

Pursuant to the Article 28 of the Law on Privatization («Official Gazette of the Republic of Serbia» Nos. 38/2001, 18/2003, 45/2005 123/2007 – other law and 30/2010 – other law), Article 9 and 11v paragraph 3 of the Law on the Privatization Agency («Official Gazette of the Republic of Serbia» Nos. 38/2001 135/2004 and 30/2010) and in accordance with Article 6 paragraph 1 point 5 of the Law on the Privatization Agency, Art I.3.4. of the Operating Rules of the Privatization Agency in conducting business activities on behalf and for the account of the Shareholders' Fund, in accordance with the Decision of the Privatisation Agency No. TK-238/09-ED-1 as of 19/10/2009 about the sales method in accordance with the Article 7 of the Ordinance concerning the sale of capital and assets by public tender («Official Gazette of the Republic of Serbia» nos. 45/01, 59/03, 110/03, 52/05, 126/07, 96/08, 107/08 and 98/09), the Privatization Agency (hereinafter: «the Agency») hereby announces

### **PUBLIC INVITATION**

**For participation in the Public Tender for the sale of 290,087 ordinary shares with reference CFI code: ESVUFR, ISIN-number: RSEIBBE81150 owned by the Privatization Agency and 1.764 ordinary shares owned by the Shareholders' Fund AD (hereinafter: «Block of Shares») that represent 70.43 % of the total registered share capital of the company**

**Elektroizgradnja AD Bajina Basta  
(hereinafter: «the Company»)**

**Tender Code: EBB 04/11**

1. Total registered share capital of the Company is expressed in 414,410 ordinary shares with reference CFI code: ESVUFR, ISIN-number: RSEIBBE81150, and has the following structure: 70.00% or 290,087 ordinary shares are owned by the Privatization Agency, 1,764 or 0.43% owned by the Shareholders' Fund AD Belgrade and 122,559 or 29.57% ordinary shares are owned by individual shareholders.
2. The Agency is offering for sale the Block of Shares comprised of 290,087 ordinary shares with reference CFI code: ESVUFR, ISIN-number: RSEIBBE81150 owned by the Privatization Agency and 1764 ordinary shares with reference CFI-code: ESVUFR, ISIN-number: RSEIBBE81150 owned by the Shareholders' Fund AD, Belgrade, which represents 70.43% of the total share capital of the Company.
3. Details about the Company:

Registered office: No. 92 Milenka Topalovica Street, Bajina Basta, Serbia  
Phone: +381 31 862 144  
Fax: +381 31 861 289  
Web: <http://www.ebb.rs>  
Core Activity: Production of electric and telecommunication pillars

More details about the Company are available at:  
[http://www.priv.rs/upload/company/document/e-teaser\\_11368.pdf](http://www.priv.rs/upload/company/document/e-teaser_11368.pdf)

Detailed information about the Company including the Instructions to Bidders (hereinafter: «the Tender Documents») shall be made available to all interested parties after signing the Confidentiality Agreement and payment of the Tender Documents fee.

The Tender Documents fee is € 8,000 (eight thousand Euros), payable in RSD equivalent at the median exchange rate of the National Bank of Serbia on the day of invoicing for the payment.

The Agency has appointed SEECAP doo Belgrade <http://www.seecap.com/english.html> (hereinafter: the “Advisor”) to act as the Agency’s advisor in this sale.

4. A bid may be submitted by:

A. A potential bidder who, on the bid submission date, cumulatively fulfils the following requirements:

- Has purchased the Tender Documents,
- Fulfils the following requirement:

Has been engaged in production of electric and telecommunication pillars and/or production of concrete goods, and/or installation of electrical installations and/or special construction works and/or other special wholesale trade at least for the last 3 (three) consecutive business years and that it has generated operating revenues of at least € 6,000,000 (six million Euros) in 2010.

If a potential bidder is a parent company that does not fulfill the requirements of this clause of the Public Invitation, its subsidiary shall have the right to submit a bid if it fulfills the stated requirements. The subsidiary that fulfils the above mentioned requirements shall have the right to submit a bid if the parent company has purchased the Tender Documents.

If a potential bidder is a subsidiary that does not fulfill the requirements of this clause of the Public Invitation, its parent company shall have the right to submit a bid, if it fulfils the stated requirements. The parent company that fulfils the above mentioned conditions shall have the right to submit the bid if its subsidiary has purchased the Tender Documents.

B. If a potential bidder is a consortium, it is necessary that it cumulatively fulfils the following requirements:

- All consortium members have made a decision on organizing and entering into the consortium;
- All consortium members have entered into a Consortium Agreement in writing which is duly notarized by the court or other competent authority (in case of foreign legal entities and individuals);
- Each consortium member assumes unlimited joint and several liability according to the provisions of the Consortium Agreement;
- The Consortium Agreement specifies each member's percentage stake in the acquisition of the Block of Shares of the Company, provided that one member of

the consortium must have at least 30% stake in the consortium (hereinafter: «the Consortium Leader»);

- All consortium members have signed a notarized power of attorney to the representing member of the Consortium;
- All consortium members have signed a Confidentiality Agreement;
- At least one consortium member has purchased the Tender Documents and
- The Consortium Leader fulfils the following requirement:

Has been engaged in production of electric and telecommunication pillars and/or production of concrete goods, and/or installation of electrical installations and/or special construction works and/or other special wholesale trade at least for the last 3 (three) consecutive business years and generated operating revenues of at least € 6,000,000 (six million Euros) in 2010.

5. The Agency is hereby inviting all parties interested in participating in the tender to submit a written request for purchase of the Tender Documents of the Company no later than 11<sup>th</sup> **July 2011** at 16:30 (Belgrade time).

The Tender Documents will be available to all interested parties as of 30<sup>th</sup> June 2011.

A written request for purchasing the Tender Documents shall be sent by mail, e-mail or fax to the Privatization Agency and shall clearly display the reference «*Request for purchasing the Tender Documents - Tender Code: **EBB 04/11***»

Upon receipt of such request, the invoice for payment of the Tender Documents Fee, as well as the Confidentiality Agreement for signing, shall be forwarded to the tender participant's authorized representative by mail, e-mail or fax. The duly signed Confidentiality Agreement should be immediately sent back by fax and mail to the Advisor's address stated herein below.

Upon receiving the signed Confidentiality Agreement, evidence of authorization for the person that signed the Confidentiality Agreement and evidence of payment of the Tender Documents fee, the Advisor shall forward the relevant Tender Documents to the tender participant by mail/e-mail or hand it over to its authorized representative, upon the expiry of the deadline from paragraph 2 of this point.

The Advisor and the Agency shall not be held liable for any loss or delay that may occur in the delivery of any document.

6. The deadline for submission of the final bidding offers for the purchase of 70.43% of the shares stated in point 2 by the potential purchaser is **25<sup>th</sup> July 2011** at 16:30 (Belgrade time).

If necessary, the Agency shall retain the right to amend any or all elements, i.e. conditions and/or deadlines of this Public Invitation. As a prerequisite for submitting

the bid, it is required to pay a deposit or submit a Bid Bond in the amount of € 50,000 (fifty thousand Euros).

7. All the questions relating to this Public Invitation should be directed to the contact persons stated below, in Serbian or English.

<p><b>Privatization Agency of the Republic of Serbia</b> Terazije 23 11000 Belgrade Republic of Serbia</p> <p><b>Srdjan Lekovic</b> <b>Project Manager</b> <b>Public Tender Center</b> Phone: +381 11 30 20 855 Fax: +381 11 30 20 816 E-mail: <a href="mailto:slekovic@priv.rs">slekovic@priv.rs</a></p>	<p><b>SEECAP</b> Adriatic House Nemanjina 4 11000 Belgrade Republic of Serbia</p> <p><b>Zoran Mitić</b> <b>Director</b> Phone: +381 11 36 35 935 Fax: +381 11 36 35 924 E-mail: <a href="mailto:zoran.mitic@seecap.com">zoran.mitic@seecap.com</a></p>
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