

## Notice of Annual General Meeting in Vostok Emerging Finance Ltd.

Notice is hereby given to the holders of depository receipts in respect of shares in Vostok Emerging Finance Ltd., reg. no. 50298, with registered office in Hamilton, Bermuda (“**Vostok Emerging Finance**” or the “**Company**”) that an Annual General Meeting (the “**Meeting**”) of shareholders shall be held on Wednesday, 13 May 2020 at 10 am CEST at Advokatfirman Vinge’s offices, Stureplan 8, SE-111 87 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 Thursday, 7 May 2020; and
- (2) **notify** the Company of the intention to attend the Meeting not later than Thursday, 7 May 2020 by mail at the address Computershare AB, Vostok Emerging Finance Ltd. Annual General Meeting, Box 5267, SE-102 46 Stockholm, Sweden, by telephone +46 771 24 64 00 or by e-mail to [agm@vef.vc](mailto:agm@vef.vc). 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. Information submitted in connection with the notification will be computerised and used exclusively for the Meeting. See below for additional information on the processing of personal data.

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.vostokemergingfinance.com](http://www.vostokemergingfinance.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 Thursday, 7 May 2020.

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.

This notice is also directed to holders of 2019 Plan Shares and the same instructions for attending and registering for the meeting apply to such shareholders. Holders of 2019 Plan Shares shall be listed in the members register of the Company on Thursday, 7 May 2020 to attend the Meeting.

### Advance voting

Depository receipt holders may exercise their voting rights at the Meeting by voting in advance. Vostok Emerging Finance strongly encourages the depository receipt holders to use this option in

order to minimize the number of participants attending the Meeting in person and thus contribute to limiting of the spread of the Corona virus (Covid-19).

A special form shall be used for advance voting. The form is available on the Company's website, [www.vostokemergingfinance.com](http://www.vostokemergingfinance.com). A depository receipt holder exercising its voting right through advance voting does not need to submit a separate notification of participation to the Meeting. The form for advance voting constitutes a valid notification of participation.

The completed form must be submitted to Vostok Emerging Finance no later than on Thursday, 7 May 2020. The completed form shall be sent to the address stated under "Notice to attend etc." above. A completed form may also be submitted electronically and is to be sent to [agm@vef.vc](mailto:agm@vef.vc). If the depository receipt holder is a legal entity, a certificate of registration or equivalent authorization documents shall be enclosed to the form. The same apply if the depository receipt holder votes in advance through proxy. The depository receipt holder may not supply the advance vote with special instructions or conditions. If so, the vote is invalid.

Further instructions and conditions are included in the form for advance voting.

### **Information in relation to the Corona virus (Covid-19)**

In view of the recent developments of the spread of the Corona virus (Covid-19), Vostok Emerging Finance has taken certain precautionary measures in relation to the Meeting. The measures are taken to reduce the risk of spread of contagion.

- Depository receipt holders should carefully consider the option to vote in advance, please see above, as well as the possibility of participating by way of proxy. Depository receipt holders who display symptoms of infection (dry cough, fever, respiratory distress, sore throat, headache, muscle and joint ache), have been in contact with people displaying symptoms, have visited a risk area, or belong to a risk group, are in particular encouraged to utilize such option. A form for advance voting and proxy form is available on the Company's website, [www.vostokemergingfinance.com](http://www.vostokemergingfinance.com).
- No external guests will be invited to the Meeting.
- No refreshments will be served prior to or after the Meeting.
- Only a shorter presentation will be held by the Managing Director at the Meeting.
- The Meeting will be conducted in the shortest possible time without limiting the rights of the depository receipt holders.
- Kindly review the information and recommendations issued by the Swedish Public Health Authority (Sw. *Folkhälsomyndigheten*).

The continued spread of the Corona virus (Covid-19) and its effects are still difficult to assess with certainty and Vostok Emerging Finance is closely following the developments. If any further precautionary measures in relation to the annual general meeting must be taken, information thereof will be published on the Company's website, [www.vostokemergingfinance.com](http://www.vostokemergingfinance.com).

### **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.
  - (a) determination of the number of Directors; and
  - (b) determination of the number of auditors.
10. Determination of remuneration to the Directors and the auditors.
  - (a) determination of remuneration to the Directors; and
  - (b) determination of remuneration to the auditors.
11. Election of Directors, chairman and auditors.
  - 11.1 Election of Directors.
    - (a) Lars O Grönstedt;
    - (b) Per Brilioth;
    - (c) Milena Ivanova;
    - (d) Ranjan Tandon; and
    - (e) David Nangle
  - 11.2 Election of chairman.
    - (a) Lars O Grönstedt.
  - 11.3 Election of auditors.
    - (a) PricewaterhouseCoopers AB.
12. Resolution to approve the procedure of the Nomination Committee.
13. Resolution regarding remuneration principles for the senior management.
14. Resolution regarding long term incentive program.
  - (a) adoption of LTIP 2020;
  - (b) amendment of the Company's Bye-Laws; and
  - (c) issue of incentive shares to participants.
15. Closing of the Meeting.

#### **Chairman for the Meeting (item 1)**

The Nomination committee consisting of Evert Carlsson (Swedbank Robur Fonder), Jake Hennemuth (Acacia Partners), Vipul Pandey (Libra Advisors) and Lars O Grönstedt, (Chairman of the Board), proposes that Jesper Schönbeck, member of the Swedish Bar Association, or the one proposed by the Nomination Committee if he has an impediment to attend, 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.

### **Election of Directors and auditors etc. (items 9-11)**

The Nomination committee proposes:

- that the Board of Directors shall consist of five (5) Directors without any deputy members;
- that the number of auditors shall be one (1) registered auditing firm;
- re-election of the current Directors, Lars O Grönstedt, Per Brilioth, Milena Ivanova, Ranjan Tandon and David Nangle for the period until the end of the next Annual General Meeting. Voria Fattahi has declined re-election;
- that the Meeting appoint Lars O Grönstedt to be Chairman of the Board of Directors;
- a total Board remuneration of SEK 1,500,000, of which SEK 600,000 shall be allocated to the Chairman of the Board of Directors and SEK 300,000 to each of the other Directors who are not employed by the Company; and
- 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.

For information about the current Directors proposed for re-election, please see the Company's website, [www.vostokemergingfinance.com](http://www.vostokemergingfinance.com).

### **Nomination committee (item 12)**

The Nomination Committee proposes the following procedure for appointing a Nomination Committee for the purposes of the Annual General Meeting in 2021: A Nomination Committee shall be convened by the Chairman of the Board and comprise of up to four representatives chosen from among the largest holders of depository receipts of the Company and the Chairman of the Board. 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 2020. 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 2021. 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 a 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 2021: (i) election of the Chairman for the Meeting, (ii) election of the members of the Board, (iii) election of the Chairman of the Board of Directors, (iv) remuneration to the members of the Board, (v) election of the Company's auditor (vi) compensation to the Company's auditor, and (vii) proposal for how to conduct the nomination process for the Annual General Meeting in 2022.

### **Remuneration principles for the senior management (item 13)**

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

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. In addition to 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 plan and shall, where payable in other instances, be related to milestone or extraordinary 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 either benefit-based or contribution based or a combination thereof, with individual retirement ages. Benefit based pension benefits are conditional on the benefits being earned during a predetermined period of employment.

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 proposes a long-term share incentive plan ("**LTIP 2020**") for up to six (6) key employees in the Company in accordance with the below. LTIP 2020 is a three year performance based incentive program which is identical to the long-term share incentive plan from 2019.

The objective of LTIP 2020 is to encourage the employees to financially commit to the long-term value growth of Vostok Emerging Finance, and thereby align their interests with those of the shareholders. LTIP 2020 will be an important tool for Vostok Emerging Finance to retain the best talent for the Company, which is vital for the ability to provide long-term value growth for its shareholders.

LTIP 2020 requires that the Annual General Meeting resolves (i) to adopt the New Bye-Laws (as defined below) and (ii) on an issue of the 2020 Plan Shares (as defined below) to the participants in LTIP 2020, in accordance with the Board's proposals for the Annual General Meeting in items 14(b) and 14(c) below.

#### ***Adoption of LTIP 2020 (item 14(a))***

##### *Summary of LTIP 2020*

LTIP 2020 is based on the following structure:

- A new share class in Vostok Emerging Finance ("**2020 Plan Shares**") is introduced in accordance with the proposed amendments of the bye-laws of the Company (the "**New Bye-Laws**").

- According to the New Bye-Laws, the 2020 Plan Shares, under certain conditions, will be reclassified as Vostok Emerging Finance common shares (“**Common Shares**”), which following registration will be admitted to trading on Nasdaq First North in the form of Swedish Depository Receipts of the Company (“**SDR**”).
- The number of 2020 Plan Shares that will be reclassified as Common Shares is dependent on the extent to which the performance measure has been met during the period 1 January 2020 – 31 December 2022 (the "**Measurement Period**"). 2020 Plan Shares that are not reclassified into Common Shares will be redeemed by the Company.
- Participation requires a personal investment in SDRs in the Company (the "**Investment SDRs**").
- In addition, reclassification of the 2020 Plan Shares into Common Shares requires that the participant is employed by the Vostok Emerging Finance group, and has kept the Investment SDRs, throughout the three-year vesting period, ending after release of Vostok Emerging Finance’s interim financial report for the period January-March 2023 (the "**Vesting Period**").
- In total, the participants in LTIP 2020 may subscribe for up to 13,640,000 2020 Plan Shares, and upon reclassification one (1) Incentive Share will be reclassified into one (1) Common Share.

### **Adoption of the plan**

#### *Participants in LTIP 2020*

Up to six (6) employees in Vostok Emerging Finance will be entitled to participate in LTIP 2020

#### *Personal investment in SDRs*

In order to participate in LTIP 2020, the employees are required to invest in Investment SDRs when giving notice of participation and subscribing for the 2020 Plan Shares.

The Investment SDRs may be SDRs acquired for LTIP 2020 or the employee may allocate SDRs already held to LTIP 2020 (which are not already allocated to the 2018 or 2019 LTIPs) as Investment SDRs.

#### *General terms and conditions for the 2020 Plan Shares*

The 2020 Plan Shares shall be governed by the New Bye-Laws. The New Bye Laws will be supplemented by an agreement to be entered into with the respective participants prior to subscribing for the 2020 Plan Shares.

The main terms and conditions for the 2020 Plan Shares according to the New Bye-Laws and/or the separate agreements between Vostok Emerging Finance and each respective participant are the following:

- The participants will subscribe for 2020 Plan Shares for USD 0.01 for each Incentive Share (i.e. the par value of outstanding and fully paid Common Shares).
- If and to the extent the performance-based condition for reclassification of the 2020 Plan Shares has been fulfilled, the 2020 Plan Shares will be reclassified after the Vesting Period. Upon reclassification, one (1) Incentive Share will be reclassified to one (1) Common Share.
- To the extent that the performance-based condition for reclassification of the Incentive Share has not been fulfilled, the Incentive Share will be redeemed by Vostok Emerging Finance after the Measurement Period. In addition, the Board has the right to redeem an Incentive

Share at any time if redemption is requested by the participant.

- In order to align the participants' and shareholders' interests, the participants will be compensated for dividends and other value transfers to the shareholders during the Measurement Period. However, dividend compensation will be paid only if and to the extent the performance-based condition for reclassification of the 2020 Plan Shares have been fulfilled.
- The agreements with the participants will include an irrevocable request from the participant to redeem the participant's 2020 Plan Shares (all or a portion as the case may be) if (a) the participant has not allocated the committed Investment SDRs prior to 31 December 2020, or (b) the participant transfers, sells, pledges, lends or otherwise disposes of the Investment SDRs during the Vesting Period, or (c) the participant ceases to be employed by the Vostok Emerging Finance group, subject to certain exceptions as set out below, during the Vesting Period, or (d) in case a redemption is necessary to ensure that LTIP 2020 is compliant with laws and regulations. As regards (c) above, a participant will not be required to request redemption of the 2020 Plan Shares in the event of death, disability or retirement. In addition, the Board may decide to waive redemption in any particular case.
- The agreements with the participants also include (a) a market condition and (b) a right for Vostok Emerging Finance to reclaim the subsidy (see below), if the participant transfers the 2020 Plan Shares prior to reclassification or redemption of the 2020 Plan Shares.

#### *Performance-based conditions for reclassification of the 2020 Plan Shares*

The number of 2020 Plan Shares that shall be reclassified into Common Shares is based on the level of fulfilment of the performance-based condition during the Measurement Period.

The performance condition is based on the measurement of Vostok Emerging Finance's average annual net asset value development per share ("**NAV per share**") during the Measurement Period. The target levels (entry and stretch) for the performance condition are 10 percent average NAV per share development per year as entry level and 20 percent average NAV per share development per year as stretch target.

If the entry level is reached, 20 percent of the 2020 Plan Shares will be reclassified into Common Shares. If the stretch target is reached, 100 percent of the 2020 Plan Shares will be reclassified into Common Shares. If the performance level is between the entry level and stretch target, the 2020 Plan Shares will be reclassified on a linear basis. All 2020 Plan Shares that are not reclassified into Common Shares will be redeemed by Vostok Emerging Finance after the Measurement Period.

See the New Bye-Laws for more information regarding the performance-based condition.

#### *Allocation – subscription for 2020 Plan Shares*

LTIP 2020 is proposed to comprise up to 1,364,000 Investment SDRs entitling participants to subscribe for, in aggregate, up to 13,640,000 2020 Plan Shares. LTIP 2020 will comprise up to the following number of Investment SDRs and 2020 Plan Shares for different categories of participants:

- the CEO of Vostok Emerging Finance can allocate up to 545,600 Investment SDRs, entitling the CEO to subscribe for up to 5,456,000 2020 Plan Shares; and
- other members of the management team and key employees (5 individuals) can allocate up to 818,400 Investment SDRs in total, entitling them to subscribe for up to 8,184,000 2020 Plan Shares in total.

The number of 2020 Plan Shares that a participant may subscribe for is based on the participants' competence, area of responsibility as well as the number of Investment SDRs allocated to LTIP

2020. The Board will determine the final number of Investment SDRs allocated to each participant. The Board may decide that any Investment SDRs not allocated to the CEO shall be allocated to other members of management and key employees.

#### *Reclassification*

Reclassification of the 2020 Plan Shares to Common Shares will be made after the Measurement Period. The maximum number of 2020 Plan Shares that can be reclassified amounts to 13,640,000. Maximum outcome assumes full participation in LTIP 2020, no personnel turn-over during the Vesting Period, and that the performance condition has been fulfilled during the Measurement Period (i.e. that the stretch target have been achieved).

Information about the outcome of LTIP 2020 will be presented in the Annual Report for 2022.

#### *Subsidy of tax impact*

Vostok Emerging Finance will grant a cash subsidy to the participants in LTIP 2020 to compensate for the tax impact arising due to the fact that the subscription price for the 2020 Plan Shares is below fair market value (see below under the heading "Cost, scope and effects on key ratios". The cash subsidy will correspond to, and cover, the tax impact for the participant and may also cover the subscription price for the 2020 Plan Shares.

#### *Costs, scope and effects on key ratios*

PwC has provided a valuation model for the 2020 Plan Shares using the Monte Carlo method. The valuation derived is based on input from the Company. Based on a price for Vostok Emerging Finance's SDRs of SEK 2.0 and the market conditions that prevailed on 3 April 2020, the value per Incentive Share has been estimated to be SEK 0.14.

Based on the assumption of full participation in LTIP 2020 (i.e. 6 participants, in total 1,364,000 Investment SDRs and 13,640,000 2020 Plan Shares) and a total fair market value of the 2020 Plan Shares of SEK 1.94 m (based on an estimated value per Incentive Share of SEK 0.14) the total cost for LTIP 2020, including social security costs, is estimated to amount to approximately SEK 4.98 m.

Given that the actual cost for Vostok Emerging Finance will be based on the prevailing price of Vostok Emerging Finance's SDRs in connection with subscription of the 2020 Plan Shares, Vostok Emerging Finance's costs may deviate from the estimates set out above.

The maximum dilution due to LTIP 2020 is no more than 2.1 percent in terms of outstanding shares and votes. The number of 2020 Plan Shares may change during the Measurement Period due to intervening bonus issues, reverse splits, splits, rights issues and/or other similar events.

The costs and dilution are expected to have a marginal effect on Vostok Emerging Finance's key ratios.

#### *Preparation and administration*

Vostok Emerging Finance's Board has prepared LTIP 2019, on which LTIP 2020 is modelled, in consultation with external advisors.

The Board of Directors shall be responsible for preparing the detailed terms and conditions of the agreements with the participants in LTIP 2020, in accordance with the mentioned terms and guidelines and the New Bye-Laws. To this end, the Board of Directors shall be entitled to make adjustments to meet regulatory and tax requirements or market conditions. The Board of Directors may also make other adjustments, including deciding to reduce the number of 2020 Plan Shares

that shall be reclassified for all participants, or for certain categories of participants, covered by the LTIP 2020, if significant changes in the Vostok Emerging Finance group or its operating environment would result in a situation where the decided terms and conditions of LTIP 2020 no longer serve their purpose, however, always observing the provisions of the New Bye-Laws and any adjustments shall only be made in order to fulfil the main objectives of LTIP 2020.

#### *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 2019.

#### The 2015 Incentive Program

Under the 2015 option program a maximum of 5,080,000 options can be granted, corresponding to a maximum dilution of 0.8 percent of the total number of depository receipts. A total of 4,905,000 options are currently outstanding.

#### The 2017 Incentive Program

The 2017 share-based long-term incentive program (“**LTIP 2017**”) runs from 1 January 2017 until publication of the Company’s interim report for the period 1 January – 31 March 2020, and encompasses a maximum of 8,035,700 depository receipts, corresponding to a dilution of 1.21% of the total number of depository receipts outstanding.

The development of the Company’s Net Asset Value per share over the term of LTIP 2017 (January 1, 2017 through December 31, 2019), meets the so called stretch level, whereby each savings share held by program participants throughout the vesting period will result in an allocation of ten performance shares free of charge, which will correspond to 8,035,700 shares and a dilution of 1.21% of the share capital and the votes in the Company.

#### The 2018 Incentive Program

The 2018 share-based long-term incentive program (“**LTIP 2018**”) runs from 1 January 2018 until publication of the Company’s interim report for the period 1 January – 31 March 2021, and encompasses a maximum of 7,451,850 depository receipts, corresponding to a dilution of 1.13% of the total number of depository receipts outstanding.

#### The 2019 Incentive Program

The 2019 share-based long-term incentive program (“**LTIP 2019**”) runs from 1 January 2019 until publication of the Company’s interim report for the period 1 January – 31 March 2022, and encompasses a maximum of 12,400,000 depository receipts, corresponding to a dilution of 1.9% of the total number of depository receipts outstanding.

#### ***Amendment of the Company’s Bye-Laws (item 14(b))***

The Board of Directors proposes to amend paragraphs 2.1 and 2.3 of the Company’s Bye-Laws in order to implement LTIP 2020 and enable the issue of the 2020 Plan Shares under LTIP 2020 under items 14(a) and 14(c). The Board’s complete proposal is set out in **Appendix A** to this notice.

### ***Issue of incentive shares to participants (item 14(c))***

The Board of Directors proposes that the Meeting resolves on a directed new share issue of 2020 Plan Shares (as defined in the Bye-Laws) to the participants in LTIP 2020. The new share issue of 2020 Plan Share to the participants in LTIP 2020 is conditional upon the Meeting resolving to amend the Company's Bye-Laws in accordance with item 14(b). The following terms shall apply:

- The issue of new 2020 Plan Shares will increase the share capital of the Company by no more than US\$ 136,400 through the issue of no more than 13,640,000 2020 Plan Shares.
- The subscription price for each 2020 Plan Share is US\$0.01.
- The participants in the LTIP 2020 shall be entitled to subscribe for the number of 2020 Plan Shares as allocated and determined by the Board of Directors.
- The subscription of the 2020 Plan Shares shall be made by payment in cash, and according to the Company's instructions, between 1 June 2020 – 30 June 2020. Oversubscription may not occur.
- The 2020 Plan Shares are subject to the reclassification and redemption clauses in the Bye-Laws.
- The reason for the proposed deviation from the shareholders' preferential rights, and the basis for setting the subscription price of the 2020 Plan Shares to US\$0.01 (the par value), is that the new share issue of the 2020 Plan Shares is an integral part of the implementation of LTIP 2020. The Board considers that LTIP 2020 will be for the benefit of the Company's shareholders as set out in the proposal for LTIP 2020 in item 14(a) above.

### **Majority requirements**

Resolutions in accordance with items 14(b) and 14(c) above require approval of at least two thirds (2/3) of the votes cast at the Meeting. The resolutions under items 14(a)-(c) are conditional upon each other.

### **Miscellaneous**

The annual accounts and the auditors' report will be available at the office of the subsidiary of the Company, Vostok Emerging Finance AB, at Mäster Samuelsgatan 1 in Stockholm, Sweden and on its website [www.vostokemergingfinance.com](http://www.vostokemergingfinance.com).

### **Processing of personal data**

For information on how your personal data is processed, see the integrity policy that is available at Euroclear's webpage <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

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April 2020

The Board of Directors of Vostok Emerging Finance Ltd.

*Certified Advisor Pareto Securities AB*

**Amendments to the Company's Bye-Laws (item 14(b)); complete wording of the proposed changes of paragraphs 2.1 and 2.3 of the Company's Bye-Laws**

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**2.1 Classes of Shares/Rights of Shareholders**

- (i) At the date these Bye-laws are adopted, the share capital of the Company is divided into the following classes of Share: (a) 661,495,995 non-redeemable voting common shares of par value US\$0.01 each ("**Common Shares**"); (b) 12,400,000 redeemable voting common shares of par value US\$0.01 each ("**2019 Plan Shares**"); and (c) 13,640,000 redeemable voting common shares of par value US\$0.01 each ("**2020 Plan Shares**" and together with the 2019 Plan Shares, "**Plan Shares**").
- (ii) The holders of Common Shares shall, subject to these Bye-laws:
  - a) be entitled to one vote per Common Share;
  - b) be entitled to such dividends as the general meeting may from time to time declare in respect of the Common Shares;
  - c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
  - d) generally be entitled to enjoy all of the rights attaching to Shares.
- (iii) The holders of 2019 Plan Shares shall, subject to these Bye-laws:
  - a) be entitled to one vote per 2019 Plan Share;
  - b) not be entitled to dividends during the period from January 2019 through December 2021;
  - c) on and from 1 January 2022, be entitled to dividends pari passu with the holders of Common Shares (however payment of dividends to the 2019 Plan Shares shall not occur until the Board's resolution to redeem any 2019 Plan Shares for which the 2019 Conversion Condition (as defined below) has not been satisfied has been registered in the Register);
  - d) in the event of a winding-up or dissolution of the Company on or before 31 December 2021, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, not be entitled to the surplus assets of the Company;
  - e) in the event of a winding-up or dissolution of the Company after 31 December 2021, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company pari passu with the holders of Common Shares, to the extent that the

2019 Conversion Condition (as defined below) has been satisfied;  
and

- f) generally be entitled to enjoy all of the rights attaching to Shares.
- (iv) 2019 Plan Shares are convertible into Common Shares on a one-for-one basis by resolution of the Board during the period from and including 1 July 2022 to and including 31 August 2022, based on the extent to which the following condition (the "**2019 Conversion Condition**") has been satisfied:
- a) 20% of the 2019 Plan Shares shall be converted into Common Shares if the compounded annual growth rate of the net asset value per Common Share in the period 1 January 2019 to 31 December 2021 (the "**2019 NAV CAGR**", calculated in accordance with paragraph (v) below) is at least 10%;
  - b) 100% of the 2019 Plan Shares shall be converted into Common Shares if the 2019 NAV CAGR is at least 20%;
  - c) If the 2019 NAV CAGR is between 10% and 20%, 2019 Plan Shares shall be converted into Common Shares on a linear basis;  
and
  - d) If the number of 2019 Plan Shares to be converted pursuant to the 2019 Conversion Condition is not a whole number, the number of 2019 Plan Shares to be converted into Common Shares shall be rounded down to the nearest whole number.
- (v) The 2019 NAV CAGR shall be calculated using the formula;  $(B/A)^{(1/n)} - 1$  where (A) is NAV per Common Share at the beginning of the period, (B) is the NAV per Common Share at the end of the period and (n) is the duration of the program in years. The 2019 NAV CAGR in the period 1 January 2019 to 31 December 2021 shall be calculated adjusted for dividends, other value transfers to Shareholders and repurchases of Shares. The value of the Company's assets shall be based on the net asset value statements in the Company's financial reports for the periods January to December 2018 (start value) and January to December 2021 (end value), respectively. The Company shall maintain its accounts so that the degree of fulfilment of the 2019 Conversion Condition is disclosed to holders of 2019 Plan Shares.
- (vi) If the Board resolves to convert only part of the 2019 Plan Shares, holders of 2019 Plan Shares are entitled to have their 2019 Plan Shares converted to Common Shares in proportion to the number of 2019 Plan Shares which they hold.
- (vii) The 2019 Plan Shares may be redeemed by resolution of the Board:
- a) Prior to 1 January 2022, within three months of a redemption request from any holder of 2019 Plan Shares, and in respect of the 2019 Plan Shares subject to such holder's request; and
  - b) From and including 1 January 2022 to and including 30 June 2022, in respect of all outstanding 2019 Plan Shares for which the 2019 Conversion Condition (as defined above) has not been satisfied, in proportion to the number of 2019 Plan Shares already held.

- (viii) The holders of 2020 Plan Shares shall, subject to these Bye-laws:
- a) be entitled to one vote per 2020 Plan Share;
  - b) not be entitled to dividends during the period from January 2020 through December 2022;
  - c) on and from 1 January 2023, be entitled to dividends pari passu with the holders of Common Shares (however payment of dividends to the 2020 Plan Shares shall not occur until the Board's resolution to redeem any 2020 Plan Shares for which the 2020 Conversion Condition (as defined below) has not been satisfied has been registered in the Register);
  - d) in the event of a winding-up or dissolution of the Company on or before 31 December 2022, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, not be entitled to the surplus assets of the Company;
  - e) in the event of a winding-up or dissolution of the Company after 31 December 2022, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company pari passu with the holders of Common Shares, to the extent that the 2020 Conversion Condition (as defined below) has been satisfied; and
  - f) generally be entitled to enjoy all of the rights attaching to Shares.
- (ix) 2020 Plan Shares are convertible into Common Shares on a one-for-one basis by resolution of the Board during the period from and including 1 July 2023 to and including 31 August 2023, based on the extent to which the following condition (the "**2020 Conversion Condition**") has been satisfied:
- a) 20% of the 2020 Plan Shares shall be converted into Common Shares if the compounded annual growth rate of the net asset value per Common Share in the period 1 January 2020 to 31 December 2022 (the "**2020 NAV CAGR**", calculated in accordance with paragraph (v) below) is at least 10%;
  - b) 100% of the 2020 Plan Shares shall be converted into Common Shares if the 2020 NAV CAGR is at least 20%;
  - c) If the 2020 NAV CAGR is between 10% and 20%, 2020 Plan Shares shall be converted into Common Shares on a linear basis; and
  - d) If the number of 2020 Plan Shares to be converted pursuant to the 2020 Conversion Condition is not a whole number, the number of 2020 Plan Shares to be converted into Common Shares shall be rounded down to the nearest whole number..
- (x) The 2020 NAV CAGR shall be calculated using the formula;  $(B/A)^{1/(1/n)} - 1$  where (A) is NAV per Common Share at the beginning of the period, (B) is the NAV per Common Share at the end of the period and (n) is the duration of the program in years. The 2020 NAV CAGR in the period 1 January 2020 to 31 December 2022 shall be calculated adjusted for dividends, other value

transfers to Shareholders and repurchases of Shares. The value of the Company's assets shall be based on the net asset value statements in the Company's financial reports for the periods January to December 2019 (start value) and January to December 2022 (end value), respectively. The Company shall maintain its accounts so that the degree of fulfilment of the 2020 Conversion Condition is disclosed to holders of 2020 Plan Shares.

- (xi) If the Board resolves to convert only part of the 2020 Plan Shares, holders of 2020 Plan Shares are entitled to have their 2020 Plan Shares converted to Common Shares in proportion to the number of 2020 Plan Shares which they hold.
- (xii) The 2020 Plan Shares may be redeemed by resolution of the Board:
  - a) Prior to 1 January 2023, within three months of a redemption request from any holder of 2020 Plan Shares, and in respect of the 2020 Plan Shares subject to such holder's request; and
  - b) From and including 1 January 2023 to and including 30 June 2023, in respect of all outstanding 2020 Plan Shares for which the 2020 Conversion Condition (as defined above) has not been satisfied, in proportion to the number of 2020 Plan Shares already held.
- (xiii) The Board is authorised to issue Common Shares and Plan Shares and to establish from time to time the number of Shares to be included in each such class and is empowered to do all such matters and things in connection with the Shares as is consistent with the terms of these Bye-laws and any resolutions adopted from time to time by the Shareholders of the Company; provided, however, that an issue of Plan Shares shall be subject to the provisions in paragraph 3.5.2.
- (xiv) Subject to paragraphs 2.1(iii) to 2.1(xii) above, all Shares shall carry equal rights unless otherwise provided by these Bye-Laws or by the terms of issue of such Shares.

## **2.3 Share issues**

- 2.3.1 Subject to the provisions of Bye-Laws 2.3.2 and 3.5.2 below, either of the general meeting and the Board may resolve to issue new Shares, warrants, convertible bonds or other equity-related securities, on such terms as the general meeting or the Board (as the case may be) may from time to time determine, provided that
  - (i) the total amount of the issued and outstanding share capital (including the maximum number of Shares which may be issued upon conversion of any issued securities) may not exceed the authorized share capital of the Company, and
  - (ii) a new issue against the contribution of non-cash property or the set-off of claims may only be approved by the general meeting.

Other than Plan Shares, Shares as well as other securities may only be issued as fully paid.

2.3.2 Unless otherwise provided for by a resolution of the general meeting pursuant to Bye-Law 3.5.2 below, a Shareholder shall have a preferential right to subscribe for additional Shares or other equity-related securities issued by the Company pro rata the total number of issued and outstanding Shares held by him immediately prior to the issue of the additional securities; provided, however, that such preferential right shall not apply in the case of Plan Shares or a new issue in consideration for contribution of non-cash property.