



DUVAN JSC, Ljubovija



General Information

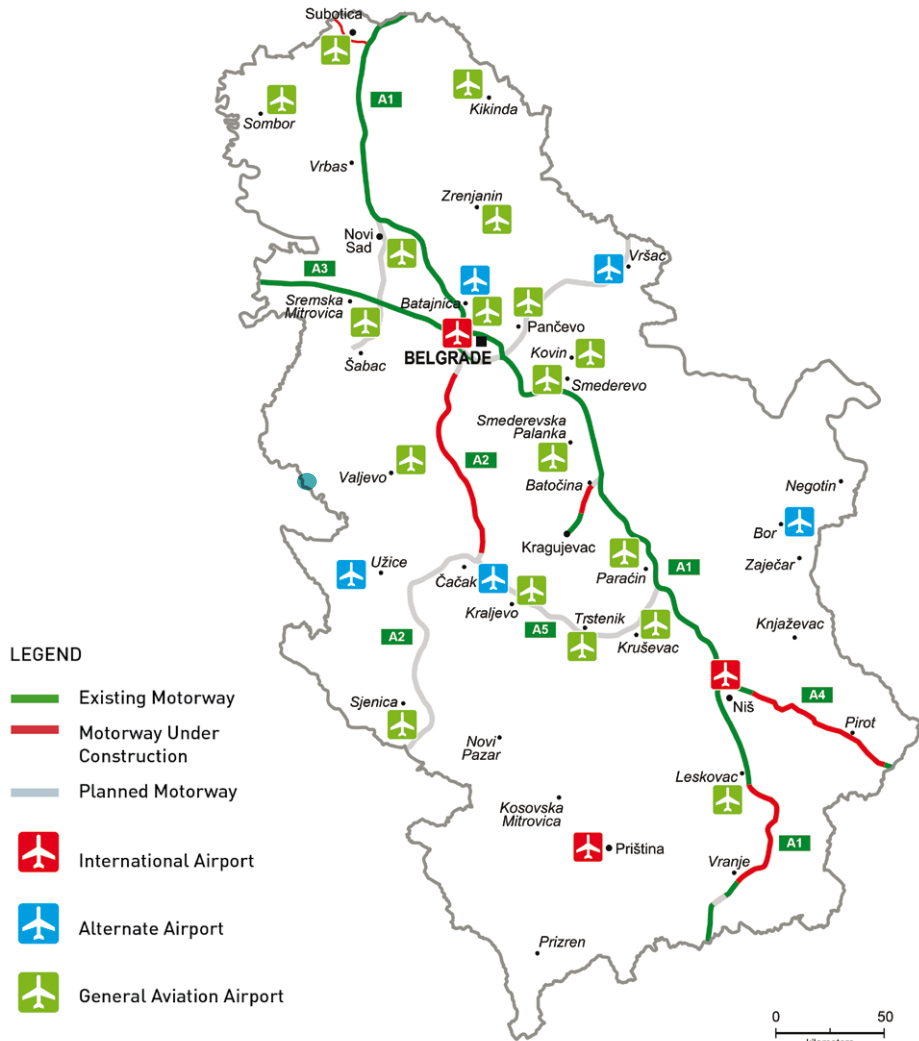
Full legal name	DUVAN JSC FOR PRODUCTION AND PROCESSING OF TOBACCO, LJUBOVIJA
Address	No numer Zvorni ck i Put Street, Lj ubovi j a
Identification Number	07116209
Core activity	Manufacture of tobacco products
Foundation Year	1954
Number of Employees	24



Capital structure (in%)

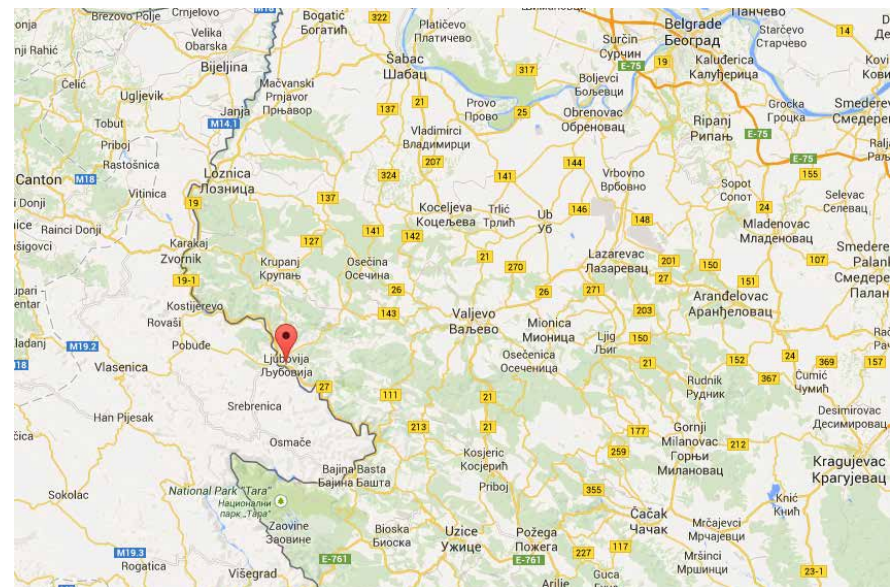
Shareholders' fund	54.79
Pension and Disability Fund	9.99
Others	35,22

General Information



Distance form the Company to:

Belgrade	200 km
Regional Center	75 km
Main road	0 km
Port	200 km
Railway	40 km



Location



Geographical location of DUVAN JSC FOR PRODUCTION AND PROCESSING OF TOBACCO, LJUBOVIJA is of strategic importance in the market area of southeaste Europe and provides opportunity for intensive bussines cooperation.



Pan-European Transport Corridors



Tradition



A joint stock company for production and processing of tobacco, Duvan Ljubovija was established in 1954 the decision of the Municipal Assembly Ljubovija as an economic organization. The main activity was agricultural production, purchase and processing of tobacco.

In the beginning it based on breeding varieties Burley, and later, in 1979, exceeding the variety Lights Virginia, which gradually becomes dominant. In 1963, the integration of the company for the processing of tobacco from the territory of Serbia, and for the Nis Tobacco Factory, educated labor organization Nitabak based in Nis, whose composition is entered and Duvan Ljubovija.

Subsequent transformation of work organization in the field of production, processing and sale of tobacco and tobacco products from the region of Central Serbia and the Autonomous Province of Kosovo and Metohija during 1977 and 1980 was organized system Serbia tobacco industry Jugoduvan based in Nis reorganization Ništabak in 1982 was formed as a labor organization, in this transformation, Duvan has kept his status within the newly created Duvanabak from Nis. Duvan in 1989, organized as an independent social enterprise and the status he held until 1994, when it was organized as a joint stock company Duvan. The most significant year in the company in 1985, when the factory built for heat treatment of tobacco, then in 1993 and 1994, when they constructed kiln drying of Virginia tobacco.

Production



- **FERMENTED TOBACCO**
- **CIGARETTE FILTER**
- **HOMOGENIZED AND RECONSTRUCTED TOBACCO / FOIL**

Certificates



Quality assurance certificate ISO 9001

Com pany does not own quality assurance certificate ISO 9001.

Ecology

According to applicable regulations, the requirements for environment protection are fulfilled.

Production and Capacity



Product	Unit	Quantity			Value in EUR		
		2011	2012	2012	2011	2012	2013
Fermented tobacco	t	731,00	645,00	649,00	1.224.684	1.203.571	1.328.866
Processing of tobacco	t	1.373,00	1.738,00	705,00	392.896	520.312	230.866

Land and Buildings

No	Location	Surface of land (m ²)	Surface of building (m ²)	Roadse (m ²)	Green areas (m ²)
1	Factory halls	3.081	516	285	2.280
2	Warehouse general purpose	11.457	2.007	650	8.800
3	Boiler	3.538	588	50	2900
4	Crafts center	306	257	49	-
Total		18.382	3.368	1.034	13.980



Production and Capacity



Capacity utilization

Machine (Production line)	Unit	Installed capacity	Real capacity	% of utilization		
				2011	2012	2013
Tabacco fermentation line	kg	4.000.000	4.000.000	50,00	40,00	30,00



Realization



Movement in sale volume

Product/service	Unit	Quantity sold			Value in EUR		
		2011	2012	2013	2011	2012	2013
Fermented tobacco		730	760	658	1.224.722	1.406.062	1.379.240
Processing of tobacco		1,746	1,738	705	506.427	520.312	230.866
TOTAL :					1.731.149	1.926.374	1.610.107



Sales structure

Sales structure in %	2011	2012	2013
Domestic market	100.00	85.00	90.00
Foreign market	0.00	15.00	10.00
TOTAL :	100.00	100.00	100.00

Distribution channels

Distribution channels	% of share
Direct sale	100.00
Wholesale	0.00
Retail	0.00
Intermediaries	0.00

Organization



EMPLOYEES



Number of employees

Working	24
Paid leave	0
Unpaid leave	0
Other (sick leave, vacation, etc.)	0
TOTAL NUMBER OF EMPLOYEES	24

Age structure of employees

Age	-25	25-35	35-40	40-45	45-50	50-55	55+
Number	0	0	2	1	14	4	3

Average salaries in EUR

(gross and net) in 2011, 2012 and 2013

Year	Gross	Net
2011	442	310
2012	472	331
2013	497	358

Assets Overview



	31/12/2011	31/12/2012	31/12/2013
CURRENT ASSETS	1.080.228	4.131.103	1.608.667
FIXED ASSETS	3.930.614	3.518.273	3.487.576



A) Information contain in this document is based on the data recieved from the company, and as such has not been verified by the Privatization Agency. Accordingly, the Privatization Agency shall have no liability with respect to the accuracy and validity of the information contained here in.

B) Pursuant to the law, enterprises from the Republic of Serbia were obliged as of 2004 to prepare Financial Statements in accordance with the International Standards of Financial Reports (ISFR).

SWOT Analysys

STRENGTHS:

The quality of tobacco in Serbia.

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WEAKNESS:

Insufficient demand for tobacco in Serbia.

OPPORTUNITIES:

Opening of EU markets.

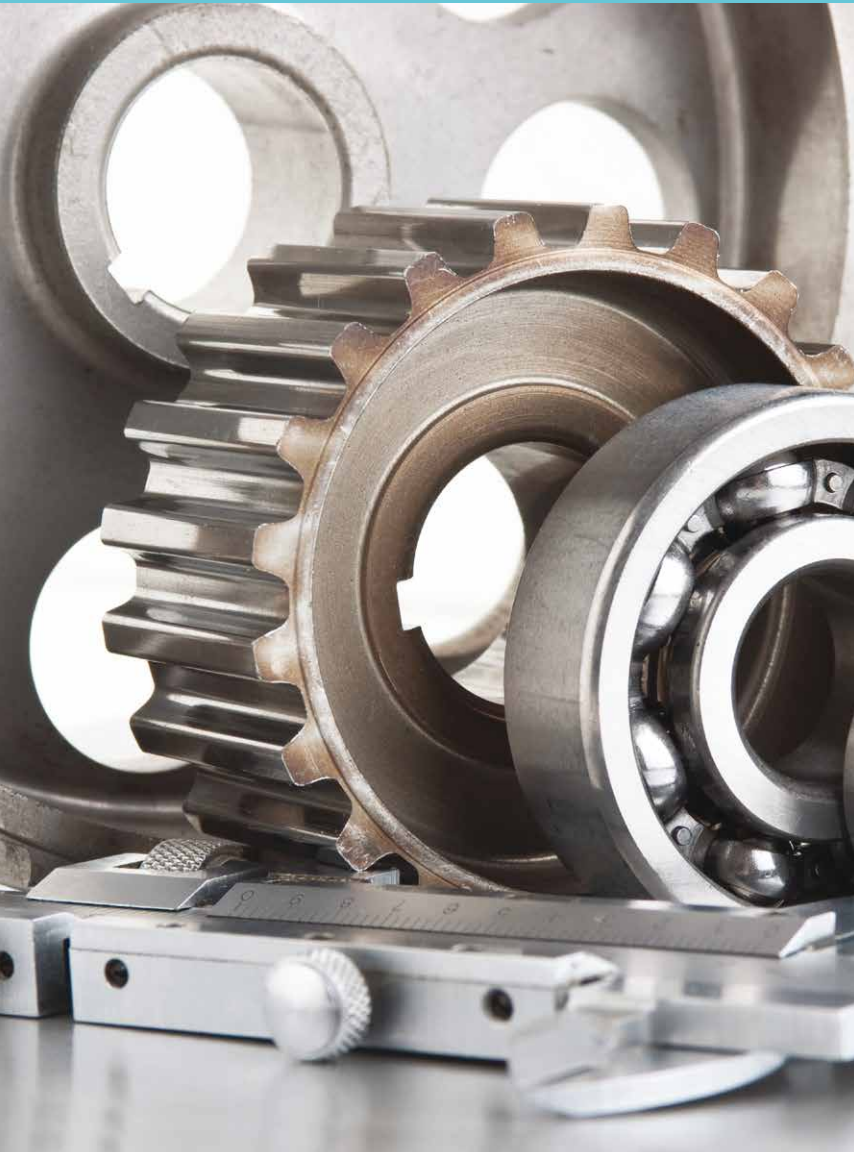
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THREATS:

The opening of the China and India market.

Advantages of Investing in Serbia



Favorable geographic position, owing to which any shipment can reach any location in Europe within 24 hours

Highly educated and cheap labor force

Restructured and stable financial system

Simple procedures for a company start-up and registration

Simple procedures for foreign trade transactions and foreign investments

Several free trade agreements have been signed, ensuring supply of goods to nearly 800 million consumers:

- In March 2012 Serbia was granted the candidates status by the EC
- CEFTA
- Agreement with the EFTA members
- Autonomous trade preferences granted by the EU in December 2000, and implementation of the Interim Trade Agreement with the EU started in February 2010
- Agreement with the Russian Federation, Belarus and Kazakhstan
- Agreement with Turkey

Contact



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