

**State Property Fund of Ukraine**  
**Release**  
**on the tender offering**  
**with the opening price and on the principle of auction**  
**on the sale of shares of**  
**PrJSC “Ivano - Frankivsk Lokomotive Repair Plant”**

1. Information on the Company:

YeDRPOU code: 13655435

Full name of the Company: Private Joint-Stock Company “Ivano-Frankivsk Lokomotive Repair Plant”

Location of the Company: Zaliznychna street, 22 Ivano-Frankivsk city, Ivano-Frankivsk region, 76017

Tel: (0342) 53-23-70

Tel/fax: (0342) 53-23-73

Block of shares to be consolidated (formalized) as state property, % - 0

2. State Property Fund of Ukraine offers to sell shares in an amount of 77 859 520 units, which is 99.5 % of the authorized capital of the Company.

The authorized capital of the Company amounts to 19 562 800,00 UAH.

The nominal share price is 0,25 UAH.

3. **Starting price** of the Company’s block of shares is **33 920 000,00 UAH**.

Auction step is 340 000 UAH.

4. Description of the Company:

The main activity according to KVED is 33.17. – Repair and maintenance of other means of transport.

**Information on the volume of production and sales of main products as at 01.04.2017**

Name of product/service	Number, item	Amount, UAH
Locomotive pad	266	71 162,602
Repair of locomotive TGM 4Б-0150	1	446 695,00

Average number of employees as at 01.04.2017 – 270.

Amount of company arrears as at 01.04.2017:

- arrears to the budget for taxes and fees - 151,5 thousand UAH;
- arrears of the wages and social payments - 2 479,0 thousand UAH

Monopoly (dominant) position is not occupied by the company.

Existence of mobilization tasks and state secrets – no.

Objects of social purposes of PrJSC “Ivano-Frankivsk locomotive repair plant” - none.  
The presence in the enterprise implementation of state defense orders - none.

Information about the facilities and the area of land used by the company, conditions of their usage:

- PrJSC “Ivano-Frankivsk locomotive repair plant” has 34 buildings in use of 9.96 hectares of land.

Land is used according to the state act on the right of permanent use of land dated 17.01.1995 № 15/4-000070.

#### Volumes of air pollutant

Pollutant name	Volumes of air pollutant, tons			
	2014	2015	2016	I quarter 2017
Nitric oxides	1,082	0,893	0,547	0,11805
Sulfurous anhydride	0,274	-	0,270	0,000108
Solids	-	0,7126	0,35576	0,153012
Manganese and its compounds	0,00212	0,000769	0,000698	0,000038
Lead and its compounds	0,000239	0,00001	0,00001	0,000002
II hazard class	0,048	0,0215	0,0085	0,0045
III hazard class	0,741	0,0434	0,029	0,002894
IV hazard class	0,004	0,1914	2,260	0,21415
Carbon dioxide	41,42	0,6411	-	-

#### Environmental tax amounts paid

Pollutant name	Environmental tax amounts paid, UAH.			
	2014	2015	2016	I quarter 2017
For air emissions of pollutants	1 668 710,6	1907005,35	2235372,61	956653,42
Total	3091,54	3152,68	2028,40	340,39

#### The main indicators of economic activity of the company

Name	Units	2014	2015	2016	I quarter 2017
Products sales volume:		40651,0	49961,0	4882,0	892,0
Book profit / loss	Th. UAH	6559,0	4425,0	93760,0	94,0
Receivables	Th. UAH	15236,0	12002,0	18936,0	3874,0
Payables	Th. UAH	7085,0	8902,0	10676,0	16214,0
Activities profitability	%	16,1	8,9	19,2	10,2
Value of assets	Th. UAH	40924,0	40311,0	46103,0	39160,0
The cost of equity	Th. UAH	24994,0	25091,0	24997,0	24997,0
Net profit / loss	Th. UAH	689,0	776,0	681,0	-2051,0

5. The fixed tender conditions:

**1) In company's economic activities:**

preservation of the main activities of the company, which are available at the date of transfer of accounting transaction (debit, transfer) in respect of the shares to the accounts of the state property Fund of Ukraine (hereinafter - the Fund) in the depository institution;

full and timely payment of taxes and fees to the budget, customs duties and other charges, a single fee for obligatory state social insurance and prevention of occurrence of the tax debt;

proper maintenance of civil defense objects;

fulfillment of requirements of Law of Ukraine "On protection of economic competition".

**2) In company's innovation and investment activities:**

Renewal of fixed assets, namely the modernization of foundry machinery equipment for metal, forging and pressing machinery and equipment for the manufacture of gears based on the program developed and approved by the buyer. Such a program must be approved not later than during six months from the date of the accounting transaction (debiting, transfer) of shares on account of State Property Fund in depository institution;

update of an informational - software of a company development of new, and improvement of existing products' quality and/or services;

revenue growth (revenue) from sales of products (goods and services) every year for five years;

implementation of the commitments on the development of the Company with the aim of improving its economic, social, financial, technological and environmental performance in accordance with the business plan submitted by the buyer.

**3) In company's social activities:**

prevent arrears formation of a salary payment to employees of the company;

prevent layoffs in the company initiated by purchaser or authorized body (except layoffs under paragraph 6 of Article 40 of the Labor Code of Ukraine or an action by employee for which the layoff is provided under paragraphs 3, 4, 7 and 8 of Article 40 and Article 41 of the Labor Code of Ukraine) within six months from the date of the accounting transaction (debiting, transfer) of shares on account of State Property Fund in depository institution;

full implementation of the terms of the collective agreement until the adoption of the new one or amendments to the treaty in accordance with legislation to the provisions of the General agreement on the regulation of the basic principles and norms of social and economic policy and labor relations in Ukraine and its implementation;

implementation costs for labour protection under the Law of Ukraine "On Labour Protection", development and implementation of measures to achieve standards in safety,

hygiene and working environment, improve the existing level of occupational health and preventing occupational injuries and diseases;

implementation of quotas for employment of disabled persons in accordance with the Law of Ukraine "On the basis of social protection of disabled people in Ukraine", creating conditions for them based on individual rehabilitation programs and provision of other social and economic guarantees provided by the law;

#### **4) In company's environmental protection activities:**

compliance with the requirements and additional restriction of environmental legislation;

in order to control the volume of pollutants in the air a modernization of water treatment facilities company for two years from the date of the accounting transaction (debiting, transfer) of shares on account of State Property Fund in depository institution;

installation of equipment for wastewater treatment;

of full land management measures according to the Law of Ukraine "On Land Development";

#### **5.) In corporate relations and Company asset management:**

proper maintenance and preservation of public property, which in the process of creating companies not included in its authorized capital, but remained on the balance sheet of the company and prevent it from free use and unlawful alienation;

to a complete performance of the contract on purchase and sale of shares, voting at a general meeting of shareholders on the increase (decrease) in share capital, changes in the nominal value of shares, transformation into another economic entity should be solely upon prior consent of the State Property Fund. In the event of failure to obtain such a consent on the day of the general meeting of shareholders, a purchaser should vote against increase (decrease) in share capital, changes in the nominal value of shares, conversion to other types of companies;

prevent to a complete performance of the contract of purchase and sales of shares, a settlement of a transaction with an alienation of fixed assets of the Company without the prior consent of the State Property Fund, if the total book value, which is the subject of such transactions, exceeds 10 percent of the value of assets of the Company according to the latest annual financial statements of the Company. These conditions are not applied with transactions for the disposal of fixed assets of the Company, which is within the ordinary activities of the Company. Disposal refers to such transactions as contract of sale, exchange, donation, donation and granting to authorized (share) capital of other businesses;

in a legislative established terms to direct of dividends on the block of shares acquired during the privatization, and which was owned by the State, before selling represented by the State Property Fund, to the State budget in accordance with the basic norm of assignments of share of net profit, approved by the Cabinet of Ministers of Ukraine, that is used as dividends payment as a result of financial and economic activity in 2016, and dividends payment as a result of financial and economic activity for the period of being in state ownership in 2017.

*The term of the obligations of the purchaser on the terms that have no specified period of performance, is five years from the date of the accounting transaction (debit, transfer) in respect of shares in the Fund's account at the depository institution.*

6. Information on the presence or absence of the advisor: competition is held without involving advisor.

7. The competition is a subject to the requirements of the Law of Ukraine "On State Property Privatization", the Law of Ukraine "On the sanctions", for implementation of the Resolution of Cabinet of Ministers of Ukraine dated 12.05.2015 No. 271 "On conducting a transparent and competitive privatization in 2015-2017" with amendments and the Ordinance of Cabinet of Ministers of Ukraine dated May 11, 2017 No. 298-r "On approval of the sale of state shares of PrJSC "Ivano-Frankivsk locomotive repair plant" under the competition with the opening price on the principle of auction", as amended, in accordance with the Regulations on holding tenders for selling companies' blocks of shares, approved by the Decree of State Property Fund of Ukraine dated 10.05.2012 No.639, the Order of the Antimonopoly Committee of Ukraine dated 10.05.2012 No.282, by the Decision of the National Securities and Stock Market Commission dated 10.05.2012 No.674, registered by Ministry of Justice of Ukraine at 12.06.2012, No.940/21252, as amended (hereinafter - Regulation).

Any party may become a purchaser of privatization in accordance with Article 8 of the Law of Ukraine "On privatization of state property" during the competition for the sale of shares of PrJSC "Ivano-Frankivsk locomotive repair plant".

Becoming a party of a contest is not allowed for the legal entities and individuals identified in the third paragraph of Article 8 of the Law of Ukraine "On State Property Privatization", namely:

*legal entities, with more than 25 percent of shares (parts, units) that are in possession of the State of Ukraine;*

*legal entities, with any number of shares (parts, units) and/or ultimate beneficial owner (controller) of which is a resident of the state that is recognized by Verkhovna Rada of Ukraine as an aggressor State, or a State recognized by Verkhovna Rada of Ukraine as an aggressor State;*

*public authorities;*

*state privatization agencies staff;*

*national business associations, state holding companies, state-owned corporations (companies), their subsidiaries and enterprises;*

*entities registered in offshore zone (the list of zones is determined by the Cabinet of Ministers of Ukraine) or countries included by FATF to the list of countries that do not cooperate in combating against laundering of proceeds in criminal way;*

*entities that are directly or indirectly under the control of persons that are ultimate beneficial owned (Controller) with persons specified in this paragraph or are related to the following:*

*legal entities or related entities, registered in the State recognized as aggressor state by the Parliament of Ukraine, or which are imposed with sanctions according to Law;*

*persons or related entities, with the citizenship of State recognized as aggressor state by the Parliament of Ukraine, or which are imposed with sanctions according to Law;*

*Entities being imposed with sanctions are not allowed to participate in the contest in accordance with the Decree of the President of Ukraine dated September 16, 2015 No.549/2015, which enacted a Decision of the National Security and Defense Council of*

*Ukraine dated September 2, 2015 "On the use of personal special economic and other restrictive measures (sanctions) and the Law of Ukraine "On sanctions".*

Potential purchasers are the legal entities that should submit a public privatization body with a document on the capital share distribution among the participants.

The application for participation in the tender is submitted with:

Information about potential purchasers of privatization objects or entities in whose interests the state objects are being purchased, their founders, participants, including individuals - final beneficial owners (controllers) under the Law of Ukraine "On prevention and counteraction to legalization (laundering) proceeds in criminal way, terrorist financing and the financing the proliferation of weapons of mass destruction";

for individuals as potential purchasers, a certificate of Income and Charges body on the submitted declaration of property status and income (tax return) should be submitted;

for legal entities as potential purchasers, an information on financial and property status and documents related to the their audit, certifying the accuracy of the information about their financial and property status should be submitted.

The responsibility for the accuracy, completeness of presented document and the duty to prove its right to purchase the state property is laid upon the purchaser.

8. To participate in the competition, a potential purchaser, the contestant:

- pays: a tender guarantee in the amount of 1 696 000,00 UAH and a registration fee in the amount of 340.0 UAH.

**Payment details for tender guarantee and a registration fee in national currency:**

<b>A tender guarantee in the amount of 1 696 000,00 UAH</b>	<b>Recipient</b> – State Property Fund of Ukraine <b>Account No.</b> 37316021000058 <b>Beneficiary's Bank</b> – State Treasury Service of Ukraine, Kyiv, MFO 820172; <b>YeDRPOU code</b> 00032945. <b>Purpose of payment:</b> as a tender guarantee for participation in the tender for the sale of block of shares of PrJSC “Ivano-Frankivsk locomotive repair plant” .
<b>Registration fee in the amount of 340.0 UAH</b>	<b>Recipient</b> – State Property Fund of Ukraine <b>Account No.</b> 37183500900028 <b>Beneficiary's Bank</b> – State Treasury Service of Ukraine, Kyiv, MFO 820172; <b>YeDRPOU code</b> 00032945. <b>Purpose of payment:</b> as a registration fee for participation in the tender for the sale of block of shares of PrJSC “Ivano-Frankivsk locomotive repair plant” .

**Payment details for tender guarantee and a registration fee in foreign currency (USD and Euros):**

<p><b>A tender guarantee in the amount of 1 696 000,00 UAH</b></p> <p><i>(According to exchange rate of National Bank of Ukraine on the date of the tender guarantee payment)</i></p>	<p><b>Одержувач:</b> Фонд державного майна України</p> <p><b>Адреса:</b> вул. Генерала Алмазова, 18/9, м. Київ, 01133 Україна</p> <p><b>Рахунок:</b> 25206010023277</p> <p><b>Банк одержувача:</b> ПАТ «Державний експортно-імпортний банк України»</p> <p><b>Адреса:</b> вул. Антоновича, 127, м. Київ, Україна</p> <p><b>МФО</b> 322313</p> <p><b>Код ЄДРПОУ:</b> 00032945</p> <p><b>Призначення платежу:</b> як конкурсна гарантія для участі у конкурсі з продажу пакета акцій приватного акціонерного товариства «Івано-Франківський локомотиворемонтний завод»</p>	<p><b>Receiver:</b> The State Property Fund of Ukraine</p> <p><b>Address:</b> 18/9 Heneral Almazova Street, Kyiv, 01133 Ukraine</p> <p><b>Account:</b> 2520601003277</p> <p><b>Bank of receiver:</b> Joint-Stock company “State Export Import Bank of Ukraine”</p> <p><b>Address:</b> 127 Antonovycha Street, Kyiv, Ukraine</p> <p><b>MFO</b> 322313</p> <p><b>SWIFT:</b> EXBSUAUX</p> <p><b>Code YeDRPOU:</b> 00032945</p> <p><b>Purpose of payment:</b> tender guarantee for participation in the auction sale of the stake of Private Joint Stock Company “Ivano-Frankivsk Locomotive Repair Plant”</p>
<p><b>Registration fee in the amount of 340.0 UAH</b></p> <p><i>(According to exchange rate of National Bank of Ukraine on the date of the registration fee payment)</i></p>	<p><b>Одержувач:</b> Фонд державного майна України</p> <p><b>Адреса:</b> вул. Генерала Алмазова, 18/9, м. Київ, 01133 Україна</p> <p><b>Рахунок:</b> 25206010023277</p> <p><b>Банк одержувача:</b> ПАТ «Державний експортно-імпортний банк України»</p> <p><b>Адреса:</b> вул. Антоновича, 127, м. Київ, Україна</p> <p><b>МФО</b> 322313</p> <p><b>Код ЄДРПОУ:</b> 00032945</p> <p><b>Призначення платежу:</b> як реєстраційний внесок для участі у конкурсі з продажу пакета акцій приватного акціонерного товариства «Івано-Франківський локомотиворемонтний завод»</p>	<p><b>Receiver:</b> The State Property Fund of Ukraine</p> <p><b>Address:</b> 18/9 General Almazov Street, Kyiv, 01133 Ukraine</p> <p><b>Account:</b> 2520601003277</p> <p><b>Bank of receiver:</b> Joint-Stock company “State Export Import Bank of Ukraine”</p> <p><b>Address:</b> 127 Antonovycha Street, Kyiv, Ukraine</p> <p><b>MFO</b> 322313</p> <p><b>SWIFT:</b> EXBSUAUX</p> <p><b>Code YeDRPOU:</b> 00032945</p> <p><b>Purpose of payment:</b> registry fee for participation in the auction sale of the stake of Private Joint Stock Company “Ivano-Frankivsk Locomotive Repair Plant”</p>

The potential buyer, the contestant has the right instead of paying cash contribution as tender guarantee for participation in the competition to provide a **bank guarantee** in the amount of 1 696 000,00 UAH (conditions of bank guarantee provided by paragraph 2 of Article 1.3 Section 1 of the Regulation);

- Submits the tender documentation, the final draft of the contract of sale of shares and a bid.

**The tender documents** (prepared in accordance with the list of documents with respect to provisions of the Section V) are to be sealed in a separate opaque package bearing the following: "Tender documents" indicating only the address of the state privatization body and the name of the contest. The package should not contain any information to identify potential purchasers

**The final draft contract** on the sales is sealed in an opaque package and labeled as follows: "The final draft contract on the sales", which shall include the name and location of the state privatization body, the name of competition and the potential purchaser.

**The tender offer** (is issued in accordance with Annex 2 of the Regulation) and documents confirming the authority of the person signing the bid shall be submitted in a sealed opaque package bearing the following "The tender offer", which shall contain only the name, the address of state privatization body and the name of the contest. The package should not contain any information to identify a bidder.

9. The date, the beginning and the end time of the tender documentation and the final draft contract of sale acceptance:

Acceptance of tender documentation and the final draft contract of sale starts with the publication date of the information notice on the competition.

After the publication of the information notice on the competition, the potential purchasers are addressing State Property Fund of Ukraine until 20.06.2017 to 18.00 in written and conclude a confidentiality agreement and receive a package of tender documents, containing documents in accordance with p.6.8 of the Regulation.

Upon having received a tender documentation package, the potential purchaser works out and submits the State Property Fund of Ukraine with a single copy of the offer to the contract of sale of shares with clear changes and amendments (if any).

Acceptance of offers from to the draft contract of sale of shares by potential purchasers will be closed on June 20, 2017 at 18.00.

The State Property Fund provides the potential purchasers with processed and approved final draft contract of sale no later than June 23, 2017.

A potential purchaser submits a single copy of the final draft contract of sale with the written consent about its conditions no later than June 27, 2017.

**Acceptance of tender documentation and the final draft contract of sale ends on June 27, 2016 at 17.00.**

10. Address of the tender documentation and the final draft contract of sale acceptance: 18/9, Henerala Almazova str., Kyiv, 01133, State Property Fund of Ukraine, room No.504, every day from 9.00 to 18.00, on Fridays - from 9.00 to 16.45 and on pre-holiday days - from 9.00 to 17.00.

11. Date, time and place of the commencement and completion of **the tender offers**:

Registration for the contest and submitted tender offers is conducted on July 6, 2017 from 10.00 to 10.50 in the premises of the State Property Fund of Ukraine at the address: Kyiv,18/9 Henerala Almazova str., Room No. 303.



12. Date, time and place of the tender:

**The tender for the sale of block of shares of PrJSC “Ivano-Frankivsk Locomotive Repair Plant” will be held on July 6, 2017 at 11.00** in the premises of the State Property Fund of Ukraine at the address: Kyiv, 18/9 Henerala Almazova str., Room No. 303.

13. The time and place of acquaintance with the company.

Getting acquainted with the company is available at: 22, Zaliznychna str., Ivano-Frankivsk city, Ivano-Frankivsk region, 76017. For visiting the company one should obtain a written permission from the State Property Fund of Ukraine.

14. Location, phone number and time of service of the tender organizing body.

The package of documents on the tender and permission to visit the company can be obtained at: 18/9, Henerala Almazova str., Kyiv, 01133, Auction Sale and Exchange Activities Division of Department of Privatization of State Property Fund of Ukraine, room No.614, every day from 9.00 to 18.00, on Fridays – - from 9.00 to 16.45 and on pre-holiday days - –from 9.00 to 17.00. For enquiries, call (044) 200-33-53, 200-34-43. E-mail: [zah@spfu.gov.ua](mailto:zah@spfu.gov.ua), [borysyuk@spfu.gov.ua](mailto:borysyuk@spfu.gov.ua).

15. Other information on the decision of the state privatization body.

Acquisition of shares of PrJSC “Ivano-Frankivsk Locomotive Repair Plant” potential buyer may not need the permit of the Antimonopoly Committee if they had no control relations.

PrJSC “Ivano-Frankivsk Locomotive Repair Plant” (the value of assets – 1 622,00 thousand EURO, sales of goods – 1 719,92 thousand EURO).

The absence of control relations in PrJSC “Ivano-Frankivsk Locomotive Repair Plant” in the acquire is not exceeded an amount equivalent to 4 mln. EURO and therefore not the conditions set out in part one of Article 24 of the Law “On protection of economic competition”, which required prior authorization for merger.

In the absence of control relations in the above companies or not exceeding the total cost of performance, taking into account the relations of control within these societies, the amount equivalent to 4 million EURO, the acquisition of shares may not require the permission of the Antimonopoly Committee.

Purchaser of shares shall submit the final sale contract project consisting of existing in the name of the purchaser a securities account in the depository institution as well as information on depository institution to the extent necessary to draw an order on the accounting operations of shares acquired by the purchaser transfer to the state privatization body and in non-documentary form.