

Privatization Agency  
Republic of Serbia  
23 Terazije, 11000 Belgrade  
tel: 011/3020-800, fax: 011/3020-828

23 Terazije, 11000 Belgrade, Serbia and Montenegro  
tel: 011/3020-804, 011/3020-803 fax: 011/3020-881

According to the Article 38 of the privatization legislation ("Official Gazette RS" No. 38/01 and 18/02), and the Article 5 of the capital and estate selling regulation on public auction ("Official Gazette RS" No. 45/01; 45/02 19/03, 59/04 and 98/04), The Privatization Agency announces:

# PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

## BASIC INFORMATION ABOUT AUCTION SALE

Those who are interested can buy auction documentation at the price of 30,000 dinars, after the invoice is received from the Privatization Agency. The purchase of the auction documentation is obligatory, and on its receipt, one is to sign the Agreement on keeping the confidential information. After the payment evidence is enclosed, the auction documentation can be collected at the following address:

The Privatization Agency, Belgrade, 23 Terazije, 09:00 - 17:00, 21.12.2004 - 30.12.2004. and 10.01.2005 - 18.01.2005 ??????.

**THE CLOSING DATE FOR APPLYING 19. 01. 2005 until 17:00**

The filled application which is a part of the documentation with signed draft of sales contract and deposit payment evidence is to be enclosed in closed envelope with the following inscription: "The

Application for Entering the Public Auction **270105**, Privatization Agency, Belgrade, 23 Terazije".

IF THERE IS NOT THE NAME OF THE ENTERPRISE TO BE PRIVATIZED ON THE ENVELOPE, OR THE FULL AUCTION CODE, THE APPLICATION CAN BE REJECTED.

**AUCTION IS GOING TO TAKE PLACE ON 27.01.2005**

at the following address: Belgrade, 23 Terazije, 2<sup>nd</sup> floor, Large Hall at **11: 00**. The registration of the auction participants is going to take place at the same address on **27. 01. 2005, 9:00 - 10:50**.

**Means of payment** can be in domestic currency, foreign convertible currency, bonds based on the outstanding foreign exchange saving which is to become due not later than the capital selling day (27. 01. 2005), issued to physical persons who are the

citizens of the Republic of Serbia. If the participant applies only for the second bidding, the means of payment can be even the bond according to the outstanding foreign exchange saving which are not to be due until the capital selling day (27. 01. 2005), issued to physical persons who are the citizens of the Republic of Serbia.

In case that first-class bank guarantee is enclosed as the means of payment for the deposit, it has to be payable within the period of 48 hours from the declaration of a buyer at the auction.

The participation deposit is to be returned 15 days after the auction is held.

The Privatization Agency keeps the right to change the date of the auction and the closing date for applying as well as to inform the interested until the auction day at the latest.

The subject of privatization will be visited after the agreement on keeping the confidential information is signed, 17.12.2004. - 18.01.2005., at the previously established time by the Privatization Agency, tel: 011/3020-804; 011/3020-803 or fax: 011/3020-881.

\* Total evaluation of the capital which is privatized, in Euro, is calculated in accordance with the official rate on 17.12.2004.

\*\* The information about total business income and expense, in Euro, are calculated in accordance with average annual real rates.

## Short description of PUBLIC AUCTION PROCEDURE

Capital selling in the process of public auction is carried out by a commission established by The Privatization Agency. The commission monitors auction sales, registers auction participants, declares auction unsuccessful, signs the minute and does other important jobs for auction process according to the law. The conditions for the auction are fulfilled if at least one person is given the auction participant status, if he is personally present or through his official accredited representative. At time ordered for the start of PUBLIC AUCTION, the auctioneer will first open the bidding where the means of payment can be in cash or due bonds. If there are many persons at the bidding, the auctioneer announces initial price as well as each further increase. If there are many persons at the bidding, the auctioneer announces initial price as well as each further increase. In case that none of the interested buyers react after

the third call for accepting the newly established price, the auctioneer, by hammering, declares the auction finished. 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 are no interested after the third invitation, the auctioneer, by hammering, declares the first bidding unsuccessful, and immediately opens the second bidding where the means of payment can be immature bonds. Those who have applied for the second bidding can participate at the second bidding as well as the participants of the first bidding if it has been unsuccessful. If there are many participants at the second bidding, the auctioneer announces initial price as well as each further increase. If none of the interested buyers react after the third call for accepting the newly established price, the

auctioneer, by hammering, declares the auction finished. 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 are no interested bidders after the third call, the auction is declared unsuccessful, and the participants lose the right to be brought back the deposit.

When there is only one person at the bidding who has been given the status of participant, that person is called three times to accept the initial price. If he accepts the initial price, he is declared a buyer, and the initial price becomes selling price. If the participant doesn't accept the initial price, the auction is declared unsuccessful, and he loses the right to be brought back the deposit.

**1) Basic information about the enterprise to be privatized: Joint stock graphic company MLADOST, CUPRIJA**

**Auction code:** 270105-1246?

**ID Number:** 07166630

**Field of work:** Printing

Total estimated value of the capital to be privatized: **149.181.000 Din** or **1.897.252 \*EUR** which is **39,746%** of the total capital of the enterprise.

**Deposit** for the participation in the auction: **11.935.000 Din** or **151.780 \*EUR**

**Initial auction price:** **23.869.000 Din**

**Minimum investment in the enterprise to be privatized:** **25.806.000 Din**

**The most important property of the enterprise to be privatized**

**A) Buildings – the most important facilities (? ?):**

1. Finished product warehouse (230) 2. Office space in Belgrade (12 Panciceva) (47) 3. Production hall 1 (690) 4. Production hall 2 (222) 5. Production hall 3 (911) 6. Finished product warehouse (809) 7. Raw materials warehouse (650) 8. Building made of hard material (653) 9. Paper waste warehouse (750) 10. Pasteboard drying building (709) 11 Building made of hard material – garage (346) 12. Building – joint offices (258) 13. Technical preparation for production (200) 14. New administrative building (780) 15. New warehouse hall – finished products (2160) 16. New warehouse hall (576)

**B) The most important equipment:**

1) Copier – frame for ofset printing panels 2) Computer (Pantium II 400 mhz) 3) Basin for development of ofset printing panels 4) Compressor (NE-55-11-EL) 5) Printing machine (HAIDELBERG B-1) 6) Machine for making sticky envelopes (HELIOS SB) 7) Self-propelled rotary mower (!? ? -805-136) 8) Switchboard (KX T-123210) 9) Copier (Rikon) 10) Plastic welding machine 11) Printing machine (3 pieces) (HAIDELBERG)

**C) Land (? ?):** *Construction land: (70007) – state owned*

Statement of income and expense per year:	2002		2003	
	Din	**EUR	Din	**EUR
Shown in:				
Total business income	87.266.000	1.445.879	80.850.000	1.242.756
Total business expense	102.552.000	1.699.147	105.409.000	1.620.256

**The most important products /services:** 1) School equipment 2) Office supplies 3) Envelopes and maps 4) Printing products 5) Sticky Labels 6) Transport boxes

**Total number of employees:** 266; **the employees with university qualifications:** 3