



Registered  
office  
Codan Services  
Clarendon House  
2 Church Street  
Hamilton HM1108  
Bermuda

## News Release May 18, 2015

### Notice of Special General Meeting in Vostok Nafta Investment Ltd

Notice is hereby given to the holders of depository receipts in respect of shares in Vostok Nafta Investment Ltd (the “**Company**”) that a Special General Meeting (“**SGM**”) in accordance with section 3 of the Company’s Bye-Laws shall be held on Tuesday, June 9, 2015 at 3 pm at Setterwalls Advokatbyrå, Arsenalsgatan 6 in Stockholm, Sweden.

#### Notice to attend etc.

Holders of depository receipts who wish to attend the General Meeting must:

- (1) **be included** in the register of holders of depository receipts kept by Euroclear Sweden AB on Tuesday, June 2, 2015; and
- (2) **notify the Company** of their intention to attend the General Meeting not later than Friday, June 5, 2015 by mail at the address General Meeting, Vostok Nafta Sverige AB, Hovslagargatan 5, 3rd floor, SE-111 48 Stockholm, Sweden, by telephone +46 8 545 015 50, by fax +46 8 545 015 54 or by e-mail to [sgm2015@vostoknafta.com](mailto:sgm2015@vostoknafta.com). The holder of depository receipts shall state 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 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 General Meeting. Holders of depository receipts who wish to obtain such registration must contact the nominee regarding this well in advance of Tuesday, June 2, 2015.



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## **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 verify and sign the minutes.
5. Resolution that the Meeting has been duly convened.
6. Resolution to effect a share split and mandatory share redemption programme.
  - (a) Resolution to execute a subdivision of shares.
  - (b) Resolution on the mandatory redemption of shares in exchange for shares in Vostok Emerging Finance Ltd.
7. Resolution regarding the approval of the sale of 2,700,000 GDRs in TCS Group Holding PLC to Luxor Capital Group L.P.
8. Resolution regarding an incentive plan for employees of Vostok Emerging Finance Ltd.
9. Closing of the Meeting.

## **Proposed Resolutions**

The following resolutions are proposed to be adopted as one single resolution. A valid resolution requires approval of shareholders representing at least two-third of both the votes cast and the shares represented at the SGM.

### **Item 6: Resolution to effect a share split and mandatory share redemption programme**

The Board of Directors recommends that the SGM adopts a resolution to effect a mandatory redemption programme for all shareholders in accordance with the Items below. The resolutions under items 6a and 6b are conditional on the approval of the resolution set out in item 7.

#### **Item 6 a: Resolution to execute a subdivision of shares**

The Board of Directors recommends that the SGM adopts a resolution to execute a subdivision of shares, whereby each outstanding common share in the Company of par value USD 0.35 per share be divided into two shares, one common share of par value USD 0.32 and one Redemption Share of par value USD 0.03 ("**Redemption Share**"). In connection therewith, holders of Swedish Depository Receipts ("**SDRs**") representing shares in the Company will receive one Redemption Depository Receipt



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(“**Redemption SDR**”) for each SDR held, whereby one Redemption SDR will represent one Redemption Share.

The Board of Directors proposes that the record day for the subdivision of shares shall be June 26, 2015. The last day for trading in the SDRs, including the right to receive Redemption SDRs, will be June 24, 2015. No action is required from holders of SDRs in order to receive Redemption SDRs. Trading in the Redemption SDRs will take place on Nasdaq Stockholm from June 29, 2015 up to and including July 10, 2015.

**Item 6 b: Resolution to effect the mandatory redemption of shares in exchange for SDRs in Vostok Emerging Finance Ltd.**

The Board of Directors recommends that the SGM adopts a resolution to transfer assets of the Company having a value of approximately USD 31 million to its shareholders by way of redemption of all issued and outstanding Redemption Shares, whereby each Redemption SDR will entitle the holder to non-cash consideration consisting of one SDR in Vostok Emerging Finance Ltd.

The Board of Directors also proposes that the record date for the share redemption shall be July 14, 2015. Delivery of SDRs in Vostok Emerging Finance Ltd is expected to be made to shareholders and holders of Redemption SDRs on or around July 16, 2015 via Euroclear Sweden AB.

**Item 7: Resolution regarding the approval of the sale of 2,700,000 GDRs in TCS Group Holding PLC to Luxor Capital Group L.P.**

In order to ensure that Vostok Emerging Finance Ltd has adequate funding to carry on its operations, Luxor Capital Group L.P. has offered to purchase a total of 2,700,000 GDRs in TCS Group Holding PLC from Vostok Emerging Finance Ltd at the prevailing closing rate at which such GDRs are traded on London Stock Exchange at the close of trading on the date preceeding the SGM.

Luxor Capital Group L.P. is an affiliate of holders of SDRs in the Company representing a total of 37 percent of the shares.

The Board of Directors recommends that the SGM adopts a resolution to approval of the sale of 2,700,000 GDRs in TCS Group Holding PLC to Luxor Capital Group L.P.

**Item 8: Resolution regarding adoption of an incentive plan for employees of Vostok Emerging Finance Ltd**

The Board of Directors recommends that the SGM adopts a resolution to approve the adoption of an incentive plan in Vostok Emerging Finance Ltd (for purposes of this section only, the “**Company**”) entitling present and future employees to be allocated call options to acquire shares represented



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by Swedish Depositary Receipts in the Company (“**Options**”). The adoption of the incentive plan set forth herein is subject to the approval of all resolutions under items 6 above.

*Principal Conditions and Guidelines*

- The exercise price for the Options shall correspond to 120 percent of the market value of the Swedish Depositary Receipts of the Company at the time of the granting of the Options.
- The Options may be exercised during an exercise period of three months starting five years from the time of the grant.
- For employees resident outside of Sweden, no premium shall be paid for the Options and the Options may only be exercised if the holder is still employed within the group at the time of exercise.
- For employees resident in Sweden, the employees may elect either of the following alternatives:
  - a) No premium shall be paid for the Options and the Options may only be exercised if the holder is still employed within the group at the time of exercise (same as for employees resident outside of Sweden); OR
  - b) The Options shall be offered to the employee at a purchase price corresponding to the market value of the Options at the time of the offer. The Options shall be fully transferable and will thereby be considered as securities. This also means that Options granted under this option (b) are not contingent upon employment and will not lapse should the employee leave his or her position within the group.
- Options may be issued by the Company or by other group companies.

*Preparation and Administration*

The Board of Directors of the Company, or a designated committee appointed by the Board of Directors, shall be authorized to determine the detailed terms and conditions for the Options in accordance with the principal conditions and guidelines set forth above. The Board of Directors of the Company may make necessary adjustments to satisfy certain regulations or market conditions abroad. The Board of Directors of the Company shall also be authorized to resolve on other adjustments in conjunction with material changes affecting the group or its business environment, which would mean that the described conditions for the incentive plan would no longer be appropriate.

*Allocation*

The incentive plan is proposed to include granting of not more than 2,000,000 options. Allocation of Options to the Managing Director of the Company shall not exceed 1,000,000 Options and allocation to each



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member of the executive management or to other key employees of the Company shall not exceed 400,000 Options.

The allocation of Options shall be decided by the Board of Directors of the Company or by a designated subcommittee thereof, taking into consideration, among other things, the performance of the employee and his or her importance to the group. Specific criteria to be considered include the employee's ability to manage and develop the existing portfolio and to identify new investment opportunities and evaluate conditions of new investments as well as return on capital or estimated return on capital in investment targets. The employees will not initially be offered the maximum allocation of Options and a performance-related allocation system will be maintained since allocation of additional Options within the mandate given by the General Meeting will require fulfillment of stipulated requirements and targets. The Board of Directors of the Company, or a designated subcommittee thereof, shall be responsible for the evaluation of the performance of the employees. The outcome of stipulated targets shall, if possible, be reported afterwards.

Directors who are not employed by the group shall not be able to participate in the plan.

*Bonus for employees resident in Sweden under option (b)*

In order to stimulate the participation in the plan by employees resident in Sweden electing option (b) above, the Company intends to subsidize participation by way of a bonus payment which after tax corresponds to the Option premium. Half of the bonus will be paid in connection with the purchase of the Options and the remaining half at exercise of the Options, or, if the Options are not exercised, at maturity. In order to emulate the vesting mechanism offered by the employment requirement under option (a) above, the second bonus payment is subject to the requirement that the holder is still an employee of the group at the time of exercise or maturity, as the case may be. Thus, for employees in Sweden who choose option (b), the participation in the plan includes an element of risk.

*Dilution and costs*

In the event all 2,000,000 Options are fully exercised, the holders will acquire shares represented by Swedish Depositary Receipts corresponding to a maximum of approximately 2.7 percent of the share capital. The proposed number of Options is expected to meet allocation requirements for the next couple of years, also taking into account possible future recruitment needs.

The total negative cash flow impact for the bonus payments described above is estimated to approximately SEK 15,000,000 over the life of the incentive plan, provided that all Options are offered to employees resident



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in Sweden, that all such employees choose to purchase the Options under option (b) above, and that all Option holders are still employed by the Company at the time of exercise or maturity of the Options.

Other costs for the incentive plan, including fees to external advisors and administrative costs for the plan are estimated to amount to approximately SEK 250,000 for the duration of the Options. Social security contributions in respect of Options granted to employees resident outside of Sweden are deemed to be insignificant.

*Purpose*

The purpose of the proposed incentive plan is to create conditions that will enable the Company to retain and recruit competent employees to the group as well as to promote long-term interests of the Company by offering its employees the opportunity to participate in any favorable developments in the value of the Company.

*Special Majority*

Approval of the incentive plan requires support by shareholders representing at least two thirds of the shares represented at the meeting.

**Miscellaneous**

An information brochure describing the proposals under item 6 above will be available as from May 20, 2015 at the offices of Vostok Nafta Sverige AB at Hovslagargatan 5 in Stockholm, Sweden and on the Company's website [www.vostoknafta.com](http://www.vostoknafta.com).

Stockholm, May 18, 2015

PARETO SECURITIES AB

THE BOARD OF DIRECTORS OF VOSTOK NAFTA INVESTMENT LTD