

A dark blue world map is centered in the upper half of the page. Overlaid on the map are several circular patterns of binary code (0s and 1s) and various international currency symbols (including the Euro, Dollar, Pound, and Yen). The background is a solid dark blue color.

>EF

Vostok Emerging Finance

FINANCIAL REPORT FOR
THE THIRD QUARTER AND
NINE MONTHS PERIOD 2019



>EF Vostok Emerging Finance

Vostok Emerging Finance Ltd is an investment company listed in Sweden that invests in growth stage private fintech companies. We take minority stakes and are active investors with board representation in each of our portfolio companies, always looking to back the best entrepreneurs in each market. We focus on scale emerging markets and invest across all areas of financial services inclusive of payments, credit, mobile money and wealth advisors.

Photo: São Paulo, Brazil.

FINANCIAL REPORT FOR THE THIRD QUARTER AND NINE MONTHS PERIOD 2019

Highlights during the quarter

- > Xerpa: New USD 8.5 mln investment into Xerpa, Brazil's leading HR platform and salary-on-demand provider.
- > Konfio: VEF converted its outstanding USD 10 mln convertible loan note and invested an additional USD 2.5 mln into Konfio as part of a broader funding round in the company.
- > Magnetis: Invested an additional USD 2.0 mln into Magnetis and converted the outstanding USD 0.7 mln convertible loan note in the company.
- > Repurchased 2,454,147 Swedish Depository Receipts (SDRs) in the Company.

Net asset value

- > NAV of VEF's portfolio increased by 4.3% during the quarter to USD 248.9 mln or USD 0.39 per share.
- > In local currency, NAV increased by 10.4% to SEK 2,441 mln or SEK 3.78 per share.
- > Cash position at the end of 3Q19 was USD 11.7 mln.

Financial result

- > Net result for 3Q19 was USD 10.69 mln (3Q18: USD -13.59 mln). Earnings per share were USD 0.02 (3Q18: USD -0.02).
- > Net result for the nine-months period was USD 47.76 mln (9M18: 7.34 mln). Earnings per share were USD 0.07 (9M18: 0.01).

Events after the end of the period

- > Repurchased 1,900,000 Swedish Depository Receipts (SDRs) in the Company.

	Sep 30, 2018	Dec 31, 2018	Sep 30, 2019
Net asset value (USD mln)	204.90	201.42	248.9
Net asset value (SEK mln)	1,815	1,806	2,441
Net asset value per share (SEK)	2.79	2.78	3.78
VEMF SDB share price (SEK)	2.05	1.75	2.76

The Company will hold a telephone conference with an interactive presentation at 15:00 CET (9:00 a.m. ET) Wednesday, November 13, 2019. For call-in details, see separate press release issued Wednesday, November 6, 2019 at www.vostokemergingfinance.com.

Visit VEF's IR page for our financial reports and other information: www.vostokemergingfinance.com/investor-relations/

Management report

Dear fellow shareholder,

Below we share the highlights of year to date 2019, which we presented to our management board at our quarterly get-together and have been communicating with the investment community in a variety of forums of late:

YTD, one portfolio exit completed and the second in closing process: Tinkoff & iyzico

- > Tinkoff Bank: 6.1x CoC return and 65% IRR
- > iyzico: Expected 3.1x CoC return and approximately 56% IRR. Final closing is subject to regulatory approval and the process is ongoing.

Creditas and Konfio: Recent benchmark investment rounds leaving both exceptionally well-capitalised to win in their respective spaces.

Brazilian Fintech: A focus of our investment thesis. Brazil is the most exciting fintech market globally and VEF is one of the best plays on this theme with six investments and over 50% of our NAV there.

Value Creation: NAV is up 23.6% YTD and share price is up 57.7% YTD.

2019 has been a stellar year for our company and we have a lot to be proud of. Never complacent, there continues to be so much value creation potential within the portfolio and in the broader EM fintech ecosystem that our confidence levels continue to grow with each new milestone achieved.

3Q/9M19 performance review and highlights

Through 3Q19, total USD NAV of VEF grew 4.3% QoQ to USD 248.9 mln and 23.6% YTD. NAV per share grew 10.7% QoQ to SEK 3.78. Over the quarter the major driver was Konfio, while YTD both Creditas (major funding round) and iyzico (size exit in the making) also weighed in. At the end

of 3Q19, our cash/capital position was USD 11 mln pre the receipt of USD 34 mln as a result of iyzico exit. Through the quarter, we invested USD 8.5 mln into Xerpa, a further USD 2 mln into Magnetis and committed to another USD 2.5 mln into Konfio as part of a broader funding round in the company. Net net, as of the date of reporting we have USD 11.6 mln of cash at bank to continue our mandate.

Taking a step back, since VEF raised capital in late 2015, we have delivered NAV per share and share price IRR of 35.6% and 28.5% respectively. From an initial NAV of USD 95 mln, which was mostly cash and a 3.6% stake in Tinkoff Bank, today, organically we now sit at USD 249 mln of NAV and rising.

Creditas

Following its successful USD 231 mln 2Q19 funding round, Creditas is now the size name within our portfolio, accounting for c. 30% of our NAV and we couldn't think of a better poster-boy (for want of a better term) to represent what we are trying to achieve at VEF. Creditas has everything we look for in an investment, 1) exceptionally strong founder and top management team; 2) quality shareholder bench with experience and deep pockets; 3) playing into a scale opportunity space overlooked by incumbents; 4) built significant moats in a difficult space; 5) achieving supernatural unit economics and 6) very strong traction in origination/revenue trends with a very healthy forecast outlook for company financials from here. Adding to that, Creditas is aggressively bringing down the cost of consumer borrowing in one of the world's most aggressive consumer rate environments, which fits from an ESG component and supports scalability of early success. We clearly view Creditas as a compounding asset and the most obvious multi-billion-dollar valuation company in the making within our current portfolio.

Xerpa, newcomer to the VEF portfolio

In 3Q19, VEF led a USD 13 mln investment round into leading Brazilian HR platform and salary-on-demand provider, Xerpa. VEF invested USD 8.5 mln and holds a minority stake and board representation in the company. Xerpa's salary-on-demand product, Xerpay, allows employees to access their already earned wages, instantly and at any time, similar to Wagestream in the UK. Brazil has long suffered from some of the highest interest rates globally, poor financial inclusion and 60% of workers struggle to make their paycheck last the month. Through Xerpay, employees gain instant financial security and thus can avoid the cumulative spiral of debt, defaults and penalties caused by overdraft and credit card revolvers commonly used when workers cannot access their earnings between pay cycles. We were very excited by the Xerpa story and team as well as the company's approach to this massively disruptive product. Xerpa's origins in the HR software space provide the ideal foundations to enable companies to be a force for good in their employees' lives and in doing so, address the leading cause of stress in the workplace: financial uncertainty.

Concluding remarks

Following the first six months of 2019 which was dominated by exits, in 2H19, we have got our investment hats firmly back on and have written significant follow on cheques for Creditas and Konfio, while making our first new portfolio investment in over 12 months in Xerpa and continue to be excited by the near-term investment pipeline. We re-iterate that delivering shareholder value through a focused approach to increasing our NAV per share and reducing traded discount to market value remains our core focus, and the events of the 1H19 period show real traction on this front. We take a long-term view on our company, investments and indeed life, which is necessary when investing in the space that we do.



November 2019,

David Nangle

Investment portfolio

Portfolio development

VEF's net asset value per share increased by 4.3% in USD over the third quarter 2019. During the same period, the MSCI Emerging Markets index* decreased by 5.1% in USD terms.

Liquidity management

The Company has investments in a money market fund and bonds as part of its liquidity management operations. As per September 30, 2019, the liquidity management investments are valued at USD 6.48 mln, based on the latest NAV.

The investment portfolio stated at market value as at September 30, 2019 is shown below.

Company	Fair value Sep 30, 2019 (TUSD)	Net invested amount (TUSD)	Investment/ divestments 2019	Change in fair value 2019 (TUSD)	Fair value Dec 31, 2018 (TUSD)	Valuation change per share, 2019	Valuation method	
Creditas	73,246	48,500	23,500	24,746	25,000	+99%	Latest transaction	1
Konfio	41,579	27,500	12,500	14,079	15,000	+86%	Latest transaction	1
iyzico	33,948	11,000	250	7,837	25,861	–	Latest transaction	1
REVO Technology/Sorsdata	19,209	8,789	0	4,573	14,636	+33%	Model-based valuation	1
JUMO	16,408	14,614	0	0	16,408	–	Latest transaction	1
TransferGo	12,268	8,925	0	-574	12,842	–	Latest transaction	1,2
Guiabolso	10,376	30,000	0	-4,889	15,265	-32%	Model-based valuation	1
Xerpa	8,500	8,500	8,500	0	0	–	Latest transaction	1
Nibo	8,456	5,300	2,000	1,499	4,957	+20%	Model-based valuation	1
Magnetis	8,108	5,668	1,968	334	5,806	+1%	Latest transaction	1
FinanZero	7,343	2,671	101	2,212	5,030	+57%	Latest transaction	1,2
Finja	3,364	2,000	0	75	3,289	–	Latest transaction	1
TCS Group Holding PLC (Tinkoff Bank)	0	0	-8,706	798	7,908			1
Liquidity management	6,477	0	-39,200	781	44,896			
Cash and cash equivalents	5,179	0	0	-300	5,479			
Total investment portfolio	254,461	173,468	913	51,171	202,377			
Other net liabilities	-5,516				-955			
Total Net Asset Value	248,945				201,422			

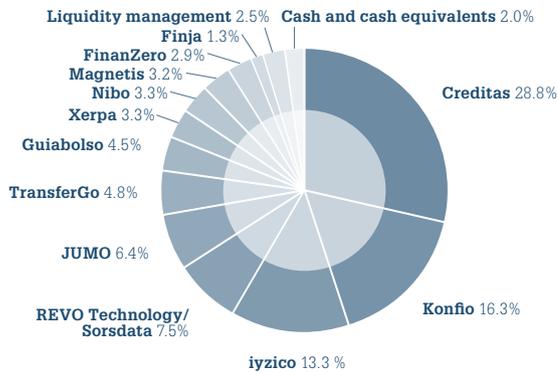
1. This investment is shown in the balance sheet as financial asset at fair value through profit or loss.

2. Attributable to currency exchange differences.

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

VEF in Charts – 3Q19

Portfolio composition



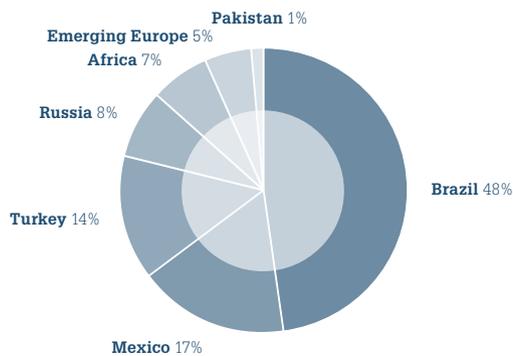
VEF share and net asset value development

December 2015–September 2019 (SEK/SDR)

■ Net Asset Value per share — SDR Price



Geographic distribution, ex. cash

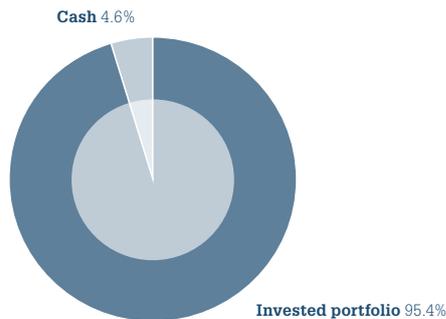


Discount to net asset value

December 2015–September 2019



Invested portfolio and cash



Number of companies in portfolio

June 2015–September 2019





Creditas is a leading digital-first secured lending platform in Brazil, which leverages borrower collateral to offer loans to consumers at more affordable rates.
 Website: creditas.com.br

Market opportunity: Brazilian consumers pay some of the highest interest rates in the world. Over USD 500 bln of outstanding household debt is priced at an average of 44% per year, with USD 55 bln of this made up of high-priced unsecured loans with 230% average APR, representing a USD 123 bln annual revenue pool for the industry. The oligopolistic market structure of the banking sector in Brazil, with the top five banks holding over 80% of total loans in the system, allows the banks to set these high rates.

Secured lending remains massively underpenetrated in Brazil where approximately 70% of all homes and cars are owned debt-free, with these assets representing a total value of USD 3 tln. Disrupting the consumer lending space to offer collateral-backed loans is a massive opportunity for fintech in a country of over 200 mln people.

Creditas' offering: Creditas' mission is to reduce the Brazilian consumer debt burden and democratize access to cheaper lending by leveraging consumers' assets to offer home equity and auto-secured loans at more reasonable rates, which is common in markets like the US. Consumers can obtain larger, longer-term, lower-APR loans through an efficient, tech-driven application system. The company is currently focused on addressing the core, largest opportunity set in terms of products, but is well-positioned to explore and offer other niche products such as solar panel and medical equipment financing leveraging similar principles and processes.

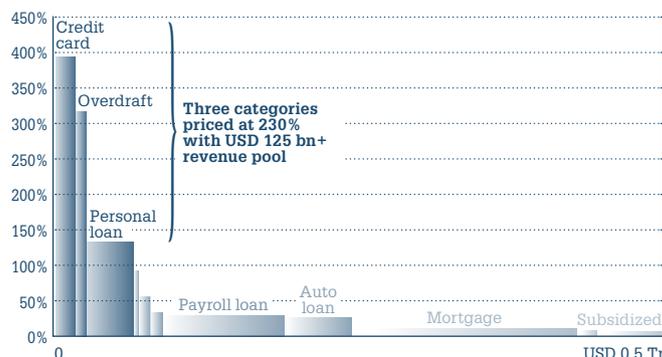
In January 2019, Creditas was granted a financial institution license by the Central Bank of Brazil, which allows them to issue credit products through their own funding vehicle

without the need for intermediaries, which will increase margins and reduce dependency on individual investors.

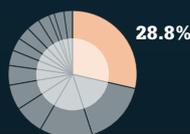
In July 2019 Creditas announced their USD 231 mln Series D mega-round led by Japanese technology fund SoftBank, in which VEF also invested. The investment makes Creditas the best-funded player in the space and gives the team a strong capital base to accelerate growth and launch new products. Creditas is already on the front foot post the funding round, with strong growth in the core and recent value-added acquisitions like that of São Paulo-based Creditoo, allowing Creditas to enter the related payroll lending space.

Q3 2019: During the second quarter of 2019, VEF invested an additional USD 23.5 mln into Creditas as part of the aforementioned investment round. Following the transaction VEF holds a 9.7% stake in the company and is valued at USD 73.2 mln on the basis of this transaction. VEF has invested a total of USD 48.5 mln into Creditas.

Brazil: Household debt market, APR %
 Source: Creditas



Key data:
Creditas



Brazil
 Primary region

Share of VEF's portfolio

2012
 Company founded

2017
 VEF's first investment

48.5 mln
 VEF's net invested amount as at September 30, 2019 (USD)

73.2 mln
 VEF's total value as at September 30, 2019 (USD)

9.7%
 VEF's ownership share

+99%
 2019 value development per share (USD)



Konfio is a digital-first unsecured lending platform, with a mission to support the growth of Mexico's vast and underserved small business community.

Website: konfio.mx

Market opportunity: Mexico is Latin America's second-largest scale market after Brazil, with a population of 127 mln, the tenth-largest globally. There are approximately 7 mln SMEs in the market, and for every 20 companies in Mexico, 19 are considered 'very small' with annual sales of up to USD 700 k. However, though the massive scale of these companies represents a huge opportunity for SME lending in Mexico, historically, this segment has been massively underserved by traditional banks, where only 3 out of 10 businesses have formal credit.

Konfio's offering: With its online and digital-first approach, Konfio leverages technology and big data analytics to offer loans to creditworthy SMEs across Mexico. Konfio has taken advantage of recent Mexican fiscal control regulation by using a combination of electronic SME invoice data and non-correlated credit bureau data in its credit scoring process, complemented by more traditional financial analysis.

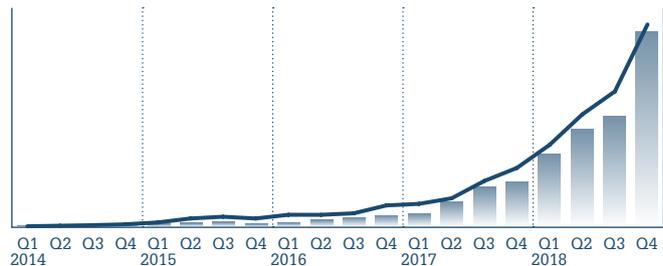
Konfio streamlines the loan application process, providing convenience and affordability to its customers in the top end of the small business segment where Konfio is currently focused – a segment which is seen a USD 45 bln opportunity.

2019 has proven to be another strong year for Konfio. In September Konfio partnered with Facebook to launch a country-wide programme to offer workshops and training to founders and businesses in the hopes to boost the SME sector in Mexico. Having also launched a partnership with PayPal earlier this year, these partnerships with international tech giants stand as a testament to the solid reputation Konfio has as a leading fintech player in Mexico. Furthermore, in

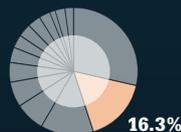
September 2019, Konfio announced that they had secured a credit facility of USD 100 mln from Goldman Sachs, which will allow the company to further increase the size of its loan book and to expand into secured credit using collateral, making it possible to lend larger amounts to customers.

Q3 2019: During the third quarter of 2019, VEF invested an additional USD 2.5 mln into Konfio as part of a new broader funding round. Following the transaction VEF holds an 11.4% stake in the company and is valued at USD 41.6 mln on the basis of this transaction. VEF has invested a total of USD 27.5 mln into Konfio.

Konfio: Quarterly Origination (bars) and Quarterly Total Income (line), 2014–2018
Source: Company data



Key data:
Konfio



Mexico
Primary region

Share of VEF's portfolio

2014
Company founded

2018
VEF's first investment

27.5 mln
VEF's net invested amount as at September 30, 2019 (USD)

41.6 mln
VEF's total value as at September 30, 2019 (USD)

11.4%
VEF's ownership share

+86%
2019 value development per share (USD)



Founded in 2013, iyzico is the leading payment solution provider for Turkey's fast growth online merchant ecosystem.
 Website: iyzico.com

Market opportunity: Sitting at the crossroads of Europe and Asia, Turkey is one of the world's most populous emerging market economies, with over 80 mln people. Consumer debit/credit card market dynamics make Turkey one of the most exciting payments markets in the world, with the highest number of debit and credit cards (over 170 mln) in Europe, standing in eighth position globally. However, in a country where ecommerce has grown by an average of 33% over the past five years, Turkey still remains under-penetrated in online payments, with 5.3% of total retail taking place online, versus an average of 11.1% in developed countries.

Furthermore, given the country's fragmented card system, merchants require solutions like iyzico's in order to accept ecommerce card payments from across the large number of card families in the market.

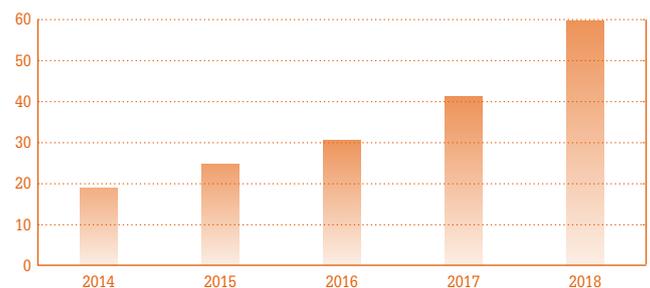
iyzico's offering: iyzico is the fastest-growing fintech company in Turkey, providing online payment solutions for local businesses in Turkey as well as international retailers such as Amazon, Nike, H&M and Zara. iyzico currently services over 300 online marketplaces (with over 400,000 personal sellers of different sizes) in addition to 30,000 online merchants.

iyzico processed close to 25 mln transactions last year, with strong merchant growth and flagship names driving revenue growth north of 100% YoY. New business lines are also very promising, as iyzico continues to extend their payments reach to include the under-banked population and also recently acquired a European Payments License to allow for

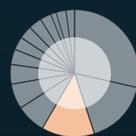
processing of payments beyond the borders of Turkey. Similar business models include global fintech names like Stripe, Adyen and Klarna.

Q3 2019: During the second quarter of 2019, VEF announced that it has agreed to sell its holding in iyzico to PayU Global B.V., the fintech arm of Naspers, for approximately USD 33.9 mln. VEF is exiting as part of a broader sale agreement with iyzico's venture investors. The sale remains subject to Turkish regulatory and competition authority approvals and closing is expected to occur in the coming months. As per September 30, 2019, VEF values its stake in iyzico on the basis of this transaction.

Turkey: Ecommerce market size 2014–2018 (TRY bln)



Key data:
iyzico



13.3%
 Share of VEF's portfolio

Turkey
 Primary region

2013
 Company founded

2017
 VEF's first investment

11.0 mln
 VEF's net invested amount as at September 30, 2019 (USD)

33.9 mln
 VEF's total value as at September 30, 2019 (USD)

21.0%
 VEF's ownership share

—
 2019 value development per share (USD)



REVO works with leading merchants in Russia and the CEE to provide financing options to their customers, allowing them to buy now and pay later.
Website: revo.ru

Market opportunity: Point-of-sale financing options are numerous in markets like Europe and the US, which allow consumers to 'buy now and pay later', often in instalments. This allows consumers to make purchases when necessary upfront and spread the cost over time, effectively 'smoothing' their consumption habits. Merchants in such markets also benefit from point-of-sale lending, as average basket size are larger and customers become more loyal. Though these platforms are widely available in developed economies, they are only now becoming the norm in emerging markets like Russia.

REVO's offering: REVO works with online and offline merchants in Russia and the CEE to provide financing options to their customers at the point of sale, allowing them to buy now and pay later. REVO has built partnerships with merchants in categories such as apparel, toys, sporting goods, travel, electronics and others, who benefit from increased conversion and basket size using REVO's solution.

Operating in Russia and Poland, REVO partners with leading merchants to deliver instant omni-channel financing solutions for consumers online and offline, similar to Klarna in Western Europe and Affirm in the US. REVO's sister company, Sorsdata, focuses on customer data analytics, largely gathered through the REVO platform, and provides targeted marketing services for merchants to drive repeat purchases and loyalty. The two companies effectively operate as one.

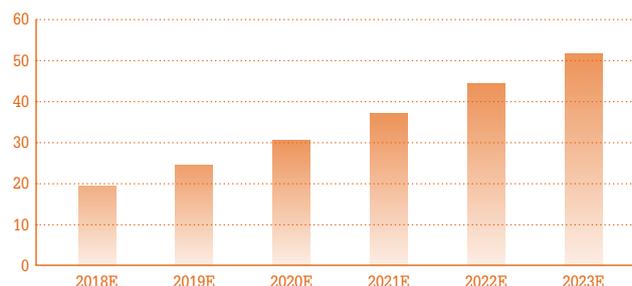
REVO has been making good progress in 2019, showing strong traction with new scale partners like MVideo and Ozon, two of Russia's largest retailers in both the offline and

online space. Adding partners is a key driver for growing volumes and revenues, and the company continues to add international and domestic partners to its platform. In addition, in the fall of 2018, REVO launched operations in Poland, partnering with a number of leading retailers in household goods and fashion.

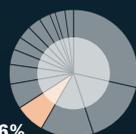
Q3 2019: During the second quarter of 2018, VEF invested an additional USD 2.1 mln into REVO in the form of a two-year convertible loan note, alongside existing investor Baring Vostok. As per September 30, 2019 VEF owns 25% in REVO group and had invested a total of USD 8.8 mln. The 25% stake in the group is valued at USD 19.2 mln. The valuation is derived from valuation models focused on multiples of NII (net interest income) and revenues, coupled with the intrinsic value of the convertible loan note.

Russia: Projected size of ecommerce market 2018E–2023E (USD bln)

Source: Morgan Stanley



Key data:
REVO Group
(REVO Technology and Sorsdata)



Russia, CEE

Regions

7.6%
Share of VEF's portfolio

2013

Company founded

2015

VEF's first investment

8.8 mln

VEF's net invested amount as at September 30, 2019 (USD)

19.2 mln

VEF's total value as at September 30, 2019 (USD)

25%

VEF's ownership share

+33%

2019 value development per share (USD)



JUMO is the largest and fastest-growing technology platform operating inclusive mobile financial services marketplaces in emerging markets.

Website: jumo.world

Market opportunity: 1.7 billion adults across the globe are excluded or underserved by traditional financial services. Reliance on cash makes it extremely difficult for individuals to save for needs such as education and healthcare, prepare for financial emergencies, and invest in their businesses. Fintech represents a massive opportunity for financial inclusion, with the World Bank asserting that fintech applications can especially help to drive development in emerging markets.

JUMO's offering: JUMO provides inclusive financial services to the unbanked population across several emerging and developing markets. Using their tech-enabled platform, customers can access savings and loan accounts via their mobile phone. JUMO's partnerships with leading banks and mobile network operators creates a marketplace where consumers can access financial services, banks can access a new pool of mobile money customers in cost-effective and scalable manner, and MNOs can provide additional services to their customers to increase customer loyalty. Today, JUMO operates across numerous African markets including Tanzania, Ghana, Zambia, Kenya, Uganda, and most recently in Pakistan, with plans to expand further across the sub-continent.

Since its launch in 2014, more than 14 mln people have saved or borrowed on the JUMO platform, with over USD 1 bln in fund disbursed to customers. Nearly 70% of JUMO's customers are micro and small business owners who are better equipped to save money to invest in their businesses and thus improve their financial wellbeing.

Through 2019 Jumo has continued to drive its monthly portfolio origination to new highs, with Ghana remaining a benchmark market for the business as we work with excellent partners on both the MNO (MTN) and financial services front (EcoBank and Barclays), all within a very supportive regulatory backdrop. Pakistan continues to show strong early traction, and buoyed by trends in the sub-continent, India is the next size market of focus for delivery from management.

Q3 2019: During the fourth quarter of 2018, JUMO successfully finalized the second close of a large capital raise which took the full round to near USD 65 mln. The round attracted a new investor base and was led by Goldman Sachs, who alongside existing investors were joined by Proparco (the private sector financing arm of the French Development Agency – AFD) and Finnfund. VEF took up its rights and invested USD 3.1 mln in the round. As at September 30, 2019, VEF's 6.8% stake in JUMO is valued at USD 16.4 mln on the basis of this transaction.

Sub-Saharan Africa: Unique mobile subscribers and penetration

Source: GSMA Intelligence

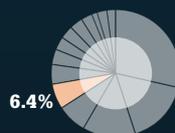
■ Subscribers (million) ■ Penetration (%)



Key data:
JUMO

**Pan-Africa,
Asia**

Regions



Share of VEF's portfolio

2014

Company founded

2015

VEF's first investment

14.6 mln

VEF's net invested amount as at September 30, 2019 (USD)

16.4 mln

VEF's total value as at September 30, 2019 (USD)

6.8%

VEF's ownership share

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2019 value development per share (USD)



TransferGo is a rapidly-growing, low-cost, cross-border digital remittance provider operating in 47 countries internationally.

Website: transfergo.com

Market opportunity: Remittances is an attractive market within global financial services, and one that has been ripe for disruption for some time. Totalling over USD 690 bln of annual peer-to-peer flows globally, pricing remains too high, and speed too slow. Remittances is a business that is won on the balance and interaction between trust, speed and price, and the majority of the industry has been failing customers for years on these metrics.

TransferGo's offering: TransferGo is a digital money transfer business offering real-time service to customers across Europe. Geographically, TransferGo initially focused on the key corridors of broader Europe, with principal flows channelling from West to East, while its segment of focus is blue-collar workers, who are some of the most consistent and regular remittance customers in the world. Today the company operates in 47 countries across the world, allowing users to send money to markets as far as India, Australia, Mexico and the Philippines.

TransferGo has built proprietary technology and infrastructure to enable 30-minute transfers at very low cost for customers using the TransferGo Now product, while also offering free international transfers for customers using TransferGo Free. TransferGo's low-cost remittances service is contributing towards the United Nations Sustainable Development Goal of reducing to less than 3% the transaction costs of migrant remittances by 2030.

In 2019 TransferGo reached a total of 1 mln customers, a major milestone for the business as they continue to offer reliable, trustworthy and easy-to-use products for their growing

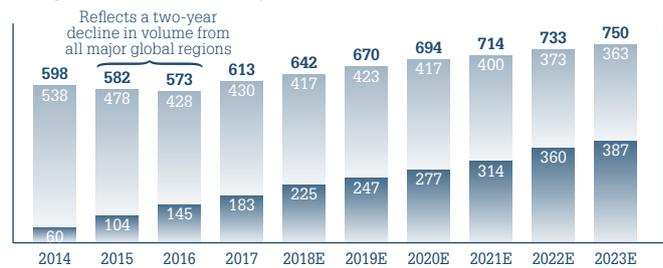
customer base. TransferGo is well-focused, positioned and financially equipped to invest in acquiring new customers and further ramp up the already strong traction in the business, on top of expanding into new geographic markets.

Q3 2019: In 2018, TransferGo successfully closed a new funding round of approximately USD 16 mln. VEF lead the round alongside existing and new investors including Revo Capital, a Turkish VC fund, and Ripple. In the process, VEF exercised the outstanding USD 2.8 mln (EUR 2.5 mln) convertible loan note plus accrued interest and invested an additional USD 2.7 mln (EUR 2.3 mln) in TransferGo, taking VEF's ownership stake to 15.4% in the company. As at September 30, 2019, VEF's stake is valued at USD 12.3 mln on the basis of the latest transaction in the company.

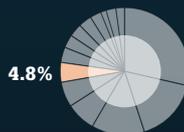
Forecast: Global remittance volume, 2014–2023E (USD bln)

Source: Business Insider Intelligence estimates, Juniper Research, World Bank

■ Digital volume ■ Nondigital volume



Key data:
TransferGo



4.8%

Europe

Primary region

Share of VEF's portfolio

2012

Company founded

8.9 mln

VEF's net invested amount as at September 30, 2019 (USD)

15.4%

VEF's ownership share

2016

VEF's first investment

12.3 mln

VEF's total value as at September 30, 2019 (USD)

—

2019 value development per share (USD)



Guiabolso is the leading personal finance management platform in Brazil, with the mission of transforming the financial wellbeing of its customers.

Website: guiabolso.com.br

Market opportunity: In Brazil, consumers typically have a very complicated financial profile with numerous credit products making it difficult for them to get an accurate, complete view of their personal finances from their bank, who provide a poor user experience for their customers. At the same time, Brazilians pay some of the highest interest rates in the world, which compounds the problem of effectively managing their personal finances.

Guiabolso's offering: Guiabolso simplifies customers' financial profile by leveraging its proprietary bank data aggregation technology to automatically aggregate people's financial information, allowing users to better understand their finances and keep track of their budgets. Through their personal finance management platform, Guiabolso can offer the best financial profile available in the market to their large and fast-growing customer base.

With a complete view and unique insight into the typically complex financial profile of the Brazilian, Guiabolso is also able to offer their customers a wide range of products, spanning from credit reports and financial education tools through to investment offerings as well as third-party credit products. The company's ability to match its users to better-suited and more competitively priced financial products sets it apart in a country with one of the world's highest interest rates.

2019 has been an extremely busy period for the company as it looked not only to widen and deepen the marketplace around its first revenue-generating product, consumer

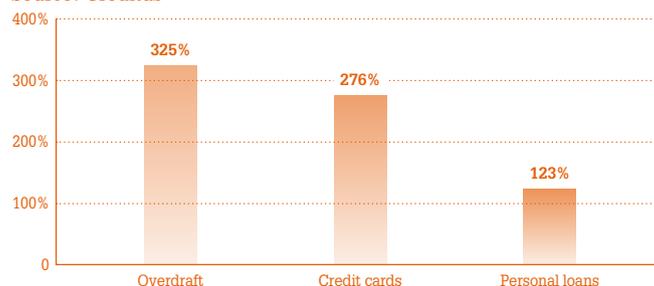
loans, but also looked for the next product offerings to add to the mix. In that regard, after much testing, management settled on credit cards and investment products as the financial products their customers desire most, and launched both through the app over the summer months.

Furthermore, in August 2019, as heavily covered in local media, Guiabolso went live with the first open banking partnership in Brazil with Banco Original, continuing its journey at the forefront of open banking.

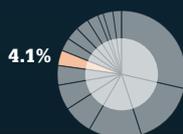
Q3 2019: As at September 30, 2019, VEF has invested a total of USD 30 mln in Guiabolso, and values its 10.9% stake at USD 10.4 mln on the basis of an EV/revenue peer multiples valuation model. The valuation represents a 5% decrease in valuation in the third quarter of 2019, and reflects the depreciation of the BRL over the quarter.

Brazil: APR % on lending products

Source: Creditas



Key data:
Guiabolso



Brazil
Primary region

Share of VEF's portfolio

2012
Company founded

2017
VEF's first investment

30.0 mln
VEF's net invested amount as at September 30, 2019 (USD)

10.4 mln
VEF's total value as at September 30, 2019 (USD)

10.9%
VEF's ownership share

-32%
2019 value development per share (USD)



Xerpa is a leading HR platform and salary-on-demand provider based in Brazil.
Website: xerpa.com.br

Market opportunity: Brazil has long suffered from some of the highest interest rates globally and poor financial inclusion, with 60% of workers struggling to make their paycheck last the month. Tens of millions of people resort to predatory-like credit products to meet their cash requirements until the next pay cycle, with 24 mln Brazilians paying APRs of over 300% on overdrafts each year, generating USD 17 bln in revenues for banks.

Xerpa's offering: Xerpa provides modern, integrated HR software to corporates in Brazil, including products for recruitment, onboarding and offboarding, performance evaluation and payroll management. Xerpa's salary-on-demand product, Xerpay, launched in September, allows employees to access their already-earned wages instantly and at any time, similar to Wagestream in the UK. Through Xerpay, employees gain instant financial security and thus can avoid the cumulative spiral of debt, defaults and penalties caused by overdraft and credit card revolvers commonly used when workers cannot access their earnings between pay cycles. For a small fixed fee, Xerpay helps to reduce financial stress among employees while also benefiting employers by increasing talent retention, employee productivity and attracting new staff. Xerpay is the cornerstone of a suite of employee financial wellness products the company will be rolling out in the coming months.

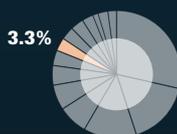
Xerpa was founded in 2015 by Nicholas Reise and Paulo Ahagon, and is based in São Paulo. Xerpa is the latest addition to the VEF portfolio, and we are excited by the Xerpa story

and quality team as well as the company's approach to this massively disruptive product.

Q3 2019: In the third quarter of 2019 VEF led a broader USD 13 mln Series B investment round into Xerpa, investing USD 8.5 mln for a 16% stake in the business. VEF was joined by Founders Fund, alongside existing investors Kaszek Ventures, Redpoint e.ventures and QED who also took part in the round. As at September 30, 2019, VEF's ownership stake in Xerpa is valued at USD 8.5 mln on the basis of this transaction.

Key data:
Xerpa

Brazil
Primary region



Share of VEF's portfolio

2015
Company founded

2019
VEF's first investment

8.5 mln
VEF's net invested amount as at September 30, 2019 (USD)

8.5 mln
VEF's total value as at September 30, 2019 (USD)

16%
VEF's ownership share

—
2019 value development per share (USD)



Nibo is a leading Brazilian accounting SaaS (software as a service) provider, transforming the way accountants and SMEs interact. The company was founded in 2012 by Gabriel Gaspar and is based in Rio de Janeiro, Brazil.
 Website: nibo.com.br

Market opportunity: The Brazilian accounting and tax environment is one of the most complex and regulated of such systems in the world. Brazil has over 80,000 accounting firms servicing a market of some 10 mln SMEs, all of whom are legally required to have an accountant. 80% of SMEs do not use a financial management solution, with physical delivery of documents and receipts to accountants being necessary. Accountants themselves rely on manual processes to manage this data, which is both time-consuming and prone to human error.

Nibo's offering: Nibo empowers accountants with innovative technology solutions to better and more profitably serve their customers with fast, accurate and end-user friendly data as well as improving productivity. Further, Nibo's technology allows accountants to cross-sell additional value-added services, further strengthening the end customer relationship and diversifying their revenue streams. The Nibo platform offers a suite of products including accounts and bank reconciliation, payment of bills, cash flow projection tools and issuance of invoices and boletos, a specific Brazilian payment method. In this capacity, Nibo is accumulating and manages a unique pool of SME data which has the potential to serve as a base for offering a variety of additional financial services to Brazil's underserved SMEs as a natural extension of the core products. Nibo's business model, in its core, is similar to the likes of Xero and Quickbooks.

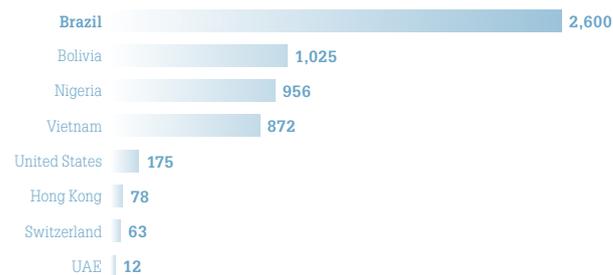
In September, Nibo held their annual Nibo Conference in Rio de Janeiro, which brought together 2,500 accounting professionals from across Brazil. Over two days, attendees heard from over 50 speakers who shared their views on 8 different content

tracks, including strategy, processes and tools, and consultative accounting. The success of the conference, now in its third year, is a testament to the strong traction Nibo's products have had with their customers. During the event, Nibo announced that the company will offer their Workflow solution to accountants for free, a new distribution strategy which will see strong growth in the number of paying SMEs on the platform.

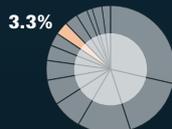
Q3 2019: During the first and second quarter of 2019, Nibo raised an additional USD 3.4 mln from the current investor base. VEF lead the round and invested an additional USD 2.0 mln. Vostok Emerging Finance owns a 20.1% stake in Nibo following the latest transaction. As per September 30, 2019, VEF has invested a total of USD 5.3 mln into Nibo, and values its stake at USD 8.5 mln on the basis of an EV/revenue peer multiples valuation model. The valuation represents a 15% decrease in valuation in the third quarter of 2019, and mainly reflects the depreciation of the BRL over the quarter.

Time business owners spend on taxes per year (# in hours)

Source: PwC



Key data:
Nibo



Brazil
Primary region

Share of VEF's portfolio

2012
Company founded

2017
VEF's first investment

5.3 mln
VEF's net invested amount as at September 30, 2019 (USD)

8.5 mln
VEF's total value as at September 30, 2019 (USD)

20.1%
VEF's ownership share

+20%
2019 value development per share (USD)



Magnetis is a leading digital investment advisor in Brazil, offering customers a simple, digital tool to manage their wealth.

Website: magnetis.com.br

Market opportunity: Brazil has 77 million individuals holding USD 720 bln of investments across savings accounts, money market funds, retirement plans and other similar products. Their wealth is highly concentrated across the 5 largest Brazilian banks and generates revenues of some USD 13 bln annually. However, their wealth is corroded by high cost, low return products in a traditionally high inflation, low competition market. Given the deep pool of wealth, high levels of consumer technology adoption, large existing revenue pool and lack of financial market literacy Brazil represents one of the largest addressable markets globally, for digital wealth management.

Magnetis' offering: Magnetis democratizes access to affordable and easy-to-use investment management through their digital investment advisor. Using client-focused, state-of-the-art technology, the product takes the individual's risk preferences into account, then builds and manages a tailored portfolio of money market, insured fixed income, hedge funds and equity ETFs at the click of a button. Magnetis' business model shares the same characteristics as the likes of Betterment and Wealthfront in the US. Founded in early 2015, Magnetis is based in São Paulo.

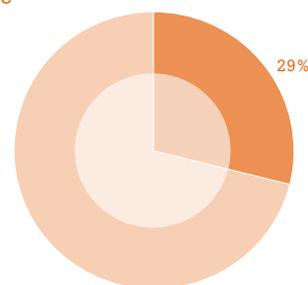
In March 2019, Magnetis announced a strategic partnership with GPS Investimentos, one of Brazil's largest and most reputable wealth managers, and a subsidiary of the Julius Baer Group. The partnership allows Magnetis to leverage invaluable expertise and scale, in the combined mission to build the best digital wealth management platform in the region. At

the same time, over the course of 2019, other new products, initiatives and partnerships have been in the making – such as 'Meu Objetivo', a goal-tracking tool launched in July which allows customers to track progress of their investment plans – which helps to improve customer experience, unit economics and long-term profitability.

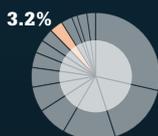
Q3 2019: During the third quarter of 2019, VEF invested an additional USD 2 mln into Magnetis as part of a new investment round. Following the transaction VEF holds a 16.9% stake in the company and is valued at USD 8.1 mln on the basis of this transaction. VEF has invested a total of USD 5.7 mln into Magnetis.

Brazil: Fintech adoption rate within the Savings and Investments space

Source: EY



Key data:
Magnetis



Brazil

Primary region

Share of VEF's portfolio

2015

Company founded

2017

VEF's first investment

5.7 mln

VEF's net invested amount as at September 30, 2019 (USD)

8.1 mln

VEF's total value as at September 30, 2019 (USD)

16.9%

VEF's ownership share

+1%

2019 value development per share (USD)



FinanZero is a pioneering marketplace for consumer loans in Brazil. Through the online platform, borrowers are offered the best interest rates from several banks at once.
Website: finanzero.com.br

Market opportunity: Brazil's banking market is highly concentrated, with the top five banks holding in excess of 80% of total loans in the system, while fees and interest rates are some of the highest anywhere in the world. These high rates make it an imperative for Brazilian consumers to find the best loans available to them, with the lowest rates and terms. At the same time, consumer loan volumes and tech adoption in the country are increasing, creating a strong opportunity for a digital solution for consumer loans.

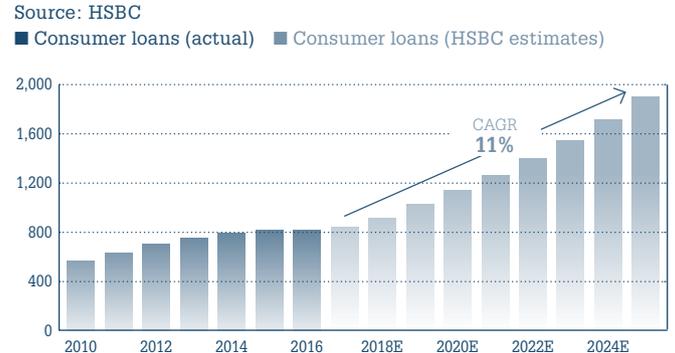
FinanZero's offering: FinanZero offers a digital marketplace for consumer loans in Brazil. Acting as an independent broker, FinanZero negotiates the customer's loan with several banks and credit institutions at once to find the loan with the best interest rate and terms for the consumer. FinanZero handles the lending process from start to finish, with the customer and the bank integrated into FinanZero's platform. For consumers, this means that all the relevant credit providers are reached through one single application, and from the credit providers' perspective, FinanZero adds value through more effective distribution, lower customer acquisition cost, better segmentation and lowered administration costs. FinanZero currently focuses on four sizeable loan broker segments, unsecured consumer loans, unsecured SME/ payroll loans, secured car finance loans and secured home equity loans.

FinanZero's business model combines aspects of comparison, lead generation and consumer loan brokerage, similar to the Lendo business model in Scandinavia.

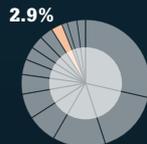
FinanZero continues API integrations with key partners and has reached a total of 35 banking partners so far in 2019, resulting in improved operational efficiency and significant volume growth which will attract additional attention from other banks to integrate in a similar manner.

Q3 2019: In the second quarter of 2019, FinanZero announced a Series B investment round of SEK 100 mln (USD 10.5 mln) whereby VEF made a follow-on investment of USD 101 k alongside new investors Dunross & Co. and Atlant Fonder, among others. Following the round VEF owns an 18% stake of the company. As at September 30, 2019, VEF's stake is valued at USD 7.3 mln (SEK 72.0 mln) on the basis of this transaction.

Brazilian consumers increasingly willing to borrow, 2010–2025E (BRL bln)
Source: HSBC



Key data:
FinanZero



Brazil
Primary region

Share of VEF's portfolio

2016
Company founded

2016
VEF's first investment

2.7 mln
VEF's net invested amount as at September 30, 2019 (USD)

7.3 mln
VEF's total value as at September 30, 2019 (USD)

18.0%
VEF's ownership share

+57%
2019 value development per share (USD)



Finja offers innovative financial services to Pakistan's rapidly-growing, digitally literate population by displacing cash.
 Website: finja.pk

Market opportunity: Pakistan is a scale market, with the world's 6th largest population of over 190 mln people, and a fast-growing middle class. However, in terms of financial services, Pakistan is massively underpenetrated, with only 21% of the adult population owning a bank account, and as little as 2% of adults and 7% of SMEs receive formal credit from financial institutions. At the same time, smart phone penetration in the country is rapidly increasing, with an estimated 60 mln devices in the market, giving fintech companies a large opportunity to introduce financial services to the increasingly digitally-savvy population.

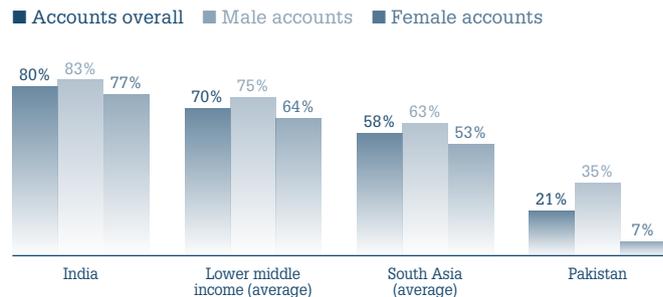
Finja's offering: Finja has developed and operates one of the leading digital wallets in Pakistan, SimSim, with more than 360,000 customers signed up to date, and a mission to make payments free, frictionless and real-time. The platform offers a suite of financial services, including mobile top-up, merchant and P2P payments and QR-code payments. On top of the free payments core, Finja operates an e-commerce marketplace and credit marketplace for users which serve as value added services for customers and drive revenues. Finja currently operates in collaboration with Finca Microfinance Bank.

Payroll is a current focus for the company, offering a zero-cost cloud-based payroll solution and payment automation system, supported through mobile wallet fund disbursements. 2019 has seen growing traction with the product, where Finja have been successful in adding corporates and SMEs across Pakistan to the platform.

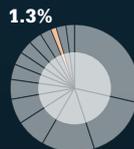
Finja was founded by tech and banking industry veterans Qasif Shahid, Monis Rahman and Umer Munawar and is headquartered in Lahore.

Q3 2019: During 2018, Finja successfully closed a new funding round in which the company raised USD 3 mln. The round attracted new investor Beenext, an Asia-focused VC fund, and Quona Capital, an EM Fintech VC fund. VEF invested USD 1 mln in the round which was structured as a bridge financing in the form of a two-year convertible loan note. As per September 30, 2019, Vostok Emerging Finance has invested a total of USD 2 mln into Finja, and holds a 20.4% stake in the company. VEF's stake in the company is valued at USD 3.4 mln, including the convertible loan note, on the basis of the latest transaction in the company.

Pakistan: Account ownership in relation to its peers (As of 2017, among adults of age 15+)
 Source: Findex, World Bank



Key data:
Finja



Pakistan
 Primary region

Share of VEF's portfolio

2016
 Company founded

2016
 VEF's first investment

2.0 mln
 VEF's net invested amount as at September 30, 2019 (USD)

3.3 mln
 VEF's total value as at September 30, 2019 (USD)

20.4%
 VEF's ownership share

—
 2019 value development per share (USD)

Financial information

Investments

During the nine-months period 2019, gross investments in financial assets were USD 48.85 mln (9M18: 43.40), of which

During Q1

- > USD 2.0 mln relates to investments in Nibo
- > USD 0.25 mln investments in izyico

During Q2

- > USD 23.5 mln investments in Creditas
- > USD 10 mln investments in Konfio
- > USD 0.1 mln investments in FinanZero

During Q3

- > USD 8.5 mln investments in Xerpa
- > USD 2.5 mln investments in Konfio
- > USD 2.0 mln investments in Magnetis

Moreover, VEF repurchased 3,862,147 SDRs in the Company during the period with 2,200,147 of these SDRs repurchased during 3Q19, for the purpose of delivery of SDRs in connection with the Company's long-term incentive programs.

Group – results for the period and net asset value

During the nine-months period 2019, the result from financial assets at fair value through profit or loss amounted to USD 51.62 mln (9M18: 9.19).

Dividend and coupon income was USD 0.46 mln (9M18: 2.47).

Net operating expenses amounted to USD -4.38 mln (9M18: -4.20).

Net financial items were 0.14 mln (9M18: -0.09).

Net result for the period was USD 47.76 mln (9M18: 7.34).

Total shareholders' equity amounted to USD 248.95 mln (December 31, 2018: 201.42).

Group – results for the quarter

During the quarter, the result from financial assets at fair value through profit or loss amounted to USD 11.69 mln (3Q18: -12.79).

Dividend and coupon income was USD 0.21 mln (3Q18: 0.59).

Net operating expenses amounted to USD -1.33 mln (3Q18: -1.35).

Net financial items were -0.03 mln (3Q18: -0.01).

Net result for the quarter was USD 10.69 mln (3Q18: -13.59).

Liquid assets

The liquid assets of the Group, defined as cash and bank deposits, amounted to USD 5.18 mln on September 30, 2019 (December 31, 2018: 5.48). The Company also has investments in money market funds and bonds, as part of its liquidity management operations. As per September 30, 2019, the liquidity management investments are valued at USD 6.48 mln (December 31, 2018: 44.90), based on the latest NAV.

Financial and operating risks

The Company's risks and risk management are described in detail in Note 4 of the Company's Annual Report 2018.

Parent company

The parent company finances the Cypriot subsidiary's operations on market terms. The net result for the nine-months period was USD 9.97 mln (9M18: 11.48). The net result for the quarter was USD 1.14 mln (3Q18: 1.62).

Income statement – Group

Expressed in USD thousands	Jan 1, 2019– Sep 30, 2019	Jan 1, 2018– Sep 30, 2018	Jul 1, 2019– Sep 30, 2019	Jul 1, 2018– Sep 30, 2018
Result from financial assets at fair value through profit or loss ¹	51,471	9,187	11,689	-12,789
Dividend and coupon income	461	2,474	210	587
Total operating profit	51,932	11,661	11,899	-12,202
Operating expenses				
General administrative expenses	-2,804	-2,859	-1,010	-924
Employee incentive programs	-1,420	-1,336	-319	-427
Total operating expenses	-4,224	-4,195	-1,329	-1,351
Operating result	47,708	7,466	10,570	-13,553
Financial income and expenses				
Currency exchange gains/losses, net	138	-89	-32	-13
Net financial items	138	-89	-32	-13
Result before tax	47,846	7,377	10,538	-13,566
Taxation	-89	-34	156	-24
Net result for the period	47,757	7,343	10,694	-13,590
Earnings per share (in USD)	0.07	0.01	0.02	-0.02
Diluted earnings per share (in USD)	0.07	0.01	0.02	-0.02

1. Financial assets at fair value through profit or loss 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 is presented in the income statement within 'Result from financial assets at fair value through profit or loss' in the year in which they arise.

Statement of other comprehensive income

Expressed in USD thousands	Jan 1, 2019– Sep 30, 2019	Jan 1, 2018– Sep 30, 2018	Jul 1, 2019– Sep 30, 2019	Jul 1, 2018– Sep 30, 2018
Net result for the period	47,757	7,343	10,694	-13,590
Other comprehensive income for the period:				
Items that may be classified subsequently to profit or loss:				
Currency translation differences	0	-4	0	2
Total other comprehensive income for the period	0	-4	0	2
Total comprehensive income for the period	47,757	7,339	10,694	-13,588

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

Balance sheet – Group

Expressed in USD thousands	Sep 30, 2019	Dec 31, 2018
NON-CURRENT ASSETS		
Tangible non-current assets		
Property, plant and equipment	109	146
Total tangible non-current assets	109	146
Financial non-current assets		
Financial assets at fair value through profit or loss		
Equity financial assets	242,806	152,002
Liquid financial assets	6,477	44,896
Other financial assets	11	18
Total financial non-current assets	249,294	196,916
CURRENT ASSETS		
Cash and cash equivalents	5,179	5,479
Tax receivables	83	23
Other current receivables	113	101
Total current assets	5,375	5,603
TOTAL ASSETS	254,778	202,665
SHAREHOLDERS' EQUITY (including net result for the financial period)	248,945	201,422
CURRENT LIABILITIES		
Non-interest bearing current liabilities		
Other current liabilities	5,232	163
Tax expenses	109	–
Accrued expenses	492	1,080
Total current liabilities	5,833	1,243
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	254,778	202,665

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, 2018	6,615	89,079	1	102,862	198,557
Net result for the period January 1, 2018 to September 30, 2018	–	–	–	7,343	7,343
Other comprehensive income for the period					
Currency translation difference	–	–	-1	-3	-4
Total comprehensive income for the period January 1, 2018 to September 30, 2018	–	–	-1	7,340	7,339
Value of employee services:					
- Employee share option scheme	–	15	–	–	15
- Share based long-term incentive program	–	1,305	–	–	1,305
Buy-back of own shares	-113	-2,203	–	–	-2,316
Balance at September 30, 2018	6,502	88,197	-1	110,202	204,900
Balance at January 1, 2019	6,503	88,608	–	106,311	201,422
Net result for the period January 1, 2019 to September 30, 2019	–	–	–	47,757	47,757
Other comprehensive income for the period					
Currency translation difference	–	–	–	–	–
Total comprehensive income for the period January 1, 2019 to September 30, 2019	–	–	–	47,757	47,757
Value of employee services:					
- Employee share option scheme	–	19	–	–	19
- Share based long-term incentive program	–	818	–	–	818
Buy-back of own shares (Note 6)	-42	-1,022	–	–	-1,064
Currency translation difference	–	–	–	-7	-7
Balance at September 30, 2019	6,461	88,423	–	154,061	248,945

Statement of cash flows

– Group

Expressed in USD thousands	Jan 1, 2019– Sep 30, 2019	Jan 1, 2018– Sep 30, 2018	Jul 1, 2019– Sep 30, 2019	Jul 1, 2018– Sep 30, 2018
OPERATING ACTIVITIES				
Result before tax	47,846	7,377	10,538	-13,566
Adjustment for non-cash items:				
Interest income and expense, net	–	–	–	–
Currency exchange gains/-losses	-138	89	32	13
Result from financial assets at fair value through profit or loss	-51,471	-9,187	-11,689	12,789
Other non-cash items affecting profit or loss	309	-1,153	-495	-165
Change in current receivables	-12	76	158	209
Change in current liabilities	160	281	143	253
Net cash from/used in operating activities	-3,306	-2,517	-1,313	-467
Investments in financial assets	-44,351	-43,401	-12,000	-6,874
Sales of financial assets	47,908	42,767	6,700	7,074
Dividend and coupon income	404	2,474	153	587
Tax paid	-60	-19	185	-24
Net cash flow from/used in operating activities	595	-696	-6,275	296
INVESTMENT ACTIVITIES				
Investments in office equipment	43	-90	19	-87
Net cash flow from/used in investment activities	43	-90	19	-87
FINANCING ACTIVITIES				
Buy-back of own shares	-939	-2,316	-656	-2,092
Net cash flow from/used in financing activities	-939	-2,316	-656	-2,092
Change in cash and cash equivalents	-301	-3,102	-6,912	-1,883
Cash and cash equivalents at beginning of the period	5,479	9,804	12,091	8,537
Exchange gains/losses on cash and cash equivalents	1	-113	–	-65
Cash and cash equivalents at end of the period	5,179	6,589	5,179	6,589

Alternative performance measures

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 Emerging Finance 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.

	Jan 1, 2019– Sep 30, 2019	Jan 1, 2018– Sep 30, 2018
Net asset value, USD	248,945,394	204,899,889
Exchange rate at balance sheet date, SEK/USD	9.80	8.86
Net asset value/share, USD ¹	0.39	0.32
Net asset value/share, SEK ²	3.78	2.79
Net asset value, SEK ³	2,440,834,902	1,814,879,442
Weighted average number of shares for the financial period ⁴	646,503,413	659,617,701
Weighted average number of shares for the financial period, fully diluted ⁴	659,725,562	673,117,554
Number of shares at balance sheet date ⁴	646,142,987	650,235,134
Number of shares at balance sheet date, fully diluted ⁴	659,365,136	663,734,987

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

2. Net asset value/share is defined as shareholders' equity divided by total number of outstanding shares multiplied with the SEK/USD exchange rate at balance sheet date.

3. Net asset value in USD multiplied with the SEK/USD exchange rate at balance sheet date.

4. Number of shares at balance sheet date as per September 30, 2019, excludes 15,353,008 repurchased SDRs.

Income statement

– Parent company

Expressed in USD thousands	Jan 1, 2019– Sep 30, 2019	Jan 1, 2018– Sep 30, 2018	Jul 1, 2019– Sep 30, 2019	Jul 1, 2018– Sep 30, 2018
Result from financial assets at fair value through profit or loss	8,618	9,789	100	1,200
Dividend and coupon income	404	265	153	107
Total operating profit	9,022	10,063	253	1,307
Operating expenses				
General administrative expenses	-3,569	-2,888	-1,024	-923
Employee incentive programs	-1,149	-1,336	-276	-427
Total operating expenses	-4,718	-4,224	-1,300	-1,350
Operating result	4,304	5,839	-1,047	-43
Financial income and expenses				
Interest income	5,529	5,687	2,178	1,958
Currency exchange gains/losses, net	138	-49	11	-292
Net financial items	5,667	5,638	2,189	1,666
Result before tax	9,971	11,477	1,142	1,623
Taxation	–	–	–	–
Net result for the period	9,971	11,477	1,142	1,623

Statement of other comprehensive income

Expressed in USD thousands	Jan 1, 2019– Sep 30, 2019	Jan 1, 2018– Sep 30, 2018	Jul 1, 2019– Sep 30, 2019	Jul 1, 2018– Sep 30, 2018
Net result for the period	9,971	11,477	1,142	1,623
Total other comprehensive income for the period	–	–	–	–
Total comprehensive income for the period	9,971	11,477	1,142	1,623

Balance sheet

– Parent company

Expressed in USD thousands	Sep 30, 2019	Dec 31, 2018
NON-CURRENT ASSETS		
Financial non-current assets		
Shares in subsidiaries	15	16
Financial assets at fair value through profit or loss		
Equity financial assets	33,948	25,861
Liquid financial assets	6,477	44,896
Receivables from Group companies	129,082	89,185
Other financial assets	11	18
Total financial non-current assets	169,533	159,976
CURRENT ASSETS		
Cash and cash equivalents	4,299	3,728
Other current receivables	77	61
Total current assets	4,376	3,789
TOTAL ASSETS	173,909	163,765
SHAREHOLDERS' EQUITY (including net result for the financial period)	172,375	162,629
CURRENT LIABILITIES		
Non-interest bearing current liabilities		
Other current liabilities	1,083	79
Accrued expenses	451	1,057
Total current liabilities	1,534	1,136
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	173,909	163,765

Statement of changes in equity – Parent company

Expressed in USD thousands	Share Capital	Additional paid in capital	Other reserves	Retained earnings	Total
Balance at January 1, 2018	6,615	89,079	-	50,502	146,196
Net result for the period January 1, 2018 to September 30, 2018	-	-	-	11,477	11,477
Other comprehensive income for the period					
Currency translation difference	-	-	-	-	-
Total comprehensive income for the period January 1, 2018 to September 30, 2018	-	-	-	11,477	11,477
Value of employee services:					
- Employee share option scheme	-	15	-	-	15
- Share based long-term incentive program	-	1,305	-	-	1,305
Buy-back of own shares	-113	-2,203	-	-	-2,316
Balance at September 30, 2018	6,502	88,197	-	61,979	156,678
Balance at January 1, 2019	6,502	88,608	-	67,519	162,629
Net result for the period January 1, 2019 to September 30, 2019	-	-	-	9,971	9,971
Other comprehensive income for the period					
Currency translation difference	-	-	-	-	-
Total comprehensive income for the period January 1, 2019 to September 30, 2019	-	-	-	9,971	9,971
Value of employee services:					
- Employee share option scheme	-	19	-	-	19
- Share based long-term incentive program	-	818	-	-	818
Buy-back of own shares (Note 6)	-41	-1,022	-	-	-1,063
Balance at September 30, 2019	6,461	88,423	-	77,490	172,374

Notes

(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: https://www.vostokemergingfinance.com/investor-relations/#financial_reports

IFRS 16, Leasing, is effective from January 1, 2019. The new standard did not have any significant impact on the Group's financial statements. As at the reporting date, the group has non-cancellable operating lease commitments of USD 0.25 mln which have increased non-current assets and interest-bearing liabilities in the opening balance of 2019. Currently the only type of leasing the Company is exposed to is rental of office space. The Group has applied the standard from its mandatory adoption date of January 1, 2019. The group has applied the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

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.

Note 2 Related party transactions

During the period Vostok Emerging Finance has recognized the following related party transactions:

	Operating expenses		Current liabilities	
	9M 2019	9M 2018	9M 2019	9M 2018
Key management and Board of Directors ¹	1,966	1,714	54	78

1. Compensation paid or payable includes salary, bonuses and consulting fees to the management and remuneration to the Board members.

The costs in the period for the long-term incentive programs (LTIP 2017, LTIP 2018 and LTIP 2019) for the management amounted to USD 0.11 mln, USD 0.08 mln and USD 0.04 mln, respectively, excluding bonuses paid and social taxes. See details of 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 5 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 September 30, 2019.

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	11,656	201,401	41,404	245,461
Total assets	11,656	201,401	41,404	245,461

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	52,804	103,430	40,664	196,898
Total assets	52,804	103,430	40,664	196,898

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

	2019	2018
Opening balance January 1	40,664	6,808
Transfers from level 2 to level 3	3,364	56,451
Transfers from level 3 to level 2	-5,806	-6,808
Change in fair value and other	3,182	3,105
Closing balance September 30	41,404	59,556

As per September 30, 2019, Vostok Emerging Finance has a liquidity management portfolio of listed corporate bonds and money market funds that are classified as level 1 investments. The investments in iyzico, FinanZero, TransferGo, Magnetis, JUMO, Xerpa, Creditas and Konfio are all valued as level 2 investments on the basis of the valuations of their respective latest transaction which closed throughout 2018 and 2019.

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. The transaction-based valuations are frequently assessed using multiples of comparable traded companies for each unlisted investment or other valuation models. When transaction-based valuations of unlisted holdings are used, no material event is deemed to have occurred in the specific portfolio company that would suggest that the transaction-based value is no longer valid.

Creditas

During Q2 2019, Creditas raised a USD 231 mln round whereby VEF invested an additional 23.5 mln alongside existing investors Santander Innoventures and Amadeus Capital, with new investor SoftBank leading the round.

As per September 30, 2019, VEF has an ownership of 9.7% of the company valued at USD 73.2 mln on the basis of the latest transaction in the company.

Creditas is categorized as a level 2 investment.

Konfio

During Q2 2019, VEF invested an additional USD 10 mln into Konfio by way of a 1-year convertible loan note. During Q3 2019, Konfio closed a broader financing round whereby VEF converted the outstanding loan note and invested an additional USD 2.5 mln in the round. Following the transaction VEF owns 11.4% of the company.

VEF's ownership at September 30, 2019 is valued at USD 41.6 mln on the basis of this transaction.

Konfio is categorized as a level 2 investment.

iyzico

During Q4 2018, iyzico raised a USD 4 mln round whereby VEF invested an additional USD 1.7 mln alongside existing investors Amadeus and the IFC. In Q1 2019 VEF invested a further USD 0.25 mln by way of secondary shares in the company. During Q2 2019, VEF announced that it has agreed to sell its holding in iyzico to PayU Global B.V., the fintech arm of Naspers Group, for approximately USD 33.9 mln. VEF is exiting as part of a broader sale agreement with iyzico's venture investors with the full purchase valuation set at USD 165 mln and payable in cash upon closing of the transaction. The sale remains subject to Turkish regulatory and competition authority approvals and closing is expected to occur in the coming months.

As per September 30, 2019, VEF has invested a total of USD 11.0 mln into iyzico, and values its stake at USD 33.9 mln based on the agreed purchase price in this transaction. Vostok Emerging Finance owns a 21.1% stake in the company.

iyzico is categorized as a level 2 investment.

REVO/Sorsdata

As per September 30, 2019 VEF owns 25% in REVO group and had invested a total of USD 8.8 mln. The 25% stake in the group is valued at USD 19.2 mln. The valuation is derived from valuation models focused on multiples of NII (net interest income) and revenues, coupled with the intrinsic value of the convertible loan note.

REVO/Sorsdata is categorized as a level 3 investment.

Sensitivity analysis EV/revenue multiple, USD						
-15%	-10%	-5%	0%	+5%	+10%	+15%
16,510	17,409	18,308	19,209	20,108	21,008	21,908

Sensitivity USD/RUB						
+15%	+10%	+5%	64.6	-5%	-10%	-15%
17,033	17,693	18,415	19,209	20,086	21,062	22,152

JUMO

During the fourth quarter of 2018, JUMO successfully finalized the second close of a large capital raise which took the full round to near USD 65 mln. The round attracted a new investor base and was led by Goldman Sachs, who alongside existing investors were joined by Proparco (the private sector financing arm of the French Development Agency – AFD) and Finnfund. VEF took up its rights and invested USD 3.1 mln in the round.

As per September 30, 2019, VEF's 6.8% ownership share in Jumo is valued at USD 16.4 mln on the basis of this transaction. Vostok Emerging Finance has invested a total of USD 14.6 mln in the company.

JUMO is categorized as a level 2 investment.

TransferGo

In 2018, TransferGo successfully closed a new funding round of around USD 16 mln. VEF lead the round alongside existing and new investors including Revo Capital, a Turkish VC fund, and Ripple. In the process, VEF exercised the outstanding USD 2.8 mln (EUR 2.5 mln) convertible loan note plus accrued interest and invested an additional USD 2.7 mln (EUR 2.3 mln) in TransferGo, taking VEF's ownership stake to 15.4% in the company. During April 2019, new external investor, 7eventure invested EUR 3.0 mln into the company at the same valuation as in the previous round.

As per September 30, 2019, VEF's stake in TransferGo is valued at USD 12.3 mln on the basis of the latest transaction in the company.

TransferGo is categorized as a level 2 investment.

Guiabolso

As per September 30, 2019, VEF has invested a total of USD 30 mln in Guiabolso, and values its 10.9% stake at USD 10.4 mln on the basis of an EV/revenue peer multiples valuation model. The valuation represents a 4.7% decrease in valuation in the third quarter of 2019, and is mainly derived from a depreciating BRL.

Guiabolso is categorized as a level 3 investment.

Sensitivity analysis EV/revenue multiple, USD						
-15%	-10%	-5%	0%	+5%	+10%	+15%
8,943	9,421	9,898	10,376	10,854	11,331	11,809

Sensitivity analysis USD/BRL						
+15%	+10%	+5%	4.2	-5%	-10%	-15%
9,022	9,433	9,882	10,376	10,922	11,529	12,207

Xerpa

As per September 30, 2019, Vostok Emerging Finance has invested a total of USD 8.5 mln into Xerpa, and holds a 16.0% stake in the company. VEF's stake in the company is valued at USD 8.5 mln on the basis of this transaction.

The holding in Xerpa is categorized as a level 2 investment.

Nibo

During the first and second quarter of 2019, Nibo raised an additional USD 3.4 mln from the current investor base. VEF lead the round and invested an additional USD 2.0 mln.

As per September 30, 2019, VEF has invested a total of USD 5.3 mln into Nibo, and values its stake at USD 8.5 mln on the basis of an EV/revenue peer multiples valuation model. The valuation represents a 15.1% decrease in valuation compared to VEF's valuation as per June 30, 2019, mainly driven by a depreciating BRL. Vostok Emerging Finance owns a 20.1% stake in Nibo following the latest transaction.

Nibo is categorized as a level 3 investment.

Sensitivity analysis EV/revenue multiple, USD						
-15%	-10%	-5%	0%	+5%	+10%	+15%
7,244	7,648	8,052	8,456	8,860	9,265	9,669

Sensitivity analysis USD/BRL						
+15%	+10%	+5%	4.2	-5%	-10%	-15%
7,353	7,687	8,053	8,456	8,901	9,396	9,948

Magnetis

During Q3 2018 Magnetis successfully closed a bridge financing round where VEF invested an additional USD 700 thousand in the form of a two-year convertible loan note, to add to its initial USD 3.0 mln investment, alongside existing investor Monashees. During Q3 2019, Magnetis closed an additional financing round in which VEF converted its outstanding loan note and invested an additional USD 2.0 mln in the company.

As per September 30, 2019, VEF's 16.9% ownership in the company is valued at USD 8.1 mln.

The holding in Magnetis is categorized as a level 2 investment.

FinanZero

During the second quarter of 2019, FinanZero raised a Series B investment round of SEK 100 mln (USD 10.5 mln) whereby VEF made a follow-on investment of USD 101 k alongside new investors Dunross & Co. and Atlant Fonder, among others. Following the round VEF owns an 18.0% stake of the company.

As per September 30, 2019, VEF's ownership in FinanZero is valued at USD 7.3 mln (SEK 72.0 mln) on the basis of the latest transaction.

The holding in FinanZero is categorized as a level 2 investment.

Finja

As per September 30, 2019, Vostok Emerging Finance has invested a total of USD 2 mln into Finja, and holds a 20.4% stake in the company. The latest transaction in the company occurred in July 2018, and hence, more than 12 months have passed since the latest transaction. VEF's stake in the company is valued at USD 3.4 mln, including the outstanding convertible loan note and accrued interest, on the basis of this transaction in the company. The valuation in the latest transaction is still deemed to reflect the fair value of the company.

The holding in Finja is categorized as a level 3 investment.

Sensitivity in exit analysis, USD						
-15%	-10%	-5%	0%	+5%	+10%	+15%
2,859	3,027	3,196	3,364	3,532	3,700	3,868

Liquidity investments

As per September 30, 2019, the liquidity management investments are valued at USD 6.5 mln, based on the closing price and/or latest NAV of each fund.

All liquidity investments are categorized as level 1 investments.

Change in financial assets at fair value through profit or loss

Company	Opening balance Jan 1, 2019	Investments/ (divestments), net	Fair value change	Closing balance Sep 30, 2019	Percentage of portfolio
Creditas	25,000	23,500	24,746	73,246	28.8%
Konfio	15,000	12,500	14,079	41,579	16.3%
iyzico	25,861	250	7,837	33,948	13.3%
REVO Technology/Sorsdata	14,636	-	4,573	19,209	7.5%
JUMO	16,408	-	-	16,408	6.4%
TransferGo	12,842	-	-574	12,268	4.8%
Guiabolso	15,265	-	-4,889	10,376	4.5%
Xerpa	-	8,500	-	8,500	3.3%
Nibo	4,957	2,000	1,499	8,456	3.3%
Magnetis	5,806	1,968	334	8,108	3.2%
FinanZero	5,030	101	2,212	7,343	2.9%
Finja	3,289	-	75	3,364	1.3%
TCS Group Holding PLC (Tinkoff Bank)	7,908	-8,706	798	-	-
Liquidity management	44,896	-39,200	781	6,477	2.5%
Total	196,898	913	51,471	249,282	98.0%

Note 4 Employee share-option program

Option plan

The Company has an option plan, adopted in 2015, that entitles present and future employees to be allocated call options to acquire shares represented by SDRs in the Company ("Options").

Options outstanding

	2019
Beginning of the period	4,405,000
Outstanding at the end of the period	4,405,000

Per September 30, 2019, a total of 4,405,000 options were outstanding, of which 1,905,000 to the Managing Director and 2,500,000 to other employees.

Options granted

Option grant date	Dec 31, 2015	Jun 7, 2016	Aug 25, 2016	Nov 29, 2017	May 16, 2018
Maturity date	Sep 8, 2020	Jul 31, 2021	Nov 24, 2021	Feb 28, 2023	Aug 16, 2023
Option price at grant date SEK	0.67	0.26	0.14	0.54	0.41
Share price at grant date SEK	1.08	1.13	1.22	2.25	1.97
Exercise price SEK	1.46	1.33	1.46	2.54	2.35
Volatility	39.90%	33.00%	20.90%	32.10%	29.90%
Risk free interest rate	0.30%	-0.27%	-0.53%	-0.25%	-0.13%
No of options granted	1,905,000	1,000,000	500,000	500,000	500,000

Market value of the options at the grant date is calculated with the help of the Black & Scholes options valuation model and assuming that no dividends will be paid during the period.

See note 10 in Annual Report 2018 for more details.

Note 5 Long-term incentive programs (LTIP)

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

Outstanding programs 2017 and 2018

The participants purchased, in the three-year long-term incentive 2017 and 2018 programs, shares (Swedish Depository Receipts) in the Company. The participants are for each purchased share entitled to receive additional shares, so-called performance shares, free of charge, subject to fulfillment of performance condition 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

The participants purchased, in the three-year long-term incentive 2019 program, plan shares in the Company.

Plan shares will on the extent to performance of both the Company's Net Asset Value and of the Vostok Emerging Finance share price be reclassified as Swedish Depository Receipts if the performance conditions have been fulfilled. If the performance conditions have not been fulfilled, then the plan shares will be redeemed by the company.

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

If a participant ceases to be employed by the Group within this period, the plan shares will be redeemed, except in limited circumstances that are approved by the board on a case-by-case basis.

The fair value of the plan share on the grant date was calculated on the basis of the market price of the Company's depository receipts on the grant date and market conditions prevailed by using the Monte Carlo Valuation Method.

To carry through the incentive program, the Company subsidized the incentive program participants for the subscription price. The subsidy amounted to USD 0.27 mln, social fees excluded, for the cost of acquiring plan shares. The cost for financing and acquiring plan shares is immediately expensed.

The Company also compensated for the tax impact arising from the fact that subscription price was below fair market value. The maximum estimated cost of this subsidy, social fees excluded, amounts to USD 0.30 mln and will be expensed over the three-year duration of the program.

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 stretch-level, whereby each savings share held by program participants throughout the vesting period resulted in an allocation of ten (10) performance shares free of charge. The program 2016 resulted in allotment of 11,315,790 depository receipts. The exercised program resulted in a dilution of 1.7% in terms of depository receipts to issued shares. Total cost, excluding social fees, amounted to USD 1.30 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. When program is exercised, SDRs are delivered to employee and reported in equity.

	LTIP 2017	LTIP 2018	LTIP 2019
Performance measurement period	Jan 2017– Dec 2019	Jan 2018– Dec 2020	Jan 2019– Dec 2021
Vesting period	May 2017– Dec 2019	May 2018– Dec 2020	May 2019– Dec 2021
Maximum no of SDRs	8,035,700	7,451,850	12,400,000
Maximum dilution	1.21%	1.13%	1.87%
Share price on grant date, SEK	1.74	1.95	2.40
Share price on grant date, USD	0.20	0.22	0.26

Total employee benefit expense excl. bonuses paid and social taxes (USD mln)	LTIP 2017	LTIP 2018	LTIP 2019
2019 ¹	0.45	0.24	0.04
2018	0.80	0.20	–
2017	0.19	–	–
Total accumulated	1.44	0.44	0.04

1. The total 2019 employee benefit expense does not include subsidy for acquisition and taxes arisen.

Note 6 Depository receipt buy-back

During the third quarter, 2,200,147 SDRs have been repurchased. The company currently holds 15,353,008 repurchased SDRs.

Note 7 Events after the reporting period

Between October 1 until November 12, 2019, 1,900,000 SDRs have been repurchased.

Information

Background

Vostok Emerging Finance Ltd (VEF) was incorporated and registered with the Bermuda Registrar of Companies on May 28, 2015 with registered number 50298, as a fully owned subsidiary of Vostok New Ventures (VNV).

On July 16, 2015 the shares in VEF, which held VNV's stake in Tinkoff Bank, were distributed to VNV's shareholders by way of a mandatory redemption program and traded on Nasdaq First North Growth Market in Sweden. At the time of the listing, there were in total 73,499,555 SDRs in VEF. On November 9, 2015, VEF resolved to issue an additional 587,996,440 SDRs.

From July 16, 2015, the Swedish Depository Receipts of VEF are traded on Nasdaq First North Growth Market in Sweden, with the ticker VEMF SDB.

The first financial year comprised the period May 28, 2015–December 31, 2015. Thereafter the financial year is January 1–December 31.

In October 2016, two subsidiaries to Vostok Emerging Finance Ltd. were established. One Cypriot subsidiary, Vostok Emerging Finance (Cyprus) Limited, for managing the investment portfolio and one Swedish subsidiary, Vostok Emerging Finance AB, which provides business support services to the parent company.

As of September 30, 2019, the Vostok Emerging Finance Ltd Group consists of the Bermudian parent company Vostok Emerging Finance Ltd; one wholly-owned Cypriot subsidiary, Vostok Emerging Finance (Cyprus) Limited; and one wholly-owned Swedish subsidiary, Vostok Emerging Finance AB.

Parent company

The parent company finances the Cypriot subsidiary's operations on market terms. The net result for the nine-months period was USD 9.97 mln (9M18: 11.48). The net result for the quarter was USD 1.14 mln (3Q18: 1.62).

Upcoming reporting dates

Vostok Emerging Finance's financial report for the period January 1, 2019–December 31, 2019 will be published on February 12, 2020.

November 13, 2019

David Nangle
Managing Director

For further information contact CEO David Nangle
or CFO Henrik Stenlund: tel: +46 8 545 015 50.

Report on review of interim financial information

Introduction

We have reviewed the condensed interim financial information (interim report) of Vostok Emerging Finance Ltd. as of September 30, 2019 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34.

Gothenburg, November 13, 2019
PricewaterhouseCoopers AB

Ulrika Ramsvik

*Authorized Public Accountant
Auditor in charge*

Bo Hjalmarsson

Authorized Public Accountant



VEF
Vostok Emerging Finance

www.vostokemergingfinance.com