

PRESS RELEASE

Stockholm, 15 February 2012

East Capital Explorer subsidiary to make mandatory takeover bid for shares in Melon Fashion Group

As a result of the previously announced deal with Swedfund International AB, a subsidiary of East Capital Explorer intends to make a mandatory offer to buy out the remaining shares in Melon Fashion Group (MFG), the unlisted Russian fashion retailer with 550 shops in Russia and Ukraine, from its non-affiliates. Based on the shareholder structure of MFG and intentions stated by other shareholders of the company, the proportion of shares tendered in the mandatory offer is expected to be limited. The final outcome of the bid will depend on the number of non-affiliated shareholders who elect to participate in the mandatory takeover offer.

Mia Jurke, CEO of East Capital Explorer AB says: *“MFG remains one of the most exciting retail companies in our investment universe and our investment manager, East Capital, has taken an active role in the company which has potential for further value growth.”*

The mandatory offer is expected to take place at the same price level as the Swedfund transaction, which is now closed. The shares acquired will be held at their fair value.

The mandatory offer will be launched during the first quarter of 2012 and is expected to be completed during the second quarter. Please see East Capital Explorer's Year-end Report 2011 for further information regarding the mandatory offer.

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Financial reporting calendar - East Capital Explorer:

- Monthly Net Asset Value report on the fifth working day after the end of each month
- Year-end Report 2011, 15 February 2012
- Annual Report 2011 available in April 2012
- Annual General Meeting 2012 on 25 April 2012
- Interim Report 1 January - 31 March 2012, 8 May 2012
- Interim Report 1 January – 30 June 2012, 7 August 2012
- Interim Report 1 January – 30 September 2012, 9 November 2012

About East Capital Explorer - East Capital Explorer AB (publ) is a Swedish company, created with the specific aim of bringing unique investment opportunities in Eastern Europe to a broader investor base. The company invests mainly in East Capital's alternative investment funds as well as in direct investments into private and public companies. East Capital Explorer targets fast growing sectors such as the power utilities, financial, retail and consumer goods and real estate sectors. East Capital Explorer has appointed East Capital to manage its investment activities. East Capital Explorer is listed on NASDAQ OMX Stockholm, Mid Cap.