



Press Release
April 16, 2018

Notice of Annual General Meeting in Vostok New Ventures Ltd

Notice is hereby given to the holders of depository receipts in respect of shares in Vostok New Ventures Ltd ("**Vostok New Ventures**" or the "**Company**") that an Annual General Meeting (the "**Meeting**") of shareholders shall be held on Wednesday, 16 May 2018 at 10 am CEST in "The Grand Room" at Nio Rum, Hamngatan 2 in Stockholm, Sweden.

Notice to attend etc.

Holders of depository receipts wishing to attend the Meeting shall:

- (1) be listed in the register of holders of depository receipts kept by Euroclear Sweden AB on Wednesday, 9 May 2018; and
- (2) notify the Company of the intention to attend the Meeting not later than Friday, 11 May 2018 by mail at the address Computershare AB, Vostok New Ventures Ltd Annual General Meeting, Box 610, SE-182 16 Danderyd, Sweden, by telephone +46 (0)771-24 64 00 or by e-mail to agm2018@vostoknewventures.com. The holder of depository receipts shall state his or her name, personal or company identification number, address as well as telephone number. If a holder of depository receipts intends to be represented by proxy, the name of the proxy holder shall be stated.

Holders of depository receipts represented by **proxy** shall issue dated and signed power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate or a corresponding document for the legal entity shall be appended. The power of attorney in original and, where applicable, the registration certificate should be submitted to the Company by mail at the address set forth above well in advance of the Meeting. The form to use for a power of attorney can be found on www.vostoknewventures.com.

Holders of depository receipts who hold their receipts through nominees (Sw. *förvaltare*) must request a **temporary registration of the voting rights** in order to be able to participate at the Meeting. Holders of depository receipts who want to obtain such registration must contact the nominee regarding this well in advance of Wednesday, 9 May 2018.

Voting forms will be distributed to the holders who have complied with the above requirements and the **voting form** must be brought to the Meeting.

Proposed agenda

1. Election of Chairman for the Meeting.
2. Preparation and approval of voting list.
3. Approval of the agenda.
4. Election of one or two persons to check and sign the minutes.

- 5.** Resolution that the Meeting has been duly convened.
- 6.** Presentation by the Managing Director.
- 7.** Presentation of the annual report and the auditor's report as well as the consolidated annual report and the consolidated auditor's report.

8. Resolution in respect of
 - (a) the adoption of the profit and loss account and the balance sheet as well as the consolidated profit and loss account and the consolidated balance sheet; and
 - (b) the appropriation of the Company's results according to the adopted balance sheet.
9. Determination of the number of Directors and auditors.
10. Determination of remuneration to the Directors and the auditors.
11. Election of Directors and auditors.
12. Resolution to appoint the Nomination Committee.
13. Resolution regarding remuneration principles for the senior management.
14. Resolution regarding long-term incentive program.
15. Closing of the Meeting.

Chairman for the Meeting (item 1)

The Nomination Committee, consisting of Jake Hennemuth (Ruane Cunniff & Goldfarb), Jonathan Green (Luxor Capital), Evert Carlsson (Swedbank Robur Fonder) and Lars O Grönstedt (chairman of the Board of Directors) proposes that Jesper Schönbeck, member of the Swedish Bar Association, is elected as Chairman for the Meeting.

The appropriation of the Company's results (item 8b)

The Board of Directors proposes that no dividend is paid to the shareholders and that the Company's results are brought forward.

Determination of the number of Directors and auditors (item 9)

The Nomination Committee proposes that:

- (i) the Board of Directors consist of six (6) Directors without any deputy members.
- (ii) the Company's auditors comprise one (1) registered audit company.

Determination of remuneration to the Directors and the auditors (item 10)

The Nomination Committee proposes:

- (i) a total Board remuneration (including remuneration for the work within the committees of the Board) of USD 479,000 of which USD 155,000 shall be allocated to the Chairman of the Board of Directors and USD 75,000 to each of the other Directors who are not employed by the Company, and that a total of USD 24,000 be awarded for work on Board Committees, of which USD 6,000 to each of two members of the Audit Committee and USD 6,000 to each of two members of the Compensation Committee. The Board in its entirety will continue to constitute the Investment Committee.
- (ii) that the auditors be remunerated in accordance with their approved invoice.

Election of Directors and auditors (item 11)

The Nomination Committee proposes, for the period until the end of the next Annual General Meeting, the re-election of all of the current Directors: Lars O Grönstedt, Josh Blachman, Per Brilioth, Victoria Grace, Ylva Lindquist and Keith Richman. The Nomination Committee proposes that the Meeting shall appoint Lars O Grönstedt to be Chairman of the Board of Directors.

For information about the current Directors proposed for re-election, please see the Company's website, www.vostoknewventures.com.

Furthermore, the Nomination Committee proposes that the Company's auditor, the registered audit company PricewaterhouseCoopers AB be re-elected until the end of the next Annual General Meeting and remunerated upon approval of their invoice.

Nomination committee (item 12)

The Nomination Committee proposes a procedure for appointing the Nomination Committee for the purposes of the Annual General Meeting in 2019, as per the following:

A Nomination Committee shall be established consisting of representatives from the three largest holders of depository receipts in the Company. The ownership shall be based on the statistics from Euroclear Sweden AB over holders of depository receipts as per the last business day in August 2018. The names of the members of the Nomination Committee shall be announced as soon as they have been appointed, which shall take place no later than six months prior to the annual general meeting in 2019. In case of a material change in ownership prior to completion of the work to be performed by the Nomination Committee, it shall be possible to change the composition of the Nomination Committee. The Nomination Committee's mandate period extends up to the appointment of a new Nomination Committee. The Nomination Committee shall appoint a Chairman among them. If the representatives cannot agree upon appointment of Chairman, the representative representing the holder of depository receipts with the largest number of votes shall be appointed as Chairman. The Nomination Committee shall prepare proposals for the following decisions at the Annual General Meeting in 2019: (i) election of the Chairman for the Meeting, (ii) election of Directors, (iii) election of the Chairman of the Board of Directors, (iv) remuneration to the Directors, (v) election of the Company's auditors (vi) compensation to the Company's auditors, and (vii) proposal for how to conduct the nomination process for the Annual General Meeting in 2020.

Remuneration principles for the senior management (item 13)

The Board of Directors proposes that the Meeting resolves to approve the following management remuneration principles etc.

The remuneration to the Managing Director and other members of the senior management shall consist of fixed salary, variable remuneration, other benefits and pension benefits. Except for the Managing Director, the senior management currently includes two individuals.

The total remuneration shall correspond to the prevailing market conditions and be competitive. The fixed and variable remuneration shall correspond to the respective individual's responsibility and authority. The variable component should, in the first instance, be covered within the parameters of the Company's Long-Term Incentive Programs and shall, where payable in other instances, be related to milestone accomplishments of the Company and/or its portfolio investments, e.g. particularly successful investments, exits or similar events.

The period of notice of termination of employment shall be three to six months in the event of termination by the member of the senior management. In the event of termination by the Company, the total of the period of notice of termination and the period during which severance compensation is payable shall not exceed 12 months. Pension benefits shall be contribution-based with individual retirement ages.

The Board of Directors shall be entitled to deviate from these guidelines in individual cases should special reasons exist.

Resolution regarding long-term incentive program (item 14)

The Board of Directors proposes that the Meeting resolves on long-term incentive program for up to seven (7) employees in Vostok New Ventures Ltd ("**LTIP 2018**") in accordance with the below. LTIP 2018 is a three-year performance-based incentive program which is substantially the same as the depository receipt-based incentive program from 2017 ("**LTIP 2017**").

Adoption of an incentive program

Summary of the program

The Board of Directors proposes that the general meeting resolves to adopt LTIP 2018. LTIP 2018 is proposed to include up to seven (7) employees in Vostok New Ventures. The participants in LTIP 2018 are required to invest in Vostok New Ventures by acquiring shares in the form of depository receipts in Vostok New Ventures ("**Saving DRs**"). These Saving DRs are received by way of purchase of depository receipts (representing shares in Vostok New Ventures) at market value or transfer of depository receipts that such participant already holds in accordance with the terms set out under "Personal investment" below. The participants will thereafter be granted the opportunity to receive depository receipts free of charge in accordance with LTIP 2018, so called "**Performance DRs**" in accordance with the terms set out below.

In the event that delivery of Performance DRs cannot be achieved at reasonable costs, with reasonable administrative efforts or due to market conditions, participants may instead be offered a cash-based settlement.

Personal investment

In order to participate in LTIP 2018, the participant must have made a private investment by (i) purchase of depository receipts (representing shares in Vostok New Ventures) at market value and for a value of up to SEK 1,800,000¹ depending on the participants' position in Vostok New Ventures in accordance with what is further described below, or (ii) by transfer of depository receipts that such participant already holds (provided that the participant holds at least 100% of annual net base pay in depository receipts) for a value of up to SEK 1,800,000² depending on the participants' position in Vostok New Ventures in accordance with what is further described below. For each Saving DR held under LTIP 2018, the Company will grant the participants ten rights to Performance DRs, meaning rights to receive Performance DRs free of charge ("**Rights**"). The number of Performance DRs each participant's Saving DRs entitles to depends on the Company's fulfilment of the performance conditions. A participant cannot receive more than ten Performance DRs per Saving DR.

¹ Corresponding to 25,000 depository receipts based on an assumed price of SEK 72 per depository receipt.

² Corresponding to 25,000 depository receipts based on an assumed price of SEK 72 per depository receipt.

The maximum amounts for the personal investments are based on an assumed market price of Vostok New Ventures' depository receipts of SEK 72. The market price of the depository receipts may have increased or decreased by the time of the personal investment and the Board of Directors is authorised to change the maximum amount of the personal investment to take into account any material changes to the price of Vostok New Ventures' depository receipts, in order to give as positive effects as possible for depository receipt holders in the Company.

General terms and conditions

Subject to the fulfilment of the entry level of the performance based conditions for the period 1 January 2018 to 31 December 2020 and provided that the participant has kept its investment in Saving DRs during the period from the day of allocation of the Rights until the day of the release of the interim report for the period 1 January to 31 March 2021 (the vesting period) and, with certain exceptions, kept its employment within the Vostok New Ventures group and not given notice of termination at such point in time, two Rights per Saving DR will vest and each Rights will entitle the participant to receive one Performance DR free of charge.

Retention and performance conditions

The number of Performance DRs each of the participant's Saving DR entitles to depends on the Company's fulfilment of the performance conditions during the measurement period. The performance conditions are based on the Net Asset Value per share ("**NAV per share**").

The determined levels of the conditions include an entry, a target and a stretch level as regards the number of Rights that vest. The entry level constitutes the minimum level which must be exceeded in order to enable vesting of Rights. If the entry level is reached or exceeded, each participant will receive two Performance DRs per Saving DR. If the target level is reached or exceeded, each participant will receive five Performance DRs per Saving DR. If the stretch level is reached or exceeded, each participant will receive ten Performance DRs per Saving DR.

The Board of Directors intends to disclose the outcome of the performance-based conditions in the annual report for the financial year 2020.

The Rights

The Rights shall be governed by the following terms and conditions:

- Rights are granted free of charge as soon as possible after the annual general meeting 2018.
- Vest following the publication of the Company's interim report for the period 1 January – 31 March 2021 (the vesting period).
- May not be transferred or pledged.
- Two Rights per Saving DR will vest and each Right will entitle the participant to receive one Performance DR after the end of the vesting period, if the entry level of the performance-based conditions has been fulfilled and the participant, at the time of the release of the interim report for the period 1 January – 31 March 2021, maintains its employment within the Vostok New Ventures group, has not given notice of termination and maintains the invested Saving DRs.

- In order to align the participants' and the depository receipt holders' interests, the Company will compensate the participants for any dividends paid during the three year vesting period. Compensation will only be made for dividend resolved after the time of allocation.

Preparation and administration

The Board of Directors shall be responsible for preparing the detailed terms and conditions of LTIP 2018, in accordance with the mentioned terms and guidelines. To this end, the Board of Directors shall be entitled to make adjustments to meet foreign regulations or market conditions. The Board of Directors may also make other adjustments if significant changes in the Vostok New Ventures group or its operating environment would result in a situation where the decided terms and conditions of LTIP 2018 no longer serve their purpose.

Allocation

The participants are divided into different categories and in accordance with the above, LTIP 2018 will comprise the following number of Saving DRs and maximum number of Rights for the different categories:

- the CEO: may acquire up to SEK 1,800,000 worth of Saving DRs³ within LTIP 2018, entitling the holder to allotment of not less than two and up to ten Rights per Saving DR;
- other members of management than the CEO (two individuals): may acquire up to SEK 576,000 worth of Saving DRs⁴ within LTIP 2018, entitling the holder to allotment of not less than two and up to ten Rights per Saving DR;
- other employees (four individuals): may acquire in aggregate up to SEK 720,000 worth of Saving DRs⁵ within LTIP 2018, entitling each holder to allotment of not less than two and up to ten Rights per Saving DR.

Scope and costs of LTIP 2018

LTIP 2018 will be accounted for in accordance with IFRS 2 which stipulates that the Rights should be recorded as a personnel expense in the income statement during the vesting period. The costs for LTIP 2018 is estimated to amount to approximately SEK 18.36 million, excluding social security costs, calculated in accordance with IFRS 2.

The costs for social security charges are calculated to approximately SEK 5.77 million, based on the above assumptions.

In addition to what is set forth above, the costs for LTIP 2018 have been based on that LTIP 2018 comprises up to five participants and that each participant makes a maximum investment.

If the maximum result is reached, and all invested Saving DRs are retained under LTIP 2018 and a fulfilment of the performance conditions of 100 percent, the maximum cost of LTIP 2018 as defined in IFRS 2 is approximately SEK 36.72 million and the maximum social security cost is estimated to approximately SEK 11.54 million.

³ Corresponding to 25,000 depository receipts based on an assumed price of SEK 72 per depository receipt.

⁴ Corresponding to 8,000 depository receipts based on an assumed price of SEK 72 per depository receipt.

⁵ Corresponding to 10,000 depository receipts based on an assumed price of SEK 72 per depository receipt.

The costs are expected to have a marginal effect on key ratios of the Vostok New Ventures group.

Upon maximum allotment of Performance DRs, 510,000 depository receipts representing shares in the Company may be allocated within the framework of LTIP 2018, which would correspond to approximately 0.60 percent of the share capital and the votes in the Company. A total of 2,094,351 depository receipts, which comprise the currently outstanding options under the 2010 Incentive Program (including 100,000 allocated options and 1,994,351 options that have not yet been allocated), maximum allotment of 430,000 depository receipts under LTIP 2016, maximum allotment of 450,000 depository receipts under LTIP 2017 and maximum allotment of 510,000 depository receipts under LTIP 2018 would correspond to approximately 4.12 percent of the share capital and the votes in the Company.

Delivery of Performance DRs under LTIP 2018

To ensure delivery of Performance DRs under LTIP 2018, the Company intends to hedge LTIP 2018 with either repurchased depository receipts, enter into a swap agreement or other similar agreement with a third party or by taking other measures deemed necessary by the Company.

The rationale for the proposal

The objective of LTIP 2018 is to create incentives for the management to work for a long-term development in the Company. Furthermore, LTIP 2018 shall create conditions for retaining competent employees in the Vostok New Ventures group through the offering of competitive remuneration. LTIP 2018 has been designed based on the view that it is desirable that employees within the group are depository receipt holders in the Company and that they see that working with a long-term horizon pays off. Participation in LTIP 2018 requires a personal investment in Saving DRs.

By offering an allotment of Performance DRs which are based performance-based conditions, the participants are rewarded for increased depository receipt holder value. Further, LTIP 2018 rewards employees' loyalty and long-term value growth in the Company. Against this background, the Board of Directors is of the opinion that the adoption of LTIP 2018 will have a positive effect on the Vostok New Ventures group's future development and thus be beneficial for both the Company and its depository receipt holders.

Preparation

The Company's Board of Directors has prepared LTIP 2016 and 2017, on which LTIP 2018 is based, in consultation with external advisors. LTIP 2018 has been reviewed and determined by resolution by the Board of Directors on 15 April 2018.

Other incentive programs in the Company

Below are summaries of the current outstanding incentive programs in the Company. For more information about the incentive programs, please see the annual report 2017.

2010 Incentive Program

The 2010 Annual General Meeting decided in accordance with the proposal from the Board of Directors to adopt an incentive program entitling present and future employees to be allocated call options to acquire shares represented by depository receipts in Vostok New Ventures. The program covers present and future employees. A total of 5,115,600 options were authorized under the program. A total of 100,000 options are currently outstanding. The option life is 7 June 2016 – 31 July 2019 and the exercise period is 1 June – 31 July 2019. If all options are exercised a total of 100,000 depository receipts could be allocated, which would correspond to approximately 0.12 percent of the share capital and the votes in the Company.

LTIP 2016

At the 2016 annual general meeting held on 17 May 2016, it was resolved to implement a share-based long-term incentive program for management and key personnel in the Vostok New Ventures group. The program runs from 1 January 2016 through 31 March 2019, and encompasses a maximum of 430,000 shares, corresponding to a dilution of 0.59 percent of the total number of shares outstanding at the time of adoption of the program. Program participants purchase shares in the Company, and for each purchased share is entitled to receive a number of additional shares, so-called performance shares, free of charge, subject to fulfilment of a performance condition set by the Board of Directors on the basis of the Company's Net Asset Value per share.

LTIP 2017

At the 2017 annual general meeting held on 16 May 2017, it was resolved to implement a share-based long-term incentive program for management and key personnel in the Vostok New Ventures group. The program runs from 1 January 2017 through 31 March 2020, and encompasses a maximum of 450,000 shares, corresponding to a dilution of 0.53 percent of the total number of shares outstanding at the time of adoption of the program. Program participants purchase shares in the Company, and for each purchased share is entitled to receive a number of additional shares, so-called performance shares, free of charge, subject to fulfilment of a performance condition set by the Board of Directors on the basis of the Company's Net Asset Value.

Majority requirements

Resolution in accordance with the Board of Directors' proposal in respect of item 14 requires support of shareholders representing not less than half of the votes cast as well as of the shares represented by depository receipts represented at the Meeting.

Miscellaneous

The annual accounts and the auditors' report will be available at the office of the Company's Swedish subsidiary, Vostok New Ventures AB, at Hovslagargatan 5 in Stockholm, Sweden and on the Company's website www.vostoknewventures.com.

April 2018

Pareto Securities AB

The Board of Directors of Vostok New Ventures Ltd