

Information
about the sale of the state stake in the authorized capital of
Private JSC “President - Hotel”
on the auction

Full name: the state stake in the authorized capital of Private JSC “President - Hotel” in an amount of 94 337 411 (ninety-four million three hundred thirty-seven thousand four hundred eleven) units, which is 100 % of the authorized capital of the Company.

Location of the Company: 01601, Kyiv City, 12 Hospitalna Str., tel. +38 (044) 256-30-56.

YeDRPOU code: 30058128.

Authorized capital of the Company: 94 337 411 (ninety-four million three hundred thirty-seven thousand four hundred eleven) UAH.

Main activity according to KVED is 68.20 lease services and operating of own non-production property.

Nominal price of the state stake: 94 337 411 (ninety-four million three hundred thirty-seven thousand four hundred eleven) UAH.

Starting price of the state stake: 323 142 000,00 (three hundred twenty-three million one hundred forty-two thousand) UAH.

Land plot area used by the Company: 2,4668 ha.

Designated purpose of the land plot: operation and maintenance of the hotel complex.

Location of a land plot: 01601, Kyiv City, 12 Hospitalna Str.

Legal status of the land plot: right of permanent use.

Normative-monetary estimation of the land plot: 340 310 875,06 (three hundred forty million three hundred ten thousand eight hundred seventy-five UAH and six kopeck) UAH.

Volumes of emissions of polluting substances in the environment: no emissions.

Information on payment of environmental fees and charges: 6 107,78 UAH (for 4 quarters 2016).

The method of payment: funds.

Additional information: Private JSC “President - Hotel” (the Lessor) was concluded an lease agreement with “Construction company “Kvadr”, LLC (the Lessee) dated on April 17, 2009 in accordance with which the movable and real property and other assets to be inventoried are owned Private JSC “President - Hotel” and placed at the address: Kyiv City, 12 Hospitalna Str. were passed in temporary paid use to “Construction company “Kvadr”, LLC for 25 years.

Indicators of economic activity for the last three years:

Indicator	2014	2015	2016
Balance of assets and liabilities, thousand UAH	150 120,00	158 219,00	313 679,00
Profitability, %	22,50	41,70	9,90
Equity value, thousand UAH	147 775,00	155 370,00	283 596,00
Net Profit, thousand UAH	7 812,00	11 733,00	5 366,00
Sales volume, thousand UAH	41 609,00	33 698,00	61 416,00

Indicators of business activities as at 01.04.2017:

Indicator	Value
Average number of employees, persons	12
Book value of fixed assets, thousand UAH	238 258,00
Depreciation of fixed assets, thousand UAH (% of fixed assets)	86

Accounts receivable, thousand UAH (including long-term debt)	70 906,00 (26 457,00)
Accounts payable, thousand UAH	3 716,00

Conditions of the Auction

The auction on the sale of the state share in the authorized capital of Private JSC “President - Hotel” in an amount of 94 337 411 units, which is 100 % of the authorized capital of the Company, (hereinafter Auction) **will be held in the office of the State Property Fund of Ukraine 25 July, 2017 at 11.00** at the address: Kyiv City, 18/9 Henerala Almazova Str., Room No. 303 (3d floor).

Registration for the contest will be conducted on the day of the Auction **from 10.00 to 10.50** at the place holding of the Auction.

In the Auction may participate persons who may be buyers of privatization objects in accordance with Article 8 of the Law of Ukraine “On State Property Privatization”.

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 the Verkhovna Rada of Ukraine as an aggressor State, or a State recognized by the 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 such persons:
 - legal entities or related entities, registered in the State recognized as aggressor state by the Verkhovna Rada, or which are imposed with sanctions according to Law;
 - persons or related entities, with the citizenship of State recognized as aggressor state by the Verkhovna Rada, 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 May 15, 2017 No. 133/2017, which enacted a Decision of the National Security and Defense Council of Ukraine dated April 28, 2017 “On the use of personal special economic and other restrictive measures (sanctions), and the Law of Ukraine “On sanctions”.

The Auction will be held in accordance with the Procedure for preparation for the privatization and sale of shares (shares) owned by the state in the authorized capital of business companies and other economic organizations and enterprises founded on the basis of combination of property of various forms of ownership which located in Ukraine or abroad, approved by the Order of the State Property Fund of Ukraine dated 22.05.2012 No. 723, registered by Ministry of Justice of Ukraine at 12.06.2012 No.937/21249 (hereinafter the Procedure).

The application for participation in the Auction (three copies) in according to the form (Annex to the Procedure), **and the documents attached to the application, submitted to the State Property Fund of Ukraine at address: 01133, Kyiv City, 18/9 Henerala Almazova Str.** (send by the post or put in the mail box for correspondences on the first floor at the State Property Fund of Ukraine).

The deadline for accepting applications for participation in the Auction is July 19, 2017.

The application for participation in the Auction 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, information on financial and property status.

Potential purchasers - legal entities shall submit to the state privatization body document on the distribution of the authorized capital among the participants.

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

According to Art. 64 of the Law of Ukraine “On Joint Stock Companies” person (persons acting jointly) which intends to buy shares, with account of the number of shares owned by it and its affiliates, in consequence of such acquisition will amount to 10 percent and more of ordinary shares of the Company, must not later than 30 days before the date of acquisition of such stake submit the Company written notice of its intention and make it public. Publication of notice shall be by giving it the National Commission on Securities and Stock Market, the exchanges where the company has passed the listing procedure, and publication in the official press organ.

According to Art. 18⁶ of the Law of Ukraine “On State Property Privatization” in cases envisaged by legislation on protection of economic competition, the buyer must obtain permission from the relevant authority Antimonopoly Committee of Ukraine on the directly or indirectly purchase, acquisition in the property through other means or getting in the management of stocks (shares) within the scope that ensures achieving or exceeding 25 or 50 percent of the votes in the supreme governing body of the respective entity. The procedure for submission and consideration of an application for permission to the concentration is established by the legislation on economic competition protection.

The contract of sale with the winner of the auction will include such obligations:

- reservation of main activities of Private JSC “President - Hotel” during five-year period (Article 27 of the Law of Ukraine “On State Property Privatization”);
- no termination of any Company employee by the Purchaser or by its authorized body (except for dismissal for cause under paragraph 6 of Article 40 of the Labour Code of Ukraine, or dismissal for cause under paragraph 2, 3, 4, 7, 8 of Article 40, or Article 41 of the Labour Code of Ukraine during six months from the effective date of shares transfer to the Purchaser (Article 26 of the Law of Ukraine “On State Property Privatization”).

To participate in the Auction, a potential purchaser pays:

- a registration fee to participate in the Auction on sale of the state share in the authorized capital of Private JSC “President - Hotel” in the amount of one non-taxable minimum incomes of citizens, that is 17,00 (seventeen) UAH, and which shall be made on account No. 37183500900028 at the State Treasury Service of Ukraine in Kyiv City, MFO 820172, YeDRPOU code 00032945;

purpose of payment: a registration fee to participate in the Auction on sale of the state share in the authorized capital of Private JSC “President - Hotel”, receiver - the State Property Fund of Ukraine;

- funds in the amount of 10 % of the starting price of sale of the state share in the authorized capital of Private JSC “President - Hotel”, which are respectively 32 314 200,00 (thirty-two million three hundred fourteen thousand two hundred) UAH, and which shall be made on account № 37316021000058 at the State Treasury Service of Ukraine in Kyiv City, MFO 820172, YeDRPOU code 00032945,

purpose of payment: the deposit cash in the amount of 10 % of the starting price of sale of the state share in the authorized capital of Private JSC “President - Hotel”, receiver - the State Property Fund of Ukraine.

Payment details for registration fee in foreign currency:

Registration fee in the amount of 17,00 UAH	Одержувач: Фонд державного майна України	Receiver: State Property Fund of Ukraine
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<p>(According to exchange rate of National Bank of Ukraine on the date of the registration fee payment)</p>	<p>Адреса: вул. Генерала Алмазова, 18/9, м. Київ, 01133 Україна Рахунок: 25206010023277 Банк одержувача: ПАТ «Державний експортно-імпорتنний банк України» Адреса: вул. Антоновича, 127, місто Київ, Україна МФО: 322313 Код ЄДРПОУ: 00032945 Призначення платежу: реєстраційний внесок для прийняття участі у аукціоні з продажу державного пакета акцій приватного акціонерного товариства «Президент-Готель»</p>	<p>Address: 18/9 Heneral Almazova Street, Kyiv, 01133 Ukraine Account: 25206010023277 Bank of receiver: PJSC "State Export-Import Bank of Ukraine" Address: 127 Antonovycha Str., Kyiv, Ukraine MFO: 322313 Code YeDRPOU: 00032945 Purpose of payment: the registration payment for the participation in the auction on a sale of the state block of shares of Private JSC "President - Hotel"</p>
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Payment details for deposit cash in the amount of 10 % of the starting price of sale of the state block of shares of Private JSC "President - Hotel" in foreign currency:

<p>Funds in the amount of 10 % of the starting price of sale of the state share of Private JSC "President - Hotel", which are respectively 32 314 200,00 UAH</p> <p>(According to exchange rate of National Bank of Ukraine on the date of the registration fee payment)</p>	<p>Одержувач: Фонд державного майна України Адреса: вул. Генерала Алмазова, 18/9, м. Київ, 01133 Україна Рахунок: 25206010023277 Банк одержувача: ПАТ «Державний експортно-імпорتنний банк України» Адреса: вул. Антоновича, 127, місто Київ, Україна МФО: 322313 Код ЄДРПОУ: 00032945 Призначення платежу: внесок грошових коштів у розмірі 10 % початкової ціни продажу державного пакета акцій приватного акціонерного товариства «Президент-Готель»</p>	<p>Receiver: The State Property Fund of Ukraine Address: 18/9 Heneral Almazova Street, Kyiv, 01133 Ukraine Account: 25206010023277 Bank of receiver: Joint-Stock company "State Export Import Bank of Ukraine" Address: 127 Antonovycha Street, Kyiv, Ukraine MFO: 322313 Code YeDRPOU: 00032945 Purpose of payment: the deposit of funds in the amount of 10% of the initial price of a sale of the state block of shares of Private JSC "President- Hotel"</p>
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Conditions of conduction of the Auction

If within three minutes after the announcement of the starting sell price any of participants of Auction has not expressed a desire to acquire the state share in the authorized capital of Private JSC "President - Hotel" at the declared initial price, the person is authorized to conduct the Auction stops a trading. The Auction deemed to be failed.

If more than one bidder of the Auction simultaneously agreed to buy the state share in the authorized capital of Private JSC "President - Hotel" at the offered price (above the initial) the person is authorized to conduct the Auction announces the next price in accordance with the step of the Auction.

The step of the Auction is 10 % of the starting price of sale of the state share in the authorized capital of Private JSC "President - Hotel".

In case, within three minutes none of the bidders did not agree with next price on the share in the authorized capital of the Company which was proposed by the person is authorized to conduct the Auction, then person announces that the winner of the Auction is the bidder whose the application for the Auction was registered by the State Property Fund of Ukraine before.

The person is authorized to conduct the Auction declares each next increase in prices in accordance with the step of the Auction. Bidders can offer a price higher than the declared by the person is authorized to conduct the Auction, by raising the ticket number of the Auction participant and the announcement of its offer prices by the voice.

The person is authorized to conduct the Auction announces the next price for the stake in the authorized capital of the Company by increasing it on the step of the trading from a price offered by the participants of the Auction by the voice.

If within three minutes none of the bidders did not agree to the offered price, the Auction winner is the bidder who offered the highest price.

In the case that for participation in auction on sale of the state stake in the authorized capital of Private JSC "President - Hotel" filed the application from one buyer then the state stake can be sold directly to such buyer at the proposed price, but not below the initial price.

Getting acquainted with of Private JSC "President - Hotel" is available on week days at: 01601, Kyiv City, 12 Hospitalna Str.

To registration of bidders contact the Auction Sale and Exchange Activities Department of the State Property Fund of Ukraine by the phone: + 38 (044) 200-35-29, 200-36-56, 200-32-29 on week days from 9.00 to 18.00 (on Fridays and on pre-holiday days from 9.00 to 16.45).