

# *Small Enterprise Assistance Funds*

## Quarterly Report to USAID (April to June 2001)

for Grant # PER-G-00-00-00017-0

# SEAF/TBF

*Investing Growth Capital in Transbalkan Enterprises*

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## TBF Summary

During the 2nd Quarter of 2001, two new investments totaling \$1.25 million were made in the Balkan Region on behalf of the Trans-Balkan Fund (both in Croatia). The Trans-Balkan Croatia Fund (TBCF) had proposals approved for a follow-on investment in its current portfolio cable company, Elektromodul KATV, and a joint investment with the SEAF Growth Fund in a pharmaceuticals distributor, MediFarm.

The Trans-Balkan Bulgaria Fund (TBBF) finalized the financial and legal aspects of its three investments approved in the late 2000 and early 2001. Funds have been disbursed to each of the companies. In aggregate, the three investments are exceeding original projections, mainly due to the strong performance of Teletek Electronics. In July SEAF-Bulgaria also presented a \$1 million investment proposal in a food distribution company, Mix Express, to its Investment Review Committee.

In Romania, the newly established Trans-Balkan Romania Fund (TBRF) has made significant progress with lead generation. The staff recently moved to a new location and has increased in size with the hiring of new investment staff. The TBRF is currently working on several new proposals that will be submitted for approval in the 3rd Quarter.

In addition to the current TBF Balkan operations, SEAF has also been making progress toward potential investments in Albania, Bosnia, and Serbia. SEAF Balkan staff have visited each of these countries and met with local officials, banks, and companies to review the current investment climate.

## **Bulgaria Fund**

### ***Description of Current Investments***

#### ***Marker (Notebook Production, Sofia)***

In May, the Investment Agreement with Marker was signed. The first equity disbursement of \$170,000 was used according to the plan for new equipment and working capital. Marker is currently working on finalizing the acquisition of land for the new production facility, which should be finished by December.

The sales in Quarter 2 were up 130% compared to Quarter 2 2000 and sales were up 40% overall for the first half of 2001. This is mainly due to increased export sales, as Marker exported a second shipment of office products to Ukraine and a first shipment of school products to Hungary. In addition, Marker added a new distributor (Mercurius) for the Bulgarian market in June. The Company is still 37% below the business plan projections, however, which is mainly due to difficulties with production planning, especially for the export markets that have more specific requirements.

#### ***Teletek Electronics (Electronics Manufacturing, Sofia)***

TBBF has recently disbursed \$300,000 of its \$500,000 investment in Teletek Electronics. The remaining part will be disbursed in August and September. During Quarter 2, BSTDB, USAID and SEAF's President from Washington, DC visited the company and had positive impressions.

Teletek Electronics has been growing successfully since the beginning of the year. Sales for the first half of the year are \$840,000. This is an increase of 160% over the same period last year and is 50% better than SEAF projections. The Company has been able to increase significantly its export sales, which currently account for 45% of total sales.

In May, the Company finalized its negotiations with Philips for purchasing an SMD assembly line and achieved a very good price (the main use of the SEAF investment). The equipment was ordered and is expected to arrive in mid August. The Company has refurbished the necessary premises. The line will be fully operational by the end of September, when the Company plans to organize a grand opening.

The R&D department of the Company has been developing new products for the security industry, its main area of expertise. At the same time the Company developed a GPS monitoring device for an export customer, which has many applications within the transport industry. In addition, Teletek Electronics is working successfully with the leading Bulgarian distributor of cash registers and has introduced two very successful models on the market this year.

#### ***US Meds (Rapid Diagnostic Testing, Sofia)***

As of June 2001, the SEAF Trans-Balkan Bulgaria Fund has disbursed all of its \$150,000 equity investment and \$150,000 (of a \$250,000 credit line) in US Meds. The Company, which mainly produces and distributing pregnancy tests and other rapid diagnostic tests, has finalized all of its

legal documents with SEAF as well. During Quarter 2, representatives of BSTDB, USAID and SEAF's President from Washington, DC visited the Company.

One of the main components of the SEAF investment was a new focus on export markets, with Turkey being top priority. Given the economic crisis in Turkey, however, US Meds spent the majority of its efforts in Quarter 2 targeting other countries in the region, such as Romania, Ukraine, and Russia. The shift in export strategy has now begun to develop, as the first sales were recorded in Ukraine and Romania in Quarter 2. In addition, US Meds has reached preliminary terms with BalkanPharma to sell large quantities of its products into Russia and other CIS countries.

Overall, the results in Quarter 2 were below expectations as the Company struggled to find new markets for its products (US Meds currently has approximately 70% of a mature Bulgarian market). However, early indicators for Quarter 3, such as new contracts, initial orders, and improved domestic distribution channels, are showing signs of overall Company performance improvements.

### *Description of Most Interesting Leads to Date*

#### *Mix Express*

The SEAF Trans-Balkan Bulgaria Fund's Investment Review Committee recently approved a \$1,000,000 investment in Mix Express. The investment will be structured as \$600,000 in equity in exchange for 26.7% ownership. SEAF also agreed to a long-term credit line of up to \$400,000 at 15% interest rate. In addition to the TBBF's investment, the SEAF Growth Fund plans to invest \$1,000,000 in equity in exchange for 44.4% ownership, giving SEAF a combined majority stake in the Company. The investment terms are geared towards a successful Company sale to a strategic investor in 4 to 6 years time.

Mix Express is one of the leading Bulgarian distributors of fast moving consumer goods (FMCG), as well as a provider of additional logistical services. In addition, the Company owns and operates four western style convenience stores under the "Familia" name. The expected investment of \$600,000 would be primarily for working capital, equipment investment, and computerization.

#### *Gasco*

In Quarter 3, the SEAF Trans-Balkan Bulgaria Fund plans to present a proposal for investment in Gasco (Eastern Gas Company), which provides the transportation, storage, and retail distribution of liquefied petroleum gas (LPG). The terms of the investment are yet to be finalized, as Gasco is in the process of signing a significant contract to supply Petrol gas stations. The expected investment is approximately \$500,000 to \$750,000.

#### *Eco Energy*

Eco Energy is a company established in 2000 for the privatization of Hydro Power Plant (HPP) Leshnitsa (2.6 MW). The company successfully acquired HPP Leshnitsa from the Privatization Agency in July 2000 for \$45 000. Eco Energy is not only operating one plant, however, as the

Company maintains 16 HPPs from hydro-group Rila (owned by National Electric Company) and has built 1 new private HPP.

Eco Energy has a project for construction of three new HPPs, with each one below 5 MW (a HPP with power above 5 MW has to be licensed by State Energy Regulation Commission). SEAF brought in a technical assistant from Germany for two weeks to review the Company and the proposed projects. The official report is expected in Quarter 3. In addition, the Company already ordered some of the equipment and started the construction works.

### *Babylon*

Babylon is one of the top ten leading distributors of pharmaceuticals products, with the majority being imported from the west. The Company would like to install computerized systems in their leading customers to facilitate easier inventory control and reordering. The EBRD has recently invested \$1,000,000 in equity to improve overall operation through the purchase of new assets (warehouses, cars, etc.) The recently submitted Business Plan to SEAF estimates an additional \$300 000 to \$500 000 will be needed to complete the computerized system.

### *Medico*

Medico operates a health insurance fund and possesses two medical centers, one in Bourgas and one in Sofia. The health insurance is based on subscription for one year medical servicing of companies' staff, families and/or individuals. The subscription has three levels, Preventive Examinations, Pre-hospital Treatment, and Comprehensive Service. Through its medical centers, Medico offers direct health services, such as treatment of subscribers, service for private persons seeking medical aid or individual contracts, and servicing on the contracted patients of the National Health Institute.

The applicants want to increase their scope of service by building new medical faculties and increasing their subscription customer base. The cost of the project is estimated at \$500,000.

### *Portfolio Development Data*

See Table Below

Small Enterprise Assistance Funds Quarterly Report for SEAF/TBF (April - June 2001)

Company	Bank Activity	Technical Assistance Provided	SEAF Ideas Implemented	Other Activities
Marker	\$150,000 to United Bulgarian Bank.	Consultants applications from SES (Germany), BESO (UK) and NMCP (Netherlands) were sent.	Management Reporting System was developed targeting improvements in operations, accounting and financial planning.	Future SEAF assistance expected with export market and development of new market segments.
Teletek	None	A marketing expert is expected to come in September to help the company with attracting western European key accounts as well as implementing an overall marketing plan and strategy.	SEAF is assisting the company with research on export markets.	Fund recently disbursed. SEAF assistance expected with export markets, as well as the PR of the company.
US Meds	Finished repaying first loan (\$150,000) to FIB. Current on principal repayments for second loan (\$50,000) to FIB.	None	Review of Personnel and Organizational Structure.  Review of market for Sure Choice products.	Building upon SEAF assistance with distributors in Romania  Preliminary contact with SEAF investments in distributors in Croatia.

### *Employment and Revenue Analysis*

Employment and Revenue Analysis as of June 30, 2001

	Name of Investment	Initial Employment	Employment Q2 2001	% Change	Initial Annual Revenue in US\$	As of ...	Projected Revenue US\$ (2001 Annual)	% Change
1	Marker	30	30	0%	499,759.00	2000	1,169,500.00	134%
2	Teletek	29	32	10%	836,000.00	2000	1,286,000.00	54%
3	US Meds	18	20	11%	499,627.00	2000	1,279,000.00	156%
	<b>TOTAL</b>	<b>77</b>	<b>82</b>	<b>6%</b>	<b>1,835,386.00</b>		<b>3,734,500.00</b>	<b>103%</b>

### *Pipeline Report*

See Appendix 1.

## **Croatia Fund**

### ***Description of Proposed Investments during Quarter 2***

#### ***Elektromodul KATV (Cable TV Provider, Osijek)***

In Quarter 2 2001, the SEAF Trans-Balkan Croatia Fund (TBCF) presented a follow on investment proposal in Elektromodul KATV to the Investment Review Committee. The original investment in Elektromodul was made in Quarter 1 2001 through a capital increase of \$550,000 in exchange for 49% of the Company. The second investment of \$500,000 will raise the TBCF's ownership to 54.5% through a direct purchase of shares from other owners at \$61,735. Of the remaining funds, \$122,929 will be used for the acquisition of CATV-JOZA, a relatively new cable company in Zagreb with approximately 3,000 subscribers. The acquisition will provide Elektromodul an inroad into the Zagreb market without having to acquire its own concession license (CATV-JOZA has one of the seven authorized concessions). The remaining \$304,336 will be used for working capital and equipment. With this \$304,336 capital increase, the TBCF's ownership will grow to 67%. The Investment Review Committee approved the investment in May 2001.

#### ***MediFarm Velebit (Pharmaceutical Distributor and Wholesaler, Varazdin)***

In conjunction with the SEAF Central and Eastern Europe Growth Fund, SEAF-Croatia presented a proposal for a \$2 million investment in MediFarm Velebit. The TBCF's share of the investment will be \$750,000 for 15% ownership and the Growth Fund will invest \$1,250,000 for 25%. The company is currently the fourth largest Croatian drug distributor with approximately 9% market share and total sales of \$34.5 million in 2000. The Use of Funds will be primarily for working capital. The Investment Review Committee approved the investment in May 2001.

#### ***Pharma Internet (B2B Marketplace for Pharmaceutical Distribution Industry, Zagreb)***

SEAF-Croatia presented a proposed investment of \$450,000 in exchange for 49% ownership in Pharma Internet. The Company has developed a web network for the distribution of pharmaceuticals within Croatia. Three of the four largest Croatian drug distribution companies are currently using the network. Although the Company shows promise, the Investment Review Committee decided not to accept the proposal based upon valuation and current performance issues.

### ***Portfolio Development Data***

See table below.

Small Enterprise Assistance Funds Quarterly Report for SEAF/TBF (April - June 2001)

Company	Bank Activity	Technical Assistance Provided	SEAF Ideas Implemented	Impact on War Affected Areas
Digital Point d.o.o.	None.	<ul style="list-style-type: none"> <li>NMCP Volunteer from Holland to help with sales and website design.</li> </ul>	<ul style="list-style-type: none"> <li>Looking for exit opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Minimal</li> </ul>
ExPress d.o.o.*	\$140,878 Loan - Riadria Banka.	<ul style="list-style-type: none"> <li>NMCP Volunteer from Holland to assist with strategy and marketing.</li> </ul>	<ul style="list-style-type: none"> <li>Helping a company to develop and implement business strategy.</li> </ul>	<ul style="list-style-type: none"> <li>Minimal</li> </ul>
Gljiva d.o.o.	\$64,000 Loan - Kvarner Banka.	<ul style="list-style-type: none"> <li>NMCP Volunteer from Holland to assist with production.</li> </ul>	<ul style="list-style-type: none"> <li>Not operating.</li> </ul>	
DOK-Ing d.o.o.*	\$124,166 Loan - Zagreba ka Banka.	<ul style="list-style-type: none"> <li>IESC Volunteer to assist with cost accounting, strategic planning (Kerry Brock - 2 visits).</li> <li>FLAG Client</li> </ul>	<ul style="list-style-type: none"> <li>Assistance in financial planning.</li> <li>Maintaining relationship with US Embassy.</li> <li>Assistance in securing bank debt.</li> </ul>	<ul style="list-style-type: none"> <li>Have signed an agreement with a local demining company in Bosnia for leasing one machine.</li> </ul>
Katunar Vinarija d.o.o.	\$95,000 Loan - Riadria Banka \$500,000 Loan - Hypo Banka. \$100,000 Loan - Zagreba ka Banka	<ul style="list-style-type: none"> <li>Wine expert brought from the US to assist with strategy for exporting to the US and marketing (Phil Stafford - through personal connections).</li> </ul>	<ul style="list-style-type: none"> <li>Exporting to Belgium and the Netherlands.</li> <li>Develop and implement marketing plan in Croatia.</li> <li>Financial planning.</li> </ul>	<ul style="list-style-type: none"> <li>In 1999, Katunar purchased 60,000 liters of chardonnay from Ilok.</li> </ul>
Slavonija Milk d.o.o.	\$250,000 HBOR Loan - Slavonska Banka \$80,000 Loan - Bank Borovje \$31,056 Loan - Slavonska Banka.	<ul style="list-style-type: none"> <li>Independent consultant brought from US to assist with herd management (Lyndell Whitelock - 3 visits).</li> <li>IESC volunteer to assist with barn design (Walter Wright).</li> <li>IESC volunteer to assist with herd management/feed mix (Bruce Brockett).</li> </ul>	<ul style="list-style-type: none"> <li>Currently SEAF - Croatia is in the process of liquidation and collecting loan money through court process.</li> <li>The only strategy is to keep track on the loan payments that have been transferred</li> </ul>	<ul style="list-style-type: none"> <li>Operated in war affected area.</li> </ul>
D. Papa d.o.o.	None.	<ul style="list-style-type: none"> <li>Opportunity International/NOA small loan client.</li> <li>IESC consultant brought in for marketing assistance (Paul Gauthier).</li> </ul>	<ul style="list-style-type: none"> <li>Designed and implemented cost cutting plan.</li> <li>Implemented tight accounting and financial control.</li> <li>Assistance with suppliers and sales team management.</li> </ul>	<ul style="list-style-type: none"> <li>D. Papa is employing 12 people in the war-affected area.</li> <li>Supplying 13 bakeries in Former Sectors East, North and West.</li> <li>Will soon begin importing products from Bosnia.</li> </ul>
Vimi d.o.o.	None.	<ul style="list-style-type: none"> <li>World Learning trip to United States for training, visiting coffee companies, tradeshow and marketing. Paul Gauthier, IESC consultant brought in for marketing assistance.</li> </ul>	<ul style="list-style-type: none"> <li>Assistance in further regional expansion of distribution channel.</li> <li>Engaged new salesforce and designed commission plan.</li> <li>Developing Internet sales.</li> <li>Prepared second technical expert engagement.</li> </ul>	<ul style="list-style-type: none"> <li>Vimi is currently selling to 65 retail outlets in Former Sector East. He sells to these outlets at a 4% discount.</li> </ul>
Uzgoj d.o.o.*	None.	<ul style="list-style-type: none"> <li>FLAG consultant worked with</li> </ul>	<ul style="list-style-type: none"> <li>Assistance with sales.</li> </ul>	<ul style="list-style-type: none"> <li>Largest private pig farm in</li> </ul>

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		breeder stock selection, building design of new barn. (Dave Gerber).	<ul style="list-style-type: none"> <li>▪ More administrative work to the owner's son.</li> <li>▪ Assistance in cash flow management.</li> <li>▪ New accountant chosen.</li> </ul>	<p>Vukovarska County with 3 employees.</p> <ul style="list-style-type: none"> <li>▪ Production of approx. 75% of internal feed needs.</li> </ul>
Stipanovi d.o.o.	\$69,300 Loan - Pliberk Bank, Austria; \$36,700 Loan - ŠKZ Imetak	<ul style="list-style-type: none"> <li>▪ IESC volunteer assisted with design of new slaughter house (Dave Gerber).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Shut down the butcher shop in Rijeka due to high expenses.</li> <li>▪ Renegotiated debt payment to banks.</li> <li>▪ Looking for exit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Stipanovi is employing 5 people in Former Sector East.</li> </ul>
Perpetuum Mobile d.o.o.	None.	<ul style="list-style-type: none"> <li>▪ Independent volunteer from US to help with long term strategy (Kerry Brock).</li> <li>▪ Independent volunteer to assist with development of new business plans (Jonathan Cooper).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assist in implementing incentive plan for technical department.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimal.</li> </ul>
SPOIN d.o.o.	None.	<ul style="list-style-type: none"> <li>▪ Independent volunteer from US to help with strategy development (Kerry Brock).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assistance in cooperating with other SEAF partners.</li> <li>▪ Exploring exit opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sales channels provided to small and medium sized companies all over the country.</li> </ul>
Klik Multimedia d.o.o.*	None.	<ul style="list-style-type: none"> <li>▪ Independent volunteer to assist with web site design and strategy (Kerry Brock).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sold the company to Iskon Internet.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Providing news and entertainment to entire country through the Internet.</li> </ul>
MIT Software	None.	None.	<ul style="list-style-type: none"> <li>▪ Assistance in contacting potential customers in Croatia and Balkan region.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimal.</li> </ul>
Elektromodul	None.	None.	<ul style="list-style-type: none"> <li>▪ Assistance with financial planning.</li> <li>▪ Technical assistance.</li> <li>▪ Assistance with contacting potential investors.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Operating in war affected area.</li> </ul>
Medifarm Velebit d.d.	\$1,500,000 Loan - Raiffeisenbank Austria \$705,000 Loan - Vara dinska Banka	None.	<ul style="list-style-type: none"> <li>▪ Assistance with financial planning.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimal.</li> </ul>

\* = Start-up Companies

## Employment and Revenue Analysis

Employment and Revenue Analysis as of June 30, 2001

	Name of Investment	Initial Employment	Employment QII 2001	% Change	Initial Annual Revenue in US\$	As of ...	Projected Revenue US\$ (2001 Annual)	% Change
1	Digital Point	25	14	-44%	586,870.00	1997	485,000	-17%
2	Express*	0	5	N/A	-	-	450,000	N/A
3	DOK-Ing*	0	70	N/A	-	-	2,750,000	N/A
4	Glijva	8	2	-75%	45,894.00	1996	0	-100%
5	Katunar Vinarija	2	4	100%	231,294.00	1997	290,000	25%
6	Slavonija Milk**	9	0	-100%	144,789.00	1997	0	N/A
7	D. Papa	9	11	22%	921,325.00	1997	222,000	-76%
8	Vimi	5	10	100%	218,573.00	1997	380,500	74%
9	Uzgoj*	0	2	N/A	-	-	61,150	N/A
10	Stipanovi **	5	4	-20%	170,732.00	1998	49,000	-71%
11	Perpetuum Mobile	12	15	25%	1,180,556.00	1999	1,900,000	61%
12	Spoin	4	4	0%	-	1999	37,500	N/A
13	Klik Multimedia*	0	4	N/A	-	-	72,000	N/A
14	MIT Software	10	12	20%	424,000.00	1999	770,000	82%
15	EMKATV	6	11	83%	118,048.00	2000	300,000	154%
16	Medifarm Velebit	95	97	2%	33,283,091.00	2000	38,500,000	16%
	<b>TOTAL</b>	<b>190</b>	<b>265</b>	<b>39%</b>	<b>37,325,172.00</b>		<b>46,267,150.00</b>	<b>24%</b>

\*Start - up Companies

\*\*Companies not operating.

## Pipeline Report

See Appendix 1.

## Romania Fund

### *Description of Current Investments*

See information provided in *Portfolio Development Data* section below.

### *Portfolio Development Data*

Company	Bank Activity	Technical Assistance Provided	SEAF Ideas Implemented	Other Activities
Total Soft	none	Provided support for the development of a costing system. A new costing system to be introduced starting with August 1, 2001. Provided a reporting framework for monitoring expenses related to the development of the ERP.	An accountant to be hired by September 1 and a financial director to be hired in Q4 2001.	

### *Employment and Revenue Analysis*

Employment and Revenue Analysis as of June 30, 2001

	Name of Investment	Initial Employment	Employment QII 2001	% Change	Initial Annual Revenue in US\$	As of ...	Projected Revenue US\$ (2001 Annual)	% Change
1	Total Soft	60	70	17%	1,346,000.00	2000	1,800,000.00	34%
	<b>TOTAL</b>	<b>60</b>	<b>70</b>	<b>17%</b>	<b>1,346,000.00</b>		<b>1,800,000.00</b>	<b>34%</b>

### *Pipeline Report*

See Appendix 1.

## Appendix 1

## SEAF Bulgaria Weekly Pipeline Report

Date July 2, 2001  
 Number of Projects 13  
 Average size \$ 471,098 \$ 1,732,308  
 Total wanted \$ 6,124,275

Approved Projects	Primaries	Industry	Want	Sales	Latest Development	To Do List	
<b>Active Projects</b>							
Auto 3P	IPS	JTH	On-line Auto Parts Distribution	\$ 300,000	\$ -	Contacted Greek Franchisee	Review Feedback
Babylon	DVD	JTH	Pharmaceutical Distributor	\$ 500,000	\$ 8,000,000	Reactivated	BS to meet
Euro Energy	DVD	JTH	Hydro Plant	\$ 500,000	\$ 500,000	Waiting	TA scheduled for next week
Gasco	IS	DVD	LPG Distribution	\$ 500,000	\$ 1,500,000	Finalizing Due Diligence	Prepare to submit to IRC
Mildex	EK	IS	Trade of Cosmetics and Foodstuff	\$ -	\$ 600,000	Site visit by EK, IS, JTH	Meet owner
Mix Express / Familia	JTH	IS	Distribution	\$ 600,000	\$ 7,000,000	Submit this week	Prepare for IRC
SIA Advertising	DVD	IPS	Media	\$ 500,000	\$ 800,000	Submit this week	Prepare for IRC
<b>Inactive Projects</b>							
Cosmos	DVD		Information Technology	\$ -	\$ -	Introduce to Unicoms	Did it happen?
E&MI	JTH		Manganese Mine	\$ 1,500,000	\$ -	Philippe feedback	Ball is in their court
Medico	IS	EK	Health Provider and Insurer	\$ 1,000,000	\$ 750,000	Met with BS, EK, IS	Need to rework business plan, questions
Starna	DVD	JTH	Hydro Plant	\$ 144,275	\$ -	Business Plan Received	Dani and John to Review and Decide
<b>New Projects</b>							
Daisy Technology	EK	JTH	Fiscal Memory Systems	\$ 400,000	\$ 1,500,000	Submitted Info Request	Waiting on Info
HIGIA Ltd.	EK	IS	Medical Clinics	\$ 500,000	\$ 529,000	Site visit by EK, IS, JTH	What to do?
Paper Factory JSC	EK		Paper Producer	\$ 1,200,000	\$ -	Preliminary Info received	BS to meet
Sirena	EK	JTH	Seafood Distributor	\$ 600,000	\$ 1,500,000	1st Meetings	Site Visit this week
Sofspravka	IPS		Interactive Phone Service	\$ 120,000	\$ 100,000	1st Meeting	More info

Company	Location	Current	Projected	Current	Projected	Activity	Investment	Purpose of Investment	Status	Who?
		No. of Employees	No. of Employees Year 1 After Invest.	Revenues HRK	Revenues HRK Year 1 After Invest		Size (USD)			
Medifarm	Zagreb	95	115	300,000,000	340,000,000	Pharmaceutical distribution	2,500,000	Working Capital	IRC	JC/EJ
Pharma Internet d.o.o.	Zagreb	8	15	1,100,000	1,160,000	B2B for pharmaceutical distribution indust	450,000	Working Capital	IRC	JC/VH
Fragaria d.o.o.	Zagreb	40	50	20,000,000	30,000,000	Fruit and vegetable processing	650,000	Equipment	Waiting for Info.	EJ/JC
Špansko Cable TV	Zagreb	6	6	1,500,000	3,000,000	Cable TV	400,000	Acquisition for EMKATV	Analyzing	AC/TZ
Digera d.o.o.	Zagreb	6	10	1,700,000	2,500,000	Application Service Provider	200,000	Working Capital	Waiting for Info.	VH
Strategic Marketing Investment						Cookie Production	270,000	Working Capital	Waiting for Info.	JC/SB
Klariko Voe	Zagreb	170	185	160,000,000	200,000,000	Food processing, branded product	5,000,000	Production Equipment	Waiting for Info.	JC /SB
Ne-Tra d.o.o.	Zagreb	8	15	5,000,000	6,500,000	PC importer of parts & manufacturer	300,000	Equipment/Working Capital	Waiting for Info.	VH/JO
Montana Sandwiches	Zagreb	12	20	10,000,000	17,500,000	Food production	750,000	Production Equipment	Analyzing	JC/SB
Geološki Konzulting	Zagreb	26	37	1,850,000	3,800,000	Research & explatation of stone	500,000	Equipment	Waiting for Info.	VH
ExTrade	Rijeka	4	7	2,500,000	3,750,000	Publication	200,000	Working capital, licensing copyrights	Waiting for Info.	VH/SB
3t.cable	Rijeka	12	17	5,000,000	7,500,000	Cable technology, telephony and TV	150,000	Building, Working Capital	Waiting for Info.	VH/SB
MGT - Oli	Rijeka	3	12	1,000,000	2,500,000	Production of wheel pad	200,000	Working Capital	Waiting for Info.	VH/SB
Finzi	Rijeka	3	8	4,665,000	6,000,000	Distribution of toilette paper and napkins	250,000	Production Equipment	Waiting for Info.	VH/SB
Hotel Koralj	Krk	35	25	12,000,000	15,500,000	Hotel	2,500,000	Renovation / Acquisition	Waiting for Info.	JC/VH
Uka Kamen	Labin	16	26	10,000,000	14,000,000	Stone processing / quarry	750,000	Equipment, Working Capital	Waiting for Info.	VH/JO
Kristal Tuk	Samobor	11	25	2,700,000	4,000,000	Crystal production	300,000	Equipment, Working Capital	Waiting for Info.	VH/JO
Bello d.o.o.	Osijek	6	10	1,200,000	3,000,000	Hardware sales; sms & internet projects	100,000	Purchase of server	On hold	KM/VT
Malenica & Co.	Osijek	8	15	4,600,000	10,000,000	Bakery and grocery shop	200,000	Working Capital, Equipment	On hold	KM/VT
Cijevomont d.o.o.	Slavonski Brod	11	57	2,800,000	6,200,000	Production of metal basis for escavators	300,000	Working Capital, Equipment	On hold	KM/VT
Feroline d.o.o.	Slavonski Brod	25	30	5,500,000	13,000,000	Laser (precise) cutting of tin metal plate	300,000	Purchase of colouring equipment	Waiting for Info.	KM/VT
Eurobrod	Slavonski Brod	10	15	3,500,000	8,000,000	Horticulture equipment	150,000	Equipment purchase	Waiting for Info.	KM/VT
Tvornica Elektroopreme d.o.o.	Beliše	34	40	2,556,000	7,000,000	Production of Electrical Equipment	300,000	Share purchase/to be privatized	Analyzing	KM/VT
Kromopak d.o.o.	Valpovo	28	32	6,000,000	15,000,000	Production of Cardboard Toys, Packing	350,000	Equipment for cutting/packaging	Waiting for Info.	KM/VT
Beljska mijekara	Darda	170	220	30,000,000	80,000,000	Dairy Industry, Cheese Production	1,500,000	Share purchase/to be privatized	Waiting for Info.	KM/VT
LIMEX d.o.o.	Osijek	350	375	76,000,000	114,000,000	Production of metal products	10,000,000	Working Capital	Analyzing	KM/VT
Balatinac Export-Import	Osijek	1	15	250,000	600,000	Collection & sales of corn restover	75,000	Equipment	Analyzing Info.	KM/VT
Tersa d.o.o.	Osijek	17	22	4,000,000	5,500,000	Parquet producer	250,000	Working Capital	Waiting for Info.	KM/VT
<b>Total</b>		<b>1,115</b>	<b>1,404</b>	<b>675,421,000</b>	<b>920,010,000</b>		<b>28,895,000</b>			

\*Start-up Companies: Current employment and revenues are zero.

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Company	Location	Current	Projected	Current	Projected	Activity	Investment Size (USD)	Purpose of Investment	Status	Who?
		No. of Employees	No. of Employees Year 1 After Invest.	Revenues USD	Revenues USD Year 1 After Invest					
ILS Distribution	Bucharest	120	150	5,300,000	6,250,000	Distribution and retail GSM and photo	500,000	Working Capital and New Shops	TS agreed	MJ, LC
Telezimex	Cluj	120	130	2,090,000	2,541,000	Distribution of electronic components and	300,000	Warehouse, implementation new ERP	Internal clearance	MJ, LC
Trion	Curtea de Arges	30	50	705,000	1,421,000	Electronics assembling	235,000	Equipment	TS proposed	MJ, CB
Alveus Romania	Bucharest	15	100	500,000	1,000,000	Production of stainless steel sinks	500,000	Equipment	TS proposed	MJ, LC
Electroplast	Bistrita	150	200	5,000,000	7,000,000	Plasticated wires & cables	700,000	Equipment	TS proposed	MJ, LC
Arc Trading	Ramnicu Sarat	200	250	2,000,000	3,000,000	women underwear	400,000	Creation own collection development c	TS proposed	MJ, CB
Zombie Games	Bucharest	7	15	20,000	250,000	PC Games	100,000	Development of games	Waiting for Info.	MJ, CB
Control Net	Bucharest	20	25	400,000		Hotline&Consumer Internet services	200,000	Equipment	Waiting for Info.	MJ, LC
Biofarm	Bucharest	200	220	8,000,000	10,000,000	Pharmaceuticals - OTC	1,000,000	Equipment	Waiting for Info.	MJ, CB
<b>Total</b>		<b>862</b>	<b>1,140</b>	<b>24,015,000</b>	<b>31,462,000</b>		<b>3,935,000</b>			