The Board of Directors of the Privatization Agency of Kosovo (PAK),

Pursuant to Articles 1, 2, 5, 6, 8, 9, 15.2.1 and 15.2.12 of the PAK Law,

Approves:

PUBLIC TENDER SALE PROCEDURES

July 29, 2026

CONTENTS: PUBLIC TENDER SALE PROCEDURES

LIST OF ABBREVIATIONS

PAK or Agency	Privatization Agency of Kosovo
BoD	Board of Directors
SCSC	Special Chamber of the Supreme Court of the Republic of Kosovo
ED	Executive Director
SOE	Socially Owned Enterprise
IM	Information Memorandum
DRCO	Department of Regional Coordination and OperatiVE
DARD	Asset Realization and Distribution Department

Article 1
Purpose

1. This act aims to regulate the internal procedure regarding the steps, functions and competencies of organizational units within the Privatization Agency of Kosovo (hereinafter “PAK” or “Agency”) regarding the process of selling the property of socially owned enterprises according to the legal authorizations that the Agency has, from the beginning of the sale process until its completion and includes both assets in the liquidation procedure, as well as those that have not yet been subjected to this procedure.

Article 2
Initial procedure and selection of new Assets /Enterprises for sale

1. The Regional Office in coordination with the Liquidation Authority proposes assets for sale according to the following priorities :
   1.1 Assets that do not have legal-ownership obstacles/problems.
   1.2 Assets of enterprises that have a small number of assets in order to complete the liquidation process of Socially Owned Enterprises.
   1.3 Assets for which there has been a written request from potential investors.
   1.4 Other assets not mentioned above.

2. New assets/enterprises proposed for sale must always be supported by company documents proving ownership:
   2.1. certificate of ownership;
   2.2. court decisions;
   2.3. decision of the administrative body;
   2.4. SOE sale and purchase agreement.

3. In case of lack of documents in Article 2 above, then the assets/new enterprises proposed for sale must be based on documents proving possession of the asset. respectively from the Company:
   3.1. property tax bill and/or other utility bills;
   3.2. list of SOE assets;
   3.3. statement of the SOE's management ;
   3.4. any other document issued by the enterprise or any other relevant body that proves the possession of the SOE over the asset for sale and according to a reasonable assessment of the Agency by which possession is ascertained;
   3.5. The area from field measurements has priority over the documents in Article 2.3 and serves as a basis for proposing new assets/enterprises for sale, only in those cases if none of the documents described in Article 2, paragraph 2 are available.
   3.6. The surface area of the assets described in the asset list prepared by the SOE management , the management statement and other documents such as utility bills and public enterprise invoices may only be additional information in the sales documents, but may not be the basis for drafting the sales contract.

4. Surfaces according to the documents described in Article 2, paragraph 2 have priority over field measurements .

5. Sale of Assets (Plots) with Textual, Graphical and Factual Discrepancies
   5.1. Enterprise assets in the process of liquidation, of what are identified about sale , but for what there are discrepancies between the data described in certificate of ownership (textual), to DA

graphic data (cadastral plan , orthophoto) and factual situation in the ground, will be sold according to certificate of ownership (textual), for as long as there are no legal tha prevent clearly the sale .

5.2. The discrepancies identified under point 5.1 of this article will be noted clearly and in detail in the Information Memorandum, in order for the bidders to be informed of the actual condition of the asset .

5.3. The Agency is not responsible for the harmonization of inaccurate surfaces, for graphic or textual improvements of property documents, nor for the relevant administrative or judicial procedures that require intervention in cadastral records.

5.4. In such cases, the size of the plot/plot for calculating the sales price will be based on the official data of the ownership certificate.

5.5. Assets with cadastral discrepancies are not excluded from sale due to these discrepancies, as long as there is no legal prohibition or a valid court decision prohibiting the sale.

6. Assets for which there is a Decision on Interim Measure from the Special Chamber of the Supreme Court of the Republic of Kosovo are excluded from the sale.

Article 3
New assets/enterprises planned for sales wave

1. Regional Offices, through the DRCO and in consultation with the Liquidation Authority, taking into account the criteria set out in Article 2, propose new assets/enterprises envisaged for the sales waves for approval by the Board.

2. Cadastral officer, together with the case officer, conducts the field visit and prepares the field visit report on the actual condition of the asset, along with measurements and visual images .

3. The Information Memorandum (IM) which includes legal and other risks, is prepared by the Regional Office Divisions as a single document for each new asset/enterprise. For all assets/enterprises proposed for sale, the respective Regional Office must prepare and place in the designated electronic folder (PAK servers) the electronic file containing the visit report made by the cadastral officer and the case officer, together with field measurements and visual photographs (for each new asset/enterprise, ownership documents and other relevant documents).

4. In each Information Memorandum (IM), the location of the asset must also be determined with geolocation " google maps ” except in cases where there are movable assets for sale.

5. Cadastre Division reviews new assets/enterprises planned for sale from a cadastral perspective for further processing.

6. The list of re -tendered assets (for re-tendering) is generated from the database (current system) and provided by DARD.

7. Assets for which there were no successful bidders will be re-tendered four (4) consecutive times in organized sales rounds.

8. In cases where the tendering of assets in liquidation results in no bids being submitted or with bids being submitted below the minimum price, in (5) five consecutive attempts, including the application of the fifth method according to the regulations on alternative methods of sale, the relevant list of these

assets with all relevant information, will be forwarded to the Liquidation Authority for their disposal, in accordance with the legal restrictions in force.

9. The initial list proposals, respectively the proposed asset categorization and geolocations, are prepared by the Regional Offices through the Regional Coordination and Operative Department five (5) working days before the deadline for finalizing the Board documents and are sent to the Management and DARD.

10. DARD will calculate the prices for each category for each asset separately according to the list of assets received from DRCO, which document it submits to the Management and DRCO.

11. Minimum Guide Price Calculation Methodology ", which document is attached as an appendix to these procedures.

12. The committee, consisting of the Management, the Director of DARD and the Director of DRCO, in the document submitted by DARD, recommends the asset category according to the potential for use and the guide price for each proposed asset.

13. In cases where the asset is located in two valuation areas, the guide price is applied in proportion to where the property is located.

14. DARD includes the recommendations of the Committee under point 3.12, in the list of assets for approval by the Board of Directors.

15. Upon the proposal of the Management, the list of assets/new enterprises with the proposed value of deposits, the category according to the potential of the asset's use and the guide price and the document in point 3.10 shall be sent to the Board of Directors for review and approval, while the documents mentioned in point 3.3 (IM and Electronic File) shall be available to the Board in electronic form in the in the designated electronic folder on the PAK servers.

16. Guide prices are not set for movable assets.

Article 4
Method of determining Deposits for tendered assets

1. The value of bid deposits for each tendered asset is an instrument that protects and attempts to guarantee the seriousness of the asset sale process.

2. The value of deposits is determined at an optimal level, taking care and making efforts to ensure that these deposits are at the most optimal value to ensure and guarantee the seriousness of potential investors, but not to the extent that they potentially affect the number of bid received.

3. The value of deposits will be determined according to guide prices and in two categories:
   - For assets with an indicative price of up to €100,000, the deposit will be 10% of the value.
   - For assets with an indicative price above €100,000, the deposit will be 5% of the value.
   - The deposit value will be rounded to the nearest value, e.g. if the deposit value according to the guide price is €10,100, it will be rounded to €10,000.
   - For movable assets, the deposit value is determined by the DRCO.
   - Regardless of the value of the asset , the minimum deposit value will be €1,000 and the maximum value €100,000.

Article 5
Procedures after approval by the Board of Directors

1. After reviewing the list of assets proposed for tender and their approval by the Board, DARD includes the Board's decisions in the final IM (according to point 3.3) and makes technical preparations for publication.

2. Once all documents have been finalized, the Electronic File (data room) according to the Rules of Tender, is placed by the Regional Offices in the relevant location (PAK servers) where the deadline for placement is one day before the publication of the sale. All documents must be in pdf format .

3. DARD prepares a Short Description for each new asset/enterprise using a brief description from the list approved for sale, including the asset's potential use category and the minimum indicative price.

4. The Information Memorandum for all new assets/entities for the respective wave/asset sale will be published on the PAK website and at the same time the wave will be announced according to the document "Marketing Methods" approved by the Board, and the submission date and bid opening date will be set.

Article 6
Post-publication procedures

1. After the end of the publication deadline, the Ceremony of Receipt and Opening of Bids or the Sales Day is held, according to the plan determined for the organization of the sale in these rules of procedure.

2. The ceremony and organization of the sale will be supervised by DARD.

3. After the conclusion the receipt ceremony and bid opening DARD prepares the information report from the day of the sale and the results of the sale for the Board of Directors.

4. The sales resolutions are prepared by DARD. Only if there is uncertainty in the recommendations is a meeting of the committee composed of: Management, the Director of DRCO and the Director of DARD.

5. Upon receipt of the Board's decisions by the Board's Executive Secretariat (for each new asset/enterprise separately), the notification process by DARD. begins, according to the Rules of Tender.

6. The letters for the “Second Highest Bidder” and “Third Highest Bidder” are sent by DARD. The definitions for the second highest bidder and the third highest bidder are set out in the Generic Rules of Tender.

Article 7
Purchase and sales contract

1. After completion of payments and other procedures in accordance with the Rules of Tender Rules, the drafting of the Sale Purchase Contract for each asset/new enterprise begins.

2. The Sales Contracts Division within the Legal Department will draft and review the Sale Purchase Contract and then invite the provisional buyer to sign the final version of the contract by the buyer within the deadline stipulated in the Rules of Tender.

3. After the finalization of the sale purchase contract, the contract as such is delivered to the buyer by the relevant Regional Office where handover of the asset is conducted, or by the Contracts Division, if requested by the buyer.

Article 8
Final provisions

1. For any matter not covered by the provisions of these Procedures regarding the sale process, other provisions of the PAK Law and the Agency's sub-legal acts shall apply accordingly .

Article 9
Entry into force

1. With the entry into force of this procedure, the "Sales Procedures" dated January 30, 2025 are repealed.

2. This procedure enters into force on the date of approval by the Board of Directors.

Pristina, July 29, 2026.

Hekuran Nikçi

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Chairman of the Board of Directors
Privatization Agency of Kosovo

ANNEX OF SALES PROCEDURE

METHODOLOGY FOR DETERMINING THE GUIDE PRICE

Article 1
Purpose

In order to implement Articles 11 and 15 of the Generic Rules of Tender, a methodology for determining the guide price of assets intended for sale is being compiled.

This methodology will serve as a basis for the relevant officials, PAK Management and Board of Directors for comparing the highest price offered during the tender process with the guide prices.

Through these sources of values for relevant properties, the categorization of asset values will also be carried out, which will serve to determine the bid deposits for the relevant asset categories.

Article 2
Methods of calculating the guide price

1. In order to find the most optimal and comparable orientation value for the assets of the tendered Socially Owned Enterprises, the Agency will obtain information from two sources:

1.1 The method of calculating the price according to Value Zones and Value Levels, determined by the Ministry of Finance, Property Tax Department, which has priority in implementation and

1.2 The method of calculating the average price of sales made by the PAK within the last three (3) years, which is applicable only in cases where the "Method of calculating the price according to Value Zones and Value Levels, determined by the Ministry of Finance, Property Tax Department results in extremely low prices, or where there is no assessment by the Ministry of Finance at all.

2. Notwithstanding paragraph 1 of this Article, for specific assets, based on the proposal of the Management and the approval of the Board, it may be decided to conduct an independent external assessment (company) as an additional source of data for determining the guide price.

Article 3
The method of calculating the price according to the Value Zones and Value Levels, as determined by the Ministry of Finance, Property Tax Department

The Property Tax Department, operating within the Ministry of Finance, conducts a general assessment once every three (3) years for agricultural, industrial, commercial, forestry and residential properties, based on the order set out in paragraph 2 of Article 10 of Administrative Instruction no. 08/2019 of the Ministry of Finance on the Assessment Methodology for Property Tax Purposes.
The general assessment of real estate is carried out in the following order:

- Agricultural property;
- Industrial property;
- Commercial property;
- Forestry property and
- Residential property;

Each of these categories has subdivisions for plot and premise as well as property type and this can be found at the electronic address: https://tatimineprone-rks.org/emaps/valuezone/sq

Notwithstanding paragraphs 1 and 2 of Article 10 of AI no. 08/2019 of the Ministry of Finance, the Property Tax Department may conduct a general assessment once every five (5) years for industrial properties, if the market in question has not been affected by any significant change.

All assessment information prepared by the Property Tax Department, Ministry of Finance, in the order mentioned above, is published on the website of the Ministry of Finance and is accessible at any time for use as official information distributed throughout the Value Zones.

These Value Zones are geographic areas where comparable real estate properties have approximately the same market value.

The Property Tax Department defines and approves value zones to address the impact of location on the assessment model.

Each real estate property is located in a specific value zone. To see how sales prices differ due to location, prices per square meter are marked on a map. Based on this, the boundaries of the value zones and value levels are determined. This is done separately for each value category.

The prices per square meter for all sold properties are marked on a map. This makes it possible to see how location affects prices. Based on this, value zones with different value levels are determined.

After an overall assessment, a General Assessment Report is published for each municipality. This is an official report which shows the value zones and the value levels for each value category. According to this published report, the relevant Departments and Officials of the Agency will decide for each asset, the values of the estimated price in the same categorizations.

Article 4
Method of calculating the average price of sales accomplished by the PAK within the last three (3) years

The source of data for calculating the average sales prices accomplished by the PAK will be the PAK asset management system. This data will be generated from this system:

- Sales made only from the PAK period within the last three (3) years that it has had or accomplished;
- Categories of assets sold;
- Characteristics of the new assets/enterprises sold such as: Relevant Cadastral Zone or Nearby Cadastral Zone, sales of the same village/city category, surface area and sale value, etc.

The average sales price is determined according to the following formula:

Average price =	Total sales in the relevant Cadastral Zone or Nearby Cadastral Zone, (by asset category) and alternatively the average sales price in the last three years of the same village/town category
	The total area of the asset in the relevant Cadastral Zone or the Nearby Cadastral Zone according to the asset category and, alternatively, the average sales price in the last three years of the same category in the village/city

The average price according to the above formula is generated by the asset management system of accomplished sales (signed contracts). This means that the average price is updated in accordance with the accomplishment of signed contracts.
When there is a sale in more than one nearby cadastral zone, the average price is taken from all nearby cadastral zones.

The price of the highest bid offered is compared to the average price of accomplished sales.

In cases where there is a lack of sales of the same category in the relevant Cadastral Zone or the Nearby Cadastral Zone in which the asset for which the bid was made was tendered, then the comparison of sales in the last three years in the village/city in the same municipality with the asset that is for sale comes into play. If even after this there is no sale, then the comparison is taken in one of the municipalities that are located in the same region and have approximately the same number of inhabitants according to the village/city comparison. In case there is a lack of sales of the same category at the regional level, then the average price is taken as a basis at the Kosovo level, according to the village/city comparison.

Article 5
Group of asset categories for calculating the average price

The grouping of categories is done according to the following table:

GROUPING 1	GROUPING 2	GROUPING 3	GROUPING 4

Categories you compare within the same category	Specific categories	Categories that cannot be sold by public tender	Categories that can be compared together
Apartment	Movable assets	River and roads	Drugstore
Basement	Factory	Forestry-forestry economy	Premise
Warehouse	Farm	Public road	
Warehouse and land	Hotel	Old cemetery	
Fuel depot	Mine		
Garage	Rehabilitation center		
Lodge camp	House		
Kiosks	Gas station		
Premises and land			
Administrative building			
Administrative building and land			
Resort			
Land			
Agricultural land			
Commercial land			
Construction land			
Industrial land			
Market			
Office			
Office and land Forestry-forest land			

Grouping 1: the assets presented are compared with the same categories, e.g. Apartment with Apartment, agricultural land with agricultural land, etc.
Grouping 2: the assets presented are specific and not comparable, therefore the average price cannot be determined.
Grouping 3: the assets presented are specific and cannot be sold in public tenders.
Grouping 4: the assets presented are comparable and as such can be grouped in the same category.

Article 6
Determining the guide price of tendered properties

In order to optimally reflect the rational connection of the Price of the Bids received during the bidding process with the Guide Price, the guide price according to Article 2.1.1 of this methodology will result from the application of the methods for determining the guide value specified below:

1. In the first tender, the guide price will serve as the minimum price for approval of the sale of the asset.
2. In the second tender, the guide price minus 10% of its value will serve as the minimum price for approval of the sale of the asset.
3. In the third tender, the guide price minus 20% of its value will serve as the minimum price for approval of the sale of the asset.
4. In the fourth tender the guide price minus 40% of its value e will serve as the minimum price for approval of the sale of the asset.
5. In cases where the average price method is applied as a guide price, Article 2.1.2 of this methodology, criteria two and three listed in this Article do not apply.

The number of tenders will be calculated for the last three (3) years.

Prishtina, on July 30, 2026

Hekuran Nikçi

Chairman of the Board
Privatization Agency of Kosovo