

# Vostok New Ventures Ltd.

## Twelve Months Report

Covering the Period January 1, 2015–December 31, 2015

- Net result for the period was USD 145.18 million (mln) (January 1, 2014–December 31, 2014: -127.45). Earnings per share were USD 1.97 (-1.62).
- Net result for the quarter was USD -5.3 mln (1.07). Earnings per share for the quarter were USD -0.07 (0.01).
- The net asset value of the Company was USD 503.44 mln on December 31, 2015 (December 31, 2014: 388.47), corresponding to USD 6.85 per share (December 31, 2014: 5.24). Given a SEK/USD exchange rate of 8.3524 the values were SEK 4,204.90 mln (December 31, 2014: 3,034.62) and SEK 57.21 (December 31, 2014: 40.95), respectively.
- The group's net asset value per share in USD increased by 30.65% over the period January 1, 2015–December 31, 2015. During the same period the RTS index decreased by 4.26% in USD terms.
- During the quarter October 1, 2015–December 31, 2015 the group's net asset value per share in USD decreased by 1.04% (RTS index -4.14%).
- During the fourth quarter, the Company obtained a USD 25 mln secured credit facility from Pareto Bank ASA, Pareto Securities AB and Pareto Securities AS, and utilized a USD 20 mln credit facility request.
- During the fourth quarter, the Company made an EUR 3.5 mln (USD 4 mln) investment in Wallapop.
- In October, the Company announced a material secondary transaction in its largest portfolio holding, Avito AB ("Avito"). Naspers Limited acquired secondary shares from other existing shareholders, thereby increasing its stake from 17.4% to 67.9% of the outstanding shares in Avito at an equity valuation of USD 2.7 bln. Vostok New Ventures has valued Avito on the basis of the price in this transaction (adjusted for a dividend received in December 2015) as per December 31, 2015.
- In December 2015, the Company received USD 30.6 mln in dividend from Avito.
- The number of outstanding shares at the end of the period was 73,499,555.
- On January 11, 2016, the Company announced that it had agreed to invest USD 20 mln into Propertyfinder, the leading property vertical in the MENA region. Vostok New Ventures is the sole investor in this primary funding round and will own 10% of the shares in Propertyfinder following the closing of the transaction. As per December 31, 2015, USD 5 mln has been paid out to the company and the remaining payment of USD 15 mln will be disbursed during 1Q16.

## Management report

Dear shareholders,

Markets are all about macro volatility for now. Uncertainty about growth in China, the risks of further devaluation of its currency, contagion of this in the rest of Asia and the potential contagion of this in the rest of the world. The impact of all of this on the oil price has been clear and there is a worry that this has led states in the Middle East to sell global assets to finance budget deficits. The effect on global risk appetite and growth overall. Lots of things to worry about.

A high beta place like Russia is off the radar screens for many in volatile times like these. For the past twenty years, that has been the right time to buy. I know everyone says it is different now and it never does look exactly the same. However, regardless of the landscape when sentiment is this bad, whatever the reason, it has usually been the right time to enter. Always darkest before dawn... In tough times Russia usually launches reforms because they have to. Russians are good at tightening their belts and getting on with it. I also see many data points of Kudrin about to re-enter the political space which would be a very very good sign that reforms are about to get initiated.

Also in Russia, internet is the space with brightness. Even though the overall macro is taking its toll on consumption and advertising, the switch from offline to online is strong enough to result in growth in the online segment. Morgan Stanley expects overall online advertising to reach some 41% by 2018. And of course the cycle in advertising will turn upwards again. Like it has always done.

### Avito

Avito is continuing its path of growth. It paid out a healthy dividend during Q4 to the shareholders post sale to Naspers. I think this is great proof that the company is experiencing a tremendous growth whilst at the same time being seriously cash flow positive.

Monetization is proceeding with full force. Listing fees for professionals have been disseminated throughout the real estate vertical with great success. The other verticals are following just behind. Also listing fees range between USD 1-3 so massive amounts of pricing upside for the future.

Also whilst not immediately a significant contributor to monetization, a chat function has been launched for users, something typically only available on the new mobile-only classified players (like Wallapop) and thus a datapoint that Avito is up there amongst the most technologically advanced players on a global scale.

The company has been putting marketing behind Domofond, which together with Avito Real Estate dwarfs all competition on a nationwide scale. Applying the experience from all other more mature markets in terms of online real estate verticals, Domofond alone could in the future be worth the entire market cap of Avito as implied by the market at the time of writing this... i.e. if you are with me on this you get the whole of Avito ex the real estate vertical for free...

### Propertyfinder

We took a 10% stake in Propertyfinder for USD 20 mln. Based in Dubai, the company is the Rightmove of the Middle East. This is a familiar company as we already had some indirect exposure to it through our holding in Merro. Basically this is by 10x the largest real estate vertical in the Middle East. It is rare to see such dominance in a relatively mature market like UAE. And importantly such dominance effectively means that it is over for the competition. The world has yet to see a market leader succumb to a number two or three and especially in a company which is so on its toes in terms of tech.

The founder Michal Lahyani has teamed up with Swede Pierre Siri (the founder of Blocket and whose platform pretty much every online classified company in the world is built upon) which has enabled Propertyfinder to deliver a world class product for its users.

### BlaBlaCar

BlaBlaCar continues to throw off very impressive growth, especially in emerging markets. After one year in India a total of one million rides have been offered resulting in a total of 55 million km travelled between 700 cities. The company launched its services in Brazil in November 2015 and if guidance from India, Russia, Turkey, Poland is any guide it is set for some serious growth in this country as well.

All in all, BlaBlaCar demonstrates 25 mln members in a total of 22 countries. It has a total of 10 million travellers per quarter. At any given time, a total of 2 million trips are available. 3 billion miles have been shared to date at using the BlaBlaCar platform. Downloads currently stand at 15 mln.

I am looking forward to 2016 despite all the macro worries. Or maybe because of the opportunities they result in...

February 2016,

Per Brilioth

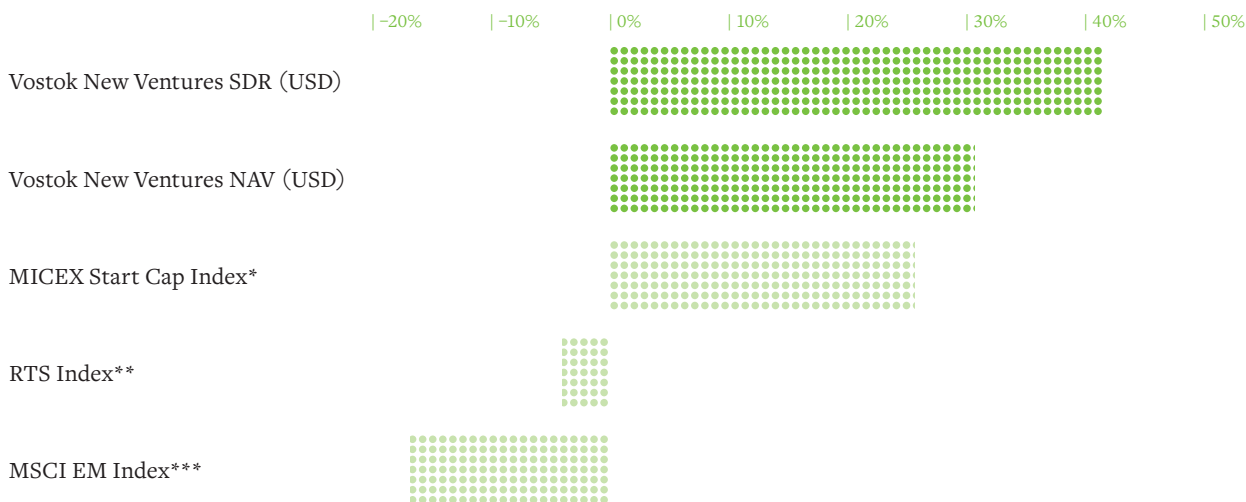
**Portfolio development**

The group's net asset value per share in USD increased by 30.65% over the period January 1, 2015–December 31, 2015. During the same period the RTS index decreased

by 4.26% in USD terms. During the quarter October 1, 2015–December 31, 2015 the group's net asset value per share in USD decreased by 1.04% (RTS index: -4.14%).

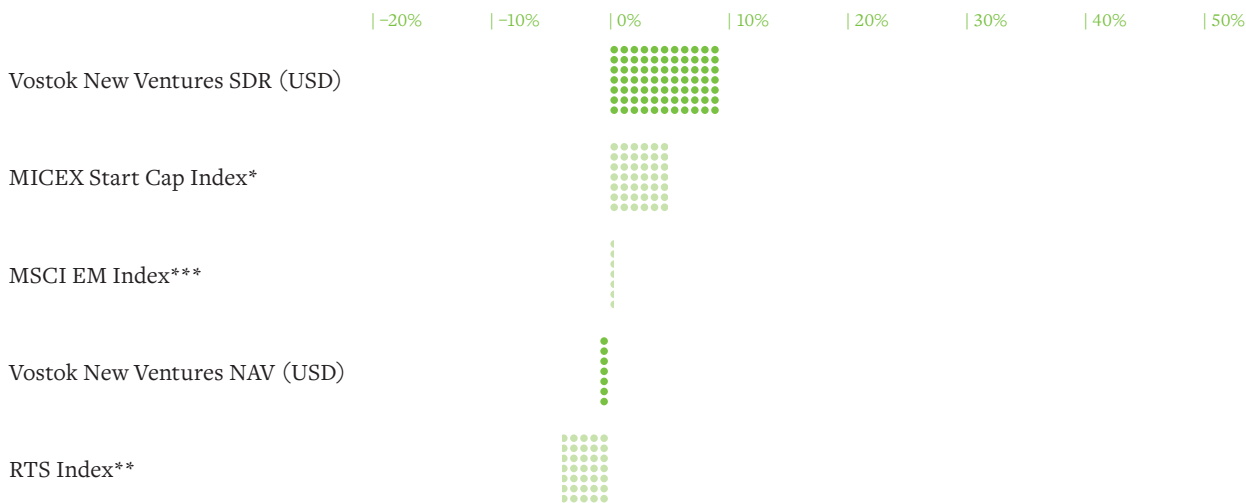
Percent development January 1–December 31, 2015

(last price paid on relevant stock exchange)



Percent development October 1–December 31, 2015

(last price paid on relevant stock exchange)



\* The MICEX Start Cap Index is a real-time cap-weighted index of 50 stocks of Russian small cap companies.

\*\* The RTS Index (Russian Trading System Index) is a capitalization-weighted index. The index is comprised of stocks traded on the Russian Trading System and uses free-float adjusted shares.

\*\*\*The MSCI Emerging Markets Index is a free float weighted equity index that consists of indices in 26 emerging economies.

## Portfolio structure – Net Asset Value

The investment portfolio stated at market value as at December 31, 2015 is shown below.

Company	Fair value, USD Dec 31, 2015	Percentage weight	Fair value, USD Dec 31, 2014	Valuation change per share, USD Year to date, 2015
Avito AB <sup>2</sup>	338,481,743	64.5%	232,054,598	59.2%* <sup>1</sup>
Gett <sup>2</sup>	34,516,317	6.6%	25,638,889	34.6% <sup>1</sup>
Comuto (BlaBlaCar) <sup>2</sup>	33,181,762	6.3%	–	– <sup>1</sup>
Propertyfinder <sup>2,3</sup>	19,999,199	3.8%	–	– <sup>1</sup>
Wallapop <sup>2</sup>	10,302,197	2.0%	–	134.1% <sup>1</sup>
Merro <sup>2</sup>	7,513,333	1.4%	–	– <sup>1</sup>
Yell.ru <sup>2</sup>	5,662,418	1.1%	8,000,000	–29.2% <sup>1</sup>
Naseeb Networks (Rozee.pk and Mihnati.com) <sup>2</sup>	4,500,000	0.9%	–	– <sup>1</sup>
OneTwoTrip <sup>2</sup>	4,000,000	0.8%	–	– <sup>1</sup>
IZH Holding (Zameen.com and Bayut.com) <sup>2</sup>	2,000,000	0.4%	–	– <sup>1</sup>
El Basharsoft (Wuzzuf and Forasna) <sup>2</sup>	968,000	0.2%	–	– <sup>1</sup>
Delivery Hero Holding GmbH, equity component <sup>2</sup>	2,412,857	0.5%	7,331,704	– <sup>1</sup>
Delivery Hero Holding GmbH, debt	23,449,753	4.5%	27,808,753	–
Kite Ventures, debt	9,071,642	1.7%	10,103,806	–
Cash	43,660,119	5.4%	42,978,630	–
Pareto credit facility draw down	–20,224,498			
Other net liabilities <sup>3</sup>	–16,059,377			
<b>Total NAV</b>	<b>503,435,465</b>	<b>100.0%</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. Including USD 15 mln (second tranche) in Propertyfinder.

\* Not including dividend proceeds from Avito during December 2015.

### Avito AB

Avito is the largest and most liquid online classifieds platform in Russia, and the company has continued to show strong growth during 2015. The company has established itself as the leading player in terms of visitors and number of ads and continues to outpace its competitors. Avito has established a firm market-leading position, which is a key factor in terms of high profitability potential judging by the experience of peers in other countries. Avito is the leading brand and has the highest brand awareness in Moscow, St. Petersburg and throughout the regions. Compared to western countries, Russia still lags behind in terms of low proportion of internet users in relation to the total population. By the end of 2016 the number of internet users in Russia is expected to reach around 100 million, compared to approximately 84 million in 2014 according to most forecasts. The market for internet-related services is expected to grow significantly 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 69 mln (67 mln in 4Q14) unique visitors during the last 31 days prior to this report measured by unique cookies.

Avito launched Domofond.ru in a joint venture with Korbitec in March, 2014. Domofond.ru is a designated property vertical, which will service real estate agencies and developers in the growing Russian real estate market. Domofond aims to be the leading property vertical in Russia and will help Avito create a stronger brand and improve monetization in the real estate segment. Domofond is still in a development phase and does not generate any revenues. During 2015, Avito has also invested material amounts in Domofond for marketing purposes and the vertical has launched TV-campaigns in Moscow, St. Petersburg and the 15 most populated cities in Russia.

Since launch, Domofond has had strong, although from a low base, monthly growth in visitors and the company recently started running advertisement on Russian TV-channels. The Russian real estate market is underdeveloped and holds great promise for the future. Some of the most profitable and highest valued international classifieds sites are real estate portals, including the likes of Rightmove, Zillow, REA Group and SeLoger.

On October 23, 2015 Vostok New Ventures announced a material secondary transaction in Avito. Naspers Limited, one of Avito's shareholders, acquired secondary shares from other existing shareholders and increased its stake from 17.4% to 67.9% of the outstanding shares in Avito at an equity valuation of USD 2.7 bln, which

includes cash in the company of approximately USD 240 mln. The transaction was finalized in November 2015.

Vostok New Ventures did not participate in the transaction and thus remains a minority shareholder in Avito with 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 late December 2015, Vostok New Ventures received a USD 30.6 mln dividend from Avito.

As per December 31, 2015 Vostok New Ventures values Avito on the basis of the price in this transaction adjusted for the dividend distribution and considers this to be the best fair value estimate of Avito.

### Key performance indicators third quarter 2015<sup>1</sup>

- Revenues of RUB 1,750 mln (USD 26.4 mln<sup>2</sup>), up 56% compared with the third quarter 2014 (RUB 1,122 mln).
- Adjusted EBITDA margin of 58.5% or RUB 1,024 mln (USD 15.5 mln<sup>2</sup>), compared with the third quarter 2014 (Adjusted EBITDA margin of 64.8% or RUB 727 mln).
- Page views amounted to 25 bln (mobile views: 47%) compared with 18 bln (mobile views: 33%) for the same period previous year.
- Total monthly audience including mobile in September 2015 amounted to 34 mln.<sup>3</sup> Desktop monthly audience in September 2015 was 24.9 mln compared with 26.7 mln for the same period previous year.

### Key performance indicators first nine months 2015<sup>1</sup>

- Revenues of RUB 4,529 mln (USD 68.4 mln), up 49% compared with the same period 2014 (RUB 3,043 mln).
- Adjusted EBITDA margin of 52.5% or RUB 2,378 mln (USD 35.9 mln), compared with the same period 2014 (Adjusted EBITDA margin of 55.5% or RUB 1,689 mln).
- Cash and cash equivalents as per the end of September 2015 in excess of USD 183 mln.
- Page views amounted to 75 bln (mobile views: 42%) compared with 52 bln (mobile views: 30%) for the same period previous year.

1. Unaudited figures from Avito.

2. Translated with official FX rate of 55.5240 as of September 30, 2015 quoted by the Central Bank of the Russian Federation.

3. Monthly audience is measured by a regular survey performed by TNS Russia (desktop only). Details can be found at <http://en.tns-global.ru/services/media/media-audience/internet/description/>.

Avito's trading statement for the fourth quarter 2015 is expected to be released in the end of March 2016.

Company website: [avito.ru](http://avito.ru)

**Avito AB**

Vostok New Ventures' number of shares as at December 31, 2015	6,166,470
Total Value (USD)	338,481,743
Share of total portfolio	64.5%
Share of total shares outstanding	13.3%
Value development Jan 1-Dec 31, 2015 (in USD) <sup>1</sup>	59.2%

1. Not including dividend proceeds from Avito during December 2015.

**Gett**

Gett is a simple and instant way to order taxis with one click of a button from a smartphone.

The Gett system automatically finds the taxi closest to the user's location, thus reducing the waiting time to less than 10 minutes. Gett users have access to driver and vehicle information and real-time views of taxis they order. Users can rank drivers, view their previous ride details, and even earn miles points toward free rides and other bonuses. Gett is currently active in four countries and across 30 cities, most notably Moscow, St. Petersburg, Tel Aviv, London and New York. Nearly half of the Fortune 500 companies use Gett today and in total Gett has over 2,000 corporate clients. 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.

Gett provides its services to enterprises and individuals through mobile and web applications and aims to become a global leader in the space. It is currently larger than all its direct competitors in Israel and Russia. Other shareholders include Access Industries, Inventure Partners and MCI.

In contrast to its most well-known competitor, Uber, it offers not only a business-to-consumer product but also a business-to-business product. Although currently smaller in terms of revenues at Gett today, the corporate market offers higher profitability and also immense growth opportunities, as competition is lower. Also in contrast to Uber, Gett deals solely with regulated taxis, making it less confrontational with incumbent solutions.

In September 2014, Gett launched its "USD 10 Anywhere" campaign in Manhattan. The campaign generated impressive demand growth in New York and after some initial struggle to match the strong demand with supply, Gett managed to generate a good balance between driver supply and demand in late 2014. New York is currently Gett's fastest growing market. In February 2015, Gett launched its service in six new cities in the UK - Edinburgh, Manchester, Liverpool, Birmingham, Glasgow and Leeds.

In early 2015, Gett announced its intention to work with the TripThru global hub, a neutral integration hub for on-demand ground transportation apps, set to go live later this year. The TripThru hub is a market neutral cloud platform for on-demand ground transportation apps that facilitates cooperation between networks in a way that is flexible, efficient and customizable. The TripThru hub will give Gett seamless access to on-demand ground transportation providers worldwide. Networks in the hub will have the ability to refer ride requests between themselves, on an on-demand basis, in order to give their apps broader global coverage.

During the summer and fall of 2015, Gett has started launching a few different on-demand delivery services. These new offerings are still in a developing stage but growing fast.

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

**Gett**

Vostok New Ventures' number of shares as at December 31, 2015	18,927,570
Total Value (USD)	34,516,317
Share of total portfolio	6.6%
Share of total shares outstanding	6.0%

**BlaBlaCar**

BlaBlaCar connects people looking to travel long distances with drivers already going the same way, so 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 20 million members in 19 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 now 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.

During the last quarter of 2015, BlaBlaCar has increased its efforts in emerging markets including Russia and India and also launched the service in a number of South American markets including Brazil.

In September 2015, Vostok New Ventures invested EUR 30 mln into BlaBlaCar in connection with a larger funding round of USD 200 mln, which was led by Insight Ventures and Lead Edge Capital. The investment comprised of both primary and secondary shares. Vostok New Ventures owns approximately 2.3% of BlaBlaCar on a fully diluted basis following the transaction. As per December 31, 2015, BlaBlaCar is valued as per the valuation in this latest transaction in the company.

**Comuto (BlaBlaCar)**

Total Value (USD)	33,181,762
Share of total portfolio	6.3%
Share of total shares outstanding	2.3%

**Propertyfinder**

Propertyfinder Group was founded 10 years ago by Michael Lahyani and operates real estate classifieds platforms in 7 countries across the MENA region (Middle East/North Africa). Propertyfinder is headquartered in Dubai, employs more than 150 people and is profitable in its core markets as well as on a group level. For more information on Propertyfinder, please visit [www.propertyfinder.ae](http://www.propertyfinder.ae). Vostok New Ventures agreed to invest USD 20 mln for 10% in primary equity of the company in the fourth quarter 2015. In December 2015, the first USD 5 mln was disbursed to the company and the remaining USD 15 mln will be disbursed during the first quarter 2016. As per December 31, 2015 Propertyfinder is valued on the basis of this transaction and the remaining second tranche is booked as other liabilities on the balance sheet.

**Propertyfinder**

Total Value (USD)	19,999,199
Share of total portfolio	3.8%
Share of total shares outstanding <sup>1</sup>	10.0%

1. Post closing of the transaction expected 1Q16.

**Wallapop**

Wallapop is an online marketplace that enables users to buy and sell goods in categories such as fashion, decoration, motorcycles, electronics, and more. The platform 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 has recently launched in the US. During the fall of 2015, Wallapop is increasing its marketing efforts in the US, taking on competitors such as Craigslist and Ebay.

During the first quarter of 2015, Vostok New Ventures invested EUR 2.5 mln in Wallapop, a Barcelona based mobile-only classifieds operator. During the second quarter, Vostok New Ventures participated in a new funding round and invested an additional USD 2.4 mln in the company. In October 2015, Vostok New Ventures invested an additional EUR 3.5 mln into Wallapop and currently indirectly owns 4.7% of the company. Vostok New Ventures values the company on the basis of the latest transactions in Wallapop as per December 31, 2015.

**Wallapop**

Total Value (USD)	10,302,197
Share of total portfolio	2.0%
Share of total shares outstanding	4.7%

**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 old trusted 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 three investments, all 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 and Dubicar, an early stage car classifieds site in the UAE.

- *Opensooq represents the largest value in Merro's portfolio and in December, 2015 Opensooq generated more than one billion monthly page views which represents 300% growth year on year.*
- *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 KSA, Egypt and Morocco.*
- *Dubicars currently has about a million page views every week from which it generates about 8,000 leads.*

As per December 31, 2015, Merro is valued on basis of the transaction Vostok New Venture participated in which closed in July 2015.

**Merro**

Total Value (USD)	7,513,333
Share of total portfolio	1.4%
Share of total shares outstanding	22.7%

**Yell.ru**

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.

Yell monetizes through selling subscription packages to companies connected to Yell. Currently, the subscription price range from RUB 40k–250k for 12 months, depending on which features the connected companies get access to.

Vostok New Ventures announced the investment in Yell.ru in June 2014. Vostok New Ventures invested USD 8 mln in the context of a total raise of USD 11 mln that included participation from Yell’s current principal investor Investment AB Kinnevik. During the first quarter of 2015, Vostok New Ventures invested an additional USD 94,380 in connection with a smaller secondary transaction. Vostok New Ventures values the company on the basis of this recent transaction. Vostok New Ventures owns 33.9% of Yell.ru as per December 31, 2015.

In December 2015, Yell.ru had 5.1 mln unique visitors and 18 million page views according to liveinternet.ru. So far, Yell has received more than 1.5 million user-generated reviews. Roughly 30% of Yell’s traffic is currently coming from mobile channels.

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

As per December 31, 2015, Yell.ru is valued on basis of the smaller secondary transaction in the company during the first quarter 2015.

Company website: [yell.ru](http://yell.ru)

#### Yell.ru

Vostok New Ventures’ number of shares as at	
December 31, 2015	8,808,426
Total Value (USD)	5,662,418
Share of total portfolio	1.1%
Share of total shares outstanding	33.9%

#### Naseeb Networks (Rozee.pk and Mihnati.com)

Naseeb Networks operates leading employment marketplaces in Pakistan (Rozee.pk) and Saudi Arabia (Mihnati.com) 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.

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 over 500% 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 in May 2015. The total funding round amounted to USD 6.5 mln and included participation from Piton Capital. Per December 31, 2015, Vostok New Ventures values Naseeb on the basis of this transaction.

#### Naseeb Networks

Total Value (USD)	4,500,000
Share of total portfolio	0.9%
Share of total shares outstanding	23%

#### OneTwoTrip

OneTwoTrip 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 1 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 (tix + lodging combo), and
- (3) geographic expansion.

Vostok New Ventures invested USD 4 mln into OneTwoTrip during the third quarter. The transaction closed in late July and as per December 31, 2015 the company is valued based on price paid in the transaction.

#### OneTwoTrip

Total Value (USD)	4,000,000
Share of total portfolio	0.8%
Share of total shares outstanding	6.1%

#### IZH Holding (Zameen.com and Bayut.com)

IZH Holding owns and operates Pakistan’s leading property portal Zameen.com and Bayut.com, one of the leading property portals in UAE.

Zameen.com is focused on the professional seller segment of real estate (agencies and developers) where it sells different packages of listing features and advertising to the Sellers. Currently, over 90% of listings on Zameen.com are from professional sellers. Zameen.com offers different types of premium listings, highlighted listings, Email advertising to specific member segments and banners. Zameen.com also hosts property expos and have a property magazine it distributes.

Bayut.com is also focused on the professional seller segment of real estate (agencies and developers) where it sells different packages of listing features and adver-



tising to the Sellers. Bayut offers similar packages as Zameen.com in Pakistan but at a higher price point: premium listings, highlighted listings, Email advertising to specific member segments and banners. Bayut hosts property Expos several times a year.

In September 2015, the holding company in which Vostok New Ventures invested, changed its name to Zam Zama property group. Other investors in the holdco are Gilles Blanchard with a background at Seloger in France and Simon Baker with a background at Australian REA Group.

Vostok New Ventures closed an investment of USD 2 mln in Zameen in the end of June 2015. As per December 31, 2015, Vostok New Ventures values Zameen on the basis of this transaction.

#### IZH Holding

Total Value (USD)	2,000,000
Share of total portfolio	0.4%
Share of total shares outstanding	7.9%

#### El Basharsoft (Wuzzuf and Forasna)

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. He was previously backed by the company 500 Startups.

As per December 31, 2015, Vostok New Ventures values its investment into el Basharsoft as per the valuation in this latest transaction in the company.

#### El Basharsoft

Total Value (USD)	968,000
Share of total portfolio	0.2%
Share of total shares outstanding	14.2%

## Debt investments

### Delivery Hero

Delivery Hero (DHH) is a worldwide network of online food ordering sites with over 200,000 restaurants connected to its service. The company operates in 24 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 10 million meals every month. Delivery Hero has more than 1,500 employees around the world with 440 staff working from its Berlin headquarters.

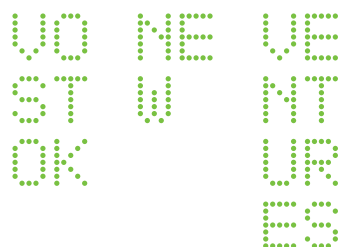
Vostok New Ventures invested into EUR 25 mln in senior secured debt of Delivery Hero in the summer of 2014. In August 2015, the loan was restructured which resulted in new terms including an additional equity component and amended nominal interest rate. The new nominal interest rate is 7.25-10.25% and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

As per December 31, 2015, the equity component of the Delivery Hero investment is valued at USD 2.4 mln on the basis of the most recent primary equity transaction in the company. The loan is valued at USD 23.4 mln based on amortized cost using an NPV-model.

### 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.

Vostok New Ventures owns EUR 8 mln in senior secured debt of Kite Ventures. The debt carries 13% annual nominal interest and has a 2-year maturity. In September 2015, Kite paid its interest obligation of EUR 1 mln for the first year of the loan. The Kite investment also features a smaller equity component, which on December 31, 2015 carried no value.



### Investments

During the fourth quarter 2015, gross investments in financial assets were USD 8.92 mln (2014: 21.35) and proceeds from sales were USD 2.5 mln (2014: 16.08). Investments concern investments in Wallapop and Propertyfinder.

During the twelve months period of 2015, gross investments in financial assets were USD 78.81 mln (2014: 145.33) and proceeds from sales were USD 61.64 mln (2014: 67.00) which concern exits of Quandoo, Delivery Hero and cash placements.

### 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 120.81 mln (2014: -124.54), mainly coming from the revaluation of Avito and Gett, and sale of shares in Quandoo and Delivery Hero during 2015. Dividend and coupon income was USD 31.54 mln (2014: 4.32), of which USD 30.57 mln Avito dividends.

Net operating expenses amounted to USD -5.20 mln (2014: -4.30), which includes variable compensation paid to the employees of the Company in the amount of USD 1.65 mln (including social fees USD 0.39 mln).

Net financial items were USD -1.91 mln (2014: -2.88).

Net result for the period was USD 145.18 mln (2014: -127.45).

Total shareholders' equity amounted to USD 503.44 mln on December 31, 2015 (December 31, 2014: 388.47).

### Group – results for the quarter

During the quarter, the result from financial assets at fair value through profit or loss amounted to USD -34.43 mln (2014: -0.60), mainly coming from the revaluation of Avito due to dividend distribution. Dividend and coupon income, net of withholding tax expenses, was USD 30.61 mln (2014: 3.31).

Net operating expenses amounted to USD -1.09 mln (2014: -1.22).

Net financial items were USD -0.29 mln (2014: -0.37).

Net result for the quarter was USD -5.27 mln (2014: 1.07).

### 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 43.66 mln on December 31, 2015 (December 31, 2014: 14.05).

## Income statements – Group

(Expressed in USD thousands)	Jan 1, 2015– Dec 31, 2015	Jan 1, 2014– Dec 31, 2014	Oct 1, 2015– Dec 31, 2015	Oct 1, 2014– Dec 31, 2014
Result from financial assets at fair value through profit or loss <sup>1</sup>	120,812	-124,540	-34,430	-596
Dividend and coupon income	31,544	4,316	30,608	3,307
<b>Total operating income</b>	<b>152,356</b>	<b>-120,225</b>	<b>-3,822</b>	<b>2,710</b>
Operating expenses	-5,196	-4,296	-1,093	-1,222
<b>Operating result</b>	<b>147,160</b>	<b>-124,521</b>	<b>-4,915</b>	<b>1,488</b>
<b>Financial income and expenses</b>				
Interest income	3,863	2,459	1,149	1,364
Interest expense	-2,346	-3	-524	-
Currency exchange gains/losses, net	-3,428	-5,332	-917	-1,736
<b>Net financial items</b>	<b>-1,911</b>	<b>-2,877</b>	<b>-292</b>	<b>-372</b>
<b>Result before tax</b>	<b>145,250</b>	<b>-127,398</b>	<b>-5,207</b>	<b>1,116</b>
Taxation	-68	-48	-68	-48
<b>Net result for the financial period</b>	<b>145,182</b>	<b>-127,446</b>	<b>-5,275</b>	<b>1,068</b>
Earnings per share (in USD)	1.97	-1.62	-0.07	0.01
Diluted earnings per share (in USD)	1.97	-1.62	-0.07	0.01

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, 2015– Dec 31, 2015	Jan 1, 2014– Dec 31, 2014	Oct 1, 2015– Dec 31, 2015	Oct 1, 2014– Dec 31, 2014
<b>Net result for the financial period</b>	<b>145,182</b>	<b>-127,446</b>	<b>-5,275</b>	<b>1,068</b>
<b>Other comprehensive income for the period</b>				
<i>Items that may be classified subsequently to profit or loss:</i>				
Currency translation differences	-43	-132	4	-51
<b>Total other comprehensive income for the period</b>	<b>-43</b>	<b>-132</b>	<b>4</b>	<b>-51</b>
<b>Total comprehensive income for the period</b>	<b>145,139</b>	<b>-127,577</b>	<b>-5,271</b>	<b>1,017</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)

Dec 31, 2015

Dec 31, 2014

### NON-CURRENT ASSETS

#### *Tangible non-current assets*

Property, plant and equipment	–	5
<b>Total tangible non-current assets</b>	<b>–</b>	<b>5</b>

#### *Financial non-current assets*

Financial assets at fair value through profit or loss	463,538	337,618
Loan receivables	23,450	37,913
<b>Total financial non-current assets</b>	<b>486,988</b>	<b>375,530</b>

### CURRENT ASSETS

Cash and cash equivalents	43,660	14,050
Loan receivables	9,072	–
Tax receivables	309	271
Other current receivables	83	103
<b>Total current assets</b>	<b>53,123</b>	<b>14,424</b>

<b>TOTAL ASSETS</b>	<b>540,111</b>	<b>389,959</b>
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<b>SHAREHOLDERS' EQUITY (including net result for the financial period)</b>	<b>503,435</b>	<b>388,470</b>
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### CURRENT LIABILITIES

#### *Non-interest bearing current liabilities*

Tax payables	393	369
Other current liabilities	15,992	867
Accrued expenses	135	253

#### *Interest bearing current liabilities*

Borrowings	20,224	–
<b>Total current liabilities</b>	<b>36,675</b>	<b>1,489</b>

<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>540,111</b>	<b>389,959</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
Balance at January 1, 2014	31,466	157,939	89	444,472	633,966
Net result for the period January 1, 2014 to December 31, 2014	-	-	-	-127,446	-127,446
<i>Other comprehensive income for the period</i>					
Currency translation differences	-	-	-132	-	-132
Total comprehensive income for the period January 1, 2014 to December 31, 2014	-	-	-132	-127,446	-127,577
<i>Transactions with owners:</i>					
Proceeds from shares issued	9	61	-	-	70
Buy back of own shares	-5,541	-112,448	-	-	-117,989
	-5,541	-112,448	-	-	-117,989
Balance at December 31, 2014	25,934	45,553	-43	317,027	388,470
Balance at January 1, 2015	25,934	45,553	-43	317,027	388,470
Net result for the period January 1, 2015 to December 31, 2015	-	-	-	145,182	145,182
<i>Other comprehensive income for the period</i>					
Currency translation differences	-	-	-43	-	-43
Total comprehensive income for the period January 1, 2015 to December 31, 2015	-	-	-43	145,182	145,139
<i>Transactions with owners:</i>					
Redemption program	-2,205	-	-	-25,204	-27,409
Buy back of own shares	-209	-2,556	-	-	-2,765
	-209	-2,556	-	-	-2,765
Balance at December 31, 2015	23,520	42,996	-85	437,005	503,435

## Cash flow statements – Group

(Expressed in USD thousands)

	Jan 1, 2015– Dec 31, 2015	Jan 1, 2014– Dec 31, 2014
<b>OPERATING ACTIVITIES</b>		
Result before tax	145,250	-127,398
<i>Adjustment for:</i>		
Interest income	-3,863	-2,459
Interest expense	2,346	3
Currency exchange gains/-losses	3,428	5,332
Depreciations and write downs	4	5
Result from financial assets at fair value through profit or loss	-120,812	124,540
Dividend and coupon income	-31,544	-4,316
Change in current receivables	38	1,311
Change in current liabilities	-38	-1,593
<b>Net cash used in operating activities</b>	<b>-5,189</b>	<b>-4,573</b>
Investments in financial assets	-78,806	-145,330
Sales of financial assets	61,640	67,000
Increase/decrease in loan receivables	-	-35,482
Dividend and coupon income	31,544	4,316
Interest received	3,607	1,707
Interest paid	-300	-3
Tax paid	-85	-87
<b>Net cash flow from/used in operating activities</b>	<b>12,411</b>	<b>-112,452</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from borrowing	20,000	-
Redemption program transaction fees	-351	-
Proceeds from shares issued	-	70
Buy back of own shares	-2,765	-117,989
<b>Net cash flow from/used in financing activities</b>	<b>16,883</b>	<b>-117,919</b>
Change in cash and cash equivalents	29,294	-230,371
Cash and cash equivalents at beginning of the period	14,050	246,572
Exchange gains/losses on cash and cash equivalents	315	-2,152
<b>Cash and cash equivalents at end of period</b>	<b>43,660</b>	<b>14,050</b>

## Key financial ratios – Group

	12m 2015	12m 2014
Return on capital employed, % <sup>1</sup>	32.56	-24.93
Equity ratio, % <sup>2</sup>	93.21	99.62
Shareholders' equity/share, USD <sup>3</sup>	6.85	5.24
Earnings/share, USD <sup>4</sup>	1.97	-1.62
Diluted earnings/share, USD <sup>5</sup>	1.97	-1.62
Net asset value/share, USD <sup>6</sup>	6.85	5.24
Weighted average number of shares for the financial period	73,573,384	78,489,261
Weighted average number of shares for the financial period (fully diluted)	73,573,384	78,489,261
Number of shares at balance sheet date	73,499,555	74,097,331

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.

### Income statements – Parent

(Expressed in USD thousands)	Jan 1, 2015– Dec 31, 2015	Jan 1, 2014– Dec 31, 2014	Oct 1, 2015– Dec 31, 2015	Oct 1, 2014– Dec 31, 2014
Result from financial assets at fair value through profit or loss	831	-5,052	-424	-802
Operating expenses	-5,394	-4,146	-1,104	-977
Dividend and coupon income	971	1,564	35	556
Operating result	-3,592	-7,634	-1,492	-1,223
<b>Financial income and expenses</b>				
Interest income	6,921	4,119	2,289	2,184
Interest expense	-2,346	-3	-524	-
Currency exchange gains/losses, net	-3,016	-5,178	-823	-1,739
Net financial items	1,559	-1,062	942	446
Net result for the financial period	-2,033	-8,696	-551	-778

### Statement of comprehensive income

(Expressed in USD thousands)	Jan 1, 2015– Dec 31, 2015	Jan 1, 2014– Dec 31, 2014	Oct 1, 2015– Dec 31, 2015	Oct 1, 2014– Dec 31, 2014
Net result for the financial period	-2,033	-8,696	-551	-778
<b>Other comprehensive income for the period</b>				
<i>Items that may be classified subsequently to profit or loss:</i>				
Currency translation differences	-	-	-	-
Total other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-2,033	-8,696	-551	-778



## Balance sheets – Parent

(Expressed in USD thousands)

Dec 31, 2015

Dec 31, 2014

### NON-CURRENT ASSETS

#### *Financial non-current assets*

Shares in subsidiaries	84,389	84,389
Financial assets at fair value through profit or loss	1,021	30,012
Loan receivables	23,450	37,913
Receivables from Group companies	78,695	55,205
<b>Total financial non-current assets</b>	<b>187,555</b>	<b>207,518</b>

### CURRENT ASSETS

Cash and cash equivalents	12,964	13,965
Loan receivables	9,072	–
Other current receivables	47	51
<b>Total current assets</b>	<b>22,082</b>	<b>14,016</b>

<b>TOTAL ASSETS</b>	<b>209,637</b>	<b>221,534</b>
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<b>SHAREHOLDERS' EQUITY (including net result for the financial period)</b>	<b>188,523</b>	<b>220,729</b>
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### CURRENT LIABILITIES

#### *Non-interest bearing current liabilities*

Liabilities to group companies	727	591
Other current liabilities	85	36
Accrued expenses	78	177

#### *Interest bearing current liabilities*

Borrowings	20,224	–
<b>Total current liabilities</b>	<b>21,114</b>	<b>805</b>

<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>209,637</b>	<b>221,534</b>
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## Statement of Changes in Equity – Parent

(Expressed in USD thousands)

	Share capital	Additional paid in capital	Retained earnings	Total
Balance at January 1, 2014	31,466	157,939	157,939	347,344
Net result for the period January 1, 2014 to December 31, 2014	-	-	-8,696	-8,696
<i>Other comprehensive income for the period</i>				
Currency translation differences	-	-	-	-
Total comprehensive income for the period January 1, 2014 to December 31, 2014	-	-	-8,696	-8,696
<i>Transactions with owners:</i>				
Proceeds from shares issued	9	61	-	70
Buy back of own shares	-5,541	-112,448	-	-117,989
	-5,541	-112,448	-	-117,989
Balance at December 31, 2015	25,934	45,553	149,243	220,729
Balance at January 1, 2015	25,934	45,553	149,243	220,729
Net result for the period January 1, 2015 to December 31, 2015	-	-	-2,033	-2,033
<i>Other comprehensive income for the period</i>				
Currency translation differences	-	-	-	-
Total comprehensive income for the period January 1, 2015 to December 31, 2015	-	-	-2,033	-2,033
<i>Transactions with owners:</i>				
Redemption program	-2,205	-	-25,204	-27,409
Buy back of own shares	-209	-2,556	-	-2,765
	-209	-2,556	-	-2,765
Balance at December 31, 2015	23,520	42,996	122,006	188,523

### 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 2014. The Company's 2014 annual report is available at the Company's website: <http://www.vostoknewventures.com/en/investor-relations/financial-reports/>

#### Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### Note 2 Related party transactions

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

(USD thousand)	Operating expenses		Current liabilities	
	12m 2015	12m 2014	12m 2015	12m 2014
Key management and Board of Directors*	-2,327	-1,115	-	-104

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

Total variable compensation (excluding social taxes) paid to the management in 2015 amounted to USD 1.20 mln (including USD 1 mln paid to the Managing Director), and to the Board of Directors USD 0.15 mln.

### 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 2014. 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 December 31, 2015.

(USD thousand)	Level 1	Level 2	Level 3	Total balance
	Financial assets at fair value through profit or loss	-	457,876	5,662
Total assets	-	457,876	5,662	463,538

The following table presents the group's assets that are measured at fair value at December 31, 2014.

(USD thousand)	Level 1	Level 2	Level 3	Total balance
	Financial assets at fair value through profit or loss	57,893	39,670	240,055
Total assets	57,893	39,670	240,055	337,618

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

(USD thousand)	Level 3
Opening balance January 1, 2015	240,055
Investments	-
Change in fair value and other	134,661
Transfers from level 3	-369,054
Closing balance December 31, 2015	5,662

During the fourth quarter of 2015 no transfer between level 2 and 3 has been done. The investment in Avito was transferred from level 3 to level 2 in the third quarter 2015 following a material secondary transaction in the company announced in October 2015. The Avito investment is valued on the basis of this transaction (adjusted for a dividend paid out from Avito in December 2015) as per December 31, 2015, which values the company at USD 2.48 bln. The investments in BlaBlaCar, Gett, Propertyfinder, OneTwoTrip, Wallapop, Merro, Naseeb Networks, Zameen, el Basharsoft and the remaining Delivery Hero equity are classified as level 2 as the valuations are based on the price paid in each respective transaction. Yell is classified as a level 3 investment.

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 are adjusted accordingly. The transaction-based valuations are frequently assessed using multiples of comparable traded companies for each unlisted investment or other valuation models.

#### Avito AB

The Group's Investment in Avito AB is valued as a level 2 investment as per December 31, 2015.

As per September 30, 2015, Vostok New Ventures has revalued Avito on the basis of a transaction in the company announced on October 23, 2015. Naspers Ltd, one of Avito's shareholders, agreed to acquire 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 includes cash in the company of approximately USD 240 mln. The transaction closed in November 2015.

Vostok New Ventures did not participate in the transaction and remains a minority shareholder in Avito with a 13.3% stake in the company on a fully diluted basis. The valuation as per December 31, 2015 of Vostok New Ventures stake in Avito is valued at USD 338 mln, which is based on the price paid in the transaction adjusted for a dividend distribution that occurred in December 2015. Vostok New Ventures received USD 30.6 mln in dividends from Avito. Other than the dividend distribution, nothing material has happened at Avito between the closing of transaction and December 31, 2015.

For reference Vostok New Ventures internal valuation model based on multiples of listed peers indicates a valuation close to the transaction based valuation and the Company will continue to monitor and analyze Avito's fair value continuously going forward.

### Yell.ru

During the first quarter of 2015, in February 17, Vostok New Ventures invested additional USD 94,380 in Yell.ru in connection with a smaller secondary transaction in the company at a valuation of USD 16.7 (30% lower than the valuation in the larger round in 2014). All shares (2.1% of the company) sold in the transaction were bought by 4 existing shareholders. Following the transaction, Vostok New Ventures owns 33.9% of Yell.ru fully diluted. As per September 30, 2015, Yell is classified as a level 3 investment as it is valued on the basis of this transaction and it is deemed the best fair value estimate of Yell.ru as per December 31, 2015. Since this is a relatively small transaction the investment is classified as level 3 to reflect the higher level of uncertainty. In USD terms Yell.ru has been adversely affected by the ruble's depreciation in the last 6 months but as the vast majority of new funding Yell received still is held as cash in hard currency most of the negative pressure has been cushioned.

(USD thousand)	Sensitivity in transaction-based Yell valuation as per December 31, 2015				
	-20%	-10%	+10%	+20%	
Valuation of Vostok New Ventures' Yell investment	4,530	5,096	5,662	6,228	6,794

### Gett

As per December 31, 2015, 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 May 2015, a new Polish investor, MCI, invested USD 20 mln in Gett. Following this transaction Vostok New Ventures has as per June 30, 2015 revalued its stake in the company on the basis of the price per share paid in the MCI transaction. As per December 31, 2015 Vostok New Ventures' holding is valued at USD 34.5 mln, up some 33% from Vostok New Ventures' entry level. Since the latest transaction in Gett, the company has progressed inline with the budget and nothing material has happened at the company that would suggest that the transaction-based value is no longer valid.

### BlaBlaCar

As per December 31, 2015, the BlaBlaCar investment is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company. The EUR 30 mln transaction closed in September 2015 and Vostok New Ventures owns approximately 2.3% of BlaBlaCar on a fully diluted basis following the transaction.

### Propertyfinder

As per December 31, 2015, the Propertyfinder investment is classified as a level 2 investment as it is valued at USD 20 mln on the basis of the latest transaction in the company. As per December 31, 2015 Vostok New Ventures has disbursed USD 5 mln out of the USD 20 mln investment in total. The remaining USD 15 mln tranche will be disbursed during the first quarter of 2016.

### Wallapop

As per December 31, 2015, Wallapop is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company. During the second quarter 2015, Vostok New Ventures made a follow up investment in Wallapop of USD 2.4 mln. Following this transaction Vostok New Ventures has as per December 31, 2015 revalued its stake in the company on the basis of the valuation in the latest transaction in the company. As per December 31, 2015 Vostok New Ventures' holding is valued at USD 10.3 mln.

### Merro

As per December 31, 2015, Merro is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company. Vostok New Ventures finalized its investment into Merro in August 2015. Merro is Dubai-based investment platform which currently has four assets: Opensooq, Propertyfinder, Dubicars and a smaller undisclosed asset.

### Naseeb Networks

As per December 31, 2015, Naseeb Networks is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company. During the second quarter 2015, Vostok New Ventures made an investment in Naseeb Networks of USD 4.5 mln. As per December 31, 2015 Vostok New Ventures' holding is valued at USD 4.5 mln on the basis of the price per share paid in this recent funding round.

The investment in Naseeb Networks, where the Company holds 23%, is accounted applying fair value. This treatment is permitted by IAS 28 'Investments in associates', which allows investments to be excluded from its scope where those investments are designated, upon initial recognition, as at fair value through profit or loss and accounted for in accordance with IAS 39, with changes in fair value recognized in the income statement in the period of change.

### OneTwoTrip

As per December 31, 2015, OneTwoTrip is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company. Vostok New Ventures closed its USD 4 mln investment into OneTwoTrip in July 2015. The Company invested into newly issued common shares. As per December 31, 2015 Vostok New Ventures owns 6.1% of the company on a fully diluted basis.

### IZH holding (Zameen.com and Bayut.com)

As per December 31, 2015, IZH holding is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company. In the end of the second quarter 2015, Vostok New Ventures closed an investment of USD 2 mln in IZH holding. As per December 31, 2015 Vostok New Ventures' holding is valued at USD 2.0 mln on the basis of the price per share paid in this very recent funding round.

### El Basharsoft

As per December 31, 2015, el Basharsoft (Wuzzuf and Forasna) 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 end of July 2015. Vostok New Ventures invested USD 968k in the company of which 900k was in primary shares through its newly formed entity Vostok Cooperatief. Vostok New Ventures owns 14.2% of Wuzzuf on a fully diluted basis.

### Delivery Hero (equity component)

During the third quarter, the terms of the Delivery Hero loan were amended resulting in a lower cash interest rate and additional cover shares in the company. As per December 31, 2015, the loan receivable is valued at amortized cost using an NPV-model and 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. As per December 31, 2015, the equity component is valued at USD 2.4 mln.

### Loan receivables

The fair value estimation of loan receivables relating to Delivery Hero and Kite Ventures is outlined in the table below.

#### Fair value estimation of loan receivables

(USD thousand)	Dec 31, 2015	Dec 31, 2014
Short-term	9,072	–
Long-term	23,450	37,913
Total loan receivables	32,522	37,913

Carrying value corresponds to fair value of loans receivables.

### Current liabilities

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

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

Company	Opening balance Jan 1, 2015	Investments/ (disposals), net, USD	FV change	Closing balance Dec 31, 2015	Percentage weight of total portfolio
Avito AB	232,054,598	–	106,427,145	338,481,743	64.5%
Gett	25,638,889	–	8,877,428	34,516,317	6.6%
Comuto (BlaBlaCar)	–	34,041,584	-859,822	33,181,762	6.3%
Wallapop	–	9,025,726	1,276,471	10,302,197	2.0%
Merro	–	7,513,333	–	7,513,333	1.4%
Yell.ru	8,000,000	94,380	-2,431,962	5,662,418	1.1%
Nazeeb Networks (Rozee.pk and Mihnati.com)	–	4,500,000	–	4,500,000	0.9%
OneTwoTrip	–	4,000,000	–	4,000,000	0.8%
IZH Holding (Zameen.com and Bayut.com)	–	2,000,000	–	2,000,000	0.4%
El Basharsoft (Wuzzuf and Forasna)	–	968,000	–	968,000	0.2%
Delivery Hero Holding GmbH, equity component	7,331,704	-7,641,666	2,722,819	2,412,857	0.5%
Quandoo	6,699,598	-12,509,919	5,810,321	–	–

\* Excludes TCS Group Holding PLC and liquidity management investments.

### Note 4 Events after the reporting period

On January 11, 2016, the Company announced that it had agreed to invest USD 20 mln into Propertyfinder, the leading property vertical in the MENA region. Vostok New Ventures was the sole investor in this primary funding round and owns 10% of Propertyfinder following the closing of the transaction.

### 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.

### 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 December 31, 2015 the Vostok New Ventures Ltd Group consists of the Bermudian parent company, one wholly-owned Bermudian subsidiary, one wholly-owned Cypriot subsidiary, one majority-owned Dutch cooperative and one wholly-owned Swedish subsidiary.

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 year was USD -2.03 mln (2014: -8.70).

### Financial and Operating risks

The Company's risks and risk management are described in detail in note 3 of the Company's Annual Report 2014.

### Upcoming Reporting Dates

Vostok New Ventures' three months report for the period January 1, 2016–March 31, 2016 will be published on May 16, 2016.

### Annual General Meeting and Annual Report 2015

The annual general meeting of Vostok New Ventures Ltd is planned to take place on Tuesday, May 17, 2016. The annual report will be available on the Company's website ([www.vostoknewventures.com](http://www.vostoknewventures.com)) from March 31, 2016.

February 10, 2016

Per Brilioth  
Managing Director

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

