



London, 28 May 2015

Dear Fellow Investors,

As one of the core long-term shareholders of conwert, we would like to share our view on some recent developments as well as urge all investors in conwert to actively participate in the AGM on 5 June 2015, ideally in person or via a representative in the room.

#### **Nomination of Phillip Burns**

We have learnt from various sources that representatives of Teddy Sagi have been communicating to you that Phillip Burns is an independent candidate nominated by conwert. This is incorrect. The CV of Mr. Burns was prepared, PDF'ed and sent by Jonathan Agar, who works in Teddy Sagi's family office (as proven by the PDF available in conwert's homepage showing Jonathan Agar as author). In addition, we are concerned about the apparent conflicts of interest presented, as Phillip is running Maple Knoll, a real estate investment business which has made and aims to make proprietary investments and to seek profits from such investments in the German real estate market, a core market for conwert.

#### **Independence of Erich Kandler**

We would also like to note that Erich is an auditor under Austrian statutory oath setting his statement of independence above any business statement. We confirm that Erich worked in a fee-paying relationship for Petrus Advisers once in his two years as an independent auditor and is currently not in any remunerated relationship or mandate with Petrus.

#### **Potential Manipulation of Administrative Board Elections**

conwert's current administrative board has a track record of manipulating elections as evidenced by the events of May 2014. We are worried that they may behave in a similar fashion to 2014 and might introduce tactical changes to the election process until the day of the AGM.

#### **In Summary:**

We believe there is an attempt at taking control of 3 out of 5 board seats and thus control of conwert without paying for all the shares in a mandatory takeover offer. We urge you to be represented on the ground and to vote for independence and value creation and to support Erich Kandler's candidacy.