



Press Release
August 17, 2016

Vostok New Ventures Ltd.

Six Months Report Covering the Period January 1, 2016–June 30, 2016

- Net result for the period was USD 23.08 million (mln) (January 1, 2015–June 30, 2015: 52.78). Earnings per share were USD 0.31 (0.72).
- Net result for the quarter was USD 18.95 mln (39.95). Earnings per share for the quarter were USD 0.26 (0.54).
- The net asset value of the Company was USD 526.33 mln on June 30, 2016 (December 31, 2015: 503.44), corresponding to USD 7.17 per share (December 31, 2015: 6.85). Given a SEK/USD exchange rate of 8.4813 the values were SEK 4,463.98 mln (December 31, 2015: 4,204.90) and SEK 60.78 (December 31, 2015: 57.21), respectively.
- The group's net asset value per share in USD increased by 4.3% over the period January 1, 2016–June 30, 2016.
- During the quarter April 1, 2016–June 30, 2016 the group's net asset value per share in USD increased by 3.5%.
- During the quarter, Vostok New Ventures has invested USD 1.2 mln (SEK 10 mln) in Swedish-founded Carable (Garantibil), which aims to become a fully automated peer-to-peer marketplace for used cars.
- On May 16, the Company announced that the Board of Directors had resolved to mandate the Company to repurchase up to 10% of the outstanding shares of the Company. During the quarter, Vostok New Ventures has repurchased 50,507 SDRs (shares).
- On June 2, the Company announced that it had successfully placed three-year senior secured bonds in the amount of SEK 300 million. The bonds, maturing in June 2019, bear a fixed coupon of 6.50% with quarterly interest payments. The Company has been approved for listing of the bond loan on Nasdaq Stockholm. The first day of trading was July 8, 2016.
- On July 21, the Company announced that it had entered into an agreement to acquire secondary shares in Paris-based ride-sharing service Comuto SA ("BlaBlaCar") in the amount of approximately EUR 40 mln at the same valuation as Vostok's initial investment in BlaBlaCar in September 2015. The acquisition was approved by the special general meeting of shareholders in Vostok held on August 5, 2016. The new Swedish Depository Receipts (SDRs) for the issued shares were admitted for trading on Nasdaq Stockholm on August 11, 2016.
- During August, Vostok New Ventures has invested an additional USD 2.5 mln in OneTwoTrip.
- The number of outstanding shares at the end of the period was 73,449,048.

The Company will hold a telephone conference with an interactive presentation at 16:00 CEST (10:00 a.m. EDT) Wednesday, August 17. For call-in details, see separate press release issued Monday, August 15, at www.vostoknewventures.com.

Management report

Dear shareholders,

Avito of course continues to stand out as our largest investment and contributor to the development of our portfolio, but two developments since our last report are especially significant as they result in producing more substantial contributors to our NAV and reflect upon our overall investment strategy. A recent revaluation of Gett on the back of the new issue to Volkswagen as well as our acquisition of more equity in BlaBlaCar leave the combination of those two companies representing close to 22% of our NAV as of now. Although our investment style is an opportunistic one and does not pay attention to portfolio weights, only potential upside with a heavy emphasis on risk/reward, we believe the relative size of BlaBlaCar and Gett post these transactions, adds plurality to our investment strategy of focusing on businesses with a potential of strong network effects.

BlaBlaCar

One opportunity that we believe matches the risk-reward of Avito is BlaBlaCar. We have worked hard at increasing our exposure to BlaBlaCar and are happy to have concluded the deal to acquire another EUR 40 mln worth of shares in the company at the same valuation as last summer. We now own just over 5% of the company.

The investment case is not new to you but in this day and age it is rare to find an opportunity with strong network effects alongside a global potential around the USD 1 bln mark (our entry valuation is USD 1.4 bln). We believe this shares the same potential as other similar global network effects peers as Uber (USD 60 bln+) and Airbnb (USD 30 bln) but at a fraction of the price.

We have issued new shares in Vostok New Ventures to pay for the BlaBlaCar shares. These shares were priced at NAV (adjusted for the ruble at the time of our agreement). Even if it was at a large premium to where the market was pricing us I hate to dilute our exposure to Avito, but I am convinced that the upside potential of BlaBlaCar is one of the few things that will make this painful dilution worth it.

Gett

Gett has also achieved a substantial success with the USD 300 mln investment into the company by Volkswagen Group. A 40% premium to our previous mark this now makes the company post money a unicorn (a valuation above USD 1 Billion).

It is interesting to observe the merger in China between Uber and the local player, Didi. Very reminiscent of Avito and Slando some years ago. Not saying that this has to be or will be the case in all markets but the experience of the Russian consolidation in online classifieds is very positive.

Avito

Avito continues to roar ahead. Q2 revenues came in 86% higher than the same quarter last year and some 30% higher quarter-on-quarter. This revenue growth stand alone is impressive compared to pretty much anything out there. Add that EBITDA margins are roughly 60% and well... I was going to say that it is a great example of the strength of online classifieds, but of course there is nothing even in that world that compares to Avito. Second half revenues amounted to USD 80 mln. That Avito is implicitly trading at some USD 2 bln through our share price is a great opportunity!

On the financing side we concluded a longer term solution on the debt side of our balance sheet by issuing a 3 year SEK 300 mln bond. We feel that since this bond is connected to our debt investment in Delivery Hero both in terms of size and maturity it allows us to stay in net debt free neutral which is part of Vostok's financial strategy.

August 2016,
Per Brilioth

Portfolio structure – Net Asset Value

The investment portfolio stated at market value as at June 30, 2016 is shown below.

Company	Fair value, USD June 30, 2016	Percentage weight	Fair value, USD December 31, 2015	Valuation change per share, USD Year to date, 2016
Avito ²	338,481,743	60.2%	338,481,743	– ¹
Gett ²	48,263,985	8.6%	34,516,317	40% ¹
BlaBlaCar ²	33,685,389	6.0%	33,181,762	2% ^{3 1}
Propertyfinder ²	19,999,199	3.6%	19,999,199	– ¹
Wallapop ²	12,527,740	2.2%	10,302,197	22% ¹
Merro ²	12,384,907	2.2%	7,513,333	65% ¹
Yell.ru ²	4,275,529	0.8%	5,662,418	-24% ¹
Naseeb Networks (Rozee and Mihnati) ²	4,500,000	0.8%	4,500,000	– ¹
OneTwoTrip ²	4,000,000	0.7%	4,000,000	– ¹
IZH Holding (Zameen and Bayut) ²	4,742,928	0.8%	2,000,000	137% ¹
Carable (Garantibil) ²	1,179,077	0.2%	–	¹
El Basharsoft (Wuzzuf and Forasna) ²	1,002,000	0.2%	968,000	4% ¹
Delivery Hero Holding GmbH, equity component ²	2,507,807	0.4%	2,412,857	4% ^{3 1}
Delivery Hero Holding GmbH, debt	24,568,691	4.4%	23,449,753	
Kite Ventures, debt	9,786,519	1.7%	9,071,642	
Cash	40,069,735	7.2%	43,660,119	
Total investment portfolio	561,975,250	100.0%	539,719,340	
Borrowings	-34,639,291		-20,224,498	
Other net liabilities	-1,003,988		-16,059,377	
Total NAV	526,331,971		503,435,465	

1. This investment is shown in the balance sheet as financial asset at fair value through profit or loss.
2. Private equity investment.
3. Valuation change due to USD/EUR exchange rate movement.

INFORMATION ON HOLDINGS

Avito

Avito is the largest and most liquid online classifieds platform in Russia, and the clear market leader in terms of visitors and ads. During the first six months of 2016, the company has continued to deliver strong growth. Avito's firm market-leading position, has shown to be a key factor in terms of high profitability potential similar to that of peers in other countries. Avito is the leading brand and with strong brand awareness throughout Russia. Compared to western countries, Russia still lags behind in terms of low proportion of internet users in relation to the total population. By the end of 2016 the number of internet users in Russia is expected to reach around 100 mln according to most forecasts. The market for internet-related services continues to grow in correlation with an increased internet penetration. The Russian e-commerce market is also expected to grow with the increasing internet penetration and consumers and businesses migrating online. According to LiveInternet.ru, Avito had 65 mln unique visitors during the last 31 days prior to this report measured by unique cookies.

Avito also runs Domofond.ru in a joint venture with Korbitec. Domofond.ru is a designated property vertical, that services 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 significant revenues. During 2015 and 2016, Avito has invested material amounts in Domofond for marketing purposes and the vertical has launched TV campaigns in Moscow, St. Petersburg and many of the most populated cities in Russia.

Since launch, Domofond has had strong, although from a low base, monthly growth in visitors. 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 as per June 30, 2016.

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

As per June 30, 2016 Vostok New Ventures values Avito on the basis of the price in the above outlined transaction adjusted for the dividend distribution in December 2015 and considers this to be the best fair value estimate of Avito.

Key performance indicators second quarter 2016¹

- Revenues of RUB 2,927 mln (USD 45.6 mln²), up 86% compared with the second quarter 2015 (RUB 1,572 mln).
- Adjusted EBITDA margin of 59.7% or RUB 1,747 mln (USD 27.2 mln²), compared with the second quarter 2015 (Adjusted EBITDA margin of 50.5% or RUB 794 mln).
- Page views amounted to 30 bln (mobile views: 56%) compared with 24 bln (mobile views: 44%) for the same period previous year.

Key performance indicators first six months 2016¹

- Revenues of RUB 5,176 mln (USD 80.6 mln²), up 86% compared with the same period 2015 (RUB 2,779 mln).
- Adjusted EBITDA margin of 54.4% or RUB 2,814 mln (USD 43.8 mln²), compared with the same period 2015 (Adjusted EBITDA margin of 48.7% or RUB 1,354 mln).
- Page views amounted to 63 bln (mobile views: 55%) compared with 50 bln (mobile views: 42%) for the same period previous year.

Website: avito.ru

Avito	
Vostok New Ventures' number of shares as at June 30, 2016	6,166,470
Total Value (USD)	338,481,743
Share of total portfolio	60.2%
Share of total shares outstanding	13.3%
Value development Jan 1–June 30, 2016 (in USD)	–

1. Unaudited figures from Avito.
2. Translated with FX rate of 64.2575 as of June 30, 2016.

Gett

Gett is an on-demand mobility company changing how people move around and Gett things.

A leading provider in Europe, Gett is currently active in four countries and across 60+ cities, including Moscow, London, and NYC. Gett's technology enables consumers to instantly book on-demand transportation, delivery and logistics. The addressable market for the company within its existing markets is worth some USD 30 bln. Of this Gett's revenues are typically some 15–30% depending on whether it is servicing a private or business client. In total, Gett has raised over \$520 million in venture funding.

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

In the first quarter 2016 Gett announced its acquisition of Radio Taxi in UK, focusing on large corporate market of London. This acquisition will bring the total of licensed black cabs to Gett's platform to 11,500, equivalent to half of all the licensed black cabs in London. Gett acquired Radio Taxi's parent company Mountview House Group which also operates One Transport, the global transport solutions platform which provides corporate clients with access to vehicles in almost every country around the world.

During the second quarter of 2016, Gett announced it had received further funding and entered into a strategic partnership with the Volkswagen Group. The transaction values Gett at over USD 1 bln.

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

As per June 30, 2016, the Gett investment is valued at USD 48.3 mln, up 40.0% from Vostok New Ventures' valuation as per December 31 2015, on the basis of the recently completed Volkswagen transaction. As part of the Volkswagen transaction, Vostok New Ventures sold a minor part of its shareholding in Gett.

Website: gett.com

Gett	
Vostok New Ventures' number of shares as at June 30, 2016	18,171,609
Total Value (USD)	48,263,985
Share of total portfolio	8.6%
Share of total shares outstanding	4.2%
Value development Jan 1–June 30, 2016 (in USD)	40%

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 30 million members in 22 countries, and is helping to make road travel more efficient and affordable.

BlaBlaCar was founded in 2006 by Frédéric Mazzella, CEO, Francis Nappez, CTO, and Nicolas Brusson, COO and has 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 first six months of 2016, 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. Also in 2016, BlaBlaCar launched in two other new markets, Czech Republic and Slovakia.

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 in September 2015. The investment comprised of both primary and secondary shares. As per June 30, 2016, Vostok New Ventures owns approximately 2.3% of BlaBlaCar on a fully diluted basis following this transaction. As per June 30, 2016, BlaBlaCar is valued as per price paid in this latest transaction in the company.

After the end of the period, Vostok New Ventures announced that it has agreed to invest an additional EUR 40 mln in to BlaBlaCar by buying secondary shares from two other BlaBlaCar shareholders, Lead Edge Capital and Luxor Capital. The transaction was approved by a Special General Meeting of VNV shareholders on August 5, 2016 as the consideration for the BlaBlaCar shares was in the form of newly issued Vostok New Ventures shares. This transaction is done at the same valuation as in Vostok's first investment into the company.

Website: blablacar.com

BlaBlaCar	
Total Value (USD)	33,685,389
Share of total portfolio	6.0%
Share of total shares outstanding	2.3%
Value development Jan 1–June 30, 2016 (in USD)	2%

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 the clear market leader in UAE and Qatar and in at the top together with a few competitors in its other markets. Propertyfinder is headquartered in Dubai, employs more than 150 people and is profitable in its core markets as well as on a group level. During the second quarter of 2016, Propertyfinder announced it had acquired a smaller competitor in Morocco. Vostok New Ventures invested USD 20 mln for 10% in primary equity of the company during the fourth quarter 2015. In December 2015, the first USD 5 mln was disbursed to the company and the remaining USD 15 mln was disbursed during the first quarter 2016. As per June 30, 2016 Propertyfinder is valued on the basis of this transaction.

Website: propertyfinder.ae

Propertyfinder	
Total Value (USD)	19,999,199
Share of total portfolio	3.6%
Share of total shares outstanding	10.0%
Value development Jan 1–June 30, 2016 (in USD)	–

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 company was founded by Agustin Gomez, Gerard Olivé and Miguel Vicente in January 2013.

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

Vostok New Ventures has in total invested approximately USD 9 mln in three separate transactions during 2015. As per June 30, 2016, Vostok New Ventures indirectly owns approximately 3.0% of the company and values its indirect stake in company on the basis of the latest primary transaction in the company’s shares .

Website: wallapop.com

Wallapop	
Total Value (USD)	12,527,740
Share of total portfolio	2.2%
Share of total shares outstanding	3.0%
Value development Jan 1–June 30, 2016 (in USD)	22%

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

- *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. Opensooq is on a clear path in becoming the “Avito” of the MENA-region.*
- *Propertyfinder represents the second largest value in Merro’s portfolio. Over the past ten years, Propertyfinder has quickly become the leading real estate classified website in the UAE, Qatar, Bahrain and Lebanon and is growing in popularity in KSA, Egypt and Morocco.*
- *Dubicars generates more than a million weekly page views and has more than 400 active car dealers from across the UAE*
- *Camfind is a technology company that simplifies the creation of classifieds listings dramatically through its API (application programming interface).*
- *Objektia, a company that simplifies the process of finding commercial real estate to lease or purchase. By relaying relevant information about the property and its surroundings in a classic marketplace setting, Objektia aims to be the Trulia of the commercial real estate industry.*

As per June 30, 2016, Merro is valued on basis of the latest transaction in the Company that was finalized in the second quarter of 2016. Vostok New Ventures invested an additional USD 1.3 mln in to the company alongside a number of other new investors. The new transaction was made at a valuation approximately 65% higher than Vostok’s initial investment into the company.

Merro	
Total Value (USD)	12,384,907
Share of total portfolio	2.2%
Share of total shares outstanding	21.6%
Value development Jan 1–June 30, 2016 (in USD)	65%

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.

Vostok New Ventures invested USD 8 mln in the context of a total raise of USD 11 mln in 2014 that included participation from Yell's current principal investor Investment AB Kinnevik. Vostok New Ventures values the company on the basis of a valuation model based on revenue multiples of comparable listed peers and owns 33.9% of Yell.ru as per June 30, 2016.

In June 2016, Yell.ru had 2.9 mln unique visitors and 9.3 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.

During the second quarter of 2016, Yell launched a new product, its new table reservation app for restaurant goers, which shows promising traction at an early stage.

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

Website: yell.ru

Yell.ru	
Vostok New Ventures' number of shares as at June 30, 2016	8,808,426
Total Value (USD)	4,275,529
Share of total portfolio	0.8%
Share of total shares outstanding	33.9%
Value development Jan 1–June 30, 2016 (in USD)	-24%

Naseeb Networks (Rozee and Mihnati)

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

Back in 2013, Naseeb Networks completed its acquisition of Mihnati.com, Saudi Arabia's largest indigenous recruiting solutions provider. After its initial market dominance in Pakistan, Naseeb Networks has grown Mihnati's profitability and visits 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 during 2015 in connection with a total funding round that amounted to USD 6.5 mln and included participation from Piton Capital. Per June 30, 2016, Vostok New Ventures values Naseeb on the basis of this transaction.

Naseeb Networks	
Total Value (USD)	4,500,000
Share of total portfolio	0.8%
Share of total shares outstanding	23%
Value development Jan 1–June 30, 2016 (in USD)	–

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.

Despite a tough Russian travel-macro over the last 12 months, with a weak ruble and unfortunate external factors in popular Russian tourist destinations such as Egypt and Turkey, OneTwoTrip has managed to continue to show good developments and is very well positioned for when the macro improves.

Vostok New Ventures has invested USD 4 mln into OneTwoTrip during 2015. The transaction closed in late July 2015 and as per June 30, 2016 the company is valued based on price paid in the transaction.

During August, Vostok New Ventures has invested an additional USD 2.5 mln in OneTwoTrip.

Website: onetwotrip.com

OneTwoTrip	
Total Value (USD)	4,000,000
Share of total portfolio	0.7%
Share of total shares outstanding	6.1%
Value development Jan 1–June 30, 2016 (in USD)	–

IZH Holding (Zameen and Bayut)

IZH Holding owns and operates Pakistan’s leading property portal Zameen and Bayut, 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 advertising 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.

Other investors in IZH Holding are among others, the founders, Gilles Blanchard with a background at Seloger in France and Simon Baker with a background at Australian REA Group.

Vostok New Ventures has invested a total of USD 2 mln in IZH Holding. As per June 30, 2016, Vostok New Ventures values its ownership in IZH Holding to USD 4.7 mln following a recent transaction in IZH Holding, which closed in

1Q16. IZH announced the new round which amounted to USD 20 mln of new capital at the end of January, 2016. Vostok New Ventures did not participate in this transaction.

IZH Holding	
Total Value (USD)	4,742,928
Share of total portfolio	0.8%
Share of total shares outstanding	5.9%
Value development Jan 1–June 30, 2016 (in USD)	137%

Carable (Garantibil)

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

They are proving up the model in Sweden but the ambition is to go global.

Vostok New Ventures invested SEK 10 mln into Garantibil during the second quarter of 2016 and as per June 30, 2016, Vostok New Ventures values its investment as per the price in this transaction.

Website: garantibil.se

Carable	
Total Value (USD)	1,179,077
Share of total portfolio	0.2%
Share of total shares outstanding	8.0%

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. The company is also backed by the company 500 Startups.

As per June 30, 2016, Vostok New Ventures values its investment into el Basharsoft as per the valuation in the latest primary transaction in the company completed during the third quarter 2015. During the first quarter of 2016, there was also a small secondary transaction in the company at the same valuation as at Vostok New Ventures' initial investment.

El Basharsoft	
Total Value (USD)	1,002,000
Share of total portfolio	0.2%
Share of total shares outstanding	14.8%
Value development Jan 1–June 30, 2016 (in USD)	4%

Debt investments

Delivery Hero

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

Vostok New Ventures invested 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 June 30, 2016, the equity component of the Delivery Hero investment is valued at USD 2.5 mln on the basis of the most recent primary equity transaction in the company. The loan is valued at USD 24.6 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 June 30, 2016 carried no value.

Investments

During the second quarter 2016, gross investments in financial assets were USD 2.51 mln (2015: 18.43) and proceeds from sales were USD 2.09 mln (2015: 8.67). Investments concern investments in Garantibil and Merro.

During the six months period of 2016, gross investments in financial assets were USD 17.54 mln (2015: 18.43) and proceeds from sales were USD 2.09 mln (2015: 8.67). Investments concern investments in Propertyfinder, el Basharsoft, Garantibil and Merro. Proceeds from sale concern Gett.

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 23.56 mln (2015: 54.32), mainly coming from the revaluation of IZH Holding, Gett, Wallapop and Merro. Dividend and coupon income was USD 0.00 mln (2015: 0.82).

Net operating expenses amounted to USD -2.71 mln (2015: -1.79).

Net financial items were USD 2.23 mln (2015: -0.57).

Net result for the period was USD 23.08 mln (2015: 52.78).

Total shareholders' equity amounted to USD 526.33 mln on June 30, 2016 (December 31, 2015: 503.44).

Group – results for the quarter

During the quarter, the result from financial assets at fair value through profit or loss amounted to USD 20.77 mln (2015: 37.21), mainly coming from the revaluation of Gett, Wallapop and Merro. Dividend and coupon income was USD 0.00 mln (2015: 0.79).

Net operating expenses amounted to USD -1.95 mln (2015: -1.08).

Net financial items were USD 0.12 mln (2015: 3.02).

Net result for the quarter was USD 18.95 mln (2015: 39.95).

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 40.07 mln on June 30, 2016 (December 31, 2015: 43.66).

Income statements – Group

(Expressed in USD thousands)	Jan 1, 2016– June 30, 2016	Jan 1, 2015– June 30, 2015	Apr 1, 2016– June 30, 2016	Apr 1, 2015– June 30, 2015
Result from financial assets at fair value through profit or loss ¹	23,563	54,317	20,775	37,211
Dividend and coupon income	–	824	–	791
Total operating income	23,563	55,141	20,775	38,001
Operating expenses	-2,712	-1,789	-1,950	-1,075
Operating result	20,852	53,353	18,824	36,926
Financial income and expenses				
Interest income	2,359	2,424	1,198	1,212
Interest expense	-657	–	-373	–
Currency exchange gains/losses, net	530	-2,995	-704	1,813
Net financial items	2,232	-570	121	3,025
Result before tax	23,084	52,782	18,945	39,951
Taxation	–	–	–	–
Net result for the financial period	23,084	52,782	18,945	39,951
Earnings per share (in USD)	0.31	0.72	0.26	0.54
Diluted earnings per share (in USD)	0.31	0.72	0.26	0.54

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, 2016– June 30, 2016	Jan 1, 2015– June 30, 2015	Apr 1, 2016– June 30, 2016	Apr 1, 2015– June 30, 2015
Net result for the financial period	23,084	52,782	18,945	39,951
Other comprehensive income for the period				
<i>Items that may be classified subsequently to profit or loss:</i>				
Currency translation differences	-15	-35	-38	31
Total other comprehensive income for the period	-15	-35	-38	31
Total comprehensive income for the period	23,068	52,748	18,908	39,982

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)	June 30, 2016	Dec 31, 2015
NON-CURRENT ASSETS		
<i>Tangible non-current assets</i>		
Property, plant and equipment	52	–
Total tangible non-current assets	52	–
<i>Financial non-current assets</i>		
Financial assets at fair value through profit or loss	487,550	463,538
Loan receivables	24,569	23,450
Total financial non-current assets	512,119	486,988
CURRENT ASSETS		
Cash and cash equivalents	40,070	43,660
Loan receivables	9,786	9,072
Tax receivables	368	309
Other current receivables	176	83
Total current assets	50,400	53,123
TOTAL ASSETS	562,571	540,111
SHAREHOLDERS' EQUITY (including net result for the financial period)	526,332	503,435
NON-CURRENT LIABILITIES		
Long-term debts	34,639	–
Total non-current liabilities	34,639	–
CURRENT LIABILITIES		
<i>Non-interest bearing current liabilities</i>		
Tax payables	392	393
Other current liabilities	1,055	15,922
Accrued expenses	153	135
<i>Interest bearing current liabilities</i>		
Borrowings	–	20,224
Total current liabilities	1,600	36,675
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	562,571	540,111

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, 2015	25,934	45,553	-43	317,027	388,470
Net result for the period January 1, 2015 to June 30, 2015	–	–	–	52,782	52,782
<i>Other comprehensive income for the period</i>					
Currency translation differences	–	–	-35	–	-35
Total comprehensive income for the period January 1, 2015 to June 30, 2015	–	–	-35	52,782	52,748
<i>Transactions with owners:</i>					
Redemption program	–	–	–	-21	-21
Buy back of own shares	-209	-2,556	–	–	-2,765
Total transactions with owners	-209	-2,556	–	-21	-2,786
Balance at June 30, 2015	25,725	42,996	-77	369,788	438,432
Balance at January 1, 2016	23,520	42,996	-85	437,005	503,435
Net result for the period January 1, 2016 to June 30, 2016	–	–	–	23,084	23,084
<i>Other comprehensive income for the period</i>					
Currency translation differences	–	–	-15	–	-15
Total comprehensive income for the period January 1, 2016 to June 30, 2016	–	–	-15	23,084	23,068
<i>Transactions with owners:</i>					
Redemption program	–	–	–	-6	-6
Employees share option scheme:					
- Value of employee services	–	130	–	–	130
Buy back of own shares	-16	-280	–	–	-296
Total transactions with owners	-16	-150	–	-6	-172
Balance at June 30, 2016	23,504	42,846	-101	460,083	526,332

Cash flow statements – Group

(Expressed in USD thousands)	Jan 1, 2016– June 30, 2016	Jan 1, 2015– June 30, 2015
OPERATING ACTIVITIES		
Result before tax	23,084	52,782
<i>Adjustment for:</i>		
Interest income	-2,359	-2,424
Interest expense	657	–
Currency exchange gains/-losses	-530	2,995
Depreciations and write downs	–	5
Result from financial assets at fair value through profit or loss	-23,563	-54,317
Dividend and coupon income	–	-824
Change in current receivables	14	64
Change in current liabilities	155	-12
Net cash used in operating activities	-2,543	-1,733
Investments in financial assets	-17,543	-22,503
Sales of financial assets	2,094	32,288
Dividend and coupon income	–	824
Interest received	1,006	1,324
Tax paid	-63	-53
Net cash flow used in/from operating activities	-17,049	10,148
INVESTMENT ACTIVITIES		
Investments in office equipment	-52	–
Net cash flow used in investment activities	-52	–
FINANCING ACTIVITIES		
Change in interest-bearing loans	14,971	–
Redemption program transaction fees	-6	-21
Buy back of own shares	-296	-2,765
Net cash flow from/used in financing activities	14,669	-2,786
Change in cash and cash equivalents	-2,432	7,362
Cash and cash equivalents at beginning of the period	43,660	14,050
Exchange gains/losses on cash and cash equivalents	-1,158	42
Cash and cash equivalents at end of period	40,070	21,455

Alternative Performance Measures – Group

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

Vostok New Ventures regularly uses alternative performance measures to enhance comparability from period to period and to give deeper information and provide meaningful supplemental information to analysts, investors and other parties.

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

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

	6m 2016	6m 2015
Return on capital employed, % ¹	4.44	12.77
Equity ratio, % ²	93.56	99.22
Shareholders' equity/share, USD ³	7.17	5.97
Earnings/share, USD ⁴	0.31	0.72
Diluted earnings/share, USD ⁵	0.31	0.72
Net asset value/share, USD ⁶	7.17	5.97
Weighted average number of shares for the financial period	73,488,432	73,648,436
Weighted average number of shares for the financial period (fully diluted)	73,488,432	73,648,436
Number of shares at balance sheet date	73,449,048	73,499,555

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

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

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

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

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

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

Income statement – Parent

(Expressed in USD thousands)	Jan 1, 2016– June 30, 2016	Jan 1, 2015– June 30, 2015	Apr 1, 2016– June 30, 2016	Apr 1, 2015– June 30, 2015
Result from financial assets at fair value through profit or loss	64	155	1	-168
Operating expenses	-2,869	-1,847	-2,080	-1,100
Dividend and coupon income	–	824	–	791
Operating result	-2,805	-868	-2,079	-478
Financial income and expenses				
Interest income	4,721	3,808	2,371	1,776
Interest expense	-657	–	-373	–
Currency exchange gains/losses, net	555	-2,663	-680	1,812
Net financial items	4,619	1,144	1,318	3,588
Net result for the financial period	1,814	277	-761	3,110

Statement of comprehensive income

(Expressed in USD thousands)	Jan 1, 2016– June 30, 2016	Jan 1, 2015– June 30, 2015	Apr 1, 2016– June 30, 2016	Apr 1, 2015– June 30, 2015
Net result for the financial period	1,814	277	-761	3,110
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	1,814	277	-761	3,110

Balance sheet – Parent

(Expressed in USD thousands)	June 30, 2016	Dec 31, 2015
NON-CURRENT ASSETS		
<i>Financial non-current assets</i>		
Shares in subsidiaries	84,389	84,389
Financial assets at fair value through profit or loss	532	1,021
Loan receivables	24,569	23,450
Receivables from Group companies	71,430	78,695
Total financial non-current assets	180,920	187,555
CURRENT ASSETS		
Cash and cash equivalents	34,968	12,964
Loan receivables	9,786	9,072
Other current receivables	137	47
Total current assets	44,891	22,082
TOTAL ASSETS	225,811	209,637
SHAREHOLDERS' EQUITY (including net result for the financial period)	190,165	188,523
NON-CURRENT LIABILITIES		
Long-term debts	34,639	–
Total non-current liabilities	34,639	–
CURRENT LIABILITIES		
<i>Non-interest bearing current liabilities</i>		
Liabilities to group companies	807	727
Other current liabilities	137	85
Accrued expenses	63	78
<i>Interest bearing current liabilities</i>		
Borrowings	–	20,224
Total current liabilities	1,007	21,114
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	225,811	209,637

Statement of Changes in Equity – Parent

(Expressed in USD thousands)	Share Capital	Additional paid in capital	Retained earnings	Total
Balance at January 1, 2015	25,934	45,553	149,243	220,729
Net result for the period January 1, 2015 to June 30, 2015	–	–	277	277
<i>Other comprehensive income for the period</i>				
Currency translation differences	–	–	–	–
Total comprehensive income for the period January 1, 2015 to June 30, 2015	–	–	277	277
<i>Transactions with owners:</i>				
Redemption program	–	–	-21	-21
Buy back of own shares	-209	-2,556	–	-2,755
Total transactions with owners	-209	-2,556	-21	-2,776
Balance at June 30, 2015	25,725	42,996	149,498	218,220
Balance at January 1, 2016	23,520	42,996	122,006	188,523
Net result for the period January 1, 2016 to June 30, 2016	–	–	1,815	1,815
<i>Other comprehensive income for the period</i>				
Currency translation differences	–	–	–	–
Total comprehensive income for the period January 1, 2016 to June 30, 2016	–	–	1,815	1,815
<i>Transactions with owners:</i>				
Redemption program	–	–	-6	-6
Employees share option scheme:				
- Value of employee services	–	130	–	130
Buy back of own shares	-16	-280	–	-296
Total transactions with owners	-16	-150	-6	-172
Balance at June 30, 2016	23,504	42,846	123,815	190,165

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 2015. The Company's 2015 annual report is available at the Company's website: <http://www.vostoknewventures.com/en/investor-relations/financial-reports/>

The interim financial information on pages [13]–[25] are an integral part of this financial report.

Note 2 Related party transactions

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

USD thousand	Operating expenses		Current liabilities	
	1H 2016	1H 2015	1H 2016	1H 2015
Key management and Board of Directors*	-1,178	-623	-43	-36

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

Total variable compensation (excluding social taxes) paid to the management in 2016 amounted to USD 0.66 mln (including USD 0.49 mln paid to the Managing Director), and to the Board of Directors USD 0.12 mln.

The Managing Director has purchased Vostok New Ventures Ltd senior secured bond 2016/2019 during 2Q 2016 for USD 0.60 mln and he owns USD 0.48 mln per June 30, 2016.

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 2015. 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 June 30, 2016.

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	–	483,275	4,276	487,550
Total assets	–	483,275	4,276	487,550

The following table presents the group's assets that are measured at fair value at December 31, 2015.

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	–	457,876	5,662	463,538
Total assets	–	457,876	5,662	463,538

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

	Level 3
Opening balance January 1, 2016	5,662
Transfers from level 3	–
Change in fair value and other	-1,386
Closing balance June 30, 2016	4,276

During the second quarter of 2016 no transfer between level 2 and 3 has been done. The Avito investment is valued on the basis of the latest transaction (adjusted for a dividend paid out from Avito in December 2015) as per June 30, 2016, which values the company at USD 2.48 bln. The investments in BlaBlaCar, Gett, Propertyfinder, OneTwoTrip, Wallapop, Merro, Naseeb Networks, Zameen, el Basharsoft, Garantibil 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, based on a valuation model based on revenue multiples of comparable listed peers.

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

The Group's investment in Avito is valued as a level 2 investment as per June 30, 2016.

As per June 30, 2016, Vostok New Ventures has valued Avito on the basis of a transaction in the company announced on October 23, 2015. Naspers Ltd, one of Avito's shareholders, acquired secondary shares from other existing shareholders to increase its stake from 17.4% to 67.9% of the outstanding shares in Avito at an equity valuation of USD 2.7 bln, which included cash in the company of approximately USD 240 mln. The transaction closed in November 2015.

Vostok New Ventures 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 June 30, 2016 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, there have been no significant events, which may have a material impact on the value of Avito.

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

Following the latest transaction in the company which closed in 1Q15, Vostok New Ventures owns 33.9% of Yell.ru fully diluted. As per June 30, 2016, Yell is classified as a level 3 investment as it is valued on the basis of a revenue multiples model and that model-generated value is deemed the best fair value estimate of Yell.ru as per June 30, 2016. The model generates a valuation approx. 24% lower than the transaction based valuation. In USD terms Yell.ru has been adversely affected by the ruble's depreciation during 2015 and 2016 but as the company keeps its cash in hard currency some of the negative pressure has been cushioned.

	Sensitivity in model-based Yell valuation as per June 30, 2016				
	-20%	-10%		+10%	+20%
Valuation of Vostok New Ventures' Yell investment, USD thousand	3,421	3,848	4,276	4,704	5,131
Revenue multiple used in valuation model	2.7x	3.1x	3.4x	3.7x	4.1x

Gett

As per June 30, 2016, the Gett investment is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company. In the second quarter of 2016, a new investor, Volkswagen group, invested USD 300 mln in Gett. Following this transaction Vostok New Ventures has as per June 30, 2016 revalued its stake in the company on the basis of the price per share paid in the Volkswagen transaction. As per June 30, 2016 Vostok New Ventures' holding is valued at USD 48.3 mln, up approx. 92% 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 June 30, 2016, 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. After the end of the quarter VNV has entered into a new transaction at the same valuation of the company.

Propertyfinder

As per June 30, 2016, 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. During 2015, Vostok New Ventures disbursed USD 5 mln out of the USD 20 mln investment in total. The remaining USD 15 mln tranche was disbursed during the first quarter of 2016.

Wallapop

As per June 30, 2016, Wallapop is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company which closed in the second quarter of 2016. Vostok New Ventures did not participate in this transaction and its indirect stake in the company is valued at USD 12.5 mln.

Merro

As per June 30, 2016, Merro is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company, which closed in the second quarter of 2016. Vostok New Ventures invested an additional USD 1.3 mln into the company and the stake is valued at USD 12.4 mln.

Naseeb Networks

As per June 30, 2016, 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 June 30, 2016 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 June 30, 2016, 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 June 30, 2016 Vostok New Ventures owns 6.1% of the company on a fully diluted basis.

IZH holding (Zameen and Bayut)

As per June 30, 2016, IZH holding is classified as a level 2 investment as it is valued on the basis of the latest transaction in the company which was finalized during the first quarter of 2016. Vostok New Ventures did not participate in this funding round. As per June 30, 2016 Vostok New Ventures' holding is valued at USD 4.7 mln on the basis of the price per share paid in this recent capital raising.

El Basharsoft

As per June 30, 2016, 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 has invested USD 1 mln in the company of which 900k was in primary shares through its entity Vostok Cooperatief. In the first quarter 2016, Vostok New Ventures acquired secondary shares for USD 34k at the same valuation when the Company first invested in el Basharsoft. Vostok New Ventures owns 14.8% of Wuzzuf on a fully diluted basis as per June 30, 2016.

Delivery Hero (equity component)

As per June 30, 2016, 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 June 30, 2016, the equity component is valued at USD 2.5 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	June 30, 2016	Dec 31, 2015
Short-term	9,787	9,072
Long-term	24,569	23,450
Total loan receivables	34,356	32,522

Carrying value corresponds to fair value of loans receivables. There is no formal credit rating for the borrowers of the loans but Vostok New Ventures considers it is probable that all amounts due will be collected. Delivery Hero has raised approximately USD 400 million during 2015 (2014: USD 260 million) and will raise additional funds to finance the further growth of the business. Delivery Hero pays cash interest payments on a monthly basis. Therefore, Vostok New Ventures does not see any grounds for impairment.

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, 2016	Investments/ (disposals), net, USD	FV change	Closing balance June 30, 2016	Percentage weight of total portfolio
Avito AB	338,481,743	–	–	338,481,743	60.2%
Gett	34,516,317	-1,378,570	15,126,238	48,263,985	8.6%
BlaBlaCar	33,181,762	–	503,627	33,685,389	6.0%
Propertyfinder	19,999,199	–	–	19,999,199	3.6%
Wallapop	10,302,197	–	2,225,543	12,527,740	2.2%
Merro	7,513,333	1,249,853	3,621,721	12,384,907	2.2%
Yell.ru	5,662,418	–	-1,386,889	4,275,529	0.8%
Nazeeb Networks (Rozee and Mihnati)	4,500,000	–	–	4,500,000	0.8%
OneTwoTrip	4,000,000	–	–	4,000,000	0.7%
IZH Holding (Zameen and Bayut)	2,000,000	–	2,742,928	4,742,928	0.8%
El Basharsoft (Wuzzuf and Forasna)	968,000	34,000	–	1,002,000	0.2%
Carable (Garantibil AB)	-	1,242,693	-63,616	1,179,077	0.2%
Delivery Hero Holding GmbH, equity component	2,412,857	42	94,908	2,507,807	0.4%

Note 4 Events after the reporting period

On July 21, the Company announced that it had entered into an agreement to acquire secondary shares in Paris-based ride-sharing service Comuto SA (“BlaBlaCar”) in the amount of approximately EUR 40 mln at the same valuation as Vostok’s initial investment in BlaBlaCar in September 2015.

The acquisition was made from Lead Edge Capital II LP, Lead Edge Capital QP II LP and Lead Edge Partners Opportunity III LP and Luxor Capital Partners LP, Luxor Capital Partners Offshore Master Fund LP, and Luxor Wavefront LP against payment in the form of newly issued shares in Vostok in an issue in kind. The total consideration amounted to 6,866,766 Vostok shares, representing approximately 8.5% of the outstanding share capital of the Company following the transaction. The total consideration implied a value of SEK 54.44 per newly issued Vostok share.

The acquisition was approved by the special general meeting of shareholders in Vostok held on August 5, 2016. The new Swedish Depository Receipts (SDRs) for the issued shares were admitted for trading on Nasdaq Stockholm on August 11, 2016.

During August, Vostok New Ventures has invested additional USD 2.5 mln in OneTwoTrip.

Note 5 Contingent liabilities

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

Note 6 Long-term debts

On June 2, the Company announced that it had successfully placed three-year senior secured bonds in the amount of SEK 300 million. The bonds, maturing in June 2019, bear a fixed coupon of 6.50% with quarterly interest payments. The Company has been approved for listing of the bond loan on Nasdaq Stockholm.

The first day of trading was July 8, 2016. In view of the listing, the Company has prepared a prospectus that has been approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen). The prospectus is available on the Company’s website www.vostoknewventures.com and on the Swedish Financial Supervisory Authority’s website www.fi.se.

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 June 30, 2016 the Vostok New Ventures Ltd Group consists of the Bermudian parent company Vostok New Ventures Ltd; one wholly-owned Cypriot subsidiary, Vostok New Ventures (Cyprus) Limited; one controlled Dutch cooperative, Vostok Co-Investment Coöperatief B.A.; and one wholly-owned Swedish subsidiary, Vostok New Ventures AB.

The financial year is January 1–December 31.

Parent company

The parent company finances the Cypriot subsidiary's operations on market terms. The net result for the period was USD 1.81 mln (2015: 0.28).

Financial and Operating risks

The Company's risks and risk management are described in detail in note 3 of the Company's Annual Report 2015.

Upcoming Reporting Dates

Vostok New Ventures' nine months report for the period January 1, 2016–September 30, 2016 will be published on November 16, 2016.

August 17, 2016

Per Brilioth
Managing Director

The Board of Directors and the CEO certify that the half-year financial report gives a fair view of the performance of the business, position and profit or loss of the Company and the Group and that it describes the principal risks and uncertainties that the Company and the companies in the Group face.

Stockholm, August 17, 2016

Lars O Grönstedt
Josh Blachman
Per Brilioth
Victoria Grace
Ylva Lindquist
Keith Richman

For further information contact Per Brilioth or Björn von Sivers: tel: +46 8 545 015 50.
www.vostoknewventures.com

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