

# PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

## Basic data on auction sale

Interested parties can purchase the auction documents at the price of **RSD 40.000**, 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, Terazije St. 23, 5<sup>th</sup> floor, from 09:00 to 16:30, in the period from 30.10.2008 until 26.11.2008.

**DEADLINE FOR SUBMISSION OF APPLICATIONS IS 27.11.2008, BY 16:30.**

Completed 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: „APPLICATION FOR PARTICIPATION IN THE PUBLIC AUCTION 051208, Privatization Agency, Belgrade, Terazije St. 23, 5<sup>th</sup> floor”.

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

**THE AUCTION WILL BE HELD ON: 05.12.2008**

at the address: **Privatization Agency, Belgrade, Terazije St. 23, 2<sup>nd</sup> floor, Large Hall**, at **11:00**. Registration of the auction participants will be held at the same address on:

**05.12.2008, 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 (05.12.2008) 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 (05.12.2008) issued to the individuals, who are citizens of the Republic of Serbia.

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

Deposit for participation is to be returned within 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 about such changes, if any, until the auction date at the latest.

The site visits can be carried out after signing of the Confidentiality Agreement in the period from 30.10.2008 until 26.11.2008.

\* *The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on the preparation date of the Public invitation.*

\*\* *The data on real estate of the privatization entity from this Public invitation are solely for the purpose of giving information, while the data on legal grounds, ownership type and right to them are presented in the auction documents.*

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

## Brief description of the PUBLIC AUCTION procedure

Sale of capital by the Public auction is carried out by the Auction Commission, which is to be 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 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 of 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 privatization entity: Veterinary station MLADENOVAC, MLADENOVAC**

**Auction sale code: 051208-3121p**

Official ID number of the entity: **07045921**

Field of work: **Veterinary**

The entire estimated capital value to be privatized amounts to: **RSD 75.984.000** or **\*EUR 914.514**, which is **70 %** of the total entity capital.

**Deposit** for participation in the auction: **RSD 6.079.000** or **\*EUR 73.161**

**Initial price** at the auction sale: **RSD 12.158.000**

**Minimum obligatory investments** into the privatization entity amount to: **RSD 599.000**

**Main assets of the privatization entity \*\***

**A) Buildings – main facilities (m²):**

1. Building of veterinary station in Mladenovac (657) 2. Warehouse and garage (168) 3. Building of the surgery in Velika Krsna (73) 4. Building of the surgery in Koračica (68)

**B) Main equipment:**

1) Goods vehicle (Skala 1,1 Poli LC) 2) Passenger vehicle (3 cars, Zastava Koral 1,1) 3) Computer (7 items) 4) Lawn mower (FS-1 20 Stil) 5) Fiscal cash-register (2 items, Ei-STN)

**C) Land (m²):** *Entire land: (12229); Construction land: (9038) – state-owned; Agricultural land: (3191) – state-owned*

Balance sheet per year:	2006		2007		
	Shown in:	Дин	***EYP	Дин	***EYP
Total operating revenues		32.505.000	386.481	30.474.000	381.096
Total operating expenses		31.982.000	380.263	30.442.000	380.696

**Main products/services:** 1) Cure of animals 2) Prevention 3) Artificial insemination of animals 4) Inspection of meat regarding trichinosis 5) Sale of medicines and food for animals

**Total number of employees:** 28; **of which BS/BA:** 11

**2) Basic information on the privatization entity: Socially-owned enterprise for production and sale of fur and leather garments, textile and haberdashery GALANTEKS TREJD, PIROT**

**Auction sale code: 051208-3133p**

Official ID number of the entity: **17393677**

Field of work: **Manufacture of clothes and accessories**

The entire estimated capital value to be privatized amounts to: **RSD 23.339.000** or **\*EUR 280.893**, which is **70 %** of the total entity capital.

**Deposit** for participation in the auction: **RSD 1.867.000** or **\*EUR 22.471**

**Initial price** at the auction sale: **RSD 3.734.000**

**Minimum obligatory investments** into the privatization entity amount to: **RSD 1.432.000**

**Main assets of the privatization entity \*\***

**A) Buildings – main facilities (m²):**

**B) Main equipment:**

1) Sewing machines 2) Desks 3) Calibres 4) Irons 5) Sewing device

**C) Land (m²):**

Balance sheet per year:	2006		2007		
	Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues		26.265.000	312.288	19.215.000	240.296
Total operating expenses		30.034.000	357.101	25.378.000	317.368

**Main products/services:** 1) Heavy garments 2) Working clothes 3) Other clothes

**Total number of employees:** 12; **of which BS/BA:** 1

**3) Basic information on the privatization entity: Public service Veterinary station BAJINA BAŠTA, BAJINA BAŠTA**

**Auction sale code: 051208-3183n**

Official ID number of the entity: **07155182**

Field of work: **Veterinary**

The entire estimated capital value to be privatized amounts to: **RSD 23.583.000** or **\*EUR 283.835**, which is **70 %** of the total entity capital.

**Deposit** for participation in the auction: **RSD 1.887.000** or **\*EUR 22.707**

**Initial price** at the auction sale: **RSD 3.773.000**

**Minimum obligatory investments** into the privatization entity amount to: **RSD 1.000.000**

**Main assets of the privatization entity \*\***

**A) Buildings – main facilities (m²):**

1. Veterinary station (building) (246) 2. Branch of veterinary station Gvozdac (50) 3. Agricultural pharmacy Bajina Bašta (17)

**B) Main equipment:**

1) Passenger vehicle (2 cars, Jugo 45) 2) Passenger vehicle (Jugo Poli) 3) Container (4 item) 4) Air-conditioning box

**C) Land (m²):** *Entire land: (2044); Construction land: (2044) – state-owned*

Balance sheet per year:	2006		2007	
	Shown in:	RSD	***EUR	RSD

Total operating revenues	13.631.000	162.071	11.070.000	138.437
Total operating expenses	13.631.000	162.071	16.891.000	211.233

**Main products/services:** 1) Physical examination and cure of cattle, pigs, dogs, horses, poultry 2) Animals' deliveries 3) Gynaecology and cure of sterility 4) Artificial insemination of cows and pigs 5) Vaccination of animals 6) Disinfection of buildings and vehicles 7) Deratization

**Total number of employees:** 25; of which BS/BA: 5

#### 4) Basic information on the privatization entity: Socially-owned enterprise for production, trade and services PALILULA, BELGRADE

**Auction sale code:** 051208-3186n

Official ID number of the entity: **07562519**

Field of work: **Production of different products**

**Main assets of the privatization entity \*\***

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

The entire estimated capital value to be privatized amounts to: **RSD 3.604.000** or **\*EUR 43.381**, which is **70 %** of the total entity capital.

**Deposit** for participation in the auction: **RSD 180.000** or **\*EUR 2.169**

**Initial price** at the auction sale: **RSD 360.000**

**Minimum obligatory investments** into the privatization entity amount to: **RSD 156.000**

**B) Main equipment:**

1) Passenger vehicle (2 cars, Yugo Koral in 1.1) 2) Office furniture 3) Air-conditioner (Gorenje KFS34RV)

**C) Land (m<sup>2</sup>):**

Balance sheet per year:	2006		2007	
	Shown in:	RSD	***EUR	RSD
Total operating revenues	11.946.000	142.037	11.269.000	140.926
Total operating expenses	10.886.000	129.433	11.142.000	139.338

**Main products/services:** 1) Repair and maintenance of fire-extinguishers and hydrants 2) Training of workers 3) Fire fighting guards 4) Repair and maintenance of insulating apparatuses 5) Sale of apparatuses

**Total number of employees:** 5; of which BS/BA: 0

#### 5) Basic information on the privatization entity: Joint-stock company for trade JUGOBICIKL, BELGRADE

**Auction sale code:** 051208-3212

Official ID number of the entity: **07077548**

Field of work: **Advertising and marketing**

**Main assets of the privatization entity \*\***

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

1. Office premises, 2nd floor, Dinarska St. 14, Belgrade (293) 2. Office premises in basement, Dinarska St. 14, Belgrade (62)

The entire estimated capital value to be privatized amounts to: **RSD 80.420.000** or **\*EUR 967.894**, which is **69,496 %** of the total entity capital.

**Deposit** for participation in the auction: **RSD 9.650.000** or **\*EUR 116.148**

**Initial price** at the auction sale: **RSD 19.301.000**

**Minimum obligatory investments** into the privatization entity amount to: **RSD 748.000**

**B) Main equipment:**

1) Office equipment 2) Office furniture

**C) Land (m<sup>2</sup>):**

Balance sheet per year:	2006		2007	
	Shown in:	RSD	***EUR	RSD
Total operating revenues	11.865.000	141.074	7.454.000	93.217
Total operating expenses	12.610.000	149.932	12.385.000	154.882

**Main products/services:** 1) Sale of motor vehicles 2) Sale of spare parts and equipment for motor vehicles 3) Sale of motorcycles 4) Mediation in sale of furniture, home appliances, metal products and ironware

**Total number of employees:** 8; of which BS/BA: 0

#### 6) Basic information on the privatization entity: Socially-owned enterprise for planning and metal-processing works MONTAŽA, LESKOVAC

**Auction sale code:** 051208-3213

Official ID number of the entity: **07105533**

Field of work: **Insulating**

**Main assets of the privatization entity \*\***

**A) Building – main facilities (m<sup>2</sup>):**

1. Building (4104) 2. Prefabricated sheds (175)

The entire estimated capital value to be privatized amounts to: **RSD 2.005.000** or **\*EUR 24.132**, which is **70 %** of the total entity capital.

**Deposit** for participation in the auction: **RSD 201.000** or **\*EUR 2.413**

**Initial price** at the auction sale: **RSD 401.000**

**Minimum obligatory investments** into the privatization entity amount to: **RSD 1.578.000**

**B) Main equipment:**

1) Equipment for basic activities 2) Standard and special tools 3) Scaffolds 4) Truck (TAM) 5) Office equipment

**C) Land (m<sup>2</sup>):** Entire land: (26844); Construction land: (26844) – state-owned

Balance sheet per year:	2006		2007	
	Shown in:	RSD	***EUR	RSD

Total operating revenues	3.091.000	36.752	3.102.000	38.792
Total operating expenses	5.824.000	69.247	11.813.000	147.729

**Main products/services:** 1) Other insulating works  
**Total number of employees:** 4; **of which BS/BA:** 0