

Financial Report

for the Fourth Quarter and Twelve-Month Period 2019

Net asset value (NAV) and financial results for the twelve-month period

- Vostok New Ventures' net asset value was USD 776.98 million (mln) on December 31, 2019 (December 31, 2018: 876.71), corresponding to USD 9.94 per share (December 31, 2018: 10.37). Given a SEK/USD exchange rate of 9.3171 the NAV was SEK 7,239.24 mln (December 31, 2018: 7,864.96) and SEK 92.63 per share (December 31, 2018: 93.01), respectively.
- The group's NAV per share in USD increased by 30.0%, adjusted for the SEK 25 redemption program concluded on March 14, 2019. The portfolio value change is mainly driven by the revaluation of BlaBlaCar, Babylon and VOI.
- Net result for the period was USD 163.68 mln (January 1, 2018–December 31, 2018: -4.86). Earnings per share were USD 2.08 (-0.06).

Financial results for the fourth quarter

- Net result for the quarter was USD 87.21 mln (-36.14). Earnings per share were USD 1.12 (-0.43).

Key events during the quarter October 1, 2019–December 31, 2019

- In November 2019, Vostok New Ventures invested a further USD 30 mln into VOI Technology as part of a larger funding round.
- On November 25, 2019, the Company announced that it had carried out a subsequent issue of bonds in an amount of SEK 100 million under the framework of its outstanding bond loan. Following the subsequent issue, the total amount outstanding under the Company's bond loan is SEK 650 mln.

Share (SDR) info

- At the end of the period, the number of outstanding common shares (SDRs), excluding 7,685,303 repurchased SDRs, was 78,150,006. Including the 2,100,000 redeemable common shares issued under the 2019 Long-Term Incentive Program, the total number of outstanding shares amounts to 80,250,006.

Key events after the end of the period

- No key events to report.

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Management report

With this quarter we close 2019 and thus it feels right to reflect over the past year, which of course was a big year for us with:

- Sale of Avito at a 37% IRR over 11 years
- A USD 215 mln special dividend
- Some USD 54 mln in buy backs
- Early repayment of our 2017/2020 and 2018/2022 bonds of USD 91 mln
- Continuing support of our existing portfolio companies Babylon (USD 72 mln), VOI (USD 58 mln), Gett (USD 24 mln), OneTwoTrip (USD 7.4 mln)
- New investments of a total of USD 47 mln into SWVL, Dostavista, Monopoliya, Shohoz and JamesEdition
- Our NAV per share increased by some 30% adjusted for the SEK 25 redemption program during 2019, mainly driven by Babylon, BlaBlaCar and VOI

Equally important, we have gone from having some 62% in a single asset in Russia to having some 78% of the portfolio in five international names with either pan-European or global ambitions. We are not bearish about Russia as an investment market, and have in fact completed some new investments there during the previous year but simply increasingly find deal flow with the most interesting risk reward characteristics in other geographies. I know we have been Vostok for the past 24 or so years but we may have come to the junction where we drop our dear old Russian sounding name.

And although we are confident and excited by the upside in our entire portfolio, which we think has the potential to deliver some 5x over 5 years, we also note that the majority of the portfolio (76%) is defined as late stage as it comes in the form of series C or later.

This quite profound change has also led to some churn in the cap table with around USD 200 mln changing hands over 2019 leading to a cap table with three US institutions collectively holding just over 50% of the outstanding shares.

We are jumping up and down with excitement over 2020 when pretty much all of our larger portfolio names have very exciting developments to go through (please see below).

This year's Capital Market Day is going to come a little early, being planned for March 24, 2020, and focusing on our portfolio in the Middle East which, despite making up roughly 11% of the NAV, doesn't get a lot of focus. We hope you will join us in a live streaming session from Dubai and that it will give you good insight into the exciting potential of all these names.

Babylon

Babylon accomplished a lot in 2019, setting the stage for a very exciting 2020. Naturally the first close of USD 400 mln of a USD 550 mln round at USD 1.5 bln pre-money gave the company the funding to continue to build its products and to roll out in new geographies, with a special eye on the US. But during the past year the company also added nearly 1 mln registrations, which equates to one new member every 30 seconds. Babylon delivered 1.6 mln consultations with a health professional and 1.5 mln AI consultations.

One key feature of our investment into Babylon, which as you know focuses on business models with the potential of sustainable competitive advantages building high barriers to entry, is the company's ability to generate data. In the digital healthcare world, where AI is the future, owning the world's largest computer readable relevant digital medical database is building high barriers to entry. The player with the most data will produce the best diagnoses, which will in turn attract more customers, which will in turn generate more data, in turn further distancing the quality of the product from competition and so on. When we invested in Babylon, some 3 years ago this spring, the company had generated 300 mln data points. During the course of 2019 Babylon passed the 1 bln mark.

Finally in 2019, the monthly revenue in December was 10x from the year before. Albeit still at modest levels, we think revenues will do the same during 2020, setting up the company to provide visibility to the 5-year potential which we believe is annual revenues of some USD 1.5–2 bln.

Babylon launched their service in the US with Centene, one of the largest US Medicare insurance companies, through their brands Fidelis Care and Home State Health.

It is well covered that the US is the world's largest healthcare market, spending as much as 18% of their GDP

on health care, but interestingly trailing other OECD nations (all spending less on as a % of GDP) in terms of health outcome. Also, the US spends only 5–7% of its healthcare on primary care, in comparison with 14% at the OECD average. For every dollar spent on primary care, it is estimated that USD 13 is saved on costs in specialty, emergency and inpatient care.

Hence the US is an *enormous* opportunity for Babylon. Centene alone is some 20 mln covered lives and is but one of several potential counterparties in this country.

An interesting datapoint for gauging the potential of Babylon's US business is the listed company Teledoc. Teledoc went from some USD 40 mln in revenues to USD 400+ mln in the scope of 5 years, now commanding a USD 7+ bln market cap. Their current revenue base is what Babylon should have the potential to get from one counterparty only. In addition, the Babylon product is at a completely different level in terms of technical sophistication.

Allowing ourselves a time frame of around 3–4 years, Babylon should be generating US revenues of at least the levels that Teledoc are producing today. With higher margins on the back of an AI-enabled product and larger addressable market, Babylon's US business alone should be worth in the order of some USD 10 bln. Add to this its European business and the large opportunity in Asia, where they are already up and running with Prudential in Malaysia and we should be looking at a USD 20 bln valuation of Babylon. 10x from today.

As of this quarterly report we are very happy to be able to include some operational KPIs from Babylon, starting off with the number of consultations with a medical professional, AI consultations and registrations for 2019 and comparing these with the figures from the previous year. The number of daily consultations during 4Q19 is also included in this report. Going forward, we will continue to share these high level KPIs on a quarterly basis in our reporting.

BlaBlaCar

At BlaBlaCar we look forward to 2020 as the first full year of BlaBlaBus activity in Western Europe following the acquisition of bus marketplace Ouibus, and the integration of large-scale bus inventory in Russia & Ukraine following the acquisition of Busfor. Meanwhile the matching algorithms behind carpooling keep getting smarter, creating unrivalled geographical coverage across over 20 countries, whilst carpooling on commuting distances is reaching scale in France. In 2020 BlaBlaCar becomes a go-to marketplace for shared road travel with a unique enriched offer feeding the net-

work effects of the platform. Meanwhile, countries outside of Western Europe and CEE where BlaBlaCar is also present, namely Brazil, Mexico, Turkey and India, still provide significant untapped potential.

In this quarter we are happy start to provide insight into the development of BlaBlaCar by sharing the operational KPI of the total number of passengers during the last quarter across all its platforms. During the fourth quarter of 2019 BlaBlaCar noted 20.7 mln passengers which is a 37.5% increase on the same quarter in 2018. This growth stems from

- The growth of the long-distance carpooling segment globally
- The growth of long-distance buses through the acquisition of Ouibus (rebranded to BlaBlaBus) and its European expansion to Germany and Benelux
- The acceleration of short-distance carpooling with BlaBlaLines in France.

VOI

During the quarter we invested a further USD 30 mln in VOI, participating in a USD 85 mln round. VOI is strengthening its position as the leader amongst the European e-scooter platforms with an accumulated number of rides of more than 15 mln, which is truly amazing given that they reached their first million rides in March of 2019!!

Also in terms of revenues VOI stands out. Revenues grew year-on-year by 20–21x during the fall months. This was driven by an increased number of scooters but also by more rides per vehicle and higher revenue per ride. We are super excited for 2020 where we expect revenues to continue growing, albeit not at 20x...

The company has also seriously strengthened its team over these past 12 months. Mathias Hermansson (ex-CFO MTG and Veoneer) has joined as CFO, David Almström (ex-product head Ericsson China, Spotify and more) has joined as Head of Product, Hans Waagoe (ex-Uber Eats in NY) has joined as VP Market Operations and Caroline Palm (ex-CHRO Leo Vegas, Head of HR Serendipity) has joined as Head of HR.

Gett

Gett, the global leader in corporate on-demand transportation, has become operationally profitable in December 2019, with the Company reporting a positive consolidated all countries' EBITDA (before fixed R&D costs), an enormous achievement in a sector which has become famous for its inability to show anything but losses.

The company has turned consolidated all countries' EBITDA positive at a group level and across each of its Transportation, Delivery, and Shuttle product lines. Gett is the first company in the sector to reach this milestone.

Gett launched one of the first-ever on-demand corporate travel services back in 2010 in Israel and won business from Google and Disney. Today, the company serves over 17,000 companies globally, including a third of the Fortune 500.

Gett offers corporate clients the unique ability to aggregate all their ground travel needs on one single booking platform, hosting a collection of local and global vendors, for on-demand ride-hailing, taxi, chauffeur and limousine services across 100 countries.

This news comes after Gett announced a strategic partnership with ride-hailing firm Lyft in November 2019, allowing Gett's corporate customers traveling in the United States to request rides through the Gett app and be matched with a driver on the Lyft network. This partnership will allow Gett to expand its reach across the United States, seamlessly serving its business clients on the Lyft network through Gett's SaaS platform for business travelers.

We participated in another smaller financing alongside the other large shareholders with a USD 5 mln check during the 4th quarter 2019. This financing, as the previous one, provides very solid downside protection and thus provides a very investable risk reward.

Monopoliya

We closed one new investment during the fourth quarter, putting a total of USD 9.2 mln in exchange for 9.1% of Monopoliya. Monopoliya is one of Russia's largest and fastest growing trucking companies, actively expanding its marketplace business. They believe this has the potential to grow into a USD 500 mln valuation – which we believe is a conservative estimate.

In 2018, the company generated some USD 200 mln in revenue (2x from 2017) at a 13% EBITDA margin. Currently 80% of the business is a result of their own truck fleet. However, 20%, and growing very fast, is from their marketplace business which naturally produces a much higher margin.

The trucking industry is one of the few very large industries which are yet to be digitalized and there are a number of emerging companies raising significant amount of money to disrupt this market. The closest peer to Monopoliya is Rivigo of India. The Indian market is of a similar size to the Russian one and Rivigo is some 3x of Monopoliya.

Rivigo has recently raised USD 180 mln at a USD 1 bln valuation. The valuation difference here is reminiscent of the spread between Dostavista in Russia and Loggi in Brazil.

There is no sizeable competitor to Monopoliya in Russia and the first mover advantage, as well as access to long term capital, we know is of great importance.

Cohorts are too early to look at as the marketplace is growing 3x YoY and most of the truckers/shippers are new. On the demand side (shippers) the stickiness is very high, on the supply side (truckers) they just grow the number, which is required to ship the volume coming through the platform balancing supply/demand. Otherwise, even at this scale, marketplace is profitable on the operational level and growing very fast.

February 12, 2020

Per Brilioth
Managing Director



Investment portfolio

Portfolio Structure – Net Asset Value

The investment portfolio stated at fair market value as at December 31, 2019, is shown below.

Category	Company	Fair value, USD thousand, Dec 31, 2019	Percentage weight	Share of total shares outstanding	Fair value, USD thousand, Dec 31, 2018	Valuation change per share (USD), 2019	Valuation method
Mobility	BlaBlaCar	209,454	24.6%	8.7%	157,695	+24%	Revenue multiple ¹
Dgtl Health	Babylon	200,000	23.5%	10.8%	21,884	+543%	Latest transaction ¹
Mobility	VOI	102,434	12.1%	32.7%	10,832	+202%	Latest transaction ¹
Mobility	Gett	74,853	8.8%	5.3%	55,359	-7%	Revenue multiple ¹
Classifieds	Property Finder	47,883	5.6%	9.8%	39,985	+20%	Revenue multiple ¹
Mobility	OneTwoTrip	28,653	3.4%	21.1%	16,548	+23%	Revenue multiple ¹
Classifieds	Hemnet ³	25,845	3.0%	6.1%	14,178	+82%	EBITDA multiple ¹
Mobility	SWVL	16,002	1.9%	10.1%	-	-	Latest transaction ¹
Classifieds	Booksy	12,931	1.5%	11.8%	5,990	+50%	Latest transaction ¹
Mobility	Dostavista	11,561	1.4%	15.9%	-	-	Latest transaction ¹
Classifieds	Monopolya	9,372	1.1%	9.1%	-	-	Latest transaction ¹
Classifieds	El Basharsoft (Wuzzuf and Forasna)	8,630	1.0%	23.7%	4,737	+82%	Revenue multiple ¹
Classifieds	Merro	7,652	0.9%	22.6%	7,761	-1%	Mixed ¹
Classifieds	Wallapop	7,347	0.9%	2.4%	9,950	-26%	Revenue multiple ¹
Mobility	Shohoz	7,004	0.8%	15.5%	-	-	Latest transaction ¹
Classifieds	Housing Anywhere	6,366	0.7%	26.2%	6,227	-2%	Latest transaction ¹
Other	YouScan ⁴	3,867	0.5%	20.9%	2,347	+65%	Revenue multiple ¹
Dgtl Health	DOC+	3,556	0.4%	26.7%	4,000	-77%	Revenue multiple ¹
Classifieds	Naseeb Networks (Rozee and Mihnati)	3,528	0.4%	24.3%	3,808	-7%	Revenue multiple ¹
Classifieds	JamesEdition	3,359	0.4%	27.6%	-	+1%	Latest transaction ^{1,2}
Dgtl Health	Vezeeta	3,156	0.4%	9.0%	3,156	-	Latest transaction ¹
Classifieds	Agente Imóvel	2,800	0.3%	27.3%	2,999	-7%	Revenue multiple ¹
Dgtl Health	Yoppie	1,481	0.2%	37.0%	-	-	Latest transaction ¹
Classifieds	Shwe Property	1,435	0.2%	11.7%	500	+48%	Latest transaction ¹
Dgtl Health	Grace Health	1,073	0.1%	14.3%	-	+3%	Latest transaction ^{1,2}
Dgtl Health	Numan	1,064	0.1%	9.9%	-	+2%	Latest transaction ^{1,2}
Classifieds	JobNet	719	0.1%	3.8%	500	+44%	Revenue multiple ¹
Classifieds	Dubicars	508	0.1%	6.8%	348	-	Latest transaction ¹
Classifieds	CarZar	451	0.1%	16.4%	3,000	-85%	Model valuation ¹
Other	Marley Spoon	168	0.0%	0.6%	316	-47%	Listed company ¹
Mobility	Busfor	-	-	-	8,604	-	Latest transaction ¹
Classifieds	Avito	-	-	-	539,874	-	Latest transaction ¹
Classifieds	Inturn, convertible debt	5,062	0.6%	-	-	+1%	Convertible ^{1,2}
Dgtl Health	Numan, convertible debt	1,332	0.2%	-	1,012	+11%	Convertible ^{1,2}
Classifieds	Housing Anywhere, convertible debt	562	0.1%	-	-	+1%	Convertible ^{1,2}
Classifieds	Naseeb Networks, convertible debt	212	0.0%	-	-	+6%	Convertible ^{1,2}
Dgtl Health	Babylon, convertible debt	-	-	-	9,227	-	Convertible ¹
Classifieds	Booksy, convertible debt	-	-	-	1,000	-	Convertible ¹
Other	Liquidity management	20,660	2.5%	-	644	-	¹
Investment portfolio		830,982	97.8%		932,482		
Other	Cash and cash equivalents	18,855	2.2%		40,303		
Total investment portfolio		849,837	100.0%		972,785		
	Borrowings	-68,582			-93,944		
	Other net receivables/liabilities	-4,271			-2,132		
Total NAV		776,984			876,709		

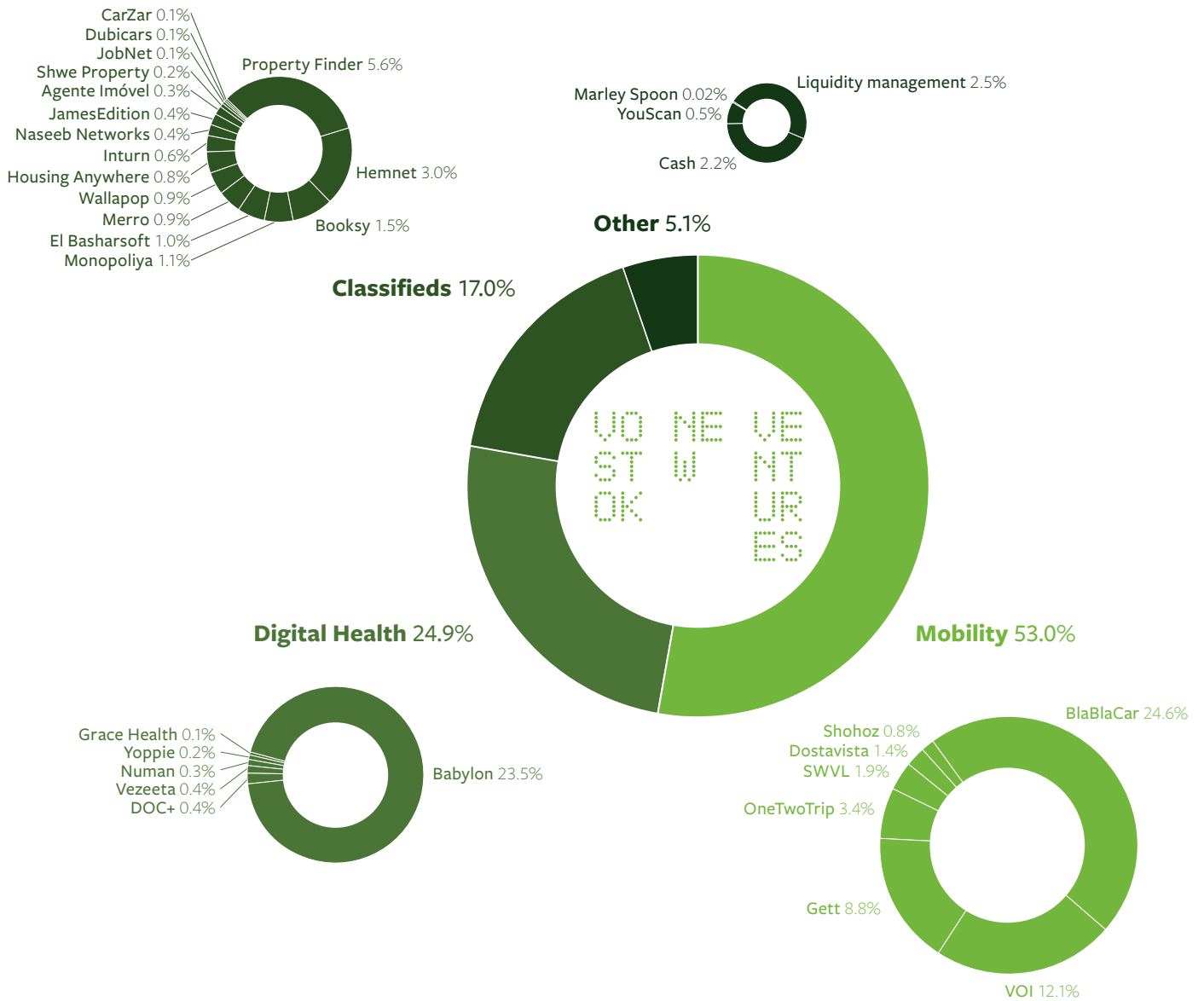
1. This investment is shown in the balance sheet as financial asset at fair value through profit or loss.

2. Fair value change per share since initial investment date.

3. Indirect holding through YSaphis S.A. and Sprints Capital Rob R Partners S.A.

4. Reflects Vostok New Ventures' indirect shareholding in YouScan through a 33.2% holding in Kontakt East Holding AB, which owns 63% of YouScan.

The Vostok New Ventures investment portfolio (December 31, 2019)



Financial information

Group – results for the twelve-month period and net asset value

During the period, the result from financial assets at fair value through profit or loss amounted to USD 203.83 mln (2018: -15.65), mainly coming from revaluations of BlaBlaCar, Babylon and VOI. Dividend and coupon income was USD 3.07 mln related to Merro dividends (2018: 22.18 sourced by Avito dividends).

Net operating expenses (defined as operating expenses less other operating income) amounted to USD -33.30 mln (2018: -12.77). The increase in net operating expenses is mainly related to bonus to CEO and other employees and subsidy to participants of the incentive program, LTIP 2019.

Net financial items were USD -9.67 mln (2018: 1.50), mainly related to SEK/USD depreciation, early redemption of bonds of series 2017/2020 and series 2018/2022 and interest expenses of the new bond of series 2019/2022 issued at the end of the year 2019.

Net result for the period was USD 163.68 mln (2018: -4.86).

Total shareholders' equity amounted to USD 776.98 mln on December 31, 2019 (December 31, 2018: 876.71).

At the beginning of the year repurchased SDRs amounted to 1,125,952 SDRs. During the twelve-months period Vostok New Ventures repurchased 6,559,351 SDRs net. At the end of the period repurchased SDRs amounted to 7,685,303 SDRs.

Liquid assets

Cash and cash equivalents of the group amounted to USD 18.86 mln (December 31, 2018: 40.30). The liquid asset investments, USD 20.66 mln (2018: 0.6), are in money market funds, as part of its liquidity management operations.

Group – results for the fourth quarter

During the fourth quarter, the result from financial assets at fair value through profit or loss amounted to USD 93.43 mln (2018: -37.08), mainly coming from revaluations of BlaBlaCar and VOI. Dividend and coupon income was USD 0.00 mln (2018: 4.42).

Net operating expenses (defined as operating expenses less other operating income) amounted to USD -4.55 mln (2018: -2.52). Higher level of net operating expenses 2019 compared to 2018 is mainly related to the Company's incentive program 2019.

Net financial items were USD -1.43 mln (2018: -0.83).

Net result for the quarter was USD 87.21 mln (2018: -36.14).

Other

The Board of Directors proposes no dividend to the shareholders for fiscal year 2019.

Portfolio events

Investment activities during the twelve-month period

During the twelve-month period 2019, gross investments in financial assets, excluding liquidity management investments, were USD 215.67 mln (2018: 56.33) and proceeds from sales, excluding liquidity management investments, were USD 539.87 mln (2018: 1.09). Investments concern cash investments mainly in Babylon, VOI, Gett, SWVL, Booksy, Dostavista, Monopoliya, Shohoz, Inturn, DOC+ and JamesEdition, and proceeds concern exit of Avito.

Investment activities during the fourth quarter

During the fourth quarter 2019, gross investments in financial assets, excluding liquidity management investments, were USD 59.58 mln (2018: 12.33) and proceeds from sales, excluding liquidity management investments, were USD – mln (2018: –). Investments concern mainly VOI, Gett, OneTwoTrip, Monopoliya and Inturn.

New investments during the fourth quarter

Monopoliya

In 4Q19, Vostok New Ventures invested in Russia-based Monopoliya, a freight and trucking market place in Russia. Vostok New Ventures invested USD 9.4 mln in the company for 9.1% ownership. As per December 31, 2019, Vostok New Ventures values its investment on the basis of this recent transaction.

Inturn

In 4Q19, Vostok New Ventures invested in US-based Inturn, a “SaaS enabled” market place for excess inventory for retail and FMCG (Fast-Moving Consumer Goods). Vostok New Ventures invested USD 5.0 mln in the company through a convertible loan. As per December 31, 2019, Vostok New Ventures values its investment in Inturn as nominal value plus accrued interest on the convertible.

Current portfolio

BlaBlaCar and Busfor

BlaBlaCar, one of Vostok New Ventures’ principal holdings, acquired Busfor, one of Vostok New Ventures’ other portfolio holdings. The acquisition will enable BlaBlaCar to continue to grow. The acquisition resulted in a transfer of Busfor and conversion into BlaBlaCar shares which had a minor positive impact on Vostok New Ventures’ net asset value.

BlaBlaCar ended 2019 with more than 89 mln members in total and 1.5 mln members of BlaBlaLines.

Members	2017 YE	2018 YE	2019 YE
BlaBlaCar	54.8 mln	71.3 mln	89.2 mln
BlaBlaLines	92 k	0.5 mln	1.5 mln

Babylon

2019 highlights

- During 2019 Babylon did approximately 1.6 mln consultations with a health professional (patients within UK, Rwanda and Canada), compared to 585k in 2018 (UK and Rwanda only, as Canada was not live).
- Babylon also did 1.5 mln AI consultations in 2019, compared to 945k in 2018.
- During the fourth quarter 2019 Babylon delivered 10.7k daily consultations (5.8k virtual and 4.9k AI) compared to 4.5k daily consultations (1.1k virtual and 3.4k AI) during the fourth quarter 2018.
- As of year-end 2019, Babylon had 4.1 mln registrations worldwide, an increase from 2.6 mln members at the end of 2018 and becoming the fastest growing digital health-care service ever
- In the UK, Babylon’s “GP at Hand” services now has over 70k members making it the third largest practice in the country.

For further information about the portfolio companies please see

🔗 [Vostok New Ventures’ Annual Report 2018](#)

🔗 [Vostok New Ventures’ website](#)

VOI

VOI closed its latest funding round in November 2019, whereby the company raised USD 85 mln in primary capital including existing convertible loans. Vostok New Ventures participated with USD 47.5 mln in this round, including existing convertible loans amounting to USD 17.5 mln. Other existing and new investors also participated in the round, and the transaction is deemed to be the best fair value estimate as per December 31, 2019.

Gett

During the fourth quarter, Vostok New Ventures invested USD 5.0 mln in Gett through a convertible loan. Based on the terms for the convertible loans, the shares and the convertible loans in Gett are reported as equity instruments based on a revenue-multiple valuation.

OneTwoTrip

During the fourth quarter, Vostok New Ventures invested USD 7.4 mln in OneTwoTrip by a new internal funding round.

As per December 31, 2019, Vostok New Ventures values its investment into OneTwoTrip based on revenue-multiple valuation as it is deemed the best fair value estimate of OneTwoTrip because the recent transaction, given its internal nature, is not deemed a reliable fair value estimate.

Housing Anywhere

During the fourth quarter, Vostok New Ventures invested USD 0.3 mln (EUR 0.3 mln) through shares and USD 0.6 mln (EUR 0.5 mln) through convertible loan in Housing Anywhere.

As per December 31, 2019, Vostok New Ventures values its stake in Housing Anywhere at USD 6.4 mln on the basis of the transaction closed in January 2020, which is considered to be the best fair value estimate at year-end 2019.

DOC+

During the fourth quarter, Vostok New Ventures invested USD 1.6 mln through shares and USD 0.4 mln through convertible loan in DOC+. The convertible loan was converted into shares within the same quarter.

As per December 31, 2019, Vostok New Ventures values its stake in DOC+ at USD 3.56 mln on the basis of a valuation model based on revenue multiples.

Liquidity management

The Company also has investments in money market funds, as part of its liquidity management operations. As per December 31, 2019, the liquidity management investments are valued at USD 20.66 mln (2018: 0.64), based on the latest NAV of each fund and bond's market value.

Income statements – Group

(Expressed in USD thousands)	Jan 1, 2019– Dec 31, 2019	Jan 1, 2018– Dec 31, 2018	Oct 1, 2019– Dec 31, 2019	Oct 1, 2018– Dec 31, 2018
Result from financial assets at fair value through profit or loss ¹	203,825	-15,652	93,432	-37,083
Dividend and coupon income	3,065	22,182	–	4,423
Other operating income	336	486	114	291
Operating expenses	-33,641	-13,253	-4,667	-2,814
Operating result	173,585	-6,238	88,879	-35,183
Financial income and expenses				
Interest income	756	3,489	279	63
Interest expense	-5,234	-6,112	-1,212	-1,535
Currency exchange gains/losses, net	-5,189	4,119	-494	639
Net financial items	-9,667	1,496	-1,427	-832
Result before tax	163,918	-4,743	87,452	-36,015
Taxation	-241	-122	-241	-122
Net result for the financial period	163,677	-4,864	87,211	-36,137
Earnings per share (in USD)	2.08	-0.06	1.12	-0.43
Diluted earnings per share (in USD)	2.07	-0.06	1.11	-0.43

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, 2019– Dec 31, 2019	Jan 1, 2018– Dec 31, 2018	Oct 1, 2019– Dec 31, 2019	Oct 1, 2018– Dec 31, 2018
Net result for the financial period	163,677	-4,864	87,211	-36,137
Other comprehensive income for the period				
<i>Items that may be classified subsequently to profit or loss:</i>				
Currency translation differences	-45	-165	74	88
Total other comprehensive income for the period	-45	-165	74	88
Total comprehensive income for the period	163,632	-5,030	87,285	-36,049

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

Balance sheet – Group

(Expressed in USD thousands)	Dec 31, 2019	Dec 31, 2018
NON-CURRENT ASSETS		
<i>Tangible non-current assets</i>		
Property, plant and equipment	1,080	203
Total tangible non-current assets	1,080	203
<i>Financial non-current assets</i>		
Financial assets at fair value through profit or loss	830,982	932,482
Total financial non-current assets	830,982	932,482
CURRENT ASSETS		
Cash and cash equivalents	18,855	40,303
Tax receivables	523	556
Other current receivables	428	399
Total current assets	19,806	41,259
TOTAL ASSETS	851,868	973,943
SHAREHOLDERS' EQUITY (including net result for the financial period)	776,984	876,709
NON-CURRENT LIABILITIES		
<i>Interest bearing liabilities</i>		
Long-term debts and leasing liabilities	69,233	93,944
Total non-current liabilities	69,233	93,944
CURRENT LIABILITIES		
<i>Non-interest bearing current liabilities</i>		
Tax payables	437	402
Other current liabilities	1,503	1,161
Accrued expenses	3,711	1,727
Total current liabilities	5,651	3,290
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	851,868	973,943

Statement of Changes in Equity

– Group

(Expressed in USD thousands)	Note	Share capital	Additional paid in capital	Other reserves	Retained earnings	Total
Balance at January 1, 2018		27,066	119,073	-8	733,858	879,990
Net result for the period						
January 1, 2018 to December 31, 2018		-	-	-	-4,864	-4,864
<i>Other comprehensive income for the period</i>						
Currency translation differences		-	-	-165	-	-165
Total comprehensive income for the period						
January 1, 2018 to December 31, 2018		-	-	-165	-4,864	-5,030
<i>Transactions with owners:</i>						
Value of employee services:						
- Share-based long-term incentive program		-	1,927	-	-	1,927
Buy-back of own shares		-6	-171	-	-	-178
Total transactions with owners		-6	1,755	-	-	1,749
Balance at December 31, 2018		27,060	120,829	-173	728,994	876,709
Balance at January 1, 2019		27,060	120,829	-173	728,994	876,709
Net result for the period						
January 1, 2019 to December 31, 2019		-	-	-	163,677	163,677
<i>Other comprehensive income for the period</i>						
Currency translation differences		-	-	-45	-	-45
Total comprehensive income for the period						
January 1, 2019 to December 31, 2019		-	-	-45	163,677	163,632
<i>Transactions with owners:</i>						
Redemption program		-6,479	-	-	-208,831	-215,310
Value of employee services:						
- Share-based remuneration	2	124	3,076	-	-	3,200
- Share-based long-term incentive program	5	615	2,124	-	-	2,739
Buy-back of own shares	6	-2,060	-51,926	-	-	-53,986
Total transactions with owners		-7,800	-46,726	-	-208,831	-263,357
Balance at December 31, 2019		19,260	74,102	-218	683,840	776,984

Cash flow statements – Group

(Expressed in USD thousands)	Jan 1, 2019– Dec 31, 2019	Jan 1, 2018– Dec 31, 2018	Oct 1, 2019– Dec 31, 2019	Oct 1, 2018– Dec 31, 2018
OPERATING ACTIVITIES				
Result before tax	163,918	-4,743	87,452	-36,015
<i>Adjustment for:</i>				
Interest income	-756	-3,489	-279	-63
Interest expense	5,234	6,112	1,212	1,535
Currency exchange gains/-losses	5,189	-4,119	494	-639
Depreciation	335	24	82	29
Result from financial assets at fair value through profit or loss	-203,825	15,652	-93,432	37,083
Dividend and coupon income	-3,065	-22,182	–	-4,423
Other non-cash adjustments	7,126	1,578	2,576	-1,913
Change in current receivables	253	1,636	123	-163
Change in current liabilities	-116	1,160	-208	728
Net cash used in operating activities	-25,707	-8,370	-1,980	-3,840
Investments in financial assets	-279,609	-48,938	-76,247	-2,356
Sales of financial assets	584,955	1,088	19,630	–
Increase in loan receivables	–	1,646	–	–
Dividend and coupon income	3,065	22,182	–	4,423
Interest received	–	1,568	–	–
Tax paid	-169	-207	-57	-59
Net cash flow from/used in operating activities	282,535	-31,031	-58,654	-1,833
INVESTMENT ACTIVITIES				
Investments in office equipment	–	-135	–	-28
Net cash flow used in investment activities	–	-135	–	-28
FINANCING ACTIVITIES				
Proceeds from borrowings	65,012	28,427	65,012	–
Repayment of borrowings	-91,205	–	–	–
Interest paid for borrowings	-3,113	-4,929	–	-1,364
Repayment of lease liabilities	-343	–	-84	–
Redemption program including transaction fees	-215,310	–	–	–
Proceeds from LTIP and options issued to employees	1,118	–	–	–
Buy back of own shares	-53,986	-178	–	–
Net cash flow used in/from financing activities	-297,827	23,321	64,928	-1,364
Change in cash and cash equivalents	-15,292	-7,845	6,274	-3,224
Cash and cash equivalents at beginning of the period	40,303	51,079	10,590	44,049
Exchange gains/losses on cash and cash equivalents	-6,156	-2,930	1,991	-522
Cash and cash equivalents at end of period	18,855	40,303	18,855	40,303

Alternative Performance Measures – Group

Alternative Performance Measures (APM) apply the European Securities and Markets Authority (ESMA) guidelines.

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.

Definitions of all APMs used are found below.

	12m 2019	12m 2018
Return on capital employed, % ¹	17.45	-1.14
Equity ratio, % ²	91.21	90.02
Shareholders' equity/share, USD ³	9.94	10.37
Net asset value/share, USD ⁴	9.94	10.37
Net asset value/share adjusted for the February 2019 split and redemption program, USD ⁵	13.48	10.37
Weighted average number of shares for the financial period ⁶	78,787,830	84,565,125
Weighted average number of shares for the financial period (fully diluted) ⁷	79,118,580	84,796,544
Number of shares at balance sheet date ^{6,7}	78,150,006	84,562,357

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 outstanding common shares, ie. plan shares is excluded.

4. *Net asset value/share* is defined as shareholders' equity divided by total number of common shares.

5. *Net asset value/share adjusted for the February 2019 split and redemption program* is defined as equity increased by an amount corresponding to the redemption amount increased by the development in equity since the redemption date, divided by total number of outstanding common shares.

6. Refers only to ordinary common shares and excludes redemption shares and redeemable common shares.

7. Number of common shares at balance sheet date as per December 31, 2019, excludes 7,685,303 repurchased SDRs and the 2,100,000 redeemable common shares issued under the 2019 Long-Term Incentive Program.

Income statement – Parent

(Expressed in USD thousands)	Jan 1, 2019– Dec 31, 2019	Jan 1, 2018– Dec 31, 2018	Oct 1, 2019– Dec 31, 2019	Oct 1, 2018– Dec 31, 2018
Result from financial assets at fair value through profit or loss	1,142	-909	647	47
Dividend and coupon income	100,000	–	–	–
Operating expenses	-33,224	-8,049	-4,602	-2,318
Operating result	67,918	-8,959	-3,955	-2,271
Financial income and expenses				
Interest income	3,401	17,265	1,046	3,839
Interest expense	-5,166	-6,055	-1,178	-1,502
Currency exchange gains/losses, net	-4,954	4,278	-520	672
Net financial items	-6,719	15,487	-652	3,010
Net result for the financial period	61,199	6,529	-4,607	738

Statement of comprehensive income

(Expressed in USD thousands)	Jan 1, 2019– Dec 31, 2019	Jan 1, 2018– Dec 31, 2018	Oct 1, 2019– Dec 31, 2019	Oct 1, 2018– Dec 31, 2018
Net result for the financial period	61,199	6,529	-4,607	738
Other comprehensive income for the period				
<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	61,199	6,529	-4,607	738

Balance sheet – Parent

(Expressed in USD thousands)	Dec 31, 2019	Dec 31, 2018
NON-CURRENT ASSETS		
<i>Financial non-current assets</i>		
Shares in subsidiaries	185	84,389
Financial assets at fair value through profit or loss	20,660	644
Receivables from Group companies	115,755	256,965
Total financial non-current assets	136,600	341,998
CURRENT ASSETS		
Cash and cash equivalents	15,810	35,505
Other current receivables	351	138
Total current assets	16,161	35,644
TOTAL ASSETS	152,761	377,642
SHAREHOLDERS' EQUITY (including net result for the financial period)	79,248	281,406
NON-CURRENT LIABILITIES		
<i>Interest bearing liabilities</i>		
Long-term debts	68,582	93,944
Total non-current liabilities	68,582	93,944
CURRENT LIABILITIES		
<i>Non-interest bearing current liabilities</i>		
Liabilities to Group companies	1,145	719
Other current liabilities	315	83
Accrued expenses	3,471	1,490
Total current liabilities	4,931	2,292
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	152,761	377,642

Statement of Changes in Equity

– Parent

(Expressed in USD thousands)	Note	Share capital	Additional paid in capital	Retained earnings	Total
Balance at January 1, 2018		27,066	119,073	126,988	273,128
Net result for the period					
January 1, 2018 to December 31, 2018		–	–	6,529	6,529
<i>Other comprehensive income for the period</i>					
Currency translation differences		–	–	–	–
Total comprehensive income for the period					
January 1, 2018 to December 31, 2018		–	–	6,529	6,529
<i>Transactions with owners:</i>					
Value of employee services:					
- Share-based long-term incentive program		–	1,927	–	1,927
Buy-back of own shares		-6	-171	–	-178
Total transactions with owners		-6	1,755	–	1,749
Balance at December 31, 2018		27,060	120,829	133,518	281,406
Balance at January 1, 2019		27,060	120,829	133,518	281,406
Net result for the period					
January 1, 2019 to December 31, 2019		–	–	61,199	61,199
<i>Other comprehensive income for the period</i>					
Currency translation differences		–	–	–	–
Total comprehensive income for the period					
January 1, 2019 to December 31, 2019		–	–	61,199	61,199
<i>Transactions with owners:</i>					
Redemption program		-6,479	–	-208,831	-215,310
Value of employee services:					
- Share-based remuneration	2	124	3,076	–	3,200
- Share-based long-term incentive program	5	615	2,124	–	2,739
Buy-back of own shares	6	-2,060	-51,926	–	-53,986
Total transactions with owners		-7,800	-46,726	-208,831	-263,357
Balance at December 31, 2019		19,260	74,102	-14,114	79,248

Notes to the financial statements

(Expressed in USD thousand unless indicated otherwise)

Note 1

Accounting principles

This consolidated interim report is prepared in accordance with IAS 34 Interim Financial Reporting. Except where stated below, the accounting policies that have been applied for the Group and Parent Company, are in agreement with the accounting policies used in preparation of the Company's 2018 annual report. The Company's 2018 annual report is available at the Company's website: www.vostoknewventures.com/investor-relations/financial-reports/

IFRS 16, *Leases*, is effective from January 1, 2019. IFRS 16 affects primarily the accounting by leases and the recognition of almost all leases on balance sheet. Vostok New Ventures applies the simplified transition approach. Comparative information are therefore not restated. The Company's leasing commitments consist only of lease agreements for premises, therefore the new standard has not a significant impact on the Company's financial reports. The effect on tangible assets is USD 0.9 mln, long-term debts USD 0.7 mln and current liabilities USD 0.3 mln.

When calculating *earnings per share*, the average number of shares is based on average outstanding common shares, so called Swedish Depository Receipts (SDRs). Plan shares, issued to incentive share program participants, are not treated as outstanding common shares and by that not included in the weighted calculation. The issue of plan shares is recognized as an increase in shareholders' equity, although.

When calculating *diluted earnings per share*, the average number of common shares (SDRs) is adjusted to consider the effects of dilutive potential common shares, originating during the reported periods from share incentive programs that have been offered to employees. Dilutions from share incentive programs affect the number of shares and only occur when the strike price is less than the share price or incentive program performance conditions are fulfilled.

Note 2

Related-party transactions

During the period, the Group has recognized the following related party transactions:

	Operating expenses		Current liabilities	
	12m 2019	12m 2018	12m 2019	12m 2018
Key management and Board of Directors ¹	-20,080	-5,290	-	-

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

Parts of the management purchased for their own account bond 2019/2022, when it was issued, for a total amount of USD 0.6 mln.

The Company has entered into agreements with Keith Richman and Victoria Grace, both Directors of Vostok New Ventures, for consultancy services above and beyond their duties as Directors in the Company in relation to current or prospective investments. The gross annual cost per contract is USD 0.1 mln.

In April 2019, the Board of Directors of Vostok New Ventures Ltd awarded Per Brilioth, Managing Director of Vostok New Ventures, an extraordinary bonus in the gross amount of USD 15.2 mln, where bonus was payable in equal parts in kind by way of shares and in cash after tax, following the successful exit of Avito in January 2019.

A Special General Meeting held on August 22, 2019 resolved to adopt a five-year performance-based incentive program for key employees. The Company subsidized participation in the program. The value of the subsidy amounted to USD 1.9 mln.

The Company also compensated for the tax impact arising from the fact that subscription price for the 2019 Plan Shares was below fair market value. The maximum estimated cost of this subsidy to management, social fee excluded, amounted to USD 0.7 mln and will be expensed over five years.

The costs for the long-term incentive programs (LTIP 2017, LTIP 2018 and LTIP 2019) for the management amounted to USD 1.4 mln, excluding social taxes, during the twelve-month period 2019. See details of the LTIP 2017, LTIP 2018 and LTIP 2019 in Note 5.

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 2018. 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, 2019.

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	20,828	384,914	425,240	830,982
Total assets	20,828	384,914	425,240	830,982

The following table presents the group's assets that are measured at fair value at December 31, 2018.

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	960	707,899	223,623	932,482
Total assets	960	707,899	223,623	932,482

The following tables present the group's changes of financial assets in level 3.

	Level 3
Opening balance January 1, 2019	223,623
Transfers from level 3	-21,884
Transfers to level 3	164,515
Change in fair value and other	58,986
Closing balance December 31, 2019	425,240
	Level 3
Opening balance October 1, 2019	70,824
Transfers from level 3	-
Transfers to level 3	287,691
Change in fair value and other	66,725
Closing balance December 31, 2019	425,240

During the fourth quarter 2019, BlaBlaCar, Property Finder and Gett have been transferred from level 2 to level 3. The investments in Babylon, VOI, SWVL, Booksy, Dostavista, Monopolya, Shohoz, Housing Anywhere, JamesEdition, Zezeeta, Yoppie, Shwe Property, Grace Health, Numan and Dubcars are classified as level 2 as the valuations are based on the price paid in each respective transaction.

BlaBlaCar, Gett, Property Finder, OneTwoTrip, Hemnet, Wallapop, El Basharsoft, Merro, Naseeb Networks, YouScan, DOC+, Agente Imóvel, JobNet and CarZar are classified as level 3 investments. The level 3 investments are either based on valuation models, usually using EBITDA and revenue multiples of comparable listed peers or transactions that include more uncertainty given the time elapsed since it closed or structure of the transactions.

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 when warranted.

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 investment is revalued to the best fair value estimate. Revaluations are approved by the Board of Directors in connection with the Company's financial reports.

BlaBlaCar

As per December 31, 2019, the BlaBlaCar investment is classified as a level 3 investment, based on a revenue-multiple based valuation model. Vostok New Ventures has invested USD 122.4 mln (EUR 110 mln) in the company and Vostok New Ventures values, through its 8.7% ownership in BlaBlaCar, the company to USD 209.5 mln as per December 31, 2019.

	Sensitivity in BlaBlaCar valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' BlaBlaCar investment, USD mln	178.0	188.5	209.5	230.4	240.9

Babylon

As per December 31, 2019, Vostok New Ventures values its shares in the company at USD 200.0 mln, classified as level 2 investments, on the basis of an equity transaction that closed on August 2, 2019, whereby the company raised USD 400 mln in a first close in a round of up to USD 500 mln at a pre-money valuation of USD 1,500 mln. Vostok New Ventures participated with a total of USD 72.3 mln in the transaction. The transaction valuation is approximately 543% higher than the valuation as per December 31, 2018.

VOI

Vostok New Ventures has invested USD 60.8 mln in VOI Technology, the leading European free-floating electric scooter sharing service and owns 32.7% of the company on a fully diluted basis. The company closed its latest funding round in November 2019, whereby the company raised USD 85 mln in primary capital including existing convertible loans. Vostok New Ventures participated with USD 47.5 mln in the round. Other existing and new investors also participated in the round, and the transaction is deemed to be the best fair value estimate as per December 31, 2019.

Gett

As per December 31, 2019, Vostok New Ventures values Gett based on a revenue multiple-based valuation. Vostok New Ventures owns 5.28% of Gett on a fully diluted basis and believes that the revenue multiple valuation accounting for the company's preference structure is the best fair value estimate as per December 31, 2019.

	Sensitivity in Gett valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' Gett investment, USD mln	63.6	67.4	74.9	82.3	86.1

Property Finder

As per December 31, 2019, Vostok New Ventures values Property Finder based on a revenue multiple-based valuation. Vostok New Ventures owns 9.8% of Property Finder on a fully diluted basis and believes that the revenue multiple valuation accounting for the company's preference structure is the best fair value estimate as per December 31, 2019.

	Sensitivity in Property Finder valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' Property Finder investment, USD mln	40.7	43.1	47.9	52.7	55.1

OneTwoTrip

As per December 31, 2019, OneTwoTrip is classified as a level 3 investment based on peer multiples model, valued at USD 28.7 mln. Vostok New Ventures owns 21.1% of the company on a fully diluted basis as per December 31, 2019.

	Sensitivity in OneTwoTrip valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' OneTwoTrip investment, USD mln	24.4	25.8	28.7	31.5	33.0

	Sensitivity in OneTwoTrip valuation as per December 31, 2019				
	-15%	-10%	RUB/USD	+10%	+15%
Valuation of Vostok New Ventures' OneTwoTrip investment, USD mln	24.4	25.8	28.7	31.5	33.0

Hemnet (through YSaphis S.A. and Sprints Capital Rob R Partners S.A.)

As per December 31, 2019, Hemnet is classified as a level 3 investment as it is valued at USD 25.8 mln on the basis of an EV/EBITDA valuation model as the latest significant transaction took place more than 12 months ago. The company has been performing well since Vostok's investment in December 2016. As per December 31, 2019, the model is deemed the best fair value estimate of the company. The median multiple of the peer group consisting of a number of listed real estate verticals including, but not limited to, Scout24, Rightmove and REA Group, is 23.2x. The model-based valuation is approximately 82% higher than the valuation as per December 31, 2018.

	Sensitivity in model-based Hemnet valuation as per December 31, 2019				
	-15%	-10%	EBITDA estimate	+10%	+15%
Valuation of Vostok New Ventures' Hemnet investment, USD mln	22.0	23.3	25.8	28.4	29.7

	Sensitivity in model-based Hemnet valuation as per December 31, 2019				
	-15%	-10%	SEK/USD	+10%	+15%
Valuation of Vostok New Ventures' Hemnet investment, USD mln	22.0	23.3	25.8	28.4	29.7

SWVL

As per December 31, 2019, SWVL is classified as a level 2 investment as it is valued at USD 16.0 mln on the basis of a recent transaction in the company that closed in the second quarter 2019. Vostok New Ventures owns 10.1% of the company on a fully diluted basis as per December 31, 2019.

Booksy

As per December 31, 2019, Booksy 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 2019. Vostok New Ventures invested a total of USD 9.5 mln in the company. Vostok New Ventures owns 11.8% of the company on a fully diluted basis as per December 31, 2019.

Dostavista

As per December 31, 2019, Dostavista is classified as a level 2 investment as it is valued at USD 11.6 mln on the basis of the latest transaction in the company, which closed in the second quarter of 2019. Vostok New Ventures invested a total of USD 11.6 mln in the company.

Monopoliya

As per December 31, 2019, Monopoliya is classified as a level 2 investment as it is valued at USD 9.4 mln on the basis of the latest transaction in the company, which closed in the fourth quarter of 2019. Vostok New Ventures invested a total of USD 9.4 mln in the company.

El Basharsoft

As per December 31, 2019, El Basharsoft is classified as a level 3 investment as it is valued at USD 8.6 mln on the basis of an EV/Revenue valuation model as the latest significant transaction took place more than 12 months ago. The company has been performing well. As per December 31, 2019, the model is deemed the best fair value estimate of the company. The model-based valuation is approximately 82% higher than the valuation as per December 31, 2018.

	Sensitivity in El Basharsoft valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' El Basharsoft investment, USD mln	7.3	7.8	8.6	9.5	9.9

Merro

As per December 31, 2019, Merro is classified as a level 3 investment and is valued on the basis of a Sum of the Parts valuation model. As per December 31, 2019, Vostok New Ventures stake in the company is valued to USD 7.7 mln, which is 1% lower than the valuation as per December 31, 2018. The main drivers of the revaluation are a USD 3.1 mln dividend distribution following Merro's sale of Property Finder and a revised valuation of Opensooq, which is attributable to the majority of the fair value of Merro. As per December 31, 2019, Opensooq accounts for 72.2% of the fair value estimate of Merro. Merro sensitivity valuation is shown below.

	Sensitivity in Sum of the parts-based Merro valuation as per December 31, 2019				
	-15%	-10%	Opensooq estimate	+10%	+15%
Valuation of Vostok New Ventures' Merro investment, USD mln	6.9	7.1	7.7	8.2	8.4

	Sensitivity in Sum of the parts-based Merro valuation as per December 31, 2019				
	-15%	-10%	Merro valuation	+10%	+15%
Valuation of Vostok New Ventures' Merro investment, USD mln	6.5	6.9	7.7	8.4	8.8

Wallapop

As per December 31, 2019, Wallapop is classified as a level 3 investment. Vostok New Ventures' indirect stake in the company is valued at USD 7.3 mln. As per December 31, 2019, Vostok New Ventures values its indirect investment into Wallapop as per a revenue valuation model that results in a valuation in line with the last transaction in the company of August 2018. The company is performing in line with plan.

	Sensitivity in Wallapop valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' Wallapop investment, USD mln	6.2	6.6	7.3	8.0	8.4

Shohoz

During the first quarter 2019, Vostok New Ventures invested USD 7.0 mln in Shohoz. As per December 31, 2019, Shohoz is classified as a level 2 investment based on latest transaction, valued at USD 7.0 mln as per December 31, 2019.

Housing Anywhere

As per December 31, 2019, Housing Anywhere is classified as a level 2 investment as it is valued at USD 6.4 mln (EUR 5.5 mln) on the basis of the latest transaction in the company, which closed in January 2020. Vostok New Ventures invested a total of USD 4.1 mln (EUR 3.3 mln) in the company in the first quarter 2018 and an additional USD 1.9 mln (EUR 1.7 mln) in December 2018.

YouScan

Vostok New Ventures owns 20.9% of YouScan fully diluted (YouScan is held through a 33.2% holding in Kontakt East Holding AB, which owns 63% of YouScan). As per December 31, 2019, YouScan is classified as a level 3 investment based on a revenue-multiple based valuation. This model-approach is deemed the best fair value estimate of YouScan as per December 31, 2019.

	Sensitivity in model-based YouScan-valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' YouScan investment, USD million	3.3	3.5	3.9	4.3	4.5

Naseeb Networks

As per December 31, 2019, 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 3.5 mln compared to USD 3.8 mln as per December 31, 2018.

The peer group includes four online classifieds/jobs portal peers including SEEK, Infoedge, and 51job. The average multiple of the peer group is 8.5x and the median multiple is 7.1x.

	Sensitivity in model-based Naseeb valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' Naseeb investment, USD mln	3.0	3.2	3.5	3.9	4.0

DOC+

As per December 31, 2019, DOC+ is classified as a level 3 investment as it is valued based on a revenue-multiple based valuation. This model-approach is deemed the best fair value estimate of DOC+ as per December 31, 2019.

	Sensitivity in DOC+ valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' DOC+ investment, USD mln	3.0	3.2	3.6	3.9	4.1

	Sensitivity in DOC+ valuation as per December 31, 2019				
	-15%	-10%	RUB/USD	+10%	+15%
Valuation of Vostok New Ventures' DOC+ investment, USD mln	3.0	3.2	3.6	3.9	4.1

JamesEdition

As per December 31, 2019, JamesEdition is classified as a level 2 investment as it is valued at USD 3.4 mln on the basis of the latest transaction in the company, which closed in the second quarter of 2019. Vostok New Ventures invested a total of USD 3.3 mln (EUR 3.0 mln) in the company.

Vezeeta

As per December 31, 2019, Vezeeta is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company which closed during the third quarter 2018. Vostok New Ventures participated with USD 0.8 mln in the financing round. As per December 31, 2019, Vostok New Ventures values its investment in Vezeeta to USD 3.2 mln.

Agente Imóvel

As per December 31, 2019, Agente Imóvel is classified as a level 3 investment based on an EV/Sales model. Vostok New Ventures has invested a total of USD 2.0 mln in the company, which as per December 31, 2019 is valued at USD 2.8 mln.

	Sensitivity in Agente Imóvel valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' Agente Imóvel investment, USD mln	2.4	2.5	2.8	3.1	3.2

Yoppie

During the third quarter 2019, Vostok New Ventures invested USD 1.5 mln in Yoppie. As per December 31, 2019, Yoppie is classified as a level 2 investment based on the latest transaction, valued at USD 1.5 mln (GBP 1.2 mln) as per December 31, 2019.

Shwe Property

As per December 31, 2019, Shwe Property 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 third quarter of 2019. The company is valued at USD 1.4 mln.

Grace Health

During the second quarter 2019, Vostok New Ventures invested USD 1.0 mln (SEK 10.0 mln) in Grace Health. As per December 31, 2019, Grace Health is classified as a level 2 investment based on latest transaction, valued at USD 1.1 mln as per December 31, 2019.

Numan

As per December 31, 2019, Numan is classified as a level 2 investment based on a convertible loan investment amounting to USD 1.0 mln (GBP 0.8 mln) in the company which closed in December 2018 and converted into equity during the first quarter 2019. Numan is valued at USD 1.1 mln as per December 31, 2019.

JobNet

As per December 31, 2019, JobNet 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 JobNet to USD 0.7 mln compared to USD 0.5 mln as per December 31, 2018.

The peer group includes four online classifieds/jobs portal peers including SEEK, Infoedge, and 51job. The average multiple of the peer group is 9.6x and the median multiple is 7.2x.

	Sensitivity in model-based JobNet valuation as per December 31, 2019				
	-15%	-10%	Revenue estimate	+10%	+15%
Valuation of Vostok New Ventures' JobNet investment, USD mln	0.6	0.6	0.7	0.8	0.8

Dubicars

As per December 31, 2019, Dubicars is classified as a level 2 investment based on a transaction in the company which closed in the fourth quarter 2018. Dubicars is valued at USD 0.5 mln as per December 31, 2019.

CarZar

As per December 31, 2019, CarZar is classified as a level 3 investment as it is valued on the basis of Vostok New Ventures' assessment of the intrinsic fair value of the company. Vostok New Ventures' valuation as per December 31, 2019, is significantly lower compared with the valuation as per December 31, 2018 following continued unfavorable performance and overall market dynamics.

	Sensitivity in CarZar valuation as per December 31, 2019				
	-15%	-10%	CarZar valuation	+10%	+15%
Valuation of Vostok New Ventures' CarZar investment, USD mln	0.4	0.4	0.5	0.5	0.5

Marley Spoon (equity, Level 1)

As per December 31, 2019, the equity in Marley Spoon is valued at USD 0.2 mln on the basis of the closing price on the last trading day of Marley Spoon in 4Q19. Marley Spoon equity is classified as a level 1 investment.

Liquidity management (Level 1)

As per December 31, 2019, Vostok New Ventures owns USD 20.7 mln in money market funds and bonds as part of the Company's liquidity management operations. The funds and bonds are quoted on a daily basis and the fair value as per December 31, 2019, is the last published NAV as per end of December 2019.

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

(Expressed in USD) Company	Opening balance Jan 1, 2019	Investments/ (disposals), net	Fair value change	Closing balance Dec 31, 2019	Percentage weight
BlaBlaCar	157,695,271	8,604,151	43,154,478	209,453,900	25.2%
Babylon ³	21,884,394	72,250,703	105,864,953	200,000,050	24.1%
VOI	10,831,921	58,033,066	33,568,786	102,433,773	12.3%
Gett	55,358,979	23,620,323	-4,125,975	74,853,327	9.0%
Property Finder	39,985,331	-	7,897,930	47,883,261	5.8%
OneTwoTrip	16,548,231	7,394,143	4,710,195	28,652,539	3.4%
Hemnet ¹	14,178,027	-	11,667,422	25,845,449	3.1%
SWVL	-	16,001,533	-	16,001,533	1.9%
Booksy	5,989,711	3,499,650	3,441,767	12,931,128	1.6%
Dostavista	-	11,561,199	-	11,561,199	1.4%
Monopoliya	-	9,371,881	-	9,371,881	1.1%
El Basharsoft (Wuzzuf and Forasna)	4,736,758	17,067	3,876,066	8,629,891	1.0%
Merro	7,761,119	-	-108,939	7,652,180	0.9%
Wallapop	9,950,485	-	-2,603,006	7,347,479	0.9%
Shohoz	-	7,003,759	-	7,003,759	0.8%
Housing Anywhere	6,226,535	285,602	-146,260	6,365,877	0.8%
YouScan ²	2,346,512	-	1,520,592	3,867,104	0.5%
DOC+	4,000,000	3,750,000	-4,193,558	3,556,442	0.4%
Naseeb Networks (Roze and Mihnati)	3,807,560	-	-279,476	3,528,084	0.4%
JamesEdition	-	3,341,400	18,000	3,359,400	0.4%
Vezeeta	3,155,946	-	-	3,155,946	0.4%
Agente Imóvel	2,999,443	-	-199,216	2,800,227	0.3%
Yoppie	-	1,480,920	-	1,480,920	0.2%
Shwe Property	500,000	600,000	335,278	1,435,278	0.2%
Grace Health	-	1,041,951	31,294	1,073,245	0.1%
Numan ³	-	1,048,208	15,803	1,064,011	0.1%
JobNet	500,000	-	218,796	718,796	0.1%
Dubicars	348,325	135,244	24,751	508,320	0.1%
CarZar	3,000,000	-	-2,548,713	451,287	0.1%
Marley Spoon	315,981	-	-147,647	168,334	0.0%
Busfor	8,604,151	-8,604,151	-	-	-
Avito	539,874,449	-539,874,449	-	-	-
Inturn, convertible debt	-	5,000,000	61,667	5,061,667	0.6%
Numan, convertible debt	1,012,000	186,692	133,500	1,332,192	0.2%
Housing Anywhere, convertible debt	-	556,700	4,887	561,587	0.1%
DOC+, convertible debt	-	-6,027	6,027	-	-
Naseeb Networks, convertible debt	-	200,000	11,667	211,667	0.0%
Babylon, convertible debt	9,226,610	-9,242,759	16,149	-	-
Booksy, convertible debt	999,900	-999,900	-	-	-
VOI, convertible debt	-	-456,438	456,438	-	-
Liquidity management	644,274	18,874,357	1,141,502	20,660,133	2.5%
Total investment portfolio	932,481,913	-305,325,175	203,825,128	830,981,866	100.0%

1. Indirect holding through YSaphis S.A. and Sprints Capital Rob R Partners S.A.

2. Reflects Vostok New Ventures' 20.9% indirect shareholding in YouScan which is held through a 33.2% holding in Kontakt East Holding AB, which owns 63% of YouScan.

3. Convertible note conversions into shares generates capitalized interest and currency effects which are excluded in investments of financial assets in the cash flow statement.

Note 4

Long-term debts

Bond 2019/2022

On September 25, 2019, the Company announced that it had successfully placed a bond loan of three years, initial amount of SEK 550 million, within a frame of SEK 800 million. The bond bears a fixed coupon of 5.75 per cent p.a. with interest payable quarterly. The bond is listed for trading on Nasdaq Stockholm. The first day of trading was December 3, 2019.

On November 28, 2019, Vostok New Ventures Ltd increased its outstanding bond loan by SEK 100 mln by way of a subsequent bond issue. The total amount outstanding under the Company's bond loan is SEK 650 million.

Financial leases

As per December 31, 2019, financial leases are recognized with a provision of future long-term lease payments amounting to USD 0.7 mln.

Note 5 Long-term Incentive programs (LTIP)

	LTIP 2017	LTIP 2018	LTIP 2019
Program measurement period	Jan 2017– Dec 2019	Jan 2018– Dec 2020	Jan 2019– Dec 2023
Vesting period	May 2017– May 2020	May 2018– May 2021	Aug 2019– May 2024
Maximum number of depository receipts not adjusted for split and redemption program Mar 2019	450,000	510,000	2,100,000
Maximum number of depository receipts adjusted for split and redemption program Mar 2019	661,500	742,350	2,100,000
Maximum dilution, adjusted for redemption program	0.42%	0.95%	2.7%
Common share price per grant day in SEK	72.50	74.70	63.50
Common share price per grant day in USD	8.25	8.59	6.60
Plan share price per grant day in SEK	–	–	6.84
Plan share price per grant day in USD	–	–	0.71
LTIP share-based remuneration expense, excluding social fees in USD mln	LTIP 2017	LTIP 2018	LTIP 2019
2019	0.71	0.83	0.09
2018	0.70	0.52	–
2017	0.45	–	–
Total	1.86	1.35	0.09

There are three running long-term share-based incentive programs for management and key personnel in the Vostok New Ventures Group. The 2017 and 2018 programs are linked to the long-term performance of the Company's Net Asset Value and the 2019 program is linked to the long-term performance of both the Company's Net Asset Value and of the Vostok New Ventures share price.

Outstanding programs 2017 and 2018

Participants in the 3-year 2017 and 2018 programs purchased shares (Swedish Depository Receipts) in the Company. For each purchased share, participants are entitled to receive additional shares, so-called performance shares, free of charge, subject to fulfillment of performance conditions set by the Board of Directors based on the Company's Net Asset Value.

The rights to receive shares automatically convert into common shares at the end of the program at an exercise price of nil. The participants do not receive any dividends and are not entitled to vote in relation to the rights to receive shares during the vesting period. If a participant ceases to be employed by the Group within this period, the rights will be forfeited, except in limited circumstances that are approved by the board on a case-by-case basis.

The fair value of the depository receipts on the grant date was calculated on the basis of the market price of the Company's depository receipts on the grant date per depository receipt without adjustment for any dividends during the vesting period.

Outstanding program 2019

Similarly to the 2017 and 2018 programs, participants in the five-year 2019 program purchased shares in the Company.

For each purchased share, participants are entitled to subscribe for newly issued redeemable common shares (2019 Plan Shares) in the Company. Depending on the performance of both the Company's Net Asset Value and of the Vostok New Ventures share price, the 2019 Plan Shares will be redeemed or reclassified as ordinary common shares and

represented by Swedish Depository Receipts, provided certain performance conditions have been fulfilled. If the performance conditions have not been fulfilled, then the plan shares will be redeemed.

The participants will be compensated for dividends and other value transfers to the shareholders. The participants are also entitled to vote for their 2019 Plan Shares during the measurement period.

If a participant ceases to be employed by the Group within this period, the plan shares will be redeemed, unless otherwise resolved by the Board on a case-by-case basis.

The fair value of the 2019 Plan Shares on the grant date was calculated on the basis of the market price of the Company's depository receipts on the grant date and prevailing market conditions by using a Monte Carlo Valuation Method.

To carry through the incentive program, the Company subsidized the subscription price payable by the incentive program participants for the 2019 Plan Shares. The subsidy amounted to USD 2.6 mln, social fees excluded, for the cost of acquiring plan shares. The cost for financing and acquiring plan shares is expensed directly.

The Company also compensated participants for the tax impact arising from the fact that the subscription price was below fair market value. The estimated cost of this subsidy, social fee excluded, amounts to USD 1 mln and will be expensed over five years, treated as vesting expense. As per December 2019, the vesting expense for LTIP 2019 amounts to USD 0.1 mln.

Completed program 2016

The Board of Directors determined on March 27, 2019 that the development of the Company's Net Asset Value over the performance measurement period of LTIP 2016 (January 1, 2016 through December 31, 2018), met the so-called target level, whereby each savings share held by program participants throughout the vesting period resulted in an allocation of five performance shares free of charge. LTIP 2016 resulted in allotment of 632,100 depository receipts adjusted for the February 2019 split and redemption program. The program resulted in a dilution of 0.41% in terms of depository receipts. Total cost, excluding social fees, amounted to USD 1.6 mln for the four participants.

Accounting principles

In accordance with IFRS 2, the costs for the program, including social fees, will be reported over the income statement during the program's vesting period. The value is recognized in the income statement as a personnel cost on line operating expenses, allocated over the vesting period with a corresponding increase in equity. The recognized cost corresponds to the fair value of the estimated number of shares that are expected to vest. This cost is adjusted in subsequent periods to reflect the actual number of vested shares. However, no adjustment is made when shares expire only because share price-related conditions do not reach the level.

Note 6 Depository receipt buy-back

During the fourth quarter 2019, no SDRs were repurchased. At the end of the period, the number of outstanding common shares (SDRs), excluding 7,685,303 repurchased SDRs, was 78,150,006.

Note 7 Events after the reporting period

No key events to report.

Information

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, 2019, 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 is a holding company, which owns the Cypriot subsidiary Vostok New Ventures (Cyprus) Limited. The net result for the period was USD 61.20 mln (2018: 6.53). Financial assets at fair value through profit or loss refers to liquidity management investments.

Financial and Operating risks

The Company's risks and risk management are described in detail in note 3 of the Company's Annual Report 2018.

Upcoming Reporting Dates

Vostok New Ventures' report for the three-month period January 1, 2020–March 31, 2020 will be published on April 29, 2020.

Annual General Meeting and Annual Report 2019

The annual general meeting of Vostok New Ventures Ltd is planned to take place on Tuesday, May 12, 2020. The annual report will be available on the Company's website (www.vostoknewventures.com) from March 25, 2020.

Hamilton, Bermuda, February 12, 2020

Per Brilioth
Managing Director

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