

Mitteilung an alle Anteilseigner der Belgrade Pioneer Fonds

Anbei finden Sie die Information der Fondsgesellschaft, folgender Fonds ist betroffen:

GG00B2NBYP06

Belgrade Pioneer – in liquidation Dis

22 OCT. 2015

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To the Shareholders of
Belgrade Pioneer Fund Limited (in Voluntary
Liquidation)

Contact William Callewaert
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16 October 2015

Dear Shareholder

Belgrade Pioneer Fund Limited (in Voluntary Liquidation) ("the Company")

At an extraordinary general meeting of the Company held on 13 November 2014, shareholders passed resolutions to wind-up the Company and appointed Ashley Charles Paxton and I of KPMG Channel Islands Limited as joint liquidators (the "Liquidators").

Further to our letter of 30 January 2015 to the Company's shareholders, the Liquidators write to provide an update on the liquidation and the sale of the Company's property assets.

Low cost housing ("the LCH Portfolio")

The Company originally purchased the LCH Portfolio of 137 units, held by BPF 001 d.o.o., a Serbian registered company (and wholly owned indirect subsidiary of the Company), of which 68 units remained unsold at the date of liquidation.

Prior to our appointment a sale was agreed for €57,000 for these remaining units as a whole.

The sale was completed on 7 October 2015, and the sale proceeds (€57,000) will be held within the Company's subsidiary structure pending distribution of those proceeds once the sale of the Dedinje Portfolio has also completed (see below).

Dedinje Plots ("the Dedinje Portfolio")

Background

As you are aware, a sealed bid tender process was run by the directors of the Company ("the Directors"), prior to the Liquidators' appointment, to determine a buyer to acquire BPF 002 d.o.o. ("BPF 002") the Serbian registered company that holds the Dedinje Portfolio.

Having reviewed the details of the bids, the Directors elected to proceed with the bid (€1,815,000) from the buyer ("the Buyer") that had immediate financing in place to proceed with the transaction.



Sale and Purchase Agreement

Following the Liquidators' appointment a sale and purchase agreement ("SPA") for BPF 002 was agreed in final form with the Buyer and executed during April 2015 with a planned completion date of 29 May 2015.

The SPA contained a number of condition precedents to be undertaken before completion in order to meet various legal and commercial requirements of the sale. Such requirements included:

1. The loans provided to BPF 002 by the Company's subsidiary structure to acquire the Dedinje Portfolio to be converted into equity;
2. That title to the Dedinje Portfolio held by BPF 002 was perfected (in particular, that it could be used for commercial development); and
3. That a non-resident bank account with a Serbian registered bank be opened by the immediate parent company of BPF 002 to receive the proceeds of the sale of BPF 002.

A number of significant delays were experienced in accomplishing the conditions precedent identified above due to issues beyond the control of the Liquidators.

Consequently, the completion date of the SPA was extended, with the mutual consent of all parties, to take account of the delays incurred to 24 July 2015.

Buyer failure

During July 2015, we were informed by the Buyer that the original financing to be provided to acquire BPF 002 had lapsed as a result of the delays that were being encountered with respect to the debt for equity conversions and the perfection of the land title. Accordingly, the Buyer would have to secure financing from a new source and the Buyer requested an extension to the SPA completion date to accommodate this.

Given the level of time invested in the transaction with the Buyer and the level of confidence expressed by the Buyer with the progress being made with a Serbian bank to provide the required finance, the Liquidators agreed to a further (and final) SPA completion extension date of 1 September 2015.

However, due to ongoing issues with securing finance, the Buyer failed to complete on the sale by 1 September 2015. Accordingly a new tender process inviting offers of interest to acquire BPF 002 was commenced by the Liquidators, in agreement with the Directors of the immediate holding company.



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The deadline to submit bids was 5 pm on 2 October 2015 and several bids have been received in line with the original proposed sales price. The Liquidators are in the process undertaking due diligence on these bids in order to determine which bid to progress.

The Liquidators note that the bids received all envisage a short completion schedule and accordingly upon completion the Liquidators will take steps to distribute the BPF 002 sales proceeds to the Company's shareholders, and bring the liquidation of the Company to a close, as expeditiously as possible.

If you have any questions or comments with respect to this letter, do not hesitate to contact William Callewaert at the contact details noted above.

Yours faithfully

A handwritten signature in black ink, appearing to read 'L Johnson', written over a horizontal line.

Linda Johnson
Joint Liquidator
Acting as agent only (and without personal liability)