Baring Vostok Investments PCC Limited

Annual Report and Audited Financial Statements
For the year ended 31 December 2022
(Registration number 38808)

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Management and Administration

DIRECTORS:	J. Dudley Fishburn, Chairman Andrey Costyashkin Richard Crowder
REGISTERED OFFICE:	1st & 2nd Floors Elizabeth House Les Ruettes Brayes St Peter Port Guernsey GY1 1EW
MANAGER:	Baring Vostok Investment Managers Limited 1st & 2nd Floors Elizabeth House Les Ruettes Brayes St Peter Port Guernsey GY1 1EW
SECRETARY AND ADMINISTRATOR:	Carey Commercial Limited 1st & 2nd Floors Elizabeth House Les Ruettes Brayes St Peter Port Guernsey GY1 1EW
INVESTMENT ADVISER:	Baring Vostok Capital Partners Group Limited 1st & 2nd Floors Elizabeth House Les Ruettes Brayes St Peter Port Guernsey GY1 1EW
INDEPENDENT AUDITOR:	PricewaterhouseCoopers CI LLP Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4ND

Chairman's Statement

Dear Shareholders

The devastating war in Ukraine continues with no apparent end in sight. Although economic activity in Russia remains more resilient than analysts expected, sanctions and countersanctions have severely disrupted trade and investment flows. It is now illegal for UK and USA companies to make new investments in Russia. Service providers are prohibited from working on Russia-related projects. Russian companies are prohibited from paying dividends or repaying foreign debts. For all these reasons, BVIL decided in March 2022 to write down the value of its Russian portfolio by 80-100% and to suspend all new investments. BVIL's shares were suspended by TISE on 3 March 2022.

In December 2022, an extraordinary meeting of BVIL's shareholders approved a restructuring proposal to sell substantially all the company's Russian assets in exchange for an assumption of the company's $35 million liability owed to Russia's Alfa Bank, which is now under sanctions. The buyer of the assets is an entity owned by the Russian team who formerly worked as part of BVIL's Investment Advisor. Definitive legal documents to implement the restructuring transaction have been signed, but closing awaits regulatory approvals in both Russia and Guernsey. Debevoise & Plimpton and Carey Olsen have served as outside legal counsel to BVIL on the transaction and on related compliance issues. Although painful, this restructuring will represent a clean break for BVIL from its Russian nexus. It should allow BVIL to move forward without hindrance and to monetize its valuable international assets.

Kaspi, BVIL's largest exposure, continues to post impressive results. Revenue and profits growth year-on-year in 2022 were 40% and 36%, respectively. Growth was primarily driven by Kaspi's highly successful online marketplace and payments segments. The active consumers on the Bank's Payments Platform reached 11.7 million in Q1 2023. The company remains very cash-generative, declaring total dividends for 2022 of approximately $700 million. Kaspi's Q1 dividend of approximately $320 million shows that its strong cash flow generation is continuing in 2023. Liquidity in Kaspi's shares traded in London remains low. However, the company plans to re-list in the United States when conditions permit. If it were to take place, this would allow the Baring Vostok Funds to sell larger volumes of shares without disrupting the market.

As agreed at the recent EGM, all sales proceeds will be distributed fully to shareholders. The Company's underlying portfolio of companies remains strong. We expect them to keep growing robustly while Baring Vostok Funds and BVIL are steadily divesting. The Board looks forward to reporting to shareholders on the results of these activities.

We thank you, as always, for your support.

Dudley Fishburn

Chairman

June 2023

Investment Portfolio

As at 31 December 2022

	31 Dec 22 Cost USD	31 Dec 22 Fair value USD	*31 Dec 21* *Cost* *USD*	*31 Dec 21* *Fair value* *USD*
Private Equity Funds	74,257,541	119,038,020	*73,029,346*	*297,842,734*
Private equity investments	26,939,720	31,283,589	*27,792,707*	*73,235,454*
Listed equity	15,482,489	497,472	*17,245,672*	*10,196,225*
Total	**116,679,750**	**150,819,081**	***118,067,725***	***381,274,413***

The USD:RUB and USD:KZT rates applied to the cost of the underlying investments are the prevailing rates at the date of purchase. The USD:RUB rate applied to the revaluation of the underlying investments as at 31 December 2022 was 74.19 and the USD:KZT rate was 462.75 (per Bloomberg) (31 December 2021: 74.29 per the Central Bank of Russia, and 431.67 per the National Bank of Kazakhstan, respectively).

Manager's Report

Summary: Regrettably, the War in Ukraine continues, over one year after hostilities heated up in late February 2022. Despite significant losses on both sides, the introduction of several deep and far-reaching sanctions against the Russian government (and hundreds of individuals and companies), and a raft of countersanctions measures which have disrupted Russia's investment climate, most observers believe we are not likely to see a resolution to the war in the near term with an expectation that the fighting will continue to intensify. Accordingly, we expect the sanctions and countersanctions environment to worsen and believe the results of this war will have long-standing and profound implications for owners of Russian assets from Europe, the United Kingdom, the United States and other countries.

As a result, the operating and exit environment for Baring Vostok Investments PCC Limited's ("the Company" or "BVIL") underlying Russian assets has deteriorated significantly. **As at 31 December 2022, the Company's Core Net Asset Value ("NAV") per Share was $4.42, a decrease of 68% year on year (from $13.91 as of 31 December 2021).**

In March 2022, the Company took the decision to stop making investments (both new and follow-ons) and to temporarily suspend trading of its shares. This suspension is still in place. The Investment Manager is in regular contact with the Company's Board of Directors regarding BVIL's underlying portfolio companies and the operating environment, including sanctions compliance throughout the Company's structures.

BVIL NAV: Portfolio companies based and operating outside of Russia comprised over 92% of BVIL's FMV of portfolio as at 31 December 2022. The remainder of the Fund's portfolio (comprising approximately 8% of the Company's FMV of portfolio as of 31 December 2022) are headquartered in and/or have primary operations in Russia/Belarus.

The Company's largest position, **Kaspi.kz**, continues to demonstrate strong operating and financial performance, with revenues up 40% in 2022 and net income up by 36%. 59% of adjusted net income came from its Payment and Marketplace Platform business lines, up from 51% in 2021. These results exceed the company's net income guidance for the full-year (initially 20-30%). In 2022, the company continued to pay solid dividends and it executed several small buy-back programs. In 2023, Kaspi expects its adjusted net income to grow by around 25% y-o-y.

BVIL PCC LTD **NET ASSETS (31 Dec 2022)**	**Total Value** **$'mln**
Non-Russian Portfolio Companies	$139.2
Russian Portfolio Companies	11.5
Total PE Holdings	**$150.7**
Cash and Cash Equivalents	5.6
Listed Equity Securities	0.1
Loan Facility Payable	(35.0)
Net Current Assets/(Liabilities)	(7.5)
Performance Fee Payable	(5.7)
Net Assets	**$108.3**
Private companies (operating outside of Russia) valued as at Q4 2022 valuations	
Russian companies valued at 80%-100% discount	

BVIL "Restructuring": The divestment environment for Russian assets remains extremely challenging for several reasons. The universe of potential buyers has decreased significantly, as sanctions make it illegal for strategic and financial investors from many countries to purchase Russian assets and sanctions on many of the country's largest and most active domestic groups dramatically limit the number of potential buyers.

Furthermore, Russian responses to sanctions make exits even more difficult. Several executive orders have either defined potential companies as "strategic" which results in the need for approvals from the Presidential Administration for assets to be sold by owners from "unfriendly" countries, while others (for example capturing sales of companies with any Russian LLCs in their structures) require the buyer to receive approval from a "Strategic Commission" which has representatives from several key ministries, including the Central Bank of Russia. This strategic commission does not only approve the sale of assets but can also put parameters around the price of the sale and the terms for repatriation of monies from Russia to unfriendly countries.

Throughout 2022, the Investment Manager had many discussions with the Company's Board and its shareholders about the issues facing the Company and its portfolio companies. In December 2022, the Company held Extraordinary General Meeting asking shareholders to authorise the Company to carry out a restructuring to achieve the divestment of its Russian assets, with the intention of protecting the value of the Company's non-Russian assets. In addition, it was also proposed that certain changes be made to its investment and distribution policies. All motions put to shareholders at the EGM were overwhelmingly approved.

Significant progress has been made on the proposed restructuring across various streams. The buyer is working through the required approval processes in Russia and the Company is engaged in discussions with the Guernsey government. Once approvals are received, we would expect the restructuring transactions to commence in due course.

BVIL's portfolio already had material exposure outside of Russia even before February 2022 events, as these non-Russian companies – including **Kaspi.kz**, **Revolut**, **Kolesa**, **BlaBlaCar**, and **Klarna** – represented approximately 60% of total BVIL assets fair value at the beginning of last year and Kaspi.kz, with no Russian business or operations, comprising most of this value. Though not immune to the broader impact on equity prices and sector specific pressures (such as the global re-rating of fintech assets), most of these companies continue to show solid growth. As of December 31, 2022, following the severe impairment in the Russian assets, the BVIL exposure to portfolio companies outside of Russia represented over 90% of total assets.

BVIL Portfolio split in $ million	**Fair Value 31/12/2020**	**in % 31/12/2020**	**Fair Value 31/12/2021**	**in % 31/12/2021**	**Fair Value 31/12/2022**	**in % 31/12/2022**
Non-Russian Portfolio Companies	$103.7	39.1%	$225.3	59.2%	$139.2	92.4%
Russian Portfolio Companies	$161.3	60.9%	$155.3	40.8%	$11.5	7.6%
Total Portfolio	**$265.0**	**100.0%**	**$380.6**	**100.0%**	**$150.7**	**100.0%**

Russia-Ukraine: Despite significant losses on both sides, the introduction of several deep and far-reaching sanctions against the Russian government (and hundreds of individuals and companies), and a raft of countersanctions measures which have disrupted Russia's investment climate, most observers believe we are not likely to see a resolution to the war in the near term with an expectation that the fighting will continue to intensify. Accordingly, we expect the sanctions and countersanctions environment to worsen and believe the results of this war will have long-standing and profound implications for owners of Russian assets from Europe, the United Kingdom, the United States and other countries.

Today, Russia is the "most sanctioned" country in the world, with a coordinated but not uniform approach by US, UK (incl. Guernsey, Jersey, Cayman, BVI), EU, Swiss, Singapore, Japanese and Australian governments. Sanctions applied to date are both broad and deep, affecting nearly all the country's largest banking and financial institutions (such as Sberbank and VTB, which together hold more than 50% of Russia's total banking assets), as well as its largest domestic investment groups and high net worth individuals, several of which are a traditional source of exit for the Funds' portfolio companies.

Though Russia's investment climate has already been severely impacted by the announced sanctions, the macro-economy is faring significantly better than most analysts – and even the Russian government – had initially predicted. The country is expected to run a record capital account, given high commodity prices, alternate export destinations, and a notable drop in imports. Many sectors have adjusted their supply chains, by finding new sources for input goods and by working through grey or parallel import schemes. Most analysts now believe that the sanctions implemented to date – including oil price caps and other restrictions designed to directly impact the amount of proceeds Russia can earn on exports – are unlikely to have a near-term impact on Russia's military and geo-political strategy in Ukraine and they have yet to result in significant macro-economic pain for the country. However, many believe the economy will likely face significant structural issues over the coming years – as certain stocks needed for production and service in several sectors of the economy are depleted, technological restrictions threaten to undercut competitiveness and innovation, and logistical problems increase – which will negatively impact the country's medium- to long-term growth prospects for the foreseeable future.

Though we hope for an end to the fighting and a cooling of tensions, our base case is that sanctions will remain in place, the investment climate will remain damaged, and the economy will face challenges for years to come.

Sanctions Compliance: The Company continues to place sanctions compliance as a top priority. Its Investment Manager and Investment Advisor has regular and consistent contact with the sanctions teams at Debevoise & Plimpton ("Debevoise") and Carey Olsen in Guernsey to ensure full compliance with all relevant sanctions' regimes, as well as ongoing discussions with all relevant regulatory agencies (such as the Guernsey Financial Services Commission, the Guernsey government, and TISE).

Kazakhstan: As Kazakhstan is not a party to the Russia-Ukraine conflict, it is not subject to any of the sanctions which have been announced (or discussed). Given Kazakhstan's proximity and economic relationship, we have seen some indirect effect (e.g., currency weakening) on its economy. The country seems to have fully recovered from the temporary instability and sudden rioting which began just after New Year in Kazakhstan. Fortunately, the security situation quickly stabilized, and businesses returned relatively quickly to normal operations.

Valuations: The Company continues to analyze and adjust the intrinsic (local currency) value of its investments on a quarterly basis as per the International Private Equity and Venture Capital Guidelines. For underlying (non-listed) portfolio companies with local functional and reporting currencies, BVIL values the investment in that currency, translating this valuation into USD at the respective Bloomberg's spot rate as of the reporting period (31 December 2022).

- *Investments in private equity funds* are valued at the fair value NAV of those investments as at 31 December 2022.
- *Publicly listed companies* are valued at their respective closing traded prices as at 31 December 2022.
- *Non-listed companies* are valued based on an analysis of comparable publicly listed companies, with discounts or premiums applied where appropriate.

Today, it is extremely difficult to assess the fair value of the Russian assets for investors outside of Russia. Most listed companies on exchanges such as NASDAQ and the LSE with underlying operating companies in Russia – such as Yandex and Ozon – suspended the trading of their shares in February. Some Russian companies continue to trade inside of Russia, but sanctions inhibiting the transfer between shares and depository receipts and/or prohibiting the trading of shares on Russian exchanges create an artificial price in Russia for many Russian companies with dual listings.

As at year-end 2022, the Company valued its portfolio companies operating in Russia based on multiples and a comparison with publicly traded peers with a significant (on average 95%) discount applied to reflect the current challenging operating and exit environment, and existing capital controls which impact the ability of foreign owners from “unfriendly” countries to repatriate money (dividends or sales proceeds) from Russia.

Alfa Debt Obligation: The Company currently has an outstanding debt obligation to Alfa Bank of $35 million. $25 million of this amount was used to increase BVIL’s commitment to the BV 2019 LP Fund and the remaining $10 million was used to complete a share buyback program in Q4 2021. Alfa Bank (and its owners) have been sanctioned in several jurisdictions, and as a result, BVIL is unable to make interest and principal payments. BVIL continues to take legal advice to ensure full compliance with all relevant sanctions’ legislation. If the restructuring transactions proceed as planned, the buyer would assume this obligation from BVIL and the Company would no longer have any relationship with Alfa Bank.

Top 10 Private Equity Holdings Overview

Kaspi.kz			
Industry:	Fintech	**BVIL FMV:**	$98.4 million
Location:	Kazakhstan		
Baring Vostok Fund:	Fund III	**BVIL FMV (%):**	65.3%
Status:	Partially realized	**Current Valuation Basis:**	Comparables

Company Description: Kaspi.kz is the largest Payments, Marketplace and Fintech ecosystem in Kazakhstan.

Initial Investment Rationale (2006): "Kaspi Bank was a strong platform on which to build one of the largest retail banks in Kazakhstan and the Central Asia region. Demand for banking services in Kazakhstan, especially retail services and consumer finance, was expanding rapidly due to growing middle class and high levels of liquidity to the economy. The Kazakh banking sector should attract significant interest from multinational banking institutions after they expand into Ukraine and Russia. One of the leading retail banks in the country should be an attractive acquisition target."

Key Recent Developments: The dramatic political unrest in Kazakhstan in early January 2022 proved short-lived, as the security situation in the country quickly stabilized and Kaspi was able to return to "business as usual" within several weeks. In February 2023, Kaspi released its Q4 results, reporting strong operational and financial performance for the full 2022 financial year. Total revenue was KZT 1,316 billion ($2.9 billion, or 40% growth y-o-y), while adjusted net income grew 36% y-o-y, reaching KZT 620 billion ($1.3 billion). 59% of adjusted net income came from its Payment and Marketplace Platform business lines, up from 51% in 2021. These results exceed the company's net income guidance for the full year (initially 20-30%). In 2022, the company continued to pay solid dividends and it executed several small buy-back programs. In 2023, Kaspi expects its adjusted net income to grow by around 25% y-o-y.

Despite its strong operating and financial performance – with revenues up 40% in 2022 and net income up by 36% – Kaspi.kz's share price was down 38% from $116.00 at the end of 2021 to $71.50 per share at 31 December 2022, a combination of Kazakh-specific pressures after the short period of domestic instability in early January, indirect impacts of the war on the region, and global pressure on equity (and fintech) valuations.

Recognizing the relatively low liquidity of its GDRs on the London Stock Exchange, Kaspi.kz has announced it is considering a potential movement of its listing to a more liquid market, however we expect that if and when this takes place will be a function of several factors, including the status of the Ukraine war, global investor sentiment, and overall market conditions. In the meantime, the Company will continue to seek opportunities for divestment, while balancing any potential negative impact on the company's overall market capitalization and market sentiment.

In 2022, the underlying Baring Vostok funds sold a portion of their stake in Kaspi, resulting in proceeds to BVIL of $0.5 million. In addition, BVIL received an additional $4.6 million in dividend income from its look-through exposure to Kaspi.

Revolut		Revolut	
Industry:	Fintech	**BVIL FMV:**	$23.7 million
Location:	Global		
Baring Vostok Fund:	N/a	**BVIL FMV (%):**	15.8%
Status:	Unrealized	**Current Valuation Basis:**	Comparables

Company Description: Revolut is a rapidly growing global fintech company. It represents a new generation of players aiming to build mobile-first, digital banks for the mass market. Revolut offers a user-friendly mobile app to manage current accounts and a virtual/physical banking card, while working to provide its customers with the best possible rates on FX conversion, money remittances and ATM transactions abroad.

Initial Investment Rationale (2018): "Revolut aims to become a global, mobile-first, digital banking alternative to traditional banks. The company is rapidly growing its international user base and it is already demonstrating solid uptake of additional products (premium accounts, loans, insurance, trading, and others). With a nexus in Russia both as a source of programming and R&D, but also as a market with strong future growth potential BVIL was able to access the opportunity, giving it exposure to a fast-growing segment of the economy with significant future upside potential."

Key Recent Developments: Revolut is a global financial superapp operating in 200+ countries and used by more than 25 million active customers across the globe. In 2021, the company reported GBP 636.2 million in revenues, 189% up year on year with positive EBITDA of GBP 100.3 million and positive Net Income of GBP 26.3 million. In 2022, the company expects to report GBP 850.0 million in revenues, 34% growth year on year. In 2022, fintech companies globally suffered a material re-rating and despite its solid operational performance, BVIL's assessment of Revolut's fair market value dropped by 41% year-on-year, to $23.7 million as of December 31, 2022.

Ozon		OZON	
Industry:	E-Commerce	**BVIL FMV:**	$8.7 million
Location:	Russia		
Baring Vostok Fund:	Ozon L.P. and direct investment	**BVIL FMV (%):**	5.8%
Status:	Unrealized	**Valuation Basis:**	Comparables

Company Description: Founded in 1998 and headquartered in Moscow, Ozon Group is one of Russia's largest and most recognized e-commerce and online travel companies. Starting as an online book retailer, the company has significantly broadened its assortment and value proposition to its customers. Ozon.ru has a fully integrated logistics platform with its own fulfillment centers and courier service that provides customers with quick delivery across Russia.

Initial Investment Rationale (2016): "Given its existing infrastructure, market position, brand awareness, its regional expansion plans, and a recent significant management upgrade, we believe that Ozon is well positioned to build on its strong position and grab significant market share in Russia's rapidly expanding e-commerce sector."

Key Recent Developments: In 2022, Ozon's Gross Merchandise Value (including services) increased by 86% y-o-y, reaching RUB 832.2 billion (circa $11.8 billion). BVIL's look-through stakes in Ozon are primarily held via a Cypriot SPV and cannot be traded on the Moscow Stock Exchange (MOEX). MOEX trading is limited to Russian investors only (and only then, within certain limitations), and volumes are very low. The current environment, the technical default on its existing convertible debt, the inability to trade the stock, and existing capital controls significantly impact the current fair value of its investment in Ozon for the Company.

Kolesa		kolesa.kz	
Industry:	Online classifieds	**BVIL FMV:**	$3.8 million
Location:	Kazakhstan		
Baring Vostok Fund:	Co-investment alongside Fund V	**BVIL NAV (%):**	2.6%
Status:	Unrealized	**Current Valuation Basis:**	Comparables

Company Description: Kolesa owns Kazakhstan's leading automobile and real estate online classified verticals. In addition to classifieds model, Kolesa's "Checked by Kolesa" program — a popular product providing used car financing from Kaspi.kz – is driving significant revenue growth.

Initial Investment Rationale (2014): "With the continued shift of the classifieds market to the internet, Kolesa is well positioned to demonstrate strong growth rates and further increase its profitability, which is generally very high for the classifieds businesses. The company is at an early stage of development and has the potential to significantly increase the monetization of its users by improving user interface and pricing algorithms, developing products for professional clients, and implementing other growth initiatives."

Key Recent Developments: The company has not experienced any direct impact of the Russia/Ukraine conflict on its operations and performance given its presence in Kazakhstan and Uzbekistan. Throughout 2022, Kolesa's performance has been strong, and the company continues to be highly cash generative. In the second half of 2022, Kolesa launched a new business model based on purchasing and further reselling of used cars to consumers, which exhibited very healthy margins and inventory turnover times. Kolesa is well positioned to develop this business model given its traffic base, brand and partnership with Kaspi.kz.

ElectroNeek		lectroNeek	
Industry:	Technology	**BVIL FMV:**	$2.7 million
Location:	Global		
Baring Vostok Fund:	BV 2019 L.P.	**BVIL FMV (%):**	1.8%
Status:	Unrealized	**Current Valuation Basis:**	Comparables

Company Description: ElectroNeek is a global RPA (robotic process automation) player. RPA technology – robotizing routine and algorithmic tasks previously performed by humans – has gained substantial traction with enterprises in recent years. Technology has demonstrated rapid adoption among enterprises, and is particularly valuable in business processes that involve various legacy systems, a high degree of repetitive tasks such as reviewing scanned documents, or various web applications.

Initial Investment Rationale (2021): "Until recently, the RPA technology has not been accessible for SMEs due to high cost and complexity of application, however ElectroNeek is working to transform the market for RPA services by democratizing the pricing model and providing a user-friendly solution. ElectroNeek's key customers are mid-size companies in logistics, accounting, insurance and management consulting sectors across the world, primarily in the US. We expect that given ElectroNeek's growth trajectory and its target niche's market size, the company has the potential to reach $200-300 million in ARR in 5-7 years. As it reaches scale, we believe, ElectroNeek will be an attractive target for strategic investors or public markets."

Key Recent Developments: Over the course of 2022, the company's ARR (annual recurring revenue, a key metric for monitoring SAAS businesses) showed solid y-o-y growth Following the February 2022 events, ElectroNeek terminated sales in Russia and relocated the Russian part of the team to other countries.

Palta			
Industry:	HealthTech	**BVIL FMV:**	$2.5 million
Location:	Global		
Baring Vostok Fund:	BV 2019 L.P.	**BVIL NAV (%):**	1.7%
Status:	Unrealized	**Current Valuation Basis:**	Comparables

Company Description: Founded in 2020 in California, Palta (https://palta.com/) is a digital health platform which unites several independent integrated artificial intelligence ("AI") based health and wellbeing mobile applications within $450 billion wellbeing services market. The company's solutions target large mobile verticals in health, body, mind, and social interactions.

Initial Investment Rationale (2021): "Palta's platform enables synergies via data utilization and knowledge exchange to achieve faster growth, marketing reach, and traffic acquisition efficiencies. The primary sources of revenue are subscriptions for Palta's digital offerings or premium accounts (pay to update/ freemium). We believe that Palta has the potential to reach $950 million ARR in 5 years (5.4x growth), giving it a clear scale for an IPO. At the same time, the company and/or its individual applications are expected to be an attractive target for both strategic and financial buyers given precedent transactions in the health fitness digital space."

Key Recent Developments: The company's performance has not been materially affected by the Russia/Ukraine crisis, given its global operations. Over the course of 2022, Palta's accrued revenue was up 84% due to rapid growth of the company's Avatars AI project developed by Prisma, one of Palta's core portfolio applications. As of December 2022, Palta's number of monthly active users reached 77 million users, nearly 60% growth y-o-y.

BlaBlaCar			
Industry:	Mobility Tech	**BVIL FMV:**	$2.0 million
Location:	Global		
Baring Vostok Fund:	Co-investment alongside Fund V	**BVIL NAV (%):**	1.4%
Status:	Unrealized	**Current Valuation Basis:**	Comparables

Company Description: BlaBlaCar is the world's leading community-based travel network enabling over 90 million members to share a ride across 22 markets. BlaBlaCar leverages technology to fill empty seats on the road, connecting members looking to carpool or to travel by bus, and making travel more affordable, sociable and convenient.

Initial Investment Rationale (2021): "BlaBlaCar ("BBC") (www.blablacar.ru) operates an online marketplace, joining a disparate supply (drivers making inter-city trips) and demand (passengers). Once dominance in a city is established, a strong network effect increasing the likelihood of taking a monopolistic position. We believe that the "winner-takes-all" nature of the business creates high barriers to entry and a solid path for sustainable monetization. The company's user base has grown rapidly over the past 5 years, from 1.6 million registered users in 2011 to 26.5 million in 2015. Today, Russia and Ukraine are its most rapidly growing markets and by the end of 2016, they are expected to comprise 23% of the company's 42 million total users."

Key Recent Developments: In 2022, BlaBlaCar's performance has returned to pre-Covid levels with strong double-digit year-on-year growth, primarily driven by robust performance in Western Europe. The next wave of countries to be monetized are expected to be India, Mexico and Turkey.

Picsart			Picsart
Industry:	Software/Online Services	**BVIL FMV:**	$1.8 million
Location:	Global		
Baring Vostok Fund:	BV 2019 L.P.	**BVIL NAV (%):**	1.2%
Status:	Unrealized	**Current Valuation Basis:**	Comparables

Company Description: Founded in 2012 in Armenia and now headquartered in the United States, Picsart (https://picsart.com/) is a global photo and video editing application. Picsart's product targets non-professional retail customers allowing it to create unique communities of users which, in turn, helps build a strong network effect. The company is the leading player in the B2C (retail) category of photo and video editing, with 150 million average users monthly globally (7x larger than its closest competitor).

Initial Investment Rationale (2021): "The company is operating in a global market that is estimated to reach $50 billion by 2024. Picsart currently monetizes only a small percentage of its total users. Now that its users have become accustomed to the product, the company will gradually roll out monetization and we expect Picsart to grow its revenues to over $400 million in 2023. With its broad customer base and strong market share, we believe the company will have the scale and positioning for an IPO in the coming years, and it should also be an attractive target for strategic buyers (such as large internet holdings or social networks) looking to enhance their photo/video editing products."

Key Recent Developments: In 2022, Picsart's revenues grew by double-digits y-o-y, and it continues to develop its product to enhance users' experience. Since the company does not have offices or personnel in Russia and its revenues from the region are negligible, Picsart is not directly impacted by the current situation in Ukraine.

Smartcat			Smartcat
Industry:	Online Services	**BVIL FMV:**	$1.7 million
Location:	Global		
Baring Vostok Fund:	BV 2019 L.P.	**BVIL NAV (%):**	1.1%
Status:	Unrealized	**Current Valuation Basis:**	Comparables

Company Description: Founded in 2016, as a spinout of one of Russia's largest Language Service Providers, Smartcat has developed a unique platform that interconnects the industry's key market participants (translators, translation agencies, and end-customers) providing them with support of all core functional areas in the translation lifecycle, including translation itself, project management and accounting.

Initial Investment Rationale (2020): "We believe that Smartcat, with its innovative and user-friendly product, is extremely well-positioned to benefit from strong secular growth drivers as industry participants continue to transition more of their processes and workflow online. We estimate that it has the potential to increase sales significantly over the next 4-5 years, reaching $50 million by 2024. M&A in the global SAAS industry is very high and as the company achieves scale, we believe that Smartcat will be an attractive acquisition target for large global strategics with translation service verticals and smaller industry strategic players."

Key Recent Developments: Throughout 2022, the company worked to relocate its Russian personnel to other countries and it has suspended subscribing new customers in Russia. Smartcat's key focus is to continue to expand its international presence and de-emphasize its Russian footprint. In 2022, Smartcat's annual recurring revenues (the key financial metric for monitoring its revenue trends) were up 68% y-o-y. The share of its non-Russian business was 58% (vs 45% a year ago) and is expected to accelerate further.

EBAC			
Industry:	EdTech	**BVIL FMV:**	$0.6 million
Location:	Brazil		
Baring Vostok Fund:	BV 2019 L.P.	**BVIL NAV (%):**	0.4%
Status:	Unrealized	**Current Valuation Basis:**	Comparables

Company Description: Founded in 2019 in Sao Paolo, Brazil, EBAC Online (https://ebaconline.com.br) is a fast-growing educational technology ("EdTech") company operating in Brazil. The company creates and sells pre-recorded courses for adults, providing "upskilling" content such as web design, programming, digital marketing to its customers. Traditional education providers in Brazil (similar to many other countries) are unable to meet the increasing demand for these types of skills and EBAC's online offering provides its customers with a convenient and comprehensive way to increase their qualifications.

Initial Investment Rationale (2021): "According to Banco Nacional de Empregos, a leading online recruitment platform in the country, Brazil currently lacks 1.2 million IT professionals, and the largest technology startups in the country are forced to hire remote employees from the US and Europe due to insufficient supply of qualified workforce. EBAC is well positioned to help the country bridge this gap through its course offerings. EBAC Online is currently earning $1 million in monthly recurring revenues ("MRR") and is expecting to post revenues exceeding $10 million for the full year 2021."

Key Recent Developments: As EBAC only operates in Latin America, it has not been directly impacted by the Russia/Ukraine crisis. Over the course of 2022, EBAC's revenues grew 74% y-o-y, and the company continues to introduce new courses and enhance the product for a better user experience.

The Directors present their Annual Report and Audited Financial Statements of Baring Vostok Investments PCC Limited ("the Company") for the year ended 31 December 2022.

History

The Company was incorporated in Guernsey, Channel Islands on 5 October 2001. On 17 July 2013, at an Extraordinary General Meeting, the requisite majority of the shareholders of the Company gave consent for the conversion of the Company to a protected cell company ("PCC") and on the same day it changed its name from Baring Vostok Investments Limited to Baring Vostok Investments PCC Limited. Upon conversion, the Company established a "Cell" which held through its investment in Baring Vostok Investments Holdings Limited ("BVIHL"), the Company's interest in Yandex via Baring Vostok Private Equity Fund, L.P.3 and did not make any new investments. The remainder of the Company's existing and any new investments were held in the "Core", directly or indirectly through BVIHL.

On 15 July 2013, the Company raised USD 32 million of new capital (the "Placing"), by issuing additional Core Shares at a Placing Price of USD 3,681 per Share, representing a 2 per cent premium to the net asset value ("NAV") attributed to each Core Share as at the Calculation Date of 10 June 2013 (with the premium used to cover the expenses of the Placing and to ensure that the Placing was non-dilutive to such NAV).

On 18 July 2013, the Company's Cell shares and Core Shares commenced trading on Channel Islands Securities Exchange ("CISE") which was rebranded in March 2017 as The International Stock Exchange ("TISE").

During 2016, Baring Vostok Private Equity Fund L.P.3 sold all its remaining shares in Yandex, went into run-off mode and was fully divested. After receiving the final distributions from Baring Vostok Private Equity Fund L.P.3, received via BVIHL, the Company made a compulsory redemption of all remaining Cell shares on 1 December 2017, which constituted the final payment to shareholders of the Cell.

As the main purpose of the Cell shares was to hold the Company's interest in Yandex via Baring Vostok Private Equity Fund L.P.3, the Company announced on 10 February 2017 its intention to cancel the listing of the Cell shares from TISE which occurred with effect from 07:00 on 10 March 2017.

On 28 June 2018, the Cell nominal shares were redeemed and the Cell was terminated and the Company's sole subsidiary, BVIHL, was liquidated, meaning that the Company ceased to produce consolidated financial statements and as there are no longer separate cells, the financial statements are prepared and presented for the Company alone.

On 3 March 2022 the Company announced that it was temporarily suspending the issuing of its monthly NAVs due to the volatility and uncertainty of the ongoing Russia-Ukraine conflict. The Company requested TISE to suspend dealings in the Company's shares with effect from Thursday 3 March 2022 at 18:00 Greenwich Mean Time. The status remains unchanged as at the date of signing.

Activities

The Company principally aims to invest, directly or indirectly, in a portfolio of primarily middle-market companies in the former Soviet Union and principally in shares of unlisted companies that are generally illiquid and difficult for investors outside of the region to access. The Company may invest directly as a co-investor alongside funds managed by Baring Vostok Capital Partners Group Limited ("BVCPGL") or indirectly through such funds.

In March 2022, the Company suspended new investments following the invasion of Ukraine. On 13 December 2022 at an extraordinary general meeting of the members of the Company ("EGM"), the investment policy was amended so that the Company shall not make any new investments other than (i) cash and near cash equivalent securities; and (ii) follow-on investments in assets which are, at the date of the EGM, already held as investments by the Company (whether directly or indirectly). Currently the Company is proceeding with the implementation of restructuring plans approved by the members at the EGM.

The Company is exposed to direct and indirect financial risks as a result of its own investments, which include investments in other investment funds. These investment funds have direct exposure to the Russian and Kazakh economies and currencies. Financial risks are detailed in note 12 of the financial statements.

Directors' Shareholdings

The Directors of the Company are as set out on page 2. The table below details Directors' shareholding in the Company as at the reporting date. There were no share acquisitions in 2022 by Directors (2021: nil).

Member of the Board	No. of Shares Acquired	Date Acquired	No. of Preference Shares post stock split effective 13 January 2016
Andrey Costyashkin	1,020	17 July 2013	1,020,000
Richard Crowder	40	21 January 2014	40,000

Directors' Responsibilities

The Directors are required by The Companies (Guernsey) Law, 2008 (the "Companies Law") as amended, and Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and the profit or loss of the Company for that period. In preparing these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements when preparing the financial statements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Law. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have taken all steps they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors are responsible for the oversight of the maintenance and integrity of the corporate and financial information in relation to the Company's website; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This confirmation is given and should be interpreted in accordance with the provisions of Section 249 of the Companies Law.

Directors' Biographies

Andrey Costyashkin

Andrey has been with Baring Vostok since 1999. Prior to taking leadership of the Fund Manager team, Andrey worked for 16 years in the Investment Adviser team and coordinated the search for and evaluation of new projects, and ensured that all operations were compliant with Baring Private Equity International standards. As a Partner and Chief operational officer, he coordinated Companies' operations and acted as compliance officer. Prior to that he was in charge of co-ordination of the investment process for Baring Vostok and led diligence efforts and deal ideas structuring. He was also responsible for: the screening of incoming projects and opportunities; Baring Vostok's proactive deal sourcing activities/top-down screening of target industries; and for monitoring of OTC portfolio.

Andrey has over 25 years of private equity experience in Russia and other CIS countries. Before joining Baring Andrey worked for 7 years in Alfa Bank/ Alfa Capital. He led proactive deal search and due-diligence processes for private equity investment as a Head of the Research Department. He was responsible for establishing and co-ordinating Alfa-Capital's Research team in Russia, the Ukraine and Kazakhstan, and he provided strategic macro-economic research for and investigated and led due diligence on approximately 20 acquisitions for Alfa-Capital Holdings both in Russia and in CIS countries.

He was a Member of the investment committee and Board of Directors of Alfa Capital. Andrey has a PhD in Economics from the Moscow Institute of Transport Engineers, where he also lectured for six years. Andrey is a resident of Guernsey.

John Dudley Fishburn (Chairman)

Dudley has a career as a businessman with strong links to the not-for-profit world, particularly universities on both sides of the Atlantic. He was a journalist and Conservative politician, having been Executive Editor of the Economist and Member of Parliament of the United Kingdom for Kensington.

He is the Chairman of Bluecube Technology Solutions Ltd and Mulvaney Capital Management Ltd. In the recent past, Mr Fishburn has served terms on many Boards including: HSBC Bank Plc, Beazley Group Plc, Saatchi and Saatchi Plc and Philip Morris International Inc. Dudley resides in London (United Kingdom).

Richard Crowder

Richard holds non-executive directorships and advisory appointments. He works with a wide range of investment styles and portfolios as well as being a director in two groups of family companies where he acts as an offshore director/adviser.

He has extensive experience of: Chairmanships and Directorships of quoted and unquoted companies, including 10 years' chairmanship of a FTSE 250 company; structuring businesses; managing and growing securities, banking, investment and advisory businesses; as well as being well versed in offshore governance.

In his early career, he worked as an investment manager with Ivory & Sime in Edinburgh and as a head of investment research with W.I. Carr in Singapore, Hong Kong and Japan. He undertook a wide range of responsibilities for Schroders in London and the Far East, culminating in the role of Managing Director for Schroders' Singapore associate and Director of J Henry Schroder Wagg & Co. Limited. Having then worked as Chairman of Smith New Court International Agency and Director of Smith New Court Plc, Richard Crowder was the founding Managing Director of Schroders' Channel Islands subsidiary from 1991 until he became a full time non-executive director and consultant in 2000. He is a member of the Securities & Investment Institute and he resides in Guernsey.

Directors' Meeting Attendance

For each director and audit committee member, the tables below sets out the number of scheduled Board and Audit Committee meetings held during the year ended 31 December 2022 and the number of such meetings attended by each director.

Board Meetings	Held	Attended
Andrey Costyashkin	7	7
J. Dudley Fishburn	7	2
Richard Crowder	7	6

Audit Committee Meetings	Held	Attended
J. Dudley Fishburn	2	1
Julian Timms	2	2
Richard Crowder	2	1

Substantial Interests

The following shareholders had more than a 10% shareholding in the Company as at 31 December 2022:

Shareholder	Interest (%)
Calvey Family Trust	48.4%
Prudential Portfolio Management Group	18.9%

Corporate Governance Assurance Statement

On 30 September 2011, the Guernsey Financial Service Commission (the "Commission") issued the Finance Sector Code of Corporate Governance ("FSC"). The Code comprises Principles and Guidance, and provides a formal expression of good corporate practice against which shareholders, boards and the Commission can better assess the governance exercised over companies in Guernsey's finance sector.

The Directors have considered the effectiveness of the corporate governance practices of the Company in respect of the FSC and The International Stock Exchange Authority Limited ("TISEA") (previously known as the Channel Island Securities Exchange Authority Limited ("CISEA")) continuing obligations, in the context of the nature, scale and complexity of the Company, and are satisfied that the Company complies with the FSC Code and all other corporate governance obligations which apply to Guernsey registered companies admitted to listing on the official list of the TISEA and to trading on the TISE.

Performance Evaluation

The Board understands the importance of evaluating its performance and to consider the tenure and independence of each Director. The Directors have undertaken an evaluation of the Board, Chairman and Manager for the year ended 31 December 2022, the results of the evaluation questionnaires were considered and approved by the Board on 28 June 2023.

Share Buy Backs

The Directors renewed the Company's Share Buy Back authority during the annual general meeting held on 26 June 2020. The Company was authorized to make market acquisitions of its own US Dollar Core Shares which may be cancelled or held as treasury shares, as detailed in note 11. During 2021, 2,679,939 preference shares were bought back by the Company for an amount of USD 22,350,537 which was net of the commission paid to Jefferies. On 29 November 2021, the Directors resolved to apply a buyback limit of USD 5 million. As a result, the Company's Share Buyback authority was cancelled on 16 December 2021.

Audit Committee

The Company has established an Audit Committee. The principal duties of the Audit Committee are to consider the appointment of external auditors, to have oversight of the work of the auditor, approve the remuneration and terms of engagement of the auditor, review the effectiveness of the audit and the independence and objectivity of the auditor, to review the external auditor's letter of engagement, management letter, annual financial statements and any Interim Reports and to analyse the key procedures adopted by the Company's service providers. The Audit Committee comprises of J Dudley Fishburn, Richard Crowder, who are independent non-executive directors and Julian Timms, a director of the Company's Manager. The Company's Audit Committee meets formally at least twice a year. Mr Richard Crowder is the Chairman of the Audit Committee.

Going Concern

Given the lack of clarity around the horizon of this crisis and the short, medium and long term impact of the unprecedented sanctions in place on Russia and Russia's own counter measures put in place, the Board of Directors, with the support of the Investment Advisor, cannot fully determine the impact on the Company's ability to execute its investment objective, or indeed maintain the Company's rights and obligations overs its Russian domiciled portfolio companies. As a result, it is currently virtually impossible to be able to provide any clarity on what the future holds for the Russian domiciled investments and whether any value can be attributed to them. The Directors do note, however, that there are sufficient resources available to the Company to meet its ongoing obligations in the short to medium term and accordingly the financial statements have been prepared on the going concern basis.

Results and Dividends

The Net Asset Value ("NAV") per share was USD 4.42 at 31 December 2022 (2021: USD 13.91).

The full results for the year are set out in the Statement of Comprehensive Income on page 29. During the year the Company made no buy backs (2021: 2,629,939 shares for USD 22,350,537). The Directors do not recommend the payment of a final dividend in the current year (2021: USD nil).

There were no funds available for distribution to shareholders as at 31 December 2022 (2021: USD nil).

Russia-Ukraine Conflict and Associated Sanctions

Compliance with all applicable laws is the highest priority of the Company. Particularly since 2014, in the wake of Russia’s annexation of Crimea, the Company and the Investment Adviser have been actively monitoring the evolution of the various international sanctions regimes, engaging legal advisers to assess the potential impact of various sanctions on the Company in order to ensure compliance with all relevant sanctions.

Since 2014, the Company has worked with a specialized team of sanctions lawyers at Debevoise & Plimpton ("Debevoise") in Washington D.C., London and Moscow to continuously monitor and analyse sanctions affecting Russia as adopted from time to time by Guernsey (which follows UK sanctions), the UK, the EU and the US to ensure the Company is operating in compliance with all applicable laws. As recent events have unfolded, the Company and the Investment Adviser have received regular memos from Debevoise advising on new sanctions adopted each day, and we are working with the Debevoise team on a daily basis to update and greatly expand an existing customized memorandum to address specific areas and questions related to the Company.

Sanctions introduced after 31 December 2021 have been broad, directly affecting the Russian government, several state-owned entities (including many of the country’s largest banking institutions), and hundreds of individuals in the government and “influential” business people. The Company, in consultation with Debevoise, has identified no areas of non-compliance with relevant sanctions by the Company.

)
) Directors
) 29 June 2023

J. Dudley Fishburn   Andrey Costyashkin

Independent auditor's report to the members of Baring Vostok Investments PCC Limited (continued)

Report on the audit of the financial statements

Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph below, the financial statements give a true and fair view of the financial position of Baring Vostok Investments PCC Limited (the "company") as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with United Kingdom Accounting Standards, comprising FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and have been properly prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008.

What we have audited

The company's financial statements comprise:

- the statement of financial position as at 31 December 2022;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for qualified opinion

The company holds its investments at fair value through profit or loss. As disclosed in note 7, due to the Investment Adviser's lack of information rights, it was not possible to provide sufficient appropriate audit evidence to support the fair value of one of the investments, which is measured at a fair value of $23.7m as at 31 December 2022 and represents 21.8% of the net assets of the company. We were therefore unable to determine whether any adjustments were necessary to the fair value of this financial asset.

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independence

We are independent of the company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Overview

Audit scope

- The company is incorporated and based in Guernsey, and we conducted our audit in Guernsey.
- We conducted our audit of the financial statements from information provided by Carey Commercial Limited ("Carey"), the appointed administrator, to whom the board of directors has delegated the provision of certain functions.
- Additionally, we held detailed discussions with Baring Vostok Capital Partners Group Limited (the

Independent auditor's report to the members of Baring Vostok Investments PCC Limited (continued)

"investment adviser") regarding the investment portfolio. Baring Vostok Capital Partners Group Limited acts as investment adviser to Baring Vostok Investment Managers Limited, the appointed investment manager of the company (the "Manager").

Key audit matters

- Qualified opinion
- Valuation of investments

Materiality

- Overall materiality: $2.4 million (2021: $7.7 million) based on 2.25% of net assets.
- Performance materiality: $1.8 million (2021: $5.8 million).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditor's professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for qualified opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the Key audit matter
Valuation of investments at fair value through profit or loss *Refer to note 2 and 7 to the financial statements.* The company's investments, valued at $150.8 million represent the most significant balance on the statement of financial position and are measured at fair value through profit or loss, and are subject to management estimate and judgement. Investments comprise a diverse portfolio of (a) listed securities, (b) investments into Baring Vostok private equity funds, and (c) direct private equity investments.	We obtained an understanding of management's attitude towards the financial reporting process and we evaluated the control environment and processes in place around investment valuation. We considered and challenged, using our knowledge of the investments and the International Private Equity and Venture Capital Valuation ("IPEV") guidelines, whether the valuation methodologies applied are appropriate. Our audit approach to testing the valuation of investments was substantive in nature and stratified and executed as follows: (a) <u>Listed securities</u>

Independent auditor's report to the members of Baring Vostok Investments PCC Limited (continued)

The valuation of the company's investments is a significant area of our audit, given that it represents a significant portion of the net assets of the company and accordingly we have considered this to be a key audit matter.

- We verified the per share / unit price of 100% of the publicly listed securities, as at the year-end, using independently obtained pricing information.

(b) Investments into Baring Vostok private equity funds
We obtained the year end capital account statements and audited financial statements for the underlying Baring Vostok private equity funds into which the company invests, as at 31 December 2022, performing detailed testing as outlined below:We considered the accounting policies and audit opinions of these funds in order to evaluate whether the net asset value, as reported in their year end capital account statement, is reflective of fair value; and

- We recalculated the company's proportionate share of the net asset value for all such investments held.

(c) Direct private equity investments

The investment adviser recommends the direct investment valuations to the Manager. The Manager reviews and adopts such valuations prepared by the investment adviser. We held meetings with the investment adviser to discuss and understand the valuation methodology applied to value the direct private equity investments. We challenged the appropriateness of the valuation models, for a selected sample of investments, performing detailed testing as outlined below:

- We obtained the valuation models and checked the mathematical accuracy of these models;
- We obtained the supporting management accounts of the direct private equity investments from the investment adviser and, on a sample basis, verified the earnings with the underlying portfolio companies directly to corroborate the accuracy of this information included in the valuation models;
- We challenged the appropriateness of the inputs over earnings used based on our understanding of the financial performance of the portfolio companies and, for a selected sample, through back testing of the inputs over earnings figures used in the prior year valuations to the audited accounts of the respective portfolio companies;
- We independently sourced trading multiples for a sample of selected comparable entities, as well as challenging whether the comparable entities selected by management to compute the peer multiple were relevant and appropriate to the

Independent auditor's report to the members of Baring Vostok Investments PCC Limited (continued)

respective portfolio companies being valued; and

- We challenged the investment adviser on any adjustment to the comparable multiples used to arrive at the multiple or discount rate used in their valuations and evaluated the rationale for appropriateness in accordance with terms of IPEV guidelines. We considered alternative views and contrary evidence when challenging management on this key assumption in the valuation model, and we performed sensitivity analysis where appropriate.

Based on the audit work performed and, other than the matters described in the Basis for qualified opinion paragraph above, we have nothing to report to those charged with corporate governance.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which the company operates, and we considered the risk of climate change and the potential impact thereof on our audit approach.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall company materiality	$2.4 million (2021: $7.7 million)
How we determined it	2.25% of net assets
Rationale for the materiality benchmark	We believe that net assets is the most appropriate benchmark because this is the key metric for members of the company. It is also a generally accepted measure used for companies in this industry.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2021: 75%) of overall materiality, amounting to $1.8 million (2021: $5.8 million) for the company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

Independent auditor's report to the members of Baring Vostok Investments PCC Limited (continued)

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above $122,440 (2021: $385,000), as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Reporting on other information

The other information comprises all the information included in the Annual Report and Audited Financial Statements (the "Annual Report") but does not include the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities, the directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with United Kingdom Accounting Standards, comprising FRS 102, the requirements of Guernsey law and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditor's report to the members of Baring Vostok Investments PCC Limited (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Use of this report

This independent auditor's report, including the opinions, has been prepared for and only for the members as a body in accordance with Section 262 of The Companies (Guernsey) Law, 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Report on other legal and regulatory requirements

Company Law exception reporting

Under The Companies (Guernsey) Law, 2008 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit;
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

Ross Alexander Houlihan Burne
For and on behalf of PricewaterhouseCoopers CI LLP
Chartered Accountants
Guernsey, Channel Islands
30 June 2023

Statement of Comprehensive Income

For the year ended 31 December 2022

	Notes	1 Jan 22 to 31 Dec 22 Total USD	*1 Jan 21 to 31 Dec 21 Total USD*
Income			
Investment income	2	3,161,779	*9,825,629*
Bank interest		1,611	*11,336*
		3,163,390	***9,836,965***
Expenditure			
Movement in unrealised gains on investments	7	229,067,357	*(89,269,076)*
Loan charges	9	3,113,529	*621,155*
Net realised loss on disposal of investments	7	2,105,459	*2,103,501*
Management fees	5	1,667,774	*2,958,320*
Legal and professional fees		404,557	*553,059*
Administration fees	5	184,837	*117,061*
Sundry expenses		132,891	*39,309*
Directors' fees	5	105,000	*123,250*
Audit fees expense		87,220	*85,766*
Directorial service fees	5	65,136	*63,791*
Foreign exchange loss		49,566	*268*
Equalisation interest		-	*95,149*
Performance fees	5	-	*8,571,819*
		236,983,326	***(73,936,628)***
Total comprehensive (loss)/income for the year		**(233,819,936)**	***83,773,593***
(Loss)/Earnings per share	6	**(9.49)**	***3.22***

The accompanying notes form an integral part of these financial statements.

The Company's activities are derived from continuing operations for both periods presented.

Statement of Financial Position

As at 31 December 2022

	Notes	31 Dec 22 Total USD	*31 Dec 21 Total USD*
Assets			
Non-current assets			
Investments	7	150,819,081	*381,274,413*
Total non-current assets		**150,819,081**	***381,274,413***
Current assets			
Cash and cash equivalents		5,630,848	*4,031,801*
Trade and other receivables	8	277,675	*660,422*
Total current assets		**5,908,523**	***4,692,223***
Liabilities			
Current liabilities			
Trade payables	10	12,916,067	*8,335,163*
Total current liabilities		**12,916,067**	***8,335,163***
Non-current liabilities			
Loan payable	9	35,000,000	*35,000,000*
Total non-current liabilities		**35,000,000**	***35,000,000***
Net current (liabilities) / assets		**(7,007,544)**	***(3,642,940)***
Net assets		**108,811,537**	***342,631,473***
Equity Shareholders' Funds			
Share capital	11	2	*2*
Preference shares redemption reserve	11	58,127,585	*58,127,585*
Retained earnings		50,683,950	*284,503,886*
Total equity Shareholder's Funds		**108,811,537**	***342,631,473***
Number of Redeemable Preference Shares at year end		24,627,000	*24,627,000*
Net asset value per Redeemable Preference Share		4.42	*13.91*

The accompanying notes form an integral part of these financial statements.

The Financial Statements on pages 27 to 47 were approved at a Board Meeting of the Directors held on 28 June 2023 and signed on their behalf on 29 June 2023 by:

		)
		) Directors
J. Dudley Fishburn	Andrey Costyashkin	)

Statement of Changes in Equity

For the year ended 31 December 2022

	Notes	Share Capital USD	Preference Share Redemption Reserve USD	Retained Earnings USD	Total USD
Balance as at 1 January 2021		***2***	***80,478,122***	***200,730,293***	***281,208,417***
Share buyback	11	*-*	*(22,350,537)*	*-*	*(22,350,537)*
Total comprehensive income for the year		*-*	*-*	*83,773,593*	*83,773,593*
Balance as at 31 December 2021		***2***	***58,127,585***	***284,503,886***	***342,631,473***
Balance as at 1 January 2022		**2**	**58,127,585**	**284,503,886**	**342,631,473**
Total comprehensive loss for the year		-	-	(233,819,936)	(233,819,936)
Balance as at 31 December 2022		**2**	**58,127,585**	**50,683,950**	**108,811,537**

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows
For the year ended 31 December 2022

	Notes	1 Jan 22 to 31 Dec 22 Total USD	*1 Jan 21 to 31 Dec 21 Total USD*
Cash flows from operating activities			
Net (loss) / gain for the year		(233,819,936)	*83,773,593*
Adjustment for:			
Net realised loss on disposal of investments	7	2,105,459	*2,103,501*
Movement in unrealised gains on investments		229,067,357	*(89,269,076)*
Proceeds on disposal of investments	7	1,604,239	*13,776,459*
Acquisitions of investments	7	(2,321,723)	*(40,719,353)*
Net cash flow used in operating activities before working capital changes		**(3,364,604)**	***(30,334,876)***
Movement in trade receivables	8	382,747	*(297,350)*
Movement in trade payables	10	4,580,904	*(759,458)*
Net cash generated from / (used in) operating activities		**1,599,047**	***(31,391,684)***
Cash flows from financing activities			
Share buyback	11	-	*(22,350,537)*
Utilisation of loan facility	9	-	*35,000,000*
Net cash flow generated from financing activities		**-**	***12,649,463***
Net increase / (decrease) in cash and cash equivalents		1,599,047	(18,742,221)
Cash and cash equivalents at beginning of the year		4,031,801	*22,774,022*
Cash and cash equivalents at end of the year		**5,630,848**	***4,031,801***

The accompanying notes form an integral part of these financial statements.

1. GENERAL INFORMATION

Baring Vostok Investments Limited ("BVIL") was incorporated in Guernsey, Channel Islands on 5 October 2001. On 17 July 2013, at an Extraordinary General Meeting, the requisite majority of the shareholders of BVIL gave consent for the conversion of the Company to a protected cell company and on the same day it changed its name from Baring Vostok Investments Limited to Baring Vostok Investments PCC Limited (the "Company"). On 18 July 2013, the Company's shares commenced trading on Channel Islands Securities Exchange ("CISE") which was rebranded in March 2017 as The International Stock Exchange ("TISE").

On 3 March 2022 the Company announced that it was temporarily suspending the issuing of its monthly NAVs due to the volatility and uncertainty of the ongoing Russia-Ukraine conflict. The Company requested TISE to suspend dealings in the Company's shares with effect from Thursday 3 March 2022 at 18:00 Greenwich Mean Time. The Company's shares trading remains suspended.

The Company owns a portfolio of primarily middle-market companies in Russia and other countries of the former Soviet Union. The Company also invested directly as a co-investor alongside funds managed by Baring Vostok Capital Partners Group Limited ("BVCPGL") and indirectly through such funds. In March 2022, the Company suspended new investments following the invasion of Ukraine. On 13 December 2022 at an extraordinary general meeting of the members of the Company ("EGM"), the investment policy was amended so that the Company shall not make any new investments other than (i) cash and near cash equivalent securities; and (ii) follow-on investments in assets which are, at the date of the EGM, already held as investments by the Company (whether directly or indirectly). Currently the Company is proceeding with the implementation of restructuring plans approved by the members at the EGM.

2. PRINCIPAL ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of certain financial assets to fair value, and in accordance with UK Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102").

Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Going concern

Given the lack of clarity around the horizon of the Russia-Ukraine crisis and the short, medium and long term impact of the unprecedented sanctions in place on Russia and Russia's own counter measures put in place, the Directors, with the support of the Investment Adviser, cannot fully determine the impact on the Company's ability to execute its investment objective, or indeed maintain the Company's rights and obligations overs its investment. As a result, it is currently virtually impossible to be able to provide any clarity on what the future holds for the investments and whether any value can be attributed to them. The Directors do note, however, that there are sufficient resources available to the Company to meet its ongoing obligations in the short to medium term and accordingly the financial statements have been prepared on the going concern basis.

Critical accounting estimates and judgements in applying accounting policies

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statements.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Critical accounting estimates and judgements in applying accounting policies (continued)

Fair value of investments

When the fair value of investments recorded in the Statement of Financial Position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including comparable multiple valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of comparable peer entities and the appropriate discount/premium to be applied in determining a fair value multiple, inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of Financial Position and the level where the instruments are disclosed in the fair value hierarchy. The models are tested for validity by calibrating to prices from any observable current market transactions in the same instrument (without modification or repackaging) when available.

The Manager bases their assumptions and estimates on parameters available when the financial statements are prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur and may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial period, or result in a material difference between the carrying amount and the value realised on disposal.

Investments

Classification

The Company's investments primarily consist of positions taken in private equity investments, listed equity and bonds and fixed income investments.

Private equity investments can be made directly but are typically made via structured investment holding companies. The Company's co-investments into the structured holding companies and underlying portfolio companies can consist of both debt and equity financial instruments. The Company has designated all of its investments as fair value through the profit or loss as all investments are held and managed on a fair value basis.

The Company has adopted FRS 102 for the valuation of its financial instruments. The Directors believe that in determining fair value the International Private Equity and Venture Capital Valuation ("IPEVC") Guidelines are an appropriate basis for the valuation of all quoted and unquoted investments. In determining the fair value of investments, the Directors take into consideration the valuation recommendations made by the Manager.

Purchases and sales of investments are recognised on the date on which the risk and rewards of ownership have been fully transferred to/from the Company, and are typically recognised at their transaction price.

Investments are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership. Gains and losses arising from changes in the fair value of investments are presented in the Statement of Comprehensive Income in the period in which they arise as the movement in unrealised gains.

Initial measurement

Investments are included in the financial statements at fair values estimated by the Directors on the advice of the Manager on an individual basis. Initial measurement of fair value is normally the transaction price.

Subsequent measurement

Investments in underlying portfolio companies that are listed on a recognised active stock exchange are valued at their quoted market price less an appropriate discount only where there is a legal restriction attributable to the security itself which prevents the Company from being able to realise these instruments at the reporting date.

When assessing each unquoted investment at the reporting date, the Company uses a variety of methods and assumptions that are based on market conditions existing at the reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, earnings multiples and other valuation techniques commonly used by market participants and as permitted by IPEVC.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Investments (continued)

Subsequent measurement (continued)

Where investments are held via structured investment holding companies, the fair value of the underlying portfolio investments is determined as noted above and the fair value attributable to the Company's respective subsidiary holding company is evaluated and combined with the value of any other assets or liabilities at the holding company level. The Directors then apportion this combined fair value appropriately across each of the debt and equity instruments held by the Company, taking into account amounts accruing on each respective instrument and less any impairment / recoverability provisions required for each instrument as appropriate.

Investments in private equity funds are valued at the fair value NAV of that investment as determined in accordance with the terms of the underlying funds' constitutive documents and as notified by the respective fund manager or administrator as at the valuation date. The valuation date of each fund may not always be coterminous with the valuation date of the Company, and in such cases, the valuation of the fund as at the latest valuation date of the fund is used, i.e. the latest available price is used on the valuation date. The NAV reported by the respective fund manager or administrator and used by the Directors as at 31 December 2022 may be unaudited as at that date and may differ from the final audited NAV struck in the relevant fund as at 31 December 2022. However, it is the belief of the Directors that the NAVs used by the Company should not be materially different from the final NAV struck for these funds held at 31 December 2022 and the NAV used in the valuation is reflective of the fair value of the underlying fund investment.

In addition, the NAVs used to value these fund investments may also significantly differ from the proceeds realised through distributions to the Company of proceeds generated by the funds from the ultimate realisation of their own portfolios of investments, and these differences may be significant.

Unrealised gains or losses arising on the subsequent revaluation of investments (including exchange gains and losses on unrealised investments denominated in a foreign currency) are recognised in the Statement of Comprehensive Income. Realised gains or losses on the disposal of investments (being the difference between the transaction price and its carrying value at the start of the financial period) are recognised in the Statement of Comprehensive Income.

Non-consolidation of investment in subsidiary structured investment holding companies

Any investments that are subsidiaries or associate undertakings used to hold underlying portfolio companies are held by the Company as part of an investment portfolio and are therefore, not consolidated and are instead presented at their fair value together with all other investments of the Company, as permissible by FRS 102.

Segmental information

The Board of Directors has considered the requirements of IFRS 8 – "Operating Segments". The Directors are of the view that the Company's operations comprise a single segment of business. The Board of Directors, as a whole, has been determined as constituting the chief operating decision maker of the Company.

Investment income

Income is included in the Statement of Comprehensive Income on the following basis:

- Dividends are recognised when the underlying investments become ex-dividend and are reflected gross of any withholding tax; and
- Interest and other investment income, of all forms, is recognised on an accruals basis.

Foreign currency

i) Functional and presentation currency

The Directors have determined that the Company's functional and presentation currency is US Dollars ("USD") as the majority of the Company's transactions and investments are made in USD.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Foreign currency (continued)

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Monetary assets and liabilities in currencies other than USD are translated into USD at the rate of exchange ruling at the reporting date. Transactions in currencies other than USD are translated into the reporting currency at the rate of exchange ruling at the date of the transaction. Foreign exchange gains and losses are recognised in the Statement of Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents included in the Statement of Financial Position comprise of deposits held at call with banks and other short term highly liquid investments with original maturities of 3 months or less.

Loans payable

Loans payable are classified as financial liabilities, and are initially recognised at fair value and subsequently stated at amortised cost using the effective interest method. Directly attributable transaction costs are initially recognised at fair value and amortised over the term of the loan.

Trade receivables

Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Trade payables

Trade payables are classified as financial liabilities, and are initially recognised at fair value, and subsequently stated at amortised cost using the effective interest rate method.

Expenses

Expenses are included in the Statement of Comprehensive Income on an accruals basis.

3. TAXATION

With effect from 1 January 2008, Guernsey abolished certain aspects of the exempt company regime for the majority of Guernsey companies. Thereafter, these companies are taxed at the standard rate (0%). However, due to the classification of the Company, the Directors were able to elect to remain tax exempt. The States of Guernsey Income Tax Authority has granted the Company exemption from Guernsey Income Tax.

4. DISTRIBUTIONS

With effect from the EGM held on 13 December 2022 and until further notice, the new distribution policy applicable to the Core will be to distribute all net proceeds received from divestment of the Company's underlying portfolio investments and investment income received from the portfolio, subject to retention of reserves for expected obligations and to preserve solvency. The Company will prioritise pro rata cash dividends or compulsory redemptions over share repurchases.

5. MATERIAL AGREEMENTS

Manager

Since 26 September 2013, the Manager of the Company has been Baring Vostok Investment Managers Limited ("BVIML"), a Guernsey registered company. Pursuant to the Listing Document and as further defined under the terms of the Management Agreement dated 23 August 2013, the Manager shall receive a Management Fee for its management services to the Company. The annual fee, paid quarterly, shall be at the rate of 1.5 per cent of the lower of:

a. Adjusted Market Capitalisation; and
b. Adjusted NAV
each determined as at the last Business Day of the relevant calendar quarter and as at the last Business Day of the other two months in such calendar quarter and payable within 30 days of the relevant quarter end.

"Adjusted Market Capitalisation" means the percentage of the Market Capitalisation of the redeemable participating preference shares on any given date which is equal to the percentage of the Assets which is represented by Qualifying Assets.

"Qualifying Assets" means assets of the Company in respect of which no management fees for the purposes of management fee calculation or carried interest for the purposes of performance fee calculations is payable to a member of the Baring Vostok Group. For the avoidance of doubt Baring Vostok Private Equity Fund L.P.3. shall not be deemed a Qualifying Asset.

"The Baring Vostok Group" refers to the Investment Adviser, the Manager and such other entities as may from time to time share common control with the Investment Adviser.

"Adjusted NAV" means the value of the Qualifying Assets comprised in the Assets less liabilities which is that proportion equal to the percentage of the Assets represented by Qualifying Assets.

During the year, Management Fees of USD 1,667,774 were accrued (2021: USD 2,958,320), and Management Fees of USD 3,371,166 were outstanding at the year end (2021: USD 1,703,392).

Performance fee

Pursuant to the Listing Document the Manager will be entitled to receive a Performance Fee from the Company equal to 20 per cent by which the Adjusted NAV exceeds the Initial Adjusted NAV / Adjusted NAV at the last Calculation Date.

The Performance Fee becomes payable to the Manager if Adjusted NAV on calculation date exceeds the Threshold NAV.

Prior to an amendment to the Management Agreement on 31 December 2020, the "Threshold NAV" was the highest of:

- 1.5 x Initial Adjusted NAV; or
- Initial Adjusted NAV plus 8% annualised effective internal rate of return; or
- Highest Adjusted NAV as at any previous calculation.

"Qualified Distributions" means all distributions related to Qualifying Assets by way of any dividends or other distributions or through redemption or purchase of redeemable participating preference shares.

The "Initial Adjusted NAV" means the Adjusted NAV as at close of business on the date of Admission.

5. MATERIAL AGREEMENTS (continued)

Performance fee amendment

On 31 December 2020 the Management Agreement was amended so that the Performance Fee becomes payable to the Manager if the Total NAV on the calculation date exceeds the Threshold NAV and the definition of Threshold NAV was amended as follows.

The "Threshold NAV" is the highest of:

- 1.5 x Initial Total NAV; or
- Initial Total NAV plus 8% annualised effective internal rate of return; or
- Highest Total NAV as at any previous calculation.

The amendment to the Management Agreement was effected due to an error in the original contract because of the unanticipated quantity of secondary investments in Non-Qualifying Assets. Given the current portfolio mix of Qualifying and Non-Qualifying Assets of the Company and the exclusion of Non-Qualifying Assets from the definition of Threshold NAV, it made it virtually impossible for the "Adjusted NAV" to exceed the "Threshold NAV". This, inadvertently, meant that the performance fee would accrue but never become payable to the Manager. To remind, the purpose of including the concept of Threshold NAV was to ensure that the performance fee would only become payable where there had been a significant appreciation in the Company's NAV. This was the case in Q3 2020. Following the BVIL Board meeting held in late December 2020, the management agreement dated 23 August 2013 between the Company and the Manager was amended to reflect the change in the "Threshold NAV" definition. The definition of Threshold NAV now relates to the value of the entire portfolio of the Company, and not just to the value of the Qualifying Assets.

On 30 December 2021 the Board agreed to amend the Management Agreement with effect from 1 January 2022 so that when the performance fee rate of an otherwise Non-Qualifying Asset is less than 20% the Manager would be entitled to receive performance fee in the amount of the difference between 20% and the performance fee already payable to third parties and other BV Group members.

For the year ended 31 December 2022 no Performance Fees were accrued (31 December 2021: USD 8,571,819) and Performance Fees of USD 5,723,418 (31 December 2021: USD 5,723,418) were outstanding at the year end. Between 31 December 2021 and 31 December 2022, BVIL NAV dropped from USD 342,631,473 to USD 108,811,537. BVIML has indicated its willingness to waive the accrued USD 5,723,418 Performance Fee unless/until the Company's NAV reaches the previous high watermark point of approximately USD 413 million. Please refer to the table below for the composition of the portfolio split between Qualifying and Non-Qualifying Assets:

BVIL Portfolio Split	**31 Dec 22 USD**	***31 Dec 21 USD***
Qualifying assets	82,036,195	*172,467,379*
Non-qualifying assets	74,413,734	*212,838,835*
Total assets	156,449,929	*385,306,214*

Directorial Services

Under the Agreements on Provision of Personnel ("Provision Agreements") between BVMHL and BVIML the Company receives directorial services as laid out in the Provision Agreements. BVMHL is also reimbursed for expenses borne on the Company's behalf.

	31 Dec 22 USD	***31 Dec 21 USD***
Directorial services	65,136	*63,791*
Reimbursement of Company related expenses	6,468	*1,845*
Total	71,604	*65,636*

5. MATERIAL AGREEMENTS (continued)

Directors' Fees

During the year ended 31 December 2022, the Directors received the following remuneration in the form of Directors' fees:

Director	31 Dec 22 USD	*31 Dec 21 USD*
J. Dudley Fishburn	60,000	*60,000*
Richard Crowder	45,000	*45,000*
Simon Faure	-	-
Andrey Costyashkin	-	-

Simon Faure resigned on 25 May 2021.

Simon Faure and Andrey Costyashkin had agreed to waive their Directors fees to which they would otherwise have been entitled to.

Administrator

Under the terms of the Administration Agreement dated 13 January 2020, the Administrator, Carey Commercial Limited provides secretarial and administration services to the Company and is entitled to receive administration fees and reimbursement of expenses as may be determined from time to time by the parties.

6. EARNINGS PER REDEEMABLE PARTICIPATING PREFERENCE SHARE

The calculations of earning per redeemable participating preference share are based on the following profits and number of redeemable participating preference shares.

	31 Dec 22	*31 Dec 21*
(Loss) / profit for the financial year (USD)	(233,819,936)	*83,773,593*
Weighted average number of redeemable participating preference shares	24,627,000	*26,032,174*
Basic (loss) / earnings per redeemable participating preference share (USD)	(9.49)	*3.22*

The diluted earnings per share is the equivalent to the basic earnings per share.

This disclosure is made for redeemable participating preference shares as opposed to the ordinary shares due to redeemable participating preference shares being subordinate to all other classes of equity and being the instruments that are publicly traded.

7. INVESTMENTS

	31 Dec 22 USD	*31 Dec 21 USD*
Investment cost at beginning of year	118,067,725	*93,228,332*
Additions	2,321,723	*40,719,353*
Disposal proceeds	(1,604,239)	*(13,776,459)*
Realised loss on disposal of investments	(2,105,459)	*(2,103,501)*
Investment cost at end of year	116,679,750	*118,067,725*
Unrealised gain on investments	34,139,331	*263,206,688*
Fair Value	150,819,081	*381,274,413*
Movement in unrealised gains on investments	(229,067,357)	89,269,076

Due to the lack of information rights, the investment in Revolut has been valued using the best information available to the Company at the date the financial statements were approved. The valuation attributable to the Company's investment in Revolut at year end is USD 23,715,432 (2021: USD 40,284,137), approximately 21.8% of the Company's NAV (2021: 11.8%).

8. TRADE AND OTHER RECEIVABLES

	31 Dec 22 USD	*31 Dec 21 USD*
* Loan arrangement fee	205,788	*322,242*
Other prepaid costs	65,160	*3,836*
Other receivables	6,725	*5,744*
Share capital due (ordinary shares)	2	*2*
** Receivable from investments	-	*328,598*
	277,675	*660,422*

* An arrangement fee of USD 350,000 was paid on 4 October 2021 in connection with the loan facility as detailed in note 9 below and is being amortised over the remaining term of the loan.

** This receivable relates to a distribution from Ndolvare Limited which was received by the Company on 25 January 2022.

Share capital due is classified as current as it is receivable on demand.

9. LOAN PAYABLE

	31 Dec 22 USD	*31 Dec 21 USD*
Loan payable	35,000,000	*35,000,000*
	35,000,000	*35,000,000*

On 4 October 2021, the Company entered into a loan facility agreement with Alfa-Bank for a total facility of USD 40,000,000 (the "Facility Agreement"). At 31 December 2022, USD 35,000,000 (2021: USD 35,000,000) had been drawn. The facility is secured by pledge over the Company's interests in Baring Fintech Private Equity Fund III L.P. 1, Baring Fintech Private Equity Fund III L.P. 2, Baring Fintech Fund III (GP) L.P. and Baring Vostok Ozon L.P. and the Company's direct shares in Ozon Holdings PLC (the "Pledge Agreements") and is repayable on 6 October 2024. As at 31 December 2022 the total value of the Pledge Agreements was USD 107,012,741 (2021: USD 250,967,982).

During the year, the Company incurred costs in connection with the loan facility as detailed below:

	31 Dec 22 USD	*31 Dec 21 USD*
* Loan interest expense	2,988,956	*582,849*
Amortisation of loan arrangement fee	116,454	*27,758*
Loan commitment fees	8,119	*10,548*
	3,113,529	*621,155*

* Under the terms of the Facility Agreement, loan interest is charged as follows:

i) up until the date of execution of the Pledge Agreement, at a rate of 6.9% plus the Term Reference Rate (being the London Inter Bank Offered Rate ("LIBOR")); and

ii) at a rate of 6.3% plus LIBOR thereafter.

As at 31 December 2022 and the date these financial statements were approved, Alfa-Bank was subject to the US blocking sanctions against Russia, some of the Alfa-Bank shareholders were on the EU blocking sanctions list and the UK also imposed asset freeze on Alfa-Bank. Guernsey follows the UK sanctions against Russia (by virtue of the Sanctions (Implementation of UK Regimes) (Bailiwick of Guernsey) (Brexit) Regulations, 2020, Guernsey applies UK sanctions law). No payments have been made to Alfa-Bank by the Company since the introduction of the blocking sanctions against Alfa-Bank by the UK and Guernsey. Any future payments would only be made under the Facility Agreement only if such payments would not contravene the applicable sanctions laws. In the event that sanctions are lifted, and the loan becomes due for repayment, the Company has sufficient assets to cover the outstanding loan balance and would use the sale of such assets to fund the repayment.

9. LOAN PAYABLE (continued)

The loan interest expense recognised in these financial statements is at the standard rates described above. Alfa-Bank may consider the loan facility to be in default under the terms of the Facility Agreement and attempted to accelerate the loan in April 2022. The default and acceleration are disputed however if the loan facility were in default an additional default interest rate charge of 2% may be added which would amount to an additional expense of USD 560,781 for the period ended 31 December 2022 (31 December 2021: USD Nil). This is a contingent liability as at 31 December 2022 and is not recognised in these financial statements.

10. TRADE PAYABLES	**31 Dec 22 USD**	***31 Dec 21 USD***
* Performance fees payable	5,723,418	*5,723,418*
Management fees payable	3,371,166	*1,703,392*
Loan interest payable	3,571,805	*582,849*
Audit fees payable	115,513	*73,048*
Administration fees payable	46,353	*27,156*
Directorial service fees	37,606	*39,754*
Directors' fees payable	26,250	*11,250*
Loan commitment fees payable	18,667	*10,548*
Professional fees payable	5,289	*163,414*
Other payables	-	*334*
	12,916,067	*8,335,163*

* Please refer to Note 5 Performance Fee amendment.

11. SHARE CAPITAL	**31 Dec 22 USD**	***31 Dec 21 USD***
Issued:		
Share capital		
Ordinary shares of USD 1 each	2	*2*
Redeemable Participating Preference Share Capital		
Redeemable Participating Preference shares redemption reserve	58,127,585	*58,127,585*

The total number of redeemable participating preference shares as at 31 December 2022 was 24,627,000 (31 December 2021: 24,627,000).

As at 31 December 2022 the Company holds 5,610,000 (31 December 2021: 5,610,000) of its own shares as Treasury shares. These shares represent 19% of issued share capital (31 December 2021: 19%). An initial amount of 1,624,500 shares were repurchased in 2016 under its share buyback authority for total consideration of USD 3,184,725. In December 2019, the Company repurchased an additional 1,305,561 of its own shares for total consideration of USD 4,378,107. On 29 June 2021, the Company repurchased a further 469,944 of its own shares for total consideration of USD 3,242,614. On 16 July 2021, the Company repurchased 1,087,210 of its own shares for a total consideration of USD 8,741,168. On 12 November 2021, the Company repurchased 1,047,785 of its own shares for a total consideration of USD 9,576,755. Finally, on 10 December 2021 the Company repurchased 25,000 of its own shares for a total consideration of USD 262,500 and a further 50,000 of its own shares for a total consideration of USD 527,500.

Rights attaching to the ordinary and redeemable participating preference shares

Nominal shares

The Nominal Shares shall carry no voting rights, nor any right to dividends.

Nominal Shares may only be issued to the Manager at par and for the purposes of providing funds for the redemption of Company shares. In the event of a winding up, the Nominal Shares carry the right to receive a return of the nominal amount paid up on such shares, payable out of the assets of the Company, as the case may be (after the return of the nominal amounts paid up on the shares of the Company).

11. SHARE CAPITAL (continued)

Ordinary shares

Ordinary shares shall carry no voting rights unless there are no redeemable participating preference shares in issue. In the event of a winding up, the Ordinary Shares carry the right to receive out of the assets of the Company a return of the nominal amount paid up on such shares, before the return of the nominal amounts paid up on all redeemable participating preference shares.

Redeemable participating preference shares

Redeemable participating preference shares shall carry voting rights, rights on dividends and distributions and rights in a winding up as set out in the Articles, including:

- the right to receive dividends and distributions paid out of the Company assets from time to time as determined by the Directors to be distributed by way of interim and/or final dividends or by any other means in accordance with the Companies Law;
- the right to receive a return of capital or other distribution of assets on a wind up or otherwise (other than conversion, redemption or purchase of shares) the Company's assets available for distribution after the return of the nominal amount paid up on the Ordinary Shares; and
- the right to receive notice of and to vote at a general meetings of the Company. Each holder of a Redeemable participating preference share who is present in person or by proxy (or being a corporation by representative) at a general meeting will have on a show of hands one vote and on a poll every such holder who is present in person or by proxy (or being a corporation, by representative) will have one vote in respect of each redeemable participating preference share held by him.

The redeemable participating preference shares are redeemable at the discretion of the Directors, at a price per share determined by reference to the NAV of the Company and as set out in a redemption notice. Redeemable participating preference shares will be redeemed pro rata to the holdings of shareholders in the Company at the relevant time.

Share buybacks

The Shareholders renewed the Company's Share Buyback authority during the annual general meeting held on 25 June 2021. The Company was authorised to make market acquisitions of its own US Dollar redeemable participating preference shares which may be cancelled or held as treasury shares, provided that:

i) the maximum number of shares authorised to be purchased under this authority is equal to or less than 14.99 per cent. of the US Dollar Redeemable participating preference shares, excluding shares held as treasury shares, in issue as at the date of the passing of this resolution;

ii) the minimum price (exclusive of expenses) which may be paid for a US Dollar share shall be USD 0.00001 per US Dollar share; and

iii) the maximum price (exclusive of expenses) which may be paid for a US Dollar share is no more than an amount equal to the higher of: five per cent above the average of the midmarket value of the US Dollar Share taken from the Official List of TISE for the five business days prior to the day the purchase is made; and, the higher of the price of the last independent trade and the highest current independent bid for US Dollar Redeemable participating preference shares on the trading venue where the purchase is carried out.

On 29 November 2021, the Directors resolved to apply a buyback limit of USD 5 million. As a result, the Company's Share Buyback authority was cancelled on 16 December 2021.

12. FINANCIAL RISK MANAGEMENT

The Company has entered into financial transactions with counterparties which have resulted in the following financial assets and financial liabilities: Investments, Trade receivables, Cash at bank, Loan payable and Trade payables.

The Company's activities expose it to a variety of direct and indirect financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company is exposed to direct financial risks as a result of its own investments, which include investments in other investment funds. Indirect financial risk exposure occurs through the Company's exposure to risks as a result of the investment funds into which it invests. Any significant concentrations of indirect risks are also detailed in this note.

Credit risk

Credit risk represents the risk that a counterparty to a financial instrument fails to discharge their obligation, contractual or otherwise, which causes the Company to suffer a financial loss.

Credit risk has been generated on the following financial assets:

- Investments
- Cash at bank

Credit risk is concentrated in the investments and cash at bank balances. Direct and indirect investments in loans are subject to credit risk in as far as the borrower may default on repayments leading to partial or complete loss of the loan amount. The Directors mitigate this risk by considering the credit risk and liquidity of the borrower and in executing their due diligence on investment acquisitions. Other investments are exposed to credit risk in so far as the respective counterparty may fail in its obligations to the Company, leading to partial or complete loss of the amount invested. All transactions in listed and unlisted securities are settled using approved brokers. The cash at bank balances are placed with banking counterparties that are deemed to hold a sound credit rating, the main counterparty has a Moody Long Term A1 rating, which substantially mitigates the credit risks identified. The balances as presented in the Statement of Financial Position reflect the Company’s maximum exposure to credit risk on these financial assets.

Market risk

Price risk

Price risk is the risk that future changes in market prices, other than those generated from interest rate or foreign exchange movements, may adversely affect the value or burden of a financial instrument.

Price risk is concentrated in investments. The Company's investments are susceptible to price risk arising from uncertainties about future prices of the investments themselves or the assets and liabilities underpinning the investments. The Manager mitigates this risk through a careful selection of securities and other financial instruments within the specified limits agreed with the Board of Directors. The Company's price risk is managed through diversification of the investment portfolio. The Company's overall market positions are monitored by the Company's Manager and are reviewed, by the Board of Directors.

12. FINANCIAL RISK MANAGEMENT (continued)

Price risk (continued)

The Company does have a significant concentration of risk to the Russian and Kazakh public and private markets. At 31 December 2022, the concentration of risk through the Company's investments to these mandates was USD 150,819,081 (31 December 2021: USD 381,274,413).

The fair value of financial assets as at 31 December 2022 exposed to price risk was as follows:

	31 Dec 22 USD	***31 Dec 21 USD***
Securities traded in an active market designated at fair value through profit or loss	497,472	*10,196,225*
Securities not traded in an active market designated at fair value through profit or loss	31,283,589	*73,235,454*
Investments in private equity funds	119,038,020	*297,842,734*
Investments	150,819,081	*381,274,413*

As at year end, had the inputs used in determining the fair value of investments increased or decreased by 30% (2021: 40%) with all other variables held constant, the effect on net assets would have been as shown in the table below:

Investments	**Fair Value as at 31 December 2022 (USD)**	***Fair Value as at 31 December 2021 (USD)***	**Valuation technique**	**Multiple (input)**	**Reasonable valuation +/- shift**	**Change in valuation +/- shift 31 December 2022 (USD)**	***Change in valuation +/- shift 31 December 2021 (USD)***
Securities not traded in an active market designated at fair value through profit or loss	31,283,589	*73,235,454*	Multiples	Based on public companies	30%	9,385,077 / 9,385,077	*29,294,182 / 29,294,182*
Investments in private equity funds	119,038,020	*297,842,734*	Net Assets Value	Net Assets Value	30%	35,711,406 / (35,711,406)	*119,137,094 / (119,137,094)*

Given the current uncertainty relating to the Russia-Ukraine conflict and market volatility the Directors consider that 30% (31 December 2021: 40%) best represents the margin of price risk associated with the activity of the Company.

Currency risk

Currency risk is the risk that the value of a financial asset or financial liability will fluctuate because of changes in foreign exchange rates. The table below indicates the relative Statement of Financial Position direct and indirect exposures as at the reporting date as the Company holds financial instruments denominated in currencies other than the reporting currency.

Direct currency exposure	**31 Dec 22 Total GBP**	***31 Dec 21 Total GBP***
Cash at bank	307,964	*338*
Trade receivables	-	*2,835*
Trade payables	(151,139)	*(94,123)*
	156,825	*(90,950)*

12. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

The Directors consider that 25% (2021: 25%) best represents the margin of currency risk associated to the activity of the Company. Had the exchange rate at year end between USD and GBP increased or decreased by 25% with all other variables held constant, the increase or decrease respectively in net assets would be USD 47,236 (31 December 2021: USD 30,726). The USD: GBP rate as at year end was 0.83 (31 December 2021: 0.74).

	31 Dec 22 Total EUR	***31 Dec 21 Total EUR***
Cash at bank	3,500	*115*
Trade payables	(1,800)	*290*
	1,700	*405*

The Directors consider that 25% best represents the margin of currency risk associated to the activity of the Company. Had the exchange rate at year end between USD and EUR increased or decreased by 25% with all other variables held constant, the increase or decrease respectively in net assets would be USD 457 (31 December 2021: USD 115). The USD: EUR rate as at year end was 0.93 (31 December 2021: 0.88).

Indirect currency exposure	**31 Dec 22 Total RUB**	***31 Dec 21 Total RUB***
Investments in Private Equity Funds and securities not traded in an active market (RUB exposure)	646,028,682	*17,827,408,641*

As at year end, had the exchange rate between USD and RUB increased or decreased by 50% (2021: 50%) with all other variables held constant, the increase or decrease respectively in net assets would be USD 4,353,880 (31 December 2021: USD 119,985,251). The USD: RUB rate as at year end was 74.19 as per Bloomberg (31 December 2021: 74.29 as per the Central Bank of Russia).

	31 Dec 22 Total KZT	***31 Dec 21 Total KZT***
Investments in Private Equity Funds and securities not traded in an active market (KZT exposure)	45,513,331,085	*59,984,029,729*

As at year end, had the exchange rate between USD and KZT increased or decreased by 25% (2021: 25%) with all other variables held constant, the increase or decrease respectively in net assets would be USD 24,588,510 (31 December 2021: USD 34,739,517). The USD: KZT rate as at year end was 462.75 as per Bloomberg (31 December 2021: 431.67 as per the National Bank of Kazakhstan).

The Company monitors the currency allocation on a case by case basis to mitigate risk. The Directors discuss each case with the Manager and where necessary will use an appropriate FX instrument to minimise the risk between the date of execution of the documentation and payment date or the receipt of funds from a divestment. In addition, the Company considers potential currency mismatches on the portfolio company level to identify appropriate risk mitigating strategies as required.

Interest rate risk

Interest rate risk is represented by the following two component risks:

- the risk that the fair value of financial assets and liabilities will fluctuate because of market interest rate changes; and
- the risk that future cash flows of financial instruments will fluctuate because of market interest rate changes.

The following table shows the financial assets and liabilities of which the Company has direct interest rate exposure:

	31 Dec 22 Total USD	***31 Dec 21 Total USD***
Cash at bank	5,630,848	*4,031,801*
Loan payable	(35,000,000)	*(35,000,000)*
Total subject to interest rate risk	(29,369,152)	*(30,968,199)*

12. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

Interest rate risk (continued)

Although the majority of the Company's financial assets and liabilities are non-interest bearing, the Company holds cash totalling USD 5,630,848 (31 December 2021: USD 4,031,801) which is subject to interest rate risk on interest income earned. The Company also has a loan payable of USD 35,000,000 (31 December 2021: USD 35,000,000) which incurs interest based on LIBOR as detailed in note 9. If interest rates had changed by 100 basis points (31 December 2021: 25 basis points), with all other variables remaining constant, the effect on the net profit and equity would have been as shown in the table below:

	31 Dec 22 Total USD	*31 Dec 21 Total USD*
Increase of 100 / 25 basis points	(293,692)	*(77,420)*
Decrease of 100 / 25 basis points	293,692	*77,420*

The percentage, 100 basis points, has been determined based on potential volatility and deemed reasonable by the Directors, taking into consideration the current market turmoil.

Liquidity risk

Liquidity risk is defined as the risk that the Company would encounter difficulty in meeting obligations associated with financial liabilities. The Directors of the Company do not regard the liquidity risk as being material. The Directors monitor the liquidity and the recoverability of investments to ensure obligations to creditors can be met. As disclosed in note 11 the preference shares are redeemable only at the discretion of the Directors. The Directors consider that sufficient resources exist to meet ongoing obligations of the Company including the financial liabilities held as at 31 December 2022.

	31 Dec 22 Total USD	*31 Dec 21 Total USD*
Cash and cash equivalents		
Up to 3 months	5,630,848	*4,031,801*
Between 3 and 12 months	-	-
Greater than 12 months	-	-
Trade receivables		
Up to 3 months	277,675	*660,422*
Between 3 and 12 months	-	-
Greater than 12 months	-	-
Loan payable		
Up to 3 months	-	-
Between 3 and 12 months	-	-
Greater than 12 months	(35,000,000)	*(35,000,000)*
Trade payables		
Up to 3 months	(12,916,067)	*(8,335,163)*
Between 3 and 12 months	-	-
Greater than 12 months	-	-
Total		
Up to 3 months	(7,007,544)	*(3,642,940)*
Between 3 and 12 months	-	-
Greater than 12 months	(35,000,000)	*(35,000,000)*

12. FINANCIAL RISK MANAGEMENT (continued)

Sanctions Risk

In consultation with external counsel and Private Equity Fund ("the Funds") portfolio companies, the Investment Adviser reviews and monitors existing portfolio companies and structures of the Funds and the Company, as well as pipeline investment opportunities, on an ongoing basis to confirm that all are in compliance with the applicable US, EU and other sanctions regimes, including blocking sanctions on individuals, sectoral sanctions, export restrictions and secondary sanctions. The Company, in consultation with Debevoise, has identified no areas of non-compliance with relevant sanctions by the Company.

13. FAIR VALUE MEASUREMENT

The Company classifies fair value measurements using a fair value hierarchy that reflect the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- 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 including interest rates, yield curves, volatilities, prepayment speeds, credit risks and default rates) or other market corroborated inputs (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. An investment's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by Directors. Directors consider observable data to be market data which is readily available, regularly distributed or updated, reliable and verifiable, non-proprietary and provided by multiple, independent sources that are actively involved in the relevant market. The categorisation of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to Directors' perceived risk of that investment.

The following table summarises within the fair value hierarchy the Company's assets and liabilities (by class) measured at fair value at 31 December 2022:

	Level 1 USD	Level 2 USD	Level 3 USD	Total fair values USD
Assets				
Investments	103,671	-	150,715,410	150,819,081
Cash and cash equivalents	-	5,630,848	-	5,630,848
Trade receivables	-	277,675	-	277,675
Total	103,671	5,908,523	150,715,410	156,727,604
Liabilities				
Loan payable	-	35,000,000	-	35,000,000
Trade payables	-	12,916,067	-	12,916,067
Total	-	47,916,067	-	47,916,067

13. FAIR VALUE MEASUREMENT (continued)

The following table summarises within the fair value hierarchy the Company's assets and liabilities (by class) measured at fair value at 31 December 2021:

	Level 1 USD	Level 2 USD	Level 3 USD	Total fair values USD
Assets				
Investments	*10,196,225*	*3,347,140*	*367,731,048*	*381,274,413*
Cash and cash equivalents	-	*4,031,801*	-	*4,031,801*
Trade receivables	-	*660,422*	-	*660,422*
Total	*10,196,225*	*8,039,363*	*367,731,048*	*385,966,636*
Liabilities				
Loan payable	-	*35,000,000*	-	*35,000,000*
Trade payables	-	*8,335,163*	-	*8,335,163*
Total	-	*43,335,163*	-	*43,335,163*

There has been a transfer of USD 393,801 from level 1 to level 3 during the year ended 31 December 2022 (2021: USD 3,347,140). This reflects the change in valuation method for the listed assets with Russian operations (Ozon, Tigers Realm Coal Limited and Renaissance Insurance) which now includes a 95% liquidity discount to the asset's listed price to reflect the limited exit options available as at 31 December 2022.

The carrying values of the assets and liabilities included in the above table are considered to approximate their fair values.

Cash and cash equivalents include cash in hand and fixed short term deposits held with banks. Trade receivables include the contractual amounts and obligations due to the Company and consideration for advance payments made by the Company. Trade payables represent the contractual amounts and obligations due by the Company for contractual payments.

14. CONTINGENCIES AND COMMITMENTS

During 2020 and 2021, the Company received its share of proceeds from underlying portfolio companies following their successful recapitalisation. As a result, the Company became a party to guarantee agreements that are in place with the lenders so that if the underlying portfolio company, as the borrower, does not pay any amounts due under or in connection with the relevant Facility Agreements that the Company shall immediately on demand pay its pro-rata portion of the required outstanding amount. As at 31 December 2022, the Company has a combined contingent liability of USD 3,014,706 (31 December 2021: USD 3,262,896). No payments have been made to the lenders since the introduction of the sanctions imposed on Russia by UK and Guernsey, however, the Directors anticipate approximately USD 400,000 (31 December 2021: USD 300,000) would be due to cover interest and principal payments to cover due loans, such payments only being made if they would not contravene the applicable sanctions laws.

15. RELATED PARTIES

Transactions with key management personnel

During the year ended 31 December 2022, the cost of services provided by the Directors' amounted to USD 105,000 (31 December 2021: USD 123,250). Directors' fees outstanding as at 31 December 2022, were USD 26,250 (31 December 2021: USD 11,250). See note 5 for details on Directors' remuneration.

The shareholdings of the Directors is as follows:

Member of the Board	No. of Shares Acquired	Date Acquired	No. of Redeemable Participating Preference Shares Post stock split effective 13 January 2016
Andrey Costyashkin	1,020	17 July 2013	1,020,000
Richard Crowder	40	21 January 2014	40,000

Transactions with other related parties

Baring Vostok Investment Managers Limited, the Manager, provides management services to the Company under the terms of the Management Agreement dated 23 August 2013 (see note 5 for details of the Management Agreement). During the year, the cost of services provided by the Manager amounted to USD 1,667,774 (31 December 2021: USD 11,534,416) consisting of management fees of USD 1,667,774 (31 December 2021: USD 2,958,320) and performance fees of USD nil (31 December 2021: USD 8,571,819). At year end, management fees outstanding were USD 3,371,166 (31 December 2021: USD 1,703,392) and performance fees outstanding were USD 5,723,418 (31 December 2021: USD 5,723,418). Section 9.4 of the Management Agreement allows Baring Fintech Manager Holding Limited (formerly Baring Vostok Manager Holding Limited) to charge additional fees for services directly relating to the Company; during the year these services amounted to USD 65,136 (31 December 2021: USD 63,791).

The Company shares 2-5% of legal and consulting services provided by Baring Vostok Capital Partners Group Limited ("BVCPGL"), a related party, to Baring Vostok Private Equity Fund V under the Investment Advisory Agreement dated 31 December 2015. During the year, the cost of services provided by BVCPGL expensed through the Statement of Comprehensive Income were USD Nil (31 December 2021: USD nil).

16. UNDRAWN COMMITMENTS

At the end of the year, the Company had a remaining capital commitment of USD 376,198 (31 December 2021: USD 376,198) to Baring Vostok Fund IV (GP) L.P., USD 21,601 (31 December 2021: USD 21,601) to Baring Fintech Fund III (GP) L.P., USD 238,829 (31 December 2021: USD 2,529,132) to BV 2019 LP and USD 199,471 (31 December 2021: USD 199,471) to Baring Vostok Ozon L.P.

17. ULTIMATE CONTROLLING PARTY

The Directors consider there to be no ultimate or immediate controlling party.

18. SUBSEQUENT EVENTS

Subsequent to the year end, the Company entered into a Framework Agreement, Share Purchase Agreements and other ancillary documents (together "the Agreements") to divest the majority of the remaining directly held Russian portfolio assets. The Agreements are subject to several conditions precedent, including certain regulatory approvals, which have not yet been fulfilled.

There were no other significant subsequent events required to be disclosed in these financial statements.