

Press Release
February 5, 2019

Vostok Emerging Finance exits stake in Tinkoff Bank

Vostok Emerging Finance Ltd (“VEF”) today announced that it has completed the exit from its holding in Tinkoff Bank, Russia’s leading digital bank. This follows a gradual sell-down of its original 3.6% holding, which began in 2017 and was accelerated through 2018.

The divestment of Tinkoff Bank represents VEF’s first portfolio exit since VEF’s inception and is a major milestone and an important first value creation landmark for the company. The exit has also left VEF well capitalized to continue supporting entrepreneurs and companies in the emerging fintech space.

From an initial investment of \$19mn in mid 2015, the exit yielded USD 116.8 mln including USD 8.8 mln of dividends over the period. VEF’s stake in Tinkoff Bank achieved an IRR of 65% and 6x cash on cash return.

Vostok Emerging Finance Managing Director Dave Nangle comments:

“Tinkoff is clearly an investment that is in our DNA and close to our hearts, having being very early stage investors through our previous investment company Vostok Nafta. It became a cornerstone investment in Vostok Emerging Finance and a main driver of our NAV and thus share price uplift to date, given its fantastic performance. Tinkoff Bank is as close as we have seen to “the finished fintech product” and is a benchmark with which we continue to measure everything else we invest in.

The Tinkoff story is a great example and indeed justification of why we started Vostok Emerging Finance and what we are looking to achieve through our investment strategy - creating value for shareholders by backing winning fintech companies across emerging and frontier markets. Most of this has to do with the successful delivery of Oleg Tinkoff and his team, a clear reminder that backing the right people is a massive part of what we do.

It is with mixed emotions that we part ways with Tinkoff, but we are very confident that the value created has been, and will continue to be, invested in future Tinkoffs in-the-making across the emerging fintech world.

Tinkoff, we salute you”

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Vostok Emerging Finance is an investment company with the goal of investing in early stage modern financial services companies across emerging and frontier markets. VEF trades in Sweden on Nasdaq First North under the ticker VEMF SDB.

Vostok Emerging Finance’s Certified Adviser on Nasdaq First North is Pareto Securities AB.

This information is information that Vostok Emerging Finance Ltd is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 18:00 CET on February 5, 2019.