

- **The present announcement is republished due to the addition of the details/justification of the CySEC's decision highlighted in yellow.**

**10 April 2024**

**CYSEC Board Decision**

<b>Announcement date:</b>	10.04.2024	<b>Board decision date:</b>	19.03.2024
<b>Regarding:</b>	Veles International Ltd		
<b>Legislation:</b>	The Investment Services and Activities and Regulated Markets Law		
<b>Subject:</b>	Influence exercised by Dmitry Vitalyevich Bugayenko to the sound and prudent management of the CIF Veles International Ltd		
<b>Judicial Review:</b>	<a href="#">Click here</a>	<b>Judicial Review Ruling:</b>	<a href="#">Click here</a>

The Board of the Cyprus Securities and Exchange Commission (the 'CySEC') wishes to inform the public that, at its meetings held on the 19 March 2024, decided, in accordance with the provisions of article 11(3) of the Investment Services and Activities and Regulated Markets Law ('L. 87(I)/2017') that, the influence exercised by **Mr. Dmitry Vitalyevich Bugayenko**, as sole direct shareholder of the company **Veles International Ltd** (LEI 213800HFBG8GID98ID84) (the 'CIF'), is prejudicial to the sound and prudent management of the CIF.

CySEC, in accordance with the power vested under article 11(3) of L. 87(I)/2017, decided to take the following measures, which shall come into force after **twelve (12) months**, in order to end that situation:

1. To suspend the exercise of the voting rights attached to the shares of the CIF, held by Mr. Bugayenko, (the sole direct shareholder of the CIF), and constitute the entirety of the CIF's share capital and
2. To prohibit to Mrs. Ganna Dotsa and Mr. Dmitry Vitalyevich Bugayenko, Executive Director and Non-Executive Director of the CIF, respectively, to exercise management duties on the Board of Directors of the CIF, for two (2) years.

**For the determination of the type of measures, CySEC took into account:**

- i. **The severity attributed by the legislator, as provided in article 11(3) of the Law, to the influence of shareholders and to the possibility that it may be prejudicial to the sound and prudent management of a CIF, which is reflected in the type of measures provided for in the same article.**



- ii. The particular circumstances of the CIF, and specifically that Mrs. Ganna Dotsa and Mr. Dmitry Vitalyevich Bugayenko are the only non-independent directors of the CIF, following their appointment by the CIF's direct shareholder.
- iii. That the particular measures are considered, under the circumstances, appropriate to end Mr. Bugayenko's influence on the management of the CIF, namely:
- The suspension of voting rights to the sole direct shareholder of the CIF, Mr. Bugayenko, ensures his non-participation in decision-making at a general meeting of CIF's shareholders, which is the body for handling all of CIF's matters.
  - The prohibition of exercising management duties to Mr. Bugayenko on the Board of Directors of the CIF, ensures his non-intervention in the management and operation of the CIF.
  - The prohibition of exercising management duties to Mrs. Ganna Dotsa on the Board of Directors of the CIF, ensures the non-intervention of Mr. Bugayenko in the management and operation of the CIF, through the executive director he has appointed.

For the determination of the deadline of twelve (12) months for the above measures to enter into force, CySEC took into account the need to provide time (i.e. 12 months) to the CIF, before the implementation of the measures, in order to take the necessary actions to eventually return the funds and financial instruments to the investors.

CG/MK