

In accordance with Article 38 of the Law on Privatization ("Official Gazette of RS", no-s. 38/01, 18/03 and 45/05), and Article 5 of the Decree on Sale of capital and property by public auction ("Official Gazette of RS" no. 52/05), the Privatization Agency announces:

# PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

## Basic Data on Auction Sale

The interested parties can purchase the auction documents at the price of **CSD 40000**, after they receive the invoice from the Privatization Agency. VAT is not calculated in the price. The purchase of the auction documents is obligatory, and on its 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:

10 Bulevar Mihajla Pupina (5<sup>th</sup> floor), Novi Sad, 9:00–17:00, from 27.04.2007 to 14.06.2007.

**DEADLINE FOR SUBMISSION OF APPLICATIONS IS 15.06.2007 UNTIL 17:00**

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 with inscription: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 250607, 10 Bulevar Mihajla Pupina (5<sup>th</sup> floor), Novi Sad".

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

**THE AUCTION WILL BE HELD ON: 25.06.2007.**

at the following address: **Novi Sad, JP Sportsko poslovni centar Vojvodina-SPENS at 11:00**. The registration of the auction participants will be held at the same address on:

**25.06.2007, from 09:00 to 10:50.**

**Means of payment** can be in domestic currency, foreign convertible currency, state bonds based upon the unpaid foreign currency savings, which are due not later than the date of the capital sale (25.06.2007.) issued to the natural persons, 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 upon the unpaid foreign currency savings, which are not to become due until the date of the capital sale (25.06.2007.) issued to the natural persons, 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 15 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 the signing the Confidentiality Agreement in the period from 27.04.2007 to 14.06.2007, at the time previously established by the Privatization Agency, tel: 021/452-959 or fax: 021/452-967.

\* *The entire estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 27.04.2007.*

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

## Brief Description of PUBLIC AUCTION Procedure

The sale of capital by 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 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 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, she/he 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 she/he loses the right to be returned the deposit.

### 1) Basic information on the subject undergoing privatization: Socially-owned enterprise for production of garments TATRAN, BAČKI PETROVAC

**Auction Sale Code: 250607-1712p**

Official ID number of the Subject: **08054657**

Field of work: **Production of overalls**

The entire estimated capital value to be privatized amounts to: **CSD 34.026.000 or \*EUR 420.409** which is **70 %** of the total capital of the subject.

**Deposit** for participation in the auction: **CSD 1.701.000 or \*EUR 21.020**

**Initial price at auction sale: CSD 3.403.000**

**Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 2.912.000**

#### Main property of the subject undergoing privatization

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

1. Production hall I (332) 2. Production hall II – user (408) 3. Production hall III – user (288) 4. Warehouse – user (461) 5. Administrative building (1249)

##### B) Main Equipment:

1) Sewing machines (Juki DDL 555) 2) Sewing machines (BM 755 MK) 3) Sewing machines (BM 875 MK) 4) Steam boiler (Kirka-suri) 5) Passenger vehicle (Lada 112)

**C) Land (m<sup>2</sup>):** *Entire land: (10889); Construction land: (10889) – state owned;*

Balance sheet per year	2004		2005		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		15.749.000	215.734	18.539.000	223.612
Total business expenses		15.256.000	208.981	18.132.000	218.703

**Main products/ services:** 1) Women's coats 2) Men's coats 3) Women's jackets 4) Women's trusers

**Total number of employees:** 62; **of which BS/ BA:** 1

### 2) Basic information on the subject undergoing privatization: Joint-stock company POLJOPRIVREDA, SENTA

**Auction Sale Code: 250607-1859**

Official ID number of the Subject: **08137161**

Field of work: **Growing of crops**

The entire estimated capital value to be privatized amounts to: **CSD 809.495.000 or \*EUR 10.001.741** which is **46,886 %** of the total capital of the subject.

**Deposit** for participation in the auction: **CSD 97.139.000 or \*EUR 1.200.209**

**Initial price at auction sale: CSD 194.279.000**

**Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 48.867.000**

#### Main property of the subject undergoing privatization

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

1. Administrative building (906) 2. Technical survey facility (270) 3. Garage for agricultural machines (1081) 4. Building (2918) 5. Temporary facility for 600 cows (two parts) (5715) 6. Kiln warehouse (1358) 7. Growing facility (1950)

##### B) Main Equipment:

1) Tractors – 5 (John Deere) 2) Tractors (Case Magnum) 3) Irrigation machine – 12 pieces (Centar Pivot) 4) Beet combine (Majev) 5) Kiln (VS-2) 6) Pipeline

**C) Land (m<sup>2</sup>):** *Entire land: (54336585); construction land: (1806306) – socially owned; Agricultural land: (52530279) ((47114418) – state owned; (5415861) – socially owned);*

Balance sheet per year	2005		2006		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		692.138.000	8.348.366	758.071.000	9.013.388
Total business expenses		713.922.000	8.611.118	836.045.000	9.940.491

**Main products/ services:** 1) Beetroot 2) Mercantile corn 3) Soya 4) Wheat 5) Pig foddering 6) Milk

**Total number of employees:** 317; **of which BS/ BA:** 13

### 3) Basic information on the subject undergoing privatization: Agricultural-food combine AGROBAČKA, BAČ

**Auction Sale Code: 250607-1935**

Official ID number of the Subject: **08155968**

Field of work: **Growing of crops**

The entire estimated capital value to be privatized amounts to: **CSD 624.896.000 or \*EUR 7.720.925** which is **70 %** of the total capital of the subject.

**Deposit** for participation in the auction: **CSD 74.988.000 or \*EUR 926.511**

**Initial price at auction sale: CSD 149.975.000**

**Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 28.335.000**

#### Main property of the subject undergoing privatization

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

1. Poultry facility (warehouses 9 and 10) – right of use (734) 2. Fodder plant (1976) 3. Incubator (501) 4. New administrative building (412) 5. Mill, mill warehouse, bakery (3020) 6. Silos (741)

##### B) Main Equipment:

1) Combine harvester (Newholland TX-66) 2) Tractor and plough (CASE) 3) Bus (FIAT) 4) Tractor (2) (IMT-539) 5) Seed preparation device (GERMINATOR)

**C) Land (m<sup>2</sup>):** *Entire land: (56641770); construction land: (88240) – socially owned; in the construction area (2205), out of the construction area (86035); Agricultural land: (55649336) ((6917315) – socially owned, (48732021) – state owned); Forest land: (113317) – socially owned; Other types of land: (790877) – socially owned;*

Balance sheet per year	2005		2006		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		162.508.000	1.960.124	136.305.000	1.620.653
Total business expenses		166.557.000	2.008.962	177.736.000	2.113.263

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**Main products/ services:** 1) Tilling plants 2) Production of meat and milk 3) Production of fish 4) Production of chickens 5) Production of bakery products

**Total number of employees:** 249; **of which BS/ BA:** 8