



Pursuant to Article 14 paragraph 1 items 7, 8 and 9 of the Law on Public Procurement („Official Gazette of Montenegro“ number 74/19). Article 230 of the Law on Business organisations („Official Gazette of Montenegro“ no. 65/20 and 146/21), Conclusion of the Government of Montenegro no. 04-102/2 dated July 8, 2022, Decision of the Board of directors no. 10-00-27985 od 14.06.2022, Elektroprivreda Crne Gore AD Nikšić hereby announces,

1. Data about the Seller

Contracting Authority: Elektroprivreda Crne Gore AD	Contact persons: Danilo Žarić Andrija Lazović
Address: Vuka Karadžića br. 2	Zip Code: 81400
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Basic information about the Company

EPCG AD Nikšić was established on February 12, 1999 in line with the Decision of the Government of Montenegro (Decision no. 1001-2772/1 dated October 16, 1998) on Program of ownership transformation and restructuring of the Public Electric Enterprise into a Joint Stock Company. In the Central Registry of business entities in Podgorica the Company was registered as a Joint Stock Company on June 30, 2002, reg. no. 4-0000330.

EPCG is a vertically integrated Company having generation and supply of electricity in Montenegro as its core activity. It possesses the total of 877.38 MW gross installed capacity for generation of electricity.

The generating capacities are as follows:

- HPP Perućica,
- HPP Piva,
- Small HPPs (Podgor, Rijeka Mušovica, Rijeka Crnojevica, Lijeva Rijeka and Šavnik) and
- TPP Pljevlja

Company is seated in Nikšić at the address Vuka Karadžića 2.

On March 31, 2022 the Company had 1,006 employees, excluding employees hired per Piece Work Agreement.

The State of Montenegro owns 88.65% of EPCG AD shares, while the remaining 10% and 1.35% shares own EPCG AD and other legal and natural entities, respectively. The share capital of ECG AD amounts to 769,927,930 €.

As at March 31, 2022, the Company has had the majority ownership in the following companies:

- Crnogorski elektrodistributivni sistem d.o.o. Podgorica (CEDIS LLC) – 100%,
- Rudnik Uglja AD Pljevlja (Coal Mine JSC Pljevlja) – 100%,
- EPCG d.o.o. Beograd – 100%,
- Zeta energy d.o.o. Danilovgrad – 51%,
- EPCG-Solar-Gradnja d.o.o. Nikšić – 100%.

2. Description of the subject matter

The subject matter of this Public Invitation to Tender in sale of **11.813.238** of EPCG AD Nikšić own shares in a block trade.

Minimum price is **8.63 euro/share** (the investment price per Study on estimation of shares value).

3. Bidding requirements, bid content and deadline for submission of bids

Selection of the best bid shall be carried out via bidding with prospective buyers participating according to the requirements set out in the concerned public invitation.

The following entities shall be entitled to participate in bidding:

- Electric power companies with installed capacity of at least 1000 MW or share capital of at least € 500,000,000 or
- Investment funds quoted on the organized capital market, which achieved positive financial result in the last 3 years, with the share capital of at least € 1,000,000,000 and investments of the minimum € 100,000,000 in the energy sector in the last 5 years.
- In addition to the application, the Bidder shall submit the Original bank guarantee, unconditional 'No Objection' payable at first demand with the validity period of minimum 60 days following the day of the bid opening at the amount of 5% of the investment value of own shares referred to in clause 2 of the Public invitation. If the selected bidder withdraws signing of the Contract on purchase of shares, Elektroprivreda Crne Gore shall activate it to the selected bidder.

In the bidding procedure may participate only a business entity that:

1) has not been legally convicted and whose chief executive officer has not been legally convicted for any criminal offense bearing characteristics of: a) criminal association; b) creation of a criminal organization; c) offering bribes; d) receiving bribes; č) giving bribes in business operations; č) receiving bribes in business operations; d) tax and contribution evasion; f) fraud; e) terrorism; f) terrorism financing; g) terrorist association; h) participation in foreign armed formations; i) money laundering; j) trafficking in human beings; k) trafficking in minors for adoption; l) establishment of slavery and transport of persons in slavery, which is to be proved by a certificate or confirmation of the competent authority issued on the basis of criminal records, in accordance with the regulations of the state in which the business entity has its registered office, or in which the authorized person/persons of that business entity resides.

2) In the bidding procedure may participate only a business entity that has settled down all due liabilities arising from taxes and contributions in line with the valid legal regulations of the state in which the business entity has its registered head office.

Bidding participants shall submit the bids in the envelope marked 'Bid according to the Public invitation for sale of the own shares package of EPCG AD Nikšić in block trade', as well as 'DO NOT OPEN before official session of the Committee for the procedure implementation'.

The Bid shall contain:

- Data about the interested party submitting the bid: name, seat, address, TIN, first name, surname and position of the responsible person;
- Documents/evidence proving fulfillment of the requirements for participation according to the Public invitation for sale of the own shares package of EPCG AD Nikšić in block trade referred to in paragraph 2, 3 and 4 hereof;
- The offered price per share.

The bid shall be submitted directly or via mail to the address of Elektroprivreda Crne Gore AD Nikšić, 2 Vuka Karadžića St., Nikšić, inclusive by August 01, 2022 by 10 a.m.

4. Evaluation of Bids will be done according to the criterion:

The highest offered price per share..... **100 points.**

Should it be determined that two or more bidders have the same number of points, the most favorable bidder shall be the one who submitted the bid first, in terms of time.

Fulfillment of conditions, referred to in the Public Invitation to Tender for the sale of a package of own shares in a block trade, will be evaluated after receipt and opening of bids.

Bids that do not contain all the aforementioned elements from points 2 and 3 of this Public Invitation to tender will be rejected as irregular and will not be considered when determining the ranking list of qualified bidders.

Untimely bids, as well as bids not accompanied by the required evidence (irregular Bid), will be rejected and will not be considered in the Bid selection process and will be returned to the bidder.

The Commission for selection of a specific Buyer in the procedure of alienation of the own shares reserves the right to amend, change or cancel the Public Invitation to Tender at any time.

In the event that the first ranked - better ranked bidder withdraws from its offer, EPCG AD Nikšić will agree to conclude the subject Agreement with the next ranked bidder.

The public opening, which can be attended by all bidders or their authorized representatives, will be held on August 01, 2022 at 10 hours (local time) in Nikšić.

All participants in the Public Invitation to Tender should provide the Commission with their addresses and e-mails for receiving mail, for the purpose of receiving information and correspondence regarding the Public Invitation to Tender.

5. Other information

Decision on selection of a strategic buyer will be passed by the Shareholders' Meeting of the Company, based on the proposal of the Commission that implemented the sales procedure.

In case signing of the Agreement on purchase of shares is cancelled, neither bidders nor any legal or natural person shall have the right to demand any compensation of damage and costs they either directly or indirectly incurred by participating in this Public Invitation to Tender.

Chief Executive Officer

s.r Nikola Rovčanin

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