

In accordance with the Article 28 of the Law on Privatization ("Official Gazette of the Republic of Serbia" nos. 38/2001, 18/2003, and 45/2005), Privatization Agency, Republic of Serbia (hereinafter: "the Agency") hereby announces:

### **PUBLIC INVITATION**

For participation in the Public Tender for sale of 70% of the socially owned capital, i.e. 68.25% of the total registered capital of:

#### **Joint Stock Company for trade of medication and other goods**

#### **"SUMADIJALEK" Cacak**

(hereinafter: Entity undergoing privatization)

Tender Code: **SUM 06/07**

1. The total registered capital of the Entity undergoing privatization consists of 97.50% socially owned capital and 2.50% share capital.
2. The Agency offers for sale 70% of the socially owned capital, i.e. 68.25% of the total registered capital of the Entity undergoing privatization.
3. Details about the Entity undergoing privatization:  
Address: 5, Kralja Petra I Street, Cacak, Republic of Serbia  
Phone: +381 32 224 241  
Fax: +381 32 224 271  
Activity: Wholesale of pharmaceutical products

More details on the Entity undergoing privatization is available at:

[http://www.priv.yu/pregled\\_preduzeca/pdf/e-teaser\\_15448.pdf](http://www.priv.yu/pregled_preduzeca/pdf/e-teaser_15448.pdf)

Detailed information about the Entity undergoing privatization, along with the Instructions to Bidders (hereinafter "the Tender Documents"), will be made available to all interested tender participants upon signing of the Confidentiality Agreement and payment of the Tender Documents Fee.

The Tender Documents Fee is EUR 6.000,00 (Euro six thousand).

The Agency has appointed CES Mecon d.o.o. Belgrade, to act as advisor in this privatization procedure (hereinafter: Advisor).

4. A bid may be submitted by:

**A)** A potential bidder that fulfils the following requirements:

- it has purchased the Tender Documents and
- it fulfills at least one of the following requirements:

**either**

- a) it has been engaged in production of pharmaceuticals and/or wholesale of pharmaceutical products for the last 3 operating years in continuity, and achieved total revenues of at least EUR 12,000,000 (Euro twelve million) in 2006;

**or**

- b) Is a Financial Investor (a legal entity whose core business is investment of money that exists at least 3 years, and includes investment companies, mutual funds, insurance companies, pension funds, and investment banks) with total operating assets in excess of EUR 50,000,000 (Euro fifty million) in 2006;

**or**

- c) Is an investor that achieved operating revenues in excess of EUR 20,000,000 (Euro twenty million) in 2006;

If an interested bidder is a parent company that does not meet the requirements from this clause of the Public Invitation, its subsidiary has the right to submit a bid, if it fulfils the requirements. The Subsidiary that fulfils these requirements may submit a bid if the Parent company has purchased the Tender Documents.

If an interested bidder is a subsidiary that does not meet the requirements referred to in this clause of the Public Invitation, its parent company has the right to submit a bid, if it fulfils the requirements. The parent company that fulfils these requirements may submit a bid if its subsidiary has purchased the Tender Documents.

**B) If an interested bidder is a Consortium, it is necessary that it fulfils the following requirements:**

- All Consortium members have made the decision on organizing and entering the Consortium;
- All Consortium members have concluded a written Consortium Agreement and notarized it at the Court, or other competent body (in case of foreign legal entities and individuals).
- Each Consortium member assumes unlimited joint and several liability under the Consortium Agreement;
- The Consortium Agreement specifies each member's percentage in the acquisition of capital of the Entity undergoing privatization;
- All Consortium members have signed a Notarized Power of Attorney for the representing member of the Consortium;
- All Consortium members have signed a Confidentiality Agreement;
- At least one of the Consortium members has purchased the Tender Documents;
- One Consortium member has at least 51% of the total share in Consortium and fulfils at least one of the following requirements:

**either**

- a) it has been engaged in production of pharmaceuticals and/or wholesale of pharmaceutical products for the last 3 operating years in continuity, and achieved total revenues of at least EUR 12,000,000 (Euro twelve million) in 2006;

**or**

- b) Is a Financial Investor (a legal entity whose core business is investment of money that exists at least 3 years, and includes investment companies, mutual funds, insurance companies, pension funds, and investment banks) with total operating assets in excess of EUR 50,000,000 (Euro fifty million) in 2006;

or

- c) Is an investor that achieved operating revenues in excess of EUR 20,000,000 (Euro twenty million) in 2006;
5. The Agency hereby invites all parties interested in participating in the tender to submit a written request for purchasing the Tender Documents for the Entity undergoing privatization by **March 20, 2007**.

Tender Documents will be made available to the interested parties from **March 5, 2007**.

A written request for purchasing the Tender Documents shall be submitted to the Advisor and the Agency at the address below, by mail, e-mail or facsimile, clearly marked with "Request for purchasing the Tender Documents – Tender Code **SUM 06/07**".

Upon receiving the request, an invoice for payment of the Tender Documents Fee and the Confidentiality Agreement for signature, shall be forwarded to the Tender Participant's authorized representative by mail, e-mail or facsimile. Signed Confidentiality Agreement shall be immediately faxed and mailed back to the Advisor to the addresses below.

Upon receipt of the signed Confidentiality Agreement, evidence of the power of attorney for the person who signed the Confidentiality Agreement, and evidence of payment of the Tender Documents Fee, the Advisor shall send the relevant Tender Documents to the Tender Participant by mail/e-mail, or hand it to its authorized representative.

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 binding offers for acquisition of 68.25% of the total registered capital of the Entity undergoing privatization by interested bidders is **April 20, 2007, by 17:00 hours Belgrade time**.

The Agency reserves the right to amend any and all the elements of the Public Invitation, if necessary.

As a prerequisite for bid submission, it is necessary to pay a deposit or to submit the Bid Bond in the amount of **EUR 50.000 (Euro fifty thousand)**.

7. All inquiries relating to this Public Invitation should be directed to the contact persons at the address bellow, in Serbian or English:

**CES Mecon**

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Republic of Serbia

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**Privatization Agency**

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