

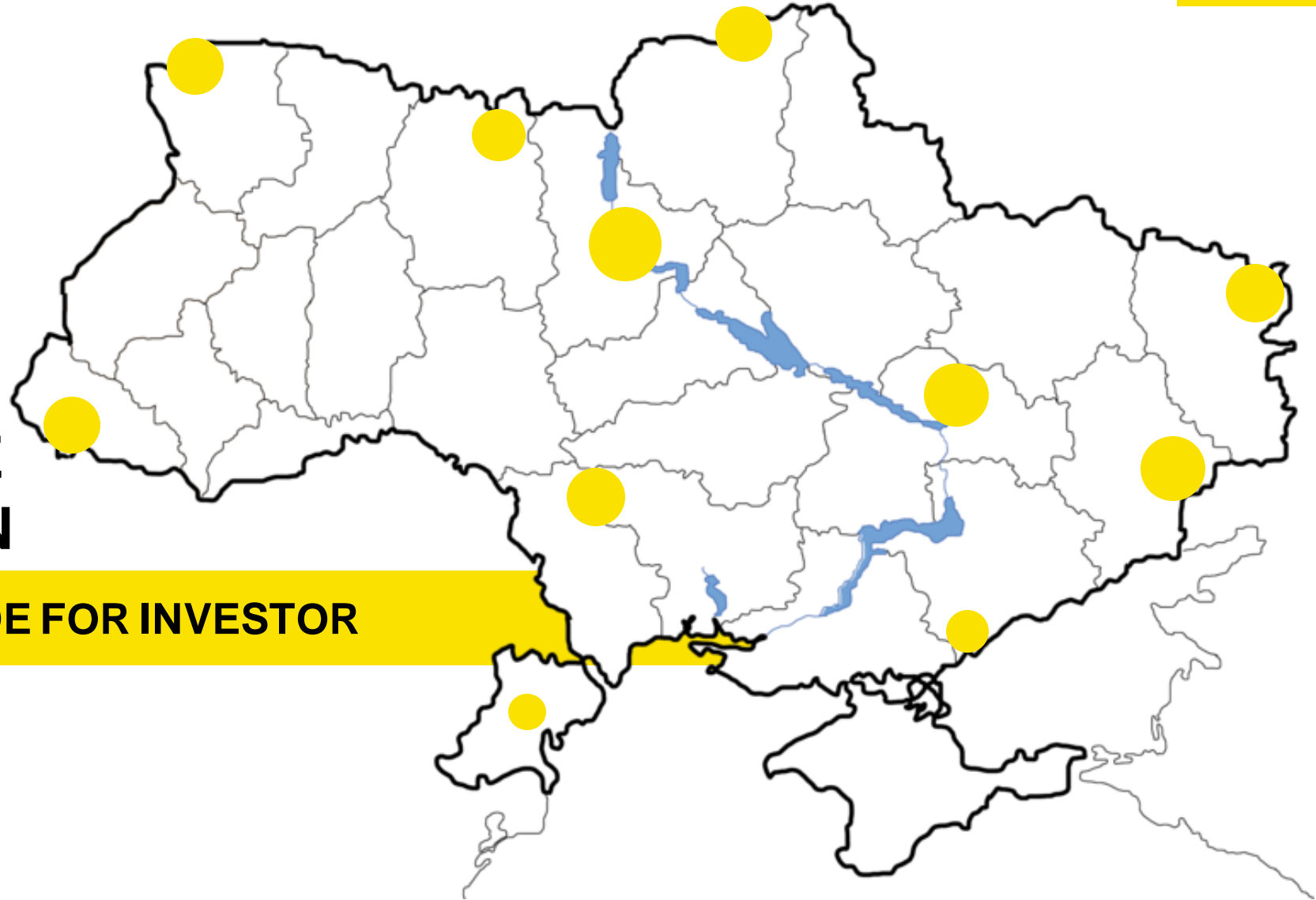


STATE
PROPERTY
FUND
OF UKRAINE

TRANSPARENCY and
PROFESSIONALISM

LARGE SCALE PRIVATIZATION

STEP BY STEP GUIDE FOR INVESTOR





We are glad to welcome you as a Potential Buyer of a block of shares of the Joint-Stock Company "First Kyiv Machine – Building Plant"(hereinafter referred to as the JSC "FKMBP", or the JSC, or the Privatization Object)

The auction for the sale of a block of shares will be held on **October 27, 2021 at 11:00** in the premises of the State Property Fund of Ukraine (hereinafter referred to as the SPFU, or privatization body) at the address: 18/9, Henerala Almazova St., Kyiv, tel. +38 044 200 32 29, +38 044 200 33 25

Starting price of the 100 % block of shares of the JSC is UAH 1,389,017,000.00

We offer you to get acquainted with the convenient step-by-step instruction that will help you quickly prepare all the documents for your company's participation in the auction.

Please note that this instruction is ancillary and informative and is designed for the sole purpose of facilitating your participation in the auction for the sale of a block of shares in JSC "FKMBP".

You can get necessary information on enterprise on site

<https://privatization.gov.ua/product/at-pershyj-kyivskyj-mashynobudivnyj-zavod/>



Preparation and holding of the auction is carried out with attracting an Advisor – KMPG-Ukraine Ltd (hereinafter referred to as the Advisor).



STATE
PROPERTY
FUND
OF UKRAINE

For preparation to the auction, please contact the Advisor at:
32/2, Moskovska St., 16th floor, Kyiv, 01010

Contact persons :

- Oleh Neplyakh, Partner, tel.+38 067 214 64 71, oneplyakh@kpmg.com;
- Illia Segeda, M&A Principal, tel. +38 067 656 87 87, isegeda@kpmg.com.




Persons who may be buyers of Privatization Objects in accordance with Article 8 of the Law of Ukraine "On Privatization of State and Communal Property" (hereinafter referred to as the Law) have the right to participate in the auction, namely:


- citizens of Ukraine, foreign citizens;
- legal entities registered on the territory of Ukraine, except for those provided for in part two of Article 8 of the Law;
- legal entities of other states, except for those provided for in part two of Article 8 of the Law.

The following persons are not allowed to participate in the auction:

- individuals and legal persons defined in part two of Article 8 of the Law;
- public authorities;
- state-owned enterprises owned by the state of Ukraine;
- state business associations, state holding companies, state joint-stock companies (companies), their subsidiaries and enterprises;
- employees of state privatization bodies;
- buyers who are registered in offshore zones (according to the list determined by the Cabinet of Ministers of Ukraine) with a nontransparent ownership structure (whose beneficial owners are not 100% disclosed), as well as buyers who come from the aggressor state (according to paragraphs 6, 7 and 8 part two of Article 8 of the Law);
- a state recognized by the Verkhovna Rada of Ukraine as an aggressor state, as well as legal entities in which such a state participates and persons under the control of such legal entities;



- 
- legal entities, beneficial owners of 10 and more percent of shares (stakes) of which are residents of the state recognized by the Verkhovna Rada of Ukraine as the aggressor state. This provision does not apply to legal entities whose shares are admitted to trading on foreign stock exchanges according to the list of the Cabinet of Ministers of Ukraine, except for legal entities that are residents of the aggressor state;
 - individuals- citizens and / or residents of the state recognized by the Verkhovna Rada of Ukraine as the aggressor state;
 - legal entities registered in accordance with the legislation of the states included in the FATF list of states that do not cooperate in the field of combating money laundering, as well as legal entities whose 50 percent or more of the authorized capital belongs directly or indirectly to such persons;
 - legal entities, information about the beneficial owners of which is not disclosed in violation of the Law of Ukraine "On State Registration of Legal Entities, Individuals - Entrepreneurs and Public Associations";
 - individuals and legal persons in respect of whom special economic and other restrictive measures (sanctions) have been applied in accordance with the Law of Ukraine "On Sanctions", as well as persons related to them;
 - persons who were a party to the sale of a privatization object in Ukraine and with whom the contract of sale of a Privatization Object was terminated due to a violation by such persons, as well as persons related to them;
 - advisors involved in preparing the facility for privatization.



Also not allowed to participate in the auction for persons who are subject to sanctions in accordance with the requirements of the Decree of the President of Ukraine of April 15, 2021 No.169/2021, which put into effect the decision of the National Security and Defense Council of Ukraine of April 15, 2021 "On the Use of Personal Special Economic and Other Restrictive Measures (sanctions)".

SPFU decides not to allow a Potential Buyer to participate in the auction or does not conclude a contract of sale based on the results of the sale at auction or the application of the redemption procedure in the event that the Potential Buyer:



STATE
PROPERTY
FUND
OF UKRAINE



- does not meet the requirements of Article 8 of the Law;
- has not submitted documents or information, the mandatory submission of which is provided by the Law;
- provided false personal information

STAGES OF PREPARATION FOR PARTICIPATION IN THE AUCTION WITH CONDITIONS



STATE
PROPERTY
FUND
OF UKRAINE



Stage	The stages' name	Document submission period
1	Request by letter to the SPFU to obtain an information package, a draft contract of sale, an agreement on the confidentiality of information, permission to visit the JSC	after the publication of the information on privatization and till 15:45 on October 4, 2021
2	Concluding an agreement on the confidentiality of information	after stage 1
3	Obtaining permission from the SPFU to visit the JSC	after stage 2
4	Obtaining the draft contract of sale of JSC, information package, access to the virtual data room from the SPFU	after stage 2
5	Notification of the JSC and the NSSMC of the intention to acquire a block of shares of the JSC	30 calendar days before stage 20
6	Providing comments and proposals to the draft purchase agreement to the SPFU	till 16:00 on October 06, 2021
7	Obtaining of the final draft of the contract of sale approved by the SPFU	till 17:00 on October 11, 2021
8	Payment of registration fee and guarantee fee (or obtaining a bank guarantee)	till 16:00 on October 19, 2021
9	Submission to the SPFU of auction documentation (application and supporting documents), and written consent	till 16:00 on October 19, 2021
10	Opening of envelopes with auction documentation in the SPFU in the presence of a Potential Buyer	10:00 on October 20, 2021
11	SPFU decision on admission of potential buyers to participate in the auction	till October 27, 2021
12	Opening an account in securities in a depository institution (bank)	until the date of step 20

STAGES OF PREPARATION FOR PARTICIPATION IN THE AUCTION WITH CONDITIONS



STATE
PROPERTY
FUND
OF UKRAINE

Stage	The stages' name	Document submission period
13	Meeting of the auction commission, which is attended by auction participants	11:00 October 27, 2021
14	Registration of auction participants	from 9:00 to 10:50 on October 27, 2021
15	Participation in the auction for the sale of a block of shares of JSC	October 27, 2021
16	Signing and approval of the protocol with the winner of the auction	till November 01, 2021
17	Signing a contract of sale with the winner of the auction	till November 12, 2021
18	Obtaining a permit from the AMCU (if it has not been obtained before signing contract of sale)	Submission to the SPFU of a certified copy of the permit within 10 days of receipt
19	Payment by the winner of the auction for a block of shares of JSC	Within 30 days after signing the contract of sale
20	Transfer of the state block of shares of JSC to the winner of the auction	Within 3 working days after the completion of stages 18 and 19



The SPFU team would be grateful if you would prepare all the documents as soon as possible to be fully ready by October 19, 2021.

On October 20, 2021, the SPFU will open envelopes with auction documentation in the presence of Potential Buyers and establish the availability of the necessary documents



1 Request by letter to the SPFU to obtain an information package, a draft contract of sale, an confidentiality agreement, permission to visit the JSC

A Potential Buyer applies to the SPFU in writing to receive an information package and a draft contract of sale, which states:

- company name;
- intention to receive an information package (in case of receiving an information package by an authorized person, it is necessary to provide a power of attorney confirming the authority of such person);
- intention to enter into an agreement on the confidentiality of the information provided about the JSC (if the agreement on confidentiality is not concluded) * and to grant permission to visit the JSC (if necessary) with the following information: name, surname, patronymic, passport data (series, number, who issued it) of persons who will attend the JSC
- contacts to receive messages from the SPFU (telephone number, address, e-mail)

This letter should be sent by a Potential Buyer by mail to the address: 18/9, Henerala Almazova street, Kyiv, 01133, or put in a box located in the lobby on the ground floor of the State Property Fund of Ukraine (18/9, Henerala Almazova street, Kyiv) and send to e-mail (maya@spfu.gov.ua)



* The conclusion of a confidentiality agreement with Potential Buyers about the Privatization Object is carried out after the publication of information on the decision to privatize the Privatization Object in accordance with the Law.



2

The conclusion of a confidentiality agreement

The draft of a confidentiality agreement will be sent to the Potential Buyer by e-mail specified in the letter. The confidentiality agreement is signed in 2 copies. One copy for a Potential Buyer, the other copy - for the SPFU.

If the contract is signed by an authorized person, it is necessary to provide a power of attorney confirming the authority of the person (power of attorney issued abroad must be legalized (apostilled) in the prescribed manner, translated into Ukrainian with notarization of such translation).

The Potential Buyer must send the signed confidentiality agreement on information by mail to the address: 18/9, Henerala Almazova Street, Kyiv, 01133, or put it in a box located in the lobby on the ground floor of the State Property Fund of Ukraine (18/9, Henerala Almazova Street, Kyiv, 01133), and to the e-mail address (maya@spfu.gov.ua)

After signing the confidentiality agreement by the SPFU, a copy for the Potential Buyer will be sent to the address specified in the letter.



3 Obtaining permission from the SPFU to visit the JSC

At the written request of Potential Buyers who have entered into a confidentiality agreement with the SPFU, the SPFU gives them permission to visit the JSC. During the visit, Potential Buyers have the right to:

- receive information about the activities of the JSC (except for secret and official information);
- inspect production facilities;
- take an interview with management.

To obtain a permit, it is necessary to provide passport data (name, surname, patronymic, series, number, who issued it) of the persons who will visit the JSC, and send this data to the e-mail address (maya817@spfu.gov.ua)



4 Receipt from the SPFU the draft contract of sale of JSC, information package, access to the virtual data room

After the publication of the information message, the SPFU provides Potential Buyers who have entered into a confidentiality agreement with the SPFU, the following documents:

- Draft contract of sale of the JSC;
- Information package, which includes the information about the JSC, in particular about its financial condition, documents and information required to obtain a permission for concentration, and other information, including information with limited access.
- Information package about JSC placed in the virtual data room (Data room).
- To receive reports on the results of due diligence and audit of JSC, the Potential Buyers sign a Non-reliance letter with the Advisor.



4

**Obtaining from the SPFU of the draft contract of sale of JSC,
information package, access to the virtual data room****Instructions for accessing the virtual data room (Data room)**

1. One of the representatives of the potential investor, specified in the cover letter to the Confidentiality Agreement, sends to the coordinators of the virtual data room e-mails (isegeda@kpmg.com, iseminoh@kpmg.com) and indicates:
 - a. Topic: “Access to VDR”
 - b. Contents of the letter:
 - Company Name
 - No. and data of the Confidentiality Agreement
 - List which contained name, surname, and patronymic, and corporate e-mail address of employees and advisors of the investor who need to be given access to the virtual data room (hereinafter referred to as the Visitor)



4

Obtaining from the SPFU of the draft contract of sale of JSC, information package, access to the virtual data room

Instructions for accessing the virtual data room (Data room)

2. Each Visitor will receive a personal invitation letter from the administrator of the Data room with a link to register in the Data room to e-mail. If the Visitor has not received such a letter, please check the message in the spam filter of the mailbox.

Yellowstone-Ukraine

quick reminder about your data room

Dear _____,

We noticed you haven't had a chance to enter your data room **Yellowstone-Ukraine** yet. Just in case our invitation letter didn't make it to your inbox, please use a button below to enter the data room. Please also whitelist our @idealsvdr.com domain (or our IP address [198.2.186.123](#)).

Ilyia Segeda (isegeda@kpmg.com) invited you to Yellowstone-Ukraine data room.

[Enter Data Room](#)

For immediate questions or help, don't hesitate to type into the chat box available in the bottom right-hand corner of any page in the data room or respond directly to this email.

Kind regards,
iDeals Team



4

Obtaining from the SPFU of the draft contract of sale of JSC, information package, access to the virtual data room

Instructions for accessing the virtual data room (Data room)

3. To register, the Visitor should click on the link “Enter Data Room” and register by specifying the name, surname, company, position and agree to the Terms of Use and Privacy Policy.



Set up your Profile

Please fill in your personal information below

Email

First name * Last name *

Company *

Title

I agree to the [iDeals™ Terms of Use](#) and [Privacy Policy](#)



4

Obtaining from the SPFU of the draft contract of sale of JSC, information package, access to the virtual data room

Instructions for accessing the virtual data room (Data room)

4. To complete the registration, the Visitor should create a password, select a security question and provide an individual answer, as well as log a mobile phone number. Access to the Data room will be provided using two-factor identification (by the created password of the Visitor and SMS to the specified mobile number of the Visitor).

The screenshot shows a registration form titled "Set up Security settings" with the instruction "Please provide the information below to secure your account". The form is divided into three steps: Profile, Security, and Confirmation, with the Security step currently active. The Security step includes the following fields:

- New password *** and **Repeat password ***: Two text input fields for creating a password.
- Security question**: A dropdown menu with the selected question "What was the name of your best friend as a teenager?".
- Answer ***: A text input field for providing the answer to the security question.
- Mobile phone number ***: A field with a country code dropdown (set to Ukraine) and a text input field containing "+380".
- Require a verification code sent via SMS each time I sign in**: A checkbox option for two-factor authentication.
- Save**: A green button at the bottom right to save the settings.

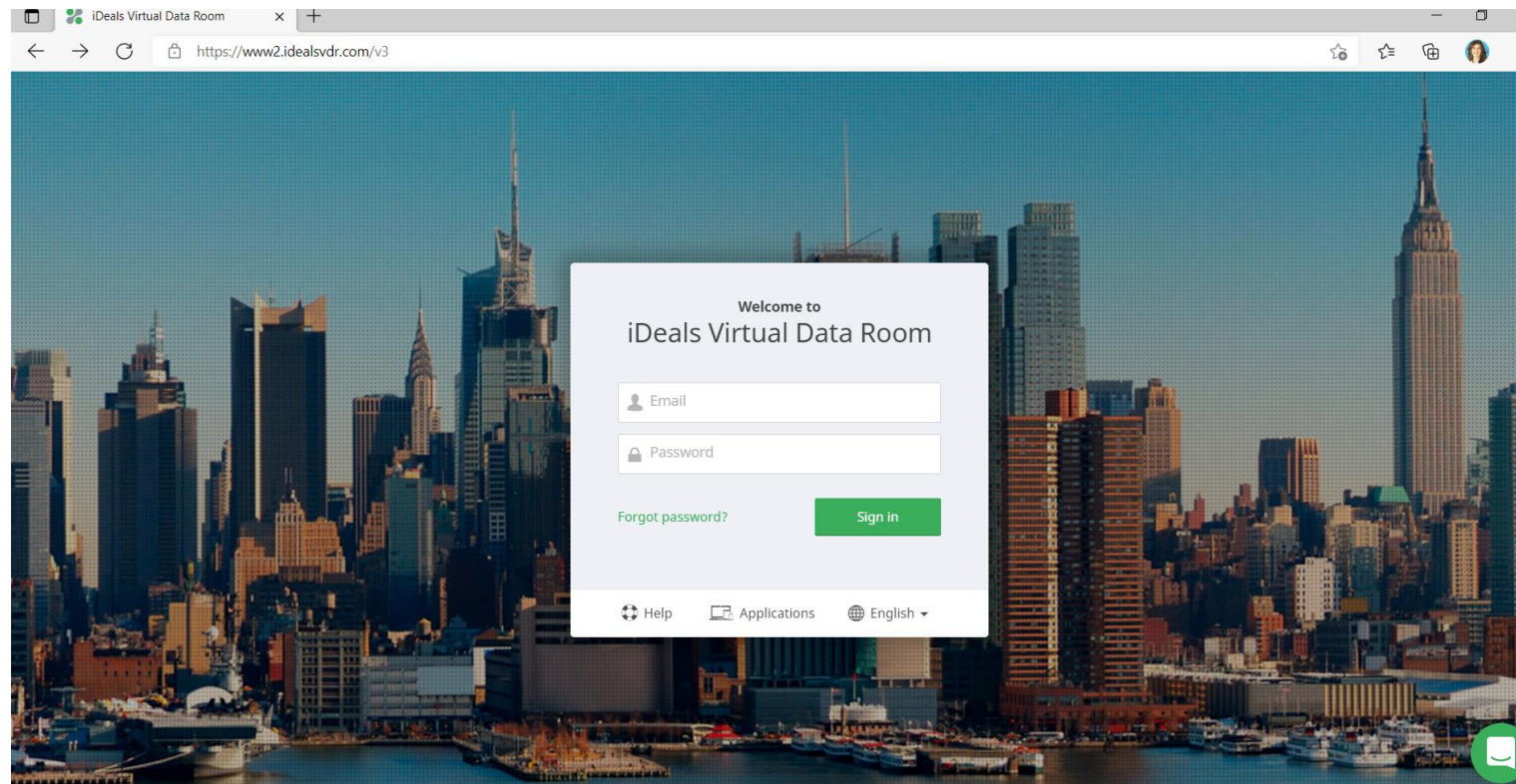
4

Obtaining from the SPFU of the draft contract of sale of JSC, information package, access to the virtual data room

Instructions for accessing the virtual data room (Data room)

5. If you have difficulty with creating an account, we recommend you to repeat steps beginning from 2.

6. After successful registration, the Visitor will be taken to the iDeals page, where he or she should log the e-mail and password specified during registration.





4

Obtaining from the SPFU of the draft contract of sale of JSC, information package, access to the virtual data room

Instructions for accessing the virtual data room (Data room)

7. After that, the Visitor will receive an SMS with a verification code to the mobile number, which he or she specified in paragraph 4., which will need to be entered in the box below.



The screenshot shows a web interface for identity verification. At the top, it says "Confirm Your Identity". Below that, it prompts the user to "Enter the verification code sent to your phone number:" and displays the phone number "380*****87" with a link to "Change your phone number". There is a text input field labeled "Code *" with a "Resend" link to its left and a "Call my phone" link to its right. At the bottom center, there is a green "Confirm" button.

8. After entering the correct code, the Visitor will be given access to the Data room. In case of problems with access, please contact during working hours with the persons - coordinators of the Data room of the SPFU advisor - KPMG-Ukraine LLC :

Illia Segeda, isegeda@kpmg.com, tel. +38 067 656 87 87

Iryna Seminoh, iseminoh@kpmg.com, tel. +38 067 960 54 34



5

Notification to the JSC and the NSSMC on the intention to acquire the block of shares of the JSC

According to the first part of Article 64 of the Law of Ukraine “On Joint Stock Companies”, a Potential Buyer is obliged, no later than 30 days before the date of acquisition of a block of shares in the JSC, to submit to the JSC a written notification of his/ her intention regarding such an acquisition and to make it public.

The notification is made public by submitting it to the National Securities and Stock Market Commission (hereinafter referred to as the NSSMC), each stock exchange on which the JSC’s securities are admitted to trading, and posting the notification in the publicly available NSSMC information database on the securities market or through a person, which carries out activities for the disclosure of regulated information on behalf of stock market participants.

The notification shall indicate the number, type and/ or class of the Company’s shares owned by the Potential Buyer and each of its affiliates, as well as the number of ordinary shares of the JSC, the Potential Buyer intends acquire.



6

Providing to the SPFU comments and proposals to the draft agreement of contract of sale

According to part ten of Article 19 of the Law, the Potential Buyers of a large Privatization Object have the right to submit their own comments and proposals to the draft contract of sale in accordance with the procedure established by the State Property Fund of Ukraine.

The SPFU Order No. 672 dated of May 21, 2018, registered by the Ministry of Justice of Ukraine on June 7, 2018 under No. 687/32139, approved the Procedure for submission of comments and proposals to the draft contract of sale by Potential Buyers of large Privatization Objects.

Potential Buyers consider the draft contract of sale and have the right to submit to the SPFU comments and proposals to it, clearly justifying their positions on the draft contract, and if necessary, setting out some of its provisions in the appropriate version.

Proposals and comments are submitted by letter to the SPFU no later than 13 working days before the date of the auction for the sale of a large Privatization Object.

Proposals to the draft contract of sale offered by Potential Buyers must comply with the terms of the sale specified in the information notice on the privatization of the object of large privatization.

7 Obtaining the final project of the draft contract of sale approved by the SPFU

Based on the results of processing comments and proposals to the draft contract of sale, but not later than 10 working days before the auction for the sale of a large Privatization Object, the SPFU provides Potential Buyers (authorized representatives) under the signature of the final draft contract of sale for a large Privatization Object, which cannot be amended.

8 Payment of the registration fee and the guarantee deposit (or obtaining the bank guarantee)

till 16.00 October 19, 2021

The details for the payment of the guarantee fee and the registration fee in foreign currency:

Guarantee fee in the amount of UAH 69,450,850.00	Recipient - State Property Fund of Ukraine Account (UBAN) No. UA338201720355269003001005357 (for crediting guarantee contributions) Recipient's bank - State Treasury Service of Ukraine, Kyiv YeDRPOU code: 00032945 Purpose of payment: a guarantee fee for participation in the auction for the sale of the shares of JSC "FIRST KYIV MACHINE-BUILDING PLANT"
Registration fee in the amount of UAH 60,000.00	Recipient - State Property Fund of Ukraine Account (IBAN) No. UA138201720355559003009005357 (for crediting registration fees, payment of funds under agreement of the sale and purchase fines, penalties, others revenues related to privatization) Recipient' bank – State Treasury Service of Ukraine, Kyiv YeDRPOU code: 00032945 Purpose of payment: registration fee for participation in the auction for the sale of the block of shares of JSC "FIRST KYIV MACHINE-BUILDING PLANT"



8

Payment of the registration fee and the guarantee deposit (or obtaining the bank guarantee)

The details for the payment of the guarantee fee and the registration fee in foreign currency:

<p>Guarantee fee in the amount of UAH 69,450,850.00 (at the exchange rate of National Bank of Ukraine on the day of payment of registration fee)</p>	<p>Одержувач: Фонд державного майна України Адреса: вул.Генерала Алмазова, 18/9, м.Київ, Україна Рахунок:IBAN UA263223130000025206010023277 Банк одержувача: АТ «Державний експортно-імпорتنний банк України» Адреса: вул. Антоновича, 127, м.Київ, Україна SWIFT: EXBSUAUX Код ЄДРПОУ: 00032945 Призначення платежу: гарантійний внесок для участі в аукціоні з продажу пакета акцій АТ «Перший київський машинобудівний завод»</p>	<p>Receiver: The State Property Fund of Ukraine Address: 18/9 General Almazov Street, Kyiv, Ukraine Account:IBAN UA263223130000025206010023277 Bank of receiver: Joint-Stock company "State Export Import Bank of Ukraine" Address: 127 Antonovycha Street, Kyiv, Ukraine SWIFT: EXBSUAUX Code YeDRPOU: 00032945 Purpose of payment: Guarantee fee for participation in the auction for the sale of the shares of JSC "First Kyiv Machine-Building Plant"</p>
<p>Registration fee in the amount of UAH 60,000.00 (at the exchange rate of National Bank of Ukraine on the day of payment of registration fee)</p>	<p>Одержувач: Фонд державного майна України Адреса: вул.Генерала Алмазова, 18/9, м.Київ, Україна Рахунок:IBAN UA263223130000025206010023277 Банк одержувача: АТ «Державний експортно-імпорتنний банк України» Адреса: вул. Антоновича, 127, м.Київ, Україна SWIFT: EXBSUAUX Код ЄДРПОУ: 00032945 Призначення платежу: гарантійний внесок для участі в аукціоні з продажу пакета акцій АТ «Перший київський машинобудівний завод»</p>	<p>Receiver: The State Property Fund of Ukraine Address: 18/9 General Almazov Street, Kyiv, Ukraine Account:IBAN UA263223130000025206010023277 Bank of receiver: Joint-Stock company «State Export Import Bank of Ukraine» Address: 127 Antonovycha Street, Kyiv, Ukraine SWIFT: EXBSUAUX Code YeDRPOU: 00032945 Purpose of payment: Registration fee for participation in the auction for the sale of the shares of JSC "First Kyiv Machine-Building Plant"</p>



8

Payment of registration fee and guarantee fee (or receipt of a bank guarantee)

The Potential Buyer shall be entitled instead of the guarantee fee for the participation in the auction to provide a bank guarantee in the amount of the guarantee fee – UAH 69,450,850. (sixty-nine million four hundred and fifty thousand eight hundred and fifty hryvnias). The bank guarantee shall be provided in accordance with Article 14 of the Law.

The conditions and form of the bank guarantee are approved by the National Bank of Ukraine on the submission from the State Property Fund of Ukraine.

The registration fee is not returned to the Potential Buyer, except as provided by the Law. In case of decision to terminate privatization, the paid registration fee for buyers' registration for participation in the auction and the guarantee fee are returned to all Potential Buyers of such objet.

The SPFU returns, within ten working days from the date of approval of the protocol on the winner of the auction, the guarantee fees of all participants of the auction, except for the winner of the auction.

The winner of the auction are credited these funds how a part of payment for the purchased Privatization Object. Cases, when the guarantee fee is not returned to the potential buyer/ winner of the auction, and the bank guarantee is enforceable (if any):

- in case of refusal of the winner of the auction to sign the auction protocol, if it is confirmed by the relevant act;
- in case of refusal of the winner of the auction to sign the contract of sale, which is confirmed by the relevant act.



9

Submission to the SPFU of auction documentation (application and supporting documents), and written consent

To be admitted to the auction, Potential Buyers submit to the SPFU auction documentation :

application for participation in the auction and supporting documents.

Application for participation in the auction must be signed by a Potential Buyer (his or her representative). A certified copy of the document confirming the authority of the person who signed the application is attached to the application signed by the representative.

Auction documentation is compiled in Ukrainian.

If the documentation includes documents drawn up in a foreign language, such documents must be translated into Ukrainian and certified in accordance with the legislation of the state of its issuance.

Auction documentation is sealed in an opaque package with the inscription "Auction Documentation", which indicates only the name and location of the SPFU and the name of the auction. The package should not contain information that could be used to identify a Potential Buyer.

Auction documentation may be recalled altogether by a Potential Buyer. To recall the auction documentation, a Potential Buyer submits a written application in any form to the SPFU.

In case of recalling of the auction documentation, the amount of the guarantee fee is returned within 10 days from the date of registration of the application by the SPFU, and the Potential Buyer is automatically released from the auction obligations.



9

Submission to the SPFU of auction documentation (application and supporting documents), and written consent

Potential Buyers must submit such supporting documents:

Document confirming the payment of the guarantee fee (from the account of a Potential Buyer opened in a Ukrainian or foreign bank (except for banks of countries included by FATF to the list of countries that do not cooperate in combating against laundering of proceeds in criminal way), in the amount of 5 percent of the starting price. The guarantee fee in the amount of 5 percent of the starting price of the Privatization Object shall be paid to the relevant current account of the privatization bodies;

Document confirming payment of registration fee (10 minimum wages);

Written consent of the Potential Buyer to undertake obligations, if recognized as a winner, to pay the sale price and fulfill the conditions of sale of the Privatization Object.

For Potential Buyers - individuals citizens of Ukraine:

- information on the sources of funds for the acquisition of the Privatization Object;
- passport copy;

For Potential Buyers - foreign citizens:

- document on property status and income issued by the authorized body of the state of citizenship or tax residence.
- passport copy.



9

Submission to the SPFU of auction documentation (application and supporting documents), and written consent

Potential Buyers must submit such supporting documents:

For Potential Buyers - legal entities

- information on the final beneficial owner. If the person does not have a final beneficial owner, information on the absence of the final beneficial owner and the reason for his absence shall be indicated;
- the latest annual or quarterly financial statements certified by the auditor;
- information about the relevant creditor, as well as documentary evidence that such creditor may consider the possibility of providing the appropriate amount of financing in the event that such participant is selected as the winner of the auction (in case of acquiring the Privatization Object at the expense of attracted (credit) funds). A creditor cannot be a person who cannot be a buyer in accordance with part two of Article 8 of the Law;
- extract from the Unified State Register of Legal Entities, Individuals-Entrepreneurs and Public Associations (for legal entities - residents);
- document on registration in the state of its location (extract from the trade, banking or court register, etc.), certified in accordance with the legislation of the state of its issuance, translated into Ukrainian (for legal entities - non-residents).



9

Submission to the SPFU of auction documents (application and supporting documents) and written consent

Potential Buyers must submit the following supporting documents:

The JSC's block of shares can be acquired by a professional stock market participant acting in the interests of his client. In this case, the buyer must also submit information about the client, in the interests of which he acts, to the extent provided by the Law for the buyer, as well as a copy of the contract with the client.

Responsibility for the inaccuracy, incompleteness of the submitted documents, as well as the obligation to prove the absence of signs provided for in part two of Article 8 of the Law rests with the buyer.

Acceptance of auction documentation ends seven working days before the auction date.

Auction documentation is submitted personally by a Potential Buyer or authorized persons (at the address: 18/9, Henerala Almazova Street, Kyiv city, State Property Fund of Ukraine, daily from 9:00 to 16:00, on Fridays from 9:00 to 14:45 and on pre-holiday days: from 9:00 to 15:00, and is registered on the day of its submission by putting on it the number, date and time of registration.

A registration certificate is issued to a Potential Buyer, which indicates the number, date, time of registration, name, surname and patronymic of the person who registered the auction documentation.



10 Opening of envelopes with auction documentation at the SPFU in the presence of a Potential Buyer

The day after the date of completion of the acceptance of auction documentation, the SPFU unseals envelopes with auction documentation in the presence of Potential Buyers and establish the availability of the necessary documents.

till 27 October 2021

11 Decision of the SPFU on admission of Potential Buyers to participate in the auction

Within seven working days from the date of completion of the acceptance of the auction documentation, the SPFU examines the information contained in the auction documentation, including the information about the control relationship, and decides on the admission of Potential Buyers to participate in the auction for the sale of the JSC's block of shares and their recognition as participants in the auction.

Prior to the conduct of the auction, the SPFU provides the auction commission with an order to approve the list of potential buyers who are recognized as participants in the auction.



12 Opening a securities account in a depository institution (bank)

A Potential Buyer must open a securities account in his name on a depository institution (a bank that has the right to conduct depository activities) to transfer the purchased shareholding to his account in case of recognition of a Potential Buyer as the winner of the auction.

To sign a contract of sale with the winner of the auction (in this contract the details of the opened securities account in the depository institution must be indicated), the legislation provides 10 working days from the date of approval of the auction protocol by the SPFU.

In practice, opening a securities account in Ukraine takes an average of 10 days. Thus, the winner can theoretically begin the procedure of opening an account after the approval of the auction protocol.

However, in order to avoid the risk of missing this deadline, it would be safer for Potential Buyers to open a securities account in a depository institution (or contact a depository institution in advance to open it) before the auction date.

13 Meeting of the auction commission, where the auction participants are present

11:00 October 27, 2021

On the date of the auction, the auction commission holds an open meeting. This meeting should be attended by auction participants, as well as representatives of the media. The SPFU provides video recording and can organize webcasting.



14 Registration of auction participants

Registration of auction participants is carried out at the time and date specified in the information on conducting the auction at the address: 18/9, Henerala Almazova St., Kyiv.

The Secretary of the Auction Commission registers in the minutes of the meeting of the auction commission each auction participant indicating the name (name, surname, patronymic) of the auction participant, the name of the authorized person of the auction participant, date, time, registration number, as well as issuing a card with the registration number of the auction participant.

15 Participation in the auction for the sale of a the JSC's block of shares

11:00 October 27, 2021

The sale of privatization objects at the auction is carried out if there are at least two participants in the auction and is considered valid if at least one step was taken at the auction.

Auction step: 20,000,000 UAH (twenty million UAH).

In the process of bidding, auction participants raise the card with their registration number and voice their price.

If, after the last price has been announced three times, no offers at a higher price are received from the auction participants, the number of the auction participant who offered the highest price for the shareholding of the JSC is called.

If an application for participation in an auction for the sale of a Privatization Object is submitted from one buyer, the auction is recognized as not held. Taking into account the Law of Ukraine "On Amendments to Section V "Final and Transitional Provisions" of the Law of Ukraine "On Privatization of State and Communal Property" on the resumption of auctions for the sale of large-scale privatization objects" of March 30, 2021, No. 1365-IX, in this case, the decision to privatize this object by buying directly by such buyer at the proposed price, but not lower than the starting price is not accepted.



16 Signing and approval of the protocol with the winner of the auction

During the auction, the secretary of the auction commission maintains a minutes that includes information about the starting price of the object, proposals of auction participants, information about the auction participants, the result of the bidding (sale price, information about an individual or legal entity that has received the right to purchase a Privatization Object).

The minutes is signed by all members of the auction commission, the winner of the auction, the organizer of the auction on the day of the auction conduct, immediately after its completion and approved by the state privatization authority.

In case of refusal of the auction winner to sign the auction minutes, if confirmed by the relevant act, the winner of the auction, who refused to sign the auction minutes, as well as its ultimate beneficiary, are deprived of the right to participate in further auctions for the sale of this object. In this case, the auction is considered to have failed, the guarantee contribution to the auction winner is not returned and is subject to transfer to the state budget, and the bank guarantee (if provided) is subject to execution.

17 Signing a contract of sale with the winner of the auction

before November 12, 2021

Within ten working days from the date of approval of the minutes on the winner of the auction, the SPFU signs a contract of sale with the auction winner.

The buyer (winner of the auction) on the day and time specified by the SPFU appears in the place specified by the SPFU to sign the contract of sale.

The winner of the auction, who refused to sign the contract of sale, as confirmed by the relevant act, as well as its ultimate beneficiary, are deprived of the right to participate in further auctions for the sale of this Privatization Object. The guarantee fee is not returned to him and is subject to transfer to the state budget, and the bank guarantee (if provided) is subject to execution.



18

Obtaining permission from the AMCU (if it was not received before signing the contract of sale)

The procedure for submitting and considering an application for a merger permit is established by the legislation on the protection of economic competition.

If the winner of the auction does not have a decision of the Antimonopoly Committee or the Administrative Board of the Antimonopoly Committee to obtain permission to purchase a Privatization Object, the contract of sale with the winner of the auction is concluded with the obligation of the auction winner to obtain permission from the Antimonopoly committee for the acquisition of the Privatization Object.

In this case, the contract stipulates the buyer's obligation to provide the state privatization body with such a permit within a period not exceeding 10 days from the date of its receipt.

If the Antimonopoly Committee (Administrative Board of the Antimonopoly Committee) decides to prohibit the concentration of the winner of the auction (buyer), the Antimonopoly Committee within 10 days from the date of such decision informs the SPFU and provides a copy of the decision. In this case, the contract of sale may be terminated at the request of the SPFU with the consent of the parties or by court decision.



19 Payment by the winner of the auction for the JSC's block of shares

Within 30 days from the date of signing a contract of sale, the buyer pays the sale price of the Privatization Object to the corresponding current account of the SPFU.

For non-payment of funds for the Privatization Object in accordance with a contract of sale within 30 days from the date of conclusion of a contract of sale, penalties are accrued, starting from 31 days until the full payment of the price. Non-payment of funds for the Privatization Object in accordance with a contract of sale within 60 days from the date of conclusion of a contract of sale is the basis for the termination of such a contract in accordance with Article 30 of the Law.

20 Transfer of the JSC's block of shares to the winner of the auction

**for 3 working days after the
execution of stages 18 and 19**

Within three working days after the full payment of the sale price of the Privatization Object, but not earlier than the day the buyer received the permission of the Antimonopoly Committee (Administrative Board of the Antimonopoly Committee) (in cases stipulated by the legislation on the protection of economic competition) and providing his certified copy to the state privatization authority, the Privatization Object is transferred to the seller (an order is issued to the depository institution on the implementation of the transfer accounting transaction of shares to the buyer's account).

The transfer of the privatization object (except for the block of shares) is carried out in accordance with the terms of a contract of sale under the transfer and acceptance act, which is signed between the buyer and the state privatization authority within ten days from the date of transfer of ownership of the Privatization Object to the buyer.

The new shareholder will be able to change the composition of the management bodies of the JSC "UMCC" in accordance with the charter of the enterprise and the legislation of Ukraine.



Thank you!

Representative of KPMG
Partner
Oleh Neplyakh

M: +380 (67) 214 64 71
E-mail: oneplyakh@kpmg.ua

Representative of KPMG,
M&A Principal
Illia Segeda

M: +380 (67) 656 87 87
E-mail : isegeda@kpmg.ua

KPMG-Ukraine
Investments and Capital
Markets
T: +380 (44) 490 55 07
F: +380 (44) 490 55 08
W: kpmg.ua 32/2,
Moskovska st., Kyiv, 01010