

According to the Article 38. of Privatization Law (<<Official Gazette of the Republic of Serbia>>, number 38/2001), as well as Article 5. of the Decree on Sale of Capital and/or Property by Public Auction (Official Gazette of the Republic of Serbia>> no. 45/2001, 45/2002 and 19/2003) the Privatization Agency of the Republic of Serbia hereby publishes:

PUBLIC ANNOUNCEMENT for participation in the public auction

Information about PUBLIC AUCTION:

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 for those wishing to participate in the auction. After presenting evidence of payment and signing a Confidentiality Agreement, the auction documentation can be collected on business days from 10:00 to 17:00 from 02.04.2004. until 13.05.2004 from: The Privatization Agency, Terazije 23/V, room number 511

Deadline for submitting of applications is 14.05.2004. till 17.00. Completed application forms for participation in the auction, which are included in the auction documentation, together with signed 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 240504"
Privatization Agency, Auction Center, Terazije 23/V, 11000 Beograd. 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 **24.05.2004.** at: Yugoslav Chamber of Commerce, Terazije 23/II, Beograd at 11:00 a.m. Registration of the participants will take place on **24.05.2004.** at the same address from 09.00 until 10.50. **Means of payment:** 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 (24.05.2004). 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 participant applies only for second auction, deposit can be paid with 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 (24.05.2004). 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 (Phone number: + 381 (11) 3020-804; 011/3020-803 Fax: +381 (11) 3020-881. Visits may take place from 02.04.2004. until 13.05.2004.

* Total estimated value of capital being privatized and expressed in EURO has been calculated using the official exchange rate as at 02.04.2004.

** Total operating revenues and expenditures for 2000. and 2001. and expressed in EURO have been calculated using the average real exchange rate for the two years respectively (2000. and 2001.).

Short description of the public auction procedure:

Sale of capital by Public Auction is performed by the Auction Commission that is chosen by the Privatization Agency, Supervision of the Auction, registration of the participants, declaring of the unsuccessful auction, signing of the auction minutes is done by the Commission which is also involved in 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 settled 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 invitations 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, the 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 more then one bidder participates, 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 enterprise for construction and craft works "RADNIK", BACKA PALANKA

Auction sale code: 240504- 131

Core activity: basic construction works

Total estimated value of the capital sale: 40.127.000 € n. or 574.885 EUR ,
That is 70 % of the total capital of the enterprise.

Deposit for participation in the auction is: 4.013.000 € n or 57.488 EUR.

Starting auction price is: 8.025.000 din.

Minimum investment in enterprise to be privatized: 7.296.000 din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Business building, B.Bajica 73, capacity (non registered user) (469), 2. Car mechanic workshop (non registered user) (127), 3. Garage for freight vehicles (non registered user (230), 4. Warehouse for industrial salt (non registered user) (160), 5. Craft's men workshop, B.Bajica 12 (user) (111), 6. Warehouse of small and bulky type goods, B.Bajica 12 (non registered user) (231)

B) Equipment:

1) Machine for marking (VSH 400 K), 4) Machine for marking Finisher (KS- 6)

C) Land (m²): Land for development: (35015), Agricultural land: (0)

Financial information for year:

Shown in:	2001.		2002.	
	Din	**EURO	Din	**EURO
Total operating revenues	13.483.000	226.613	8.201.000	135.879
Total operating expenditures	54.113.000	909.493	70.733.300	1.171.954

D) Most important products/services: 1) Demolishing of objects, 2) Development of roads, 3) Installation of pipes, 4) Insulation works, 5) Plastering

Number of employees: 72 ; of which with University degree: 4

2) Basic data on enterprise to be privatized: Joint stock restaurant management and tourist enterprise « SEVERNA BACKA », APATIN

Auction sale code: 240504- 132

ID number: 08071241

Core activity: Production of sugar

Total estimated value of the capital sale: 28.447.000 € n. or 407.557 EUR ,
That is 68.096 % of the total capital of the enterprise.

Deposit for participation in the auction is: 3.414.000 € n or 48.907 EUR.

Starting auction price is: 6.827.000 din.

Minimum investment in enterprise to be privatized: 6.160.000 din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Accommodation "Vojvodina" (1866), 2. Restaurant "Kosmaj" (310), 3. Restaurant "Dunav" (280), 4. Warehouse – depot (197)

1) Electric cash register (EINE ECK), 2) Restaurant equipment (Various)

C) Land (m²): Land for development: (0), Agricultural land: (0)

Financial information for year:

Shown in:	2001.		2002.	
	Din	**EURO	Din	**EURO
Total operating revenues	10.514.000	174.203	3.784.000	58.164
Total operating expenditures	29.595.000	490.349	9.181.000	141.122

D) Most important products/services: Most important products/services: 1) Serving of drinks, 2) Serving of food

Number of employees: 48 ; of which with University degree: 2

**3) Basic data on enterprise to be privatized: Joint stock agricultural enterprise
« BUDUCNOST », CURUG**

Auction sale code: 240504- 133

Core activity: Growing of wheat and other seeds and seedlings

Total estimated value of the capital sale : 119.532.000 Din or *1.713.712 EUR
That is 50.498 % of the total capital of the enterprise.

Deposit for participation in the auction is: 14.344.000 Din or 205.645 EUR

Starting auction price is: 28.688.000 Din

Minimum investment in enterprise to be privatized: 28.413.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Pipeline watering system 10ha (800), 2. Construction object – farm (2000), 3. Pig fattening farm 470, 4. Building for keeping of cattle (425), 5. Silo trench (924), 6. Food warehouse (480), 7. Machinery workshop (1258), 8. Machine hall in hothouse (2 pieces) (1600), 9. Management building

B) Equipment:

(ZTS-1624510, MTZ-1025, MTZ-82), 3) Tractor (SAC), 5) Lateral watering system

C) Land (m²): Land for development: (120), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	118.363.000	1.961.113	109.501.000	1.683.155
Total operating expenditures	138.952.000	2.302.245	132.284.000	2.033.355

D) Most important products/services: 1) Wheat, 2) Corn, 3) Soya, 4) Sugar beet, 5) Sunflower, 6) Paprika, 7) Barley

Number of employees: 16 ; **of which with University degree:** 2

4) Basic data on enterprise to be privatized: Joint stock enterprise “ HEMIJSKA INDUSTRIJA ”, NOVI SAD

Auction sale code: 240504- 135

Core activity: Production of soaps and similar products

Total estimated value of the capital sale : 276.821.000 Din or *3.965.918 EUR
That is 67.9 % of the total capital of the enterprise.

Deposit for participation in the auction is: 33.219.000 Din or 475.910 EUR

Starting auction price is: 66.437.000. Din

Minimum investment in enterprise to be privatized: 42.413.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Management building, Primorska 86, N.Sad (692), 2. Warehouse of ready made products Primorska 86, N.Sad (1667), 3. Manufacture hall EVAL (4757), 4. Manufacture hall EMANIT (5615)

B) Equipment:

1) Machine for blowing of plastic masses (Megic), 2) Machine for cream production (Limea), 3) Line for filling of perosoles, 4) Machine for production of EVAL plates (Czech Republic), 5) Rectors and blow moulding machines (Poland)

C) Land (m²): Land for development: (141671), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	91.392.000	1.514.241	21.604.000	332.078
Total operating expenditures	157.194.000	2.604.490	95.914.000	1.474.307

D) Most important products/services: 1) Chemicals for washing, 2) Car cosmetics, 3) Shoe shine pastes, 4) Antifreeze, 5) Production of crates

Number of employees: 376; **of which with University degree:** 25