



*Vostok New Ventures Ltd.*

## **Financial Report**

For the First Quarter 2017

- Net result for the period was USD 17.33 million (mln) (January 1, 2016–March 31, 2016: 4.14). Earnings per share were USD 0.20 (0.06).
- The net asset value of Vostok New Ventures (“Vostok” or “the Company”) was USD 741.69 mln on March 31, 2017 (December 31, 2016: 725.52), corresponding to USD 8.67 per share (December 31, 2016: 8.47). Given a SEK/USD exchange rate of 8.93 the values were SEK 6,623.29 mln (December 31, 2016: 6,600.09) and SEK 77.42 (December 31, 2016: 77.02), respectively.
- During the quarter January 1, 2017–March 31, 2017, the group’s net asset value per share in USD increased by 2.4%, mainly driven by the revaluation of Wallapop and Avito.
- During the reporting period, the Company repurchased 174,100 SDRs under the Board of Directors’ repurchase authorization of May 16, 2016.
- The number of outstanding shares (SDRs), including 174,100 repurchased SDRs, at the end of the period was 85,688,309.
- After the end of the period, 6,000 SDRs have been repurchased.
- On April 25, 2017 Vostok New Ventures announced an investment in babylon, a leading AI-empowered digital healthcare service provider. The Company has invested a total of GBP 17.3 mln (USD 22.2 mln) in primary shares in the context of a larger USD 60 mln financing round.

# Management report

2017 is moving fast for us. After a rather uneventful first quarter we have after the period concluded several deals which we are very excited about: babylon (USD 22.2 mln) in the health space and CarZar (USD 1.5 mln) which is the equivalent of Auto1 in South Africa.

## **babylon**

In April, we concluded a second investment into the health space (after Vezeeta in the Middle East), which will make us a 10% shareholder in babylon.

babylon was founded in 2013 by Dr Ali Parsa with the business idea to digitalize the healthcare industry globally, initially through a mobile consumer facing product, which will both dramatically improve the amount of time doctors around the world are able spend caring for those that need it most, whilst also providing everyone on earth with accessible and affordable healthcare. The service was fully launched in 2014 in the UK (where a trial with the UK's public health service organization NHS covering 1.2 million Londoners is now underway) followed by Rwanda, where the babylon service was launched in 2016 with the support of the Rwandan government.

Artificial intelligence is at the company's core by triaging patient needs which enables the delivery of results that are both faster and more accurate than clinicians. This allows them to already today deliver end-to-end integrated healthcare at much lower cost to a larger population than traditional channels. The efficiency of the product, both operationally and cost wise centers around that in traditional healthcare 80% of the costs are related to people, and having an intelligent computer allows the company to better leverage its clinical assets (doctors). Network effects come through the need of large data sets for artificial intelligence to work, especially in such important matters as health. The more artificial consultations, the more data is acquired and so on.

The healthcare industry is a USD 8 trillion market (accounting for some 11% of global GDP) and growing at some 5% annually. The increases in spend are due to longer life expectancy leading to aging populations. Healthcare today is where e-commerce was some 15 years ago with online penetration at roughly 1% and similarly a huge need to build trust between the consumers and providers before building monetization strategies. From the experience of e-commerce, the businesses who are willing to do the hardest most complicated things will likely create the global champions. In health, this is marrying tech and clinical operations, which is babylon's core through leveraging big data, triage building artificial intelligence with clinical diagnosis and importantly also public sector coverage integration.

I believe babylon offers outstanding risk reward characteristics as an investment. Of course, if their ambitions of disrupting and improving healthcare as we know it

today through the build out of their products with artificial intelligence at its core prove successful then this investment could propel it to be a very large contributor to the return of our portfolio.

## **BlaBlaCar**

We are excited that BlaBlaCar has made its first step into offering car finance to its members. "Le Forfait Voiture" offer a leasing option to the members that is now being rolled out. Longer-term one can see the company offering its members products not just relating to petrol and tolls but for every cost relating to the car including finance, insurance, maintenance. Of course, the potential doesn't stop there, the continuously growing community's interest venture beyond the car. Music, food, accommodation... the potential of partnerships is large. BlaBlaCar also launched a new service in France called BlaBlaLines, a new app for daily commutes, which has the potential to drastically increase the frequency of rides BlaBla-members do over time.

## **Gett**

Gett has in April acquired its NY competitor JUNO for a total of USD 200 mln. JUNO was the fastest growing player in NYC. The deal has catapulted Gett to become the second largest player in NYC, potentially expanding further to build a national US operator.

Gett has transformed itself into a global powerhouse operating across 100 cities of Europe and USA.

The recent VW (world's largest car producer(!)) investment of USD 300 mln provides a strategic access toward future Autonomous Car technology.

Back home in Russia, one should note that Yandex Taxi's recently published performance, released with a bullish fanfare (no doubt ahead of an attempt to raise money) showed the number of rides increasing by a decent 400-or so % year-on-year. However, revenues increased by only 75% and EBITDA during the same period came in at a large negative. In fact, for every ruble generated in revenues at Yandex Taxi they spent nearly three rubles in EBITDA.

Gett of course being a private company unfortunately doesn't disclose its financials but has said that revenues grew >80% in Q4 alone. At the same time, Gett foot print leadership expanded into 70 cities in Russia, ahead of 52 cities operated by Yandex Taxi.

## **Avito**

Avito continues to perform well, this quarter displaying 46% revenue growth year-on-year with an EBITDA margin of 61% (compared to a margin of 47% during the same quarter last year).

May 2017,  
Per Brilioth

# Portfolio structure – Net Asset Value

The investment portfolio stated at market value as at March 31, 2017, is shown below.

Company	Fair value, USD March 31, 2017	Percentage weight	Fair value, USD Dec 31, 2016	Valuation change per share, USD Year to date, 2017
Avito <sup>2</sup>	459,678,981	59.2%	449,281,016	2% <sup>1</sup>
BlaBlaCar <sup>2</sup>	109,480,208	14.1%	107,738,524	2% <sup>1,3</sup>
Gett <sup>2</sup>	50,358,980	6.5%	50,358,980	– <sup>1</sup>
Propertyfinder <sup>2</sup>	20,001,020	2.6%	19,999,199	– <sup>1</sup>
Wallapop <sup>2</sup>	18,477,456	2.4%	11,520,768	60% <sup>1</sup>
OneTwoTrip <sup>2</sup>	14,958,960	1.9%	14,958,960	– <sup>1</sup>
Merro <sup>2</sup>	12,384,907	1.6%	12,384,907	– <sup>1</sup>
Hemnet (YSaphis SA) <sup>2</sup>	10,440,590	1.3%	10,252,714	2% <sup>1</sup>
Naseeb Networks (Rozee and Mihnati) <sup>2</sup>	4,572,669	0.6%	4,034,693	13% <sup>1</sup>
KEH AB (Yell.ru and EatOut.ru) <sup>2</sup>	3,226,012	0.4%	3,515,204	-8% <sup>1</sup>
El Basharsoft (Wuzzuf and Forasna) <sup>2</sup>	1,318,455	0.2%	1,158,956	14% <sup>1</sup>
Vezeeta (DrBridge) <sup>2</sup>	892,201	0.1%	894,724	– <sup>1</sup>
Carable (Garantibil) <sup>2</sup>	–	–	2,198,526	-100% <sup>1</sup>
Delivery Hero Holding GmbH, equity component <sup>2</sup>	3,366,196	0.4%	3,284,645	2% <sup>1,3</sup>
Delivery Hero Holding GmbH, debt	24,840,381	3.2%	24,074,461	
Cash	41,985,025	5.4%	34,780,024	
<b>Total investment portfolio</b>	<b>775,982,041</b>	<b>100.0%</b>	<b>758,134,913</b>	
Borrowings	-33,055,388		-32,399,831	
Other net liabilities	-1,232,545		-219,172	
<b>Total NAV</b>	<b>741,694,108</b>		<b>725,515,910</b>	

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

2. Private equity investment.

3. Valuation change due to USD/EUR exchange rate movement.

Vostok New Ventures' number of shares as at March 31, 2017	6,166,470
Total Value (USD)	459,678,981
Share of total portfolio	59.2%
Share of total shares outstanding	13.3%
Value development Jan 1–Mar 31, 2017 (in USD)	2%

avito.ru



Avito is the largest and most liquid online classifieds platform in Russia, and the clear market leader in terms of visitors and ads. During January–March 2017, the company has continued to deliver strong growth and profitability. Avito's firm market-leading position has proven to be a key factor in terms of the potential to reach high profitability similar to that of peers in other countries. Avito is the leading brand and with strong brand awareness throughout Russia. Compared to western countries, Russia still lags behind in terms of low proportion of internet users in relation to the total population. According to International Communication Union (ITU) Russia now has just over 100 mln internet users. The market for internet-related services continues to grow in correlation with an increased internet penetration. The Russian e-commerce market is also expected to grow with the increasing internet penetration and consumers and businesses migrating online. According to LiveInternet.ru, Avito had 72 mln unique visitors in April 2017 measured by unique cookies.

Avito continues to strengthen its position in the key verticals, Auto, Real Estate, and Jobs and Services with an increasing product offering for professional sellers. Domofond, the designated real estate portal for the Russian market, launched in 2014, continues to grow and is the largest property vertical by visitors after Avito itself in the Russian market.

As per March 31, 2017, Vostok New Ventures values its stake in Avito to USD 459.7 mln (USD 3.6 bln for the entire company) on the basis of a EV/EBITDA peer multiples valuation model. This represents a 2.3% increase in valuation compared with Vostok's valuation as per year end 2016. The main drivers of the revaluation are a continued strong growth and a stronger ruble.

As per March 31, 2017, Vostok New Ventures owns a 13.3% stake in the company on a fully diluted basis.

Other remaining minority shareholders following the transaction are Baring Vostok and the two founders.

In January 2017, Vostok New Ventures received USD 6.8 mln in dividends from Avito. The dividend payment was resolved at an Avito SGM in December 2016, and thus accounted for on Vostok New Ventures' balance sheet as per December 31, 2016.

#### Key performance indicators January–March 2017<sup>1</sup>

- Revenues of RUB 3,290 mln (USD 58.4 mln<sup>2</sup>), up 46% compared with the first quarter 2016 (RUB 2,249 mln).
- Adjusted EBITDA margin of 61% or RUB 2,002 mln (USD 35.5 mln<sup>2</sup>), compared with the first quarter 2016 (Adjusted EBITDA margin of 47% or RUB 1,067 mln).
- Listers<sup>3</sup> amounted to 11.2 mln and grew by 11% compared to 10.1 mln for the same period previous year.

#### Avito Quarterly Key Performance Indicators

	Jan-Mar 2016	Jan-Mar 2017	Jan-Mar q-o-q change, %
Revenue, RUB mln	2,249	3,290	46%
EBITDA, RUB mln	1,067	2,002	88%
EBITDA margin	47%	61%	
Listers, mln	10.1	11.2	11%

1. Source: unaudited figures from Avito.

2. Translated with FX rate of 56.3779 as of March 31, 2017.

3. Source: internal company information.

# BlaBlaCar

Vostok New Ventures' number of shares as at March 31, 2017	12,238,079
Total Value (USD)	109,480,208
Share of total portfolio	14.1%
Share of total shares outstanding	8.0%
Value development Jan 1–Mar 31, 2017 (in USD)	2%*

\* Attributable to currency exchange differences.

 [blablacar.com](http://blablacar.com)



BlaBlaCar connects people looking to travel long distances with drivers already going the same way, so that both can save money by sharing the cost of their journey. This model has made BlaBlaCar a leader of the global sharing economy with over 40 million members in 22 countries, and is helping to make road travel more efficient and affordable.

BlaBlaCar was founded in 2006 by Frédéric Mazzella, CEO, Francis Nappez, CTO, and Nicolas Brusson, COO and has raised more than USD 300 mln in funding to date. Currently, BlaBlaCar operates in Benelux, Croatia, France, Germany, Hungary, India, Italy, Mexico, Poland, Portugal, Romania, Russia, Serbia, Spain, Turkey, Ukraine and the United Kingdom.

BlaBlaCar has during the last 12 months increased its efforts in emerging markets, especially in Russia, and has also launched the service in a number of South American markets including Brazil. The most recent markets to launch were the Czech Republic and Slovakia.

Vostok New Ventures has invested a total of EUR 102 mln into BlaBlaCar during 2015 and 2016 through three separate transactions, all at the same valuation of BlaBlaCar.

As per March 31, 2017, Vostok New Ventures owns approximately 8.0% of BlaBlaCar on a fully diluted basis and the investment is valued on the basis of the price paid per share in this latest transaction in the company.

# Gett

Vostok New Ventures' number of shares as at March 31, 2017	18,171,609
Total Value (USD)	50,358,980
Share of total portfolio	6.5%
Share of total shares outstanding	4.2%
Value development Jan 1–Mar 31, 2017 (in USD)	–

 [gett.com](http://gett.com)



Gett is an on-demand mobility company changing how people move around and get items delivered.

A leading provider in Europe, Gett is currently active in four countries and across 60+ cities, including Moscow, London, and NYC. Gett's technology enables consumers to instantly book on-demand transportation, delivery and logistics. The addressable market for the company within its existing markets is worth some USD 30 bln. Of this Gett's revenues are typically some 15–30% depending on whether it is servicing a private or business client. In total, Gett has raised over USD 640 million in venture funding.

In contrast to Uber – its most well-known competitor, Gett is equally successful in both B2C and B2B markets, serving more than 5,000 corporations today, using its “Gett for Business” product. The corporate market offers higher profitability and also immense growth opportunities, as competition is lower. Also in contrast to Uber, Gett deals solely with licensed drivers, making it safe and valid option within European and NYC regulatory framework.

Gett's most recent shareholders include the Volkswagen Group, who invested USD 300 mln in the company in 2016, and Sberbank, who has provided the company with a seven-year USD 100 mln debt facility, which also includes an equity component.

In April 2017, Gett announced it had acquired JUNO, a competitor in NYC, for a total of USD 200 mln.

Vostok New Ventures invested USD 25 mln in Gett in mid 2014 in the form of a convertible loan that was converted into equity in December 2014.

As per March 31, 2017, the Gett investment is valued at USD 50.4 mln, on the basis of the Volkswagen transaction, which was completed in mid 2016.

# Propertyfinder

Vostok New Ventures' number of shares as at March 31, 2017	137,916
Total Value (USD)	20,001,020
Share of total portfolio	2.6%
Share of total shares outstanding	10.0%
Value development Jan 1–Mar 31, 2017 (in USD)	–

propertyfinder.ae



Propertyfinder Group was founded 10 years ago by Michael Lahyani and operates real estate classifieds platforms in seven countries across the MENA region (Middle East/North Africa). Propertyfinder is the clear market leader in UAE and Qatar and in at the top together with a few competitors in its other markets. Propertyfinder is headquartered in Dubai, employs more than 150 people and is profitable in its core markets as well as on group level in terms of EBITDA. During the second quarter of 2016, Propertyfinder announced that it had acquired a small competitor in Morocco. Vostok New Ventures invested USD 20 mln for 10% in primary equity of the company during the fourth quarter 2015.

As per March 31, 2017, Vostok New Ventures values its stake in Propertyfinder to USD 20.0 mln (USD 200 mln for the entire company) on the basis of a EV/Sales peer multiples valuation model. This is effectively the same valuation as in the transaction where Vostok invested into the company.

## Group KPI development 1Q17

- Total page views are up 66% year on year
- Total sessions are up 64% year on year
- Total leads generated are up 49% year on year
- Total unique users are up 65% year on year

# Wallapop

Vostok New Ventures' number of shares as at March 31, 2017	21,872*
Total Value (USD)	18,477,456
Share of total portfolio	2.4%
Share of total shares outstanding	3.0%
Value development Jan 1–Mar 31, 2017 (in USD)	60%

\* Shares held indirectly through a limited partnership.

wallapop.com



Wallapop is an online marketplace that enables users to buy and sell goods in categories such as fashion, decoration, motorcycles, electronics, and more. The company was founded by Agustin Gomez, Gerard Olivé and Miguel Vicente in January 2013.

Wallapop has over a short space of time taken great strides in terms of market share in online classifieds in Spain and are also making good inroads to France. Wallapop is also active in the UK and in the US. During the fall of 2015, Wallapop increased its marketing efforts in the US, taking on competitors such as Craigslist and Ebay. In the second quarter of 2016 Wallapop announced it would merge its US business with Naspers' owned Letgo. As part of this merger the new US company raised further funding from its existing shareholders. During fourth quarter of 2016 the US joint-venture raised further funding to continue to build on its efforts on the US market.

In the end of 2016, Wallapop started monetizing in Spain letting users pay to highlight their listings for 24 hours. The price of the highlight varies slightly by type of product and region, but it is around EUR 2 in Wallapop's main urban markets such as Barcelona, Madrid and London.

Vostok New Ventures has in total invested approximately USD 9 mln in three separate transactions during 2015. As per March 31, 2017, Vostok New Ventures indirectly owns approximately 3.0% of the company and values its indirect stake in the company to USD 18.5 mln on the basis of the latest primary transaction in the company, closed in mid 2016, adjusted for Wallapop's share in and revaluation of Letgo which completed a funding round on its own during fourth quarter of 2016.

# OneTwoTrip

Vostok New Ventures' number of shares as at March 31, 2017	96,228
Total Value (USD)	14,958,960
Share of total portfolio	1.9%
Share of total shares outstanding	14.6%
Value development Jan 1–Mar 31, 2017 (in USD)	–

onetwotrip.com



OneTwoTrip (OTT) is serving the underpenetrated USD 63 bln Russian travel market characterized by lack of focused local/foreign competition, and with inherent scalability via fully virtual inventory. It is the number one player in a leading e-commerce segment with the best overall product proposition, nimble and bottom-line focused executive team and rapidly growing mobile channel. Opportunity to participate in the ongoing growth in online penetration of travel products, coupled with diversification of revenue streams, including major upside opportunities in

- (1) hotel cross-sell,
- (2) dynamic packaging (tickets + lodging combo), and
- (3) geographic expansion.

In December 2016, Vostok New Ventures agreed to invest an additional USD 5.8 mln in OTT through a purchase of secondary shares from an existing investor in the company. The additional investment was disbursed in January 2017. Following the transaction, Vostok New Ventures owns 14.6% of the company on a fully diluted basis.

Vostok New Ventures has invested a total of USD 12.2 mln in OTT during 2015 and 2016. As per March 31, 2017, the company is valued based on price paid in the latest transaction in the company on fair market terms, which closed in August 2016.

# Merro

Vostok New Ventures' number of shares as at March 31, 2017	10,900
Total Value (USD)	12,384,907
Share of total portfolio	1.6%
Share of total shares outstanding	21.6%
Value development Jan 1–Mar 31, 2017 (in USD)	–

merro.co

## MERRO

Merro is an investment holding company that focuses on online marketplace businesses with network effects in developing markets. Merro was founded in 2014 by Henrik Persson, Michael Lahyani and Pierre Siri having each a third of the company. Henrik Persson was formerly Head of Investments at Kinnevik and is our partner from many ventures, most notably Avito. Michael Lahyani is the founder and CEO of Propertyfinder, the largest real estate property portal in the MENA region. Pierre Siri has a long background within online classifieds, which includes the role as CEO and investor in Blocket.se, the Swedish online classifieds asset that is today owned by Schibsted and in many ways the benchmark asset for online classifieds players globally.

Merro's portfolio includes a number of investments, most of which are online classifieds companies in the MENA region. These are Opensooq, the leading online classifieds operator in the MENA region, Propertyfinder, the leading property vertical in the MENA region, Dubicars, an early stage car classifieds site in the UAE and six other smaller investments.

- Opensooq represents the largest value in Merro's portfolio and in November 2016 Opensooq generated approximately 1.4 bln monthly page views. Opensooq is on a clear path in becoming the "Avito" of the MENA-region.
- Propertyfinder represents the second largest value in Merro's portfolio. Over the past ten years, Propertyfinder has quickly become the leading real estate classified website in the UAE, Qatar, Bahrain and Lebanon and is growing in popularity in the Kingdom of Saudi Arabia, Egypt and Morocco.
- Dubicars generates more than a million weekly page views and has more than 400 active car dealers from across the UAE.
- CloudSight (formerly Camfind) is a technology company that simplifies the creation of classifieds listings dramatically through its API (application programming interface).

# Hemnet

Vostok New Ventures' number of shares as at March 31, 2017	80,413,628*
Total Value (USD)	10,440,590
Share of total portfolio	1.3%
Share of total shares outstanding	7.0%
Value development Jan 1–Mar 31, 2017 (in USD)	2%

\* Indirect exposure to number of shares in Hemnet on a fully diluted basis immediately after closing.

hemnet.se



- Yta.se (formerly Objektia), a company that simplifies the process of finding commercial real estate to lease or purchase. By relaying relevant information about the property and its surroundings in a classic marketplace setting, Yta.se aims to be the Trulia of the commercial real estate industry.
- TipTapp, a mobile marketplace in Sweden which operates “reverse classifieds” whereby consumers can post listings with products they will pay to get rid of, most often bulky trash that would otherwise have to be transported to a recycling center or similar.
- QuintoAndar is an end-to-end real estate rentals service in Brazil that connects landlords and tenants. There are significant pain points within rentals in the country due to bureaucratic legislation that effectively requires a co-signer to guarantee rent obligations. QuintoAndar removes this friction by baking in a free insurance product to the end users’ contract as well as improving the general processes of searching for properties, arranging viewings and contracts signing.

As per March 31, 2017, Merro is valued on basis of the latest transaction in the company that was finalized in the second quarter of 2016. Vostok New Ventures invested an additional USD 1.3 mln in to the company alongside a number of other new investors. The new transaction was made at a valuation approximately 48% higher than Vostok’s initial investment into the company.

Hemnet is Sweden’s largest online property portal, founded in 1998, with two million unique visitors each week to its mobile and desktop products. In 2015, 220,000 real estate listings were published on Hemnet. Hemnet’s mobile app has over 1.5 mln downloads on iOS and 630k on Android. During 2015, the company generated revenue of SEK 182 mln and EBIT of SEK 46.5 mln. Hemnet has a strong position in the Swedish market with substantial network effects through its relationships with real estate brokers and home sellers alike, and is in an excellent position to continue to grow its business. For more information, please visit [www.hemnet.se](http://www.hemnet.se).

The investment in Hemnet is made through the co-investment vehicle YSaphis S.A., together with a consortium led by Henrik Persson and Pierre Siri, which alongside majority investor General Atlantic acquired Hemnet in December 2016.

In December 2016, Vostok New Ventures invested SEK 93.3 mln (USD 10.3 mln) in YSaphis S.A., which translates into an equity exposure of approximately 7.0% in Hemnet on a fully diluted basis immediately after closing. The transaction was closed in early January 2017. As per March 31, 2017, Vostok New Ventures values its investment on the basis of this transaction.



# Naseeb Networks

(Rozee and Mihnati)

Vostok New Ventures' number of shares as at March 31, 2017	11,481,176
Total Value (USD)	4,572,669
Share of total portfolio	0.6%
Share of total shares outstanding	23.7%
Value development Jan 1–Mar 31, 2017 (in USD)	13%

naseebnetworks.com

rozee™

مهناتي  
موقع التوظيف الأول في السعودية

Naseeb Networks operates leading employment marketplaces in Pakistan (Rozee) and Saudi Arabia (Mihnati) focused on facilitating the matching between jobseekers and employment opportunities. Its complete range of end-to-end employment solutions are used by over 10,000 companies and 5 million job seekers, processing over 1.5 million job applications every month.

Back in 2013, Naseeb Networks completed its acquisition of Mihnati.com, Saudi Arabia's largest indigenous recruiting solutions provider. After its initial market dominance in Pakistan, Naseeb Networks has grown Mihnati's profitability and visits by leveraging its advanced cloud based recruitment product portfolio, back office operations and business expertise in employment marketplaces.

Vostok New Ventures invested USD 4.5 mln in Naseeb during 2015 in connection with a total funding round that amounted to USD 6.5 mln and included participation from Piton Capital. As per March 31, 2017, Vostok New Ventures values Naseeb on the basis of a peer multiples valuation model as the latest transaction is more than 12 months old. The model, based on EV/Sales multiples of listed international peers in the recruitment and online classifieds space, generates a valuation of USD 4.57 mln for Vostok New Ventures' stake in the company. This is 13% higher than Vostok New Ventures' previous valuation as per December 31, 2016, and mainly driven by higher peer multiples and a more positive company outlook.

# KEH AB

(Yell.ru and EatOut.ru)

Vostok New Ventures' number of shares as at March 31, 2017	8,808,426
Total Value (USD)	3,226,012
Share of total portfolio	0.4%
Share of total shares outstanding	33.9%
Value development Jan 1–Mar 31, 2017 (in USD)	-8%

yell.ru

  
Настоящие отзывы

  
BY YELL

Yell.ru is an online local search utility with user reviews about local companies and services in Russia. Reviews help consumers make better-informed decisions when purchasing services or goods. Yell has several listed comparable peers in other markets, which focus on local search and reviews, most notably Yelp.com in the US.

Vostok New Ventures invested USD 8 mln in the context of a total raise of USD 11 mln in 2014 that included participation from KEH's current principal investor, Investment AB Kinnevik. Vostok New Ventures values the company partly on the basis of a valuation model based on revenue multiples of comparable listed peers, and partly based on an ongoing fundraising in the company's subsidiary EatOut.ru. Vostok New Ventures owns 33.9% of KEH AB as per March 31, 2017.

During mid 2016, Yell launched a new product, its new table reservation app for restaurant goers, which shows promising traction at an early stage, with over 1,000 restaurants now signed up. During the end of 2016, Yell's resto product was rebranded to EatOut.ru and continues to grow traction with strong growth in number of bookings handled on the platform each month. During 2017, continued management focus is expected to be on EatOut.ru

Yell.ru and EatOut.ru is headed by Swedish internet entrepreneur Mathias Eklöf, who runs the company from Moscow.

# El Basharsoft

(Wuzzuf and Forasna)

Vostok New Ventures' number of shares as at March 31, 2017	295
Total Value (USD)	1,318,455
Share of total portfolio	0.2%
Share of total shares outstanding	14.8%
Value development Jan 1–Mar 31, 2017 (in USD)	14%

••• wuzzuf.net    ••• forasna.com

**WUZZUF**

Egypt's #1 Online Recruitment Job Site

فرصنا

Wuzzuf is one of the leading jobs verticals in Egypt. Its main competitor is Bayt, a regional jobs vertical centered around UAE. Wuzzuf focuses on white collar workers with English CVs. In terms of monthly jobs postings within this area it leads versus Bayt and is quickly catching up also in terms of traffic. It has as much as 27% of the market for new graduates looking for jobs in its focus area.

Interestingly also it has a second brand, Forasna, which focuses on the enormous and virtually untapped blue collar market in Egypt. Although a younger venture compared to Wuzzuf, a successful product in this area is something that has a potential far beyond the borders of Egypt and with very little competition.

Wuzzuf was founded in 2009 by Ameer Sherif, an Egyptian national, who we believe is very driven. His ability to bootstrap the company, particularly through the political events of 2011, and turn it to profitability in 2014 is a testament to his dedication. The company is also backed by the company 500 Startups.

As per March 31, 2017, Vostok New Ventures values its investment into el Basharsoft on the basis of a peer multiples valuation model as the latest transaction is more than 12 months old. The model, based on EV/Sales multiples of listed international peers in the recruitment and online classifieds space generates a valuation of USD 1.3 mln for Vostok New Ventures' stake in the company. This is 14% higher than Vostok New Ventures' previous valuation as per year-end 2016.

# Vezeeta

(DrBridge)

Vostok New Ventures' number of shares as at March 31, 2017	292,965
Total Value (USD)	892,201
Share of total portfolio	0.1%
Share of total shares outstanding	7.8%
Value development Jan 1–Mar 31, 2017 (in USD)	–

••• vezeeta.com

**Vezeeta.com**

Vezeeta is the MENA leader in Healthcare IT platforms. The company is pioneering the shift to automate the booking world of doctors creating a healthcare ecosystem by connecting various healthcare providers using our other digital cloud based solutions.

Vezeeta is solving major problems faced by patients when trying to reach doctors. Vezeeta is offering a free user friendly online search engine and app where one can search for doctors by speciality, area, and fees. More than 20,000 patients' reviews and rating are available to help patients decide on the doctor with the best medical service and the least waiting time.

During the third quarter of 2016, Vostok New Ventures invested USD 1.5 mln into Vezeeta in the context of a larger funding round. As per March 31, 2017, the investment into Vezeeta is valued on the basis of this recent transaction adjusted for a material devaluation of the Egyptian currency during the fourth quarter of 2016.

In April 2017, after the period, Vostok New Ventures invested an additional USD 0.33 mln in Vezeeta.

# Carable

(Garantibil)

Vostok New Ventures' number of shares as at March 31, 2017	18,332
Total Value (USD)	-
Share of total portfolio	-
Share of total shares outstanding	7.68%
Value development Jan 1–Mar 31, 2017 (in USD)	-100%

garantibil.se



Carable's mission is to create the first global fully automated peer-to-peer marketplace for used cars. It is democratizing the transaction of a used car by removing the conflict between the buyer and the seller through an auction process to price it, a streamlined process of physical inspection through partnerships, and post auction aid including warranty and insurance.

In the first quarter of 2017 it became apparent that the company was in a constrained financial position and failed to secure further funding. In early April 2017 the company filed for reconstruction in Sweden. The company is now focusing its efforts on securing further funding in order to continue to run and operate the most promising parts of the business. As per March 31, 2017, Vostok New Ventures values its holding in Carable at zero.

# Debt investments



## Delivery Hero

Delivery Hero (DHH) is a worldwide network of online food ordering sites with over 300,000 restaurants connected to its service. The company operates in 33 countries across five continents, including Germany, Sweden, UK, Korea, China and India. Delivery Hero's restaurant partners generate more than one billion USD in annual sales via online orders or mobile applications and deliver more than 14 million meals every month. Delivery Hero has more than 3,000 employees around the world.

Vostok New Ventures invested EUR 25 mln into senior secured debt of Delivery Hero in the summer of 2014. In August 2015, the loan was restructured which resulted in new terms including an additional equity component and an amended nominal interest rate. The new nominal interest rate is 7.25–10.25% and the loan matures in August 2018.

As per March 31, 2017, the equity component of the Delivery Hero investment is valued at USD 3.4 mln on the basis of the most recent primary equity transaction in the company. The loan receivable is valued at USD 24.8 mln based on amortized cost using an NPV-model.

# Kite Ventures

## Kite Ventures

Kite Ventures is a global venture investment company specializing in marketplace and transactional network investments. The firm seeks to invest in companies in Europe and New York. Kite Ventures was founded in 2009 and has invested over USD 250 mln across 20 portfolio companies.

As per March 31, 2017, Vostok New Ventures no longer has an outstanding loan to Kite following a final repayment during the first quarter of 2017. Vostok New Ventures still owns an equity component linked to Kite Ventures' underlying portfolio, which as per March 31, 2017 is valued at zero.

## Investments

During the first quarter 2017, gross investments in financial assets were USD 5.76 mln (2016: 15.03) and proceeds from sales were USD 0 mln (2016: 0). Investments concern cash investment in OneTwoTrip committed in late 2016 and paid in early 2017.

## Group – results for the period and net asset value

During the period, the result from financial assets at fair value through profit or loss amounted to USD 17.46 mln (2016: 2.79), mainly coming from the revaluation of Wallapop and Avito. Dividend and coupon income was USD 0 mln (2016: 0). Avito dividend was recognized in the financials during 2016 and paid during the first quarter of 2017.

Net operating expenses amounted to USD -1.07 mln (2016: -0.76).

Net financial items were USD 0.94 mln (2016: 2.11).

Net result for the period was USD 17.33 mln (2016: 4.14).

Total shareholders' equity amounted to USD 741.69 mln on March 31, 2017 (December 31, 2016: 725.52).

## Liquid assets

The liquid assets of the group, defined as cash and bank deposits adjusted for concluded but not yet settled share transactions, amounted to USD 42.0 mln on March 31, 2017 (December 31, 2016: 34.8).

# Income statements – Group

(Expressed in USD thousands)	Jan 1, 2017– Mar 31, 2017	Jan 1, 2016– Mar 31, 2016
Result from financial assets at fair value through profit or loss <sup>1</sup>	17,457	2,788
Dividend and coupon income	–	–
<b>Total operating income</b>	<b>17,457</b>	<b>2,788</b>
Operating expenses	-1,072	-761
<b>Operating result</b>	<b>16,385</b>	<b>2,027</b>
<b>Financial income and expenses</b>		
Interest income	904	1,161
Interest expense	-608	-284
Currency exchange gains/losses, net	645	1,234
<b>Net financial items</b>	<b>941</b>	<b>2,111</b>
<b>Result before tax</b>	<b>17,325</b>	<b>4,138</b>
Taxation	–	–
<b>Net result for the financial period</b>	<b>17,325</b>	<b>4,138</b>
Earnings per share (in USD)	0.20	0.06
Diluted earnings per share (in USD)	0.20	0.06

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

## Statement of comprehensive income

(Expressed in USD thousands)	Jan 1, 2017– Mar 31, 2017	Jan 1, 2016– Mar 31, 2016
<b>Net result for the financial period</b>	<b>17,325</b>	<b>4,138</b>
<b>Other comprehensive income for the period</b>		
<i>Items that may be classified subsequently to profit or loss:</i>		
Currency translation differences	18	22
<b>Total other comprehensive income for the period</b>	<b>18</b>	<b>22</b>
<b>Total comprehensive income for the period</b>	<b>17,343</b>	<b>4,161</b>

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

# Balance sheets – Group

(Expressed in USD thousands)

Mar 31, 2017

Dec 31, 2016

## NON-CURRENT ASSETS

### *Tangible non-current assets*

Property, plant and equipment	49	48
<b>Total tangible non-current assets</b>	<b>49</b>	<b>48</b>

### *Financial non-current assets*

Financial assets at fair value through profit or loss	709,157	691,582
Loan receivables	24,840	24,074
<b>Total financial non-current assets</b>	<b>733,997</b>	<b>715,656</b>

## CURRENT ASSETS

Cash and cash equivalents	41,985	34,780
Loan receivables	–	7,699
Tax receivables	350	317
Other current receivables	20	6,830
<b>Total current assets</b>	<b>42,355</b>	<b>49,626</b>

<b>TOTAL ASSETS</b>	<b>776,401</b>	<b>765,330</b>
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<b>SHAREHOLDERS' EQUITY (including net result for the financial period)</b>	<b>741,694</b>	<b>725,516</b>
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## NON-CURRENT LIABILITIES

Long-term debts	33,055	32,400
<b>Total non-current liabilities</b>	<b>33,055</b>	<b>32,400</b>

## CURRENT LIABILITIES

### *Non-interest bearing current liabilities*

Tax payables	416	412
Other current liabilities	926	6,732
Accrued expenses	310	270
<b>Total current liabilities</b>	<b>1,652</b>	<b>7,414</b>

<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>776,401</b>	<b>765,330</b>
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# Statement of Changes in Equity – Group

(Expressed in USD thousands)	Share capital	Additional paid in capital	Other reserves	Retained earnings	Total
<b>Balance at January 1, 2016</b>	<b>23,520</b>	<b>42,996</b>	<b>-85</b>	<b>437,005</b>	<b>503,435</b>
Net result for the period January 1, 2016 to March 31, 2016	-	-	-	4,138	4,138
<i>Other comprehensive income for the period</i>					
Currency translation differences	-	-	22	-	22
<b>Total comprehensive income for the period January 1, 2016 to March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>4,138</b>	<b>4,161</b>
<i>Transactions with owners:</i>					
Redemption program	-	-	-	-6	-6
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-6</b>	<b>-6</b>
<b>Balance at March 31, 2016</b>	<b>23,520</b>	<b>42,996</b>	<b>-63</b>	<b>441,137</b>	<b>507,591</b>
<b>Balance at January 1, 2017</b>	<b>27,420</b>	<b>125,791</b>	<b>-168</b>	<b>572,473</b>	<b>725,516</b>
Net result for the period January 1, 2017 to March 31, 2017	-	-	-	17,325	17,325
<i>Other comprehensive income for the period</i>					
Currency translation differences	-	-	18	-	18
<b>Total comprehensive income for the period January 1, 2017 to March 31, 2017</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>17,325</b>	<b>17,344</b>
<i>Transactions with owners:</i>					
Value of employee services:					
- Share-based long-term incentive program	-	173	-	-	173
Buy-back of own shares (Note 8)	-56	-1,283	-	-	-1,339
<b>Total transactions with owners</b>	<b>-56</b>	<b>-1,110</b>	<b>-</b>	<b>-</b>	<b>-1,166</b>
<b>Balance at March 31, 2017</b>	<b>27,364</b>	<b>124,681</b>	<b>-150</b>	<b>589,798</b>	<b>741,694</b>

# Cash flow statements – Group

(Expressed in USD thousands)	Jan 1, 2017– Mar 31, 2017	Jan 1, 2016– Mar 31, 2016
<b>OPERATING ACTIVITIES</b>		
Result before tax	17,325	4,138
<i>Adjustment for:</i>		
Interest income	-904	-1,161
Interest expense	608	284
Currency exchange gains/-losses	-645	-1,234
Depreciations and write downs	-	-
Result from financial assets at fair value through profit or loss	-17,457	-2,788
Dividend and coupon income	-	-
Other non-cash items	173	-
Change in current receivables	1	64
Change in current liabilities	-13	5
<b>Net cash used in operating activities</b>	<b>-911</b>	<b>-692</b>
Investments in financial assets	-5,760	-15,033
Sales of financial assets	-	-
Repayment loan	7,664	-
Dividend and coupon income	6,761	-
Interest received	518	497
Interest paid	-	-
Tax paid	-106	-31
<b>Net cash flow from/used in operating activities</b>	<b>8,166</b>	<b>-15,259</b>
<b>INVESTMENT ACTIVITIES</b>		
Investments in office equipment	-	-
<b>Net cash flow from investment activities</b>	<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>		
Interest paid for borrowings	-547	-281
Redemption program transaction fees	-	-6
Buy back of own shares	-1,339	-
<b>Net cash flow used in financing activities</b>	<b>-1,886</b>	<b>-287</b>
<b>Change in cash and cash equivalents</b>	<b>6,280</b>	<b>-15,546</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>34,780</b>	<b>43,660</b>
Exchange gains/losses on cash and cash equivalents	925	71
<b>Cash and cash equivalents at end of period</b>	<b>41,985</b>	<b>28,185</b>



# Alternative Performance Measures – Group

As of July 3, 2016 new guidelines on APMs (Alternative Performance Measures) are issued by ESMA (the European Securities and Markets Authority). APMs are financial measures other than financial measures defined or specified by International Financial Reporting Standards (IFRS).

Vostok New Ventures regularly uses alternative performance measures to enhance comparability from period to period and to give deeper information and provide

meaningful supplemental information to analysts, investors and other parties.

It is important to know that not all companies calculate alternative performance measures identically, therefore these measurements have limitations and should not be used as a substitute for measures of performance in accordance with IFRS.

Below you find our presentation of the APMs and how we calculate these measures.

	1Q 2017	1Q 2016
Return on capital employed, % <sup>1</sup>	2.18	0.82
Equity ratio, % <sup>2</sup>	95.53	95.90
Shareholders' equity/share, USD <sup>3</sup>	8.67	6.91
Earnings/share, USD <sup>4</sup>	0.20	0.06
Diluted earnings/share, USD <sup>5</sup>	0.20	0.06
Net asset value/share, USD <sup>6</sup>	8.67	6.91
Weighted average number of shares for the financial period	84,719,460	73,499,555
Weighted average number of shares for the financial period (fully diluted)	84,737,381	73,499,555
Number of shares at balance sheet date <sup>7</sup>	85,514,209	73,499,555

1. Return on capital employed is defined as the Group's result for the period plus interest expenses plus/less exchange differences on financial loans divided by the average capital employed (the average total assets less non-interest bearing liabilities over the period). Return on capital employed is not annualised.
2. Equity ratio is defined as shareholders' equity in relation to total assets.
3. Shareholders' equity/share is defined as shareholders' equity divided by total number of shares.
4. Earnings/share is defined as result for the period divided by average weighted number of shares for the period.
5. Diluted earnings/share is defined as result for the period divided by average weighted number of shares for the period calculated on a fully diluted basis.
6. Net asset value/share is defined as shareholders' equity divided by total number of shares.
7. Number of shares at balance sheet date as per March 31, 2017, excludes 174,100 repurchased SDRs.

# Income statement – Parent

(Expressed in USD thousands)	Jan 1, 2017– Mar 31, 2017	Jan 1, 2016– Mar 31, 2016
Result from financial assets at fair value through profit or loss	47	63
Operating expenses	-1,102	-789
<b>Operating result</b>	<b>-1,055</b>	<b>-725</b>
<i>Financial income and expenses</i>		
Interest income	3,409	2,350
Interest expense	-608	-284
Currency exchange gains/losses, net	817	1,234
<b>Net financial items</b>	<b>3,618</b>	<b>3,301</b>
<b>Net result for the financial period</b>	<b>2,563</b>	<b>2,575</b>

## Statement of comprehensive income

(Expressed in USD thousands)	Jan 1, 2017– Mar 31, 2017	Jan 1, 2016– Mar 31, 2016
<b>Net result for the financial period</b>	<b>2,563</b>	<b>2,575</b>
<i>Other comprehensive income for the period</i>		
<i>Items that may be classified subsequently to profit or loss:</i>		
Currency translation differences	-	-
<b>Total other comprehensive income for the period</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>2,563</b>	<b>2,575</b>

# Balance sheet – Parent

(Expressed in USD thousands)

Mar 31, 2017

Dec 31, 2016

## NON-CURRENT ASSETS

### *Financial non-current assets*

Shares in subsidiaries	84,389	84,389
Financial assets at fair value through profit or loss	931	1,147
Loan receivables	24,840	24,074
Receivables from Group companies	186,269	165,237
<b>Total financial non-current assets</b>	<b>296,429</b>	<b>274,847</b>

## CURRENT ASSETS

Cash and cash equivalents	15,148	27,639
Loan receivables	–	7,699
Other current receivables	–	45
<b>Total current assets</b>	<b>15,148</b>	<b>35,383</b>

## TOTAL ASSETS

**311,577**      **310,230**

## SHAREHOLDERS' EQUITY (including net result for the financial period)

**278,180**      **276,783**

## NON-CURRENT LIABILITIES

Long-term debts	33,055	32,400
<b>Total non-current liabilities</b>	<b>33,055</b>	<b>32,400</b>

## CURRENT LIABILITIES

### *Non-interest bearing current liabilities*

Liabilities to group companies	–	704
Other current liabilities	86	114
Accrued expenses	256	229
<b>Total current liabilities</b>	<b>342</b>	<b>1,047</b>

## TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES

**311,577**      **310,230**

# Statement of Changes in Equity – Parent

(Expressed in USD thousands)	Share capital	Additional paid in capital	Retained earnings	Total
<b>Balance at January 1, 2016</b>	<b>23,520</b>	<b>42,996</b>	<b>122,006</b>	<b>188,523</b>
Net result for the period January 1, 2016 to March 31, 2016	-	-	2,575	2,575
<i>Other comprehensive income for the period</i>				
Currency translation differences	-	-	-	-
<b>Total comprehensive income for the period January 1, 2016 to March 31, 2016</b>	<b>-</b>	<b>-</b>	<b>2,575</b>	<b>2,575</b>
<i>Transactions with owners:</i>				
Redemption program	-	-	-6	-6
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-6</b>	<b>-6</b>
<b>Balance at March 31, 2016</b>	<b>23,520</b>	<b>42,996</b>	<b>124,576</b>	<b>191,092</b>
<b>Balance at January 1, 2017</b>	<b>27,420</b>	<b>125,791</b>	<b>123,571</b>	<b>276,783</b>
Net result for the period January 1, 2017 to March 31, 2017	-	-	2,563	2,563
<i>Other comprehensive income for the period</i>				
Currency translation differences	-	-	-	-
<b>Total comprehensive income for the period January 1, 2017 to March 31, 2017</b>	<b>-</b>	<b>-</b>	<b>2,563</b>	<b>2,563</b>
<i>Transactions with owners:</i>				
Value of employee services:				
- Share-based long-term incentive program	-	173	-	173
Buy-back of own shares (Note 8)	-56	-1,283	-	-1,339
<b>Total transactions with owners</b>	<b>-56</b>	<b>-1,110</b>	<b>-</b>	<b>-1,166</b>
<b>Balance at March 31, 2017</b>	<b>27,365</b>	<b>124,682</b>	<b>126,134</b>	<b>278,180</b>

## Note 1 Accounting principles

This consolidated interim report is prepared in accordance with IAS 34 Interim Financial Reporting. The same accounting principles and methods of calculations have been applied for the Group as for the preparations of the consolidated accounts for the Company 2016. The Company's 2016 annual report is available at the Company's website: <http://www.vostoknewventures.com/en/investor-relations/financial-reports/>

## Note 2 Related party transactions

During the period Vostok New Ventures has recognized the following related party transactions:

USD thousand	Operating expenses		Current liabilities	
	1Q 2017	1Q 2016	1Q 2017	1Q 2016
Key management and Board of Directors <sup>1</sup>	-437	-251	-85	-55

1. Compensation paid or payable includes salary to the management and remuneration to the Board members.

The Managing Director purchased Vostok New Ventures Ltd senior secured bond 2016/2019 during 2Q 2016 for USD 0.60 mln (SEK 5 mln) and he owns USD 0.48 mln (SEK 5 mln) per March 31, 2017.

The costs for the long-term incentive program (LTIP 2016) for the management amounted to USD 0.17 mln, excluding social taxes. See details of the LTIP 2016 in Note 7.

## Note 3 Fair value estimation

The numbers below are based on the same accounting and valuation policies as used in the Company's most recent Annual Report. For more information regarding financial instruments in level 2 and 3 see note 3 in the Company's Annual Report 2016. The fair value of financial instruments is measured by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the group's assets that are measured at fair value at March 31, 2017.

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	-	219,467	489,689	709,157
Total assets	-	219,467	489,689	709,157

The following table presents the group's assets that are measured at fair value at December 31, 2016.

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	-	233,592	457,990	691,582
Total assets	-	233,592	457,990	691,582

The following table presents the group's changes of financial assets in level 3.

	Level 3
Opening balance January 1, 2017	457,990
Transfers to level 3	22,200
Change in fair value and other	9,499
Closing balance March 31, 2017	489,689

During the first quarter of 2017 two transfers between level 2 and 3 have been done, Propertyfinder and Carable. The investments in BlaBlaCar, Gett, OneTwoTrip, Wallapop, Merro, Hemnet and the remaining Delivery Hero equity are classified as level 2 as the valuations are based on the price paid in each respective transaction.

Avito, Propertyfinder, Naseeb Networks, El Basharsoft and KEH AB are classified as level 3 investments, based on valuation models using EBITDA and revenue multiples of comparable listed peers. Vezeta is also classified as a level 3 investment, based on a currency adjusted transaction-based valuation.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Investments in assets that are not traded on any market will be held at fair value determined by recent transactions made at prevailing market conditions or different valuation models depending on the characteristics of the company as well as the nature and risks of the investment. These different techniques may include discounted cash flow valuation (DCF), exit-multiple valuation also referred to as Leveraged Buyout (LBO) valuation, asset-based valuation as well as forward-looking multiples valuation based on comparable traded companies. Usually, transaction-based valuations are kept unchanged for a period of 12 months unless there is cause for a significant change in valuation. After 12 months, the Group usually derives fair value for non-traded assets through any of the models described above.

The validity of valuations based on a transaction is inevitably eroded over time, since the price at which the investment was made reflects the conditions that existed on the transaction date. At each reporting date, possible changes or events subsequent to the relevant transaction are assessed and if this assessment implies a change in the investment's fair value, the valuation is adjusted accordingly. No significant events in the portfolio companies, which have had an impact on the valuations, has occurred since the latest transactions except as described below. The transaction-based valuations are also frequently assessed using multiples of comparable traded companies for each unlisted investment or other valuation models.

Vostok New Ventures follows a structured process in assessing the valuation of its unlisted investments. Vostok New Ventures evaluate company specific and external data relating to each specific investment on a monthly basis. The data is then assessed at monthly and quarterly valuation meetings by senior management. If internal or external factors are deemed to be significant further assessment is undertaken and the specific is revalued to the best fair value estimate. Revaluations are approved by the Managing Director.

## Avito

The Group's investment in Avito is valued as a level 3 investment as per March 31, 2017.

As per March 31, 2017, Vostok New Ventures has valued Avito on the basis of a EV/EBITDA multiples valuation model. The latest transaction in the company was announced on October 23, 2015. Naspers Ltd, one of Avito's shareholders, acquired secondary shares from other existing shareholders to increase its stake from 17.4% to 67.9% of the outstanding shares in Avito at an equity valuation of USD 2.7 bln, which included cash in the company of approximately USD 240 mln. The transaction closed in November 2015. Vostok New Ventures has deemed the latest transaction in the company not to be the best fair value estimate of Avito as per March 31, 2017. Avito has performed very well with revenue growth of approximately 75% y-o-y during 2016. Considering the time passed since the last transaction and the company's continued progress in mind, a future looking EV/EBITDA peer multiples model has been deemed to generate the best fair value estimate as per March 31, 2017. The model values Vostok's stake in Avito to USD 459.7 mln, or USD 3.45 bln for the 100% of the company.

This is 2.3% higher compared with the model-based valuation as per December 31, 2016.

The peer group includes 10 listed online classifieds peers including REA Group, RightMove, Autotrader, Scout24 and 58.com. The average multiple of the peer group is 14.1x and the median multiple is 13.7x.

Below tables show the sensitivity in the model generated valuation in relation to USD/RUB and the peer multiple used as per March 31, 2017.

	Sensitivity EBITDA multiple				
	-20%	-10%	+10%	+20%	
Valuation of Vostok New Ventures' Avito investment, USD million	368	414	460	506	552

  

	Sensitivity USD/RUB				
	-20%	-10%	+10%	+20%	
Valuation of Vostok New Ventures' Avito investment, USD million	384	419	460	510	572

#### BlaBlaCar

As per March 31, 2017, the BlaBlaCar investment is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company completed during the fourth quarter of 2016. Vostok New Ventures acquired an additional EUR 32 mln worth of shares in BlaBlaCar and owns approximately 8.0% of BlaBlaCar on a fully diluted basis following the transaction.

#### Gett

As per March 31, 2017, the Gett investment is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company. In the second quarter of 2016, a new investor, Volkswagen group, invested USD 300 mln in Gett. As per March 31, 2017, Vostok New Ventures' holding is valued at USD 50.4 mln, up approx. 92% from Vostok New Ventures' entry level.

#### Propertyfinder

As per March 31, 2017, the Propertyfinder investment is classified as a level 3 investment as it is valued at USD 20 mln on the basis of EV/Sales-multiple valuation model. The model-based valuation is essentially the same as the previous transaction-based valuation.

#### Wallapop

As per March 31, 2017, Wallapop is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company which closed in the second quarter of 2016 and the latest transaction in the Wallapop-owned Letgo US which closed in the end of 2016. Vostok New Ventures did not participate in either transaction and its indirect stake in the company is valued at USD 18.5 mln.

#### OneTwoTrip

As per March 31, 2017, OneTwoTrip is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company priced at market terms which closed in August 2016. Vostok New Ventures invested an additional USD 5.8 mln into the Company in December 2016 and owns as per December 31, 2016 14.6% of the company on a fully diluted basis.

#### Merro

As per March 31, 2017, Merro is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company, which closed in the second quarter of 2016. Vostok New Ventures invested an additional USD 1.3 mln into the company and the stake is valued at USD 12.4 mln.

#### Hemnet (through YSaphis SA)

As per March 31, 2017, Hemnet is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company, which closed in early January 2017. In December 2016, Vostok New Ventures invested a total of SEK 93.3 mln (USD 10.3 mln) in the company through the co-investment vehicle YSaphis S.A.

#### Naseeb Networks

As per March 31, 2017, Naseeb Networks is classified as a level 3 investment as it is valued on the basis of a future looking EV/revenue peer multiples valuation model. The model values Vostok's stake in Naseeb Networks to USD 4.6 mln compared to USD 4.0 mln as per December 31, 2016.

The peer group includes 5 online classifieds/jobs portal peers including SEEK, Infoedge, and 51job. The average multiple of the peer group is 6.5x and the median multiple is 6.4x.

	Sensitivity in model-based Naseeb valuation as per March 31, 2017				
	-15%	-10%	+10%	+15%	
Valuation of Vostok New Ventures' Naseeb investment, USD thousand	3,887	4,115	4,573	5,030	5,259

#### KEH AB (Yell.ru and EatOut.ru)

Following the latest transaction in the company which closed in the first quarter of 2015, Vostok New Ventures owns 33.9% of KEH AB fully diluted. As per March 31, 2017, KEH AB is classified as a level 3 investment with Yell.ru valued on the basis of a revenue multiples model and EatOut.ru valued on the basis of an ongoing transaction in EatOut. This model-approach is deemed the best fair value estimate of Yell.ru as per March 31, 2017. The model generates a valuation approximately 8% lower than the valuation used at year-end 2016.

The peer group for Yell.ru includes 6 listed peers including Yelp.com, TripAdvisor, Mail Ru Group and Yandex. The average multiple of the peer group is 3.1x and the median multiple is 3.7x.

	Sensitivity in transaction-based KEH valuation as per March 31, 2017				
	-20%	-10%	+10%	+20%	
Valuation of Vostok New Ventures' KEH AB investment, USD thousand	2,685	2,843	3,159	3,475	4,632

#### El Basharsoft

As per March 31, 2017, el Basharsoft (Wuzzuf and Forasna) is classified as a level 3 investment as it is valued on the basis of a forward looking EV/revenue peer multiples valuation model. The model values Vostok New Ventures' stake in el Basharsoft to USD 1.3 mln compared to the latest transaction in the company which closed in the end of July 2015 with a valuation of USD 1 mln for Vostok New Ventures' stake. Vostok New Ventures owns 14.8% of el Basharsoft on a fully diluted basis as per March 31, 2017.

The peer group includes 5 listed online classifieds/jobs portal peers including SEEK, Infoedge, and 51job. The average multiple of the peer group is 6.5x and the median multiple is 6.4x.

	Sensitivity in model-based el Basharsoft valuation as per March 31, 2017				
	-15%	-10%	+10%	+15%	
Valuation of Vostok New Ventures' el Basharsoft investment, USD thousand	1,121	1,187	1,319	1,450	1,516

#### Vezeeta

As per March 31, 2017, Vezeeta (DrBridge) is classified as a level 3 investment as it is valued on the basis of the latest transaction in the company adjusted for a significant currency devaluation of the EGP during the fourth quarter of 2016. Vostok New Ventures values its original USD 1.5 mln investment to USD 895k as per March 31, 2017, following this recent currency devaluation. After the end of the period, in April 2017, Vostok New Ventures invested an additional USD 0.33 mln in Vezeeta.

#### Carable (Garantibil)

As per March 31, 2017, Carable (Garantibil) is classified as a level 3 investment and valued to 0. The company filed for reconstruction in early April and is currently trying to raise further capital to continue to run parts of the business.

### Delivery Hero (equity component)

As per March 31, 2017, the equity component is valued at fair value through profit or loss on the basis of the latest material equity transaction in Delivery Hero in the third quarter of 2015 and smaller transactions during 2016 at the same price. The valuation amounts to USD 3.4 mln.

### Loan receivables

The fair value estimation of loan receivables relating to Delivery Hero and Kite Ventures (Kite was fully repaid during the first quarter of 2017) is outlined in the table below.

Fair value estimation of loan receivables	Mar 31, 2017	Dec 31, 2016
Short-term	–	7,699
Long-term	24,840	24,074
Total loan receivables	24,840	31,773

### Change in financial assets at fair value through profit or loss

Company	Opening balance Jan 1, 2017, USD	Investments/ (disposals), net, USD	FV change, USD	Closing balance Mar 31, 2017, USD	Percentage weight of total portfolio
Avito AB	449,281,016	203	10,397,762	459,678,981	59.2%
BlaBlaCar	107,738,524	–	1,741,684	109,480,208	14.1%
Gett	50,358,980	–	–	50,358,980	6.5%
Propertyfinder	19,999,199	–	1,821	20,001,020	2.6%
Wallapop	11,520,768	–	6,956,688	18,477,456	2.4%
OneTwoTrip	14,958,960	–	–	14,958,960	1.9%
Merro	12,384,907	–	–	12,384,907	1.6%
Hemnet (YSaphis SA)	10,252,714	–	187,876	10,440,590	1.3%
Naseeb Networks (Rozee and Mihnati)	4,034,693	–	537,976	4,572,669	0.6%
KEH AB (Yell.ru and EatOut.ru)	3,515,204	–	-289,192	3,226,012	0.4%
El Basharsoft (Wuzzuf and Forasna)	1,158,956	–	159,499	1,318,455	0.2%
Vezeeta (DrBridge)	894,724	–	-2,523	892,201	0.1%
Carable (Garantibil AB)	2,198,526	–	-2,198,526	–	–
Delivery Hero Holding GmbH, equity component	3,284,645	38	81,513	3,366,196	0.4%
Total	691,581,816	341	17,574,478	709,156,635	

### Note 4 Events after the reporting period

After the end of the period, 6,000 SDRs have been repurchased.

On April 25, 2017, Vostok New Ventures announced an investment in babylon, a leading AI-empowered digital healthcare service provider. The Company has invested a total of GBP 17.3 mln (USD 22.2 mln) in primary shares in the context of a larger USD 60 mln financing round.

In April 2017, Vostok New Ventures invested USD 1.5 mln in CarZar, a South African car vertical.

Also in April 2017, Vostok New Ventures invested an additional USD 0.33 mln into Vezeeta.

As per March 31, 2017, the loan receivables are valued at amortized cost using an NPV-model. Carrying value corresponds to fair value of loans receivables. There is no formal credit rating for the borrowers of the loans but Vostok New Ventures considers it is probable that all amounts due will be collected. Delivery Hero raised approximately USD 400 million during 2015 and additional capital during 2016 to finance the further growth of the business. Delivery Hero pays cash interest payments on a monthly basis. Therefore, Vostok New Ventures does not see any grounds for impairment.

The Kite loan was fully repaid in January 2017.

### Current liabilities

The book value for interest-bearing loans, accounts payable and other financial liabilities are deemed to correspond to the fair values.

### Note 5 Contingent liabilities

The Swedish Tax Agency (STA) has audited Vostok New Ventures AB's VAT returns for the period January 2013–December 2014 during 2015. According to the STA's decision, Vostok New Ventures AB's is obliged to pay an additional amount of output VAT of SEK 13,767,907 together with tax penalties of SEK 2,753,579 (in total about USD 2 mln) on the services supplied to Vostok New Ventures Ltd. Vostok New Ventures AB has appealed the STA's decision to the administrative court and applied for a deferment of payment, which was approved. Vostok New Ventures AB currently sees no grounds for making provisions for potential additional taxes ensuing from this matter, which is also supported by our legal advisors. However, this is considered to be a contingent liability.

### Note 6 Long-term debts

On June 2, the Company announced that it had successfully placed three-year senior secured bonds in the amount of SEK 300 million. The bonds, maturing in June 2019, bear a fixed coupon of 6.50% with quarterly interest payments.

The bonds are listed for trading on Nasdaq Stockholm. The first day of trading was July 8, 2016. In view of the listing, the Company has prepared a prospectus that has been approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen). The prospectus is available on the Company's website [www.vostoknewventures.com](http://www.vostoknewventures.com) and on the Swedish Financial Supervisory Authority's website [www.fi.se](http://www.fi.se).

The value of the bond debt as per March 31, 2017 was USD 33.1 million (December 31, 2016: 32.4). The book values for long-term debts are deemed to correspond to the fair values.

### Note 7 LTIP 2016

At the 2016 annual general meeting held on May 17, 2016, it was resolved to implement a share-based long-term incentive program for management and key personnel in the Vostok New Ventures group. The program runs from January 1, 2016 through March 31, 2019, and encompasses a maximum of 430,000 shares, corresponding to a dilution of 0.59% of the total number of shares outstanding. Program participants purchase shares in the company, and for each purchased share is entitled to receive a number of additional shares, so-called performance shares, free of charge, subject to fulfilment of a performance condition set by the Board of Directors on the basis of the Company's NAV. Pursuant to IFRS 2, the costs for the program will be reported over the profit and loss statement during the vesting period August 31, 2016 through December 31, 2018. During the first quarter of 2017, the reported costs for the program amounted to USD 0.17 million.

### Note 8 Depository receipt buy-back

Vostok New Ventures Ltd has repurchased 174,100 Swedish Depository Receipts (SDRs) during first quarter 2017. This represents 0.2% of the total number of outstanding SDRs of Vostok New Ventures, before the buy-backs. After the end of the period, 6,000 SDRs have been repurchased. The company currently holds 180,100 repurchased SDRs.

### Background

Vostok New Ventures Ltd was incorporated in Bermuda on April 5, 2007 with corporate identity number 39861. The Swedish Depository Receipts of Vostok New Ventures (SDB) are listed on Nasdaq Stockholm, Mid Cap segment, with the ticker VNV SDB.

As of March 31, 2017, the Vostok New Ventures Ltd Group consists of the Bermudian parent company Vostok New Ventures Ltd; one wholly-owned Cypriot subsidiary, Vostok New Ventures (Cyprus) Limited; one controlled Dutch cooperative, Vostok Co-Investment Coöperatief B.A.; and one wholly-owned Swedish subsidiary, Vostok New Ventures AB.

The financial year is January 1–December 31.

### Parent company

The parent company finances the Cypriot subsidiary's operations on market terms. The net result for the period was USD 2.56 mln (2016: 2.58).

### Financial and Operating risks

The Company's risks and risk management are described in detail in note 3 of the Company's Annual Report 2016.

### Upcoming Reporting Dates

Vostok New Ventures' six months report for the period January 1, 2017–June 30, 2017 will be published on August 16, 2017.

May 15, 2017

Per Brilioth  
Managing Director

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[www.vostoknewventures.com](http://www.vostoknewventures.com)

*This report has not been subject to review by the Company's auditors.*