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Vostok Emerging Finance
Company Description
The delivery of this Company Description shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

It should be noted that certain statements herein which are not historical facts, including, without limitation, those regarding expectations for general economic development and the market situation, expectations for Vostok Emerging Finance's development and profitability and statements preceded by "expects", "estimates", "forecasts" or similar expressions, are forward-looking statements. These statements are based on current decisions and plans and currently known factors. They involve risks and uncertainties which may cause the actual results to materially differ from the results currently expected for Vostok Emerging Finance.

This Company Description is governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any conflict or dispute arising out of or in connection with this Company Description.

Investing in the Company involves a high degree of risk. For a discussion of certain of the risk factors that should be considered in connection with an investment in the company, please see the section "Risk Factors".

First North is an alternative marketplace operated by an exchange within the Nasdaq OMX group. Companies on First North are not subject to the same rules as companies on the regulated main market. Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on First North may therefore be higher than investing in a company on the main market. All companies with shares traded on First North have a Certified Adviser who monitors that the rules are followed. The exchange approves the application for admission to trading.
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Definitions

First North Nasdaq First North, a multilateral trading facility operated by Nasdaq OMX Stockholm AB
Pareto Securities Pareto Securities AB
The Listing The listing of the SDRs on First North on or about July 16, 2015
RUB Russian Rubles (RUB 1.00 = SEK 0.151 as per June 22, 2015)
SDR Swedish Depository Receipt representing a share in Vostok Emerging Finance Ltd
TCS Group TCS Group Holding PLC
Vostok Emerging Finance or the Company Vostok Emerging Finance Ltd
Vostok New Ventures Vostok New Ventures Ltd (Formerly Vostok Nafta Investment Ltd)

Financial calendar

• Interim report June–September, 2015: November 18, 2015
• Annual General Meeting: May 2016

Identification

• ISIN code for the Vostok Emerging Finance SDR: SE0007192018
• Short name (ticker) on First North for the Vostok Emerging Finance SDR: VEMF SDB
Risk factors

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 Company Description 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 relating to the Company 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. Prospective investors should carefully consider whether an investment in the SDRs is suitable for them in light of the information in this Company Description and their personal circumstances.

Market, financial and business related risks

Emerging and frontier markets risks

An investment in Vostok Emerging Finance will be 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 adjusted equity. Investors should therefore be aware that investment activity in emerging and frontier markets entails a high level of risk and requires special consideration of factors, including those mentioned here, which 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. 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 mature legal systems.

Acquisition and disposal risk

Acquisitions and disposals are by definition a natural element in Vostok Emerging Finance’s activities. All acquisitions and disposals are subject to uncertainty. The Company’s explicit exit strategy is to sell its holdings to strategic investors or via the market. There are no guarantees that the Company will 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 the balance sheet. Vostok Emerging Finance may therefore fail to sell its holdings in a portfolio company or be forced to do so at less than its maximum value or at a loss. If Vostok Emerging Finance disposes of the whole or parts of an investment in a portfolio company, the Company may receive less than the potential value of the participations, and the Company may receive less than the sum invested. Vostok Emerging Finance operates in a market that may be subject to competition with regard 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 no guarantee that Vostok Emerging Finance will not in the future be subject to competition which might have a detrimental impact on the Company’s return from investments. The Company can partially counter this risk by being an active financial owner in the companies. Vostok Emerging Finance invests in and consequently supply added value in the form of expertise and networks. Despite the Company considering that there will be opportunities for beneficial acquisitions for Vostok Emerging Finance in the future, there is no guarantee that such opportunities for acquisition will ever arise or that the Company, in the event that such opportunities for acquisition arose, would have sufficient resources to complete such acquisitions.

Accounting practice and other information

Practice in accounting, financial reporting and auditing in emerging and frontier markets cannot be com-
pared with the corresponding practices that exist in the Western World. This is principally due to the fact that accounting and reporting have only been 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 special expanded accounts are prepared and auditing is undertaken in accordance with international standard, no guarantees can be given with regard to the completeness or dependability of the information. Inadequate information and weak accounting standards may adversely affect Vostok Emerging Finance in future investment decisions.

**Corporate governance risk**
Misuse of corporate governance remains a problem in emerging and frontier markets. Minority shareholders may be badly treated in various ways, for instance in the sale of assets, transfer pricing, dilution, limited access to Annual General Meetings and restrictions on seats on boards of directors 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 right of pre-emption. 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 possibility of shareholders exercising their right to express views and take decisions is made considerably more difficult. 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.

**Dependence on key individuals**
Vostok Emerging Finance is dependent on its senior executives. It cannot be ruled out that Vostok Emerging Finance might be seriously affected if any of the senior executives left the Company or if the Company is not able to recruit relevant people in the future.

**Investments in growth markets**
Investments in growth markets entail a number of legal, economic and political risks. Many of these risks cannot be quantified or predicted, neither are they usually associated with investments in developed economies.

**International capital flows**
Economic unrest in a growth market tends also to have an adverse impact on the equity market in other growth countries or the share price of companies operating in such countries, as investors opt to re-allocate their investment flows to more stable and developed markets. The SDR price may be adversely affected during such periods. Financial problems or an increase in perceived risk related to a growth market may inhibit foreign investments in these markets and have a negative impact on the country’s economy. The Company’s operations, turnover and profit development may also be adversely affected in the event of such an economic downturn.

**Exposure to financial services companies in emerging and frontier markets**
An investment in Vostok Emerging Finance will be 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 affected by the materialization of such risks, which include, but may not 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 outsiders, 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 or 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 business, results of operations, financial condition and prospects of the Company's investments.

**Exposure to Russia**

The Company’s sole investment at this time is the ownership of shares in TCS Group, which is a financial services company with operations in Russia. 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, restrictions on the political and economic development of laws and regulations in Russia, major policy changes or lack of internal consensus between leaders, executive and decision-making bodies and strong economic groups. These risks entail in particular expropriation, nationalisation, confiscation of assets and legislative changes relating to the level of foreign ownership. In addition, political changes may be less predictable in a growth country such as Russia than in other more developed countries. Such instability may in some cases have an adverse impact on both the operations and SDR price of the Company. 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.

**Exposure to TCS Group**

The Company’s ownership of shares in TCS Group is its sole investment at this time. There is a possibility that the TCS Group holding will continue to be a significant part of the Company's portfolio. Therefore, the Company’s business, operating results, financial condition and prospects are closely connected to risks attributable to TCS Group, including, but not limited to, the following:

- **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 proportion of non-performing loans in TCS Group's gross loan portfolio. Although TCS Group has risk management policies in place to mitigate such risk, there can be no guarantee that TCS Group's risk management policies will ensure that TCS Group adequately prices the customer credit risk that it takes, or protect TCS Group from increased provisions for loan impairment and/or increased levels of non-performing loans in the future, especially if economic conditions in Russia deteriorate significantly, all of which may have a material adverse effect on TCS Group's business, results of operations, financial condition and prospects.

- **The scoring techniques and checks used by TCS Group to evaluate the creditworthiness of applicants for its 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 and quickly alter a customer’s financial condition.** For example, even though TCS Group uses a highly adaptable scoring model and regularly accesses data from credit bureaus to assess the credit quality of its potential and current customers, TCS Group cannot always accurately ascertain what the current indebtedness of any particular current or potential customer may be as the credit bureau databases in Russia are still in a developmental stage. Additionally, TCS Group has no way of preventing its customers from taking an additional loan from other financial institutions or otherwise taking steps 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 finan-
cial condition of each prospective customer and 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.

- 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 cases and administrative proceedings could result in bad 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.

- TCS Group's business depends on the availability of adequate 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 adversely 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; the 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.

- 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. rouble-denominated domestic bonds, U.S. dollar, Swedish krona- and euro-denominated Eurobonds and U.S. dollar-denominated euro commercial paper. TCS Group's ability to continue to access 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 or 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.

- 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. Although TCS Group has been successful in obtaining relevant licences, there is no assurance that it will be able to obtain or maintain such licences in the future. 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.

- During the global financial and economic crisis of 2008–2009, the international and Russian interbank lending markets experienced a lack of liquidity and high cost of funds unprecedented in recent history. As
a result, TCS Group has become increasingly 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.

• 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.

• TCS Group is in effect controlled by Oleg Tinkov, whose interests may conflict with other shareholders. As the interests of Mr 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 voting power of Mr 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.

• 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 platform, could have a material adverse effect on TCS Group’s business, results of operations, financial condition and prospects.

• 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. TCS Group maintains a system of controls designed to keep operational risk at appropriate levels. However, there can be no assurance that it will not suffer losses from any failure of these controls to detect or contain any operational risk in the future.

Foreign exchange risk
The Company’s accounting currency is USD. The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, mainly with respect to the Swedish Krona (SEK), the Russian Ruble (RUB), Euro (EUR).

Price risk
The Company is exposed to listed equity securities price risk because of investments held by the Company and classified on the consolidated balance sheet as financial assets at fair value through profit or loss.

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. Although, this risk may be relatively low as long as the core investment, class A shares in TCS Group, which may readily be converted into GDRs listed on the London Stock Exchange, it may increase in the future if the portfolio changes focus to private equity investments which are less liquid than listed holdings.

Risks associated with the SDRs
The market price of the SDR may fluctuate and an investor may lose a portion or all of its investment

The SDRs have been approved for trading at First North, however, there are no guarantees that an active market for trading in the SDRs will evolve or, if one should emerge, that it will remain after the listing is completed. The SDRs may also be subject to considerable fluctuation as a result of changes in the way investors view
the SDRs due to various circumstances and events, such as changes to applicable laws and regulations that affect the Company's business, or changes in the Company's operating results and development. In addition, the stock market has experienced extreme price and volume fluctuations in the past that have often been unrelated or disproportionate to listed companies' operating performance. Broad market and industry factors may also affect the market price of a company's shares, including Vostok Emerging Finance, regardless of its actual operating performance. Moreover, the Company's operating results, financial position or business may not meet the expectations of analysts or investors. One or more of these factors, individually or jointly, could result in the price of the SDRs falling and an investor who purchases SDRs may lose a portion or all of the investment.

The Company's ability to distribute dividends is limited
The general meeting decides on dividends, if any. A dividend may only be paid if the Company has funds available for distributions and the distribution is justifiable. Moreover, as a general rule, the shareholders may not decide on a dividend that is greater than that proposed or approved by the Board of Directors. The bye-laws do not include a provision providing the right for minority shareholders to demand dividend payment.

Future sales of SDRs after the Listing may affect the market price of the SDRs
Sales of a significant number of SDRs following the Listing, or the perception that such sales could occur, may have a material negative effect on the market price of the SDRs.

Future share issues may dilute the holdings of existing SDR holders and could affect the price of the SDRs
Vostok Emerging Finance intends to raise new equity capital during 2015 and may after that decide to raise additional equity capital. Any such equity issue could reduce the proportional ownership and voting rights for the Company's shareholders as well as have an adverse effect on the market price of the SDRs.

Differences in currency exchange rates may adversely affect the value of the SDRs or dividends paid
The SDRs will be quoted in SEK only, and any dividends are expected to be paid in SEK. As a result, shareholders outside Sweden may experience adverse effects on the value of their shareholding and their dividends, when converted into other currencies, if SEK depreciates against the relevant currency.

Certain non-Swedish holders of SDRs may be prevented from exercising their preferential rights
If the Company issues new shares in a rights issue, holders of SDRs shall, as a general rule, have preferential rights to subscribe for new SDRs proportionally to the number of SDRs held prior to such issue. Holders of SDRs in certain countries may, however, be subject to limitations in this respect. For example, holders of SDRs in the United States may be unable to exercise rights to subscribe for new SDRs unless a registration statement under the Securities Act is effective in respect of such subscription rights and SDRs or an exemption from the registration requirements under the Securities Act is available. Holders of SDRs in other jurisdictions outside Sweden may be similarly affected if the rights and the new SDRs being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. To the extent that Vostok Emerging Finance's holders of SDRs in jurisdictions outside Sweden are not able to exercise their rights to subscribe for new SDRs in any future rights issues, their proportional interests in the Company would be reduced.
Background and rationale

For more information, please refer to this Company Description, which has been prepared by the Board of Directors of Vostok Emerging Finance in connection with the Listing.

Vostok New Ventures has made investments in emerging markets since 2007, and its precursor Vostok Gas Ltd since the early 1990’s. Vostok New Venture’s portfolio of investments is segmented into certain macroeconomic themes and two distinct investment themes have been identified within emerging and frontier markets. The first theme is investments in online marketplaces and businesses with network effects, and the second theme is investments in modern financial services companies. While most of Vostok New Venture’s investments fell under the first category, one investment, TCS Group, fell under the second category.

The financial services sector is currently one of the fastest evolving sectors globally. Start-up and early stage modern financial companies, including financial technology companies, predominantly drive this evolution through innovation and new technology. In emerging and frontier markets, financial penetration still remains at low ebb, providing a great growth potential. In addition, given a lack of existing “old” financial architecture coupled with the nuances of certain countries or regions, many countries need new style financial service companies to allow for both the financial sector and the country itself to flourish.

It was Vostok New Venture’s board of director’s ambition to meet investors’ different preferences and they therefore created a new entity, Vostok Emerging Finance, entirely dedicated to investments in innovative and modern financial services companies in emerging and frontier markets. TCS Group, which is the first portfolio holding of Vostok Emerging Finance, constitutes a good investment in this category and the Company, combined with additional fundraising, will be able to focus entirely on this investment theme.

Vostok New Venture’s board of director’s therefore proposed to a Special General Meeting that was held on June 9, 2015 to resolve to initiate the spin-off of Vostok Emerging Finance through a mandatory redemption procedure. The proposal was approved by the Special General Meeting, which means that SDRs representing shares in Vostok Emerging Finance will be distributed to the shareholders of Vostok New Ventures on or about July 16, 2015. Vostok Emerging Finance applied for listing on First North as a part of the process in order for the holders of SDRs to be able to trade their SDRs on a liquid market. First North has approved Vostok Emerging Finance for listing of the SDRs and first day of trading will be on or about July 16, 2015.

When Vostok Emerging Finance was founded as a wholly-owned subsidiary to Vostok New Ventures, Vostok New Venture’s entire holding in TCS Group was placed in the Company. Subsequent to the formation of Vostok Emerging Finance, the Company sold approximately 30 percent of its TCS Group holding to Luxor Capital Group L.P. (equivalent to 2.7 million shares) at market price. Post sale, Vostok Emerging Finance’s portfolio consists of approximately 6.4 million shares in TCS Group and approximately USD 8 million in cash. Vostok Emerging Finance contemplates raising additional equity capital during the second half of 2015; a rights issue is being considered.

Until a new Vostok Emerging Finance management team is in place, Vostok New Ventures’ Managing Director, Per Brilioth, and CFO, Nadja Borisova, will manage the Company. As from September 1, 2015 David Nangle, who has spent some 15 years focusing on the emerging markets financial sector, will be the Managing Director of the Company. Vostok Emerging Finance’s Board of Directors will initially consist of current Vostok New Ventures board members Lars O Grönstedt, Josh Blachman, Per Brilioth, and Keith Richman, but the board composition will eventually change.

We declare that, to the best of our knowledge, the information provided in the Company Description is accurate and that, to the best of our knowledge, the Company Description is not subject to any omissions that may serve to distort the picture the Company Description is to provide, and that all relevant information in the minutes of board meetings and other internal documents is included in the Company Description. The Company has not received any auditors’ remarks.

Stockholm, June 25, 2015

Vostok Emerging Finance Ltd
The Board of Directors
Vostok Emerging Finance is an investment company with the goal of investing in early stage modern financial services companies across emerging and frontier markets.

There is a trend within the financial services industry as a host of new, modern financial services companies, targeting the market share and revenue streams of the traditional banks. These new businesses are often quoted as FinTech due to their base of disruptive technology. New technology has made traditional banks more vulnerable and this trend has also been supported by changing customer attitudes towards banks and other financial services companies. Generally focused on one sub-segment of banking, many of these new businesses have become household names and have grown large enough to successfully list on stock exchanges, received significant private equity investments or been acquired by global financial players or technology companies. The list of success stories is long, with companies such as LendingClub and Zopa in the field of peer-to-peer lending, PayPal, Stripe and Square within payments and Wonga within unsecured consumer finance as clear examples of those leading the way.

While this is primarily a development that has occurred in developed markets, with key hubs like London and Silicon Valley receiving much of the attention and capital to date, Vostok Emerging Finance has noticed that the trend is moving quickly to and through emerging and frontier markets – quicker than the capital arriving to support such early stage ventures. Many companies are looking to implement business models that have been successful for developed market peers into emerging and frontier markets, a strategy that has worked well in many other market sectors. Other players have developed business models that are adapted to local cultures and geographies, since many emerging and frontier markets have unique characteristics (e.g. religious, cultural and logistical) that can call for unique financial solutions. Either way, Vostok Emerging Finance sees a clear trend and opportunity, with many successful examples that have already emerged, e.g. TCS Group (consumer finance in Russia), Capitec (retail banking in South Africa) and MPesa and Qiwi (payments in Kenya and Russia respectively), all of which have shown the opportunity that lies ahead for Vostok Emerging Finance.

Vostok Emerging Finance will look to invest in those companies coming through in the financial sector that are disrupting the playing field via innovation and carving out a piece of the sector profits in the process. The Company will look to invest in businesses led by entrepreneurs with proven track records and in companies that it believes have viable concepts, strategies and early track records that are scalable and can deliver fast growth.

From a segmental viewpoint, the Company will be looking at businesses from all walks of financial services, inclusive of consumer lenders, payments providers, remittance businesses, wealth managers, savings and lending clubs, debt collectors and all forms of financial marketplaces. The prime geographic focus will be on emerging and frontier markets, with a natural bias for markets with sizeable populations and growth profile and where modern financial services are already nascent and proving successful.

The Company will predominantly, but not exclusively, focus on investing in private companies and will invest along the capital spectrum, but with a prime focus on equity investments. Vostok Emerging Finance will aim at ideally attaining sizeable minority stakes and look for board representation where appropriate in its portfolio companies. The Company may also make investments in other parts of the capital structure, such as debt, to support targeted companies growth and also ensure that investment funds are working while seeking future equity investment opportunities.
TCS Group

The information in this section has been extracted from TCS Group’s annual report for 2014 and interim report for January–March 2015 as well as from recent press releases from TCS Group. The information from TCS Group is, to the best of the Company’s knowledge, correctly reproduced. The Board of Vostok Emerging Finance is, however, not responsible for the information published by TCS Group and the information in this section is not exhaustive. For more information about TCS Group, please refer to publicly available information issued by TCS Group.

TCS Group is an innovative provider of online retail financial services operating in Russia through a high-tech branchless platform and its group of companies includes Tinkoff Bank and Tinkoff Insurance. It was founded by Oleg Tinkov in 2006 and is listed on the London Stock Exchange since 2013. Vostok Emerging Finance holds 6,379,794 class A shares in TCS Group, which corresponds to approximately 3.5 percent of the share capital in TCS Group.

Product portfolio

Consumer lending

Credit cards
Tinkoff Bank offers its own Tinkoff branded credit cards including Tinkoff All Airlines and a variety of co-branded credit cards. While the focus remains on the mass market segment, Tinkoff Bank continues to expand into the mass affluent segment of the market. Tinkoff Bank has approximately 5 million credit cards issued.

E-Commerce lending
Tinkoff Bank offers point-of-sale unsecured lending to customers making online purchases through online retailers, for example, kupivkredit.ru. Tinkoff Bank has relationships with over 700 such online retailers. This product is offered to existing customers, as well as new customers without other accounts with Tinkoff Bank.

Cash Loans
Tinkoff Bank currently offers unsecured cash loans to its existing customers without loan products with other banks. The size of the loan depends on the customer’s income and his or her behavioural risk score.

Transactional and savings products
Tinkoff Bank offers retail deposits, stand-alone debit cards, e-wallets, pre-paid cards and payroll programmes. The main distribution channel for retail deposits is the online customer acquisition platform which is supported by debit card and document delivery using “smart couriers” who are full time employees of Tinkoff Bank.

Retail deposits
For a retail deposit programme, Tinkoff Bank offers high-quality customer service and competitive interest rates, a black MasterCard Platinum debit card with free cash withdrawals and account top-ups, the ability to switch between monthly interest capitalisation or monthly interest deposit on the card, a free option to convert deposited funds into U.S. dollars or euro without losing accrued interest and other features.

Payroll programme
Tinkoff Bank has successfully launched an online platform for payroll programmes for corporates. This was developed entirely in-house.

Stand-alone debit cards
Tinkoff Bank offers stand-alone debit cards (cards not linked to a term deposit) as a separate product under the “Tinkoff Black” brand.

Pre-Paid Cards
Tinkoff Bank offers a variety of pre-paid and virtual cards: Yandex Money, Tinkoff Mobile Wallet and a white label mobile wallet with NFC (Near Field Communication) capability. The funds loaded on these cards can be used for shopping, bill payments, everyday purchases and contactless payments.

Insurance
Tinkoff Insurance is a direct-to-customer provider of its own innovative online insurance products and services in Russia. Tinkoff Insurance have developed a proprietary and highly advanced IT platform and leveraged the vast expertise of Tinkoff Bank to provide a customised choice of insurance products, and a convenient claims settlement and sales process, which can be accessed online from anywhere in Russia.

Tinkoff Insurance offers, through direct online sales, personal accident insurance, property insurance, travel insurance, and motor insurance.

Mortgage platform
TCS Group announced in May 2015 a launch of a functional platform for origination of mortgage loans with partner banks. Partnership agreements have been reached with four large Russian mortgage lenders including DeltaCredit, TransCapitalBank, Intercommerz Bank and Housing Finance Bank, while negotiations with other potential partners are still ongoing. TCS Group will not act as a mortgage loan provider and therefore will not take on any mortgage risks. Loans will be provided by specialised partner banks which will pay a fee to TCS Group for every new customer.
Historical financials for TCS Group

TCS Group reports according to IFRS. Full year figures are audited and interim period figures have been reviewed by TCS Group's auditors.

### Balance sheets

<table>
<thead>
<tr>
<th></th>
<th>March 31</th>
<th>December 31</th>
<th>December 31</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>16,911,500</td>
<td>10,699,577</td>
<td>18,825,970</td>
</tr>
<tr>
<td>Mandatory cash balances with the CBRF</td>
<td>747,985</td>
<td>685,510</td>
<td>931,046</td>
</tr>
<tr>
<td>Loans and advances to customers</td>
<td>72,141,767</td>
<td>74,579,998</td>
<td>73,961,647</td>
</tr>
<tr>
<td>Financial derivatives</td>
<td>9,647,185</td>
<td>8,879,972</td>
<td>584,265</td>
</tr>
<tr>
<td>Investment securities available for sale</td>
<td>7,257,140</td>
<td>216,535</td>
<td>—</td>
</tr>
<tr>
<td>Repurchase receivables</td>
<td>648</td>
<td>5,366,280</td>
<td>—</td>
</tr>
<tr>
<td>Current income tax assets</td>
<td>1,100,497</td>
<td>1,094,088</td>
<td>—</td>
</tr>
<tr>
<td>Deferred income tax assets</td>
<td>—</td>
<td>—</td>
<td>214,081</td>
</tr>
<tr>
<td>Guarantee deposits with payment systems</td>
<td>2,704,416</td>
<td>2,967,132</td>
<td>1,657,533</td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>486,986</td>
<td>541,348</td>
<td>620,806</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>1,222,514</td>
<td>1,125,307</td>
<td>514,765</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,110,513</td>
<td>1,890,667</td>
<td>1,160,437</td>
</tr>
<tr>
<td>Other non-financial assets</td>
<td>755,879</td>
<td>759,860</td>
<td>523,385</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>114,087,030</td>
<td>108,806,274</td>
<td>98,993,935</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to banks</td>
<td>3,599,986</td>
<td>10,331,216</td>
<td>—</td>
</tr>
<tr>
<td>Customer accounts</td>
<td>55,162,287</td>
<td>43,366,434</td>
<td>43,206,628</td>
</tr>
<tr>
<td>Debt securities in issue</td>
<td>19,013,625</td>
<td>19,414,780</td>
<td>26,188,305</td>
</tr>
<tr>
<td>Current income tax liabilities</td>
<td>—</td>
<td>12,593</td>
<td>52,009</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>985,904</td>
<td>1,039,795</td>
<td>6,523</td>
</tr>
<tr>
<td>Subordinated debt</td>
<td>12,098,590</td>
<td>11,250,686</td>
<td>6,531,955</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>1,658,465</td>
<td>1,822,270</td>
<td>1,623,879</td>
</tr>
<tr>
<td>Other non-financial liabilities</td>
<td>697,579</td>
<td>599,432</td>
<td>833,629</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>93,216,436</td>
<td>87,837,206</td>
<td>78,442,928</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td>188,112</td>
<td>188,112</td>
<td>186,162</td>
</tr>
<tr>
<td>Share premium</td>
<td>8,622,919</td>
<td>8,622,919</td>
<td>8,622,919</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>-4,474</td>
<td>-4,474</td>
<td>-2,524</td>
</tr>
<tr>
<td>Share-based payment reserve</td>
<td>620,594</td>
<td>587,200</td>
<td>477,740</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>11,607,383</td>
<td>11,800,358</td>
<td>11,266,710</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>-163,940</td>
<td>-225,047</td>
<td>—</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td>20,870,594</td>
<td>20,969,068</td>
<td>20,551,007</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND EQUITY</strong></td>
<td>114,087,030</td>
<td>108,806,274</td>
<td>98,993,935</td>
</tr>
</tbody>
</table>
## Income statement

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>9,387,151</td>
<td>9,663,967</td>
<td>39,062,011</td>
<td>35,037,577</td>
</tr>
<tr>
<td>Interest expense</td>
<td>-2,895,760</td>
<td>-2,220,277</td>
<td>-8,264,026</td>
<td>-8,177,133</td>
</tr>
<tr>
<td><strong>Net interest income</strong></td>
<td><strong>6,491,391</strong></td>
<td><strong>7,443,690</strong></td>
<td><strong>30,797,985</strong></td>
<td><strong>26,860,444</strong></td>
</tr>
<tr>
<td>Provision for loan impairment</td>
<td>-4,140,539</td>
<td>-4,371,364</td>
<td>-15,839,175</td>
<td>-9,800,808</td>
</tr>
<tr>
<td><strong>Net interest income after provision for loan impairment</strong></td>
<td><strong>2,350,852</strong></td>
<td><strong>3,072,326</strong></td>
<td><strong>14,958,810</strong></td>
<td><strong>17,059,636</strong></td>
</tr>
<tr>
<td>Customer acquisition expense</td>
<td>-716,899</td>
<td>-1,071,507</td>
<td>-3,683,189</td>
<td>-3,683,189</td>
</tr>
<tr>
<td>Losses less gains from operations with foreign currencies</td>
<td>-277,930</td>
<td>-133,024</td>
<td>-1,122,054</td>
<td>-366,316</td>
</tr>
<tr>
<td>Income from insurance operations</td>
<td>236,267</td>
<td>179,201</td>
<td>759,483</td>
<td>193,031</td>
</tr>
<tr>
<td>Gain from sale of impaired loans</td>
<td>-</td>
<td>17,004</td>
<td>28,159</td>
<td>201,182</td>
</tr>
<tr>
<td>Gain from sale of investment securities available for sale</td>
<td>-</td>
<td>-</td>
<td>296,537</td>
<td>-</td>
</tr>
<tr>
<td>Fee and commission income</td>
<td>110,810</td>
<td>27,924</td>
<td>312,145</td>
<td>71,658</td>
</tr>
<tr>
<td>Fee and commission expense</td>
<td>-294,099</td>
<td>-229,392</td>
<td>-991,130</td>
<td>-472,083</td>
</tr>
<tr>
<td>Administrative and other operating expenses</td>
<td>-1,700,897</td>
<td>-1,404,704</td>
<td>-5,937,996</td>
<td>-472,083</td>
</tr>
<tr>
<td>Other operating income</td>
<td>35,621</td>
<td>23,423</td>
<td>122,316</td>
<td>359,182</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td><strong>-256,275</strong></td>
<td><strong>481,251</strong></td>
<td><strong>3,400,613</strong></td>
<td><strong>5,754,871</strong></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>63,300</td>
<td>-118,905</td>
<td>-1,494,072</td>
<td>-1,765,589</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td><strong>-192,975</strong></td>
<td><strong>362,346</strong></td>
<td><strong>3,400,613</strong></td>
<td><strong>5,754,871</strong></td>
</tr>
</tbody>
</table>

### Other comprehensive loss

**Items that may be reclassified to profit or loss**

Investment securities available for sale and repurchase receivables

| Losses less gains arising during the period, net of tax | 58,415 | -2,249 | -213,995 | - |
| Gains less losses reclassified to profit or loss upon disposal or impairment, net of tax | 2,692 | -11,052 |
| **Other comprehensive loss for the period** | **61,107** | **-2,249** | **-225,047** | - |
| **Total comprehensive income for the period** | **-131,868** | **360,097** | **3,175,566** | **5,754,871** |

### Earnings per share

| Earnings per share for profit attributable to the owners of the Group, basic (expressed in RUB per share) | -1.08 | 2.02 | 19.00 | 34.00 |
| Earnings per share for profit attributable to the owners of the Group, diluted (expressed in RUB per share) | -1.07 | 2.00 | 18.89 | 33.36 |

## Cash flow

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities before changes in operating assets and liabilities</td>
<td>5,143,083</td>
<td>5,499,234</td>
<td>22,949,615</td>
<td>16,468,322</td>
</tr>
<tr>
<td>Net cash from/(used in) operating activities</td>
<td>9,288,749</td>
<td>4,186,314</td>
<td>11,318,475</td>
<td>-3,665,468</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>-1,661,552</td>
<td>-1,479,872</td>
<td>-6,527,389</td>
<td>-597,507</td>
</tr>
<tr>
<td>Net cash from financing activities</td>
<td>-694,173</td>
<td>-4,792,694</td>
<td>-17,102,333</td>
<td>9,197,997</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents</td>
<td>6,211,923</td>
<td>-1,277,035</td>
<td>-8,126,393</td>
<td>4,934,044</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the period</td>
<td>10,699,577</td>
<td>18,825,970</td>
<td>18,825,970</td>
<td>13,891,926</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the period</td>
<td>16,911,500</td>
<td>17,548,935</td>
<td>10,699,577</td>
<td>18,825,970</td>
</tr>
</tbody>
</table>
Financial information

An independent auditor's report on the balance sheet can be found in the Appendix to the Company Description.

Balance sheet – Vostok Emerging Finance

<table>
<thead>
<tr>
<th>(Expressed in USD thousands)</th>
<th>Opening balance June 9, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial non-current assets</td>
<td>19,012</td>
</tr>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>8,046</td>
</tr>
<tr>
<td>Total current assets</td>
<td>8,046</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>27,058</td>
</tr>
</tbody>
</table>

SHAREHOLDERS’ EQUITY

TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES

27,058

Note 1 – Basis for preparation

The balance sheet as per June 9, 2015 has been prepared in accordance with IFRS accounting principles as described in Vostok Nafta Investment Ltd's Annual Report for 2014 on pages 29–31, with the exception of supplementary information and other explanatory notes. Accordingly, the financial information does not include all disclosures required to give a true and fair view of the financial position in accordance with IFRS. The Company will report in accordance with IFRS accounting principles going forward. Financial non-current assets represent TCS Group shares valued at the closing bid price as per June 8, 2015.

Note 2 – Additional information and assumptions for the future period

Vostok Emerging Finance contemplates raising additional equity capital during the second half of 2015; a rights issue is being considered. Estimated operating expenses for the period June 9–December 31, 2015 amount to USD 1 million and include remuneration to the management and to the Board of Directors and other administrative expenses. Estimated full year operating expenses amount to USD 2 million. Operating expenses are based on estimated amounts and intended to give a reference of the size of operating expenses. Actual costs may vary greatly and be higher or lower of the above estimates. Vostok Emerging Finance assumes to possess sufficient financial resources in order to be able to conduct the planned business for at least twelve months following the Listing. As Vostok Emerging Finance is an investment company, its financial result will vary over time depending on the development of the value of the Company’s assets, meaning that it can both be positive or negative for future time periods.
Shares, share capital and ownership structure

The Company has a single class of shares. The Company’s shares are represented by Swedish Depository Receipts registered with Euroclear Sweden AB, which will be traded on First North. The Company has an authorised share capital of USD 10,000,000 divided into 1,000,000,000 shares of par value USD 0.01. As per the date of this Company Description, 73,499,555 common shares are outstanding.

Ownership structure
The expected ownership structure in Vostok Emerging Finance as per July 16, 2015 is shown below and is based on the ownership structure in Vostok New Ventures as per May 29, 2015. The number of shareholders in Vostok Emerging Finance is expected to be approximately 9,500.

<table>
<thead>
<tr>
<th>Number of SDRs</th>
<th>% of votes and capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luxor Capital Group L.P.*</td>
<td>27,588,958</td>
</tr>
<tr>
<td>Alecta Pension Insurance</td>
<td>7,000,000</td>
</tr>
<tr>
<td>Swedbank Robur Funds</td>
<td>5,347,853</td>
</tr>
<tr>
<td>Fidelity Funds**</td>
<td>4,349,396</td>
</tr>
<tr>
<td>Carnegie Funds</td>
<td>1,330,000</td>
</tr>
<tr>
<td>Avanza Pension Insurance</td>
<td>692,404</td>
</tr>
<tr>
<td>Madrique Funds</td>
<td>408,251</td>
</tr>
<tr>
<td>Handelsbanken Funds</td>
<td>356,352</td>
</tr>
<tr>
<td>Old Westbury Funds</td>
<td>327,423</td>
</tr>
<tr>
<td>Gamla Liv Insurance</td>
<td>240,940</td>
</tr>
<tr>
<td>10 largest owners</td>
<td>47,641,577</td>
</tr>
<tr>
<td>Other</td>
<td>25,857,978</td>
</tr>
<tr>
<td>Total</td>
<td>73,499,555</td>
</tr>
</tbody>
</table>

Based on Euroclear Sweden AB data and holdings known to the Company. Excluding foreign nominees.

* Luxor holding as per latest Vostok New Ventures Special General Meeting registry from Euroclear Sweden AB (June 2, 2015). It is the Company’s understanding that Luxor Capital Group will not be a long-term shareholder in Vostok Emerging Finance and will sell their stake in connection with the Listing.

** Fidelity holding according to latest regulatory filing (February 24, 2015).

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

Principal Conditions and Guidelines
• The exercise price for the Options shall correspond to 120 percent 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 elect 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 authorized 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 authorized to resolve on other adjustments in conjunction with material changes 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 employees 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 fulfillment 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 electing 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 percent of the share capital. 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 favorable developments in the value of the Company.

**Outstanding Options**
As per the date of the Company Description, a total of 750,000 Options with strike price SEK 3.70 have been granted to the future Managing Director, David Nangle.
**Board of Directors**

The Board of Directors currently consists of four members. The work of the Board is led by the Chairman. Board members are elected at the annual general meeting.

**Lars O Grönstedt, Chairman**

Professional and educational background: Mr. Grönstedt spent most of his professional life at Handelsbanken. He was CEO of the bank 2001–2006, and Chairman 2006–2008. Today he is, among other things, senior advisor to Nord Stream, chairman of Scypho, Vostok New Ventures and East Capital Explorer, vice chairman of the Swedish National Debt Office, speaker of the elected body of representatives of Trygg Foundation, and is a director of the IT company Pro4U, and the Institute of International Economics at Stockholm University. Lars O Grönstedt holds a BA in languages and literature from Stockholm University, and an MBA from Stockholm School of Economics.

Expected holding in Vostok Emerging Finance: 1,500 SDRs.

**Josh Blachman, Board Member**

Professional and educational background: Josh Blachman is a Founder and Managing Director of Atlas Peak Capital, an investment firm focused on private technology companies. He is also a board member in Vostok New Ventures. Prior to co-founding Atlas Peak Capital, Josh Blachman was a Vice President at Saints Capital where he completed a variety of investments in private technology companies. Previously, Josh Blachman worked in the Corporate Development groups at Microsoft and Oracle where he evaluated and executed both acquisitions and investments. Josh Blachman holds Bachelor and Master of Science degrees in Industrial Engineering from Stanford University and an MBA from the Stanford Graduate School of Business.

Expected holding in Vostok Emerging Finance: 0.

**Keith Richman, Board Member**

Professional and educational background: Keith Richman is Founder and President of Defy Media, an Internet entertainment community for men. He is also a board member in Vostok New Ventures. Prior to co-founding Defy Media, Keith Richman was the Co-Founder and Vice-President of OnePage (acquired by Sybase 2002) and Co-Founder and Director of Business Development for Billpoint Inc. (acquired by eBay in 1999). Previous posts include Director of Corporate Planning at the Walt Disney Company, where he focused on consumer products, cable and emerging media. Keith Richman holds Bachelor and Master of Arts degrees in International Policy Studies from Stanford University. Keith Richman is a graduate of Stockholm University and holds a Master of Finance from the London Business School. Keith Richman is a graduate of Stockholm University and holds a Master of Finance from the London Business School.

Expected holding in Vostok Emerging Finance: 310,000 SDRs.

**Per Brilioth, Board Member**
Swedish citizen, born 1969. Member of the board and Managing Director since May 2015.

Professional and educational background: Between 1994 and 2000, Per Brilioth was head of the Emerging Markets section at Hagströmer & Qviberg and he has worked close to the Russian stock market for a number of years. He is a board member and the Managing Director of Vostok New Ventures. Other significant board assignments: Member of the boards of RusForest AB, Tethys Oil AB, Avito AB, Svenska Fotografiska museet AB, UniversoLeo AB and X5 Group AB. Per Brilioth is a graduate of Stockholm University and holds a Master of Finance from the London Business School.

Expected holding in Vostok Emerging Finance: 310,000 SDRs.

**Management**

**Per Brilioth, Interim Managing Director (until September 1, 2015)**
See above for profile.

**David Nangle, Managing Director (as from September 1, 2015)**
Irish citizen, born 1975.

Professional and educational background: David Nangle has spent his career to date focused on the emerging markets financials sector. He joined ING Barings’ Emerging Markets Research team in 2000 and by the time he left in 2006, he was head of EMEA Banks research. David joined Renaissance Capital in 2006 and haspent 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. David Nangle holds a degree in B. Comm International (French) from University College Dublin Ireland.

Expected holding in Vostok Emerging Finance: 750,000 call options.

Nadja Borisova, CFO

Nadja Borisova is employed as Chief Financial Officer for the Vostok Emerging Finance.

Professional and educational background: Nadja is the Chief Financial Officer of Vostok New Ventures. She has previously worked as CFO for Varyag Resources, a Russia-focused private equity company, as well as finance positions at Cloetta-Fazer, The Coca-Cola Company and Coca-Cola Bottlers both in Sweden and in Russia. She is a board member of St. Petersburg Property Company AB. She holds a Certified Accountant Degree from ACCA in England and a diploma in engineering from the St. Petersburg Institute of Mechanics.

Expected holding in Vostok Emerging Finance: 1,478 SDRs.

Anders F. Börjesson, General Counsel

Anders F. Börjesson is employed as General Counsel to Vostok Emerging Finance.

Professional and educational background: Anders is General Counsel to Vostok New Ventures. Before joining Vostok New Ventures, Anders worked as an attorney at the St. Petersburg and Moscow offices of Mannheimer Swartling and headed the firm’s M&A and Corporate practice group in Moscow from 2006 to 2008. He is admitted to the New York Bar. He holds a law degree from Stockholm University and an LL.M. from NYU School of Law.

Expected holding in Vostok Emerging Finance: 10,000 SDRs.

Compensation, pension and benefits

Board of Directors

The Board of Directors are entitled to a total annual remuneration of SEK 200,000 to the Chairman and 62,500 to each of the remaining Board members who are not employed by the Company.

Managing director and other senior executives

The future Managing Director David Nangle will have an annual salary of USD 480,000 and a pension allowance. 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 if terminated by the Company within the first 6 months of employment). David was granted 750,000 5-year call options with a strike price of SEK 3.70 in connection with accepting employment.

The Interim Managing Director Per Brilioth has an annual salary of the equivalent of approximately USD 110,000 with only statutory pension provisions and no other benefits and a mutual notice period of one month.

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

Other information regarding the Board of Directors and the management

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.

None of the Company's board members or senior executives has been found guilty in any case of fraud or has been the object of any sanctions in the past five years imposed by any authority authorised by laws or regulations to do so (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 member or senior executive has 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 over the past five years. 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.

Auditor

PricewaterhouseCoopers AB, with Ulrika Ramsvik as the auditor-in-charge, is currently and has been the Company’s auditor since June 2015. Ulrika Ramsvik is a member of FAR. The business address to PricewaterhouseCoopers AB is Torsgatan 21, 113 97 Stockholm, Sweden.
Information about the Company
The Company is an exempted limited liability company incorporated and registered in accordance with the Bermuda Companies Act 1981 (the “Companies Act”) under the company name Vostok Emerging Finance Ltd.

The postal address of the Company’s registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company was registered with the Bermuda Registrar of Companies under registration number 50298. The Company was incorporated on May 28, 2015 under the name Vostok Emerging Finance Ltd. The objects of the Company’s business are unrestricted, and the Company has the capacity of a natural person. The Company can therefore undertake activities without restriction on its capacity.

The Company’s authorised share capital consists of 1,000,000,000 common shares, USD 0.01 par value per common share. 73,499,555 common shares are issued and outstanding. All the Company’s issued and outstanding common shares are fully paid. Pursuant to the Company’s bye-laws, the General Meeting or the Board of Directors is authorised to issue any of the Company’s authorised but unissued shares.

The Company has been designated by the Bermuda Monetary Authority as a non-resident for Bermuda exchange control purposes. 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.

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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.

Material agreements
The Company’s only material agreement is the employment agreements with the interim management and with the future Managing Director of the Company. The key terms of these agreements are described under the heading Compensation, Pension and Benefits in the section titled “Board of Directors, Management and Auditors” on page 19 above.

Legal and arbitration proceedings
The Company is not aware of any pending or threatening litigation or arbitration proceedings which may have a material negative effect 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.

Related party transactions
In order to ensure that the Company has adequate funding to carry on its operations, Luxor Capital Group offered to purchase a total of 2,700,000 GDRs in TCS Group Holding PLC from Vostok Emerging Finance at the prevailing closing rate at which such GDRs are traded on London Stock Exchange at the close of trading on the June 8, 2015. The transaction was executed on June 9, 2015.

Luxor Capital Group and affiliates hold Swedish Depository Receipts representing a total of approximately 38 percent of the shares in Vostok Emerging Finance’s parent company, Vostok New Ventures.

Certified adviser at First North
All companies traded on First North must have a Certified Adviser that monitors the relevant company’s compliance with the rules and regulations of First North. The Company has appointed Pareto Securities as its Certified Adviser. As of the date of this Company Description, Pareto Securities holds no SDRs, shares or other securities in or issued by Vostok Emerging Finance.
Excerpts from memorandum of association, bye-laws and Terms and Conditions for the SDRs

As described in the section "Shares, share capital and ownership structure" – shares issued by the Company are represented by SDRs with Pareto Securities as custodian. Since the terms of the SDRs will grant to the holders of SDRs the same rights as are attached to the shares represented by the SDRs, the following description of the legal frame 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 organisation 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 bye-laws and by Bermudian common law. The Company’s shares have been issued in accordance with the Companies Act.

The Company was incorporated and registered with the Bermuda Registrar of Companies on May 28, 2015 with registered number 50298. The registered address of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, 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 is USD 10,000,000 divided into shares of par value USD 0.01 each. The objects of the Company are unrestricted and therefore includes carrying on the business of an investment company, acquiring or selling securities or holding securities by way of investment, either directly or by wholly-owned subsidiaries.

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 organisation of the Company and its affairs are regulated by its bye-laws. The Companies Act requires that the bye-laws include, among other things, provisions with respect to the transfer of shares, the keeping of the company accounts and the duties of the secretary of the Company.

The bye-laws are considered as internal rules and 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

Shares and shareholders’ rights
All shares in the Company carry equal rights. Each share carries one vote. Furthermore, 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 payment of dividend or special procedures for shareholders resident outside Sweden. Shareholders are further entitled to a share in the surplus in the event of liquidation in proportion to the number of shares owned by the holder.

The Companies Act provides for the Company to have the right to issue shares of different classes and to resolve that certain shares shall have preferential or subordinated rights or other special terms and conditions. This requires the authorisation of a resolution passed in a General Meeting or an amendment to the Company’s bye-laws. However, the Board may determine the number of shares that are common shares of the Company and the number of shares that are redeemable shares of the Company, subject to the Company’s authorised share capital. Redeemable shares are liable to be redeemed at the option of the Company by resolution of the Board.

Register of shareholders and Swedish Depository Receipts
In the register of shareholders of the Company, all shares will be registered in the name of Pareto Securities as custodian. As described in “Shares, share capital and ownership structure” – shares issued by the Company are represented by SDRs. Euroclear Sweden AB, 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 Sweden AB. Therefore, the provisions of the Companies Act and the bye-laws
governing the register of shareholders and transfer of shares are of limited interest to holders of SDRs. Nevertheless, it should be noted that the terms applicable to the SDRs provide that holders of SDRs shall be entitled to exchange their SDRs for shares by a written application to Pareto, in which case Pareto 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 or convertible securities of the Company provided that the authorised share capital of the Company is not exceeded by way of the new issue. 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 the General Meeting with a majority consisting of at least two-thirds of the votes cast. A corresponding preferential right applies in respect of warrants or convertible securities. However, such a preferential right does not apply in the case of a new issue in consideration for the contribution of noncash property or the set-off of claims. Only a General Meeting may approve new issues against the contribution of non-cash property or the set-off of claims. Shares and other securities may only be issued in exchange for full payment.

A notable difference between Swedish laws and Bermuda laws is that Swedish law requires that the board of directors to be mandated by a resolution passed in a General Meeting in order for the board to be able to resolve on share issuances.

**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. The Company may also issue shares that are, at the option of the holder, redeemable.

**Redemption 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 in the Company. The minority shareholders can apply to the court to appraise the value of the shares to be redeemed.

A notable difference between Swedish laws and Bermuda laws is that the threshold is 90 percent of the shares in the Company under Swedish law.

**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.

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 listed 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 to the holders of SDRs. 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 holders of SDRs 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 three 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. Under Swedish laws it would be possible to register such authority, if desired.

Under the bye-laws the Board of Directors may delegate to any committee, director, officer or other individual any of the powers exercisable by it.
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 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 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.

In this context, it should be noted that the auditor of a Swedish company will perform an audit of the management's administration, and, other than in very rare cases, will give an opinion in respect of the discharge from potential liability of the Company's Managing Director and Board of Directors.

Dividends

Resolutions on dividends and other distributions (“Dividends”) are resolved by the General Meeting. Dividends may be paid in any currency or any way in kind. However, the General Meeting may not declare 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 limitation. When the period of limitation ends the dividend amount will pass over to the Company.

The bye-laws do not include a provision providing the right for minority shareholders to demand dividend payment. It should be noted that in a Swedish company, shareholders representing 10 percent of the shares in the company are, subject to limitations set out in law, entitled to request dividend payments.

Pursuant to the terms for the SDRs, those who are recorded as holders of the SDRs on the share accounts kept by Euroclear Sweden AB, 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 Bermudian 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.

In this context, it should again be noted that in a Swedish company, shareholders representing 10 percent of the shares in the company are, subject to limitations set out in law, entitled to request dividend payments.

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

Class actions and derivative actions are generally not available to shareholders under Bermuda law. Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be beyond the corporate power of the company or illegal, or would result in the violation of the company's memorandum of association or bye-laws. Furthermore, consideration would be given by a Bermuda court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company's shareholders than that which actually approved it.

Mergers and Amalgamations

The amalgamation or merger of a Bermuda company with another company or corporation (other than certain affiliated companies) requires the amalgamation or merger agreement to be approved by the company's board of directors and by its shareholders. Unless the company's bye-laws provide otherwise, the approval of 75 percent of the shareholders voting at such meeting is required to, approve the amalgamation or merger agreement, and the quorum for such meeting must be two or more persons holding or representing more than one-third of the issued shares of the company. A dissenting shareholder (that did not vote in favour of the amalgamation or merger) of a Bermuda is entitled to be paid the fair value of his or her shares in an amalgamation or merger.

A squeeze-out by amalgamation/merger requires only 75% (or any lower percentage specified by the
bye-laws) and in the event that the acquiring entity is a shareholder in the Company, such party would be allowed to vote unrestricted at the relevant General Meeting.

In this context, it should be noted that there is no requirement for shareholders in the absorbed entity to receive consideration of at least 50% shares in the acquiring entity. This is a material difference when compared to Swedish law, which would require that for shareholders in the absorbed entity to receive consideration of at least 50% shares in the acquiring entity.

The Swedish Corporate Governance Board (Sw. Kollegiet för Svensk Bolagsstyrning) has issued Takeover Rules which shall be adhered to by bidders as part of good practice on the Swedish stock market. It should however be noted that bidders are not legally obligated to adhere to the Takeover Rules that apply on First North. The Takeover Rules include provisions that apply in relation to mergers or similar procedures (including amalgamations). This provision entails that a general meeting resolution of the absorbed entity regarding approval of an amalgamation/merger must be adopted by a qualified majority and that the shares which the acquiring entity holds in the transferor company must not be taken into account.

**Court appointed examiner**

There is no right to retain a special (minority) auditor or examiner.

This is a material difference when compared to Swedish law, which allows for the appointment of a special (minority) auditor (Sw. minoritetsrevisor) or an examiner (Sw. särskild granskingsman) at the request of shareholders representing 10 percent of the shares in the company.

**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 May 28, 2015. Hence, the first financial year comprises the period May 28–December 31, 2015. Thereafter the financial year comprises the period January 1–December 31.
FORM NO. 2

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,

<table>
<thead>
<tr>
<th>NAME</th>
<th>ADDRESS</th>
<th>BERMUDIAN STATUS</th>
<th>NATIONALITY</th>
<th>NUMBER OF SHARES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael B. Ashford</td>
<td>Clarendon House 2 Church Street Hamilton HM 11 Bermuda</td>
<td>Yes</td>
<td>British</td>
<td>One</td>
</tr>
</tbody>
</table>

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)

(Signed)

(Witnesses)

SUBSCRIBED this 28th day of May, 2015.
Dated May 29th, 2015

Bye-Laws of Vostok Emerging Finance Ltd.

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 authorized 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 authorized Share capital

The general meeting may by resolution

(i) increase its authorized 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 authorized 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 authorized 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 authorized.

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. 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 authorized 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 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).
Terms and Conditions for the SDRs

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;
(ii) 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**

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 announce-
ment 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 regis-
ter in the Company’s share register, or another insti-
tution appointed by the Company assigned to main-
tain 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.
Tax issues in Sweden

The following is a summary of certain Swedish tax consequences relating to holders of SDRs in the Company, applicable to individuals and limited liability companies tax resident in Sweden (unless otherwise stated). The summary is based on the assumption that the SDRs in the Company are considered listed for Swedish tax purposes, which is the case if trading in the SDRs occurs on First North to a sufficiently large extent. For Swedish tax purposes, SDRs are treated as shares. The summary is based on the legislation currently in force and is intended as general information only. The summary does not purport to be a comprehensive description of all tax consequences that may be relevant for a potential investor in the SDRs. For example, the summary does not address shares held by partnerships or shares 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 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 where shareholders of such companies have been acquired by means of so-called “qualified shares” in closely held companies. Moreover, the summary does not address shares that are held on a so-called investment savings account (Sw. investeringsparksverk) and that are subject to special rules on standardized taxation. Special tax rules, which are not covered here, apply to certain categories of taxpayers, for example, investment companies and insurance companies. The tax treatment of each individual holder of SDRs depends on such investor’s particular circumstances. Each holder of SDRs should therefore consult a tax advisor for information on the specific implications that may arise in their individual case, including the applicability and effect of foreign rules and tax treaties. As for the specific Swedish tax consequences relating to the mandatory redemption procedure as such, under which Vostok New Ventures has resolved to spin-off Vostok Emerging Finance to its shareholders, investors are referred to the information brochure “Information for holders of SDRs in Vostok Nafta Investment Ltd” which is available on the Company’s webpage www.vostokemergingfinance.com.

Shareholders who are tax resident in Sweden

Individuals

Dividend taxation

For individuals, dividends on listed shares, which the Company’s SDRs are intended to be once admitted to trading on Nasdaq First North, are taxed as income from capital at a rate of 30 percent. A preliminary tax of 30 percent is generally withheld on dividends paid to individuals tax resident in Sweden. The preliminary tax is withheld by Euroclear Sweden AB or, regarding nominee-registered shares, by the Swedish nominee.

Capital gains taxation

Upon the sale or other disposal of listed shares, a taxable capital gain or deductible capital loss may arise. Capital gains are taxed as income from capital at a rate of 30 percent. The capital gain or loss is calculated as the difference between the sales proceeds, after deducting sales costs, and the tax basis. The tax basis for all shares of the same class and type is calculated together in accordance with the average cost method. Upon the sale of listed shares, the tax basis may alternatively be determined according to the standard method as 20 percent of the sales proceeds after deducting sales costs.

Capital losses on listed shares 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 percent of capital losses on shares 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 percent is allowed on the portion of such net loss that does not exceed SEK 100,000 and of 21 percent on any remaining loss. Such net loss cannot be carried forward to future fiscal years.
Limited liability companies
Dividend and capital gains taxation
For a limited liability company, all income, including taxable capital gains and dividends, is taxed as business income at a rate of 22 percent. Capital gains and capital losses are calculated in the same manner as set forth above 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.

Certain tax considerations for shareholders who are not tax resident in Sweden
Dividend and capital gains taxation
Dividends paid on shares in a foreign company to shareholders not tax resident in Sweden are not subject to any Swedish taxation.

Shareholders not tax resident in Sweden and whose shareholding is not attributable to a permanent establishment in Sweden are generally not liable for Swedish capital gains taxation on the disposal of shares. The holders may, however, be subject to tax in their country of residence. Under a specific tax rule, individual shareholders that are not tax resident in Sweden may, however, be liable to capital gains taxation in Sweden upon the sale of shares 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 shares are issued by foreign company is that the shares must also have been acquired when the individuals were tax resident in Sweden. Shares that have replaced other shares in a foreign company are considered acquired at the same time as the original shares for the purpose of this rule. The applicability of this rule may, however, be limited by tax treaties between Sweden and other countries.
Addresses

**Vostok Emerging Finance Ltd**
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

**Certified adviser**
Pareto Securities AB
Berzelii Park 9
P.O. Box 7415
SE-103 91 Stockholm
Sweden

**Legal advisor**
Setterwalls Advokatbyrå AB
Arsenalsgatan 6
P.O. Box 1050
SE-101 39 Stockholm
Sweden

**Auditor**
PricewaterhouseCoopers AB
Torsgatan 21
113 97 Stockholm
Sweden
Financial information

**Balance sheet – Vostok Emerging Finance**

(Expressed in USD thousands)

<table>
<thead>
<tr>
<th>Description</th>
<th>Opening balance June 9, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial non-current assets</td>
<td>19,012</td>
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<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
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<tr>
<td>Cash and cash equivalents</td>
<td>8,046</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>8,046</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>27,058</td>
</tr>
<tr>
<td><strong>SHAREHOLDERS’ EQUITY</strong></td>
<td>27,058</td>
</tr>
<tr>
<td><strong>TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES</strong></td>
<td>27,058</td>
</tr>
</tbody>
</table>

**Note 1 – Basis for preparation**

The balance sheet as per June 9, 2015 has been prepared in accordance with IFRS accounting principles as described in Vostok Nafta Investment Ltd’s Annual Report for 2014 on pages 29–31, with the exception of supplementary information and other explanatory notes. Accordingly, the financial information does not include all disclosures required to give a true and fair view of the financial position in accordance with IFRS. The Company will report in accordance with IFRS accounting principles going forward. Financial non-current assets represent TCS Group shares valued at the closing bid price as per June 8, 2015.

Stockholm, June 25, 2015

**Lars O Grönstedt**  
Chairman

**Josh Blachman**  
Board member

**Keith Richman**  
Board member

**Per Brilioth**  
Managing Director and Board member
To the Board of Directors of Vostok Emerging Finance Ltd.

We have audited the accompanying balance sheet of Vostok Emerging Finance Ltd. in this document as at 9 June 2015 and a summary of significant accounting policies and other explanatory information (together "the financial statement") presented on page 44. The financial statement has been prepared in accordance with the accounting principles described in Note 1 – Basis for preparation.

Management’s Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the accounting principles described in Note 1 – Basis for preparation and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the financial statement.

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

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of Vostok Emerging Finance Ltd. as at 9 June 2015 in accordance with the accounting principles described in Note 1 – Basis for preparation.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 – Basis for preparation to the financial statement, which describes the basis of accounting. The financial statement is prepared to provide information to potential investors in Vostok Emerging Finance Ltd. As a result, the statement may not be suitable for another purpose.

Stockholm, June 25, 2015

PricewaterhouseCoopers AB

Ulika Ramsvik
Authorised public accountant
Auditor in charge

Bo Hjalmarsson
Authorised public accountant