



SHORT COMPANY PROFILE



June, 2019



"ŠAHMATIK" DOO

Stara Pazova
47a Sama Halupke

**SHORT COMPANY
PROFILE**

CONSULTING:

"FIMAKS"

Business services, financial marketing and consulting company

**"FIMAKS" d.o.o.,
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Director: Radiša Rakić, BSc. Econ.

The responsible person of the company

Grozdan Jovanović

BASIC INFORMATION

Company name: Privredno društvo za proizvodnju, trgovinu i usluge
"ŠAHMATIK" doo (Manufacturing, trading and service providing
company "ŠAHMATIK" doo)

Address: Stara Pazova, 47a Sama Halupke St.

Date of entry in the BRA register: 24/09/2001

Identification number: 08737479

Predominant activity: Manufacture of other plastic products

Activity code: 2229

Number of employees: 28

Capital character: 100% private

Bank account: 360-1200000000540-43, 330-0000009001859-88,
205-0070100311095-29, 205-0000000002807-09,
330-0070100123167-09, 360-0000000010320-80

Director: Grozdan Jovanovic

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INVESTMENT OPPORTUNITY

This Short Profile of "ŠAHMATIK" company was prepared by "FIMAKS" on behalf of "ŠAHMATIK" company from Stara Pazova.

The information contained herein may not be used for any purpose other than for considering the possibility of investing in "ŠAHMATIK" d.o.o. company from Stara Pazova (hereinafter: the Company).

"FIMAKS" has prepared this document to provide initial information to potential investors about investment opportunities.

This Short Profile provides only basic information about the Company.

Potential investors who express an interest will be able to review other relevant documentation which provides more detailed information about the Company.

ADVANTAGE OF INVESTMENT

Five good reasons to invest in ŠAHMATIK:

- PRODUCTION PROGRAM
- TECHNOLOGY AND CAPACITIES
- AVAILABLE LABOR BASE
- FAVORABLE LOCATION
- RECOGNIZABLE BRAND

The reasons are also the following:

- a. production capacity higher than currently used
- b. capacity flexibility for expanding production program with certain investments
- c. the company is privately owned, which gives the prospective investor significant advantages concerning the possibility of agreeing on ways and models of investment
- d. the prospective investor has the freedom to choose possibly change the future activity of the company
- e. there are no employee issues that the prospective investor has to take care of

HISTORY OF THE COMPANY

ŠAHMATIK is a privately-owned company founded in 1977. Since its founding, ŠAHMATIK has built a reputation of a successful and efficient company.

The main activity of ŠAHMATIK company is the production and sale of plastic products intended as consumer goods. These are primarily the products necessary in every household: for kitchen, bathroom, gardens, balconies, personal and general hygiene, etc.



Today, ŠAHMATIK employs about 30 workers, and production processes are performed in three shifts. It has about 20 injection, extrusion, and blow molding machines, and with about 350 of its own tools it produces a range of about 250 products. The annual processing capacity of PP granules, PE and other materials is about 2,000 tons. Production halls with warehouse space spread over about 4,800m².

By production capacity, the number of machines and tools, ŠAHMATIK is one of the largest companies of its kind in this part of Europe. The products are marketed domestically and in the surrounding countries.

ŠAHMATIK is recognized on the market under the commercial brand ŽIKA PLASTIKA.

CAPITAL STRUCTURE

Since its establishment, the company has been a privately owned company operating as a limited liability company by legal form. The company was registered in the Companies of the Republic of Serbia Business Registers Agency by decision BD 18951 dated September 24, 2001, under identification number 08737479.

The founder of the company is a natural person - Žika Stokić, from Stara Pazova, Personal ID no. 0208950710596 with 100% share.

The founder of the company has subscribed a total capital of RSD 114,993,761.34 as at September 24, 2001.

ACTIVITY

The Company's predominant (registered) activity is 2229-*Manufacture of other plastic products*. In addition to the predominant activity, the Company may perform all other related activities that are relevant to the Company's operations.

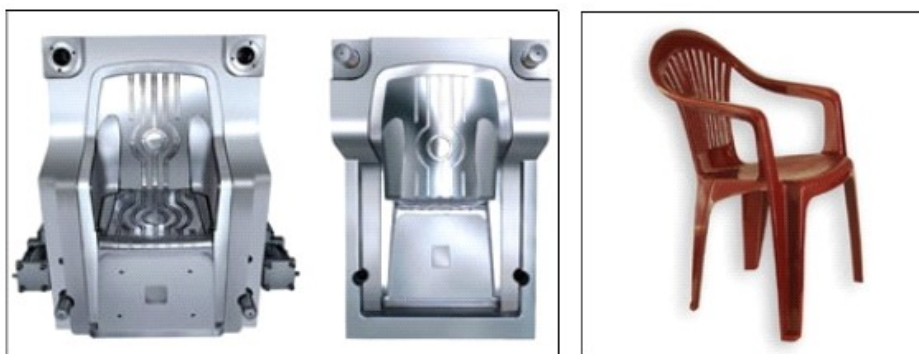
The production program includes about 250 different products.

The products are obtained by polypropylene, polyethylene, polystyrene injection molding systems. The technological process is carried out on over 20 machines, mainly for injection molding, of various product weight specifications, and to a lesser extent by blow molding and extrusion technology (for packing of own products).



Injection molding machines are made by world-renowned manufacturers and enable a good competitive position in the domestic and foreign markets by their quality, injection molding speed (thin-walled products) and specific designs.

Featuring state-of-the-art plastic injection molding equipment, ŠAHMATIK has over 300 types of molds and tools for plastics. It is capable of producing masses of 5 grams to over 6 kilograms. Currently, the largest plastic manufacturing tools are intended for the production of garden furniture, tables, and chairs, troughs and casks



Thanks to its high-quality equipment and high-quality tools for plastic, ŠAHMATIK also produces packaging for food and foodstuffs storing.



The size of ŠAHMATIK product range is reflected in that the company owns specific tools and machines for the production of folding chairs, but also small plastic items (coffee, espresso, teaspoons, ...). Having mastered this technology for creating tools for the production of folding chairs, ŠAHMATIK has become the only company in the area with such capacities and technology.

LOCATION

The complex of buildings in Stara Pazova is located on cadastral plot no. 3079/142 K.O. Stara Pazova at 47A Sama Halupke St. The buildings are plotted in the copy of a cadastral plot map and entered in the real estate folio in the land register no. 9360.

The complex of buildings is located in the western part of Stara Pazova, near the railway station, not far from the II category state road (Stara Pazova-Ruma), at about 2.0 km from the city center and about 6.5 km from the E75 highway.

The location is equipped with complete infrastructure, both primary and secondary (electricity, water, sewage, telephone, hydrant network, video surveillance, internal roads, parking space, outdoor lighting). According to the planning documents, the location is in zone II.

Dominant facilities at the micro-location are engaged in economic activities - manufacture and services and housing in individual housing facilities.

The production complex that is the subject of this appraisal includes several facilities of different purpose. The complex was built for the production of plastic products.

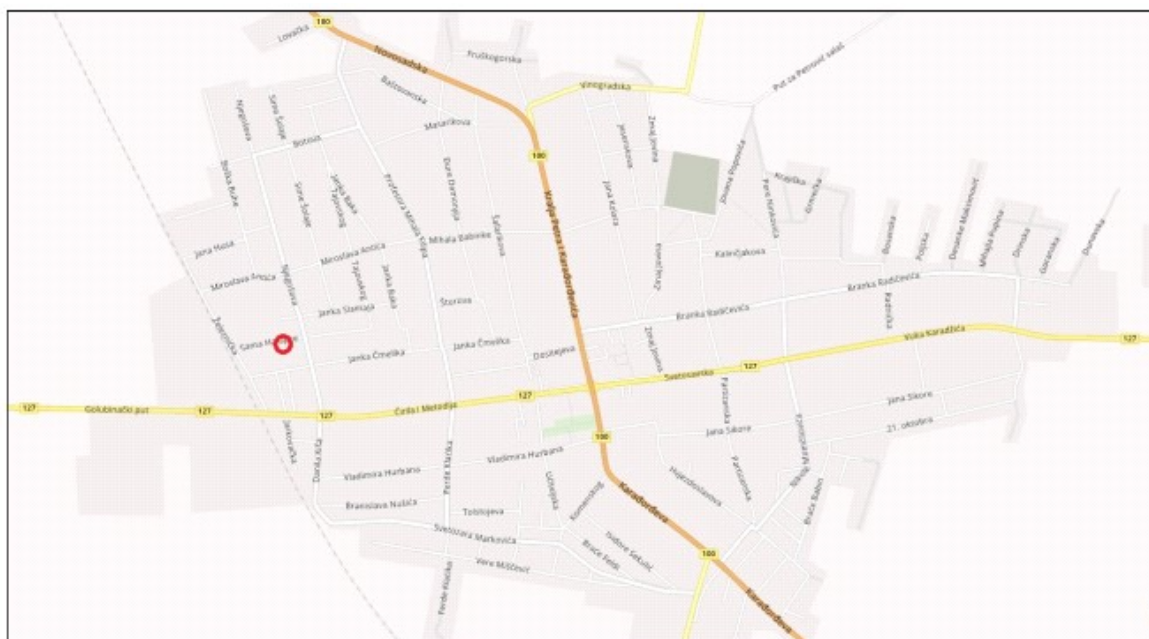
From the point of view of the best and most cost-effective use, our opinion is that the present use of the location and facilities in the complex is both the best and the most cost-effective. In our opinion, it is not realistic to expect that the purpose of the site or production complex will change in the near future.

From the SWOT point of view, the following can be emphasized:

- Strengths - The facilities in the complex are functional and in good condition; the traffic connection of the complex is good; there is enough skilled labor.
- Weaknesses - Production-grade property is, as a rule, less marketable and is not built for resale or leasing, but because of the role in production processes where economic benefits are expected from the sale of the final product.
- Opportunities - Continuous use for present or similar activities in the future.
- Threats - A relatively large number of large structure and significant dimension manufacturing halls countrywide offered for sale or sold through bankruptcy procedures due to a decline in industrial production in the transition period, which has affected the value of similar property.

The following figures show the macro- and micro-location of ŠAHMATIK company property.

ŠAHMATIK d.o.o. Stara Šazova – Short profile



Source: Plan plus



Source: Google



Source: RGZ

The following figure shows an aerial view of the complex of facilities covered by the appraisal.



OVERVIEW OF BUILDINGS

The complex of facilities consists of:

Building purpose and usable area	Building name according to real estate cadastre	Real estate folio in the land register no. 9360, c.p. no. 3079/142	
		building number	gross floor area (m ²)
Commercial and residential space (commercial 1.988,64m ² , residential 313,56m ²) = 2,302.20m ²	Office-warehouse space	1	1.969
Production hall with workshop 1,240.20m ²	Production facility with shelter	3	1.578
Office space-directorate 507.46m ²			
Office space-warehouse 705.95m ²	Warehouse space	4	780
Garage 40.23m ²			
Guardhouse 7m ²	Guardhouse	5	10
630kVA substation	630kVA substation	6	12

The facilities are privately owned by "ŠAHMATIK" d.o.o. In the real estate folio in the land register, the facilities are listed as buildings no. **1, 3, 4, 5 and 6** on c.p. no.3079/142. The total gross floor area under the buildings is 4.349,00 m². The total net area of all buildings in the complex is 4.812 m².

Object purpose and usable area	Building number	Gross floor area (m ²)	Net floor area (m ²)
Commercial and residential space (commercial 1.988,64m ² , residential 313,56m ²) = 2,302.20m ²	1	1.969	2,302.20
Production hall with workshop 1,240.20m ²	3	1.578	1,240.20
Office space-directorate 507.46m ²			507.46
Office space-warehouse 705.95m ²	4	780	705.95
Garage 40.23m ²			40.23
Guard house 7m ²	5	10	7.00
630kVA substation	6	12	9.00
In total:		4.349	4,812.04

BUILDING PHOTOS



Figures 1 and 2: Office space - Directorate - Street and yard views



Figures 3 and 4: Production hall with workshop - yard view and interior



Figures 5 and 6: Production hall with workshop - yard view and interior



Figures 7 and 8: Commercial and residential space - street and yard views



Figures 9 and 10: Warehouse with garage - street view and view of back facade



Figures 11 and 12: Guardhouse and substation - yard and street view

The entire complex has a complete infrastructure. The facilities are equipped with electrical three-phase electricity, plumbing and sewerage, central heating, telephone installation, lightning and fire protection, gas installations, compressed air installations, in accordance with the purpose of each facility.

OVERVIEW OF THE MOST IMPORTANT TECHNOLOGICAL EQUIPMENT

Plastic injection molding is a manufacturing process in which plastic is injected into aluminum or steel molds and compressed under high pressure to get a product of the desired shape. The injection material is heated to a fluid state and injected into the mold until it hardens. Injection molding is used to produce a wide variety of objects of different purpose, size, material type, etc.

Injection molding **machines** are evaluated by the tonnage or the mold closing force. The range of the closing force on injection machines can range from about 50 kN to about 60,000 kN.

From a buyer's point of view, buying a used injection molding machine is a cost-effective option primarily because of its lower price and short delivery time. A rational buyer will make sure that the purchased machine is fully inspected and tested before delivery to reduce the risk of production interruption due to possible failures.

From the basic machine data, it can be seen that 13 of the 22 machines in this group were manufactured in 2008. These machines were purchased as new from Chinese manufacturer HAITIAN, which is still present in the domestic market. These machines are classic proportional hydraulic machines. They are still being manufactured, but now with servo drives. Other machines in this group were manufactured from 1970 to 2002.

A necessary prerequisite for the production of plastic products on injection molding machines is **tools**. Buying used tools is a good and economical option. They are cheaper than buying new ones. Also, buying used tools gives you faster availability than ordering new molds.

ŠAHMATIK has the tools to produce the following products:

- Household utensils (packaging intended for storing food) - bowls of different shapes and sizes, trays, cake containers, plates, bread boxes and baskets, etc.
- The cooking program includes various purpose products, from espresso spoons, molds, fruit bowls to dish racks.
- Flower program - round and square pots, boxes, etc.
- Garden furniture - square and round tables, large and children's chairs, stools.
- Plastic furniture - large and small racks, square and angular shelves.
- Winter program - barrels, pressers.
- Bath products - laundry baskets, washbowls, troughs, rugs, etc.
- Various products - clips, hangers of different sizes and standards, flyswatters, chicken feeders, several types of funnels and CD boxes, chess sets, buckets, plugs, threaded plugs, bottle holder, fruit baskets, reusable shopping bags, buckets with lid, several types of combs, hair curlers with and without sponge, hairbrushes, etc.

We particularly emphasize tools for large chairs, 80x80 and 60x60 square tables, Ø80 and Ø60 round tables, folding chairs, children's chairs, Ø60 children's round tables, then tools for 170 and 110 liter lid barrels, 20, 30 and 50 liter lid buckets, large troughs, baby troughs, 25 and 50 liter oval troughs, large laundry baskets, round laundry baskets, fruit baskets, racks, shelves, etc.

Some of these tools are unique in the domestic market

OVERVIEW OF MACHINES

No.	Code	Machine
1	02301054	HAITIAN SA 2500/1000
2	02301055	HAITIAN SA 900/300
3	02301056	HAITIAN SA 1600/770
4	02301059	HAITIAN SA 3200/2250
5	02301060	HAITIAN SA 3200/2250
6	02301061	HAITIAN SA 3800/2950
7	02301062	HAITIAN SA 3800/2950
8	02301063	HAITIAN SA 8000/8400
9	02301068	HAITIAN SA 900/410
10	02301069	HAITIAN SA 1200/600
11	02301070	HAITIAN SA 1200/600
12	02301072	HAITIAN SA 1600/770
13	02301073	HAITIAN SA 1600/770
14	02301011	Plastic injection molding machine “ANKER” A 26-120 35 KW
15	02301013	Plastic injection molding machine “TERMOPLAST” 1000t
16	02301017	Plastic injection molding machine “MONOMAT 80
17	02301020	Blow-molded plastics machine “CIBULSKI”
18	02301031	Plastic injection molding machine “MONOMAT” 165,150 gr, 28 kW
19	02301040	EXTRUDER for production of plastic foil type EV 035, 20kW
20	02301042	Plastic injection molding machine “MONOMAT” 80
21	02301043	Plastic injection molding machine “MONOMAT” 80
22	02301050	Foil EXTRUDER

PHOTOS

Injection molding machines



Figures 13 and 14: HAITIAN SA 8000/8400 and SA 3800/2950



Figures 15 and 16: HAITIAN SA 3800/2950 and SA 1600/770



Figures 17 and 18: HAITIAN SA 1600/770 and SA 1200/600



Figures 19 and 20: HAITIAN SA 1200/600 and SA 900/300



Figures 21 and 22: HAITIAN SA 900/410 and SA 2000/1000



Figures 23 and 24: HAITIAN SA 2500/1000 and SA 3200/225



Figures 25 and 26: HAITIAN SA 3200/2250 and SA 3200/2250 and TERMOPLAST 10000kN



Figure 27 and 28: ANKER A26-120 and KRAUSS MAFFEI MONOMAT 80



Figures 29 and 30: KRAUSS MAFFEI MONOMAT 165 and MONOMAT 80

TRANSACTION PROPOSED

Company "ŠAHMATIK" and its owner Žika Stokić use this Profile to inform potential companies and/or individuals about entering into partnership on the following bases:

- Joining company through recapitalization in money, things, and rights

or

- Joining the company through recapitalization combined with the purchase of part of the share of the present owner

Partner ownership share is unlimited and can range from a minority to a majority share, including a qualified two-thirds majority.

Any other option initiated by the interested partner will also be subject to consideration.

CONTACT

For any questions, additional information and scheduling a meeting, a FIMAKS consultant or ŠAHMATIK company directly are available with the following contact information:

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