

LUKA BEOGRAD

ANNOUNCEMENT

REGARDING FALSE CLAIMS OF MRS VERICA BARAĆ EXPRESSED IN THE MEDIA

In order to inform the public, minor shareholders, business partners and banks, Luka Beograd decided to point out the following facts:

The report on the concentration of ownership in Luka Beograd company was completed by the Anti-Corruption Council and was published on the website of this governmental body in March 2008.

Since the Council didn't check collected and analyzed data with Luka Beograd or its shareholders during the completion of the report, we tried to express our objections to the Report before the Council on different occasions. The meetings were initiated by Luka Beograd as well as its 889 minor shareholders. The council never showed interest to hold the proposed meeting.

In April 2008 we filed a lawsuit in order to remove the report from the official website of the Serbian government and its institution- the Anti-Corruption Council because of non-expert and malicious qualifications from the report. Such statements continue to damage us and our business reputation and limit our business activities. The case still hasn't been processed to this day.

In the last two years we initiated several cases against Mrs Verica Barać, the president of the Anti-Corruption Council and Mr Milić Milovanović, the member of the Anti-Corruption Council, as well as against unidentified persons because of the doubt that they had compromised their position, falsified the document and didn't respect privacy of the case about which we haven't informed the public.

In the meantime the president of the Council, as state official and the chairman of the state institution of the Serbian government, took an active role at public forums organized by former minor shareholders of Luka Beograd clearly taking her side. In this way, she gave an impression of state support and legitimacy of their requests despite the fact that there is legal dispute between Luka Beograd and former minor shareholders and that Mrs Verica Barać, as a professional, shouldn't be involved. The Council sent the report to the Prosecution, publicly demanding to start a case on public duty. Upon receiving the report, the Prosecution didn't find any elements to start a case which clearly enraged the Council which has been exerting public pressure upon it because of its dissatisfaction with this decision.

Two years after publishing and sending the report to the Prosecution, the Council decided to file lawsuits against 17 people and shortly after it stepped out in the public promoting the lawsuits and expressing numerous malicious and false claims.

We would especially like to point out the following:

1. The claim of the president of the Anti-Corruption Council that “Worldfin was a phantom company” was false and malicious.
 - Since its foundation Worldfin S.A. Luxemburg has been a company that is legally registered in the state of Luxemburg, a permanent member of the European Union, which is proved by the company’s registration certificate.
 - The control of the company’s activities is regulated by strict EU norms which imply rigorous control of the money source which is conducted in all EU member states.
 - Since its foundation Worldfin company has been completing annual financial reports and has the reports of the revision committee regarding the regularity of their activities confirmed by the authorized institution in Luxemburg.
2. The claim of the president of the Anti-Corruption Council that this company wasn’t qualified to purchase the shares of Luka Beograd because they had 31.000 euros on their account was false and malicious.
 - Worldfin company was registered as a holding company which met all legal conditions to purchase the shares of Luka Beograd on the public takeover bid which it did. Furthermore, the mentioned amount wasn’t Worldfin’s account balance but the basic capital amount. In comparison, the minimal amount of foundation capital in Serbia is 500 euros, which is 62 times less. Confusing the amount of basic capital with the account balance clearly shows the lack of elementary knowledge on the subject which is not correctly explained by the president of the Anti-Corruption Council, Mrs Verica Barać. Foundation capital is not related to financial capacities of the company. Financial capacity first of all depends on the business plan, business credibility of the founder and the banks’ ability to invest in the projects within its business plans.
3. The president of the Council, Mrs Verica Barać, has falsely and maliciously informed the Serbian public that Worldfin company didn’t provide bank warranty for obtaining the means to purchase Luka Beograd’s shares but that it has been done by another company.
 - According to current laws of the Republic of Serbia, the warranty to purchase the shares on takeover bid can be given to the Central register of the Securities Commission only by the third company which has to be the member of the mentioned register. In this case it was the authorized brokerage company M&V Investment which is a permanent member of the Central register.
4. The president of the Council, Mrs Verica Barać, falsely and maliciously claims that it is still an open question with whose money the shares of Luka Beograd were purchased.

- The public has been informed on several occasions, both by Luka Beograd and Worldfin, that Worldfin company had obtained the resources for purchasing the shares as well as the bank warranty from Hypo Alpe Adria bank.
5. The claims of the Anti-Corruption Council that “during the purchase of Luka Beograd’s shares on the public takeover bid” the law was breached and that the former shareholders of Luka Beograd “have been damaged” are untrue, false and malicious.
- In the process of purchasing the shares of Luka Beograd on public takeover bid no legal regulation was broken.
 - The Anti-Corruption council and its president Mrs Verica Barać failed to inform the public of Serbia that the public takeover bid of Luka Beograd’s shares was published in the state media in Serbia and Montenegro. During takeover bid which lasted 21 days all interested legal institutions or individuals could have given another, better or worse offers. Worldfin company offered 800 dinars per share which is almost twice as much as the legal minimum of 497 dinars per share. Until its deadline, no one presented a counter offer. Each shareholder could independently, with the advice of a chosen professional broker, make the decision whether or not to sell the shares at the offered price. 800 shareholders decided not to sell their shares and they continue to be the shareholders of Luka Beograd.
6. The statements of the president of the Anti-Corruption Council Mrs Verica Barać that Belgrade will be left without the port are untrue, false and malicious:
- The claims of the president of the Council Mrs Verica Barać that Luka Beograd company is terminating its activities are false. Luka Beograd continues to conduct them in an equal manner with the difference that the infrastructure and the equipment are in a considerably better state at the moment than when it was a state company. Luka is able to provide all types of required port services, which are all in line with European standards.

All this can be easily checked and proved.