

# PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

## Basic data on Auction sale

Privatization Agency, within the joint offer, offers for sale:

70,00% of the socially-owned capital of the privatization entity – socially-owned Holding company SANDŽAKTRANS–UGOSTITELJSTVO 15. MAJ, NOVI PAZAR, which is 49,00% of the total capital.

70,00% of the socially-owned capital of the privatization entity – socially-owned Holding company SANDŽAKTRANS, NOVI PAZAR, which is 70,00% of the total capital.

70,00% of the socially-owned capital of the privatization entity – socially-owned Holding company SANDŽAKTRANS–PUTNIČKI SAOBRAĆAJ, NOVI PAZAR, which is 49,00% of the total capital.

Interested parties can purchase the auction documents at the price of **RSD 120.000**, 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, 23 Terazije St., from 09:00 to 16:30, in the period from 30.10.2007 until 21.11.2007.

**DEADLINE FOR SUBMISSION OF APPLICATIONS IS 22.11.2007, BY 16:30.**

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 301107, Privatization Agency, Belgrade, 23 Terazije St".

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: 30.11.2007.**

at the address: **Dom Sindikata Building, Belgrade, 5 Nikola Pašić Square, Hall 2**, at **11:00**. Registration of the auction participants will be held at the same address on:

**30.11.2007, 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 (30.11.2007) 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 (30.11.2007) issued to the individuals, 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 has 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 30.10.2007 to 21.11.2007, at the time previously established by the Privatization Agency, tel: (+381 11) 3020-804; (+381 11) 3020-803 or fax: (+381 11) 3020-881.

\* Укупна процењена вредност капитала који се приватизује, изражена у ЕУР-има, обрачуната је по званичном курсу на дан 24.10.2007. године.

\*\* Подаци о укупним пословним приходима и расходима, изражени у ЕУР-има, обрачунати су по просечним годишњим реалним курсевима.

## Brief description of the 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, 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.

Auction sale code: **301107-2132**

Deposit for participation in the auction: **RSD 38.160.000** or **\*EUR 494.014**

Initial price at the auction sale: **RSD 76.319.000**

**1) Basic information on the privatization entity: Socially-owned holding company SANDŽAKTRANS-UGOSTITELJSTVO 15. MAJ, NOVI PAZAR**

Official ID number of the entity: **07253796**

Field of work: **Restaurants**

The entire estimated capital value to be privatized amounts to: **RSD 13.950.000** or **\*EUR 180.603**, which is **49 %** of the total entity capital.

Minimum obligatory investments into the privatization entity amounts to: **RSD 212.000**

**Main property of the privatization entity**

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

1. Motel BOR, Tutin (433) 2. Buffet PUTNIK, Novi Pazar (40)

**B) Main equipment:**

1) Restaurant tables 2) Restaurant chairs 3) Beds 4) Kitchen equipment 5) TV set (EI 6571)

**C) Land (m²):** *Entire land: (5206); Construction land: (5206) – state owned;*

**Balance sheet per year:**

Shown in:	2005 RSD	**EUR	2006 RSD	**EUR
Total operating revenues	1.328.000	16.018	7.737.000	91.992
Total operating expenses	3.697.000	44.592	7.737.000	91.992

**Main products/ services:** 1) Catering services

**Total number of employees:** 7; of which BS/BA: 0

**2) Basic information on the privatization entity: Socially-owned holding company SANDŽAKTRANS, NOVI PAZAR**

Official ID number of the entity: **07183003**

Field of work: **Holding operations**

The entire estimated capital value to be privatized amounts to: **RSD 119.173.000** or **\*EUR 1.542.810**, which is **70 %** of the total entity capital.

Minimum obligatory investments into the privatization entity amounts to: **RSD 359.000**

**Main property of the privatization entity**

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

1. Old administration building (166) 2. Administration building, car pool (324) 3. Petrol station (35) 4. Porter's lodge (44)

**B) Main equipment:**

1) Passenger vehicle (Škoda Fabia) 2) Office furniture 3) Computer equipment 4) Switchboard

**C) Land (m²):** *Entire land: (49307); Construction land: (49307) – state owned;*

Balance sheet per year:		2005	2006	
Shown in:		RSD	**EUR	RSD
Total operating revenues		4.951.000	59.718	5.735.000
Total operating expenses		4.951.000	59.718	5.735.000

**Main products/ services:** 1) Public trucking and transport of passengers in domestic traffic and abroad 2) Tourist services 3) Rendering of services in catering establishments 4) Reparation and overhaul of motor vehicles

**Total number of employees:** 8; of which BS/BA: 2

### 3) Basic information on the privatization entity: Socially-owned holding company SANDŽAKTRANS – PUTNIČKI SAOBRAĆAJ, NOVI PAZAR

Official ID number of the entity: **07253770**

The entire estimated capital value to be privatized amounts to: **RSD 184.873.000** or **\*EUR 2.393.364**, which is **49 %** of the total entity capital.

Field of work: **Road traffic of passengers**

**Minimum obligatory investments** into the privatization entity amounts to: **RSD 14.217.000**

#### Main property of the privatization entity

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

1. Administration building, Novi Pazar (624) 2. Overhaul plant, Novi Pazar (2100) 3. Bus station, Novi Pazar (872) 4. Daily maintenance of vehicles, Novi Pazar (750) 5. Lacquer-finishing shop, Novi Pazar (160)

##### B) Main equipment:

1) Buses (43 vehicles) 2) Vehicle washing machine (KERNER-HD-1000) 3) Brake testing device 4) Control table for testing of BOSCH pumps 5) Passenger vehicle (Peugeot)

**C) Land (m²):** *Entire land: (37889); Construction land: (37889) – state owned;*

Balance sheet per year:		2005	2006	
Shown in:		RSD	**EUR	RSD
Total operating revenues		123.945.000	1.494.988	156.183.000
Total operating expenses		143.518.000	1.731.072	156.549.000

**Main products/ services:** 1) Public trucking and transport of passengers in domestic traffic and abroad 2) Services related to preparation and overhaul of motor vehicles and trucks

**Total number of employees:** 112; of which BS/BA: 1