

Based on Articles 28, 69 Paragraph 3, and 70 of the Law on Privatization ("Official Gazette RoS", No. 38/2001, 18/2003 and 45/2005), Article 9 of the Law on Privatization Agency ("Official Gazette RoS", No. 38/2001 and 135/2004), and Articles 9 and 10 of the Law on the Share Fund ("Official Gazette RoS", No. 38/2001 and 45/2005), as well as the Decision of the Government of the Republic of Serbia No. 023-10235/2006 dated December 7, 2006, the Privatization Agency (hereinafter: "Agency") issues this:

## **PUBLIC INVITATION**

**for participation in a public tender  
for sale of 580.452 shares with CFI code: ESVUFR, ISIN number: RSKMGBE50021, with nominal  
value of 960,00 dinars, jointly representing 50.91153% of the total equity of the company (hereinafter  
"Block of Shares"):**

**HOLDING KORPORACIJA "KOMGRAP"  
akcionarsko drusvo, Belgrade, Terazije 4,  
(hereinafter: "Company")**

Tender Code: **KOM 28/06**

1. Total registered capital of the Company consists of 26.85281% of the capital owned by the Share Fund of the Republic of Serbia, 15.81730% of the capital owned by the Republic of Serbia, 8.24142% of the capital owned by the PIO Fund, 0.09595% of shares owned by the Company and 48.99252% of the capital owned by individual shareholders (legal entities and natural persons).
2. The Agency is offering for sale the Block of Shares consisting of 580.452 shares with CFI code: ESVUFR ISIN No. :RSKMGBE50021, with nominal value of 960,00 dinars, of which 306.154 shares are owned by the Share Fund of the Republic of Serbia, 180.336 shares are owned by the Republic of Serbia, and 93.962 shares are owned by the PIO Fund, which jointly represent 50.91153% of the total equity of the Company.
3. Basic Company Data:

Address: Terazije 4, 11000 Beograd, Republic of Serbia  
Phone: +381(11) 36 10-079  
Fax: +381(11) 36-11-107  
Core business activity: Engineering

More details on the Company are available at:

[http://www.priv.yu/pregled\\_preduzeca/pdf/e-teaser\\_8701.pdf](http://www.priv.yu/pregled_preduzeca/pdf/e-teaser_8701.pdf)

Detailed information about the Company, as well as the Instruction to Bidders (hereinafter: "Tender Documents") shall be available to all interested tender participants after 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 **BC Consulting d.o.o.**, Belgrade, as the consultant in this procedure (hereinafter: "Consultant").

**4. A bid may be submitted by:**

**A. Interested bidder that fulfils the following requirements:**

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

**either**

a) it has been engaged in construction industry for at least the last three business years in continuity, and achieved operating revenue of not less than EUR 6,000,000 (Euro six million) in 2005;

**or**

b) is a financial investor (a legal entity whose core activity is investing money, which exists for at least the last three business 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 2005;

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

**B. If the interested bidder is a Consortium, it must cumulatively fulfill the following conditions:**

- All Consortium members have made a decision on organizing and entering the Consortium,
- All Consortium members have concluded a written Consortium Agreement and certified it with the Court, i.e. other competent body (in case of foreign legal entities and natural persons),
- Each Consortium member assumed unlimited joint and several liability by the provisions of the Consortium Agreement,
- The Consortium Agreement specifies each member's percentage in the acquisition of the capital of the Company, provided that at least one Consortium Member has no less than 51% share in the Consortium (hereinafter "Consortium Leader")
- All Consortium members have signed a certified Power of Attorney for the member representing the Consortium,
- All Consortium members have signed the Confidentiality Agreement,
- At least one member of the Consortium has purchased Tender Documents,
- The Consortium Leader fulfills at least one of the following conditions:

**either**

a) it has been engaged in construction industry for at least the last three business years in continuity, and achieved operating revenue of not less than EUR 6,000,000 (Euro six million) in 2005;

**or**

b) is a financial investor (a legal entity whose core activity is investing money, which exists for at least the last three business 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 2005;

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 Company by **15 January 2007**.

**Tender Documents will be available to interested parties from 22 December 2006.**

Written requests for purchasing the Tender Documents shall be submitted to the Consultant by mail, e-mail, or fax, clearly marked with "Request for Purchasing the Tender Documents – Tender Code: **KOM 28/06**".

Upon receipt of this request, an invoice for payment of the Tender Documents Fee, as well as the Confidentiality Agreement for signature, shall be forwarded to the applicant's authorized representative by mail, e-mail, or fax. The signed Confidentiality Agreement must be immediately faxed and mailed back to the Consultant at the address below.

Upon receipt of the signed Confidentiality Agreement, the proof of authorization for the person who signed the Confidentiality Agreement, and the proof of payment of the Tender Documents Fee, the Consultant shall, after the lapse of the deadline from Paragraph 2 of this Clause, deliver the Tender Documents to the tender participant by mail/e-mail or hand it to its authorized representative.

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

6. The deadline for submitting final binding offers for purchase of the Block of Shares by interested bidders is **16 February 2007 at 5 p.m.** (Belgrade time).

If necessary, the Privatization Agency retains the right to change conditions and deadlines of this Public Invitation. As a prerequisite for submitting a bid, it is required to pay deposit or to submit a Bid Bond in the amount of EUR 50,000 (Euro fifty thousand).

7. For any questions pertaining to this Public Invitation, interested parties may contact persons listed below, in the Serbian or the English language.

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