

23 Terazije St, 11000 Belgrade, Republic of Serbia,  
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In accordance with Article 38 of the Law on Privatization ("Official Gazette of the 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 the RS" no-s: 52/05 and 91/07), the Privatization Agency announces:

# PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

## Basic data on Auction sale

Within the joint offer, Privatization Agency offers for sale 100,00% of the socially-owned capital of the privatization entity, which is 79,80% of the total capital and 100,00% of share of the Development Fund of the RS, BELGRADE, which is 20,20% of the total capital. Totally is offered 100,00% of capital of the privatization entity. The share of the Development Fund of the RS, BELGRADE, in the subject capital is offered for sale according to the authorization assigned to the Privatization Agency.

The interested parties can purchase the auction documents at the price of: **RSD 40.000**, 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., 5<sup>th</sup> floor, from 09:00 to 16:30, in the period from 09.01.2008 until 20.02.2008.

**The right to participate in the public auction has:**

**-domestic or foreign legal entity which has cumulatively fulfilled the following requirements:**

- 1) that it performs the activities in the field of production and sale of the motor vehicles, superstructures and maintenance of the motor vehicles;
- 2) that within two last business years it achieved the total operating income of at least EUR 15.000.000,00 a year;

**A legal entity shall be deemed to have fulfilled the requirements for participation in the public auction, if it is the owner of more than 50% of capital of the legal entity which cumulatively fulfills the requirements for participation in the public auction;**

**-domestic or foreign individual**

- 1) if it is the owner of more than 50% of capital of a legal entity which cumulatively fulfills the requirements set out to legal entities for participation in the public auction;

**-consortium**

**A consortium shall be deemed to have fulfilled the requirements of this public invitation, if members of a consortium, which fulfill**

**the requirements, participate in a consortium with at least 51% of total share in it.**

**DEADLINE FOR SUBMISSION OF APPLICATIONS IS 21.02.2008, 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 marked with: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 290208, Privatization Agency, Belgrade, 23 Terazije St, 5<sup>th</sup> floor".

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: 29.02.2008**

at the address: **Privatization Agency, Belgrade, 23 Terazije St., 2<sup>nd</sup> floor, Large Hall**, at 11:00. Registration of the auction participants will be held at the same address on: **29.02.2008, from 09:00 to 10:50.**

**Means of payment for the part of the socially-owned capital to be sold within the joint offer (79,80%)** can be in domestic currency, foreign convertible currency, state bonds based on the unpaid foreign currency savings of citizens, which are due not later than the date of the capital sale (29.02.2008), issued to the individuals, who are citizens of the Republic of Serbia. If a participant applies only for the second bidding, the means of payment can be even the state bonds based on the unpaid foreign currency savings of citizens, which are not due until the date of the capital sale (29.02.2008), issued to the individuals, who are citizens of the Republic of Serbia.

**Means of payment for the percentage of share of the Development Fund of the RS (20,20%) in the total capital of the privatization entity can be SOLELY in the domestic currency and in the foreign convertible currency.**

**Since the enterprise Goša Fabrika drumskih vozila, for production and maintenance of trailers and special vehicles Ltd. in restructuring, Smederevska Palanka, has undergone the restructuring procedure, the purchase price is to be paid off at once, i.e. there is no possibility of installment payments.**

In case that the first class bank guarantee has been submitted as a means of deposit payment, it is to be due within 48 hours after the declaration a buyer.

Deposit for participation is to be returned within 21 days after the Public auction date.

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 signing of the Confidentiality Agreement in the period from 09.01.2008 until 20.02.2008, at the time previously agreed with the Privatization Agency, phone: (+381 11) 3020-842; (+381 11) 3020-803 or fax: (+381 11) 3020-881.

\* The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 28.12.2007.

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

## Brief description of the PUBLIC AUCTION procedure

Sale of capital by the 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.

**1) Basic information on the privatization entity: GOŠA FABRIKA DRUMSKIH VOZILA, Limited Liability Company for production and maintenance of trailers and special motor vehicles in restructuring, SMEDEREVSKA PALANKA**

**Auction sale code: 290208-2138p**

Official ID number of the entity: **07627360**

Field of work: **Production of trucks and special vehicles**

The entire estimated capital value to be privatized amounts to: **RSD 358.658.000** or **\*EUR 4.513.501**, which is **100 %** of the total entity capital.

**Deposit** for participation in the auction: **RSD 89.665.000** or **\*EUR 1.128.375**

**Initial price** at the auction sale: **RSD 179.329.000**

**Minimum obligatory investments** into the privatization entity amount to: **RSD 86.362.000**

**Main property of the privatization entity**

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

1. Wagon hall (part) (11479) 2. Annexe to the wagon hall (part) (1277) 3. Hall «Kosmaj», Velika Plana (1264) 4. Service hall, Velika Plana (2304) 5. Building of the repair shop, Velika Plana (1137) 6. Building, Velika Plana (971)

**B) Main equipment:**

1) Profile bending machine 2) Motor hydraulic press (HMP-100G) 3) Hydraulic press (PSH-300/L) 4) Hydraulic scissors (MVS-13) 5) Hot washing machine (UTM) 6) Passenger vehicle (Škoda Oktavia) 7) Truck (Iveco Rival)

**C) Land (m²):** *Entire land: (126527); Construction land: (126527) – state-owned;*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		71.542.000	862.919	62.413.000	742.084
Total operating expenses		134.913.000	1.627.281	152.121.000	1.808.703

**Main products/services:** 1) Low bed trailers and semi-trailers 2) Plateau semi-trailers 3) General transport vehicles 4) Container trailers and semi-trailers for special loads 5) Tippers 6) Water tanks 7) Car trailers

**Total number of employees:** 198; **of which BS/BA:** 15