

PRESS RELEASE

Stockholm, 20 November 2013

Part of East Capital Explorer's fund holdings to be restructured and adapted to new EU regulations

East Capital is restructuring some of its alternative investment funds in which East Capital Explorer invests. This restructuring refers to East Capital's four Bering funds which are domiciled in the Cayman Islands. These funds are being transferred to Luxembourg and, in conjunction with this, will be combined into two funds, East Capital New Markets Fund and East Capital Deep Value Fund.

The four Bering funds – East Capital Bering Russia Fund, East Capital Bering Balkan Fund, East Capital Bering Central Asia Fund and East Capital Bering Ukraine Fund (Class A) – will be modernised and adapted to the EU's newly established regulations for alternative investment funds (AIFMD). Combined, these funds currently comprise 33 percent of East Capital Explorer's total Net Asset Value.

"It is natural to do this adaption to the new EU regulations, something which also increases investor protection. Furthermore, it is good that we will have two, instead of four, funds as we achieve a more concentrated and clearly defined portfolio, which is in line with our overall strategy", says Catharina Hagberg, Acting CEO for East Capital Explorer.

"We have followed the changes in our investment region, investor preferences and in the regulatory frameworks in place, and we now adapt the funds' strategies and structures. The new funds are better suited for today's market situation and create efficiency gains, which will benefit the investors through lower costs. We also believe that the new strategies provide the best possibility to utilise the new market climate and create returns", says Albin Rosengren, CEO of East Capital. The new regulations also facilitate simplified access to the funds for new investors EU wide.

The East Capital New Markets Fund will have as its strategy to, via the Small and Mid-Cap segment, benefit from the development in selected companies within the frontier markets in Eastern Europe. The Fund performance will be benchmarked against a tailored index (MSCI FM Central and East Europe + CIS). Initially, the Fund will have approximately 20 holdings at a combined value of about USD 100m (EUR 75m).

East Capital Deep Value Fund has, as a strategy, to actively manage and, for certain holdings, identify divestment opportunities when this can take place on the basis of values significantly greater than current market values. We believe that many holdings in the fund have an unwarranted large liquidity rebate, and have a significant yield potential. The portfolio will initially contain 85-95 holdings at an estimated value of USD 90m (EUR 67m). The portfolio's yield is expected to be less tied to market developments as the holdings are outside the market index.

The funds will only be available to institutional and other professional investors.

The restructuring is intended to be effected as of year-end, provided a positive response to these changes from the funds' investors.

Contact information

Catharina Hagberg, Acting CEO, East Capital Explorer, +46 8 505 885 52
Mathias Pedersen, CFO, East Capital Explorer, +46 8 505 977 48

Financial reporting calendar

- Monthly Net Asset Value report on the fifth working day after the end of each month
- Year-end Report 2013 on 20 February 2014
- Annual Report 2013 available in April 2014
- Annual General Meeting 2014 on 22 April 2014
- Interim Report, 1 January – 31 March 2014 on 22 May 2014

About East Capital Explorer

East Capital Explorer AB (publ) is a Swedish investment company, created with the specific aim of bringing unique investment opportunities in Eastern Europe to a broader investor base. The company makes direct investments into private and public companies but investments are also made through East Capital's private equity, real estate and alternative investment funds. East Capital Explorer's main investment theme is domestic growth and the Company targets fast growing sectors such as Retail and Consumer goods, Financials and Real Estate. East Capital Explorer has appointed East Capital to manage its investment activities. East Capital Explorer is listed on NASDAQ OMX Stockholm, Mid Cap.

Listing: NASDAQ OMX Stockholm, Mid Cap - **Ticker:** ECEX - **ISIN:** SE0002158568 -
Reuters: ECEX.ST - **Bloomberg:** ECEX SS Equity - **Analysts:** Carnegie,
 Handelsbanken, Remium, Erik Penser

This information is disclosed in accordance with the Securities Markets Act, the Financial Instruments Trading Act and demands made in the exchange rules. It was released for publication at 7:00 a.m. CET on 20 November 2013.