

# PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

## Basic data on Auction sale

Interested parties can purchase the auction documents at the price of **RSD 40000**, 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 Street, 5th floor, 09:00–16:30, from 01.09.2008 to 01.10.2008.

### DEADLINE FOR SUBMISSION OF APPLICATIONS IS 02.10.2008 AT 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 101008, Privatization Agency, Belgrade, 23 Terazije St, 5<sup>th</sup> floor".

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

### THE AUCTION WILL BE HELD ON: 10.10.2008.

at the following address: **Privatization Agency, Belgrade, 23 Terazije St, 2<sup>nd</sup> floor, Large Hall** at 11:00. The registration of the auction participants will be held at the same address on:

**10.10.2008, 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 (10.10.2008.) 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 (10.10.2008.) 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 is to be due within 48 hours after the declaration a buyer.

Deposit for participation is to be returned 21 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 signing the Confidentiality Agreement in the period from 01.09.2008 to 01.10.2008..

\* *The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on the day of the public invitation's preparation*

\*\* *Data on the real estate of the entity undergoing privatization from this public invitation are presented only for the purpose of giving information, while the data on the legal basis, ownership type and right to them are presented in the Auction Documents.*

\*\*\* *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

The sale of capital by Public auction is carried out by the Auction Commission, which is 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 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 entity undergoing privatization: Enterprise for catering trade, tourism, foreign and domestic trade LIPA A.D., NOVI PAZAR****Auction Sale Code: 101008-3166**Official ID number of the Entity: **07194552**Field of work: **Hotels and motels with restaurants**The entire estimated capital value to be privatized amounts to: **RSD 563.909.000 or \*EUR 7.393.091** which is **69,23 %** of the entire capital of the entity.**Deposit** for participation in the auction: **RSD 67.669.000 or \*EUR 887.171****Initial price** at the auction sale: **RSD 135.338.000****Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 13.448.000****The most important assets of the entity to be privatized \*\*****A) Buildings – main facilities (m²):**1. Hotel Vrbak (4500) 2. Hotel Raj (935) 3. Restaurant Bor (560) 4. Amiragin–Han (500)  
5. Tavern Lipa (82) 6. Tavern Centar (100) 7. Spa i Novi Pazar (739)**B) Main equipment:**

1) Hotel equipment 2) Washing machine 22 kilos 3) TAM refrigerator lorry 4) Electrical roller 5) Display refrigerator for beverages 6) Office equipment

**C) Land (m²):** *Entire land: (198691) ; construction land: (10323) – state owned; agricultural: (188368) – socially owned;*

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues	33.765.000		401.462	31.389.000	392.539
Total business expenses	45.545.000		541.525	65.270.000	816.242

**Main products/ services:** 1) Hotel management 2) Catering trade 3) Trade**Total number of employees:** 173; of which BS/ BA: 0**2) Basic information on the entity undergoing privatization: Enterprise for wholesale and retail trade NOVI DANI, IVANJICA****Auction Sale Code: 101008-3167**Official ID number of the Entity: **07245335**Field of work: **Non-specialized retail trade in food**The entire estimated capital value to be privatized amounts to: **RSD 335.643.000 or \*EUR 4.400.423** which is **70 %** of the entire capital of the entity.**Deposit** for participation in the auction: **RSD 40.277.000 or \*EUR 528.051****Initial price** at the auction sale: **RSD 80.554.000****Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 5.827.000****The most important assets of the entity to be privatized \*\*****A) Buildings – main facilities (m²):**

1. Warehouse (1454) 2. Building Jasen (522) 3. Building Ivanjičanka (693) 4. Building of the Department store "Kasina" (338) 5. Administrative buildings I and II (611) 6. Warehouse (875)

**B) Main equipment:**

1) Office equipment 2) Heating installations 3) Boiler house 4) Fork-lift truck 5) Wall devices 6) Wardrobe 7) Refrigerator lorry 8) Cooling chamber 9) Office furniture 10) Terminal (GPRS)

**C) Land (m²):** *Entire land: (42461) ; construction land: (16796) – socially owned (933); – state owned (15863); agricultural land: (996) – socially owned; other types of land: (24669) – state owned;*

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues	23.298.000		277.011	18.626.000	232.930
Total business expenses	49.146.000		584.341	39.676.000	496.173

**Main products/ services:** 1) Retail trade 2) Business premises lease**Total number of employees:** 121; of which BS/ BA: 1**3) Basic information on the entity undergoing privatization: Public veterinary station NOVI KNEŽEVAC, NOVI KNEŽEVAC****Auction Sale Code: 101008-3168**Official ID number of the Entity: **08483671**Field of work: **Veterinary activities**The entire estimated capital value to be privatized amounts to: **RSD 9.669.000 or \*EUR 126.767** which is **70 %** of the entire capital of the entity.**Deposit** for participation in the auction: **RSD 1.269.000 or \*EUR 16.634****Initial price** at the auction sale: **RSD 2.537.000****Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 130.000****The most important assets of the entity to be privatized \*\*****A) Buildings – main facilities (m²):**

1. Surgery (115) 2. Auxiliary residential building (157)

**B) Main equipment:**

1) Liquid nitrogen container 2) Computer (Pentium 4) 3) Passenger vehicles (4) (Jugo) 4) Trichinoscope

**C) Land (m²):** *Entire land: (5841) ; construction land: (5841) – state owned;*

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues	8.690.000		103.323	6.295.000	78.723
Total business expenses	8.203.000		97.533	5.674.000	70.957

**Main products/ services:** 1) Health protection and animal treatment 2) Artificial insemination and reproduction of domestic animals 3) Trade in veterinary medicines, additives and fodder 4) Protection and improvement of environment  
**Total number of employees:** 13; **of which BS/ BA:** 5

**4) Basic information on the entity undergoing privatization: Socially-owned enterprise VOĆNO LOZNI RASADNIK, LAZAREVAC**

**Auction Sale Code:** 101008-3169  
Official ID number of the Entity: **07013884**  
Field of work: **Growing of fruit seedlings**  
The entire estimated capital value to be privatized amounts to: **RSD 69.723.000 or \*EUR 914.097** which is **70 %** of the entire capital of the entity.  
**Deposit** for participation in the auction: **RSD 6.972.000 or \*EUR 91.410**  
**Initial price** at the auction sale: **RSD 13.945.000**  
**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 1.554.000**

**The most important assets of the entity to be privatized \*\***

**A) Buildings – main facilities (m²):**  
1. Administrative building 1 (100) 2. Administrative building 2 (67) 3. Seddling warehouse (604) 4. Warehouse (97)  
**B) Main equipment:**  
1) Transporter (Rival 4910) 2) Tractor (Belorus MTZ) 3) Passenger vehicles (2) (Lada) 4) Motocultivator (IMT 506) 5) Trimmer (FS-350) 6) Mower (Stil) 7) Pump (Jastrebac)

**C) Land (m²):** *Entire land: (459437) ; agricultural land: (459437) – state owned (435396); – socially owned (24041);*

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total business revenues	9.161.000	108.923	7.360.000	92.041
Total business expenses	15.285.000	181.737	13.605.000	170.139

**Main products/ services:** 1) Growing of fruit seedlings  
**Total number of employees:** 8; **of which BS/ BA:** 2

**5) Basic information on the entity undergoing privatization: Laboratory for biophysical and analytical chemisty LABAH, BEOGRAD**

**Auction Sale Code:** 101008-3170  
Official ID number of the Entity: **07557027**  
Field of work: **Natural science research**  
The entire estimated capital value to be privatized amounts to: **RSD 63.634.000 or \*EUR 834.274** which is **70 %** of the entire capital of the entity.  
**Deposit** for participation in the auction: **RSD 8.241.000 or \*EUR 108.041**  
**Initial price** at the auction sale: **RSD 16.482.000**  
**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 723.000**

**The most important assets of the entity to be privatized \*\***

**A) Buildings – main facilities (m²):**  
**B) Main equipment:**  
1) Passenger vehicle (Nissan Micra) 2) Air-conditioner 3) Melting device (Su-150) 4) Electric fork-lift truck (Indos 1000kg) 5) Heating system

**C) Land (m²):**

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total business revenues	28.596.000	340.004	54.334.000	679.481
Total business expenses	26.880.000	319.600	36.970.000	462.333

**Main products/ services:** 1) Laboratory research  
**Total number of employees:** 12; **of which BS/ BA:** 3

**6) Basic information on the entity undergoing privatization: Socially-owned enterprise BERBERSKO-FRIZERSKE USLUGE, SOKOBANJA**

**Auction Sale Code:** 101008-3171  
Official ID number of the Entity: **07202105**  
Field of work: **Hairdressing and beauty treatments**  
The entire estimated capital value to be privatized amounts to: **RSD 7.000 or \*EUR 88** which is **70 %** of the entire capital of the entity.  
**Deposit** for participation in the auction: **RSD 1.000 or \*EUR 11**  
**Initial price** at the auction sale: **RSD 2.000**  
**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 2.000**

**The most important assets of the entity to be privatized \*\***

**A) Buildings – main facilities (m²):**  
**B) Main equipment:**  
1) Chair for men 2) Chair for women 3) Hair-drying cabins 4) Hairdressing equipment

**C) Land (m²):**

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total business revenues	1.750.000	20.807	1.986.000	24.836
Total business expenses	1.928.000	22.924	2.153.000	26.925

**Main products/ services:** 1) Hairdressing and beauty treatments  
**Total number of employees:** 6; **of which BS/ BA:** 0