

In accordance with Article 38 of the Law on Privatization ("Official Gazette of the RS", nos. 38/01, 18/03 and 45/05), and Article 9 of the Decree on sale of capital and property by Public auction ("Official Gazette of the RS" nos. 52/05 and 91/07), the Privatization Agency announces:

# PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

## Basic data on Auction sale

Interested parties can purchase the auction documents at the price of **RSD 40000**, after they receive the invoice from the Privatization Agency. VAT is not calculated in the price. Purchase of the auction documents is obligatory, and on their receipt one is to sign the Confidentiality Agreement. After the payment evidence has been submitted, the auction documents can be collected at the following address:

Privatization Agency, Belgrade, 23 Terazije Street, 5th floor, 09:00–16:30, from 27.02.2008 to 19.03.2008.

### **DEADLINE FOR SUBMISSION OF APPLICATIONS IS 20.03.2008. UNTIL 16:30**

Filled application, which is a part of the auction documents, with the signed draft of the SPA and the deposit payment evidence, is to be submitted in a sealed envelope marked with: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 280308, Privatization Agency, Belgrade, 23 Terazije St, 5<sup>th</sup> floor".

IF THERE IS THE NAME OF THE ENTITY UNDERGOING PRIVATIZATION ON THE ENVELOPE, OR FULL AUCTION CODE, THE APPLICATION CAN BE REJECTED.

### **THE AUCTION WILL BE HELD ON: 28.03.2008.**

at the following address: **Privatization Agency, Belgrade, 23 Terazije St, 2<sup>nd</sup> floor, Large Hall** at **11:00**. The registration of the auction participants will be held at the same address on: **28.03.2008, from 09:00 to 10:50**.

**Means of payment** can be in domestic currency, foreign convertible currency, state bonds based on the unpaid foreign currency savings, which are due not later than the date of the capital sale (28.03.2008.) issued to the individuals, who are citizens of the Republic of Serbia. If the participant applies only for the second bidding, the means of payment can be even the state bonds based on the unpaid foreign currency savings, which are not due until the date of the capital sale (28.03.2008.) issued to the individuals, who are citizens of the Republic of Serbia.

In case that the first class bank guarantee has been submitted as the means of deposit payment, it is to be due within 48 hours after the declaration a buyer.

Deposit for participation is to be returned 21 days after the Public auction has been held.

The Privatization Agency keeps the right to change the auction date, as well as the deadline for the application submission if necessary, but also to inform the interested parties on such changes, if any, until the auction date at the latest.

The site visit shall be carried out after signing the Confidentiality Agreement in the period from 27.02.2008 to 19.03.2008, at the time previously established by the Privatization Agency, tel: +38111/3020-842; +38111/3020-803 or fax: +38111/3020-881.

\* *The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 27.02.2007.*

\*\* *The total business income and expense data, stated in EUR, were calculated according to the average annual real exchange rates.*

## Brief description of the PUBLIC AUCTION procedure

The sale of capital by Public auction is carried out by the Auction Commission, which is established by the Privatization Agency. The commission supervises the capital sale by auction, registers auction participants, declares auction unsuccessful, signs the minutes and performs other activities important for auction performance in accordance with the Law. The conditions for auction to be carried out are fulfilled if at least one person has obtained the status of an auction participant and if it is presented personally or by an authorized representative. At the time ordered for the PUBLIC AUCTION opening, the auctioneer shall open the first bidding, when the means of payment can be in cash or due bonds. If there is more than one person at the first bidding, the auctioneer announces the initial price as well as each further increase. In case that none of the interested buyers reacts after the third call for acceptance of the newly established price, the

auctioneer declares the auction finished by hammering. The selling price becomes the highest offered value, and the participant who has been the first to offer the highest price is declared a buyer. If there have not been interested parties after the announcement of the initial price, even after the third call, the auctioneer declares the first bidding unsuccessful by hammering and opens the second bidding immediately afterwards, when even undue state bonds can be the means of payment. Those who have applied for the second bidding can also participate, as well as the participants in the first bidding, in case it has been declared unsuccessful. If more than one person participates in the second bidding, the auctioneer announces the initial price, as well as each further increase. If none of the interested buyers reacts after the third call for acceptance the newly established price, the auctioneer, by hammering, declares the auction closed. The

selling price becomes the highest offered value, and the participant who has been the first to offer the highest price is declared a buyer. If after the announcement of the initial price there have not been any interested persons, even after the third call, the auction is declared unsuccessful, and the participants lose the right to be returned the deposit.

If only one party who has obtained the auction participant status attends the second bidding, that party is invited three times to accept the initial price. If the party accepts the initial price, it is declared a buyer and the initial price becomes the selling price. If the participant does not accept the initial price, the auction is declared unsuccessful, and it loses the right to be returned the deposit.

### 1) Basic information on the entity undergoing privatization: Socially-owned enterprise for production of textile garments JASEN, BRODAREVO

**Auction Sale Code:** 280308-0829p

Official ID number of the Entity: **07326629**

Field of work: **Production of linen**

The entire estimated capital value to be privatized amounts to: **RSD 7.497.000 or \*EUR 90.920** which is **70 %** of the entire capital of the entity.

**Deposit** for participation in the auction: **RSD 600.000 or \*EUR 7.274**

**Initial price** at the auction sale: **RSD 1.199.000**

**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 1.157.000**

#### The most important assets of the entity to be privatized

##### A) Buildings – main facilities (m<sup>2</sup>):

1. Linen plant (1070) 2. Administrative building (230) 3. Warehouse and canteen (466)

##### B) Main equipment:

1) Sewing machine (DDL 555) 2) Button-hole making machine (LBN 777) 3) Overloch (MO 816) 4) Button-making machine (MB 372) 5) Double-needle machien (MS 19) 6) Electric steam boiler (EK4412L)

**C) Land (m<sup>2</sup>):** *Entire land: (7516) ; construction land: (7516) – state owned;*

#### Balance sheet per year:

Shown in:	2005		2006	
	RSD	**EUR	RSD	**EUR
Total business revenues	898.000	10.831	906.000	10.772
Total business expenses	17.911.000	216.037	20.948.000	249.070

**Main products/ services:** 1) Production of household linen 2) Production of clothes 3) Retail trade in textile 4) Commercial activities

**Total number of employees:** 90; **of which BS/ BA:** 2

### 2) Basic information on the entity undergoing privatization: Trafic equipment plant FASO d.o.o., BELGRADE

**Auction Sale Code:** 280308-2027p

Official ID number of the Entity: **06978924**

Field of work: **Production of rail machines**

The entire estimated capital value to be privatized amounts to: **RSD 102.777.000 or \*EUR 1.246.474** which is **70 %** of the entire capital of the entity.

**Deposit** for participation in the auction: **RSD 8.222.000 or \*EUR 99.718**

**Initial price** at the auction sale: **RSD 16.444.000**

**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 10.090.000**

#### The most important assets of the entity to be privatized

##### A) Buildings – main facilities (m<sup>2</sup>):

1. Production and administrative building – user, Vladimirci (3308) 2. Boiler house with a foundry – user, Vladimirci (343) 3. Doorman's booth – user, Vladimirci (23) 4. Water station – user, Vladimirci (11) 5. Substation – user, Vladimirci (16)

##### B) Main equipment:

1) General plane (pa 301300 sm) 2) Milling machine (borverk) 3) Combined plane (1E 95) 4) Hilti drill (Te 15/200) 5) Apparatus (Co 2350a) 6) Polishing machine (ST-20) 7) Resin melting furnace 8) Abrichter for wood processor

**C) Land (m<sup>2</sup>):** *Entire land: (25396) ; construction land: (25396) – state owned, non-registered user;*

#### Balance sheet per year:

Shown in:	2005		2006	
	RSD	**EUR	RSD	**EUR

Total business revenues	0	0	0	0
Total business expenses	17.511.000	211.213	6.350.000	75.501

**Main products/ services:** 1) Production of convector heater 2) Production of safety doors

**Total number of employees:** 2; of which BS/ BA: 0

### 3) Basic information on the entity undergoing privatization: Socially-owned enterprise for catering trade BOR, BOR

**Auction Sale Code:** 280308-2051p

Official ID number of the Entity: **07314094**

Field of work: **Restaurant**

The entire estimated capital value to be privatized amounts to: **RSD 263.347.000 or \*EUR 3.193.849** which **70 %** of the entire capital of the entity.

**Deposit** for participation in the auction: **RSD 21.068.000 or \*EUR 255.508**

**Initial price** at the auction sale: **RSD 42.135.000**

**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 1.907.000**

#### The most important assets of the entity to be privatized

##### A) Buildings – main facilities (m<sup>2</sup>):

1. Hotel Srbija (3266) 2. Restaurant Nova Tržnica (1159) 3. Restaurant Stara Tržnica (927) 4. Sweets shop Korzo (157) 5. Tavern Rudar (167) 6. Warehouse space (274)

##### B) Main equipment:

1) Tourism and catering trade equipment in Srbija hotel 2) Catering trade equipment in objektu Rudar 3) Tourism and catering trade equipment in the facility "Stara Tržnica" 4) Tourism and catering trade equipment in the facility "Nova Tržnica" 5) Tourism and catering trade equipment in the facility "Balkan" 6) Car pool

**C) Land (m<sup>2</sup>):** *Entire land: (3348); construction land: (3348) – state owned;*

Balance sheet per year:	2005		2006	
	Shown in:	RSD	**EUR	RSD
Total business revenues	38.209.000	460.866	36.257.000	431.092
Total business expenses	44.359.000	535.045	46.164.000	548.885

**Main products/ services:** 1) Accommodation services 2) Catering trade services

**Total number of employees:** 117; of which BS/ BA: 2

### 4) Basic information on the entity undergoing privatization: joint-stock company RAMSKI RIT, VELIKO GRADIŠTE

**Auction Sale Code:** 280308-2177p

Official ID number of the Entity: **07163266**

Field of work: **Pig breeding**

The entire estimated capital value to be privatized amounts to: **RSD 374.686.000 or \*EUR 4.544.167** which is **69,769 %** of the entire capital of the entity.

**Deposit** for participation in the auction: **RSD 29.975.000 or \*EUR 363.533**

**Initial price** at the auction sale: **RSD 59.950.000**

**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 15.437.000**

#### The most important assets of the entity to be privatized

##### A) Buildings – main facilities (m<sup>2</sup>):

1. Administrative building with a workshop (424) 2. Production facilities 1–4 (14372) 3. Stable for bullock fattening – 8 (6088) 4. Administrative building (474) 5. Old silo with a kiln and a machine facility (10000)

##### B) Main equipment:

1) Motor vehicle (DAIMLER TIP 124) 2) Loading shovel (RD 180) 3) Irrigation system 4) Mechanical–technological equipment 5) Vertical kiln (DVSK–3 CER)

**C) Land (m<sup>2</sup>):** *Entire land: (8543449); agricultural land: (8543449) (95296) – socially owned (8448153) – state owned;*

Balance sheet per year:	2005		2006	
	Shown in:	RSD	**EUR	RSD
Total business revenues	109.609.000	1.322.072	119.304.000	1.418.513
Total business expenses	125.683.000	1.515.952	156.870.000	1.865.169

**Main products/ services:** 1) Fattening 2) Piglets 3) Fattening chickens 4) Concentrate

**Total number of employees:** 147; of which BS/ BA: 6

### 5) Basic information on the entity undergoing privatization: Public Veterinary station SVILAJNAC, SVILAJNAC

**Auction Sale Code:** 280308-2237

Official ID number of the Entity: **07124350**

Field of work: **Veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 11.135.000 or \*EUR 135.046** which is **70 %** of the entire capital of the entity.

**Deposit** for participation in the auction: **RSD 1.336.000 or \*EUR 16.206**

**Initial price** at the auction sale: **RSD 2.672.000**

**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 229.000**

#### The most important assets of the entity to be privatized

##### A) Buildings – main facilities (m<sup>2</sup>):

1. Building–veterinary station (363) 2. Garages (108)

##### B) Main equipment:

1) 3 cars (Jugo Tempo 1,1) 2) Laboratory furniture 3) telephone and fax machine (Panasonic)

**C) Land (m<sup>2</sup>):** *Entire land: (1816); construction land: (1816) – state owned;*

Balance sheet per year:	2005		2006	
	Shown in:	RSD	**EUR	RSD

Total business revenues	6.222.000	75.048	5.890.000	70.032
Total business expenses	6.605.000	79.668	6.492.000	77.189

**Main products/ services:** 1) Cattle breeding and production of milk 2) Mediation in the sale of agricultural products 3) Wholesale of grain products

**Total number of employees:** 10; **of which BS/ BA:** 4

#### 6) Basic information on the entity undergoing privatization: joint-stock company FORUM-PLASMAN for domestic and foreign trade, and services, NOVI SAD

**Auction Sale Code:** 280308-2238

Official ID number of the Entity: **08136238**

Field of work: **Retail trade - mixed goods**

The entire estimated capital value to be privatized amounts to: **RSD 19.230.000 or \*EUR 233.224** which is **44,03 %** of the entire capital of the entity.

**Deposit** for participation in the auction: **RSD 1.923.000 or \*EUR 23.322**

**Initial price** at the auction sale: **RSD 3.846.000**

**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 179.000**

#### The most important assets of the entity to be privatized

##### A) Buildings - main facilities (m<sup>2</sup>):

1. House - right to use (135) 2. House - right to use (117) 3. House - non-registered user (90)

##### B) Main equipment:

1) Passenger vehicle (YUGO 55)

**C) Land (m<sup>2</sup>):** *Entire land: (1155); construction land: (1155) - socially owned;*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues		8.354.000	100.764	8.561.000	101.789
Total business expenses		8.403.000	101.355	7.391.000	87.878

**Main products/ services:** 1) Newspaper sale

**Total number of employees:** 1; **of which BS/ BA:** 0

#### 7) Basic information on the entity undergoing privatization: Catering trade enterprise BIĆ, PRIBOJ

**Auction Sale Code:** 280308-2239

Official ID number of the Entity: **07190557**

Field of work: **Hotels and motels, with restaurants**

The entire estimated capital value to be privatized amounts to: **RSD 73.604.000 or \*EUR 892.668** which is **70 %** of the entire capital of the entity.

**Deposit** for participation in the auction: **RSD 7.360.000 or \*EUR 89.267**

**Initial price** at the auction sale: **RSD 14.721.000**

**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 8.039.000**

#### The most important assets of the entity to be privatized

##### A) Buildings - main facilities (m<sup>2</sup>):

##### B) Main equipment:

1) Central heating 2) Wardrobes (22) 3) Heaters (15) 4) Chairs and stools (564) 5) Computer (Pentium) 6) Boiler

**C) Land (m<sup>2</sup>):** *Entire land: (2664); construction land: (2664) - state owned; agricultural land: (0);*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues		1.650.000	19.902	421.000	5.006
Total business expenses		15.764.000	190.141	12.703.000	151.037

**Main products/ services:** 1) Catering trade services

**Total number of employees:** 25; **of which BS/ BA:** 0