

In accordance with the Article 28 of the Law on Privatization ("Official Gazette of the Republic of Serbia" nos. 38/2001, 18/2003, 45/2005, and 123/2007), Privatization Agency of the Republic of Serbia (hereinafter: "the Agency") hereby announces:

PUBLIC INVITATION

For participation in the Public Tender for sale of 70% of the state owned capital of:

Company for production, processing and sale of agricultural goods

«NOVA SLOGA» d.o.o. Trstenik

Kneginje Milice 81/1

(hereinafter: Entity undergoing privatization)

Tender Code: **NSL 03/08**

1. The total registered capital of the Entity undergoing privatization consists of 100% of the state owned capital – founder Republic of Serbia – Government of the Republic of Serbia.

2. The Agency offers for sale 70% of the state owned capital, i.e. 70% of the total registered capital of the Entity undergoing privatization.

3. Details about the Entity undergoing privatization:

Address: Kneginje Milice 81/1, Trstenik, Serbia

Phone: (+38137) 712 010;

(+381 37) 712 035

Fax: (+381 37) 712 035

Activity: Cultivation of crops and breeding of animals – mixed farm (activity code: 01300)

More details on the Entity undergoing privatization are available at:
http://www.priv.yu/pregled_preduzeca/pdf/e-teaser_20957.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 amounts to EUR 8.000,00 (Euro eight thousand) in RSD equivalent calculated in accordance with the average rate of the National Bank of Serbia on the invoice submission day.

The Agency has appointed the Consortium of companies CES Mecon d.o.o. Belgrade and Law office Dražić, Beatović and partners, Belgrade, as adviser in this privatization procedure (hereinafter: Adviser).

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 preservation and/or processing of fruits and vegetables for the last 3 operating years in continuity, and achieved operating revenues of at least EUR 10,000,000 (Euro ten million) in 2007.

or

b) it has been engaged in mineral water production for the last 3 operating years in continuity, and achieved total revenues of at least EUR 10,000,000 (Euro ten million) in 2007.

or

c) it is a Financial Investor (a legal entity whose core business is investment of money, which has existed for at least 3 years, and which includes investment companies, mutual funds, insurance companies, pension funds, and investment banks) with total operating assets in excess of EUR 40,000,000 (Euro forty million) in 2007.

or

d) it is an investor that achieved operating revenues in excess of EUR 20,000,000 (Euro twenty million) in 2007.

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 (hereinafter: Consortium Leader) and fulfills at least one of the following requirements:

either

a) it has been engaged in preservation and/or processing of fruits and vegetables for the last 3 operating years in continuity, and achieved operating revenues of at least EUR 10,000,000 (Euro ten million) in 2007.

or

b) it has been engaged in mineral water production for the last 3 operating years in continuity, and achieved total revenues of at least EUR 10,000,000 (Euro ten million) in 2007.

or

c) Is a Financial Investor (a legal entity whose core business is investment of money, which has existed for at least 3 years, and which includes investment companies, mutual funds, insurance companies, pension funds, and investment banks) with total operating assets in excess of EUR 40,000,000 (Euro forty million) in 2007.

or

d) Is an investor that achieved operating revenues in excess of EUR 20,000,000 (Euro twenty million) in 2007.

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 **May 9, 2008**.

Tender Documents will be made available to the interested parties from **March 31, 2008**.

A written request for purchasing the Tender Documents shall be submitted to the Adviser and the Agency at the address below, by mail, e-mail or facsimile, clearly marked with "Request for purchasing the Tender Documents – Tender Code: **NSL 03/08**".

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. The Signed Confidentiality Agreement shall be immediately faxed and mailed back to the Adviser 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 Adviser shall send the relevant Tender Documents to the Tender Participant by mail/e-mail, or hand it to its authorized representative.

The Adviser 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 70% of the total registered capital of the Entity undergoing privatization by interested bidders is **June 12, 2008, by 16:30 hours Belgrade time.**

The Agency reserves the right to amend any of the elements of the Public Invitation or all of them, 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.

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