the auction is: **824.000 CSD** or **11.679 \* EURO**

**Starting auction price** is: **1.648.000 CSD**

Minimum investment in enterprise to be privatized: **594.000 CSD**

1) Yugo 55 2) Yugo 45 3) Electric turnace – boiler

###### B) Land (m<sup>2</sup>):

##### Income statement for:

Year 2002.

Year 2003.

Shown in:	CSD	**EURO	CSD	** EURO
Total operating revenues	2.850.000	47.221	3.251.000	49.972
Total operating expenditures	3.409.000	56.482	6.976.000	107.229

**Most important products/services:** 1) Driving school - seviles

**Total number of employees:** 11; **of which with university degree:** 0