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Vostok Emerging Finance

**Invitation to subscribe for
Swedish Depository Receipts
in Vostok Emerging Finance Ltd**

 Pareto Securities

IMPORTANT INFORMATION ABOUT NASDAQ FIRST NORTH

Nasdaq First North is an alternative market, operated by the different exchanges within Nasdaq. It does not have the legal status as an EU-regulated market. Companies at First North are subject to the rules of First North and not the legal requirements for admission to trading on a regulated market. The risk in such an investment may be higher than on a regulated market. All companies whose shares are admitted for trading on Nasdaq First North have a Certified Advisor that monitors compliance with the rules. The Company's Certified Advisor is Pareto Securities.

In this prospectus (the “**Prospectus**”), “**Vostok Emerging Finance**” or the “**Company**” means Vostok Emerging Finance Ltd (company registration number 50298, Bermuda).

This Prospectus has been prepared by the Company for the purpose of providing certain information in connection with a new issue of not more than 587,996,440 new Swedish Depository Receipts (“**SDRs**”) in Vostok Emerging Finance, (the “**Rights Issue**”), with preferential right for existing SDR holders.

A Swedish prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) in accordance with Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (Sw. *lagen om handel med finansiella instrument (1991:980)*). Approval and registration does not mean that the Swedish Financial Supervisory Authority guarantees that the information in the prospectus is correct or complete.

This Prospectus and the offer (the “**Offering**”) described herein are governed by Swedish law. The courts of Sweden, with the Stockholm City District Court as first instance, have exclusive jurisdiction to settle any conflict or dispute arising out of or in connection with the Rights Issue or the Prospectus. This Prospectus is a translation into English of the Swedish prospectus approved and registered by the Swedish Financial Supervisory Authority. In the event of discrepancies between the Prospectus and the Swedish prospectus, the Swedish prospectus shall prevail.

No measures have been or will be taken by Vostok Emerging Finance that would allow any offer of the shares to the public in any other jurisdiction than Sweden. No subscription rights, paid subscribed SDRs or new SDRs (“**Securities**”) may be offered, subscribed for, sold or transferred, direct or indirect within or to the United States except under an exemption from the registration requirements of the Securities Act 1933, as amended, (the “**Securities Act**”) or by any U.S. federal or state securities commission or regulatory authority. This Prospectus does not constitute an offer to transfer or an invitation regarding an offer to acquire securities other than the Securities. The Offering in the Prospectus may not be made public, published or distributed in the United States, Australia, Singapore, New Zealand, Japan, Canada, Hong Kong or South Africa or any other jurisdiction where a participation requires additional offering circulars, registrations or measures other than those prescribed by Swedish law. Consequently, any reproduction or distribution of this Prospectus, marketing materials or other materials related to the Rights Issue, in or into any jurisdiction where such distribution of the Offering in this Prospectus requires such measures, or would be in conflict with regulations in such jurisdiction, is prohibited. Subscription and acquisition of Securities in violation of the above restriction may be invalid. Recipients of this Prospectus are obligated to inform themselves of, and comply with, the above stated restrictions. Any action in contravention of the above-stated restrictions may constitute criminal violation of applicable securities law. Vostok Emerging Finance reserves the right to, in its sole discretion, void subscriptions of SDRs that Vostok Emerging Finance or its agents believe may be a breach or violation of laws, rules or regulations of any jurisdiction.

Investing in Securities involves a high degree of risk, please see section “**Risk Factors**”. Anyone making an investment decision must rely on its own assessment of Vostok Emerging Finance and the Offering in this Prospectus, including facts and risks involved. Before making any investment decision potential investors should consult their own professional advisors and carefully evaluate and consider the investment. Investors may only rely on the information in this Prospectus and any supplements to this Prospectus. No person has been authorised to provide any additional information or make any statements other than contained in this Prospectus and, if given or made, such information or statements should not be considered to have been approved by the

Vostok Emerging Finance and Vostok Emerging Finance takes no responsibility for such information or statements. Neither the publication of this Prospectus, nor any transaction made in consequence of thereof, shall under any circumstances imply that the information in this Prospectus is correct and valid as at any date other than the date of publication of this Prospectus or that there has been no change in Vostok Emerging Finance’s operations after that date.

The financial advisor and issuing agent for the Rights Issue, Pareto Securities AB (“**Pareto Securities**”), has assisted Vostok Emerging Finance in drafting the Prospectus. Pareto Securities has relied on information provided by the Company and, since all of the information contained in the Prospectus is derived from Vostok Emerging Finance, Pareto Securities disclaims any and all liability towards SDR holders of the Company and regarding other direct or indirect economic consequences of investment decisions or other decisions which are based, in whole or in part, on information contained in the Prospectus. Pareto Securities represent the Company and no one else in connection with the Rights Issue. Pareto Securities will not be liable to anyone other than the Company for providing the protection afforded to its clients or for providing advice in connection with the Rights Issue or any other matter to which reference is made in this Prospectus.

FORWARD-LOOKING STATEMENTS AND BUSINESS DATA

This Prospectus contains forward-looking statements which reflect the current view of Vostok Emerging Finance with respect to future events as well as financial and operative developments. Words such as “intend”, “estimate”, “expect”, “may”, “plan”, “anticipate” or similar expression regarding indications or predictions of future development or trends which are not based on historical facts, are forward-looking statements. Forward-looking statements are by its nature subject to known as well as unknown risks and uncertainties since it is dependent on future events and circumstances. Forward-looking statements do not guarantee future results or developments, the outcome may differ materially from what is stated in the forward-looking information.

Factors that could cause Vostok Emerging Finance’s future results and development to differ from what is stated in forward-looking statements include, but are not limited to, those described under section “**Risk Factors**”. The forward-looking statements included in this Prospectus apply only to the date of the publication of this Prospectus. Vostok Emerging Finance undertakes no obligation to publicly update or revise any forward-looking statements as a result of new information, future events or similar circumstances other than those required by applicable law.

The Prospectus contains certain market and industry information which has been obtained from a third party. Even if the information has been correctly reproduced and that Vostok Emerging Finance is of the opinion that these sources are reliable, no independent verification has been carried out and therefore the accuracy or completeness of the information cannot be warranted. However, to the extent the Company is aware and can ensure through comparison with other information made public by third parties from whom the information has been obtained, no information has been omitted in a way which would render the reproduced information erroneous or misleading.

PRESENTATION OF FINANCIAL INFORMATION

Some of the figures contained in this Prospectus have been rounded off to make the information more approachable. Consequently, certain tables do not appear to add up correctly. This is the case when figures are stated in thousands or millions and is particularly prevalent in the sections entitled “*Financial information in summary*”, “*Comments to the financial information*” and “*Historical financial information*”. No information contained in the Prospectus has been audited or reviewed by the Company’s auditors other than as expressly stated.

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Financial calendar

Year-end report 2015: 10 March 2016
Annual General Meeting: May 2016

The Rights Issue in brief

Preferential right: For every Swedish Depository Receipt (“SDR”) held in the Company, the holder will receive one (1) subscription right (“**Subscription Right**”). One (1) Subscription Right entitles the holder to subscribe for eight (8) new SDRs. To the extent that new SDRs are not subscribed for by way of Subscription Rights, they shall be offered to existing SDR holders and other investors to subscribe.

Subscription price: SEK 1.00 per new SDR

Record date: 17 November 2015

Subscription period: 19 November 2015–3 December 2015

ISIN codes: SDR: SE0007192018
Subscription Right: SE0007730726
Paid subscribed SDRs (“SDB P1”): SE0007730718

Subscription with preferential right: Subscription for SDRs by way of Subscription Rights shall be made through simultaneous cash payment during the subscription period.

Trading in Subscription Rights: 19 November 2015–1 December 2015

Trading in SDB P1: From and including 19 November 2015 until the increase in share capital has been registered.

Subscription without Subscription Rights: Application for subscription without Subscription Rights shall be made to Pareto Securities by 3 December 2015 with an application form that can be obtained from Pareto Securities by telephone at +46 8 402 51 40 or their webpage www.paretosec.com, or from Vostok Emerging Finance’s webpage www.vostokemergingfinance.com. Allotted SDRs shall be paid in cash not later than three banking days after the contract note has been sent to the subscriber. SDR holders whose holdings are nominee-registered (Sw. *förvaltare*) at a bank or other nominee, subscription and payment without Subscription Rights shall be made to the respective nominee.

>02 Summary

Summaries are made up of disclosure requirements. The Elements are numbered in Sections A-E (A.1-E.7). This summary contains all the Elements required to be included in a summary for a new issue of this type of security with preferential right for the Company's SDR holders. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of not applicable.

Section A - Introduction and warnings

A.1	Introduction and warnings	<p>This summary should be read as an introduction to the Prospectus.</p> <p>Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Union, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Company.</p>
A.2	Financial intermediaries	Not applicable; the Rights Issue does not include any financial intermediaries.

Section B - Issuer

B.31	Information about the issuer of the underlying shares	<p>Legal and corporate form (B.1)</p> <p>The legal and commercial name of the issuer is Vostok Emerging Finance Ltd and the company registration number is 50298, Bermuda. The Company uses the commercial name Vostok Emerging Finance.</p> <p>Domicile and legal form of the issuer etc. (B.2)</p> <p>The Company is a Limited Liability Company, founded and registered for an unlimited time, according to Bermuda Companies Act 1981, under the name Vostok Emerging Finance Ltd. The Company is public and has its domicile in Bermuda.</p> <p>Operations (B.3)</p> <p>Vostok Emerging Finance is an investment company whose objective is to invest in early stage modern financial services companies across emerging and frontier markets.</p> <p>Vostok Emerging Finance looks to invest in innovative early stage companies in the financial services sector that challenge traditional incumbent companies with new thinking and modern technological solutions. Investments are primarily made in companies headed by entrepreneurs and management teams with strong track records and whom Vostok Emerging Finance considers to have viable concepts and strategies and clear, scalable business models that can deliver high rates of growth.</p> <p>From a segment perspective, the Company is interested in businesses across the financial services spectrum inclusive of consumer credit companies, payment solution providers, money transfer companies, asset managers, savings and loans institutions, and various types of financial marketplaces. The geographic focus will be on emerging and frontier markets, with a clear preference for those countries with large populations, which allow for single country scale business models at a minimum, inclusive of Russia, Poland, Romania, Pakistan, Egypt, broader Africa and key up-and-coming Asian countries like Vietnam and Indonesia.</p> <p>The Company currently has four portfolio companies, TCS Group, a Russian company that provides online retail financial services and is listed on the London Stock Exchange, REVO, a Russian company that provides smart payment solutions for merchants and consumers, Sorsdata, a Russian consumer company that provides services relating to data analytics, marketing services and loyalty programmes and JUMO, an African marketplace for mobile money.</p>
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Trends (B.4)

At a global level, the financial services sector is currently one of the fastest evolving sectors. Start-up and early stage FinTech companies are predominantly driving this evolution through disruptive innovation and new technology. In addition to this sector theme, the structural growth theme embedded in emerging and frontier markets remains intact irrespective of short-term cyclical headwinds. Financial penetration, coupled with mobile, internet and technology penetration are all still on the rise from low levels in many developing geographies, all coupled with a growing economic and wealth level catch up story.

The FinTech trend has clearly arrived in the emerging and frontier markets arena. While struggling on one level from a depth of financial and technology penetration versus developed peers, they make up for it with a superior structural growth story on the offering. The low penetration rates mean that emerging markets are fertile testing grounds for modern financial services as many countries look to skip chapters such as traditional branch banking, which for long has been the standard in the developed countries.

As global income inequality decreases, a middle class has clearly emerged in developing countries. In 2009, Asia, the Pacific region, Africa and the Middle East were home to 46 per cent of the world's middle class. This figure is expected to increase to 79 per cent by 2030, with the world's middle class being expected to be more than two times larger than it was in 2009.

The group (B.5)

Not applicable; the Company is not part of a group.

Major SDR holders (B.6)

The table below shows the ten largest SDR holders as per 30 September 2015, including known changes thereafter.

	Holding, SDRs	Holding, %
JP Morgan Clearing Corp	17,673,026	24.05 %
Swedbank Robur Funds	7,190,771	9.78 %
Alecta Pension Insurance	7,000,000	9.52 %
Pershing, LLC	4,733,549	6.44 %
Svenska Handelsbanken AB	4,288,000	5.83 %
State Street Bank & Trust	4,268,297	5.81 %
Fidelity Funds	2,041,870	2.78 %
Credit Suisse Sec. Europe Ltd	2,024,233	2.75 %
LGT Bank Ltd	1,679,000	2.28 %
Avanza Pension Insurance	1,455,080	1.98 %
10 largest owners	52,353,826	71.23 %
Total	73,499,555	100.00 %

As far as the Board of Directors of Vostok Emerging Finance is aware, there are no shareholder agreements or other agreements between SDR holders with the purpose of exercising joint influence over the Company. As far as the Board of Directors of Vostok Emerging Finance is aware, there are no agreements or equivalent arrangements that may lead to a change in the control over the Company.

Financial information in summary (B.7)

Income statement

(Expressed in USD thousands)	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Result from financial assets at fair value through profit or loss	-7,847	-7,337
Dividend and coupon income	-	-
Total operating income	-7,847	-7,337
Operating expenses	-316	-316
Operating result	-8,163	-7,652
Financial income and expenses		
Interest income	8	8
Currency exchange gains/losses, net	-5	-5
Net financial items	3	3
Result before tax	-8,160	-7,649
Taxation	-	-
Net result for the financial period	-8,160	-7,649
Earnings per share (in USD)	-0.11	-0.10
Diluted earnings per share (in USD)	-0.11	-0.10

Balance sheet

(Expressed in USD thousands)	30 September 2015	30 June 2015
Non-current assets		
<i>Financial non-current assets</i>		
Financial assets at fair value through profit or loss	13,665	18,501
Total financial non-current assets	13,665	18,501
Current assets		
Cash and cash equivalents	5,318	8,046
Other current receivables	8	–
Total current assets	5,326	8,046
TOTAL ASSETS	18,991	26,547
SHAREHOLDERS' EQUITY		
(including net result for the financial period)	18,900	26,547
Current liabilities		
<i>Non-interest bearing current liabilities</i>		
Other current liabilities	69	–
Accrued expenses	22	–
Total current liabilities	91	–
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	18,991	26,547

Cash flow statement

(Expressed in USD thousands)	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Cash flow from operating activities		
Result before tax	–8,160	–7,649
<i>Adjustment for:</i>		
Interest income	–8	–8
Currency exchange gains/-losses	5	5
Result from financial assets at fair value through profit or loss	7,847	7,337
Other non-cash items affecting profit and loss	2	2
Change in current receivables	–8	–8
Change in current liabilities	91	91
Net cash used in operating activities	–231	–231
Investments in financial assets	–2,500	–2,500
Sales of financial assets	8,046	–
Interest received	8	8
Net cash flow from/used in operating activities	5,322	–2,723
FINANCING ACTIVITIES		
Net cash flow used in financing activities	–	–
Change in cash and cash equivalents	5,322	–2,723
Cash and cash equivalents at beginning of the period	–	8,046
Exchange gains/losses on cash and cash equivalents	–4	–4
Cash and cash equivalents at end of period	5,318	5,318

Key ratios

	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Return on capital employed, % ¹	–86.35 %	–33.66 %
Equity ratio, % ²	99.52 %	99.52 %
Shareholders' equity/share, USD ³	0.26	0.26
Earnings/share, USD ⁴	–0.11	–0.10
Diluted earnings/share, USD ⁵	–0.11	–0.10
Net asset value/share, USD ⁶	0.26	0.26
Dividend/share, USD	–	–
Weighted average number of shares for the financial period	73,499,555	73,499,555
Weighted average number of shares for the financial period (fully diluted)	73,499,555	73,499,555
Number of shares at balance sheet date	73,499,555	73,499,555

1. Return on capital employed is defined as the Company's result for the period plus interest expenses plus/less exchange differences on financial loans divided by the average capital employed (the average total assets less non-interest bearing liabilities over the period). Return on capital employed is not annualised.

2. Equity ratio is defined as shareholders' equity in relation to total assets.

3. Shareholders' equity/share is defined as shareholders' equity divided by total number of shares.

4. Earnings/share is defined as result for the period divided by average weighted number of shares for the period.

5. Diluted earnings/share is defined as result for the period divided by average weighted number of shares for the period calculated on a fully diluted basis.

6. Net asset value/share is defined as shareholders' equity divided by total number of shares at end of period.

With the exemption of "Earnings/share" and "Diluted earnings/share" the key ratios are not defined in accordance with IFRS.

Material events under the period 28 May 2015 and 30 September 2015

As per 9 June 2015, the shares in TCS Group were transferred from Vostok New Ventures to the Company through an issue of non-cash consideration (Sw. *apportemission*). The same day the Company sold 2.7 million SDRs in TCS Group to Luxor Capital Group L.P. (for more information concerning this transaction please see “Legal and supplementary information – Related party transactions”)

As per 16 July 2015, the Company was listed on Nasdaq First North. Furthermore, on 1 September 2015 David Nangle took over the Managing Director role from interim Managing Director Per Brilioth. Furthermore, in September 2015 Vostok Emerging Finance announced that it has acquired 12.5 per cent of the shares in the Russian companies REVO and Sorsdata.

Material events since 30 September 2015

On 22 October 2015, Vostok Emerging Finance announced that it has invested USD 4 million in JUMO, an African marketplace for mobile money, by participating in a new share issue in JUMO's parent company AFB (Mauritius) Limited. The investment is subject to confirmation by the Mauritius Financial Services Commission. No other significant changes have occurred regarding the Company's financial or market position since 30 September 2015.

Financial forecast (B.9)

Not applicable; the Prospectus does not include any financial forecasts or calculation of expected profits.

Auditor's remarks (B.10)

Not applicable; there are no auditor's remarks.

B.32 Information about the issuer of the Swedish Depository Receipts

The issuer of the Swedish Depository Receipts is Pareto Securities AB, which has its domicile in Stockholm. The legal form of Pareto Securities AB is governed by Companies Act (2005:551).

Section C – Securities

C.13 Information about the underlying shares

Securities being offered (C.1)

Swedish Depository Receipts (SDRs) are representing common Shares in Vostok Emerging Finance.

Denomination (C.2)

The Shares are denominated in American dollar, USD.

Total number of Shares in the Company (C.3)

Prior to the Rights Issue the Company has 73,499,555 outstanding Shares. The Shares have a par value of USD 0.01 per Share.

Rights pertaining to the securities (C.4)

All underlying Shares carry the same right to dividend and have the same voting rights at the General Meetings. Each Share entitles the holder to one (1) vote. All Shares carry equal right to the Company's assets and profit as well as the right to take part of potential surplus in the event of liquidation. At a General Meeting, each person that is entitled to vote is entitled to vote for the full number of Shares he/she owns and represents, without any voting restrictions.

Limitations to the free transferability (C.5)

Not applicable; there are no limitations to the free transferability of the Shares.

Trading in the shares (C.6)

Not applicable; the Shares are not traded on any marketplace.

Dividend policy (C.7)

The Board of Directors of the Company does not anticipate that dividends will be proposed in the foreseeable future.

C.14 Information about SDRs

Securities being offered (C.1)

Swedish Depository Receipts (SDRs) in Vostok Emerging Finance (ISIN code SE0007192018). The Company's Shares are represented by SDRs registered at Euroclear. Each SDR corresponds to one Share in the Company and the newly issued Shares in the Company will be represented by SDRs.

Denomination (C.2)

The SDRs are denominated in Swedish krona, SEK.

Rights pertaining to the securities (C.4)

One SDR carries the same right to dividend as one underlying Share and SDR holders have the same voting rights at the General Meeting as holders of Shares. Each SDR entitles the holder to one (1) vote. All SDRs carry equal rights to the Company's assets and profit as well as the right to take part of potential surplus in the event of liquidation. At a General Meeting, each person that is entitled to vote is entitled to vote for the full number of SDRs he/she owns and represents, without any voting restrictions.

Limitations to the free transferability (C.5)

Not applicable; there are no limitations to the free transferability of the SDRs.

Actual benefits associated with the underlying shares

One SDR carries the same right to dividend as one underlying Share and SDR holders have the same voting rights at the General Meeting as holders of Shares. Each SDR entitles the holder to one (1) vote. All SDRs carry equal rights to the Company's assets and profit. At a General Meeting, each person that is entitled to vote is entitled to vote for the full number of SDRs he/she owns and represents, without any voting restrictions. To attend the General Meeting it is, however, required that the SDR holders follow instructions from the custodian bank.

Guarantees

Not applicable; there are no bank guarantees or other guarantees for the SDRs.

Section D - Risks

D.4 Risks related to the issuer of the underlying shares

Risks related to the issuer of the securities (D.2)

Vostok Emerging Finance's business and market are subject to certain risks which are completely or partly outside the control of Vostok Emerging Finance and which could affect Vostok Emerging Finance's business, financial condition and results of operations. Prior to any investment decision, it is important to carefully analyse the risk factors considered to be material to Vostok Emerging Finance's future development. These risk factors include the main sector risks and risks related to the operations below:

- > **Emerging and frontier markets risks.** An investment in Vostok Emerging Finance is subject to risks associated with ownership and management of investments and in particular to risks of ownership and management in emerging and frontier markets. As these countries are still, from an economic point of view, in a development phase, investments are affected by unusually large fluctuations in profit and loss and other factors outside the Company's control that may have an adverse impact on the value of Vostok Emerging Finance's SDRs.
- > **Risks related to acquisitions and disposals.** Risk related to acquisitions and disposals are by definition a natural element in Vostok Emerging Finance's activities. All acquisitions and disposals are subject to uncertainty. There is a risk that the Company will not succeed in selling its participations and portfolio investments at the price the shares are being traded at on the market at the time of the disposal or valued at in the balance sheet.
- > **Risks related to competition.** Vostok Emerging Finance operates in a market that may be subject to competition with regards to investment opportunities. There is a risk that in the future Vostok Emerging Finance will be subject to competition which may adversely affect the Company's return on investments.
- > **Accounting practice and access to other information.** Practice in accounting, financial reporting and auditing in emerging and frontier markets cannot be compared with the corresponding practices that exist in the Western world. Although financial information is prepared and auditing is undertaken in accordance with international standards, there is a risk with regards to the completeness and dependability of the information. Inadequate information and weak accounting standards in portfolio companies may adversely affect Vostok Emerging Finance in future investment decisions.
- > **Corporate governance risks.** Misuse of corporate governance is a problem in emerging and frontier markets. Minority shareholders may be badly treated in various ways, for instance by the sale of assets, transfer pricing, dilution, limited access to Annual General Meetings and restrictions on Board seats for external investors. The opportunity for shareholders to exercise their right to influence and make decisions is made considerably more difficult than in more developed markets. Deficiencies in legislation on corporate governance, judicial enforcement and corporate legislation may lead to hostile takeovers, where the rights of minority shareholders are disregarded or abused, which could affect Vostok Emerging Finance in a detrimental manner.

- > **Dependence on key individuals.** Vostok Emerging Finance's future success is to some extent dependent on its members of management and other key personnel who provide expertise, experience and commitment. The Company has entered into employment agreements with its key personnel and the Company believes these agreements are market-based. There is, however, a risk that the Company will not be able to retain or recruit qualified personnel in the future.
- > **International capital flows.** Economic unrest in emerging and frontier markets also tends to have an adverse effect on the equity market in other emerging countries or the share price of companies operating in such countries, as investors tend to re-allocate their investment flows to more stable and developed markets. The price on the SDRs may be adversely affected during such periods.
- > **Exposure to Russia.** The Company's largest investment is currently the ownership of shares in TCS Group, which is a financial services company with operations in Russia. Furthermore, the Company has invested in REVO and Sorsdata which are companies within the financial sector in Russia. The value of Vostok Emerging Finance's assets may be affected by uncertainties such as political and diplomatic developments, social or religious instability, changes in government policy, tax and interest rates, restrictions on the political and economic development of laws and regulations in Russia, major political changes or lack of internal consensus between leaders, executives and decision-making bodies and strong political groups.
- > **Exposure to TCS Group.** The Company's ownership of shares in TCS Group is currently its largest investment, and represents 71.4 per cent of the Company's NAV as per the 31 October 2015. The holding in TCS Group might continue to be a significant part of the Company's portfolio. Therefore, the Company's business, results of operations, financial condition and future prospects are closely connected to risks attributable to TCS Group, including, but not limited to, customers' credit quality, deficiencies in the control of customers' credit quality, competition, customers' personal consumption, income levels and understanding of loan products, litigations, available capital, market financing, permits and licenses and the presence of one strong owner.

D.5 Risks related to the SDRs

- Risks related to the securities (D.3)**
- Any investment in securities involves risks. Any such risk could also cause the trading price of Vostok Emerging Finance's SDRs to decline significantly and investors could potentially lose all or part of their investment. The main risks related to Vostok Emerging Finance's SDRs include:
- > **Fluctuations in the market price of the Company's SDRs.** The new SDRs, SDB P1 and Subscription Rights will be traded at First North. A prospective investor should be aware that an investment in the SDRs, SDB P1 or Subscription Rights in the Company are associated with a high degree of risk and that the share price may evolve in an unfavorable direction. Furthermore, it is uncertain whether an active market will develop for the new SDRs, SDB P1 and Subscription Rights. Limited liquidity may lead to fluctuations in the price of the SDRs and be to the detriment of investors.
 - > **Unregulated market.** The SDRs are admitted for trading on Nasdaq First North, which according to the Securities Markets Act, is deemed to be a trading platform, but not a regulated market. A trading platform is not subject to the same legal restrictions as a regulated market, and as a result an investment in shares traded on a trading platform is typically associated with higher risk than an investment in shares traded on a regulated market.
 - > **Dividends.** Vostok Emerging Finance may only distribute dividend if the distribution is justifiable considering the demands that the nature, scope and risks of the operations place on the size of the equity of the Company as well as the Company's consolidation needs, liquidity and financial position. There is a risk that the Company may not have sufficient funds available for distribution or that the General Meeting do not resolve on any dividend.
 - > **Trading in Subscription Rights.** The Subscription Rights are expected to be traded on Nasdaq First North during the period commencing 19 November 2015 up to and including 1 December 2015. There is a risk that active trading in the Subscription Rights will not be developed on Nasdaq First North during the period of which trading in the Subscription Rights takes place, or that sufficient liquidity will not exist during this period.
 - > **Certain non-Swedish SDR holders may be prevented from exercising their preferential right.** Certain SDR holders resident or with a registered address in other jurisdictions than Sweden, for example SDR holders in the United States, may be unable to exercise their preferential right to subscribe for new SDRs in the Rights Issue as well as in future new issues, unless a registration or equivalent measures under the applicable law in each jurisdiction are made in respect of such SDRs, or an exemption from the registration requirements or the equivalent measures is available under the applicable law in each jurisdiction.

> **Future sales and new issues may dilute the holdings of existing SDR holders.** There is a risk that sales of a significant number of SDRs, especially if made by the Company's Directors, senior executives and major SDR holders, may have a material negative effect on the share price of Vostok Emerging Finance. The Company may in the future resolve on a new issue of additional Shares or other securities to raise additional equity capital. Any such equity issue could reduce the proportional ownership and voting rights for the Company's SDR holders as well as the dividend per SDR and also have an adverse effect on the market price of the SDRs.

Section E - Offering

E.1	Rights Issue proceeds and costs	If the Rights Issue is fully subscribed, the Company will raise around SEK 588 million before issuance costs, which are estimated to be around SEK 15 million. Investors will not be charged any cost.
E.2a	Reasons for the Offering and use of proceeds	Vostok Emerging Finance intends to raise up to approximately SEK 588 million through the Rights Issue to continue the build-up of a portfolio of companies. The Board of Directors estimates that the current working capital is insufficient for the Company's needs over the next twelve-month period and a small part of the proceeds will thus be devoted to working capital. The Company estimates that the additional capital needed to maintain its operations for the next twelve months is approximately USD 800,000 (equivalent to around 1.2 per cent of the maximum issue proceeds in the Rights Issue). The need for capital is attributable to operational expenses, most of which comprise of staff expenses. The remainder of the capital raised will thus look to be deployed in both current investments in need for further growth capital as well as into a pipeline of new investment opportunities that the Company is currently working on and is within the investment mandate of Vostok Emerging Finance.
E.3	Terms and conditions for the Offering	<p>The Rights Issue offers a maximum of 587,996,440 new SDRs. Persons who on the record date of 17 November 2015 are registered as SDR holders in Vostok Emerging Finance have preferential right to subscribe for new SDRs in the Rights Issue. Persons who on the record date are registered as Vostok Emerging Finance SDR holder will receive one (1) Subscription Right for every SDR held. One (1) Subscription Right entitles the holder to subscribe for eight (8) new SDRs.</p> <p>The new SDRs in Vostok Emerging Finance will be issued at a subscription price of SEK 1.00 per SDR, corresponding to approximately USD 0.12 per new SDR. No commission will be charged.</p> <p>The record date at Euroclear for determining who are entitled to receive Subscription Rights is 17 November 2015.</p> <p>Subscription of new SDRs takes place during the period from and including 19 November 2015 to 15.00 (CET) on 3 December 2015. After the end of the subscription period, the unexercised Subscription Rights will expire and thus lose their value.</p> <p>Trading in Subscription Rights will take place on Nasdaq First North during the period from and including 19 November 2015 up to and including 1 December 2015 under ticker "VEMF SDB TR".</p> <p>Trading in new SDRs is expected to start on Nasdaq First North around 18 December 2015, when the new SDRs are expected to be registered on the subscribers' VP accounts.</p>
E.4	Significant interests in the Offering	Pareto Securities is the financial advisor in connection with the Rights Issue. Pareto Securities has also provided the Company advice in connection with the structuring and planning of the Rights Issue and receives compensation for such advice. Pareto Securities and its affiliates have provided, and may also in the future be required to provide various financial advisory services to the Company and its affiliates, for which they have and can be expected to obtain fees and other remunerations. There are no other interests in addition to those described above which are of importance for the offering. However, several board members and senior executives have financial interests in the Company due to their ownership of SDRs in the Company, directly or indirectly, and/or through their participation in the share based incentive programme for current and previous employees.
E.5	Lock up agreement	As far as the Board of Directors is aware, there are no agreements concerning transfer restrictions for a certain period (so-called lock up agreements).
E.6	Dilution	If the Rights Issue is fully subscribed, the number of SDRs in the Company will increase from 73,499,555 to 661,495,995 SDRs, corresponding to an increase of 800 per cent. Current SDR holders not participating in the Rights Issue will be diluted by up to 587,996,440 SDRs and votes, corresponding to approximately 88.9 per cent of the SDRs and votes in the Company after the Rights Issue.
E.7	Costs for the investor	Not applicable; the issuer will not charge any costs to investors.

Investing in Vostok Emerging Finance SDRs is associated with a number of risks and uncertainties. A number of factors affect, or may affect, the Company's business, both directly and indirectly. Prior to investing in the SDRs, prospective investors should carefully consider the factors, risks and uncertainties associated with any such investment, the Company's business, strategy and the industry in which it operates, together with all other information contained in this Prospectus including, in particular, the risk factors described below.

Risk factors deemed to be of material importance for the Company's business, operating results, financial condition and prospects are described below and should be used as guidance only. The description is not exhaustive and the order in which the risks are presented is not an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential harm to the Company's operations, operating results, financial condition or prospects. Additional risks and uncertainties that are currently not known to the Company, or that the Company currently deems immaterial, may individually or cumulatively have a material adverse effect on the Company's business, financial condition or prospects and, if any such risk should materialise, the price of the SDRs may decline and investors could lose all or part of their investment. Potential investors should carefully consider whether an investment in the SDRs is suitable for them in light of the information in this Prospectus and their personal circumstances.

Risks related to the Company and the markets in which the Company operates

Risks related to investments in emerging and frontier markets

An investment in Vostok Emerging Finance is subject to risks associated with ownership and management of investments and in particular to risks of ownership and management in emerging and frontier markets. As these countries are still, from an economic point of view, in a phase of development, investments are affected by unusually large fluctuations in profit and loss and other factors outside the Company's control that may have an adverse impact on the value of Vostok Emerging Finance's SDRs. Investors should therefore be aware that investment activity in emerging and frontier markets entails a high level of risk and that risk factors should be closely considered. Those risk factors are usually not associated with investment in shares in more developed countries. Unstable state administration could have an adverse impact on investments.

None of the emerging or frontier markets has a fully developed legal system comparable to that in more developed countries. In these judicial systems, existing laws and regulations are sometimes applied inconsistently and both the independence and efficiency of the court system constitute a significant risk. Statutory changes have taken place and will probably continue to take place at a rapid pace, and it remains difficult to predict the effect of legislative changes and legislative decisions for companies. It could be more difficult to obtain redress or exercise one's rights in emerging and frontier markets than in more developed legal systems. If any of the above mentioned risk were to materialise it could have an adverse effect on the Company's business, financial condition and results of operations.

Risks related to acquisitions and disposals

Acquisitions and disposals are by definition a natural element in Vostok Emerging Finance's activities, and these are associated with risks. All acquisitions and disposals are subject to uncertainty. The Company's exit strategy is to sell its holdings to strategic investors or via the market. There is a risk that the Company will not succeed in selling its participations and portfolio investments at the price the shares are being traded at on the market at the time of the disposal or valued at in the balance sheet. Vostok Emerging Finance may therefore fail to sell its holdings or be forced to do so at less than its maximum value or at a loss. If Vostok Emerging Finance disposes the whole or parts of an investment in a portfolio company, the Company may receive less than the potential value of the holding, and the Company may receive less than the sum invested, which could have an adverse effect on the Company's business, financial condition and results of operations.

Risks related to competition

Vostok Emerging Finance operates in a market subject to competition with regards to investment opportunities. Other investors may thus compete with Vostok Emerging Finance in the future for the type of investments the Company intends to make. There is a risk that in the future Vostok Emerging Finance will be subject to competition which may adversely affect the Company's return on investments. There is a risk that opportunities for beneficial acquisitions will not arise or that the Company, in the event that such opportunities for acquisition arose, would not have sufficient resources to complete such acquisitions. If any of the above mentioned risk were to materialise it could have an adverse effect on the Company's business, financial condition and results of operations.

Accounting practice and access to other information

Practice in accounting, financial reporting and auditing in emerging and frontier markets is not comparable with the corresponding practices that exist in the Western world. This is principally due to the fact that accounting and reporting is only a function of adaptation to tax legislation. In addition, access to external analysis, reliable statistics and historical data is inadequate. The effects of inflation can, moreover, be difficult for external observers to analyse. Although financial information is prepared and auditing is undertaken in accordance with international standards, there is a risk with regards to the completeness and dependability of the information. Inadequate information and weak accounting standards in portfolio companies may adversely affect Vostok Emerging Finance in future investment decisions.

Corporate governance risks

Misuse of corporate governance is a problem in emerging and frontier markets. Minority shareholders may be badly treated in various ways, for instance by the sale of assets, transfer pricing, dilution, limited access to Annual General Meetings and restrictions on Board seats for external investors. In addition, sale of assets and transactions with related parties are common. Transfer pricing is generally applied by companies for transfer of value from subsidiaries and external investors to various types of holding companies. It happens that companies neglect to comply with the rules that govern share issues such as prior notification in sufficient time for the exercise of pre-emption rights. Prevention of registration of shares is also widespread. Despite the fact that independent authorised registrars have to keep most share registers, some are still in the hands of the company management, which may thus lead to register manipulation. A company management would be able to take extensive strategic measures without proper consent from the shareholders. The opportunity for shareholders to exercise their right to influence and make decisions is made considerably more difficult than in more developed markets. Inadequate accounting rules and standards have hindered the development of an effective system for uncovering fraud and increasing insight. Shareholders can conceal their ownership by acquiring shares through shell company structures based abroad which are not demonstrably connected to the beneficiary, which leads to self-serving transactions, insider deals and conflicts of interest. Deficiencies in legislation on corporate governance, judicial enforcement and corporate legislation may lead to hostile takeovers, where the rights of minority shareholders are disregarded or abused, which could affect Vostok Emerging Finance in a detrimental manner. If any of the above mentioned risk were to materialise it could have an adverse effect on the Company's business, financial condition and results of operations.

Dependence on key individuals

Vostok Emerging Finance's future success is to some extent dependent on its members of management and other key personnel who provide expertise, experience and commitment. The Company has entered into employment agreements with its key personnel and the Company believes these agreements are market-based. There is, however, a risk that the Company will not be able to retain or recruit qualified personnel in the future. If the Company is unable to retain members of management and other key personnel, or recruit new members of management or other key personnel to replace people who leave the Company this may have a material adverse effect on the Company's business, financial condition and results of operations.

International capital flows

Economic unrest in emerging and frontier markets also tends to have an adverse effect on the equity market in other emerging countries or the share price of companies operating in such countries, as investors tend to re-allocate their investment flows to more stable and developed markets. The price on the SDRs may be adversely affected during such periods. Financial problems or an increase in perceived risk related to emerging and frontier markets may inhibit foreign investments in these markets and have a negative impact on the country's economy. Such an economic deterioration may have a material adverse effect on the Company's business, sales and profit development.

Exposure to financial services companies in emerging and frontier markets

An investment in Vostok Emerging Finance is subject to risks associated with ownership and management of investments in financial services companies in emerging and frontier markets. Therefore, the Company's business, operating results, financial condition and prospects may be adversely affected by the materialisation of such risks, which include, but may not be limited to, the following:

- > **Regulatory risks** – most financial services companies in emerging and frontier markets are subject to extensive regulatory requirements. Such requirements, or the interpretation by competent authorities of such, may change rapidly. Failure to adapt to the relevant requirements may lead to sanctions or loss of business opportunities, which in turn could have a material adverse effect on the business, results of operations, financial condition and prospects of the Company's investments.
- > **Operational risk** – financial services companies in emerging and frontier markets are exposed to operational risk, including the risk of fraud by employees, customers or third parties, mismanagement, unauthorised transactions by employees and operational

errors. Any failure to properly mitigate operational risk could have a material adverse effect on the business, results of operations, financial condition and prospects of the Company's investments.

- > **Reputational risk** – consumer behaviour may be negatively impacted by negative publicity in traditional media as well as in social media. Any loss of reputation could have a material adverse effect on the business, results of operations, financial condition and prospects of the Company's investments.
- > **IT risk** – financial services companies are likely to be dependent on IT systems and any disruption that affects the operations of critical systems could have a material adverse effect on the businesses, results of operations, financial condition and prospects of the Company's investments.

Exposure to Russia

The Company's largest investment is currently the ownership of shares in TCS Group, which is a financial services company with operations in Russia. Furthermore, the Company has invested in REVO and Sorsdata which are companies within the financial sector in Russia. The value of Vostok Emerging Finance's assets may be affected by uncertainties such as political and diplomatic developments, social or religious instability, changes in government policy, tax and interest rates, restrictions on the political and economic development of laws and regulations in Russia, major political changes or lack of internal consensus between leaders, executives and decision-making bodies and strong political groups. These risks include in particular expropriation, nationalisation, confiscation of assets and legislative changes relating to the allowed level of foreign ownership. In addition, political changes may be less predictable than in other more developed countries. Such instability may have an adverse impact on both the Company's operations and the SDR price. Since the collapse of the Soviet Union in 1991, the Russian economy has, from time to time, shown:

- > Significant decline in GDP
- > Weak banking system with limited supply of liquidity to foreign companies
- > Growing black and grey economic markets
- > High flight of capital
- > High level of corruption and increased organised economic crime
- > Hyperinflation
- > Significant rise in unemployment

The Russian economy is largely dependent on the production and export of oil and natural gas, which makes it vulnerable to fluctuations in the oil and gas market. A downturn in the oil and gas market may have a significant adverse impact on the Russian economy. Should any of these risks materialise, it could have a material

adverse effect on the Company's business, results of operations and financial condition.

Exposure to TCS Group

The Company's ownership of shares in TCS Group is currently its largest investment, and represents 71.4 per cent of the Company's NAV as per the 31 October 2015. TCS Group might continue to be a significant part of the Company's portfolio. Therefore, the Company's business, results of operations, financial condition and future prospects are closely connected to risks attributable to TCS Group, including, but not limited to, the following:

- > **Customer's credit quality** – TCS Group is subject to risks related to the credit quality of loans to customers. Changes in the creditworthiness of TCS Group's borrowers, or in their behaviour, or arising from systemic risks in the Russian or global financial systems, could result in significant increases in provisions for loan impairment and in the portion of non-performing loans in TCS Group's gross loan portfolio. In the event that the economic conditions in Russia deteriorate significantly, the above mentioned risks could have a material adverse effect on TCS Group's business, results of operations, financial condition and prospects.
- > **Deficiencies in the control of customers credit quality** – The scoring techniques and checks used by TCS Group to evaluate the creditworthiness of applicants for credit cards and other loan products, may not always present a complete and accurate picture of each customer's financial condition or be able to accurately evaluate the impact of various changes, including changes in the Russian macroeconomic situation, which could significantly alter a customer's financial condition. For example, TCS Group cannot always accurately determine the current indebtedness of any particular current or potential customer as the credit bureau databases in Russia are still in a developing phase. Additionally, TCS Group has no way of preventing its customers from taking additional loans from other financial institutions or otherwise taking measures that increases the risk that a customer may default on a loan from TCS Group. As a result, TCS Group may not always be able to correctly evaluate the current financial condition of each prospective customer or accurately determine the ability of its customers to repay their loans. Failure by TCS Group to accurately assess customer credit risk could have a material adverse effect on TCS Group's business, results of operations, financial condition and prospects. In the event of defaults by a significant number of its borrowers, TCS Group may be unable to recover all or a significant proportion of the balance of such loans, which may have a material adverse effect on TCS Group's business, results of operations, financial condition and prospects.

> **Competition** – The Russian market for retail financial and banking services, while relatively new and still undeveloped, is highly competitive. This competition, which involves both local competitors and global financial institutions, has an influence over the growth and profitability of retail financial services providers, including the growth of loans and deposit portfolios, fee and commission income, net interest margins, cost margins and funding costs, among other things. Many of TCS's competitors have access to much larger deposit bases and benefit from cheaper funding costs. As a result, these banks enhanced their dominance of the Russian banking sector, including in retail financial services. If TCS fails to compete effectively with other banks, or new entrants to the market, this could have a material adverse effect on its business, results of operations, financial condition and prospects.

> **Customers' personal consumption, income levels and understanding of loan products** – Performance in, and development of, the retail financial services market in the Russian Federation are highly dependent on the country's economic growth, as well as levels of disposable income and consumer spending, making TCS dependent on those factors. A substantial portion of TCS's customer base has limited experience of financial services, including credit cards and other financial products. TCS's growth depends on increasing consumer adoption of financial products. At the same time, the fact that customers will become more sophisticated with financial products in the future may have a negative impact on TCS's yields and margins. In addition, if the state of the Russian and/or the global economy were to deteriorate, this may lead to a reduction in levels of personal income, individual purchasing power or consumer confidence, weakening consumer spending and savings and increased insolvencies.

> **Litigations** – Due to the nature of its business, TCS Group may, from time to time, be involved in litigation with customers and/or governmental authorities, similar agencies or be subject to administrative proceedings. These court cases and administrative proceedings could result in negative publicity, the need to amend standard consumer lending documentation, administrative fines, lost revenue streams and losses from returning fees or commissions, all of which could have a material adverse effect on TCS Group's business, results of operations, financial condition and prospects.

> **Available capital** – TCS Group's business depends on the availability of sufficient capital, both for compliance with applicable capital adequacy requirements and for the effective conduct of its business. If TCS Group's capital position declines, its ability to implement its business strategy may be adverse-

ly affected, and if TCS Group's capital adequacy ratio calculated pursuant to the relevant regulatory requirements were repeatedly to fall below relevant thresholds, this could lead to the introduction of punitive measures or the loss of one or more of TCS Group's licences, which in turn could have a material adverse effect on TCS Group's business, results of operations, financial condition and prospects. Similar capital adequacy requirements may be imposed by lenders and contract counterparties and a failure to meet required capital adequacy ratios could result in a contract default, which could result in a cross default of a substantial portion of TCS Group's indebtedness, or other adverse effects.

> **Market financing** – TCS Group's wholesale funding has been sourced from the Russian interbank loan market and domestic and international capital markets through the issuance of e.g. RUB-denominated domestic bonds, USD, SEK- and Euro-denominated Eurobonds and USD-denominated euro commercial papers. TCS Group's ability to continue to have access to international and domestic capital markets to satisfy its funding needs, including the refinancing of outstanding debt, may be adversely affected by a number of factors, including Russian and international economic conditions and the state of the Russian and the global financial systems. Any dislocation in the international financial markets and tightening of credit conditions could create a liquidity problem for TCS Group, restrict its access to funding in the international and domestic capital markets or significantly increase its borrowing costs. Any change in the extent and/or the terms of TCS Group's ability to access the domestic and/or international debt capital markets, as well as a potential increase in TCS Group's borrowing costs, or maturity mismatches between TCS Group's assets and liabilities may, in combination or separately, have a material adverse effect on TCS Group's net interest margin, or, more generally, on TCS Group's business, results of operations, financial condition and prospects. Any deterioration in TCS Group's credit ratings could undermine confidence in TCS and limit its access to capital markets, which could require TCS Group to seek alternative, more expensive sources of funding in order to maintain market share and to grow its business, thereby affecting TCS Group's competitiveness and financial condition. Any significant impediment to TCS Group's ability to access international and/or domestic capital markets and/or the Russian interbank loan market to refinance outstanding debt as it falls due may have a material adverse effect on TCS Group's ability to repay its indebtedness or, more generally, on TCS Group's business, results of operations, financial condition and prospects.

> **Permits and licenses** – All banking and various related operations in Russia require licences from governmental authorities. TCS Group has obtained licences with respect to banking operations with individuals, legal entities and for banking operations involving foreign currencies, as well as other licences necessary in connection with its banking operations. In the event that TCS Group was to lose a relevant licence, applying for a new licence would be costly and time consuming. Governmental authorities regulating financial market companies may, at its discretion, impose additional requirements or deny any request by TCS Group for licences, which could have a material adverse effect on TCS Group's business, results of operations, financial condition and prospects.

> **Liquidity** – During the global financial and economic crisis of 2008–2009, the international and Russian inter-bank lending markets experienced a lack of liquidity and high cost of funds unprecedented in recent history. As a result, TCS Group has increasingly become subject to the risk of deterioration of the actual or perceived commercial soundness of other financial institutions within and outside Russia. Financial institutions that transact with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as banks, payment acceptance service providers, clearing agencies, clearing houses, securities firms and exchanges with which TCS Group interacts on a frequent basis, all of which could have an adverse effect on TCS Group.

> **Counterparty risk** – TCS Group routinely executes a high volume of transactions with counterparties in the financial services industry, including commercial banks, payment acceptance service providers and other financial institutions. As a result, TCS Group is exposed to a significant counterparty risk. A default by, or concerns about the stability of, one or more financial institutions could lead to further significant systemic liquidity problems, or losses or defaults by other financial institutions, which could result in losses for TCS Group (for example of funds deposited with other financial institutions) and thus have a material adverse effect on TCS Group's business, results of operations, financial condition and prospects.

> **One strong owner** – TCS Group is in effect controlled by Oleg Tinkov, whose interests may conflict with other shareholders. As the interests of Oleg Tinkov may, in some circumstances, conflict with the interests of other investors in TCS Group, such divergence of interests may have a material adverse effect on the Company's investment in TCS Group. The vot-

ing power of Oleg Tinkov will be substantially greater than his economic interest in TCS Group, and the ability of the Company to influence the conduct of the TCS Group will be limited.

> **IT systems** – The TCS Group's ability to maintain financial and operating controls, to monitor and manage its risk exposure, to keep accurate records, to provide high-quality customer service and to develop and sell products and services depends, in part, on the uninterrupted and efficient operation of its information and communications systems, including its information technology and other systems that protect business continuity. IT systems problems or malfunctions can result from inadequate or failed internal control processes and protection systems, human error, fraud, theft or external events that interrupt normal business operations. Any material disruption to TCS Group's IT systems, and in particular any disruption that affects the operations of TCS's online customer acquisition and service platform, could have a material adverse effect on TCS Group's business, results of operations, financial condition and prospects.

> **Operational risk** – TCS Group is exposed to operational risk, including the risk of fraud by employees, customers or outsiders, mismanagement, unauthorised transactions by employees and operational errors. In addition, TCS Group's ability to operate its business, and specifically its online customer acquisition and service platform, depends on its ability to protect the computer systems, networks and databases that it operates and uses from unauthorised intrusions of third parties. Future losses may occur as a consequence of operational risk.

Foreign exchange risk

Foreign exchange risk refers to the risk that exchange rate fluctuations will have a material adverse effect on the Company's income statement, balance sheet or cash flow. Exposures of foreign exchange risk are the result of the international operations. The Company is mainly exposed to fluctuations in SEK, EUR and RUB against the USD. Exchange rate fluctuations could therefore have a material adverse effect on the Company's business, prospects, results of operation and financial condition.

Price risk

The Company is exposed to listed equity securities price risk because of investments held by the Company and classified on the balance sheet as financial assets at fair value through profit or loss. If the price on the financial assets would decrease, it could have a material adverse effect on the Company's results of operations and financial condition.

>14 **Liquidity risk**

Liquidity risk refers to the risk that liquidity will not be available to meet payments commitments due to the fact that the Company cannot divest its holdings quickly or without considerable extra costs. Even though this risk may be relatively low as long as the core investment consists of class A-shares in TCS Group, which may readily be converted into GDRs listed on the London Stock Exchange, the risk may increase in the future if the portfolio changes focus to private equity investments which are less liquid than listed holdings.

Tax risks

There is a risk that Vostok Emerging Finance's interpretation of applicable laws and administrative practice is incorrect, and that applicable laws or administrative practice change, possibly with a retroactive effect. Furthermore, decisions of the tax authorities may deteriorate the Company's past or current tax positions. In the event that Vostok Emerging Finance's interpretation of laws or administrative practice is incorrect, if tax laws change or if tax authorities successfully make tax adjustments that deteriorate Vostok Emerging Finance's past or current tax positions, this could have a negative impact on the Company's business, result of operations, financial condition and prospects.

Risks associated with the Securities

Fluctuations in the market price of the Company's SDRs

The new SDRs, SDB P1 and Subscription Rights will be traded at Nasdaq First North. A prospective investor should be aware that an investment in the SDRs, SDB P1 or Subscription Rights in the Company is associated with a high degree of risk and that the share price may evolve in an unfavourable direction. The price of the Company's SDRs, SDB P1 and Subscription Rights is affected, among other things, by the Company's business, results of operation, prospects, the expectations of analysts and investors as well as the perception of the stock market.

Furthermore, these market prices depend on several factors which Vostok Emerging Finance cannot influence. Such factors include, among other things, the economic climate in general, market interest rates, capital flows, political uncertainty or market behaviour as well as other risk factors described in the Prospectus. The securities market may also from time to time be subject to considerable fluctuation on prices and volumes, regardless of the Company's actual operations performance or prospects. Although the Company's business would develop positively, investors can make a capital loss by disposal of SDRs. Furthermore, it is uncertain whether it will develop an active market for the new SDRs, SDB P1 and Subscription Rights.

Limited liquidity may lead to fluctuations in the price of the SDRs and be to the detriment of investors.

Unregulated market

The SDRs are admitted for trading on Nasdaq First North, which according to the Securities Markets Act, is deemed to be a trading platform, but not a regulated market. A trading platform is not subject to the same legal restrictions as a regulated market, and as a result an investment in shares traded on a trading platform is typically associated with higher risk than an investment in shares traded on a regulated market.

Dividends

A dividend may only be paid if Vostok Emerging Finance has funds available for distribution and the distribution is justifiable considering the demands that the nature, scope and risks of the operations place on the size of the equity of the Company as well as the Company's consolidation needs, liquidity and financial position. Moreover, as a general rule, the SDR holders may not decide on a dividend that is greater than that proposed or approved by the Board of Directors. There are several risks that may have an adverse effect on the Company's operations and therefore there is a risk that the Company may not be able to generate a result of operations that enables dividends in the future or that the General Meeting do not resolve on any dividend.

Trading in Subscription Rights

The Subscription Rights are expected to be traded on Nasdaq First North during the period commencing 19 November 2015 up to and including 1 December 2015. The Company does not intend to apply for trade in Subscription Rights on any other trading platform or regulated market. There is a risk that active trading in the Subscription Rights will not be developed on Nasdaq First North during the period of which trading in the Subscription Rights takes place, or that sufficient liquidity will not exist during this period.

Certain non-Swedish SDR holders may be prevented from exercising their preferential right

Certain SDR holders resident or with a registered address in other jurisdictions than Sweden, for example SDR holders in the United States, may be unable to exercise their preferential right to subscribe for new SDRs in the Rights Issue as well as in future new issues, unless a registration or equivalent measures under the applicable law in each jurisdiction are made in respect of such SDRs, or an exemption from the registration requirements or the equivalent measures is available under the applicable law in each jurisdiction.

Future sales and new issues may dilute the holdings of existing SDR holders

Sales of a significant number of SDRs, especially if made by the Company's Directors, senior executives and major SDR holders, may have a material negative effect on the share price of Vostok Emerging Finance.

The Company may in the future resolve on a new issue of additional Shares or other securities to raise additional equity capital. Any such equity issue could reduce the proportional ownership and voting rights for the Company's SDR holders as well as the dividend per SDR and also have an adverse effect on the market price of the SDRs.

>16 Invitation to subscribe for SDRs

On the Special General Meeting on 9 November 2015 it was resolved to increase the Company's issued share capital through a new share issue with preferential rights for existing SDR holders of Vostok Emerging Finance. The decision to proceed with a rights issue means that the issued share capital of Vostok Emerging Finance will increase with not more than USD 5,879,964.40 by an issue of not more than 587,996,440 new common Shares, represented by SDRs.

SDR holders in Vostok Emerging Finance are hereby invited to subscribe for new SDRs in the Company according to the terms described in this Prospectus. The SDR holders will have a preferential right to subscribe for new SDRs in proportion to their SDR holdings as of the record date 17 November 2015. For every SDR held on the record date the holder will receive one (1) Subscription Right. One (1) Subscription Right entitles the holder to subscribe for eight (8) new SDRs. The subscription period runs from and including 19 November 2015 up to and including 3 December 2015, or such later date as decided by the Board of Directors. The new SDRs carry the same rights as the existing SDRs in the Company. Please also see section "*Terms, conditions and instructions*".

If the Rights Issue is fully subscribed, the Company will raise around SEK 588 million before issuance costs, which are estimated to be around SEK 15 million.

SDR holders who choose not to participate in the Rights Issue will have their ownership diluted by up to 88.9 per cent, but may be able to financially compensate for the dilutive effect by selling their Subscription Rights. The dilutive effect is calculated based on the number of new SDRs in the Rights Issues divided by the number of SDRs after the Rights Issue, assuming full subscription.

Subscription commitments and indications

SDR holders that together hold approximately 60 per cent of the outstanding SDRs have expressed their support and indicated their interest to participate in the Rights Issue. In addition to this, members of the board and management have committed to subscribe for a total of 3,583,824 new SDRs, representing approximately 0.6 per cent of the new SDRs offered in the Rights Issue, by exercising Subscription Rights.

The SDR holder are hereby invited to, with preferential rights, subscribe for new SDRs in Vostok Emerging Finance in accordance with terms and conditions set out in this Prospectus.

Hamilton, Bermuda, 16 November 2015

Vostok Emerging Finance Ltd
The Board of Directors

Vostok Emerging Finance came into existence as a separate entity on 16 July 2015 when the SDRs in Vostok Emerging Finance were distributed to the holders of Swedish Depository Receipts in Vostok New Ventures (formerly Vostok Nafta Investment Ltd). Vostok New Ventures has a strong reputation and a long history in the private investing space, having made investments in emerging and frontier markets since 2007, and its precursor Vostok Gas Ltd. since the early 1990's. Before the distribution, Vostok New Ventures' portfolio of investments had two identifiable investment themes within emerging and frontier markets. The first theme was investments in online marketplaces and businesses with network effects, and the second theme was investments in modern financial services companies. While the majority of Vostok New Ventures' investments fell under the first category, one investment, TCS Group, fell under the second category. TCS Group was thus placed into Vostok Emerging Finance and became the Company's first and anchor investment.

The Company sees good opportunities for Vostok Emerging Finance. At a global level, the financial services sector is currently one of the fastest evolving sectors. Start-up and early stage FinTech companies are predominantly driving this evolution through disruptive innovation and new technology. In addition to this sector theme, the structural growth theme embedded in emerging and frontier markets remains intact irrespective of short-term cyclical headwinds. Financial market penetration, coupled with mobile, internet and technology penetration are all still on the rise from low levels in many developing geographies, all coupled with a growing economic and wealth level catch up story. For Vostok Emerging Finance, part of the attractiveness of emerging and frontier markets in this regard is the lack of traditional financial infrastructure that could constrain financial sector evolution and new companies in this field to flourish.

Since the spin-off from Vostok New Ventures, Vostok Emerging Finance has made additional investments in the sister companies REVO and Sorsdata and in JUMO. Vostok Emerging Finance intends to raise up to approximately SEK 588 million through the Rights Issue to continue the build-up of a portfolio of companies. However, a small part of the new capital raised will be devoted to working capital. The Company estimates that the additional capital needed to maintain its operations for the next 12 months is approximately USD 800,000 (equivalent to around 1.2 per cent of the maximum proceeds in the Rights Issue). The remainder of the capital raised will thus look to be deployed in both current investments that have need for further growth capital as well as into a pipeline of new investment opportunities that the Company is currently working on and is within the investment mandate of Vostok Emerging Finance. Given the current conditions it is prioritised to exercise the option to acquire an additional 12.5 per cent in REVO and Sorsdata for USD 2.5 million, as well as increasing its holding in JUMO. With regards to further investments in portfolio companies, the Company sees various opportunities coming through in segments including consumer lending, marketplace lending, payments, mobile money and digital banking. On a geographic basis, the Company is most excited by countries with strong demographics inclusive of Russia, Romania and Poland in East Europe and Vietnam, Pakistan and Indonesia in Asia, as well as Egypt and Africa as a whole.

In other respects, reference is made to the full particulars of the Prospectus, which has been prepared by the Board of Directors of Vostok Emerging Finance in connection with the present Rights Issue. The Board of Directors of Vostok Emerging Finance is responsible for the contents of the Prospectus. It is hereby assured that all reasonable precautionary measures have been taken to ensure that the information contained in the Prospectus, as far as the Board of Directors is aware, corresponds to the facts and that nothing has been omitted that would affect its import.

Hamilton, Bermuda, 16 November 2015

Vostok Emerging Finance Ltd
The Board of Directors

>18 Terms, conditions and instructions

Preferential right and Subscription Rights

The Rights Issue comprises a maximum of 587,996,440 new SDRs. Persons who on the record date of 17 November 2015 are registered as SDR holders of Vostok Emerging Finance have preferential right to subscribe for new SDRs in the Rights Issue. Persons who on the record date are registered as SDR holders of Vostok Emerging Finance will receive one (1) Subscription Right for every SDR held. One (1) Subscription Right entitles the holder to subscribe for eight (8) new SDRs.

If the Rights Issue is fully subscribed, the number of SDRs in the Company will increase from 73,499,555 to 661,495,995 SDRs, corresponding to an increase of 800 per cent. Current SDR holders not participating in the Rights Issue will be diluted by up to 587,996,440 SDRs and votes, corresponding to approximately 88.9 per cent of the SDRs and votes in the Company after the Rights Issue. SDR holders who choose not to participate in the Rights Issue may be compensated for this dilution through the sale of their Subscription Rights.

Subscription price

The new SDRs in Vostok Emerging Finance will be issued at a subscription price of SEK 1.00 per SDR, corresponding to approximately USD 0.12 per new SDR. If the Rights Issue is fully subscribed, the Company will raise around SEK 588 million, corresponding to approximately USD 68 million, before transaction costs. No commission will be charged.

Record date

The record date at Euroclear for determining which persons that are entitled to receive Subscription Rights is 17 November 2015. The last day of trading in SDRs including preferential right to participate in the Rights Issue was 13 November 2015. The SDRs are traded excluding preferential right to participate in the Rights Issue from and including 16 November 2015.

Subscription period

Subscription of new SDRs takes place during the period from and including 19 November 2015 to 15.00 (CET) on 3 December 2015. Vostok Emerging Finance's Board of Directors reserves the right to extend the period during which subscription and payment may take place, which will then be announced through a press release. Subscription for new SDRs is irrevocable and a SDR holder may not cancel or modify such subscription of new SDRs.

Directly registered SDR holders

SDR holders, or representatives of SDR holders, who on the record date are registered in the share register maintained by Euroclear on behalf of the Company, will receive a pre-printed issue statement with an attached payment slip. The issue statement sets forth, among other things, the number of Subscription Rights received and the number of new SDRs that may be subscribed for with the use of these. No securities notification (Sw. *VP-avi*) will be sent out regarding the registration of Subscription Rights on securities accounts.

Persons included in the special list of pledge holders and trustees maintained in connection with the share register will not receive any issue statement and will be informed separately.

Nominee-registered SDR holders

SDR holders whose holdings are nominee-registered with a bank or other nominee will not receive an issue statement from Euroclear. Subscription and payment shall instead be made in accordance with instructions from each respective nominee.

SDR holders resident in certain ineligible jurisdictions

The allotment of Subscription Rights and the issue of new SDRs by exercise of Subscription Rights to persons who are resident in countries other than Sweden, may be affected by securities legislation in such countries. Consequently, subject to certain exceptions, the SDR holders whose existing SDRs in Vostok Emerging Finance are directly registered in a securities account and whose registered addresses is in Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the US, or any other or any other jurisdiction in which it would not be permitted to offer the Subscription Rights and new SDRs, will not receive any Subscription Rights or be allowed to subscribe for new SDRs. Subscription Rights that would have been delivered to such SDR holders will be sold and the sales proceeds, less a deduction for costs, will be paid to such an SDR holder. Amounts of less than SEK 100 will not be paid out.

Trading in Subscription Rights (VEMF SDB TR)

Trading in Subscription Rights will take place on Nasdaq First North during the period from and including 19 November 2015 up to and including 1 December 2015 under ticker "VEMF SDB TR". The primary as well as the subsidiary preferential right will be transferred to the acquirer upon sale of the Subscription Rights. The ISIN code for the Subscription Rights is SE0007730726.

Subscription and payment when subscribing with Subscription Rights

Subscription of new SDRs takes place during the period from and including 19 November 2015 to 15.00 (CET) on 3 December 2015. After the end of the subscription period, the non-exercised Subscription Rights will expire and thus lose their value. Unexercised Subscription Rights will then, without notice from Euroclear, be deregistered from the SDR holders' VP accounts. In order not to lose the value of the Subscription Rights, the holder must either:

- (i) exercise the Subscription Rights to subscribe for new SDRs in Vostok Emerging Finance not later than 3 December 2015; or
- (ii) sell the Subscription Rights not later than 1 December 2015.

Subscription by directly registered SDR holders

Subscription for new SDRs by way of exercising with Subscription Rights will be effected by means of simultaneous payment in cash, which shall be provided to Pareto Securities not later than 15.00 (CET) 3 December 2015, through one of the following alternatives:

A. Payment slip from Euroclear – preprinted payment form

The payment slip (Sw. *bankgiroavi*) shall be used if all Subscription Rights in the issue statement from Euroclear are to be exercised. No additions or changes may be made to the payment slip.

B. Application form (I) – for subscription with the use of subscription rights

In those cases in which Subscription Rights have been acquired or sold or otherwise a different number of Subscription Rights from that which is set forth in the issue statement from Euroclear are exercised for subscription, the application form (I) for subscription with the use of Subscription Rights shall be used as a basis for subscription through payment. The application form can be ordered from Pareto Securities by telephone at +46 8 402 51 40, from Pareto Securities' webpage www.paretosec.com, or from Vostok Emerging Finance's webpage www.vostokemergingfinance.com.

Completed application form must be received by Pareto Securities at the address below, sent by mail, fax or e-mail not later than at 15.00 (CET) 3 December 2015.

Pareto Securities AB
 Issues Department/Vostok Emerging Finance
 Box 7415
 103 91 Stockholm
Visiting Address: Berzelii Park 9, Stockholm
Telephone: +46 8 402 51 40
Fax: +46 8 402 51 41
E-mail: issueservice.se@paretosec.com
 (scanned application form)

Application forms that are sent by mail should be sent in ample time prior to the final subscription date. Note that the registration is legally binding and no changes or additions may be made to the pre-printed text on the application form. Incomplete or incorrectly filled-in application forms as well as applications that do not include necessary identification and authorisation documents may be disregarded. Only one application form per subscriber will be considered. In the case of several application forms received from the same subscriber, only the last received application form will be considered.

If the subscription payment is paid too late, is insufficient or is paid incorrectly, the subscription may be disregarded. In such case any settlement will then be refunded. However, no interest will be paid for such settlement.

Nominee-registered SDR holders

SDR holders whose holdings are registered with a nominee and who wish to subscribe for new SDRs using Subscription Rights shall apply for subscription in accordance with instructions from its nominee or nominees.

Subscription without the use of Subscription Rights

In the event that not all SDRs are subscribed for by way of Subscription Rights the Board of Directors shall, within the scope of the Rights Issue's maximum amount, resolve on allotment of SDRs subscribed for without Subscription Rights, whereby SDRs primarily shall be allotted to those who also subscribed for SDRs by way of exercising Subscription Rights, regardless of whether the subscriber was an SDR holder on the record date or not, and in the event of oversubscription, in relation to the number of Subscription Rights which were exercised for subscription of SDRs and, in the event that is not possible by way of drawing lots. Secondly, SDRs shall be allotted to others who subscribed for SDRs without exercising Subscription Rights and, in the event of those cannot receive full allotment, in relation to the number of SDRs each and every one has subscribed for and, in the event that is not possible, by way of drawing lots.

Subscription without the use of Subscription Rights shall take place during the same time period as the subscription with Subscription Rights, i.e. from and including 19 November up until 15.00 (CET) 3 December 2015. Application to subscribe without Subscription Rights shall be made on the application form (II) – Subscription without the exercise of Subscription Rights. Such application form can be ordered from Pareto Securities by telephone at +46 8 402 51 40, from their webpage www.paretosec.com,

or from Vostok Emerging Finance's webpage www.vostokemergingfinance.com.

Completed application form must be received by Pareto Securities at the address below, sent by mail, fax or e-mail not later than at 15.00 (CET) 3 December 2015:

Pareto Securities AB
 Issues Department/Vostok Emerging Finance
 Box 7415
 103 91 Stockholm
Visiting Address: Berzelii Park 9, Stockholm
Telephone: +46 8 402 51 40
Fax: +46 8 402 51 41
E-mail: issueservice.se@paretosec.com
 (scanned application form)

Note that the registration is legally binding and no changes or additions may be made to the pre-printed text on the application form. Incomplete or incorrectly filled-in application forms as well as application forms that are not accompanied by the required identity and authorisation documents may be disregarded. If subscribing without the use of Subscription Rights exceeding an amount equivalent to EUR 15,000, a certified identification document shall be enclosed. Only one application form per subscriber will be considered. In the case of several application forms received from the same subscriber, only the last received application form will be considered.

For SDR holders whose holdings are registered with a nominee bank or other nominee, subscription and payment without the use of Subscription Rights shall be made by the nominee.

The allotment is not dependent of when during the subscription period the application form is submitted. In the event of oversubscription the allocation of new SDRs, with regards to the SDRs subscribed for without the use of Subscription Rights, may end up with a lower amount of SDRs than the application form states, or may even end up without.

Notification of the potential allocation of new SDRs subscribed for without the use of Subscription Rights will be resolved by a send-out of the contract note, which is expected to take place around 8 December 2015. Trading in new SDRs cannot begin before the allocation statement. No notice is sent to those who did not receive an allotment. The subscribed and allotted new SDRs shall be paid in cash on the settlement day in accordance with instructions on the contract note, not later than three (3) banking days after the contract note has been sent to the subscriber. If SDRs are not paid in time, the SDRs may be transferred to another party. If the sales price of such a transfer would be below the issue price, it may be that the one who originally obtained the allotment is made responsible for parts of, or the entire difference.

SDR holders residing outside Sweden

SDR holders residing outside Sweden and who are entitled to subscribe for SDRs in the Rights Issue shall contact Pareto Securities by telephone at +46 8 402 51 40 for information regarding subscription and payment. Please note that the Offer, in accordance with this Prospectus, is not addressed to persons resident in Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the US, or any other jurisdiction where participation requires further prospectuses, registration or other measures than those required by Swedish law.

Paid subscribed SDRs (SDB P1)

After payment and subscription, Euroclear will distribute a securities notification confirming the registration of the SDB P1 in the securities account. The newly subscribed SDRs are entered as SDB P1 on the securities account until the new SDRs have been registered. After the Company has issued new Shares in the form of SDRs, the SDB P1 will be converted into new SDRs without any further notice from Euroclear. The conversion is expected to take place around 18 December 2015.

Trading in Paid subscribed SDRs (SDB P1)

Trading in paid subscribed SDRs (SDB P1) is expected to take place on Nasdaq First North during the period from and including 19 November until the increase of the share capital has been registered under the ticker "VEMF SDB P1". The ISIN code for the SDB P1 is SE0007730718.

Publication of the result of the Rights Issue

Vostok Emerging Finance will announce the result of the Rights Issue by a press release as soon as possible after the subscription period has ended.

Trading in new SDRs

Trading in new SDRs is expected to start on Nasdaq First North around 18 December 2015, when the new SDRs are expected to be registered on the subscribers' VP accounts. The SDRs of Vostok Emerging Finance are trading under the ticker "VEMF SDB" on Nasdaq First North with ISIN code SE0007192018.

Right to dividend

The new SDRs entitle the holders thereof to participate in the distribution of dividends for the first time on the record date for dividend that occurs immediately following the registration of the new SDRs in the share register kept by Euroclear.

Prospectus and application forms

The Prospectus and application forms can be obtained free of charge from Pareto Securities by telephone at +46 8 402 51 40, from their webpage www.paretosec.com, or from Vostok Emerging Finance's webpage www.vostokemergingfinance.com.

Other information

Pareto Securities is acting as a financial advisor and issuing agent for Vostok Emerging Finance in the Rights Issue. Please note that subscription to the Rights Issue do not lead to any customer relationship between the subscriber and Pareto Securities. Thus, Pareto Securities is neither able to make a client categorization of the subscriber nor implement a suitability assessment in accordance with the law (2007:528) concerning the securities market for this subscription.

Illustration

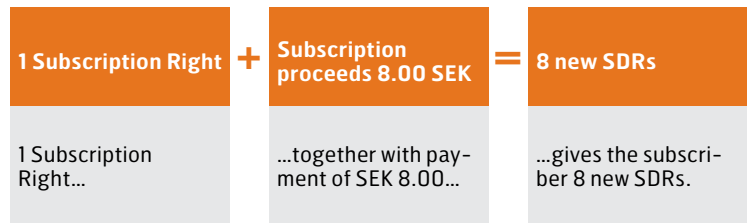
1. Allotment of Subscription Rights

On the record date as per 17 November 2015



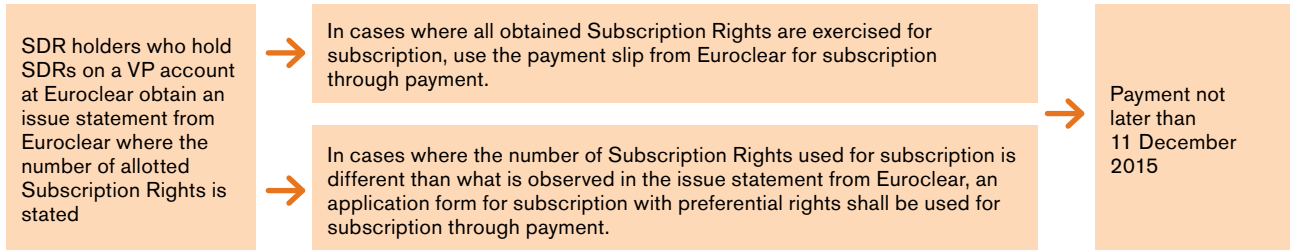
2. Subscription and payment with preferential rights

During the subscription period 19 November 2015–3 December 2015

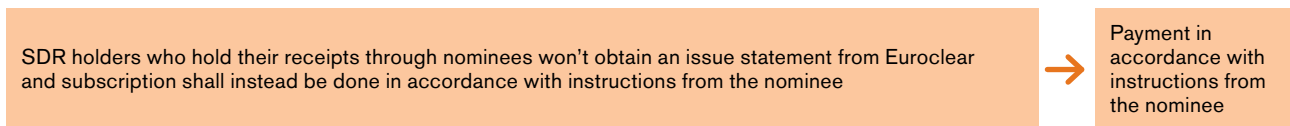


3. How to exercise the Subscription Rights

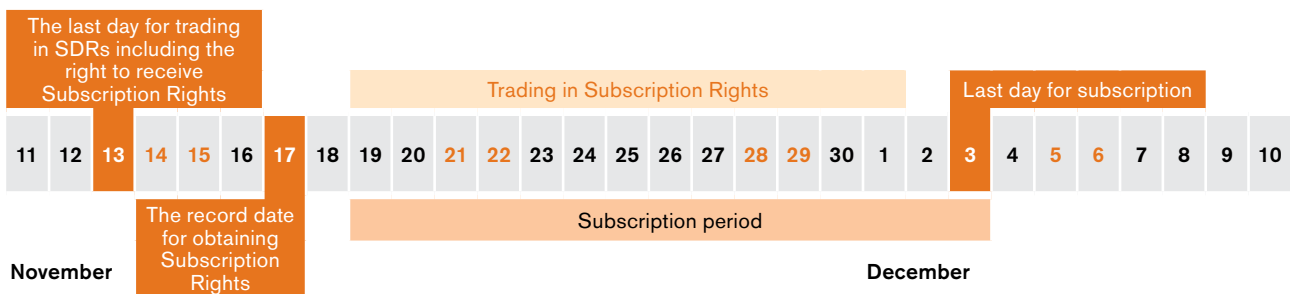
Directly registered SDR holders



Nominee-registered holders



Timeline



>22 Business description

Vostok Emerging Finance is an investment company whose objective is to invest in early stage modern financial services companies across emerging and frontier markets. Modern financial services companies refer to companies that provide financial services that to a large extent use modern information technology such as mobile phones, rather than traditional channels. The Company currently has four portfolio companies, TCS Group, a Russian company that provides online retail financial services and is listed on the London Stock Exchange, REVO, a Russian company that provides smart payment solutions for merchants and consumers, Sorsdata, a Russian consumer company that provides services relating to data analytics, marketing services and loyalty programmes and JUMO, a mobile money marketplace in Africa.

Business concept, strategy and objectives

Vostok Emerging Finance looks to invest in innovative early stage companies in the financial services sector that challenge traditional incumbent companies with new thinking and modern technological solutions. Investments are primarily made in companies headed by entrepreneurs and management teams with strong track records and whom Vostok Emerging Finance considers to have viable concepts and strategies and clear, scalable business models that can deliver high rates of growth.

From a segment perspective, the Company is interested in businesses across the financial services spectrum inclusive of consumer credit companies, payment solution providers, money transfer companies, asset managers, savings and loans institutions, and various types of financial marketplaces. The geographic focus will be on emerging and frontier markets, with a clear preference for those countries with large populations,

which allow for single country scale business models at a minimum, inclusive of Russia, Poland, Romania, Pakistan, Egypt, broader Africa and key up-and-coming Asian countries like Vietnam and Indonesia.

The Company will focus foremost, although not exclusively, on private companies and has the mandate to invest across the capital spectrum, but with the primary focus to take minority equity stakes in the region of 10–25 per cent. Vostok Emerging Finance will acquire minority positions and, where deemed appropriate, seek board appointments in its portfolio companies, thereby being able to add value in terms of knowledge, corporate governance, investment profile and networks. The Company's investment horizon is normally around 5–7 years.

Vostok Emerging Finance is an access vehicle for those investors who want to invest in those up-and-coming companies currently in the private market, with a developing markets FinTech theme.

Short-term objectives

The key short-term objective of Vostok Emerging Finance is to deploy investor funds into a diversified portfolio of fast growth modern financial services companies across emerging and frontier markets. The aim is to within 18–24 months have built up a portfolio consisting of around 10 holdings.

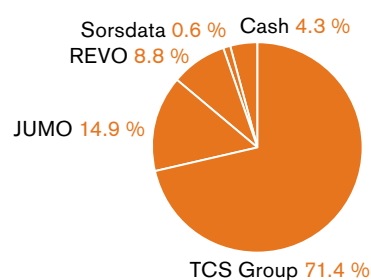
Long-term objectives

The key long-term objective of Vostok Emerging Finance is to create value through the Company's portfolio of companies. The Company seeks to generate above average returns for its shareholders by investing in modern and leading financial services companies while often taking an active role at board level, and eventually exiting from the stakes with profit.

Portfolio holding as per 31 October 2015

Company	Number of shares	Share price, USD	Value of the holdings, USD	Share of portfolio, %	Percentage of outstanding shares, %
TCS Group Holding PLC	6,379,794	3.00	19,139,382	71.4	3.5
JUMO ¹	731	5,471.96	4,000,000	14.9	~3.5
REVO Technology LLC ²	1,536	1,529.95	2,350,000	8.8	12.5
Sorsdata LLC ³	386	388.60	150,000	0.6	12.5
Cash			1,165,255	4.3	
Total			26,804,637	100.0	

1. Refers to shares in AFB (Mauritius) Limited, parent company of AFB Group, in which JUMO is a business entity, owned by the Company.
2. Refers to shares in Souxou Investments Limited, parent company of REVO, which is held by the Company.
3. Refers to shares in Mouxou Holdings Limited, parent company of Sorsdata, which is held by the Company.



History

Vostok Emerging Finance was formed as a wholly owned subsidiary of Vostok New Ventures Ltd in May 2015. On 16 July 2015, the SDRs in the Company were distributed among the SDR holders in Vostok New Ventures through a mandatory redemption program and were listed on Nasdaq First North. At that time, the Company had a single holding, TCS Group. In September 2015, the Company announced that it has acquired 12.5 per cent of the outstanding shares in both REVO and Sorsdata respectively, with an option to acquire additional shares whereby the aggregate holdings will amount to 25 per cent of the shares in each of these two companies.

Current portfolio holdings

As per 31 October the portfolio consisted of four holdings:

- > TCS Group – Provider of retail financial services for private customers in Russia.
- > JUMO – Mobile money marketplace for private individuals, small businesses and mobile network operators in Africa.
- > REVO – Provider of payment solutions in Russia.
- > Sorsdata – Sister company of REVO, focusing on providing services relating to data analytics of customer data, which primarily has been gathered from REVO.

Organization

The Company's management consists of the Managing Director, David Nangle and the CFO, Nadja Borisova and the corporate counsel Anders F. Börjesson. In addition, the Company currently has one other employee who together with the Company's management provides additional administrative and investment-related services, including, investor relations and corporate communications services. The management's work includes preparing quarterly and annual reports, drafting press releases, financial and other analyses regarding the Company's investment portfolio, drafting and reviewing contracts, as well as ongoing administrative tasks. The Company plans to recruit additional employees during 2015 or 2016. A four-person board sits above the management and is responsible for signing off the strategy and approving investment decisions at management level (amongst other duties) and is a highly involved and interactive part in the investment process of the Company. As per 30 September 2015 the Company had four employees in total.

Policy measures that may affect the Company's operations

The Company invests in emerging and frontier markets and is currently exposed to Russia through its investments in TCS Group, REVO and Sorsdata. Russia has

undergone deep political and social change in recent years. The value of Vostok Emerging Finance's assets may be affected by uncertainties such as political and diplomatic developments, social or religious instability, changes in government policy, tax and interest rates, major political changes or lack of internal consensus between leaders, executives and decision-making bodies and strong political groups. Please see section "*Risk factors – Exposure to Russia*" for further information.

Vostok Emerging Finance is closely monitoring the developments regarding sanctions against Russia by reason of the annexation of Crimea and the destabilizing actions in Ukraine. Vostok Emerging Finance fully complies with the European Union's regulation 833/2014 and 960/2014 and appendices.

Vostok Emerging Finance neither produces nor trade with any of the goods or services covered by the restriction according to the European Union Regulation 833/2014 and 960/2014. Moreover, Vostok Emerging Finance does not provide any sort of financing or financial support to any of the entities or persons mentioned in the regulations.

Apart from a thorough analysis of the sanctions introduced, Vostok Emerging Finance has not taken any further action. This is because the goods and services described above are outside Vostok Emerging Finance operations and the Company does not have any commercial exchange with people in the appendices of the regulations. Vostok Emerging Finance agrees to fully comply with existing and potential new EU regulations on restrictive measures against Russia.

While this section solely focuses on the policy measures in Russia which could potentially affect the operations of Vostok Emerging Finance, the content of the section above is a function of the investments that the Company has made to date being based in this geography. Going forward the Company expects to have a more diversified investment portfolio but given the Company's focus on the geographies of emerging and frontier markets, country level policy measures will be a natural ongoing theme in many of the countries of focus.

>24 Description of portfolio holdings

TCS Group

The information in this section has been extracted from TCS Group's annual report for 2014 and the interim report for the period January to June 2015, as well as from press releases issued by TCS Group. As far as the Company is aware, the information from TCS Group has been correctly reproduced. The information in this section is not exhaustive. For more information about TCS Group, please see the information that is publicly available and that has been published by TCS Group (www.tinkoff.ru/eng/).

TCS Group is an innovative provider of Internet-based financial services to private clients operating in Russia through a platform comprising group companies such as Tinkoff Bank and Tinkoff Insurance. TCS Group was founded in 2006 by Oleg Tinkov and has been listed on the London Stock Exchange since 2013. Today, Vostok Emerging Finance's ownership stake in TCS Group amounts to 6,379,794 series A-shares, corresponding to approximately 3.5 per cent of the share capital.

Product portfolio

Consumer credit

Credit cards

Tinkoff Bank offers both its own Tinkoff credit cards, as well as a number of other credit cards through partnerships. Tinkoff Bank's focus is on a mass segment of the market, albeit with continued expansion into a more affluent segment of the same market. As per 1 August 2015 Tinkoff Bank had around 5.2 million credit cards issued.

Loans for e-commerce

At the time of purchase, Tinkoff Bank offers unsecured consumer loans to consumers shopping via Internet-based retail companies. Tinkoff Bank has partnerships with more than 700 Internet-based retail companies of this type. This product is offered to both existing customers as well as new customers without accounts at Tinkoff Bank.

Cash loans

For its existing customers, Tinkoff Bank provides unsecured cash loans. The size of these loans depends on the customer's income and risk profile as determined by his/her behaviour.

Transaction and savings services

Tinkoff Bank offers deposits, stand-alone payment cards, e-wallets, prepaid cards and payroll administration software. The principal channel for deposits is the Internet-based customer acquisition platform that

TCS GROUP

Board of Directors

Oleg Tinkov	<i>Chairman of the Board</i>
Martin Cocker	<i>Director</i>
Philippe Delpal	<i>Director</i>
Constantinos Economides	<i>Director</i>
Alexios Ionnides	<i>Director</i>
Jacques der Megreditchian	<i>Director</i>
Maria Trimitiothou	<i>Director</i>

Senior management

Oliver Hughes	<i>CEO</i>
Ilya Pisemskiy	<i>CFO</i>
Stanislav Bliznyuk	<i>COO</i>

Number of outstanding shares

182,638,825

Vostok Emerging Finance's holding

6,379,794 (3.5 %)

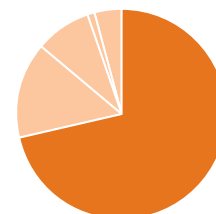
Domicile

Cyprus

Share of the portfolio

As per 31 October 2015

TCS Group 71.4 %



is supported by payment card and document delivery through “smart couriers” who are full-time employees of Tinkoff Bank.

Retail deposits

Tinkoff Bank offers high quality customer service and competitive interest rates, a Black MasterCard Platinum debit card with free cash withdrawals, the ability to switch between monthly interest capitalisation or monthly interest deposit on the card, and an option to convert deposited funds into U.S. dollars or euro without losing accrued interest and other features.

Payroll administration software

Tinkoff Bank has successfully launched an online platform for payroll administration for corporate clients. This platform was developed entirely in-house.

Stand-alone payment cards

Tinkoff Bank offers stand-alone payment cards (payment cards that are not linked to a fixed interest account) as a separate product under the “Tinkoff Black” brand.

Prepaid cards

Tinkoff Bank offers a variety of prepaid and virtual payment cards, such as Yandex Money, Tinkoff Mobile Wallet, and a white-label mobile wallet configured for NFC (Near Field Communication). Cash loaded onto these cards can be used for shopping, paying bills, day-to-day expenses and cashless payments.

Insurance

Tinkoff Insurance offers proprietary, innovative, internet-based insurance services and products to customers in Russia. Through direct Internet sales, Tinkoff Insurance offers personal accident insurance, property insurance, travel insurance and vehicle insurance.

Mortgage platform

In May 2015, TCS Group announced its launch of a platform for applying for mortgages in cooperation with partner banks. Partnership agreements have been signed with four major Russian mortgage lenders: DeltaCredit, TransCapitalBank, Intercommerz Bank and Housing Finance Bank. Discussions are currently in progress with additional potential partners. TCS Group will not provide any mortgages itself and, accordingly, will not assume any risk related to these.

Brokerage services

In October 2015, TCS Group announced that they will offer brokerage services where clients can trade securities online. BCS Broker, which is BCS Financial Group’s brokerage division, will be TCS Group’s partner in the offered brokerage services.

REVO and Sorsdata

The information in this section has been extracted from REVO’s and Sorsdata’s company presentations. The information regarding REVO and Sorsdata is, as far as the Company is aware, correctly reproduced. The information in this section is not exhaustive.

REVO was founded in December 2012 to address unmet needs of Russian merchants in purchase financing and targeted marketing, leveraging newest available mobile and cloud technologies. Vostok Emerging Finance’s holding amounts to 12.5 per cent of the outstanding shares with an option to, within six months, acquire additional shares whereby the aggregate holding will amount to 25 per cent share of REVO. In connection with the acquisition of REVO, 12.5 per cent of the outstanding shares was also acquired in the sister company Sorsdata a company that provides services relating to consumer data analytics, marketing and loyalty programmes and collaborates closely with REVO. Vostok Emerging Finance also has an option to, within six months, acquire additional shares whereby the aggregate holding will amount to 25 per cent share of Sorsdata. This collaboration and business profile is described below in more detail.

REVO’s business model applies mobile and cloud solutions, alongside a well-established credit approval infrastructure and collection operations in Russia to offer customers staggered-payment solutions at the time of purchase. The strategy is to capture and analyse consumer data to drive growth and profitability of merchants. The company is focused on lower ticket retail categories in Russia with around USD 100 billion in annual turnover, including apparel, toys, footwear, sporting goods, housewares, cosmetics, medical services and others. REVO is the first mover in the Russian market to deliver small ticket instalment plans for consumers in a paperless way at merchants’ cash registers. This model is similar in many ways to that of Klarna AB in Sweden and Affirm Inc in the US.

Sorsdata, sister company of REVO, was also founded in 2012 and focuses on customer data analytics largely gathered through REVO and provides targeted marketing services for merchants to drive repeat purchases and loyalty. This model is similar in many ways to that of Aimia Inc in Canada.

REVO is in an expansion phase as it signs up new merchants and increases store penetration within existing merchant agreements and continues to build its customer base with rising repeat rates and decreasing default payments, which can be seen from the table below. Sorsdata is at an earlier stage of product roll out with a number of pilot projects currently in progress at partner retail chains.

Some of the most attractive features of the REVO and Sorsdata business model include the low cost of customer acquisition, the experienced management

REVO

Advisory board
 Fernando Silva *Chairman of the Board*
 David Nangle *Director*
 Anatoly Kamikov *Director*
 Carlos Seoane *Director*

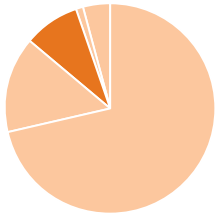
Senior Management
 Nasim Aliev *CEO*
 Anton Eremenko *Vice President*

Number of outstanding shares
 12,228¹

Vostok Emerging Finance's holding
 1,536 shares (12.5 %)

Domicile
 Russia

Share of portfolio
 As per 31 October 2015
 REVO 8.8 %



1. Refers to shares in Souxou Investments Limited, Cyprus, REVO's parent company

SORSDATA

Advisory board
 Fernando Silva *Chairman of the Board*
 David Nangle *Director*
 Carlos Seoane *Director*

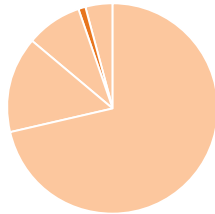
Senior Management
 Nasim Aliev *CEO*
 Anton Eremenko *Vice President*

Number of outstanding shares
 3,088²

Vostok Emerging Finance's holding
 386 shares (12.5 %)

Domicile
 Russia

Share of portfolio
 As per 31 October 2015
 Sorsdata 0.6 %



2. Refers to shares in Mouxou Holdings Limited, Cyprus, Sorsdata's parent company

team and the fact that they have a proven model that is scalable. Furthermore, the growth within the offline merchant market is set to be complimented by that of the online merchant market as increasing amounts of consumer sales go that route.

REVO – business development

	December 2013	Augusti 2014	Maj 2015
Merchant partners (retail chains using REVO's technology)	Traektoria, Kari	Traektoria, Kari, Detsky Mir, INCITY	Traektoria, Kari, Detski Mir, INCITY, Mellon Fashion, ALBA, CentreObuv, Obuvcom Healthcare (4 partners)
No. of active stores	67	395	~600
Store productivity (no. of installments sold/store/day)	0.26	0.17	0.96
No. of installments granted (cumulative)	6,402	20,431	94,800
Avg. installment plan (Rub)	2,442	2,858	3,631
Avg. duration of installment plan (months)	4.5	4.6	4.7
Avg. APR of installment plans	64.2 %	79.4 %	97.5 %
% of repeat customers	15.0 %	32.0 %	35.0 %
Total portfolio (Mln Rub)	11,204	17,696	145,509
% funding from merchants	1.2 %	53.0 %	51.0 %
No. of employees	7	11	16

Source: REVO and Sorsdata's company presentations, September 2015

JUMO/AFB

The information in this section has been extracted from company presentations, webpages as well as from press releases issued by JUMO and AFB (Mauritius) Limited ("AFB"). As far as the Company is aware, the information from JUMO and AFB has been correctly reproduced. The information in this section is not exhaustive. For more information about JUMO and AFB, please see the information that is publicly available and that has been published by JUMO (www.jumo.world) and AFB Mauritius Ltd (www.afb.com).

The Company made the investment in JUMO through AFB, which is the parent company of the AFB Group (AFB Group). JUMO was founded in 2014 and is a mobile money marketplace for private individuals, small businesses and mobile network operators ("MNOs") in Africa. JUMO creates access to financial services for people and businesses who have not been served by the traditional banking model, using technology to power a mobile borrowing platform without the need for a bank account, physical infrastructure or collateral.

During 2015, JUMO has grown from a team of 7 to over 100, rolling out its products across Kenya, Tanzania and Zambia with several additional markets in pipeline. JUMO works with large mobile operators, including Airtel and MTN, and has disbursed approximately 5 million loans to nearly 2 million unique customers to date.

Through partnerships with MNOs, JUMO offers mobile wallet users access to borrowing and saving opportunities. JUMO's data-driven model determines the most attractive rates and loan candidates – connecting investors with borrowers and creating a better deal for both sides. JUMO works closely with MNO partners and has built a technology layer that integrates mobile wallets by reading the data behind mobile phone behavior, such as calling history and mobile wallet transactions. JUMO's unique data-driven loans process means that millions of people without a bank account or a formal credit history get the opportunity to access finance through their mobile phones – something which has not been possible before.

Across Africa, traditional banks have struggled to surmount the challenges associated with physical infrastructure over vast areas and formal banking penetration today is low. Mobile wallets are the prevalent form of depositing and transferring money. In fact, around 150 million adults in Sub-Saharan Africa use mobile wallets¹, while only half of that number has bank accounts. In Kenya, over half of adults access their money through a mobile device, and this number is rapidly growing.

The mobile money ecosystem consists of consumers, agents (where consumers deposit and withdraw their money) and merchants who accept mobile money pay-

1. GSMA

JUMO/AFB

Board of Directors

Tom Boardman	<i>Chairman of the Board, AFB</i>
Andrew Watkins-Ball	<i>Deputy Chairman of the Board, AFB, Director JUMO</i>
Bruce Sneddon	<i>Director, Group CFO & Loans CEO, AFB</i>
David Allen	<i>Director, AFB</i>
Peter Gbedemah	<i>Director, AFB</i>
Jonathan Heinemann	<i>Director, AFB</i>
Doug Lacey	<i>Director, AFB</i>
Anton Newbury	<i>Director, AFB</i>
Chris Watkins-Ball	<i>Director, AFB</i>
Nadeem Shaikh	<i>Director, JUMO</i>
Amal Autar	<i>Director, JUMO</i>
Sookraj Seechurn	<i>Director, JUMO</i>

Senior management

Bruce Sneddon	<i>Director, Group CFO, AFB</i>
Andrew Watkins-Ball	<i>CEO and Founder, JUMO</i>
Nicholas Watkins	<i>CFO, JUMO</i>
Steve Etherton	<i>COO, JUMO</i>
Jacques Ludik	<i>VP Data Science and Chief Data Officer, JUMO</i>
James Godwin	<i>Chief Technical Officer, JUMO</i>

Number of outstanding shares

18,297¹

Vostok Emerging Finance's holding

731 shares (~3.5 %)

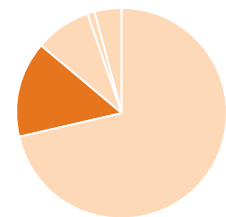
Domicile

Mauritius

Share of portfolio

As per 31 October 2015

JUMO/AFB 14.9 %



1. Refers to outstanding shares in AFB (Mauritius) Limited, parent company of AFB Group, in which JUMO is a business entity, prior to the new share issue in which the Company participated.

ment. JUMO found that all three of these constituents have limited access to loans and decided to build the first product Access. In addition to JUMO's loan products, new products in development include savings products and other working capital solutions for businesses.

JUMO was launched by Andrew Watkins-Ball, the founder of AFB Group, and exists as a separate business entity. JUMO's Cape Town and Nairobi offices have attracted a concentration of data and technology pioneers from across Africa, including engineers and data scientists from Amazon, Google and GE.

This Prospectus includes information about the Company's markets. Unless otherwise stated, the information in this Prospectus is based on the Company's assessment of multiple sources, including Accenture's report "The Future of Fintech Banking", McKinsey's Global Insight as well as statistics from IMF, World Bank, UN and more. The information has been reproduced correctly and as far as the Company is aware and can assure by comparison with other information published by such sources, no information has been omitted that would render the reproduced information inaccurate or misleading.

Vostok Emerging Finance is an investment company with focus on investments in the financial services sector within emerging and frontier markets. The market overview will thus partly focus on the market for financial services and partly on emerging and frontier markets.

Financial services sector: Key trends

Technology and disruptive innovation have arrived in the financial services sector and companies which have embraced these two facets are driving a financial services landscape that has changed significantly versus the one that was present before the 2008 financial crisis. The global financial services marketplace is currently one of the fastest evolving markets. There are an abundance of relatively new companies operating in the FinTech (or modern financial services) space and attacking one of the many sizeable lines of operating revenues of incumbent players. The space is largely generalised as FinTech, due to the disruptive technology these firms apply to the financial services sector opportunity. There are numerous different segments within which these companies are operating, but key ones include payments, consumer finance, marketplace platforms and mobile money. In many cases, new wave banks come through, providing all the classic services of the larger incumbent peers but in a largely digital and online manner. Coupled with these sector trends, changing attitudes of customers, corporate and retail alike, and their openness to being serviced by newcomers in a space traditionally dominated by size players has been key to the FinTech segments success.

The success to date of FinTech is probably best evidenced through many of these new companies, which have become household names, growing large enough to be listed on regulated markets, attracting investments from private equity funds, or acquired by global players in the finance or technology space. The list of success stories globally is extensive and growing and

includes companies such as LendingClub Corp and Zopa Ltd in peer-to-peer lending, PayPal Inc, Stripe Inc and Square Inc in payment solutions and Wonga Ltd in consumer lending. Success clearly draws in growing investment and indeed investments made into FinTech companies more than tripled between 2013 and 2014, from USD 4.1 billion to USD 12.2 billion.¹ This compares with 63 per cent overall growth in venture capital investments during 2014.²

To date, much of the disruptive innovation and the aforementioned success stories has occurred in the developed economies, with key hubs being London, parts of Europe and the West Coast of the United States. This is logical given the high rates of financial sector inclusion and penetration coupled with deep levels of mobile and Internet penetration embedded in these markets. Hand in hand with that, the Company has logically seen developed markets attracting most investor attention and capital support to date.

However, the FinTech trend has clearly arrived in the emerging and frontier markets arena. While struggling on one level from a depth of financial and technology market penetration versus developed peers, they make up for it with a superior structural growth story on the offering. The low penetration rates mean that emerging markets are fertile testing grounds for modern financial services as many countries look to skip chapters such as traditional branch banking, which for long has been the standard in the developed countries. Lower regulatory standards, at least today, are a further opportunity for FinTech space to thrive in these markets. Many early stage successful models are leveraging existing infrastructure such as merchants, mobile networks and agency networks in innovative ways to deliver financial services solutions. Finally, each emerging or frontier market is different from the others and several actors have developed business models adapted to local cultures and geographies because of the special characteristics of many emerging and frontier markets (religious, cultural or logistical, for example), which may require unique financial solutions.

Success stories such as Tinkoff Bank, Capitec Bank Holdings Ltd, Alior Bank SA, M-pesa and QIWI plc have, through disruptive innovation, shown that there has been, and still is, a great potential for success in the less developed, but structurally more interesting emerging- and frontier markets.

1. Accenture, The Future of FinTech and Banking, 2015

2. Accenture, The Future of FinTech and Banking, 2015

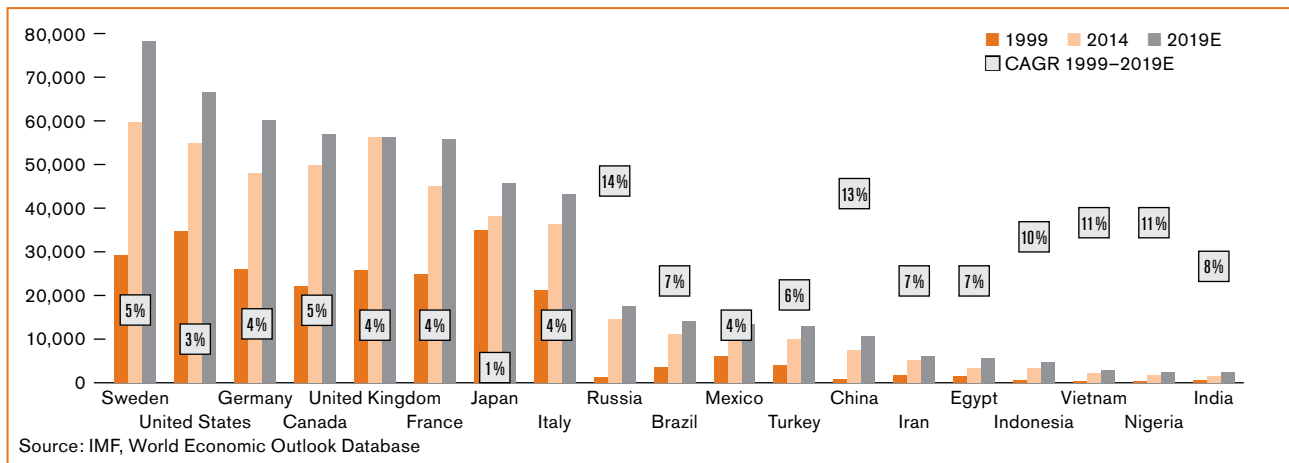
Emerging and frontier markets: macro and demographic development

Growth and income disparity

Economic growth in developing countries over the past decade has altered the global distribution of economic income significantly. At the start of the this millennium, there were two clearly differentiated income clusters, with income per-capita in the developed world at about USD 25,000, while the corresponding figure for developing countries was between USD 2,000 and USD 5,000 per capita. Today, this gap has begun to diminish and by 2019, although a gap will remain, the discrepancies are expected to have further decreased, as

illustrated in the figure below.³ Despite this rapid gap closure, the difference in income levels and the extent for catch up still to go remains significant in nature. As global income inequality decreases, a middle class has clearly emerged in developing countries. In 2009, Asia, the Pacific region, Africa and the Middle East were home to 46 per cent of the world’s middle class. This figure is expected to increase to 79 per cent by 2030, with the world’s middle class being expected to be more than two times larger than it was in 2009.⁴ This may result in large opportunities for companies in these regions operating within consumption driven sectors, but also within the financial sector.

GDP per capita (USD) and average yearly growth (CAGR) 1999–2019E



The size of the middle class and region*

	2009		2020E		2030E	
	Million people	Global share	Million people	Global share	Million people	Global share
North America	338	18 %	333	10 %	322	7 %
Europe	664	36 %	703	22 %	680	14 %
Central and South America	181	10 %	251	8 %	313	6 %
Asia-Pacific	525	28 %	1,740	54 %	3,228	66 %
Sub-Saharan Africa	32	2 %	57	2 %	107	2 %
Middle East and North Africa	105	6 %	165	5 %	234	5 %
The world	1,845	100 %	3,249	100 %	4,884	100 %

* IEMS Kharas & Gertz, “The New Global Middle Class: a Cross-Over from West to East”, 2010. In the article, “Middle Class” is defined as: households with daily expenditures of USD 10–100 per person in terms of purchasing power parity.

3. IMF, World Economic Outlook Database, 2014
 4. IEMS Kharas & Gertz, “The New Global Middle Class: a Cross-Over from West to East”, 2010

>30 *The economic importance of financial inclusion*

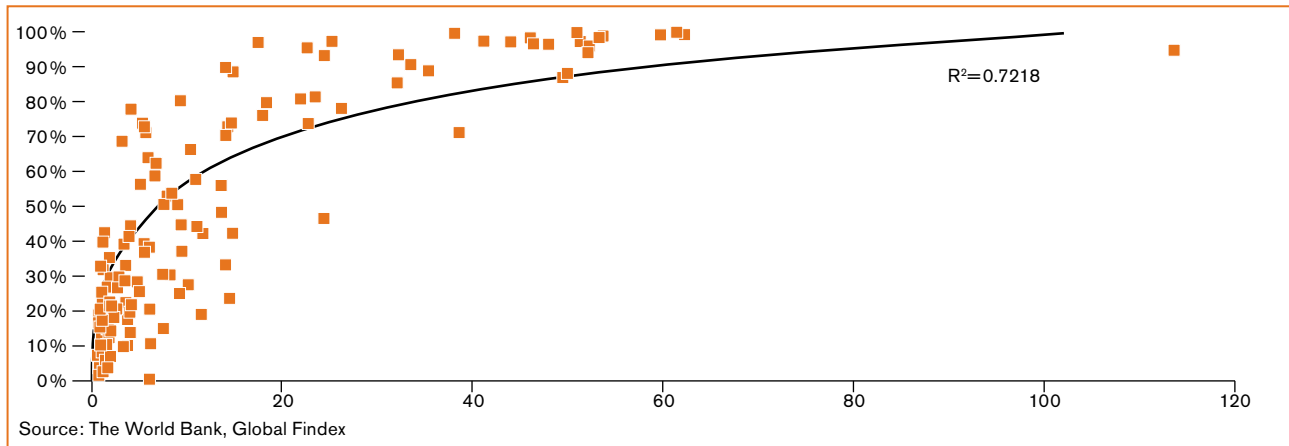
The World Bank estimates that 50 per cent of adults worldwide lack a formal account with a bank or credit institution, of which 2.2 billion or 90 per cent live in emerging markets.⁵ For example, in Sub-Saharan Africa and South Asia only 24 per cent and 33 per cent of the adult population respectively have access to a bank and 50 per cent of lending in Sub-Saharan Africa is handled outside formal financial services.⁶ The main reason for this is considered to be the lack of infrastructure for financial services. At the same time, the World Bank's research indicates that the use and importance of financial services correlates strongly with a country's per capita GDP (see figure below). Consequently, the current shortfall in the supply of financial services, when viewed in the light of the economic growth forecasts for these markets, signals the opportunities offered by the FinTech area to developing markets.

Demographic trends

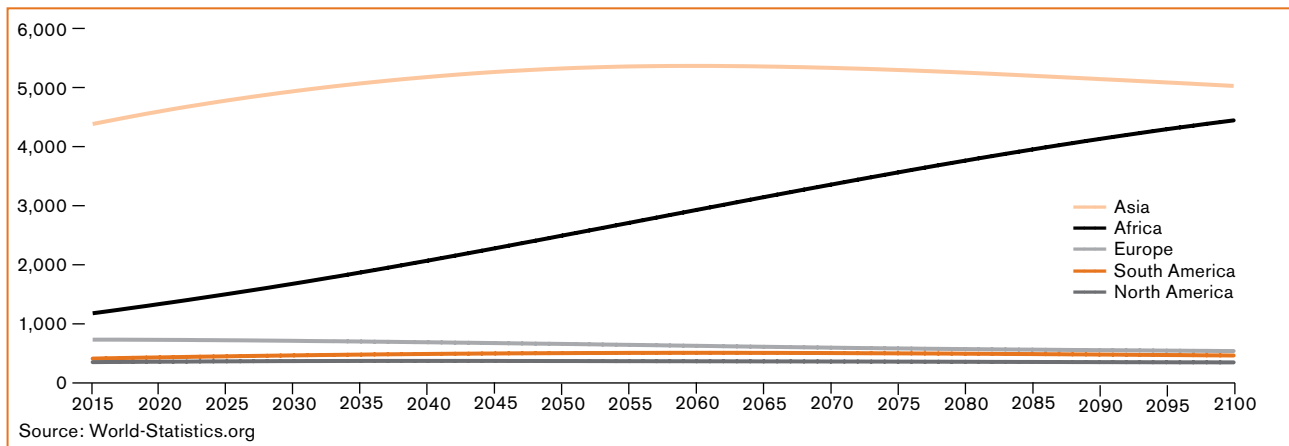
By 2020, emerging and frontier markets are expected to represent five times the population of the developed countries and, over the next 10 years, 92 per cent of population growth is expected take place in these countries, particularly in Africa and Asia.⁷ The young part of the population is expected to drive the economic development and lead the emergence of a middle class, and thereby bringing these markets from being export oriented producers to becoming more consumer-driven markets. Consumption in emerging and frontier markets is expected to increase to USD 30 trillion in 2025, up from USD 12 trillion in 2010.⁸

Relationship between financial integration and GDP per capita 2011

Vertical scale: Population with bank account (% age 15+)
 Horizontal scale: GDP per capita (nominal in USD 1,000)



Development of population 2015–2100 (Population in millions)



5. UN World Population Prospects: 2012 Revision
 6. World Bank, Global Findex (Global Financial Inclusion Database), 2014

7. UN World Population Prospects: 2012 Revision
 8. McKinsey Global Insights 2012

Financial information in summary

The financial information presented in this section is derived from the audited financial statements for the period 28 May–30 September 2015, which can be found in the section “*Historical financial information*” in the Prospectus. The Company complies with IFRS. Except as expressly stated, no information in this Prospectus has been audited or reviewed by the Company's auditor.

Income statement

(Expressed in USD thousands)	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Result from financial assets at fair value through profit or loss	-7,847	-7,337
Dividend and coupon income	–	–
Total operating income	-7,847	-7,337
Operating expenses	-316	-316
Operating result	-8,163	-7,652
Financial income and expenses		
Interest income	8	8
Currency exchange gains/losses, net	-5	-5
Net financial items	3	3
Result before tax	-8,160	-7,649
Taxation	–	–
Net result for the financial period	-8,160	-7,649
Earnings per share (in USD)	-0.11	-0,10
Diluted earnings per share (in USD)	-0.11	-0.10

Statement of comprehensive income

(Expressed in USD thousands)	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Totalt resultat för perioden	-8,160	-7,649

>32 Balance sheet

(Expressed in USD thousands)	30 September 2015	30 June 2015
Non-current assets		
<i>Financial non-current assets</i>		
Financial assets at fair value through profit or loss	13,665	18,501
Total financial non-current assets	13,665	18,501
Current assets		
Cash and cash equivalents	5,318	8,046
Other current receivables	8	–
Total current assets	5,326	8,046
TOTAL ASSETS	18,991	26,547
SHAREHOLDERS' EQUITY (including net result for the financial period)	18,900	26,547
Current liabilities		
<i>Non-interest bearing current liabilities</i>		
Other current liabilities	69	–
Accrued expenses	22	–
Total current liabilities	91	–
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	18,991	26,547

Cash flow statement

(Expressed in USD thousands)	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Cash flow from operating activities		
Result before tax	–8,160	–7,649
<i>Adjustment for:</i>		
Interest income	–8	–8
Currency exchange gains/-losses	5	5
Result from financial assets at fair value through profit or loss	7,847	7,337
Other non-cash items affecting profit and loss	2	2
Change in current receivables	–8	–8
Change in current liabilities	91	91
Net cash used in operating activities	–231	–231
Investments in financial assets	–2,500	–2,500
Sales of financial assets	8,046	–
Interest received	8	8
Net cash flow from/used in operating activities	5,322	–2,723
FINANCING ACTIVITIES		
Net cash flow used in financing activities	–	–
Change in cash and cash equivalents	5,322	–2,723
Cash and cash equivalents at beginning of the period	–	8,046
Exchange gains/losses on cash and cash equivalents	–4	–4
Cash and cash equivalents at end of period	5,318	5,318

Key ratios

	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Return on capital employed, % ¹	-86.35 %	-33.66 %
Equity ratio, % ²	99.52 %	99.52 %
Shareholders' equity/share, USD ³	0.26	0.26
Earnings/share, USD ⁴	-0.11	-0.10
Diluted earnings/share, USD ⁵	-0.11	-0.10
Net asset value/share, USD ⁶	0.26	0.26
Dividend/share, USD	-	-
Weighted average number of shares for the financial period	73,499,555	73,499,555
Weighted average number of shares for the financial period (fully diluted)	73,499,555	73,499,555
Number of shares at balance sheet date	73,499,555	73,499,555

1. Return on capital employed is defined as the Company's result for the period plus interest expenses plus/less exchange differences on financial loans divided by the average capital employed (the average total assets less non-interest bearing liabilities over the period). Return on capital employed is not annualised.

2. Equity ratio is defined as shareholders' equity in relation to total assets.

3. Shareholders' equity/share is defined as shareholders' equity divided by total number of shares.

4. Earnings/share is defined as result for the period divided by average weighted number of shares for the period.

5. Diluted earnings/share is defined as result for the period divided by average weighted number of shares for the period calculated on a fully diluted basis.

6. Net asset value/share is defined as shareholders' equity divided by total number of shares at end of period.

With the exemption of "Earnings/share" and "Diluted earnings/share" the key ratios are not defined in accordance with IFRS.

>34 **Comments to the financial information**

Operating results

1 July–30 September 2015

The Company did not have any sales for the period 1 July to 30 September 2015, which is normal for the Company's operations. The result for the period amounted to USD –7.6 million. The result from financial assets valued at fair value through profit or loss amounted to USD –7.3 million for the period as a result of depreciation of the TCS Group's share price. The Company's expenses amounted to USD –0.3 million and mainly comprised of staff expenses, listing costs and legal advice in connection with acquisition of REVO and Sorsdata. Total financial income for the period amounted to USD 3 thousand.

28 May–30 September 2015

The Company did not have any sales for the period 28 May to 30 September 2015, which is normal for the Company's operations. The result for the period amounted to USD –8.2 million. The result from financial assets valued at fair value through profit or loss amounted to USD –7.8 million for the period as a result of depreciation of the TCS Group's share price. The Company's expenses amounted to USD –0.3 million and mainly comprised of staff expenses, listing costs and legal advice in connection with acquisition of REVO and Sorsdata. Total financial income for the period amounted to USD 3 thousand.

Cash flow

1 July–30 September 2015

The total cash flow for the period 1 July to 30 September 2015 amounted to a total of USD –2.7 million. For the period, the cash flow used in operating activities amounted to USD –2.7 million. Cash flow to investments was USD –2.5 million and was attributable to the acquisition of the shares in REVO and Sorsdata. The Company did not have any cash flow stemming from the financing activities.

28 May–30 September 2015

The Company's total cash flow for the period 28 May to 30 September amounted to a total of USD 5.3 million. For the period the cash flow from operating activities amounted to USD 5.3 million. Cash flow from investments was USD 5.5 million and was mainly attributable to the acquisition of the shares in REVO and Sorsdata of USD –2.5 million and the sale of shares in TCS Group of USD 8.0 million. The Company did not have any cash flow stemming from the financing activities.

Assets

The Company's non-current assets as per 30 September 2015 were USD 13.7 million, of which all comprised of non-current financial assets. Current assets as per 30 September 2015 totalled USD 5.3 million of which cash and cash equivalents amounted to USD 5.3 million.

Investments

In September the Company announced that it acquires 12.5 per cent minority stake in the Russian companies REVO and Sorsdata for a total of USD 2.5 million, financed from the Company's cash. On 22 October 2015 the Company announced that it has invested USD 4 million in JUMO in a new share issue in its parent company AFB (Mauritius) Ltd.

Ongoing and scheduled investments

In September the Company further announced that it has an option to, within six months, acquire an additional 12.5 per cent stake in the Russian companies REVO and Sorsdata for a total of USD 2.5 million, which the Company plans to finance with the proceeds from the Rights Issue.

Equity and liabilities

The Company's equity as per 30 September 2015 amounted to USD 18.9 million. As per the 30 September 2015 the Company had no non-current liabilities. The Company's current liabilities as per 30 September 2015 amounted to USD 91 thousand.

The table below summarizes Vostok Emerging Finance's capital structure as per 30 September 2015, i.e. on the last reporting day before the Offering.

(Expressed in USD thousands)	30 September 2015
Current Liabilities	
Guaranteed	–
Secured	–
Unguaranteed/unsecured	91
Total current liabilities	91
Non-current liabilities	
Guaranteed	–
Secured	–
Unguaranteed/unsecured	–
Total non-current liabilities	–
Shareholders' equity	
Share capital	735
Share premium reserve	26,325
Other reserves	–
Profit for the year	–8,160
Total shareholders' equity	18,900
TOTAL EQUITY AND LIABILITIES	18,991

Net financial indebtedness

The table below summarizes Vostok Emerging Finance's capital structure as per 30 September 2015, i.e. on the last reporting day before the Offering. Vostok Emerging Finance's cash amounted as per the 30 September 2015 to SEK 5.3 million and has no liabilities.

(Expressed in USD thousands)	30 September 2015
A Cash ¹	5,318
B Cash equivalents	–
C Trading securities	–
D Liquidity A + B + C	5,318
E Current financial receivables	8
F Current debt to credit institutions	–
G Current portion of non-current debt	–
H Other current financial debt	–
I Current interest bearing debt F + G + H	–
J Net current indebtedness I – E – D	–5,326
K Non-current bank loans	–
L Corporate bonds issued	–
M Convertible debentures issued	–
N Other non-current interest bearing loans	–
O Total non-current interest bearing indebtedness K + L + M + N	–
P Total net interest bearing indebtedness J + O	–5,326

Net indebtedness/net cash

Net indebtedness only includes interest-bearing debt. Net debt is a positive figure. Net cash is a negative figure.

1. On 22 October 2015, the Company announced that it has invested USD 4 million in JUMO in a new share issue in its parent company AFB (Mauritius) Ltd.

>36 Working capital

The Board of Directors of Vostok Emerging Finance estimates that the current working capital (i.e. the working capital before the Rights Issue) is not sufficient to fulfil the Company's current needs for the next twelve-month period, since the Company's need for working capital during the next twelve-month period exceeds the Company's financial resources. The current working capital is estimated to be sufficient to carry the current operations until sometime during the second quarter of 2016. The Board of Directors estimates that the Company will need approximately USD 800,000 in order to sustain its operation for the next twelve-month period. The need for capital is attributable to cost of operations, of which the majority comprises of staff expenses. The Company is confident that the need for working capital over the next twelve months will be met through the Rights Issue. In the event that the Rights Issue would not raise a sufficient amount of capital, the Company will be forced to seek alternative sources of financing. If the Company does not raise any financing to solve its need for working capital over the next twelve month period, the Company may need to sell assets or implement saving measures.

Fixed assets

As per the 30 September 2015 Vostok Emerging Finance's financial assets amounted to USD 13.7 million and comprised of shares in portfolio companies. Vostok Emerging Finance does currently not have any tangible fixed assets.

Intangible assets

As per 30 September 2015, the Company had no significant intangible assets.

Trends

In addition to the tendencies and trends concerning new technology and disruptive innovation, FinTech and development of emerging and frontier markets, which is mentioned in the section "Market overview", Vostok Emerging Finance is not aware of any tendencies that directly or indirectly, has materially affected or materially would affect the Company's operations.

Significant changes

Material events for the period

28 May–30 September 2015

As per 9 June 2015, the shares in TCS Group were transferred from Vostok New Ventures to the Company through an issue of non-cash consideration (Sw. *apportemission*). The same day the Company sold 2.7 million GDRs in TCS Group to Luxor Capital Group L.P. (for more information concerning this transaction please see "Legal and supplementary information – Related party transactions")

As per 16 July 2015, the Company was listed on Nasdaq First North. Furthermore, on 1 September 2015 David Nangle took over the Managing Director role from interim Managing Director Per Brilioth. In September 2015 Vostok Emerging Finance announced that it has acquired 12.5 per cent of the shares in the Russian companies REVO and Sorsdata.

Material events since 30 September 2015

On 22 October 2015 Vostok Emerging Finance announced that it has invested USD 4 million in JUMO, an African marketplace for mobile money, by participating in a new share issue in JUMO's parent company AFB (Mauritius) Limited. The investment is subject to confirmation by the Mauritius Financial Services Commission. No significant changes have occurred regarding the Company's financial or market position since 30 September 2015.

Shares, share capital and breakdown by share class

The Company can, in accordance with its bye-laws, issue non-redeemable voting common Shares and redeemable voting common Shares, although currently only non-redeemable voting common Shares are issued. All of the outstanding Shares are fully paid. The Company's outstanding shares are represented by SDRs which are issued under Swedish law, freely transferable, registered with Euroclear and being traded on Nasdaq First North, which will also apply to the new issue of shares. The Shares are issued under Bermudian law and are denominated in USD. The Shares are freely transferable. The Shares are not traded in Bermuda. As per the date of this Prospectus there are, 73,499,555 non-redeemable common Shares outstanding, each with a par value of USD 0.01. The SDRs are denominated in Swedish krona, SEK. The memorandum of association for Vostok Emerging Finance states that the authorised share capital of the Company is USD 10,000,000 divided into shares of USD 0.01 each.

Issuing SDRs is a method to enable trading in foreign shares in Sweden. All newly issued Shares will be deposited with Pareto Securities, which is the custodian bank, by registering Pareto Securities as shareholder in the Company's share register. Pareto Securities was registered with the Swedish Companies Registration Office on 10 October, 1980 and has its registered office in Stockholm. The legal form of Pareto Securities is governed by the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*).

An SDR gives the same right to dividends as an underlying Share and an SDR holder has the same voting rights at General Meetings as a holder of Shares. Each SDR entitles the holder to one (1) vote. All SDRs carry equal rights to the Company's assets and profit as well as the right to take part of potential surplus in the event of liquidation (by entering the SDR holders as shareholders in the Company's share register). At a General Meeting, each person that is entitled to vote is

entitled to vote for the full number of SDRs owned and represented, without any voting restrictions. However, to attend a General Meeting it is required that SDR holders follow instructions from the custodian bank, concerning for example notification of participation. For the full terms regarding the SDRs, see "*Terms and conditions for SDRs*".

The underlying Shares are not subject to a mandatory offering, redemption rights or sell-out obligation. No public takeover offer has been made for the Company's shares during the current financial year.

Dividends

The General Meeting may resolve on dividends following a proposal by the Board of Directors. Those who are recorded in the share register kept by Euroclear on the record date specified by the General Meeting shall be entitled to receive such dividends. All the SDRs of the Company entitle to dividend and there are no particular restrictions for SDR holders residing outside of Sweden to take part of the dividends. Those who are recorded as SDR holders in the share register kept by Euroclear on the record date specified by the General Meeting shall be entitled to receive such dividends. Payments of dividends are managed by Euroclear or, for nominee-registered holdings, in accordance with each nominee's routines. If an SDR holder cannot be reached through Euroclear, the SDR holder's claim on the Company for the dividend amount remains and is limited only by the period of statutory limitation. When the period of statutory limitation has passed, the dividend accrues to the Company. The Company has so far not paid any dividends. There is no guarantee that it for a given year will be any proposal or resolutions on any dividend in the Company.

Dividend policy

The Board of Directors of the Company do not anticipate that any dividends will be proposed in the foreseeable future.

The development of the share capital

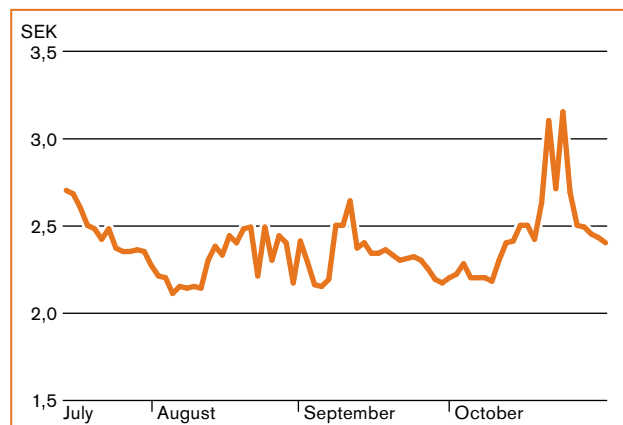
Year	Event	Change in number of Shares	Change in share capital, USD	Total number of Shares	Total share capital, USD	Value per Share, USD
2015	Share issue on incorporation	73,499,555	734,995.55	73,499,555	734,995.55	0.01
2015	<i>Rights Issue*</i>	587,996,440	5,879,964.40	661,495,995	6,614,959.95	0.01

* As of the date of this Prospectus, these Shares have not yet been subscribed for. The number of Shares shown in this row in the table assumes that the Rights Issue will be fully subscribed.

>38 Trading in SDRs

The Company's SDRs are traded since 16 July, 2015 on Nasdaq First North under the ticker VEMF SDB and the ISIN SE0007192018. The price development of the SDRs from the first trading day up to and including 30 October 2015 is shown in the graph below.

Closing price, Vostok Emerging Finance SDR, 16 July–30 October 2015



Ownership structure

Vostok Emerging Finance had, as per 30 September 2015 approximately 9,000 SDR holders. The ten largest owners in the Company as per 30 September 2015 and for the Company know changes thereafter are shown in the table below. All of the SDRs in the Company have equal voting rights. As far as the Board of Directors of Vostok Emerging Finance is aware, there are no shareholder agreements or other agreements between SDR holders with the purpose of exercising joint influence over the Company. As far as the Board of Directors of Vostok Emerging Finance is aware, there are no agreements or equivalent arrangements that may lead to a change in the control over the Company. Furthermore, as far as the Board of Directors is aware, there are no agreements concerning transfer restrictions for a certain period (so-called lock-up agreements).

	Holding, SDRs	Holding, %
JP Morgan Clearing Corp	17,673,026	24.05 %
Swedbank Robur Funds	7,190,771	9.78 %
Alecta Pension Insurance	7,000,000	9.52 %
Pershing, LLC	4,733,549	6.44 %
Svenska Handelsbanken AB	4,288,000	5.83 %
State Street Bank & Trust	4,268,297	5.81 %
Fidelity Funds	2,041,870	2.78 %
Credit Suisse Sec. Europe Ltd	2,024,233	2.75 %
LGT Bank Ltd	1,679,000	2.28 %
Avanza Pension Insurance	1,455,080	1.98 %
10 largest owners	52,353,826	71.23 %
Total	73,499,555	100.00 %

Convertible bonds, warrants, etc.

Apart from what is stated below in the section entitled "Share related incentive plan", there are no outstanding warrants, convertible bonds or other equity instruments in the Company.

Share related incentive plan

The incentive plan that was authorised by a Special General Meeting in Vostok New Ventures and in the Company on 9 June 2015 entitles present and future employees to be allocated call options to acquire shares represented by SDRs in the Company (the "Options").

Principal Conditions and Guidelines

- > The exercise price for the Options shall correspond to 120 per cent of the market value of the SDRs of the Company at the time of the granting of the Options.
- > The Options may be exercised during an exercise period of three months starting five years from the time of the grant.
- > For employees resident outside of Sweden, no premium shall be paid for the Options and the Options may only be exercised if the holder is still employed within the group at the time of exercise.
- > For employees resident in Sweden, the employees may select either of the following alternatives:
 - a) No premium shall be paid for the Options and the Options may only be exercised if the holder is still employed within the group at the time of exercise (same as for employees resident outside of Sweden); or
 - b) The Options shall be offered to the employee at a purchase price corresponding to the market value of the Options at the time of the Offer. The Options shall be fully transferable and will thereby be considered as securities. This also means that Options granted under this option (b) are not contingent upon employment and will not lapse should the employee leave his or her position within the group.
- > Options may be issued by the Company or by other group companies.

Preparation and Administration

The Board of Directors of the Company, or a designated committee appointed by the Board of Directors, shall be authorised to determine the detailed terms and conditions for the Options in accordance with the principal conditions and guidelines set forth above. The Board of Directors of the Company may make necessary adjustments to satisfy certain regulations or market conditions abroad. The Board of Directors of the Company shall also be authorised to resolve on other adjustments in conjunction with material chang-

es affecting the group or its business environment, which would mean that the described conditions for the incentive plan would no longer be appropriate.

Allocation

The incentive plan includes granting of not more than 2,000,000 Options. Allocation of Options to the Managing Director of the Company shall not exceed 1,000,000 Options and allocation to each member of the executive management or to other key employees of the Company shall not exceed 400,000 Options.

The allocation of Options shall be decided by the Board of Directors of the Company or by a designated subcommittee thereof, taking into consideration, among other things, the performance of the employee and his or her importance to the group. Specific criteria to be considered include the employee's ability to manage and develop the existing portfolio and to identify new investment opportunities and evaluate conditions of new investments as well as return on capital or estimated return on capital in investment targets. The employee will not initially be offered the maximum allocation of Options and a performance-related allocation system will be maintained since allocation of additional Options will require fulfilment of stipulated requirements and targets. The Board of Directors of the Company, or a designated subcommittee thereof, shall be responsible for the evaluation of the performance of the employees. The outcome of stipulated targets shall, if possible, be reported afterwards.

Directors who are not employed by the group shall not be able to participate in the plan.

Bonus for employees resident in Sweden under option (b)

In order to stimulate the participation in the plan by employees resident in Sweden who choose option (b) above, the Company intends to subsidize participation by way of a bonus payment which after tax corresponds to the Option premium. Half of the bonus will be paid in connection with the purchase of the Options and the remaining half at exercise of the Options, or, if the Options are not exercised, at maturity. In order to emulate the vesting mechanism offered by the employment requirement under option (a) above, the second bonus payment is subject to the requirement that the holder is still an employee of the group at the time of exercise or maturity, as the case may be. Thus, for employees in Sweden who choose option (b), the participation in the plan includes an element of risk.

Dilution and costs

In the event all 2,000,000 Options are fully exercised, the holders will acquire Shares represented by SDRs corresponding to a maximum of approximately 2.7 per cent of the share capital before the Rights Issue. The

proposed number of Options is expected to meet allocation requirements for the next couple of years, also taking into account possible future recruitment needs.

The total negative cash flow impact for the bonus payments described above is estimated to approximately SEK 15,000,000 over the life of the incentive plan, provided that all Options are offered to employees resident in Sweden, that all such employees choose to purchase the Options under option (b) above, and that all Option holders are still employed by the Company at the time of exercise or maturity of the Options.

Other costs for the incentive plan, including fees to external advisors and administrative costs for the plan are estimated to amount to approximately SEK 250,000 for the duration of the Options. Social security contributions in respect of Options granted to employees resident outside of Sweden are deemed to be insignificant.

Purpose

The purpose of the proposed incentive plan is to create conditions that will enable the Company to retain and recruit competent employees to the group as well as to promote long-term interests of the Company by offering its employees the opportunity to participate in any favourable developments in the value of the Company.

Outstanding Options

As per the date of this Prospectus, a total of 750,000 Options with strike price SEK 3.70 have been granted to the Managing Director, David Nangle. If all Options are fully exercised, the Company will be added SEK 2,775,000.

Information about the Company

The Company is an exempted limited liability company incorporated and registered in accordance with the Bermuda Companies Act 1981, as amended, (the “Companies Act”) under the company name Vostok Emerging Finance Ltd. The Company is publicly traded and has its domicile in Bermuda. The Company uses the commercial name Vostok Emerging Finance. The duration of the Company is unlimited. The postal address of the Company’s registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The telephone number to the Company is +46 8 545 015 50. The Company was registered with the Bermuda Registrar of Companies under registration number 50298. The Company was incorporated on 28 May 2015 under the name Vostok Emerging Finance Ltd. The objects of the Company’s business are unrestricted, and the Company has the capacity, rights, powers and privileges of a physical person. The Company can therefore conduct its business without restriction on its capacity.

The Company’s authorised share capital amounts to USD 10,000,000 divided into 1,000,000,000 Shares with USD 0.01 par value per Share. At the date of this prospectus there are 73,499,555 Shares outstanding. All the Company’s issued and outstanding shares are fully paid. Pursuant to the Company’s bye-laws, the General Meeting or the Board of Directors are authorised to issue any of the Company’s authorised but unissued Shares.

For Bermuda exchange control purposes, the Company has been designated by the Bermuda Monetary Authority as a non-resident. This designation allows the Company to engage in transactions in currencies other than the Bermudan dollar, and there are no restrictions on the Company’s ability to transfer funds (other than funds denominated in Bermudan dollars) in and out of Bermuda or to pay dividends to non-residents who are holders of the Company’s common Shares. The Bermuda Monetary Authority has given its consent for the issue and free transferability of all of the common Shares that are the subject of listing to and between residents and non-residents of Bermuda for exchange control purposes, provided that the Company’s SDRs remain listed on Nasdaq First North or an appointed stock exchange. Approvals or permissions given by the Bermuda Monetary Authority do not constitute a guarantee by the Bermuda Monetary Authority as to the Company’s performance or the Company’s creditworthiness. Accordingly, in giving any such consent or permissions, neither the Bermuda Monetary Authority nor the Registrar of Companies in Bermuda shall be liable for the financial soundness, performance or default of

the Company’s business or for the correctness of any opinions or statements expressed in this Prospectus. Certain issues and transfers of common shares involving persons deemed resident in Bermuda for exchange control purposes require the specific consent of the Bermuda Monetary Authority.

Legal Structure

The Vostok Emerging Finance Group currently consists only of Vostok Emerging Finance Ltd. It is envisaged that the group will eventually be expanded to include a designated holding vehicle for investments as well as a representative office or separate legal entity which will employ management and provide services to the rest of the group. Since the spin-off from Vostok New Ventures, the Company has no formal connections with Vostok New Ventures.

Material agreements

In addition to the agreements described below the Company’s only material agreements are the employment agreements with the interim management and with the Managing Director of the Company. The key terms of these agreements are described under the heading “Compensation, Pension and Benefits” in the section entitled “Board of Directors, Management and Auditors” on page 44 below.

Investment in REVO Technology LLC and Sorsdata LLC

On 29 September 2015, the Company entered into agreements regarding the acquisition of 12.5 per cent of the outstanding shares in the Russian companies REVO Technology LLC and Sorsdata LLC, with an option to acquire additional shares whereby the aggregate holdings will amount to 25 per cent of the outstanding shares in the respective company within 6 months of the completion date of the agreements. The agreements contain customary warranties and undertakings granted by the respective company and the founders of the respective company, for instance concerning the companies’ existence and legal capacity and that the shares are free from encumbrances. The companies and the founders of the companies’ liability under the agreements are subject to certain fundamental warranties, related to, for example, organisation and capitalisation of the relevant entity, the group companies’ corporate ownership of its respective assets, and the financing of the companies.

According to the shareholders’ agreements, which was entered into in connection with the acquisition, some decisions are subject to treatment by an advisory board for the respective company, for example in con-

nection with related parties transactions and resolutions regarding dividends. Further, the shareholders' agreements, which governs the ownership and corporate governance of the companies, includes a right for the Company for the respective investment to appoint a member of the board of directors in the parent company and a right to appoint a representative to the advisory board, conditional upon the Company's shareholding being not less than 10 per cent.

Investment in JUMO

On 21 October 2015, the Company entered into a share subscription agreement regarding an investment in AFB (Mauritius) Limited, the parent company of the group where JUMO is included as a business entity. AFB (Mauritius) Limited issued ordinary shares to the Company for approximately 3.5 per cent of the entire issued share capital. The share subscription agreement provides for customary warranties and specific indemnities granted by the AFB (Mauritius) Limited. Certain warranties and indemnities given by AFB (Mauritius) Limited's under the agreement are unlimited, for instance concerning the companies' existence and legal capacity, while other warranties, for instance concerning information on JUMOs financing, financial position and disputes, are limited to one million USD. As regards the limited warranties AFB (Mauritius) Limited shall issue additional shares to the Company for the loss exceeding one million USD. The investment is subject to confirmation by the Mauritius Financial Services Commission.

Legal and arbitration proceedings

The Company is not and has not been party to any litigations or arbitration proceedings (including proceedings which are pending or which the Company is aware of may arise) which may have material negative effects on the Company's business.

Insurance

The current insurance portfolio includes a directors' and officers' liability insurance. The Company believes that the Company's current insurance portfolio provides adequate coverage in respect of its current activities. However, there is no guarantee that the Company will not suffer losses not covered by the Company's insurance policies.

Related party transactions

In order to ensure that the Company has adequate funding to carry on its operations, the Company sold, on 9 June 2015, 2,700,000 GDRs in TCS Group Holding PLC to Luxor Capital Group L. P. at a price equal to the closing rate at which such GDRs were traded on London Stock Exchange at the close of trading on 8 June 2015. The transaction was carried out on market terms.

Intellectual property

The Company is the registered owner of the domain names vostokemergingfinance.com/eu/se/vc and vef.vc.

Subscription commitments

Existing SDR holders who together hold 472,978 Shares in Vostok Emerging Finance, representing about 0.6 per cent of the share capital have, through agreements on 22 October 2015, undertaken to subscribe for SEK 3,583,824 in the Rights Issue. The subscription agreement includes the subscription commitments of Per Brilioth, David Nangle, Anders Börjesson, Lars O Grönstedt and Nadja Borisova. The Rights Issue is thus assured up to approximately 0.6 per cent representing approximately SEK 3,583,824.

The SDR holders who have signed a subscription agreement can be reached via Pareto Securities at their address of: Berzelii Park 9, P.O. Box 7415, SE-103 91 Stockholm.

Name	Subscription commitments (number of SDRs)
Per Brilioth	2,480,000
David Nangle	880,000
Anders F. Börjesson	200,000
Lars O Grönstedt	12,000
Nadja Borisova	11,824
Total	3,583,824

Certified Adviser

All companies traded on Nasdaq First North must have a Certified Adviser that monitors the relevant company's compliance with the rules and regulations of Nasdaq First North. The Company has appointed Pareto Securities as its Certified Adviser. As of the date of this Prospectus, Pareto Securities holds no SDRs, Shares or other securities, in or issued by Vostok Emerging Finance.

The advisor's interests

Pareto Securities is the financial advisor in connection with the Rights Issue. Pareto Securities has also provided the Company advice in connection with the structuring and planning of the Rights Issue and receives compensation for such advice. Pareto Securities and its affiliates have provided, and may also in the future be required to provide various financial advisory services to the Company and its affiliates, for which they have and can be expected to obtain fees and other remunerations.

Documents available for inspection

The Company's bye-laws and other by Vostok Emerging Finance disclosed information referred to in this Prospectus are throughout the validity of the Prospectus available electronically on the Company's website www.vostokemergingfinance.com.

>42 Board of Directors, Management and Auditors

According to the bye-laws, the Board of Directors of Vostok Emerging Finance shall consist of three to fifteen members and no deputies. The Company's Board of Directors currently consists of four persons, including the chairman. All directors are elected until the end of the next Annual General Meeting. Below are listed the directors indicating the year of birth, education and experience, the year elected to the Board of Directors, current and past assignments in the last five year period and share and option holdings. Shareholding in the Company includes personal direct and indirect holdings as well as holdings of a related party.

Board of Directors

The Board of Directors currently consists of four members. The work of the Board of Directors is led by the Chairman. Board members are elected at the Annual General Meeting and all directors have been elected for the period until the end of the Annual General Meeting in 2016.

Lars O Grönstedt

Chairman of the Board of Directors

Swedish citizen.

Holds a BA in languages and literature from Stockholm University, and an MBA from Stockholm School of Economics.

Born: 1954.

Chairman of the Board of Directors since: 2015.

Holding in Vostok Emerging Finance: 1,500 SDRs.

Number of warrants: None.

Lars O Grönstedt has spent most of his career at Svenska Handelsbanken AB. He was CEO of the bank 2001–2006, and Chairman of the Board 2006–2008. *Current assignments:* Senior advisor to NordStream, Chairman of the Board of Scypho Sweden AB, Scypho AB, Realcap Ventures AB, Fabius Sud AG and East Capital Explorer AB (publ). Vice Chairman of the Board of the Swedish National Debt Office. Member of the Board of Directors of Pro4U AB, Fabius Holding AB and Scypho Solutions AB. Deputy member of the Board of Directors of Fabius Management AB.

Past assignments (last 5 years): Chairman of the Board of Directors of Artipelag AB, Scypho Solutions AB and Nordiska Museet. Vice Chairman of the Board of Directors of Stiftelsen Skansen. Member of the Board of Directors of MDM Bank. Partner of Grönstedt & von Schirach Intertechnologies partnership.

Per Brilioth

Member of the Board of Directors

Swedish citizen.

Holds a Bachelor's degree in Business Administration from Stockholm University and a Master of Finance from London Business School.

Born: 1969.

Member of the Board of Directors since: 2015.

Holding in Vostok Emerging Finance: 310,000 SDRs.

Number of warrants: None.

Between 1994 and 2000, Per Brilioth was head of the Emerging Markets section at Hagströmer & Qviberg AB and he has worked close to the Russian stock market for a number of years. He is a board member and Managing Director of Vostok New Ventures Ltd. Per Brilioth holds a Bachelor in Business Administration from Stockholm University and a Master of Finance from London Business School.

Current assignments: Member of the Board of Directors and CEO of Vostok New Ventures Ltd. Chairman of the Board of Directors and CEO of Vostok New Ventures AB. Chairman of the Board of Directors of Pet Sounds AB, Gavald Holdings AB, Pomegranate Investment AB and Pet Sounds Digitalt AB. Member of the Board of Directors of Tethys Oil AB, X5 Group AB, Kontakt East Holding AB, RusForest AB, Svenska Fotografiska museet AB, Vlärden AB, LeoVegas AB (publ), RusForest Holding AB, Avito AB, Fotografiska International AB, NMS INVESTMENT AB, Merro Worldwide Ltd., Naseeb Networks, Inc., IZH Holdings Ltd., and el BasharSoft Inc. Deputy member of the Board of Directors of Avito Holding AB and Digital Agency Ryssland AB.

Past assignments (last 5 years): Chairman of the Board of Directors of Cortus Energy AB and Vosvik AB. Member of the Board of Directors and deputy CEO of Johan Örtegren AB. Member of the Board of Directors of Bukowski Strandvägen Auktioner Aktiebolag, Aktiebolag H Bukowskis Konsthandel, Bukowskis Market AB, Bukowskis Real Estate AB, Konsthandels Aktiebolaget Nybroviken, Avito Holding AB and Kalasbitten AB. Deputy member of the Board of Directors of Kalasbitten AB, Digital Agency Ryssland AB, Avithohi JV AB and SMALLROOM AB.

David Nangle

Managing Director/CEO, Member of the Board of Directors

Irish citizen.

Holds a Bachelor's degree of Commerce in International Business from University College Dublin.

Born: 1975.

Holding in Vostok Emerging Finance: 110,000 SDRs.
Number of warrants: 750,000 call options.

David Nangle has spent his career to date focused on the emerging markets financials sector. He joined ING Baring's Emerging Markets Research team in 2002 and by the time he left in 2006, he was head of EMEA Banks research. David joined Renaissance Capital in 2006 and has spent the majority of his professional career there, helping the firm develop and grow their financials and research footprint from a strong Russia base to a leading pan-EMEA and frontiers franchise. As well as living in Russia, David has spent his career travelling extensively, covering financial services companies and working on numerous capital markets transactions across this core region. David has received a number of awards over the years for his research rankings both on a country and regional level, most noteworthy are no. 1 rankings for Russia and EMEA from Institutional Investor. David was also head of research at Renaissance Capital for the majority of his time at the firm.

Current assignments: None.

Past assignments (last 5 years): Head of Research at Renaissance Capital.

Milena Ivanova

Member of the Board of Directors

Bulgarian citizen.

Holds an MBA from INSEAD, France and a Bachelor's degree in European Business Administration from the University of Lincolnshire and Humberside, UK.

Born: 1975.

Holding in Vostok Emerging Finance: None.

Number of warrants: None.

Milena Ivanova served as the deputy head of Equity Research for Renaissance Capital and the firm's strategist for Russia, based in Moscow until the end of 2012. She joined Renaissance Capital in early 2008 as the banks analyst for Central Asia based in Almaty, and subsequently served as head for Research and Equities for Central Asia. Previously, Ms Ivanova worked for UniCredit Markets & Investment Banking (CAIB) between 2004-2008. She was an analyst in the equity research banking team, responsible for CEE regional financials sector coverage and individual banking stocks. She worked as a FIG banker with CAIB Corporate Finance in Vienna between 2004–2006, specialized in CEE financial institutions, advising clients on banking M&A transactions and IPOs. Her transactional experience spans 8 emerging European markets. Since 2013, Ms Ivanova has acted as an independent advisor, mentor and business angel to start-up businesses, mostly based in Bulgaria.

Current assignments: None.

Past assignments (last 5 years): None.

Management

David Nangle

Managing Director/CEO, Member of the Board of Directors

For information about David Nangle, see the section "Board of Directors and Management – Board of Directors".

Nadja Borisova

CFO

Swedish citizen.

Holds a Certified Accountant Degree from ACCA in England and a diploma in engineering from the St. Petersburg Institute of Mechanics.

Born: 1968.

Holding in Vostok Emerging Finance: 1,478 SDRs.

Number of warrants: None.

Nadja Borisova is Member of the Board of Directors of Vostok New Ventures AB and Chief Financial Officer of Vostok New Ventures Ltd. and the subsidiary. She has previously worked as CFO for Varyag Resources, a Russia-focused private equity company, and has also held finance positions at Cloetta-Fazer, The Coca-Cola Company and Coca-Cola Bottlers Eurasia both in Sweden and in Russia.

Current assignments: CFO of Vostok New Ventures Ltd. and subsidiary. Member of the Board of Directors of St Petersburg Property Company AB and Vostok New Ventures AB. Deputy member of the Board of Directors of Russian Real Estate Investment Company DVA AB, Russian Real Estate Investment company TRI AB, Russian Real Estate Investment Company Chetire AB and PDFinance Sweden AB. Audit committee member of GT Gettaxi Limited.

Past assignments (last 5 years): None.

Anders F. Börjesson

Company General Counsel

Swedish citizen.

Holds a law degree from Stockholm University and an LL.M. from NYU School of Law.

Born: 1971.

Holding in Vostok Emerging Finance: 50,000 SDRs.

Number of warrants: None.

Anders F. Börjesson is the General Counsel of Vostok Emerging Finance Ltd. He holds the same position in Vostok New Ventures Ltd. and is the CEO of Rusforest AB. Prior to joining Vostok Emerging Finance Ltd., Anders worked as an associate at Mannheimer Swartling's office in St Petersburg and Moscow and led the group on mergers, acquisitions and corporate law in Moscow between 2006–2008. Anders is also member of the New York Bar.

Current assignments: Member of the Board of Directors of Vostok New Ventures AB, RusForest Holding AB and Pomegranate Investment AB. CEO of RusFor-

est AB. Deputy Member of Board of Directors of Eastern Bio Holding AB.

Past assignments (last 5 years): Member of the Board of Directors of Vosvik AB, Kontakt East Holding AB, Ystad Pellets AB and Eastern Bio Holding AB. Deputy Member of the Board of Directors of Pomegranate Investment AB and Kalasbiten AB. Vice President for RusForest AB and RusForest Holding AB.

Compensation, pension and benefits

Board of Directors

The Board of Directors is entitled to a total annual remuneration of SEK 400,000 to the Chairman and SEK 200,000 to each of the remaining board members who are not employed by the Company.

Managing director and other senior executives

The managing director David Nangle has an annual salary of USD 480,000 and a pension allowance. In addition to the fixed annual salary, the managing director may receive a variable remuneration based on what the Board of Directors decides. The size of such variable remuneration shall be based on the Company's financial performance. Other benefits include private health insurance and life insurance. His contract provides for a mutual notice period of 6 months and a severance payment in the amount of 6 months' salary (12 months' salary if terminated by the Company within the first 12 months of employment). David was granted 750,000 call options with a duration of 5 years and a strike price of SEK 3.70 in connection with accepting employment.

The remaining interim management has a combined annual salary in an amount equivalent to approximately USD 80,000 with only statutory pension provisions, no other benefits and a mutual notice period of one month.

Remuneration to the auditor

Remuneration to the auditor for 2015 will be paid according to approved invoice. Audit assignments involve audit of the annual report, other assignments incumbent on the Company's auditor, and advice or other assistance arising from observations during such audit or when performing such other assignments. Everything else is other assignments.

Pension

The managing director is entitled to pension benefits on market conditions, whereby the pensionable salary consists of basic salary. The Managing Director has currently a defined contribution pension plan. The Company has no further obligations once the contributions have been paid.

Other information regarding the Board of Directors and the management

There are no other agreements with any member of the

Board of Directors, senior executives or members of supervisory bodies, regarding undertakings made by the Company regarding pensions or benefits after the termination of the assignment. No accruals exist or provisions are made for pensions or other benefits after the appointment term has ended.

None of the board members or senior executives has any related-party relationship with any other board member or senior executive. There are no conflicts of interest between the board members' or senior executives' obligations to Vostok Emerging Finance and their private interests or other obligations. However, several board members and senior executives have financial interests in the Company due to their ownership of SDRs in the Company, directly or indirectly, and/or through their participation in the share based incentive programme for current and previous employees. There have not been any specific agreements with the major SDR holders, customers, suppliers or other parties, under which senior executives or board members have been appointed. Over the past five years, Per Brilioth has on one occasion been assessable (Sw. *eftertaxerad*) for incomes from participating in a guarantee consortium.

None of the Company's board members or senior executives has been found guilty in any case of fraud or has been subject to any sanctions in the past five years imposed by any authority authorised by laws or regulations to impose such sanctions (including approved professional bodies). None of the Company's board members or senior executives has been involved in any bankruptcy, compulsory liquidation or similar procedure in their capacity as board member, deputy board member or senior executive over the past five years. No board members or senior executives have over the past five years been the subject of official accusations or sanctions by supervisory or legislative bodies and none of them has been prohibited by a court of law from serving as a board member or in management or engage in business ventures in any other way. None of the Company's board appointments has a time limit and no board member has any agreement with Vostok Emerging Finance granting the right to compensation after the appointment term has ended. All of the Board of Directors and members of the management team can be reached by telephone on +46 8 545 015 50 or e-mail: info@vostokemergingfinance.com.

Auditor

PricewaterhouseCoopers AB, with Ulrika Ramsvik and Bo Hjalmarsson as the auditors-in-charge, is currently and has since June 2015 been the Company's auditor. Ulrika Ramsvik and Bo Hjalmarsson are members of FAR. The business address of PricewaterhouseCoopers AB is Torsgatan 21, 113 97 Stockholm, Sweden.

Corporate governance

As described in the section “Shares, share capital and ownership structure – Shares, share capital and breakdown by share class” Shares issued by the Company are represented by SDRs with Pareto Securities as custodian and the registered shareholder of the Shares. Since the terms of the SDRs will grant to the SDR holders the same rights as are attached to the Shares represented by the SDRs, the following description of the legal framework of the Company does not always reflect the fact that Shares are held indirectly, via SDRs. Instead, the description will focus on the rules governing the organization of the Company as well as the shareholders' rights in respect of the Company's affairs. Since the Company's bye-laws largely reflect Swedish law with regard to such matters, the description will primarily focus on aspects of the legal framework that differ from rules applicable to Swedish limited liability companies (*Sw. aktiebolag*).

Introduction

The Company is incorporated in Bermuda under the Companies Act. The conduct of the Company is governed not only by the Companies Act, but also by the Company's memorandum of association and its bye-laws and by Bermuda common law. The Company's Shares have been issued in accordance with the Companies Act.

The Company complies with all corporate governance rules in Bermuda.

Memorandum of Association

The memorandum of association sets out some basic provisions in respect of the Company, such as the Company's name and authorised share capital along with the objectives and powers of the Company. The Company's name is Vostok Emerging Finance Ltd. and the authorised share capital shall be not more than USD 10 million. The objects of the Company are unrestricted and therefore include the carrying on of the business of an investment company, acquiring or selling securities or holding securities by way of investment.

The Company's memorandum of association is a matter of public record. It may be amended by a resolution at a General Meeting with the support of a majority consisting of two-thirds of the votes cast.

Bye-laws

The organization of the Company and the Company's operations are regulated by its bye-laws. The Companies Act requires that the bye-laws include, amongst

other things, provisions with respect to the transfer of shares, the keeping of a company's accounts and the duties of the secretary of the Company.

The bye-laws of a Bermuda company are not filed or registered with any public authority. The bye-laws of the Company may be amended by a resolution at a General Meeting of shareholders with the support of a majority consisting of two-thirds of the votes cast.

Shares and Register of shareholders

All Shares in the Company carry equal rights, except for the redeemable common shares that may be issued that are redeemable at the option of the Company by resolution of the Board of Directors. Upon such redemption, compensation shall be paid, wholly or partly, in either in cash or in another form. Each Share in the Company carries one vote. All shareholders shall be treated equally and the Company may not enter into any transactions that are likely to give an undue advantage to a shareholder or a third party to the detriment of the Company or any shareholders. There are no restrictions on the payment of dividends by the Company (other than compliance with Bermuda law) or special procedures for shareholders resident outside of Sweden. Shareholders are further entitled to a share in the surplus (if any) in the event of the liquidation of the Company in proportion to the number of shares owned by the holder.

The Companies Act allows issuance of Shares of different classes, and that the Company thereby may provide that certain shares shall have preferential or subordinated rights or that other peculiar conditions shall apply. However, before such a decision is made regarding the Company's Shares, the articles of association must be amended.

In accordance with the Company's bye-laws the Board of Directors or the shareholders may, on the General Meeting, resolve to issue new Shares, warrants and convertibles or other equity related securities on the conditions that the General Meeting or the Board of Directors determines from case to case.

Register of shareholders and SDRs

In the register of shareholders of the Company, all Shares are and will continue to be registered in the name of Pareto Securities as custodian and registered shareholder. As described in “Shares, share capital and ownership structure” – Shares issued by the Company are represented by SDRs. Euroclear, the Swedish Securities Register Center, will be responsible for keeping a register in respect of the SDRs, in accordance with the Swedish Share Accounts

Act, (Sw. *lagen om kontoföring av finansiella instrument (1998:1479)*) and any other relevant provisions applicable to the book entry system kept by Euroclear. Therefore, the provisions of the Companies Act and the bye-laws governing the register of shareholders and the transfer of Shares are of limited interest to SDR holders. Nevertheless, it should be noted that the terms applicable to the SDRs provide that SDR holders shall be entitled to exchange their SDRs for shares by a written application to Pareto Securities, in which case Pareto Securities will charge a fee in accordance with its normal rate.

Share issues, change in share capital, etc.

Share issues

The General Meeting as well as the Board of Directors may resolve to issue new Shares, warrants, convertible bonds or other equity-related securities of the Company, in accordance with the Company's bye-laws, provided that the authorised share capital of the Company is not exceeded by way of the new issue. The Board of Directors can only resolve on share issues with preferential right for existing shareholders. If the authorised share capital would be exceeded by such issue, a General Meeting must first resolve to increase the authorised share capital.

Shareholders have a preferential right to subscribe for additional Shares, pro rata to the number of Shares held by them. It is possible to deviate from the shareholders' preferential right if approved by a General Meeting of shareholders with a majority consisting of at least two-thirds of the votes cast. A corresponding preferential right applies in respect of the issue of warrants, convertible bonds or other equity-related securities. However, such a preferential right does not apply in the case of a new issue in kind or against the set-off of claims. Only a General Meeting may approve such new issues in kind or against the set-off of claims. Shares and such other aforementioned securities may only be issued in exchange for full payment at the time of issue.

Purchase by the Company of its own Shares, etc.

The Company's Memorandum of Association provides that the Company has the right to purchase its own shares, in accordance with the Companies Act. Repurchases of shares can be made without a decision by the General Meeting. The Company may also issue shares that, at the option of the holder, are redeemable.

Compulsory acquisition of shares held by a minority

The Companies Act provides for the purchase of the Shares of minority shareholders by a majority representing not less than 95 percent of the shares or any class of shares in the Company by way of notice to the

minority shareholders of the intention to acquire their shares on the terms set out in the notice. Dissident shareholders can apply to the Supreme Court of Bermuda (the "Court") within one month of the compulsory acquisition notice to have the value of their shares appraised by the Court and if one dissident shareholder applies to the Court and is successful in obtaining a higher valuation, that valuation must be paid to all shareholders being squeezed out. There is no corresponding right of minority shareholders to require a majority shareholder(s) to purchase their shares.

General Meeting of Shareholders

The provisions contained in the bye-laws governing General Meetings of shareholders, such as the rules regarding matters to be dealt with at the General Meetings and the proceedings of such meetings, largely reflect the Swedish Companies Act (2005:551).

Under the bye-laws the notice convening a General Meeting shall be sent by mail to shareholders whose addresses are known to the Company, at the earliest five weeks and at the latest two weeks before the meeting. A person shall be entitled to participate in a General Meeting, provided he is recorded as a shareholder in the Company's register of shareholders five days prior to the General Meeting.

Pursuant to the terms applicable to the SDRs, notices convening any General Meeting shall be distributed by Pareto Securities to the SDR holders. Such notices shall include information on the measures required by the holder of SDRs desiring to attend and vote at any such General Meeting. Furthermore, Pareto Securities shall, before the General Meeting, provide the Company with proxies authorising the SDR holders to represent and vote on behalf of the Shares represented by their SDRs.

The bye-laws provide that General Meetings shall be held in Stockholm.

Management of the Company

The rules governing the management of the Company are, like the provisions in respect of General Meetings, based on the Swedish Companies Act. Under the bye-laws the Board of Directors can represent the Company and execute all powers of the Company, subject to any provision of the Companies Act or the bye-laws or any prior Shareholders' resolution, requiring a matter to be resolved by the General Meeting. The bye-laws provide that the Board of Directors shall consist of not less than 3 and not more than 15 directors.

The Board of Directors may authorise a director or any other person to represent and sign on behalf of the Company. However, this authority is not noted in any official register.

The duties and obligations of the directors and other officers of the Company derive from common law and the provisions of the Companies Act.

The Companies Act provides that every officer of a company, in exercising his powers and discharging his duties, shall (i) act honestly and in good faith with a view to the best interests of the relevant company and (ii) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Furthermore, the Companies Act states that every officer shall comply with the Companies Act, the regulations and the bye-laws of the relevant company.

As is the procedure in many other jurisdictions, the auditor does not perform an audit of the management's administration and consequently does not give an opinion in respect of the discharge from potential liability of the Company's Managing Director and Board of Directors. Consequently, this is not considered at the General Meeting.

Dividends

Resolutions on dividends and other distributions are resolved on by the General Meeting. Dividends may be paid in any currency or any way in kind. However, the General Meeting may not resolve on a dividend higher than that recommended by the Board of Directors. Those who are recorded as shareholders in the Company's register of shareholders on the record date specified in the resolution declaring the dividend shall be deemed to be entitled to receive such dividends. If a shareholder cannot be contacted, the shareholder's claim on the Company regarding the dividend amount remains and is restricted only by rules on period of prescription. When the period of prescription has passed, the dividend accrues to the Company. The bye-laws do not include a provision providing the right for minority shareholders to demand dividend payment.

Pursuant to the terms for the SDRs, those who are recorded as holders of the SDRs on the share accounts kept by Euroclear, on the record date specified in the resolution declaring the Dividend, shall be entitled to receive such dividends. Pursuant to the terms of the SDRs, dividends shall be paid in Swedish krona (SEK) or euro (EUR).

Reserves

Under Bermuda law the Company is not required to declare dividends and, therefore, the Company's profits may be accumulated and used for the purposes of the Company. The bye-laws authorise the Board of Directors to set aside such sums as it considers suitable as reserves, before recommending any dividend payment.

Shareholder's rights of action in case of irregularities in the Conduct of General Meetings, etc.

Under Bermuda law, shareholders have only a limited right of action when a resolution by either the Board of Directors or the General Meeting is in conflict with the procedural or substantive rules that are governing the Company.

To some extent, shareholders are given protection by the provision in section 111 of the Companies Act, provided that the shareholder making any such application to the Supreme Court of Bermuda by petition for an order under this section can prove that the Company's operations are, or have been, conducted in "a manner oppressive or prejudicial" to the interests of some part of the shareholders of the Company, including himself.

Corporate documents

The principal corporate documents (such as the register of shareholders, the register of directors and other officers, the minutes of General Meetings, etc.) shall be kept at the registered office of the Company.

Financial year

The Company was incorporated on 28 May 2015. Hence, the first financial year comprises the period 28 May–31 December 2015. Thereafter the financial year comprises the period 1 January–31 December.

1 Interpretation

1.1 Definitions

In these Bye-Laws, the following words and expressions shall have the following meaning, unless the context otherwise requires:

- "Act" The Companies Act 1981 of Bermuda, as amended from time to time;
- "Bermuda" The Islands of Bermuda;
- "Board" The Board of Directors of the Company or the Directors present at a meeting of Directors at which there is a quorum, as the context may require;
- "Bye-Laws" These Bye-Laws in their present form or as from time to time amended;
- "Company" The company with the name Vostok Emerging Finance Ltd incorporated in Bermuda on the 28th day of May 2015;
- "Register" The register of Shareholders of the Company;
- "Registered Office" The registered office of the Company for the time being;
- "Seal" The common seal of the Company, including any duplicate thereof;
- "Secretary" Any person, firm or other legal entity appointed by the Board to perform the duties of secretary of the Company, including any assistant, deputy, temporary or acting secretary;
- "Share" A share in the capital of the Company;
- "Shareholder" A Shareholder of the Company.

1.2 Certain words and expressions

For the purposes of these Bye-Laws, unless the context otherwise requires:

- (a) words importing the singular shall include the plural and vice versa;
- (b) words importing a gender shall include every gender;
- (c) words referring to persons shall include companies, associations or other legal entities;
- (d) reference to writing shall include typewriting, printing, lithography, photography and other modes of representing or reproducing words in a legible form;
- (e) any words or expressions defined in the Act in force at the date when these Bye-Laws or any part thereof are adopted shall bear the same meaning in these Bye-Laws or such part (as the case may be); and

- (f) save as otherwise provided herein, reference to any act, ordinance, statute or other statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force.

1.3 Certain Bye-Laws

Subject to these Bye-Laws, any directions given by the general meeting and any mandatory provisions of the Act, the Bye-Laws set forth below (the model of which is, in whole or in part, Swedish company law, as in force on the date of the adoption of these Bye-Laws) shall be construed in accordance with Swedish law (taking into account the provisions of the Swedish Companies Act (*Aktiebolagslag (2005:551)*), any relevant case law and other sources of law), as amended as of the date of interpretation or, if amended between the time of the event or circumstance on which a Bye-Law shall be applied and the date of interpretation, as of the date of the event or circumstance in question.

The Bye-Laws of which Swedish law is the model are:

- 2.1 Equal rights of Shareholders
- 2.3.2 Shareholders' preferential right
- 3.1 The right to attend general meetings
- 3.2 Time, place and matters to be dealt with at general meetings
- 3.3 Notices convening general meetings
- 3.4 The proceeding of a general meeting
- 3.5 Decisions by a general meeting
- 4.1 Appointment of directors
- 4.2 Managing director and chairman
- 4.3 Powers and duties of the Board and the managing director
- 4.4 Proceedings of the Board
- 4.5 Decisions by the Board
- 4.6 Disqualification in certain matter
- 4.7 Authority to represent the Company
- 4.8 Equal treatment of Shareholders
- 6.1 Resolutions on dividends and other distributions
- 6.2 Payment of dividends

2 Share, Share register etc.

2.1 Classes of Shares/Rights of Shareholders

- (i) The share capital of the Company shall be divided into the following classes of Share: (a) non-redeemable voting common shares ("Common Shares"); and (b) redeemable voting common shares ("Redemption Shares").

- (ii) The Redemption Shares shall be liable to be redeemed at the option of the Company by resolution of the Board, at a price that may be made up wholly or partly of cash or non-cash consideration, including, without limitation, consideration consisting of shares, warrants, options or other securities, or depositary receipts representing such securities as the Board shall determine.
- (iii) The Board is authorised to issue the Common Shares and the Redemption Shares and to establish from time to time the number of shares to be included in each such class and is empowered to do all such matters and things in connection with the Shares as is consistent with the terms of these Bye-laws and any resolutions adopted from time to time by the Shareholders of the Company.
- (iv) Subject to paragraph 2.1(ii) above, all Shares shall carry equal rights unless otherwise provided by these Bye-Laws or by the terms of issue of such Shares.

2.2 Alteration of authorised Share capital

The general meeting may by resolution

- (i) increase its authorised Share capital by such amount as it thinks expedient and do those other things which are listed in items (a), (c), (d), (dd) and (f) of section 45 of the Act; and
- (ii) reduce its authorised Share capital in accordance with section 46 of the Act.

2.3 Share issues

2.3.1 Subject to the provisions of Bye-Laws 2.3.2 and 3.5.2 below, either of the general meeting and the Board may resolve to issue new Shares, warrants, convertible bonds or other equity-related securities, on such terms as the general meeting or the Board (as the case may be) may from time to time determine, provided that

- (i) the total amount of the issued Share capital (including the maximum number of Shares which may be issued upon conversion of any issued securities) may not exceed the authorised capital of the Company, and
- (ii) a new issue against the contribution of non-cash property or the set-off of claims may only be approved by the general meeting.

Shares as well as other securities may only be issued as fully paid.

2.3.2 Unless otherwise provided for by a resolution of the general meeting pursuant to Bye-Law 3.5.2 below, a Shareholder shall have a preferential right to subscribe for additional Shares or other equity-related securities issued by the Company pro rata the total number of issued Shares held by him immediately prior to the issue of the additional securities;

provided, however, that such preferential right shall not apply in the case of a new issue in consideration for contribution of non-cash property.

2.3.3 Except as provided for by the conditions of issue or these Bye-Laws any capital raised by the creation of new Shares shall be treated as if it formed part of the original capital of the Company, and such Shares shall be subject to the provisions contained in these Bye-Laws.

2.4 Ownership and transfer of Shares

2.4.1 Subject to these Bye-Laws any Shareholder may transfer all or any of his Shares by an instrument of transfer.

2.4.2 The instrument of transfer shall be executed by or on behalf of the transferor and the transferee and shall include the following details:

- (i) the complete names of the transferor and the transferee;
- (ii) the number of Shares transferred;
- (iii) the consideration payable by the transferee;
- (iv) the date of execution of the instrument of transfer; and
- (v) the terms upon which the transfer has been made conditional, if any.

2.4.3 The Board shall be entitled to deny registration of a transfer of a Share, if the instrument of transfer is not (i) submitted to the Registered Office or such other place in Bermuda at which the Register is kept in accordance with the Act or (ii) accompanied by such evidence as the Board may reasonably require to show the authority of the persons acting on behalf of the transferor and the transferee to make the transfer. The transferor shall be deemed to remain the holder of the transferred Share until the name of the transferee is entered in the Register in respect thereof.

2.4.4 Anyone who is recorded in the Register, as the holder of Shares in the Company, shall be recognized by the Company as a Shareholder in respect of the Shares for which he is registered.

2.4.5 If a Shareholder dies, the survivor or survivors, where the deceased was a joint holder, and his legal personal representatives, where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the Shares; but nothing in this Bye-Law will release the estate of a deceased Shareholder (whether sole or joint) from any liability in respect of any share which has been solely or jointly held by him.

2.4.6 Subject to the Act, any person becoming entitled to a Share in consequence of the death or bankruptcy or winding-up of a Shareholder may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the Share or to have some person nominated by him registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing at the Registered Office to that effect. If he elects to have another person registered he shall execute a transfer of the Share in favour of that person. The provisions of these Bye-laws relating to the transfer and registration of transfers of Shares shall apply to such notice or transfer as aforesaid as if the death or bankruptcy of the Shareholder had not occurred and the notice or transfer was a transfer signed by such Shareholder.

3 General meeting

3.1 The right to attend general meetings

3.1.1 A person shall be entitled to participate in a general meeting, provided that he is listed as a Shareholder in the Register five days prior to the general meeting.

In order to attend a general meeting, a Shareholder shall give the Company notice of his intention to attend not later than on the day specified in the notice convening the meeting. This day may not be a Sunday, any other Swedish or Bermudan public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not be earlier than the fifth day before the meeting.

Each shareholder or proxy shall have the right to be accompanied at general meetings by one or two advisors, provided that the shareholder has given the Company notice thereof in accordance with the above. Attending advisors are entitled to speak at general meetings, but do not have a right to vote.

3.1.2 A Shareholder may exercise his rights at a general meeting personally or by a representative who shall be in possession of a written and dated proxy, the original copy of which shall be submitted to the Registered Office at least two days prior to the general meeting or at such other time and place as may be specified in the notice convening the general meeting. A Shareholder shall be entitled to appoint different representatives and issue different proxies in respect of parts of his registered holding of Shares in the Company, in which case each proxy shall state the number of Shares in respect of which the representative has been authorised.

A proxy is valid for not more than one year from its issuance.

3.1.3 Directors and auditors shall be entitled to attend general meetings.

3.1.4 Where a Share is held by two or more persons, the holders may exercise the rights of a Shareholder in the Company only by a joint representative under a common proxy.

3.2 Time, place and matters to be dealt with at general meetings

3.2.1 General meetings shall be held in Stockholm, Sweden and be called to order by the chairman of the Board or such other person as the chairman of the Board may designate.

3.2.2 The annual general meeting shall be held within six months of the end of each financial year.

At each annual general meeting the following matters shall be dealt with:

- (i) The election of a chairman of the meeting.
- (ii) Preparation and approval of a voting list.
- (iii) Approval of the agenda
- (iv) Election of one or two persons to check and sign the minutes together with the chairman.
- (v) Verification that the meeting has been duly convened.
- (vi) Presentation of the annual report and the auditor's report and, if the Company is a parent company, a presentation of the annual report of the group of companies and the auditor's report of the group of companies.
- (vii) Decisions in respect of
 - (a) the adoption of the profit and loss account and the balance sheet and, if the Company is a parent company, the adoption of the consolidated profit and loss account and balance sheet,
 - (b) the appropriation of the Company's profit or loss according to the adopted balance sheet,
- (viii) Determination of the number of directors,
- (ix) Determination of fees for the Board and the auditors.
- (x) Election of the Board and appointment of an auditor or a firm of auditors.
- (xi) Other matters which are to be dealt with by the meeting in accordance with the Act, the Memorandum of Association and these Bye-Laws.

Resolutions pursuant to item (vii) above, shall be adjourned to an adjourned general meeting if a majority or a minority consisting of owners of one-tenth of all Shares so request. The general meeting shall then be resumed not earlier than one month and not later than two months thereafter. No further adjournment shall be permitted.

Special general meetings shall deal with the matters referred to in items (i) (v) above, in addition to the matters for which the special general meeting has been convened.

3.2.3 A Shareholder shall be entitled to have a resolution put before a general meeting provided that the Board has received a request therefore at least 48 hours prior to the distribution of the notice convening the meeting.

3.3 Notices convening general meetings

3.3.1 The Board shall convene general meetings. Notice convening a general meeting shall be sent by mail to Shareholders whose addresses are known to the Company, at the earliest five weeks and at the latest two weeks before the meeting.

3.3.2 Where a general meeting is adjourned to a date later than four weeks after the opening of the meeting, a notice shall also be issued convening the resumed meeting.

3.3.3 The items to be dealt with at the meeting shall be clearly stated in the notice. Where the meeting shall deal with an amendment of the Bye-Laws or the Memorandum of Association, the notice shall contain the essential contents of the proposed amendment.

3.3.4 The notice convening the annual general meeting shall be accompanied by copies of the annual report and the auditor's report.

3.3.5 Where provisions of the Act or these Bye-Laws regarding notices of general meetings or the furnishing of documents have been disregarded in a matter, the meeting may not pass a resolution in the matter. The meeting may nonetheless pass a resolution in a matter which has not specifically been included in the notice, provided that the matter is to be dealt with at the meeting pursuant to these Bye-Laws or that the notice has specified the general nature of the business to be considered. The meeting may also decide to convene a special general meeting to deal with the matter.

3.4 The proceeding of a general meeting

3.4.1 The chairman of the general meeting shall be elected by the meeting.

The chairman shall prepare a list of Shareholders and representatives present at the general meeting stating the number of Shares and votes represented by each of them (the "voting list"). The voting list, having been approved by the meeting, shall apply unless the meeting resolves to amend it. Where a meeting is adjourned to a day later than the immediately following working day, a new voting list shall be prepared.

The chairman shall be responsible for the keeping of minutes of the general meeting. The voting list shall be recorded in or attached to the minutes. The resolutions by the meeting shall be entered in

the minutes and, where a vote has taken place, the result of the vote. The minutes shall be signed by the chairman and not less than one person appointed by the meeting to check the minutes. The minutes shall be preserved in a safe manner. Copies of minutes shall be sent to any Shareholder who requests such copies, however, not earlier than two weeks after the meeting.

3.4.2 At the request of a Shareholder, the Board and the managing director shall, provided the Board considers it possible without any material prejudice to the Company, give such information to the general meeting as may be required for the purpose of examining the Company's annual report and its financial position or a matter before the meeting. Where the Company is part of a group, the duty of providing information also includes the Company's relations to other group companies and, where the Company is a parent company, the consolidated accounts of the group as well as such circumstances relating to the subsidiaries as mentioned in the first sentence.

Where the requested information can be provided only if supported by data not available at the meeting, the information shall be made available within two weeks from the meeting and shall be sent to any Shareholder who requests the information.

Where the Board considers that the information requested cannot be given to the Shareholders without material prejudice to the Company, the information shall instead, if so requested by a Shareholder, be submitted to the auditors of the Company within two weeks thereafter. The auditors shall, within a month from the meeting, give a written statement to the Board indicating whether they have received the information requested and whether, in their opinion, the information should have given rise to an amendment of the audit report or, with respect to a parent company, the group audit report or whether the information in other respects gives rise to any critical comment. Where this is the case, the amendment or comment shall be specified in the auditors' statement. The Board shall send a copy of the auditors' statement to the Shareholder who requested the information as well as to any other Shareholder who requests such information.

3.4.3 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Bye-Laws, at least two Shareholders present in person or by proxy and entitled to vote shall be a quorum for all purposes; provided,

however, that if the Company shall have only one Shareholder, one Shareholder present in person or by proxy shall constitute the necessary quorum.

3.5 Decisions by a general meeting

3.5.1 Except as provided for in Bye-Law 3.5.2 a resolution by the general meeting shall be passed by a simple majority of the votes cast and, in case of parity of votes, by the casting vote of the chairman of the meeting. In an election the candidate receiving the largest number of votes shall be considered elected. In case of parity of votes the election shall be effected by drawing of lots unless otherwise resolved by the meeting before the election takes place.

3.5.2 The following resolutions shall be passed by a general meeting with the support of two-thirds of the votes cast:

- (i) amendments of the Memorandum of Association;
- (ii) amendments of these Bye-Laws;
- (iii) deviation from the Shareholders' preferential right to subscribe for new Shares or other equity-related securities, as set out in Bye-Law 2.3.2; and
- (iv) amendments of the rights attached to issued Shares.

3.5.3 A general meeting may not pass any resolution which is likely to give an undue advantage to a Shareholder or another person to the detriment of the Company or other Shareholders.

4 The management of the Company

4.1 Appointment of directors

4.1.1 The Board shall consist of not less than 3 and not more than 15 directors with no alternate directors.

The Board is appointed annually at the annual general meeting, for the period until the closing of the next annual general meeting.

The provisions in these Bye-Laws in respect of directors shall, where appropriate, apply to any managing director and deputy managing director as well as committee members appointed pursuant to these Bye-Laws.

4.1.2 The term of office of a director may be terminated prematurely

- (i) at the director's own request to the Board; or
- (ii) by the general meeting.

In addition, the office of a director may be terminated prematurely by the Board upon the occurrence of any of the following events:

- (iii) if he becomes of unsound mind or a patient for any purpose of any statute or applicable law relating to mental health;
- (iv) if he becomes bankrupt or compounds with his creditors; or
- (v) if he is prohibited by law from being a director.

4.1.3 Where a director's term of office is terminated prematurely, then the other directors shall take steps to have a new director appointed by the general meeting, for the remaining term of the office. However, such new appointment may be postponed until the next annual general meeting at which an election of directors shall take place, provided that the remaining directors form a quorum and that the remaining number of directors is not less than the minimum number designated pursuant to Bye-law 4.1.1.

4.2 Managing director and chairman

4.2.1 The Board shall appoint a managing director. The managing director shall be a member of the Board. A deputy managing director may also be appointed by the Board.

4.2.2 One of the directors shall be the chairman of the Board. Unless otherwise provided by the general meeting, the Board shall elect its chairman. In the event of parity of votes the election shall be affected by the drawing of lots. The managing director may not be the chairman.

4.2.3 The chairman of the Board shall also hold the office of the chairman of the Company as provided for in section 91(4) of the Act; provided, however, that he will have no legal powers and duties in his capacity as chairman of the Company that are additional to the powers and duties which follows from being a director and the chairman of the Board.

4.3 Powers and duties of the Board and the managing director

4.3.1 Subject to the provisions of the Act, these Bye-Laws and to any directions given by the general meeting the Board shall manage the business of the Company and may exercise all the powers of the Company, including the power to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets of the Company.

4.3.2 The managing director shall be in charge of the day-to-day management of the Company, according to the guidelines and instructions laid down by the Board.

4.3.3 The Board shall ensure that the Company's accounting records and the management of the Company's funds comply with applicable international accounting standards and generally accepted minimum standards of control. The managing director is responsible for ensuring that the accounting records are kept in accordance with all applicable laws and regulations and that the funds are managed and kept in custody in accordance with the Company's investment policy.

4.4 Proceedings of the Board

4.4.1 The chairman of the Board shall ensure that board meetings are held whenever necessary. The Board shall be convened upon request by any director given to the chairman.

4.4.2 The proceedings of the Board meetings shall be recorded in minutes which shall be signed or verified by the chairman of the Board and the person acting as secretary to the meeting. Any director shall be entitled to have his dissent recorded in the minutes. The minutes shall be taken in numerical order and preserved in a safe manner at the Registered Office.

4.4.3 The Board may adopt resolutions in writing. Provided that such resolutions are signed by all directors, they are as valid and effectual as resolutions passed at a meeting.

4.4.4 The Board may delegate to any committee, director, officer or other individual any of the powers exercisable by it.

4.5 Decisions by the Board

4.5.1 A quorum exists where more than half of all directors are present. However, a matter may not be decided unless, to the extent possible, all directors have had an opportunity to participate in considering the matter and have received satisfactory supporting material in order to reach a decision.

4.5.2 All resolutions by the Board shall be adopted by a simple majority of the votes of directors present; provided, however, that the number of directors who are in favour of a resolution shall represent more than one third of all directors. In case of a parity of votes, the chairman shall have the casting vote.

4.6 Disqualification in certain matters

A director may not vote in relation to or otherwise deal with matters relating to agreements or court actions or other legal actions between himself and the Company, nor with matters relating to agreements or court actions or other legal actions between the Company and a third party, if the director has a considerable interest in the matter contrary to that of the Company.

4.7 Authority to represent the Company

4.7.1 The Board shall represent the Company and be authorised to sign for it. The Board shall be entitled to authorise a director or a third party or two or more persons jointly to represent and sign for the Company. The provision on disqualification (Bye-Law 4.6) applies equally to such a person who is not a director.

4.7.2 The Board may at any time revoke any authorisation granted pursuant to Bye-Law 4.7.1.

4.7.3 A managing director shall always be entitled to represent the Company and sign for it with regard to measures which are within his responsibilities pursuant to Bye-Law 4.3.

4.8 Equal treatment of Shareholders

Neither the Board, any director nor any other representative of the Company may enter into legal transactions or undertake other measures which are likely to give an undue advantage to a Shareholder or a third party to the detriment of the Company or another Shareholder.

The directors and other representatives may not comply with a directive by the general meeting or by any other body within the Company if the directive is contrary to the Act or these Bye-Laws.

4.9 Directors' remuneration and expenses

4.9.1 The directors shall be entitled to a remuneration, to be determined by a resolution of the Shareholders.

In addition to the remuneration for being a director, each director shall be paid all expenses properly and reasonably incurred in the conduct of the Company's business or in the discharge of his duties as a director.

4.9.2 A director may hold any other office or place of profit within the Company (except that of auditors) on the terms and for the extra remuneration decided by the Board. A director may also render professional services to the Company, and he is entitled to remuneration therefore.

4.10 Proceedings of committees

Committees and committee members are governed by the provisions pertaining to the meetings and proceedings of the Board and to directors, where applicable, unless the Board has imposed specific regulations.

5 Officers

The Board shall appoint and regulate the terms for a Company secretary, a resident representative and any other officer required under the Act (exclusive of directors).

In addition, the Board shall be entitled to appoint and regulate the terms for any other employee as it may deem appropriate.

6 Dividends and distributions to Shareholders

6.1 Resolutions on dividends and other distributions

The general meeting may from time to time declare dividends as well as other distributions out of any contributed surplus ("dividends") in any currency and in any kind, to be paid to the Shareholders. However, the general meeting may not declare a dividend higher than the dividend recommended by the Board.

6.2 Payment of dividends

Those who are recorded as Shareholders in the Register on the record date specified in the resolution declaring the dividend shall be deemed to be entitled to receive such dividends.

6.3 Reserves

The Board may, before recommending any dividend, set aside such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose of the Company and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any sums which it may think it prudent not to distribute.

7 Seal

7.1 The Company shall have one or more Seals, as the Board may determine. For the purpose of sealing documents creating or evidencing securities issued by the Company (to the extent that such securities are represented by certificates), the Company may have a securities seal which is a facsimile of the Seal of the Company with the addition of the words "Securities Seal" on its face or in such other form as the Board may approve. The Board shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Bye-Laws, any instrument to which a Seal is affixed shall be signed autographically by one director and the Secretary or by two directors or by such other person (including a director) or persons as the Board may appoint, either generally or in any particular case, save that as regards certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in a manner provided by this Bye-Law shall be deemed to be sealed and executed with the authority of the Board previously given.

7.2 Where the Company has a Seal for use abroad, the Board may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board may impose restrictions on the use thereof as may be thought fit. Wherever in these Bye-Laws reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

8 Matters not regulated by these Bye-Laws

Unless otherwise provided by these Bye-Laws or by any directions given by the general meeting, the management of the Company and other matters shall be governed by and conducted in accordance with the Act.

9 Disputes

Any dispute, controversy or claim between the Company and any director or Shareholder or between any director and any Shareholder shall be finally settled by the Stockholm City Court (Stockholms tingsrätt) in accordance with the Swedish Code of Judicial Procedure (rättegångsbalken).

FORM NO. 2

mt 'B'



BERMUDA
THE COMPANIES ACT 1981
**MEMORANDUM OF ASSOCIATION OF
COMPANY LIMITED BY SHARES**
(Section 7(1) and (2))

**MEMORANDUM OF ASSOCIATION
OF**

Vostok Emerging Finance Ltd.

(hereinafter referred to as "the Company")

1. The liability of the members of the Company is limited to the amount (if any) for the time being unpaid on the shares respectively held by them.
2. We, the undersigned, namely,

NAME	ADDRESS	BERMUDIAN STATUS (Yes/No)	NATIONALITY	NUMBER OF SHARES SUBSCRIBED
Michael B. Ashford	Clarendon House 2 Church Street Hamilton HM 11 Bermuda	Yes	British	One
Graham B. R. Collis	"	Yes	British	One
Jason Piney	"	No	British	One

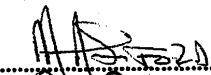
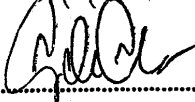
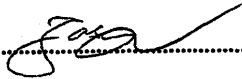
do hereby respectively agree to take such number of shares of the Company as may be allotted to us respectively by the provisional directors of the Company, not exceeding the number of shares for which we have respectively subscribed, and to satisfy such calls as may be made by the directors, provisional directors or promoters of the Company in respect of the shares allotted to us respectively.

3. The Company is to be an **exempted** company as defined by the Companies Act 1981 (the "Act").
4. The Company, with the consent of the Minister of Finance, has power to hold land situate in Bermuda not exceeding ___ in all, including the following parcels:- N/A
5. The authorised share capital of the Company is **US\$10,000,000.00** divided into shares of **US\$0.01** each.
6. The objects for which the Company is formed and incorporated are unrestricted.
7. The following are provisions regarding the powers of the Company –




Subject to paragraph 6, the Company may do all such things as are incidental or conducive to the attainment of its objects and shall have the capacity, rights, powers and privileges of a natural person, and –

- (i) pursuant to Section 42 of the Act, the Company shall have the power to issue preference shares which are, at the option of the holder, liable to be redeemed;
- (ii) pursuant to Section 42A of the Act, the Company shall have the power to purchase its own shares for cancellation; and
- (iii) pursuant to Section 42B of the Act, the Company shall have the power to acquire its own shares to be held as treasury shares.

Signed by each subscriber in the presence of at least one witness attesting the signature thereof


.....

.....

.....
.....

(Subscribers)


.....

.....

.....
.....

(Witnesses)

SUBSCRIBED this 28th day of May, 2015.

PARETO SECURITIES AB's

TERMS AND CONDITIONS FOR SWEDISH DEPOSITORY RECEIPTS

regarding shares in
VOSTOK EMERGING FINANCE LTD.

June 2015

Vostok Emerging Finance Ltd (hereinafter referred to as the "**Company**") has entered into a deposit agreement with Pareto Securities AB (hereinafter referred to as "**Pareto**") whereby Pareto, on behalf of shareholders, will hold shares (hereinafter referred to as the "**Shares**") in the Company in a depository account and issue one Swedish Depository Receipt (hereinafter referred to as "**SDR**") for each Share deposited in accordance with these General Terms and Conditions. The SDRs shall be registered with Euroclear Sweden AB (hereinafter referred to as "**Euroclear**") and are intended to be listed on Nasdaq First North or other marketplace.

1 Deposit of shares

1.1 Shares are deposited on account of the depository receipt holder with Pareto, or with a custodian appointed by Pareto on account of Pareto, through registration by Pareto or the custodian as owners of the shares in the Company's share register, or with another institution appointed by the Company with an assignment to maintain a register of the Company's owners. Depository receipt holder means an owner of a depository receipt or such an owner's nominee (hereinafter referred to as "**SDR Holder**").

1.2 The SDRs shall be registered in a Swedish CSD register maintained by Euroclear (hereinafter referred to as the "**Euroclear Register**") in accordance with the Financial Instruments Registration Act (SFS 1998:1479). No certificates representing the SDRs will be issued.

2 Deposit and withdrawal of shares

2.1 On the condition that no impediment exists according to the laws or regulatory decrees of Sweden, Bermuda or any other country, Pareto shall upon request by the SDR Holder without delay arrange for the deposit holder to become registered directly as owner in the Company's share register, or with another institution approved by the Company assigned to maintain a register of the Company's shareholders, for the number of shares held equivalent to the SDR Holders' holding of SDRs. Registration in the share

register, or other equivalent register of the Company's shareholders, shall occur as soon as the SDRs in question have been deregistered from the SDR register maintained by Euroclear.

2.2 After payment of all taxes and fees in connection with the deposit of the shares, shares may be transferred to Pareto for safekeeping according to the terms and conditions together with the required information to Pareto with respect to name, address and VP account (in which the SDRs are to be registered) together with other information and documentation required under Swedish, Bermuda or any other applicable legislation.

2.3 Pareto has the right to receive compensation in advance from the SDR Holder for fees and expenses that arise in connection with withdrawal and deposit of shares according to items 2.1 and 2.2 above in accordance with Pareto's applicable price list for such transactions.

3 Transfer and pledging of shares, etc.

3.1 Shares on deposit cannot be transferred or pledged in any other way than by transfer and pledging of the SDRs. Transfer and pledging of SDRs shall take place in accordance with applicable Swedish legislation. The authority to transfer or pledge SDRs, as well as deciding who shall be deemed to be the rightful owner or pledgee of SDRs, shall be determined according to the rules that apply to shares in Euroclear companies.

3.2 Section 103 of the Bermuda Companies Act, 1981, provides that registered holders of 95 per cent of the total number of shares in a company are entitled to purchase the remaining shares from the other shareholders ("compulsory purchase"). Pareto will be the registered owner of all shares in the Company for which holders of SDRs have not requested to be registered as the holders. Pareto has undertaken not to enforce a compulsory purchase of shares which a holder of SDRs has received in exchange for SDRs.

4 Record Date

Pareto shall in consultation with the Company and Euroclear determine a date ("Record Date") to be applied by Pareto for determining which SDR Holders relative to Pareto are entitled to:

- (i) receive cash dividends, rights or other property;
- (ii) participate in the proceedings of and to vote at general meetings of shareholders;
- (iii) receive shares in connection with stock dividends;
- (iv) subscribe for shares, debentures or other rights in connection with offerings; and
- (v) exercise the rights that normally accrue to the benefit of the shareholders in the Company.

It is the Company's and Pareto's intention that the Record Date shall match the date of reconciliation or equivalent that the Company applies in relation to Pareto.

5 Dividends

5.1 Any dividends received by Pareto as a shareholder in the Company shall be passed on by Pareto in accordance with the provisions of item 5 hereof.

5.2 Dividend payments shall be made to the SDR Holder who on the Record Date is entered in the SDR register as holder of SDRs or holder of rights. Dividends are payable in euro (EUR) or alternatively in Swedish kronor (SEK).

5.3 Pareto shall in consultation with the Company set the date for payment of dividend to the SDR Holders (the "**Payment Date**"). If Pareto has received a dividend from the Company in a currency other than EUR or SEK, Pareto shall arrange for a conversion of the dividend received from the Company to EUR or SEK. Such conversion shall be effected at a market rate of exchange, no earlier than ten and no later than five banking days before the payment date, by entry into a forward contract with a due date on the payment date, or the day when funds are made available to Euroclear. The applicable rate of exchange shall be the rate of exchange obtained in such forward contract.

5.4 Payment of dividends to SDR Holders and other holders of rights according to the SDR register shall be made on the Payment Date by Euroclear and in accordance with the rules and regulations applied by Euroclear from time to time.

5.5 If dividends are paid to a recipient who is not authorised to receive dividends, Pareto shall nonetheless be deemed to have fulfilled its obligations, except in the case where Pareto was aware that payment of dividend was being made to a party not authorised

to receive dividends, or if Pareto failed to exercise reasonable care appropriate to the circumstances, or if payment cannot be claimed because the recipient was a minor or because a guardian was appointed pursuant to the Children and Parents Code for the recipient and such mandate includes receipt of dividends.

5.6 Payment of dividend to SDR Holders shall be made without any deduction for fees or equivalent attributable to the Company, Pareto or Euroclear, but with a deduction for preliminary tax or other taxes withheld according to Swedish legislation and for any tax that may be levied according to the legal systems in Sweden, Luxembourg or any other country.

5.7 If Pareto receives dividends other than in cash, Pareto – after consultation with the Company – shall decide how such dividend shall be transferred to those SDR Holders entitled to receive it. This may mean that the property is sold and that the proceeds of such sale, after deduction of selling costs and any fees and taxes incurred, are paid to the SDR Holders.

5.8 If the shareholders have the right to choose dividends in cash or in any other form, and it is not practically feasible to give the SDR Holders such opportunity, Pareto shall have the right to decide, on account of the SDR Holders, that such dividend shall be paid in cash.

6 Stock dividends, splits, new issues and other distributions

6.1 Pareto, or the custodian appointed by Pareto according to item 1.1 hereof, shall in the case of a stock dividend and split be registered as soon as possible in the Company's share register for the new shares received in conjunction with such action, and shall make arrangements to ensure that the depositary receipts received for such shares are registered to the VP account belonging to the SDR Holder entitled to receive such shares. The corresponding registration procedures shall be undertaken in connection with a reverse split.

6.2 Any person whose name on a Record Date is entered in the SDR register as SDR Holder, or holder of rights relative to the action in question, shall be deemed to be authorised to receive SDRs representing new shares added as a result of a stock dividend or a split. If a recipient of SDRs was not authorised to receive the new SDRs, the provisions of item 5.5 above shall be applied wherever applicable.

6.3 If the Company decides on a new issue of shares, issuance of convertible debentures, options or other

rights to the shareholders, Pareto shall inform the SDR Holders thereof and of the principal terms and conditions for the new issue, the convertible debentures, the options or other rights. Such information shall be enclosed together with the relevant subscription form by which the SDR Holder may instruct Pareto to subscribe for shares, options, or exercise other rights. When Pareto has subscribed for and received such shares, convertible debentures or other rights in accordance with the instructions of the SDR Holder, Pareto shall see to it that the corresponding registration is effected to the credit of the VP account of the SDR Holder. Where such registration cannot be effected to the credit of the respective VP account of the SDR Holder, Pareto shall see to it that the SDR Holders are ensured the right of ownership to the instrument or rights in question in another way.

- 6.4 If a SDR Holder fails to instruct Pareto to exercise the rights set forth in item 6.3 above, Pareto has the right to sell such rights on account of the SDR Holder and pay the proceeds of such sale to the SDR Holder, less a deduction for selling costs and any fees and taxes incurred.
- 6.5 If the SDR Holder has the right to or receives a number of fractional rights or other rights that do not entitle the holder to receive an even number of shares, participation in new issue of shares, subscription for convertible debentures, options or other rights, Pareto has the right to sell such residual fractional rights, preferential rights, etc. and pay the proceeds to the SDR Holder after deduction of selling costs and any fees and taxes incurred.

7 Participation in general meetings of shareholders

7.1 Pareto shall guarantee the SDR Holder the right to participate in the Company's general meetings of shareholders and to vote for the shares represented by the SDRs. The Company shall in consultation with Pareto send notice for such general meeting of shareholders in accordance with the rules of Nasdaq First North. The notice shall contain:

- (i) the information included by the Company in the notice for the meeting; and
- (ii) instructions as to what must be observed by each SDR Holder in order to participate in the proceedings of the general meeting of shareholders or otherwise exercise his or her voting right.

Well in advance of the general meeting of shareholders, Pareto shall make arrangements so that proxies are issued to each SDR Holder who has announced his or her intention to participate in the proceedings of the general meeting of shareholders. Such proxies shall be submitted to the Company together with

a list of SDR Holders to whom proxies have been issued.

- 7.2 The annual general meeting shall be held within six months of the end of each financial year.
- 7.3 Pareto undertakes not to represent shares for which SDR Holders have not appointed Pareto as its proxy.

8 Information to the SDR Holder

Pareto shall in the manner set forth in item 12 below provide the SDR Holders with all the information that Pareto receives from the Company in Pareto capacity of shareholder. If so requested, Pareto shall always provide such information by mail to the address set forth in the SDR register. The Company's intention is to present all information in English.

9 Listing of SDRs

The SDRs are intended to be listed on Nasdaq First North. If a decision is made to delist the SDRs, Pareto shall inform the SDR Holders on the decision as soon as possible.

10 Pareto's expenses

Pareto's expenses and the firm's fees for managing the depository and Euroclear's services shall be borne by the Company unless otherwise expressly provided in these terms and conditions.

11 Change of depository

If the Company decides to use the services of a securities firm other than Pareto, Pareto shall transfer all its rights and obligations to the SDR Holders according to these terms and conditions and deliver the shares to the new depository. Change of depository shall be submitted for approval by Euroclear and may be implemented not earlier than three months after notice (regarding change of depository) is sent by mail to the SDR Holders or an announcement to that effect was published in a daily newspaper according to item 12 below. When a change of depository is made in the manner set forth in this item 11, SDR Holders shall be deemed to have agreed to a transfer the rights and obligations between the SDR Holders and Pareto to the SDR Holders and the new depository.

12 Notices

Pareto shall ensure that notices to the SDR Holders pursuant to these terms and conditions, either directly or indirectly, are delivered to the SDR Holders and other holders of rights who are listed in the reconciliation register in accordance with the Swedish act on accounting for financial instruments (1998:1479) and in accordance with the routines applicable by Euroclear from time to time. Except in cases where

notice in writing is to be sent by mail to the shareholders in Swedish Euroclear companies, Pareto – as an alternative to sending the notice by mail – has the right to publish notices in consultation with the Company in the form of announcements in a daily Stockholm newspaper. Information shall also be provided to Nasdaq First North.

13 Amendments to these terms and conditions

Pareto reserves the right to amend these terms and conditions to the extent required to make them conform to Swedish or other applicable legislation, regulatory decree or Euroclear's rules and regulations. Pareto – in consultation with the Company – reserves the right to amend these terms and conditions if such amendment is appropriate or necessary for other reasons, in all cases on the condition that the rights of the SDR Holders are not adversely affected in a material manner.

14 Information about SDR Holders (confidentiality)

14.1 Pareto reserves the right to request information from Euroclear about SDR Holders from the SDR register maintained by Euroclear and to provide information about the SDR Holders and their holdings of SDR to the Company.

14.2 Pareto also reserves the right to provide information about SDR Holders to those who work with registration of the shares as well as to government authorities, provided that such obligation is prescribed by Swedish or foreign law, statute or regulatory decree. SDR Holders are obliged to provide such information to Pareto upon request.

14.3 Pareto and the Company are entitled to submit and publish information regarding the SDR Holders to the extent required by Nasdaq First North or other authorised market place.

15 Limitation of liability

15.1 Unless otherwise stated in item 15.2 below, Pareto is liable for damage suffered by the SDR Holder due to negligence on the part of Pareto when performing the assignment according to these terms and conditions. However, Pareto shall not be liable for any indirect or consequential damage.

15.2 Pareto shall not be liable for any loss or damage resulting from Swedish or foreign legislation, Swedish or foreign regulatory decree, act of war, strike, boycott, lockout, blockade, acts of terrorism or other similar circumstances. The reservation regarding strike, blockade, boycott or lockout applies even if Pareto itself takes such action or is the object of such action.

15.3 Where Pareto or the Company is prevented from effecting payment or taking other action due to circumstances outside their control, Pareto or the Company may postpone execution until the obstacle has been removed.

15.4 Neither Pareto, the Company nor Euroclear shall be liable for losses or damages which the SDR Holders suffer due to the fact that a certain dividend, right, notice or other entitlement which accrues to shareholders of the Company cannot, due to technical, legal or other reasons beyond the control of the parties mentioned above, be distributed or otherwise transferred or provided to those SDR Holders registered in the Euroclear Register on a timely basis or at all.

16 Termination

16.1 Pareto reserves the right to terminate the deposit of shares according to these terms and conditions, by giving notice of termination to the SDR Holders pursuant to item 12 hereof, if

- (i) a decision is made to cease listing SDRs on Nasdaq First North or other equivalent marketplace;
- (ii) the Company decides that the shares in the Company no longer are to be represented by SDRs according to these terms and conditions;
- (iii) the Company has failed to fulfil payment of expenses and fees according to item 10 hereof for more than 30 days; or
- (iv) the Company materially breaches its obligations vis-à-vis Pareto.

16.2 If such notice is given, these terms and conditions continue to remain in force for a period of notice of six months from the date of making such announcement or from the date when the announcement was published in a newspaper, where the SDRs have not previously been delisted following a decision by Nasdaq First North. The announcement to the SDR Holders must include the Record Date when Pareto will re-register all SDRs according to the SDR register in the Company's share register, or another institution appointed by the Company assigned to maintain a register of the Company's shareholders.

17 Governing law

These terms and conditions and the SDRs issued by Pareto shall be governed by Swedish law.

18 Disputes

Disputes concerning these terms and conditions, or legal relations emanating from these terms and conditions, shall be settled by a general court of law and action is to be initiated at the Stockholm District Court.

>62 Certain Tax Considerations in Sweden

The following is a summary of certain Swedish tax consequences that may arise from the Rights Issue for SDR holders and Subscription Rights in the Company who are individuals or limited liability companies tax resident in Sweden, unless otherwise stated. The summary is based on the assumption that the SDRs and Subscription Rights in the Company are considered listed for Swedish tax purposes, which is the case if trading in the SDRs and Subscription Rights occur on Nasdaq First North to a sufficiently large extent. The summary is based on the legislation currently in force at the date of this Prospectus and is intended as general information only. Consequently, the summary does not deal comprehensively with all tax consequences that may occur in this context. For instance, the summary does not address securities held by partnerships or securities held as current assets in business operations. Moreover, the summary does not address the specific rules on tax exempt capital gains (including non-deductibility for capital losses) or tax exempt dividends in the corporate sector that may be applicable when shares are considered to be held for business purposes (Sw. *näringsbetingade andelar*). Neither are the specific rules covered that could be applicable to holdings in companies that are, or have previously been, closely held companies or shares that have been acquired by means of so-called "qualified shares" in closely held companies. Moreover, the summary does not address securities that are held on a so-called investment savings account (Sw. *investeringssparkonto*) and that are subject to special rules on standardized taxation. Special tax rules, which are not described below, also apply to certain categories of taxpayers, for example, investment companies and insurance companies. Each holder of SDRs and Subscription Rights should therefore consult a tax advisor for information on the tax implications that may arise in their individual case, including the applicability and effect of foreign rules and tax treaties.

SDR holders and Subscription Rights Who are Tax Resident in Sweden

Individuals

Capital Gains Taxation

Upon the sale or other disposal of listed shares or other equity-related securities, such as the SDRs and Subscription Rights, a taxable capital gain or deductible capital loss will arise. Capital gains are taxed as income from capital at a rate of 30 per cent. The capital gain or loss is calculated as the difference between the sales proceeds, after deducting sales costs, and the tax basis (for specific information on the tax basis

for Subscription Rights, see "Exercise and Disposal of Subscription Rights" below). The tax basis for all equity-related securities of the same class and type is calculated together in accordance with the average cost method. It should be noted that the SDB P1 (paid subscribed SDRs) are not considered to be of the same class and type as the existing SDRs that entitled the holder to the preferential right in the Rights Issue until the resolution of the Rights Issue has been registered.

Upon the sale of listed equity-related securities, such as the SDRs in the Company, the tax basis may alternatively be determined according to the standard method as 20 per cent of the sales proceeds after deducting sales costs.

Capital losses on listed shares and other listed equity-related securities are fully deductible against taxable capital gains on listed and non-listed shares and against other listed equity-related securities realized during the same fiscal year, except for units in securities funds or special funds that consist solely of Swedish receivables ("interest funds"). Up to 70 per cent of capital losses on shares or other equity-related securities that cannot be offset in this way are deductible against other capital income. If there is a net loss in the capital income category, a tax reduction is allowed against municipal and national income tax, as well as against real estate tax and municipal real estate charges. A tax reduction of 30 per cent is allowed on the portion of such net loss that does not exceed SEK 100,000 and of 21 per cent on any remaining loss. Such net loss cannot be carried forward to future fiscal years.

Dividend Taxation

For individuals, dividends on listed equity-related securities are taxed as income from capital at a rate of 30 per cent. A preliminary tax of 30 per cent is generally withheld on dividends paid to individuals tax resident in Sweden. The preliminary tax is withheld by Euroclear or, regarding nominee-registered shares, by the Swedish nominee. No withholding tax on dividend is charged in Bermuda.

Exercise and Disposal of Subscription Rights

The exercise of Subscription Rights for new shares, represented by SDRs, does not give rise to any taxation. The acquisition cost for SDRs received is the issue price. If Subscription Rights used for subscribing for SDRs have been purchased or otherwise acquired (i.e. that are not received based on a holding of existing SDRs) the tax basis for the Subscription Rights shall be taken into account when calculating the tax basis for the subscribed SDRs.

SDR holders that do not wish to exercise their preferential right to participate in the Rights Issue may dispose of their Subscription Rights. For Subscription Rights disposed of, a capital gain or capital loss is calculated. Subscription Rights based on a holding of existing SDRs are considered to have been acquired for SEK 0. The total sales proceeds, after deducting sales costs, are thus taxable. The standard method is not applicable in this case. The tax basis for the original SDRs is not affected.

For Subscription Rights purchased or otherwise acquired, the price paid for the Subscription Rights constitutes the acquisition cost. In this case, the standard method may be applied if the listed Subscription Rights are disposed of.

A Subscription Right that is not exercised or sold, and thus expires, is deemed disposed of at SEK 0.

Limited Liability Companies

Capital Gains and Dividend Taxation

For limited liability companies, all income, including taxable capital gains and dividends, is taxed as business income at a rate of 22 per cent. Capital gains and capital losses are calculated in the same manner as set forth above under the section "Capital Gains Taxation" with respect to individuals. Deductible capital losses on shares or other equity-related securities may only be deducted against taxable capital gains on such securities. Under certain circumstances such capital losses may also be deducted against capital gains in another company in the same group, provided that the companies can tax consolidate (Sw. *koncernbidragsrätt*). A capital loss that cannot be utilized during a given year may be carried forward and be offset against taxable capital gains on shares and other equity-related securities during subsequent fiscal years, without limitation in time.

Exercise and Disposal of Subscription Rights

The exercise of Subscription Rights for new shares, represented by SDRs, does not give rise to any taxation. The acquisition cost for SDRs received is the issue price. If Subscription Rights used for subscribing for SDRs have been purchased or otherwise acquired (i.e. that are not received based on a holding of existing SDRs) the tax basis for the Subscription Rights shall be taken into account when calculating the tax basis for the subscribed SDRs.

SDR holders that do not wish to exercise their preferential right to participate in the Rights Issue may dispose of their Subscription Rights. For Subscription Rights disposed of, a capital gain or capital loss is calculated. Subscription Rights based on a holding of existing SDRs are considered to have been acquired for SEK 0. The total sales proceeds, after deducting sales costs, are thus taxable. The standard method is

not applicable in this case. The tax basis for the original SDRs is not affected.

For Subscription Rights purchased or otherwise acquired, the price paid for the Subscription Rights constitutes the acquisition cost. In this case, the standard method may be applied if the listed Subscription Rights are disposed of.

A Subscription Right that is not exercised or sold, and thus expires, is deemed disposed of at SEK 0.

SDR holders and Subscription Rights Who are Not Tax Resident in Sweden

SDR holders and Subscription Rights who are not tax resident in Sweden and whose holding is not attributable to a permanent establishment in Sweden are generally not liable for Swedish capital gains taxation on the disposal of such securities. The holders may, however, be subject to tax in their country of residence. Under a specific tax rule, individuals not tax resident in Sweden may, however, be liable to capital gains taxation in Sweden upon the sale of certain equity-related securities (such as SDRs, BTDs and Subscription Rights) if they have been resident or stayed permanently in Sweden at any time during the calendar year of such disposal or during any of the ten preceding calendar years. A further requirement for the tax liability to apply under this rule when securities are issued by a foreign company is that the securities must also have been acquired when the individuals were tax resident in Sweden. Equity-related securities that have replaced other equity-related securities in a foreign company are considered acquired at the same time as the original securities for the purpose of this rule. The applicability of this rule may, however, be limited by tax treaties between Sweden and other countries.

Since the Company is not a Swedish limited liability company, no Swedish withholding tax will be imposed on dividends or other payments to SDR holders who are not tax resident in Sweden.

>64 Historical financial information

Financial report for the period 28 May 2015–30 September 2015

With the exemption of notes and supplementary information, the financial report has been prepared in accordance with IFRS concerning accounting and valuation as adopted by the EU as per 1 January 2015. Since the financial report does not contain all information required by IFRS, the report does not fulfil the requirements of giving a true and fair view in accordance with IFRS. The information in this report has been audited by the Company's auditor, see auditor's report "Auditor's report on historical financial information". Apart from this section "Historical financial information", no information in this Prospectus has been audited or revised by the Company's auditor.

Income statement

(Expressed in USD thousands)	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Result from financial assets at fair value through profit or loss ¹	-7,847	-7,337
Dividend and coupon income	-	-
Total operating income	-7,847	-7,337
Operating expenses	-316	-316
Operating result	-8,163	-7,652
Financial income and expenses		
Interest income	8	8
Currency exchange gains/losses, net	-5	-5
Net financial items	3	3
Result before tax	-8,160	-7,649
Taxation	-	-
Net result for the financial period	-8,160	-7,649
Earnings per share (in USD)	-0.11	-0.10
Diluted earnings per share (in USD)	-0.11	-0.10

1. Financial assets at fair value through profit or loss are carried at fair value. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'Result from financial assets at fair value through profit or loss' in the period in which they arise. See note 1.

Statement of comprehensive income

(Expressed in USD thousands)	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Totalt resultat för perioden	-8,160	-7,649

Total comprehensive income for the periods above is entirely attributable to the equity holders of the Company.

Balance sheet

(Expressed in USD thousands)	30 September 2015	30 June 2015
Non-current assets		
<i>Financial non-current assets</i>		
Financial assets at fair value through profit or loss (Note 1)	13,665	18,501
Total financial non-current assets	13,665	18,501
Current assets		
Cash and cash equivalents	5,318	8,046
Other current receivables	8	–
Total current assets	5,326	8,046
TOTAL ASSETS	18,991	26,547
SHAREHOLDERS' EQUITY (including net result for the financial period)	18,900	26,547
Current liabilities		
<i>Non-interest bearing current liabilities</i>		
Other current liabilities	69	–
Accrued expenses	22	–
Total current liabilities	91	–
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	18,991	26,547

Statement of changes in equity

(Expressed in USD thousands)	Share Capital	Additional paid in capital	Other reserves	Retained earnings	Total
Balance at May 28, 2015	–	–	–	–	–
Issuance of share capital	735	26,322	–	–	27,057
Net result for the period May 28, 2015 to June 30, 2015	–	–	–	–510	–510
Total comprehensive income for the period May 28, 2015 to June 30, 2015	–	–	–	–510	–510
Balance at June 30, 2015	735	26,322	–	–510	26,547
Balance at June 30, 2015	735	26,322	–	–510	26,547
Net result for the period July 1, 2015 to September 30, 2015	–	–	–	–7,649	–7,649
Total comprehensive income for the period July 1, 2015 to September 30, 2015	–	–	–	–7,649	–7,649
Share based compensation	–	2	–	–	2
Balance at September 30, 2015	735	26,325	–	–8,160	18,900

Cash flow statement

(Expressed in USD thousands)	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Cash flow from operating activities		
Result before tax	–8,160	–7,649
<i>Adjustment for:</i>		
Interest income	–8	–8
Currency exchange gains/-losses	5	5
Result from financial assets at fair value through profit or loss	7,847	7,337
Other non-cash items affecting profit and loss	2	2
Change in current receivables	–8	–8
Change in current liabilities	91	91
Net cash used in operating activities	–231	–231
Investments in financial assets	–2,500	–2,500
Sales of financial assets	8,046	–
Interest received	8	8
Net cash flow from/used in operating activities	5,322	–2,723
FINANCING ACTIVITIES		
Net cash flow used in financing activities	–	–
Change in cash and cash equivalents	5,322	–2,723
Cash and cash equivalents at beginning of the period	–	8,046
Exchange gains/losses on cash and cash equivalents	–4	–4
Cash and cash equivalents at end of period	5,318	5,318

	28 May 2015– 30 September 2015	1 July 2015– 30 September 2015
Return on capital employed, % ¹	–86.35 %	–33.66 %
Equity ratio, % ²	99.52 %	99.52 %
Shareholders' equity/share, USD ³	0.26	0.26
Earnings/share, USD ⁴	–0.11	–0.10
Diluted earnings/share, USD ⁵	–0.11	–0.10
Net asset value/share, USD ⁶	0.26	0.26
Dividend/share, USD	–	–
Weighted average number of shares for the financial period	73,499,555	73,499,555
Weighted average number of shares for the financial period (fully diluted)	73,499,555	73,499,555
Number of shares at balance sheet date	73,499,555	73,499,555

1. Return on capital employed is defined as the Company's result for the period plus interest expenses plus/less exchange differences on financial loans divided by the average capital employed (the average total assets less non-interest bearing liabilities over the period). Return on capital employed is not annualised.
2. Equity ratio is defined as shareholders' equity in relation to total assets.
3. Shareholders' equity/share is defined as shareholders' equity divided by total number of shares.
4. Earnings/share is defined as result for the period divided by average weighted number of shares for the period.
5. Diluted earnings/share is defined as result for the period divided by average weighted number of shares for the period calculated on a fully diluted basis.
6. Net asset value/share is defined as shareholders' equity divided by total number of shares.

Note 1 Financial assets valued at fair value through profit and loss

Portfolio structure

The investment portfolio stated at market value as at September 30, 2015 is shown below.

Number of shares	Company	Fair value, USD 30 Sep 2015	Percentage weight	Value per share, USD 30 Sep 2015
6,379,794	TCS Group Holding PLC (Tinkoff Bank) ²	11,164,640	58.8 %	1.75 ¹
1,536	REVO Technology ³	2,350,000	12.4 %	1,529.95 ¹
386	Sorsdata ³	150,000	0.8 %	388.60 ¹
	Cash and cash equivalents	5,318,379	28.0%	
Total		18,983,019	100.0 %	

1. This investment is shown in the balance sheet as financial asset at fair value through profit or loss.
2. Level 1 of financial asset at fair value through profit or loss
3. Level 2 of financial asset at fair value through profit or loss

Accounting principles for financial assets

The Company classifies its financial assets in the following categories: financial assets at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through profit and loss

This category has two subcategories:

- > the first includes any financial asset that is designated on initial recognition as one to be measured at fair value with fair value changes in profit or loss.
- > the second category includes financial assets that are held for trading. All derivatives (except those designated as hedging instruments) and financial assets acquired or held for the purpose of selling in

the short term or for which there is a recent pattern of short-term profit taking are held for trading. Assets in this category are classified as current assets if they are held for trading or expected to be settled within 12 months.

The Company classifies all its financial assets at fair value through profit or loss in the category designated. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current. Financial assets are securities held in listed and unlisted companies.

Financial assets carried at fair value through profit or loss is initially recognized at fair value and transaction costs are expensed in the income statement. Thereafter they are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'Result from financial assets at fair value through profit or loss' in the period in which they arise. Dividend

income from financial assets at fair value through profit of loss is recognized in the income statement as "Dividend income" when the Company's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques.

These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity specific inputs.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Company, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Investments in assets that are not traded on any market will be held at fair value determined by recent transactions made at prevailing market conditions or

different valuation models depending on the characteristics of the company as well as the nature and risks of the investment. These different techniques may include discounted cash flow valuation (DCF), exit-multiple valuation also referred to as Leveraged Buyout (LBO) valuation, asset based valuation as well as forward looking multiples valuation based on comparable traded companies. Usually, transaction-based valuations are kept unchanged for a period of 12 months unless there is cause for a significant change in valuation. After 12 months, the Company will normally derive fair value for non-traded assets through any of the models described above.

At each reporting date, possible changes or events subsequent to the relevant transaction are assessed and if this assessment implies a change in the investment's fair value, the valuations are adjusted accordingly.

The table below presents the Company's assets measured at fair value as per 30 September 2015

(USD thousands)	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	11,165	2,500	-	13,665
Total assets	11,165	2,500	-	13,665

As per 30 September 2015, the Company's holding in Tinkoff Bank is classified as a level 1 investment as its GDRs are trading on London Stock Exchange. REVO which is owned through the parent company Souxou and Sorsdata which is owned through the parent company Mouxou are both valued as level 2 on the basis of the valuation in the latest transaction in the two companies which was announced and closed in close proximity of the 2015 third quarter ending.

Hamilton, Bermuda, 16 November 2015

Lars O Grönstedt
Chairman of the Board of Directors

Per Brilioth
Member of the Board of Directors

David Nangle
Member of the Board of Directors

Milena Ivanova
Member of the Board of Directors

Our audit report was issued on 16 November 2015

Ulrika Ramsvik
Authorised Public Accountant Auditor-in-charge

Bo Hjalmarsson
Authorised Public Accountant

To the Board of Directors of Vostok Emerging Finance Ltd.

We have audited the Financial report for the period 28 May 2015–30 September 2015 for Vostok Emerging Finance Ltd., which comprise the balance sheets as of 30 September 2015 and 30 June 2015 and the income statements, cash flow statements and statements of changes in equity for the periods 28 May 2015 to 30 September 2015 and 1 July 2015 to 30 September 2015, and a summary of significant accounting policies and other explanatory notes.

The Board of Directors' and the Managing Director's responsibility for the financial statements

The Board of Directors and the Managing Director are responsible for the preparation and the fair presentation of the Financial information for the period 28 May 2015–30 September 2015 in accordance with International Financial Reporting Standards as adopted by the EU and the Annual Accounts Act and additional applicable framework, with the limitations described in the Financial information for the period 28 May 2015–30 September 2015 regarding disclosures. This responsibility includes designing, implementing and maintaining internal control relevant to preparing and appropriately presenting financial statements that are free from material misstatement, whether due to fraud or error. The Board is also responsible for the preparation and fair presentation in accordance with the requirements in the Commission Regulation (EC) No 809/2004.

The auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on my our audit. We conducted our audit in accordance with FAR's Recommendation RevR 5 Examination of Prospectuses. This recommendation requires that we comply with ethical requirements and have planned and performed the

audit to obtain reasonable assurance that the financial statements are free from material misstatements. An audit in accordance with FAR's Recommendation RevR 5 Examination of Prospectuses involves performing procedures to obtain audit evidence corroborating the amounts and disclosures in the financial statements. The audit procedures selected depend on our assessment of the risks of material misstatements in the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the company's preparation and fair presentation of the financial statements as a basis for designing audit procedures that are applicable under those circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also involves evaluating the accounting policies applied and the reasonableness of the significant accounting estimates made by the Board of Directors and the Managing Director and evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the Financial information for the period 28 May 2015–30 September 2015 give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional applicable framework, with the limitations described in the Financial information for the period 28 May 2015–30 September 2015 regarding disclosures, of the financial position of Vostok Emerging Finance Ltd. as of 30 September 2015 and 30 June 2015 as well as the financial performance, statement of changes in equity and cash flows for the periods 28 May 2015 to 30 September 2015 and 1 July 2015 to 30 September 2015.

Gothenburg, 16 November 2015
PricewaterhouseCoopers AB

Ulrika Ramsvik
*Authorised Public Accountant
Auditor-in-charge*

Bo Hjalmarsson
Authorised Public Accountant

Board of Directors:	The board of directors of Vostok Emerging Finance Ltd
CET:	Central European time
Euroclear:	Euroclear Sweden AB, (org.nr. 556112-8074)
JUMO:	A business entity within the AFB Group with AFB (Mauritius) Limited as parent company
Nasdaq First North:	Nasdaq First North, a multilateral trading facility operated by Nasdaq OMX Stockholm AB
NAV:	Net asset value
Pareto Securities:	Pareto Securities AB, (org.nr. 556206-8956), acts as a financial advisor to the Company and issuing agent in connection with the Rights Issue
Prospectus:	This document
REVO:	REVO Technology LLC, a wholly owned subsidiary of Souxou Investments Limited
Rights Issue:	The Rights Issue being described in this Prospectus
RUB:	Russian ruble
SDB P1:	Paid subscribed SDRs
SEK:	Swedish krona
Share:	Common Share in Vostok Emerging Finance Ltd
Sorsdata:	Sorsdata LLC, a wholly owned subsidiary of Mouxou Holdings Limited
Subscription Right:	Subscription Right for newly issued SDRs in Vostok Emerging Finance Ltd
Swedish Depository Receipt; or SDR:	Each SDR represents one (1) share in Vostok Emerging Finance Ltd
TCS Group:	TCS Group Holding PLC
USD:	US dollar
Vostok Emerging Finance or Company:	Vostok Emerging Finance Ltd (org.nr. 50298, Bermuda)
Vostok New Ventures:	Vostok New Ventures Ltd (org.nr. 39861, Bermuda, former name Vostok Nafta Investment Ltd)

>70 **Addresses**

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SE-111 87 Stockholm

Auditors

PricewaterhouseCoopers AB

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SE-113 97 Stockholm

Central securities depositories

Euroclear Sweden AB

P.O. Box 7822

SE-103 97 Stockholm

www.euroclear.se

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Vostok Emerging Finance