

**Attention of:**

Director General –CEO  
c/o Maria Petsa  
Cyprus Stock Exchange (“CSE”)  
Lord Byron avenue 71-73  
1096 Nicosia  
Tel No.: 22 712300  
Fax No.: 22 570308

13 January 2017

Dear Sirs,

**SUBJECT: Letter by the CSE dated 08 December 2016 addressed to VONPENDE HOLDINGS P.L.C. (the “Company” or the “Group”)**

By reference to the aforesaid Letter addressed to the Company, in our capacity as nominated advisors of the Company we wish to inform the CSE as follows:

Since the date of its admission to the Emerging Companies Market Index of the CSE, the Company, has been actively implementing the Business Plan as outlined in its Admission Document dated 20 December 2015 with a firm commitment to reaching the objectives set out therein and will continue doing so throughout 2017.

More specifically, we highlight the following events indicating the implementation of the Company's Business Plan and wider corporate strategy, in the course of 2016:


- The Board has held high level meetings with institutional investors including private banks and funds with a strong focus on securities trading in Cyprus, the UK, Switzerland, Poland and Hungary with a view to raising capital thus maximising return for the shareholders.
- In September 2016 the Company was approached by a private company operating in the fields of real estate and securities investment in the EU, with an interest in securing a significant share participation in the Company. Following intensive negotiations between the Company's existing shareholders and the new investor, the private company successfully acquired shares in the Company at market value as a pre-agreed package transaction under the supervision of the CSE.
- Applying its risk diversification strategy, the Company has invested in real estate in Cyprus and in shares of Cypriot companies having substantial investments abroad in different industry sectors including real estate, food and beverage, wholesale and tourism.



- The Group was successful in achieving loan restructuring without imposing any negative terms on the Group's existing loan arrangements. Additionally, the Group addressed the foreign exchange currency risk by hedging the currencies of the loan receivables with the borrowing capital amounts in response to the strengthening of the Russian Ruble in recent years against the other major currencies, mainly EUR and USD.
- The Company's continuous commitment to corporate social responsibility was highlighted by its sponsorship of two major events in Cyprus and Greece, namely, boot camp training of start-ups focusing on the cultivation of biomimicry held in Athens in December 2016 by
- Cyprus' first real start-up accelerator (Chrysalis Leap [www.chrysalisleap.com](http://www.chrysalisleap.com) ), and the 9<sup>th</sup> annual art exhibition of Cypriot Young Artists held in November at Akamantis Business Centre ([www.akamantis.com](http://www.akamantis.com)) in Nicosia, the net proceeds of which were granted to "Evangelismos" special school.

As a result of our close cooperation with the Company's Board, we can inform you the remains firm in continuing the implementation of its Business Plan in the course of 2017 with all necessary improvements or modifications as may be required.

Yours sincerely,



Kinanis LLC  
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Charalambos Meivatzis  
For KINANIS LLC