operating as of the end of 2016

the total value of RVC-backed funds as of the end of 2016

gained expert support for expanding their functionality, including through the development of new investment instruments

Distribution of Investments of RVC\(^1\)-backed Funds by Economic Sector
in 2007–2016, %

1 Hereinafter – JSC RVC, RVC, the Company.

the total volume of RVC’s investment obligations on fund creation during the period of operation

were approved for investment by RVC-backed funds in 2016

the export value of the portfolio companies of RVC-backed funds in 2016

\(^1\) Hereinafter – JSC RVC, RVC, the Company.
253 companies were approved for investment during RVC’s operations as of the end of 2016 (excluding withdrawn projects).

38 exits from portfolio companies as of the end of 2016.

15% growth of the amount of approved investments in portfolio companies in 2016 YOY.

Distribution of RVC’s Investments by Priority Area of the Modernization and Technological Development of Russia’s Economy in 2007–2016 (based on the scope of approved investments), %

Investment Distribution of RVC-Backed Funds by Federal District in 2007–2016 (calculated based on the scope of approved investments), %

- Outer space and telecommunications: 12.02%
- Medical equipment and pharmacy: 13.95%
- Strategic computer technology and software: 27.75%
- Energy efficiency: 12.06%
- Other: 34.22%

- Moscow: 6.86%
- Foreign investments: 2.97%
- St. Petersburg: 2.47%
- Moscow Region: 1.69%
- The Republic of Tatarstan: 1.63%
- Perm Territory: 4.86%
- Tula Region: 5.56%
- Nizhny Novgorod Region: 19.61%
- Other: 54.35%
DEAR COLLEAGUES,

THIS IS THE FIFTH ANNUAL REPORT OF RVC, WHICH HIGHLIGHTS THE RESULTS OF THE NEXT STAGE OF OUR COMPANY’S DEVELOPMENT.

Last year’s decline in investment activity led to a reduction of almost one-third in the total volume of venture investments and the average value of transactions in the absence of major transactions on the market. RVC focused on overcoming these trends and created new tools to support innovation.

At the end of 2016, the total volume of RVC’s investment in venture funds reached RUB 33.0 billion. We established the Russian-Belarusian Venture Investment Fund with a capitalization of RUB 3 billion.

In 2016, RVC-backed funds approved investment in 34 new companies to the total amount of RUB 2,615 million; as such, the cumulative amount of funds approved for investment reached RUB 17.5 billion.

The investment focuses of our Company traditionally include high tech projects that are a top priority for the country but are not attractive enough for private investors due to high risks: the largest share in the overall portfolio comprises medicine/health care (30%) and IT (28%). RVC’s funds also support projects in power and production industry, as well as in telecommunications, construction, consumer services, and many other sectors.

The implementation of the National Technology Initiative and the performance of its project office functions remains one of RVC’s priorities. In 2016, we determined the key approaches and tools for implementing this initiative, which included the approval of six NTI roadmaps and, as a result, the first projects received funding.

RVC intensified work on the forming the projects for the benefit of investors and the state. In 2016, more than 4,000 applications for participation in Generation5 – the largest Russian start-up accelerator – were received from 240 cities and 30 countries. The accelerator already includes its own ecosystem of corporations, experts, mentors, technology brokers and other market participants.

TechUp’s ratings of fast-growing technology companies became an efficient tool for promoting Russian innovative companies on domestic and international markets. It was established by RVC in partnership with the Agency for Innovative Development, NRU HSE and PwC. In 2016, the rating formed the basis for the implementation of the priority project of the Ministry of Economic Development of the Russian Federation, known as The National Champions, which is aimed at supporting companies with the potential to win global markets.

Understanding the need to create an efficient service infrastructure, in 2016, RVC signed cooperation agreements with a number of leading Russian universities and scientific organizations, according to which RVC will back up various initiatives aimed at supporting young scientists, tech entrepreneurship and development of technology transfer.

It is also worth noting that the process of combining the efforts of development institutes to create joint tools for the financial and non-financial support of the market participants that was started in 2016. Signing a roadmap for the integration of RVC’s and the Skolkovo Foundation’s activities was another milestone event of the year.

In 2016, we preliminarily identified the benchmarks of RVC’s activities for the years to come. By 2020, RVC intends to establish at least 10 new funds, with a total capitalization of RUB 100 billion, involving foreign and Russian institutional investors. Using the successful experience of GenerationS as a foundation, we plan to build a project accelerating system in cooperation with other development institutes and in accordance with NTI priorities.

I am confident that the potential accumulated over the past years will allow us to successfully implement all of these plans, thereby assisting in strengthening the Russian venture capital market. In achieving this target, we are counting on the involvement of all participants, from investors and tech entrepreneurs to development institutes and representatives of the university and scientific communities.

Thank you!

Alexander Povalko,
CEO and Chairman
of RVC Management Board
RUSSIAN VENTURE CAPITAL MARKET

STATEMENT FROM CEO

DEVELOPMENT OF NTI PROJECT OFFICE

INTEGRATION WITH THE SKOLKOVO FOUNDATION

INVESTMENT ACTIVITY
1 RUSSIAN VENTURE CAPITAL MARKET
In 2016, despite the challenging external environment and the conservative sentiments of the market’s participants, the venture capital market managed to maintain stability. In Russia, the activity of the venture funds established with the participation and support of RVC is high enough. This once again emphasizes the role of the state as a catalyst for launching the first ‘massive’ venture investments made by funds that were established by RVC.

RVC played an important role in ensuring the stability of the venture capital market, having carried out substantial work aimed at smoothing out the disparities between venture investments and developing priority areas for the country – biomedicine, energy industry, industrial technologies – thereby providing the market with a supply of capital and becoming a catalyst for investment activity in a number of key areas. The share of investment from RVC’s funds in medicine amounted to 30%, to 28% in information technologies and the Internet and to 10% in the energy industry.

In 2016, the Russian-Belarusian Venture Investment Fund was established. This is one of the key stages of the systematic cooperation of the Ministry of Economic Development of Russia, RVC and the State Committee for Science and Technology of the Republic of Belarus aimed at developing a common technology space and venture capital market within EAEU. This is the first step in building a platform to unite the technology markets of all Eurasian countries.

RVC’s activities in 2016 resulted in combining the innovation efforts of Russian development institutes. I am confident that signing of the roadmap for the cooperation of RVC and the Skolkovo Foundation will enable the creation of new effective tools for the financial and non-financial support of the market participants.

The Company made a significant contribution to the development of the Project Office of the National Technological Initiative (NTI) in terms of forming mechanisms for the support and implementation of the initiative on ensuring Russia’s leadership in the global economy with a 10–20-year outlook. In 2016, the main approaches and tools for implementing NTI activities were developed, six NTI roadmaps were approved and the first projects received funding.

Furthermore, the Company conducted a series of important activities to create a number of innovative projects for the benefit of the investors. In 2016, the largest Russian start-up accelerator, GenerationS, which is organized by RVC, collected more than 4,000 applications from 240 cities and 30 countries.

Oleg Fomichev
State Secretary – Deputy Minister of Economic Development of the Russian Federation. Chairman of the Board of Directors of RVC
MACROECONOMIC CONDITIONS

THROUGHOUT 2016, THE RUSSIAN VENTURE CAPITAL MARKET PARTICIPANTS MAINTAINED CONSERVATIVE ESTIMATES OF THE RUSSIAN ECONOMIC SITUATION, ADHERING TO CAUTIOUS INVESTMENT STRATEGIES, WHICH, ALONG WITH OTHER MACROECONOMIC AND FOREIGN POLICY FACTORS, LED TO LIMITED GROWTH IN THE VENTURE CAPITAL MARKET.

For most of 2016, the Russian economy was affected by the consequences of the serious recession of 2014–2015: a low level of business activity, the depreciation of the Russian ruble and uncertain forecasts of key macroeconomic indicators.

Since the beginning of 2016, and up to OPEC’s decision to reduce oil production, the external economic situation has raised reasonable concerns about the potential financial stability of the Russian economy due to the fact that oil prices have stayed at levels below 40 USD per barrel for a long time and have resulted in an increase in the deficit of the federal budget of the Russian Federation.

During the first three quarters of 2016, the value of Russia’s GDP (deseasonalized data) fluctuated around zero. The Russian economy started to grow only at the end of Q4 2016 and by the end of the year, the GDP increased by 0.3%.

The results of 2016 showed that the macroeconomic and foreign policy situation remains the main source of key factors affecting the dynamics of venture capital. At the same time, maintaining investor activity in the Russian venture capital market, as well as the forecasts on the renewal of investment activity in 2017, allow us to evaluate development prospects with cautious optimism.

I am familiar with the reports and surveys showing the market’s recovery phase in the aftermath of the 2014–2015 crisis. However, in my opinion, no development is possible without integration into the global market. The technology market is global by definition; any isolation in such a market is harmful. It is important for our companies, including start-ups, to avoid isolation within one country and to develop on international markets and export advanced technologies. In any case, Russia has a lot of talented young people with solid technical skills and we believe that promising entrepreneurs and start-ups will continue to appear in our country.

Sergey Belousov
CEO and Founder of Acronis
In 2016, the Russian venture capital market was characterized by growing caution among investors, the maintenance of investment priorities at later stages and the diversification of investment portfolios in favor of an increase in the number of transactions with a reduction in the average volume of investments.

In recent years, a number of large foreign investors have left the domestic venture capital market and the statistics recorded a reduction in venture capital market offers. In an effort to diversify investment activities, venture funds have shifted to foreign markets, thereby limiting the potential development of the Russian venture industry. The above-mentioned tendencies are reflected in the key indicators of the Russian venture capital market.

Following a 59% (USD 0.41 billion) reduction of total capital in the venture ecosystem in 2016, the number of transactions as of the end of the reporting period (184 transactions) remained almost at the same level as 2015 (180 transactions).

The ‘cautious’ investment strategy used by investors was confirmed by the decrease in the average transaction volume, which amounted to USD 1.1 million (USD 1.5 million in 2015). The largest reduction in the average transaction volume was observed among transactions with companies at the expansion stage (by 47% from USD 5.26 million in 2015, to USD 2.81 million in 2016) and at the start-up stage (by 23% from USD 0.73 million in 2015, to USD 0.56 million in 2016).

At the same time, there was high investor interest in projects at the later stages of development. The industry structure of the market remained the same, with the leading IT technologies segment making up 90% of transactions.

In 2016, the Russian venture capital market managed to maintain its key positions. If improvement of the economic sphere and stabilization of foreign policy continues, the Russian venture capital market may expect further growth in investments in the future.
There is a certain deficit of investment assets on the market and a noticeable restraint in investment activity. In 2016, over one-third of recorded players were registered with at least one transaction. The exit of a number of funds from the market did not have a dramatic effect. Investors are ready to finance projects, but they are focusing more on the selection process and are trying to write out smaller amounts in check. The active involvement of the government in the formation and development of venture ecosystem continues to be a specific feature of the Russian venture capital market, but the state share is gradually declining. Despite this decline, state and some state-owned companies have maintained high investment activity: about 30% of total VC investments were covered by the participation of government-owned funds.

When analyzing the long-term retrospective experience of the venture industry, investors seem to have maintained a ‘wait-and-see’ attitude for the next 1–2 years prior to the growth phase of the new cycle. Nevertheless, the forecasts of market development will largely depend on the external environment.

**Albina Nikkonen**  
Executive Director of the Russian Venture Capital Association (RVCA)

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### Key Indicators of the Russian Venture Capital Market

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total volume of transactions in the Russian venture ecosystem, USD billion</td>
<td>1.69</td>
<td>2.19</td>
<td>0.41</td>
</tr>
<tr>
<td>Total capitalization of venture funds operating on the Russian market, USD million</td>
<td>4,682</td>
<td>4,125</td>
<td>3,795</td>
</tr>
<tr>
<td>Number of venture investments operating on the Russian market</td>
<td>216</td>
<td>226</td>
<td>178</td>
</tr>
<tr>
<td>Number of venture transactions on the Russian market per year, USD million</td>
<td>481</td>
<td>233</td>
<td>165</td>
</tr>
<tr>
<td>Number of venture transactions on the Russian market per year</td>
<td>149</td>
<td>180</td>
<td>184</td>
</tr>
<tr>
<td>Average volume of investment transactions on the Russian venture capital market, USD million</td>
<td>3.3</td>
<td>1.5</td>
<td>1.1</td>
</tr>
</tbody>
</table>
DEVELOPMENT OF NTI PROJECT OFFICE
THE QUALITY PERFORMANCE OF THE PROJECTS OF THE NATIONAL TECHNOLOGICAL INITIATIVE (NTI) IS RVC’S PRIORITY ENSURED BY THE DEVELOPMENT OF NTI PROJECT OFFICE, ITS FULL-SCALE DEPLOYMENT AND ACHIEVEMENT OF OPERATIONAL CAPACITY IN ORDER TO SUPPORT THE DEVELOPMENT AND IMPLEMENTATION OF “ROADMAPS” AND NTI PROJECTS. NTI ACTIVITIES ARE AIMED AT CREATING ADVANCED SOLUTIONS FOR ENSURING NATIONAL SECURITY, DEVELOPING OF INDUSTRIES WITH NEW TECHNOLOGICAL PATTERN AND HIGHER QUALITY OF LIFE.

Resolution of the Government of the Russian Federation No. 317 of April 18, 2016, “On Implementation of the National Technological Initiative” (the Resolution), JSC Russian Venture Company with the functions of NTI project office to provide project management, organizational, technical and expert analytical support, as well as information and financial support for the development and implementation of roadmaps and NTI projects.

The following documents were approved by the Resolution*:  
- The procedure for the development and implementation of action plans [roadmaps] of the National Technological Initiative;
- Regulations on the development, selection, implementation and monitoring of projects in order to implement the action plans [roadmaps] of the National Technological Initiative;
- The procedure for granting subsidies from the federal budget for the implementation of projects in order to implement action plans [roadmaps] of the National Technological Initiative.

Within NTI implementation, the Presidium Council of the President of the Russian Federation for Modernization of the Economy and Innovation Development of Russia (the Presidium Council) approved six NTI roadmaps as of the end of 2016: Autonet, Aeronet, NeuroNet, MariNet, HealthNet and EnergyNet. It also approved co-leaders of 11 working groups for development and implementation of NTI roadmaps (hereinafter – the working groups): Autonet, AeroNet, Circle Motion, MariNet, NeuroNet, SafeNet, TechNet, FinNet, FoodNet, HealthNet and EnergyNet.


14
In 2016, IWG approved 11 projects, including 2 projects for the implementation of roadmaps for AeroNet, 3 – for MariNet, 5 – for NeuroNet and 1 – for EnergNet.

IWG approved the following regulations:

- Guidelines for describing the projects of the National Technological Initiative;
- Regulations on the procedure for performing expert examination and drafting conclusions on the projects selection;
- Regulations on monitoring and managing changes in the projects of the National Technological Initiative.

The Interdepartmental working group on development and implementation of NTI under the Presidium Council of the President of the Russian Federation for Modernization of the Economy and Innovation Development of Russia (IWG) approved the structure of 7 working groups for AutoNet, AeroNet, Circle Motion, MariNet, NeuroNet, HealthNet and EnergyNet.

The Foundation for Assistance to Small Innovative Enterprises in Science and Technology (Innovation Promotion Foundation) arranged Development – NTI competition to overcome technology barriers hampering implementation of NTI roadmaps. Applications for participation in the competitive selection were submitted by 605 companies. 123 winners were announced upon the results of the competition.

Within the implementation of roadmaps, a number of contests and competitions were held, i.e. GenerationS, NTI Olympiad, Umnik and Cybathlon.
3 INTEGRATION WITH THE SKOLKOVO FOUNDATION
INTEGRATION WITH THE SKOLKOVO FOUNDATION

In 2016, RVC started to integrate efforts to develop an innovative ecosystem and support high tech start-ups with the Skolkovo Foundation. The approval of the activities integration roadmap has allowed the launching an important process of creating joint tools for financial and non-financial support of the venture capital market.

In 2016, the roadmap for integrating activities of RVC and the Skolkovo Foundation for 2016–2017 was developed and approved in pursuance of the instructions of Dmitry Medvedev, the Prime Minister of the Russian Federation.

RVC and the Skolkovo Foundation developed a concept, stating that in Q1, 2017 the parties will start to create venture funds in the following spheres: Information technologies, Biomedical technologies and Industrial technologies to the total amount of RUB 6.6 billion. The investment mandate of the funds will correspond to NTI technology priorities. Funds will be managed by the joint company of Skolkovo and RVC – Skolkovo-Venture Investments LLC. RVC will invest RUB 1.5 billion in each fund, the volume of external investment will be at least RUB 0.5 billion.

The roadmap also includes a joint center for investment consulting of innovative companies to be launched by RVC and the Skolkovo Foundation and supported by all development institutes. Integration of the expert pools of RVC and the Skolkovo Foundation will improve the quality of technology and business expertise of projects for the benefit of RVC-backed funds.

Cooperation of RVC and the Skolkovo Foundation for the development of the Russian innovation ecosystem involves a number of joint initiatives related to the interaction with the community of venture investors, development of a partner network in the regions, creation of a crowdfunding platform for investing in supported tech start-ups and issuance of legislative proposals to stimulate investment.

In 2016, RVC and the Skolkovo Foundation in cooperation with other participants arranged two major industry events: Open Innovations Forum and Global IASP Conference. The united delegation and exhibition booth demonstrated Russian developments at Slush, the largest start-up conference in the Northern Europe.

The roadmap outlines further harmonization of efforts of RVC and the Skolkovo Foundation to develop innovative activities of universities and scientific organizations, work with research communities and scientific communicators and promote Russian technology companies on the foreign markets.
4 INVESTMENT ACTIVITY
RVC’s investment activities are aimed at creating and maintaining financial instruments that contribute to emergence and commercialization of breakthrough developments, increasing the competitiveness of domestic technology companies on the global market and providing comprehensive expert support to the venture capital market participants.

RVC implements investment activities by establishing funds on the basis of public-private partnership, creating the conditions for investing in high tech sectors with a low presence of private capital, which are important for the balanced innovative development of the country.

Based on experience and global best practices, RVC provides market participants with the necessary methodological and consulting support. RVC takes part in key stages of the fund’s life cycle: from the development of strategy, mandate, management system, the procedure for selecting management teams to methodical and expert support of activities and arrangement of negotiations with potential investors.

34 new portfolio companies are approved for investment by RVC-backed funds in 2016

43.2 million USD the export value of portfolio companies of RVC-backed funds in 2016

691 patents [of which 248 are foreign ones] obtained by portfolio companies of RVC-backed funds as of the end of 2016

>6,000 employees work in project companies with investment from RVC-backed funds
Rendering support to RVC project companies, we participated in Intersec-2016, one of the largest international exhibitions, that annually gathers the biggest audience of system integrators and direct customers of security systems from the Gulf countries and other states.

In the course of participation in the exhibition, we established the first contacts with future partners, presented our products for the first time and received feedback: identified the needs, specific features and limitations of the market. Indeed, the development of business abroad requires significant and, most importantly, systematic and pre-planned marketing investments, but RVC’s support of our participation just in one exhibition was very useful, taking into account limitations of our resources. We hope that the support project for portfolio companies will be continued.

I’d like to make a pointed reference to the importance and use of non-financial support from RVC: participation in the industry events, consulting of RVC foreign representatives, adaptation of marketing materials for a specific market, etc.

Anna Gureeva,
Director for International Development at Vocord
MAIN RESULTS OF RVC’S INVESTMENT ACTIVITIES IN 2016

22 RVC-BACKED funds operating as of the end of 2016

33.0 RUB BILLION the total value of RVC-backed funds as of the end of 2016

21 REGIONAL VENTURE FUNDS provided with expert support for widening their functionality, including through development of new investment instruments

20.4 RUB BILLION total volume of RVC’s investment obligations in fund creation during the period of operation

Change in the Volume of Approved Investments in Priority Directions for the Modernization of Technological Development of the Russian Economy in 2016 YOY, RUB million

- Computer technologies and software: ▲341.24%
- Space and telecommunications: ▲231.00%
- Other: ▲6.54%
- Energy efficiency: ▼3.88%
- Medical equipment and pharmacy: ▼50.48%

11 FUNDS in the form of investment partnership agreements (IPA) as of the end of 2016

INCLUDING

5 INDUSTRY FUNDS in the form of investment partnership agreements as of the end of 2016

1 IPA the Russian-Belarusian Venture Investment Fund

3.2 RUB BILLION was the volume of approved investments in portfolio companies for 2016

5 MICRO-FUNDS for investments in projects of pre-seed and seed stages

1 NEW IPA FUND the Russian-Belarusian Venture Investment Fund

OUT OF 2 FUNDS closed-end funds (CEF) RVC withdrew from investment shares of New Technologies CEF for HR(VI) and Innovative Solutions CEF for HR(VI) were sold
The List of RVC-Backed Funds as of the End of 2016

<table>
<thead>
<tr>
<th>Subsidiary Funds</th>
<th>The target size of the fund (the first closure)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RVC Seed Fund LLC</td>
<td>RUB 1,982.0 million</td>
</tr>
<tr>
<td>Biofund RVC LLC</td>
<td>RUB 1,500.0 million</td>
</tr>
<tr>
<td>Infrafund RVC LLC</td>
<td>RUB 2,000.0 million</td>
</tr>
<tr>
<td>Civil Technologies MIC LLC</td>
<td>RUB 500.0 million</td>
</tr>
<tr>
<td>Funds with Foreign Jurisdiction</td>
<td></td>
</tr>
<tr>
<td>Russian Venture Capital I LP</td>
<td>RUB 2,779.6 million</td>
</tr>
<tr>
<td>RVC IVFRT LP</td>
<td>RUB 1,400.6 million</td>
</tr>
<tr>
<td>Funds established in the form of closed-end funds (CEF)</td>
<td></td>
</tr>
<tr>
<td>Bioprocess Capital Ventures CEF for HR(VI)</td>
<td>RUB 3,000.0 million</td>
</tr>
<tr>
<td>VTB Portfolio Investments CEF</td>
<td>RUB 3,061.0 million</td>
</tr>
<tr>
<td>Maxwell Biotech CEF for HR(VI)</td>
<td>RUB 1,224.4 million</td>
</tr>
<tr>
<td>Leader Innovation CEF for HR(VI)</td>
<td>RUB 3,000.0 million</td>
</tr>
<tr>
<td>S-Group Ventures CEF for HR(VI)</td>
<td>RUB 1,800.0 million</td>
</tr>
<tr>
<td>IPA funds (industry funds and the Russian-Belarusian Venture Investment Fund)</td>
<td></td>
</tr>
<tr>
<td>RusBio Ventures</td>
<td>RUB 2,070.7 million</td>
</tr>
<tr>
<td>Finematica Air-cosmic IPA Fund</td>
<td>RUB 1,515.0 million</td>
</tr>
<tr>
<td>Da Vinci Pre-IPO Fund</td>
<td>RUB 3,787.9 million</td>
</tr>
<tr>
<td>North Energy Fund I Seed</td>
<td>RUB 898.5 million</td>
</tr>
<tr>
<td>Phystech Ventures 2</td>
<td>RUB 935.0 million</td>
</tr>
<tr>
<td>Russian-Belarusian Venture Investment Fund</td>
<td>RUB 1,400.0 million</td>
</tr>
<tr>
<td>IPA funds (microfunds)</td>
<td></td>
</tr>
<tr>
<td>Softline Seed IPA Fund</td>
<td>RUB 136.0 million [including RUB 36.0 million(^4)]</td>
</tr>
<tr>
<td>High Technologies Seed IPA Fund</td>
<td>RUB 133.6 million [including RUB 33.6 million(^5)]</td>
</tr>
<tr>
<td>Seed Fund ACP IPA</td>
<td>RUB 33.4 million [including RUB 8.4 million(^3)]</td>
</tr>
<tr>
<td>Venture Fund Accelerator IPA</td>
<td>RUB 133.4 million [including RUB 33.4 million(^6)]</td>
</tr>
<tr>
<td>Life Sciences Seed Fund IPA</td>
<td>RUB 133.6 million [including RUB 33.6 million(^6)]</td>
</tr>
</tbody>
</table>

1 For calculating the total volume of funds, RVC only considers funds from private investors in order to avoid double counting because micro-funds are created with the participation of capital from RVC Seed Fund LLC, a subsidiary of RVC. Thereby, the total volume of RVC funds comprises RUB 32,999.7 million.

2 From this point onward the procedure for calculating fund size, including domination in foreign currency, shall be carried out as follows. For completed investments for fund creation, calculations were made in rubles according to the rate of the Bank of Russia as of the date of investment. For non-implemented obligations for fund creation, calculations were made according to the rate of the Bank of Russia as of December 31, 2015 (RUB 60.6569 to USD 1.00).

3 For external communications, RBV Capital name is used.

4 For external communications, Softline Seed Fund name is used.

5 Private investor funding.
KEY PERFORMANCE INDICATORS OF RVC-BACKED FUNDS

RVC played an important role in launching the first funds by providing them with access to the capital and mechanisms of non-financial support. This activity, as well as tremendous efforts of RVC to promote innovative entrepreneurship, in many respects, determined the growth of interest to venture industry both from innovators and investors. At the coming stage, the new venture investment proposal will considerably depend on whether the fund managers could show the investors sufficient returns and create new funds. In the case of success in creating new funds, it will be possible to say that the developed expertise remains in demand and venture capital market is a separate and self-sufficient part of the country’s financial market.

Sergey Kerber
Managing Director at CJSC Leader

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount of approved investments in portfolio companies for 2016</td>
<td>3.2 billionrub</td>
</tr>
<tr>
<td>Growth in the number of approved investments in portfolio companies in 2016 YOY</td>
<td>15%</td>
</tr>
<tr>
<td>Approved for investment during RVC’s operations as of the end of 2016 (taking into account withdrawn projects)</td>
<td>253 companies</td>
</tr>
<tr>
<td>Approved for investment during RVC’s operation</td>
<td>215 portfolio companies</td>
</tr>
<tr>
<td>Sum of over</td>
<td>&gt;17.71 billionrub</td>
</tr>
<tr>
<td>Exits</td>
<td>38 exits</td>
</tr>
</tbody>
</table>

FROM PORTFOLIO COMPANIES AS OF THE END OF 2016
Distribution of RVC-Backed Funds’ Investment by Federal Districts in 2007–2016 (calculated based on the volume of approved investments), %

<table>
<thead>
<tr>
<th>District</th>
<th>2007</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>5.44</td>
<td>6.15</td>
</tr>
<tr>
<td>Foreign investments</td>
<td>1.85</td>
<td>0.73</td>
</tr>
<tr>
<td>Northwestern</td>
<td>0.24</td>
<td>0.07</td>
</tr>
<tr>
<td>Volga</td>
<td></td>
<td>0.33</td>
</tr>
<tr>
<td>Ural</td>
<td></td>
<td>0.24</td>
</tr>
<tr>
<td>Siberian</td>
<td></td>
<td>0.73</td>
</tr>
<tr>
<td>South</td>
<td></td>
<td>0.73</td>
</tr>
<tr>
<td>Far Eastern</td>
<td></td>
<td>0.73</td>
</tr>
<tr>
<td>North-Caucasian</td>
<td></td>
<td>0.73</td>
</tr>
<tr>
<td>Total</td>
<td>5.44</td>
<td>6.15</td>
</tr>
</tbody>
</table>

Distribution of the Annual Exports of Portfolio Companies Supported by RVC, by funds as of the end of 2016, %

<table>
<thead>
<tr>
<th>Fund</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bioprocess Capital Ventures CEF for HR(VI)</td>
<td>2.14</td>
</tr>
<tr>
<td>VTB Venture fund CEF for HR(VII)</td>
<td>0.06</td>
</tr>
<tr>
<td>Leader Innovation CEF for HR(VI)</td>
<td>0.28</td>
</tr>
<tr>
<td>S-Group Ventures CEF for HR(VII)</td>
<td>0.09</td>
</tr>
<tr>
<td>RVC Biofund Ltd</td>
<td>39.44</td>
</tr>
<tr>
<td>Civil Technologies MIC LLC</td>
<td>5.07</td>
</tr>
<tr>
<td>RVC Infrafund</td>
<td>4.77</td>
</tr>
<tr>
<td>RVC Seed Fund LLC</td>
<td>48.16</td>
</tr>
<tr>
<td>Total</td>
<td>48.16</td>
</tr>
</tbody>
</table>
The development of RVC’s subsidiary fund system is aimed at creating an efficient investment tool for companies, established and developing on the NTI markets in accordance with their goals and priorities.

**RVC Seed Fund LLC (RVC Seed Fund)**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of project companies in the fund</td>
<td>46</td>
<td>56</td>
<td>64</td>
<td>62</td>
<td>64</td>
</tr>
<tr>
<td>Actual amount of RVC equity in the fund, RUB million</td>
<td>1,980.00</td>
<td>1,980.00</td>
<td>1,980.00</td>
<td>1,980.00</td>
<td>1,980.00</td>
</tr>
<tr>
<td>Amount of invested funds, RUB million</td>
<td>565.00</td>
<td>790.00</td>
<td>902.36</td>
<td>1,045.95</td>
<td>1,223.48</td>
</tr>
<tr>
<td>Approved investments, RUB million</td>
<td>1,081.70</td>
<td>1,311.50</td>
<td>1,496.60</td>
<td>1,545.94</td>
<td>1,618.50</td>
</tr>
<tr>
<td>Number of exit transactions from previously invested companies</td>
<td>1</td>
<td>6</td>
<td>11</td>
<td>14</td>
<td>14</td>
</tr>
</tbody>
</table>


**RVC Infrastructure Investments Fund (Infrafund RVC)**

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Number of project companies in the fund</td>
<td>9</td>
<td>15</td>
<td>21</td>
<td>25</td>
<td>29</td>
</tr>
<tr>
<td>Actual amount of RVC equity in the fund, RUB million</td>
<td>499.00</td>
<td>1,099.00</td>
<td>1,099.00</td>
<td>1,099.00</td>
<td>1,099.00</td>
</tr>
<tr>
<td>Amount of invested funds, RUB million</td>
<td>136.00</td>
<td>212.00</td>
<td>297.00</td>
<td>435.00</td>
<td>496.00</td>
</tr>
<tr>
<td>Approved investments, RUB million</td>
<td>301.00</td>
<td>675.00</td>
<td>987.00</td>
<td>1,185.40</td>
<td>969.00</td>
</tr>
<tr>
<td>Number of exit transactions from previously invested companies</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>7</td>
<td>8</td>
</tr>
</tbody>
</table>


---

1 Hereinafter in the section, the values of indicators are given as of the end of the corresponding year.

2 Actual commitments are shown (approved transactions for which investments are made or planned to be made this year, the fund’s obligations are excluded for the projects that will not be implemented due to the refusal to fulfill preliminary conditions by private investors).
**RVC Biopharmaceutical Investments Fund**

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of project companies in the fund</td>
<td>4</td>
<td>8</td>
<td>13</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td>Actual amount of RVC equity in the fund, RUB million</td>
<td>470.00</td>
<td>770.00</td>
<td>770.00</td>
<td>770.00</td>
<td>770.00</td>
</tr>
<tr>
<td>Amount of invested funds, RUB million</td>
<td>16.74</td>
<td>112.79</td>
<td>314.86</td>
<td>494.99</td>
<td>610.25</td>
</tr>
<tr>
<td>Approved investments, RUB million</td>
<td>336.94</td>
<td>769.11</td>
<td>978.11</td>
<td>724.29</td>
<td>743.7</td>
</tr>
<tr>
<td>Number of exit transactions from previously invested companies</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>


**Civil Technologies of the Military-Industrial Complex (RVC Civil Technologies)**

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of project companies in the fund</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Actual amount of RVC equity in the fund, RUB million</td>
<td>-</td>
<td>350.00</td>
<td>350.00</td>
<td>350.00</td>
<td>350.00</td>
</tr>
<tr>
<td>Amount of invested funds, RUB million</td>
<td>-</td>
<td>-</td>
<td>63.70</td>
<td>88.00</td>
<td>150.005</td>
</tr>
<tr>
<td>Approved investments, RUB million</td>
<td>-</td>
<td>30.00</td>
<td>215.80</td>
<td>234.68</td>
<td>217.18</td>
</tr>
<tr>
<td>Number of exit transactions from previously invested companies</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

# FUNDS WITHIN FOREIGN JURISDICTION

## Russian Venture Capital I LP

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2012&lt;sup&gt;1&lt;/sup&gt;</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of project companies in the fund</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Actual amount of RVC equity in the fund, USD million</td>
<td>33.25</td>
<td>38.35</td>
<td>38.70</td>
<td>45.69</td>
<td>60.795</td>
</tr>
<tr>
<td>Amount of invested funds, USD million</td>
<td>33.00</td>
<td>38.00</td>
<td>38.35</td>
<td>45.35</td>
<td>60.361</td>
</tr>
<tr>
<td>Approved investments, USD million</td>
<td>33.00</td>
<td>38.00</td>
<td>38.35</td>
<td>45.35</td>
<td>60.361</td>
</tr>
<tr>
<td>Number of exit transactions from previously invested companies</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
</tbody>
</table>


## RVC IVFRT LP

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</tr>
</thead>
<tbody>
<tr>
<td>Number of project companies in the fund</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Actual amount of RVC equity in the fund, USD million</td>
<td>12.56</td>
<td>12.56</td>
<td>13.84</td>
<td>13.84</td>
<td>13.84</td>
</tr>
<tr>
<td>Amount of invested funds, USD million</td>
<td>17.69</td>
<td>23.90</td>
<td>28.45</td>
<td>32.20</td>
<td>32.70</td>
</tr>
<tr>
<td>Approved investments, USD million</td>
<td>35.00</td>
<td>35.00</td>
<td>35.00</td>
<td>35.00</td>
<td>35.00</td>
</tr>
<tr>
<td>Number of exit transactions from previously invested companies</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>


<sup>1</sup> Hereinafter in the section, the values of indicators are given as of the end of the corresponding year.
RVC has a share in five Russian closed-end funds governed by professional management companies. RVC representatives from the investment committees of CEFs have the right of consultative capacity. As of the end of 2016, RVC’s share in the authorized capital of each of the closed-end funds comprised 49%.

<table>
<thead>
<tr>
<th>Short name of the fund</th>
<th>Year of the fund’s establishment</th>
<th>The fund’s objective (fund’s investment focus)</th>
<th>Short name of the management company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bioprocess Capital Ventures CEF for HR(VII)</td>
<td>2007</td>
<td>Healthcare and technologies for life and health/Living systems, new materials and chemical compounds (fine chemistry)</td>
<td>Management Company Bioprocess Capital Partners</td>
</tr>
<tr>
<td>VTB Portfolio Investments CEF</td>
<td>2007</td>
<td>New materials and chemical compounds, Information Technology, Network technology and services, Alternative energy technologies, Industrial equipment, Agriculture, forestry and raw material processing</td>
<td>VTB Capital Asset Management JSC</td>
</tr>
<tr>
<td>Maxwell Biotech CEF for HR(VII)</td>
<td>2008</td>
<td>Healthcare and technologies for life and health/Living systems</td>
<td>Maxwell Asset Management LLC</td>
</tr>
<tr>
<td>Leader Innovation CEF for HR(VII)</td>
<td>2008</td>
<td>Power industry and energy saving, Alternative energy technologies, New materials and chemical compounds, Network technology and services</td>
<td>Leader CJSC</td>
</tr>
<tr>
<td>S-Group Ventures CEF for HR(VII)</td>
<td>2008</td>
<td>Information technology, Alternative energy technologies, Power industry and energy saving, New materials and chemical compounds, Healthcare and technologies for life and health/Living systems, Consumer market</td>
<td>Management Company S-Group Capital Management LLC</td>
</tr>
<tr>
<td>RVC’s share in the fund (%)</td>
<td>Actual size of the fund as of December 31, 2016 (RUB million)</td>
<td>Actual amount of invested funds as of December 31, 2016 (RUB million)</td>
<td>Number of project companies in the fund as of December 31, 2016 (pcs.)</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>---------------------------------------------------------------</td>
<td>---------------------------------------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>49.00</td>
<td>3,000.00</td>
<td>3,000.00</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>49.00</td>
<td>3,061.00</td>
<td>3,061.00</td>
<td>11</td>
</tr>
<tr>
<td></td>
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<td></td>
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<tr>
<td>49.00</td>
<td>1,224.40</td>
<td>1,224.40</td>
<td>9</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>49.00</td>
<td>2,100.00</td>
<td>2,100.00</td>
<td>12</td>
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<tr>
<td></td>
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<td></td>
</tr>
<tr>
<td>49.00</td>
<td>1,800.00</td>
<td>1,800.00</td>
<td>7</td>
</tr>
</tbody>
</table>
**BRIEF INFORMATION ON RVC PARTICIPATION IN INVESTMENT PARTNERSHIP FUNDS**

All funds in the form of investment partnership agreement, created with the participation of RVC, are governed by professional management companies.

<table>
<thead>
<tr>
<th>Short name of the fund</th>
<th>Year of the fund’s establishment</th>
<th>The fund’s objective (fund’s investment focus)</th>
<th>Short name of the management company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Softline Seed IPA Fund</td>
<td>2013</td>
<td>Russian companies that specialize in solutions in the field of cloud technologies, mobile applications, data security systems, Digital Marketing with Russia being their primary sales market</td>
<td>Softline Internet Projects LLC</td>
</tr>
<tr>
<td>High Technologies Seed IPA Fund</td>
<td>2013</td>
<td>Innovation companies in IT, biotechnology, new materials, energy efficiency</td>
<td>TONAP Venture LLC</td>
</tr>
<tr>
<td>RusBioVentures IPA</td>
<td>2014</td>
<td>Companies of the biomedical industry, including those of biomedicine and biomedical services, bioinformatics, biotechnology, medicine and healthcare, pharmaceuticals</td>
<td>RusBioVentures LLC</td>
</tr>
<tr>
<td>Finematica Air-cosmic IPA Fund</td>
<td>2014</td>
<td>Investments in promising inventions in the aerospace industry and related industries</td>
<td>Finematica LLC</td>
</tr>
<tr>
<td>Seed Fund ACP IPA</td>
<td>2014</td>
<td>B2B software, hardware-software packages</td>
<td>Management Company ACP LLC</td>
</tr>
<tr>
<td>Venture Fund Accelerator IPA</td>
<td>2014</td>
<td>Innovation companies in the field of Hardware 2.0 — wearable, IoT, medical</td>
<td>DI Group LLC</td>
</tr>
<tr>
<td>Short name of the fund</td>
<td>Year of the fund’s establishment</td>
<td>The fund’s objective (fund’s investment focus)</td>
<td>Short name of the management company</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>----------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------</td>
</tr>
<tr>
<td>Da Vinci Pre-IPO Fund</td>
<td>2015</td>
<td>Companies engaged in development of technology start-ups; ready for initial public offering (IPO); able to be included into the list of projects of a specialized fund that allows technology companies to enter Russian and global stock markets</td>
<td>Da Vinci Capital Management GP LLC</td>
</tr>
<tr>
<td>North Energy Fund I Seed</td>
<td>2015</td>
<td>Cleantech in regard to non-subsidized industries with the existing market in Russia, traditional power industry, renewable energy sector</td>
<td>North Energy Ventures LLC</td>
</tr>
<tr>
<td>Phystech Ventures 2</td>
<td>2015</td>
<td>Target companies that are at the seed stage and implement projects in the following technology areas of the National Technology Initiative: new materials, additive technologies, sensors, new energy sources, energy efficiency, big data, IT in security, decentralized financial systems</td>
<td>Phystech Ventures LLC</td>
</tr>
<tr>
<td>Life Sciences Seed Fund IPA</td>
<td>2015</td>
<td>Innovation companies in the field of pharmaceuticals, biotechnology, medical equipment and agro-biotechnologies</td>
<td>KSI Ventures LLC</td>
</tr>
<tr>
<td>Russian–Belarusian Venture Investment Fund</td>
<td>2016</td>
<td>Target companies that have a product/service based on the innovative technology and design, development and/or commercialize the technology themselves</td>
<td>Infrafund RVC LLC</td>
</tr>
</tbody>
</table>
INNOVATION ECOSYSTEM DEVELOPMENT
INNOVATION ECOSYSTEM DEVELOPMENT

IN 2016, THE PRESIDENT OF THE RUSSIAN FEDERATION INITIATED AN ACTIVE UPDATE OF THE STATE POLICY TOOLS IN THE FIELD OF INNOVATION AND TECHNOLOGY ACTIVITIES.

In this regard, in the reporting year, RVC focused on expanding activities and intensifying efforts to create a flow of projects for the benefit of investors, regarding in particular a broad range of projects for the strategic development of the national innovation system, supporting the innovation ecosystem in the regions, accelerating technological start-ups, creating and developing the ecosystem of venture financing of technology companies, support of technological entrepreneurship, development of technology transfer and creation of efficient service infrastructure, development of investors of different stages and globalization of the Russian innovation industry.

GENERATIONS FEDERAL ACCELERATOR FOR TECH START-UPS

Generations is the largest start-up accelerator in Russia and Eastern Europe, the federal platform for developing corporate acceleration tools, which has been run by RVC since 2013. More than 20 Russian corporations, in the interests of which the selection and acceleration of start-ups are performed, annually become the industrial partners of GenerationS. Upon a multi-step expertise, the participants of GenerationS receive broad opportunities to develop business and attract investments, as well as to access the resources and facilities of the accelerator’s partners.

In 2016, GenerationS went through two parallel workflows for the first time: for early stage start-up companies and for mature projects. For those who were just starting out, the Preaccelerator was held – a set of online and offline activities aimed at improving the quality of early stage start-up companies and bringing them to the next stage of development, and the latter could claim the participation in one of the GenerationS corporate acceleration directions.

Since 2013, 20 accelerator programs in total have been implemented within the frames of the GenerationS project.
THE ACCELERATOR’S GOALS:

- Creation of a platform for corporate accelerators;
- Development of the innovation environment by increasing the number of high-tech projects of interest for participants on the venture capital market;
- Stimulation of introduction, use and development of ‘open innovation’ instruments in Russian corporations;
- Increase in quality of tech start-ups and their attractiveness for investment, as well as assistance in entering the capital market;
- Development of professional links between tech start-ups and Russian and foreign experts, corporate clients, entrepreneurs, investors.

RESULTS:

- In 2016, 4,237 application forms were submitted to the accelerator from tech entrepreneurs, which was 65% higher than the figure in 2015. The geography of GenerationS projects covers more than 240 cities and 30 countries, including Russia, Belarus, Armenia, Kazakhstan, Ukraine, France and the USA. The best 120 start-ups participating in the corporate acceleration programs in eight industry directions were determined based on the results of a three-stage selection. AgroBioTech&Food (10), Creative Industries (20), Finance&Banking Technologies (20), LifeScience (10), Mining&Metals (17), Power&Energy (13), SmartCity (13), TechNet (17);
- Based on the results of all acceleration programs, 70 start-up companies continue to work with corporate partners.

Preaccelerator work was carried out in three stages. In the beginning more than 550 early stage start-up companies started the training. Based on the results of online training, 380 start-up companies completed all the tasks successfully. During the second stage, more than 240 start-up companies continued to work on the creation of prototypes based on technologically advanced platforms. The third stage was very intensive and within its framework more than 137 start-up companies worked on the strengthening of relations with their mentors. More than 50 start-up companies made presentations on Demo Day that was held at SUV.

In the interests of GenerationS, accelerating programs for technology companies in the regions were developed to support the existing and organize the new schools (accelerating programs) for tech entrepreneurs in various regions of the Russian Federation. Such cooperation ensures the development of competencies of both organizers and participants. Regional accelerating programs have been held since 2012. During this period, more than 100 start-up schools have passed through the program. In 2016, the program supported a record number of schools – more than 30.

20 ACCELERATOR PROGRAMS have been implemented within the frames of the GenerationS project in total, since 2013

475 TEAMS became participants of the accelerating programs

4,237 APPLICATIONS were submitted to the accelerator in 2016
TechUp annual rating for high-tech fast developing companies has been held since 2012. It is an efficient tool for monitoring and promoting the companies that may become the cornerstones of Russian high-tech industries development.

In 2016, TechUp was selected as the base for the National Champions priority project of the Ministry of Economic Development created to support companies having the potential to conquer domestic and foreign markets. RVC became a project partner and provided analytical and organizational support in selecting the participants.

Rating methodology was developed in 2012 and, in accordance with the experience gained in compiling the rating, it was updated in the following years. Latest changes were made in 2016. During the rating methodology development, the international experience of PricewaterhouseCoopers was used in conducting similar studies, as well as in the analysis of the most topical and authoritative international studies and ratings of innovative companies.

The main criteria for evaluating the level of success and technological effectiveness of companies are their size and average annual growth rate in revenues, the presence of new or significantly successful products or services, expenses on R&D and technological innovation, intellectual property of the company, investments in innovative projects and acquisition of a high-tech business.

RATING AIMS:

- Search for prospective fast-developing Russian companies, working in the sphere of high technology;
- Improvement of the quality and level of accessibility of information on Russian medium-sized technology businesses, including: business indicators, data on production, its evaluation of technological effectiveness and potential in domestic and foreign markets;
- Systematization of data on current restrictions on the development of a given segment of economy.

In 2016, NRU HSE and Industrial Development Fund (IDF) also became the rating partners. In 2016, the HSE’s area of responsibility included the support of the expert council’s activities, the adjustment of the rating methodology, the selection of its participants and the formation of final nominations, as well as an analytical study of rated companies, same as in 2015. Some of the rating participants were granted an access to subsidizing interest rates on loans and obtaining loans from the IDF’s resources.
Across the globe, the business angel investment market is the main driver for innovation: every project receiving investment from a venture fund, every successful M&A, every floatation has their business angels who have once found the project, believed in it, invested the first money and helped with experience and contacts.

RVC provides system support for the business angel investment market. Covering most of the key aspects, RVC provides opportunities for start-ups to obtain investment from private investors on early stages, and for investors — to reduce risks and have access to investment facility of better quality on the early stage via acceleration programs and interaction with business angel associations.

Cooperating with all leading market players in an effort to maximize the performance, RVC is not afraid of sharing a significant part of success, big or small victory lap with its partners. And that is crucially important.

Vitaly Polekhin
Head of SKOLKOVO Investors Club

At the present moment, TechUp rating is actually the only tool for communication with medium-sized high-tech growing companies.

Many rating participants are our customers or our suppliers. It is difficult for the companies to move forward alone.

We see it in the example of the competitors. For example, an average innovative company from Norway, like us, will not be able to break through to Gazprom alone. But it is possible for Schlumberger, which will bring its chain of contract partners, hundreds of small and medium-sized companies from Norway, the USA, Holland, etc.

TechUp rating is the first attempt to describe a very important for our country, but so far very fragmented economy sector. Establishment of the companies’ external relations with development institutes and government bodies, as well as the development of internal interaction within rating companies can remarkably accelerate the development of the participants. Furthermore, this process will also accelerate the development of those companies that have not entered TechUp yet but will use it as a guiding principle in their activity.

Vadim Kokotkov
Vice President, Bee Pitron
Within RVC activities on innovation ecosystem development, the priority ones are investor development at various stages and distribution of corporate instruments for ‘open innovations’.

DEVELOPMENT OF VENTURE INVESTORS

To develop private investor community in Russia, RVC held several events, including:

- Volga Angels, the international meeting of business angels that immediately became one of the key events of the year for the venture community and brought together about 300 Russian and foreign experts. The meeting allowed experienced business angels to share their skills with newcomers and exchange their business opinions on venture capital market operations;

- Meeting of Business Angels of Russia.

PROJECT “MEETING OF BUSINESS ANGELS OF RUSSIA”

Meeting of Business Angels of Russia, held in the Samara Region on September 2016, to expand and strengthen the Russian community of business angels – private venture investors at early stages. It has become a platform for informing of novice business angels, the professional interaction of experienced angels and the development of communities and investor clubs. 284 representatives of the venture ecosystem, including 140 active business angels and six representatives of the international venture capital community, took part in the two-day conference, involving 22 events. The program partner of the event was the National Association of Business Angels.

284 REPRESENTATIVES OF THE VENTURE ECOSYSTEM

including

140 ACTIVE BUSINESS ANGELS

6 REPRESENTATIVES OF THE INTERNATIONAL VENTURE CAPITAL COMMUNITY

took part in the project

NATIONAL AWARD “VENTURE INVESTOR”

RVC supported RVCA’s Venture Investor Award for funds determining key trends in the Russian venture sector. The award was established by the Russian Venture Capital Association (RVCA) in cooperation with RVC and is held annually for promotion of venture industry. In 2016, the nominees and winners of the award were 30 Russian venture capital funds, including the largest existing players and new players of the venture capital market. The awards were presented in 10 nominations. The award ceremony was attended by 61 representatives of the venture ecosystem, including representatives of 34 venture funds.

30 RUSSIAN VENTURE CAPITAL FUNDS

10 NOMINATIONS

61 REPRESENTATIVES OF THE VENTURE ECOSYSTEM

including

34 VENTURE FUNDS

were the nominees and winners of the award in 2016

the awards were presented in

attended the award ceremony
RVCA and RVC also cooperate in the following areas:

**SUPPORT OF STUDIES OF RVCA JOINT ANALYTICAL GROUP**

The joint analytical group was established in 2014 by the joint efforts of RVCA and RVC. The objective of the Joint Analytical Group is to unify methodologies for assessing indicators and to increase transparency of the Russian market for direct and venture investment.

Within the study Joint Analytical Group takes measures on the annual basis to create a database of transactions on the Russian venture capital market for the year [the database becomes the basis for other studies, including PWC MoneyTree], to update the methodology for evaluation of venture capital market indicators, to analyze the dynamics of the venture capital market for the year based on the consolidated methodology.

**STUDY OF THE RUSSIAN ANGEL AND SEED INVESTMENT MARKET IN 2016 (RUSSIAN ANGEL MONITOR 2016)**

The study is carried out to eliminate the lack of information related to angel investment. In the course of the study, the base of business angel transactions is formed and analyzed, as well as the expert study of problems and trends of the business angel investment market in Russia is performed. In 2016, the angel investment market was also studied in relation to NTI markets in accordance with the priorities.

**ANNUAL ANALYTICAL COLLECTIONS, DIRECT AND VENTURE INVESTMENTS IN RUSSIA**

The review was prepared by the Russian Venture Capital Association, it provides information on the performance of Russian and foreign institutional investors (Russian and foreign funds, as well as business accelerators, investing their funds and having their own [partner] fund). Direct and venture investments of funds and exits were analyzed.

**FIRRMA’S ANNUAL RATING OF RUSSIAN VENTURE FUNDS ACTIVITY**

In December, Firrma traditionally presents its rating of venture capital funds in Russia. RVC is its strategic partner, the rating is also supported by EY.

**INTERNET-WEBINAR, HOW TO EARN 1,000% ON START-UPS**

is held by RVC as part of venture investor development. Webinar was arranged in 2016 for starting and experienced private Russian investors. 50 participants from 6 regions of Russia took part in the webinar. During the webinar, search and evaluation of projects for investments, as well as their further support by private investors, were discussed.
DEVELOPMENT OF TOOLS FOR OPEN INNOVATIONS IN CORPORATIONS

EDUCATIONAL PROGRAM “OPEN INNOVATIONS AND CORPORATE VENTURE TOOLS”

In cooperation with Moscow Aviation Institute and CompMechLab, RVC implemented the educational program Open Innovations and Corporate Venture Tools in the format of online courses and participation in three field project sessions:

- In 2016, participants included representatives of the leading enterprises, such as PJSC United Aircraft Corporation, PJSC Rostelecom, LG Electronics, PJSC RusHydro, PJSC Rosseti, KAMAZ Innovation Center, Insurance Company TRANSNEFT, etc.
- Following the results of the program, the participants submitted to the expert committee their concepts of corporate venture investment they plan to implement in their companies.

60
REPRESENTATIVES
OF THE LEADING CORPORATIONS

3
FIELD PROJECT SESSIONS

took part in the program
were organized

OPEN DOORS IN CORPORATIONS PROJECT

The project was organized by RVC in cooperation with R&D Directors Club for sharing the experience and expanding the network of professional contacts.

IN 2016, WITHIN THE PROJECT:

- 5 expert events were organized in the “open doors” format at corporate sites for promotion of tools for “open innovations”. The partners of the project were PJSC Aeroflot, Technopolis Moscow, Energy Without Borders Foundation, INVITRO LLC and Aleksinsky Chemical Plant. The event was attended by 152 unique participants, 22 experts from host companies from seven regions and 100 companies;
- A collection of cases on best practices in innovation management with theoretical and practical introduction “How can corporations work with small innovative teams” was developed.

5
EXPERT EVENTS

were organized in the “open doors” format

152
UNIQUE PARTICIPANTS

22
EXPERTS FROM

7
REGIONS

100
COMPANIES’ REPRESENTATIVES

attended the event from the host companies
RVC in cooperation with Firrna launched a series of the industry-specific meetings, Tech Days, to develop horizontal links between the representatives of the corporations and tech entrepreneurs. The format of the meeting aroused much interest – it was attended by more than 740 participants. In 2016, four meetings were held to discuss the corporations’ needs, growth points and new technologies in agriculture [Tech Days AGROI], power industry [Tech Days ENERGY], gaming entertainment industry [Tech Days GAMES] and metal treatment technology and mining [Tech Days MINING].

**PROJECT “TECH DAYS”**

The Project was implemented by RVC in cooperation with information resource of Firrna to discuss the technological landscape of the industry and to identify the market (corporations) request for technological developments and start-ups.

**IN 2016, WITHIN THE PROJECT:**

- Five industry events were organized with the participation of industry experts, representatives of corporations and start-ups to establish communications between tech entrepreneurs and corporations within the same industry. New technologies, potentially interesting for corporations and start-ups, operating on a specific market were demonstrated. The event topics included agriculture, energy industry, games industry, Smart City, metallurgy, and mining industry. 392 participants and 75 market experts took part in the events;

  392 PARTICIPANTS 75 MARKET EXPERTS

  took part in the events

- Two meetings of the expert center with the participation of representatives of top management of corporations were organized to analyze the problems of creating innovations in corporations and for communication of companies with start-ups;

- On the basis of a series of Tech Days, the analytical document Innovations and Corporations is being prepared in cooperation with Deloitte.
EDUCATIONAL PROGRAM FOR LARGE CORPORATIONS

IN 2016, WITHIN RVC’S PROGRAM:

- The educational program in blended learning format (80 hours) was developed and implemented to provide a comprehensive understanding of the venture capital market and gain practical experience of innovative management based on work with specific profile innovative projects. 345 applications for participation in the program were received, 56 were selected (including applications from representatives of such companies as PJSC UAC, JSC USC, Concern VKO Almaz-Antey, PJSC Rostelecom, LG Electronics, PJSC RusHydro, PJSC Rosseti, Innovation Center KAMAZ, IC TRANSNEFT). 32 experts were involved in the development and implementation of the program;
- Based on the results of the program, the participants developed 28 concepts of corporate innovation management and corporate venture investment;
- Within the project, an open online course on Corporate venture investment and tools to be used in the open innovation market was recorded.

345 APPLICATIONS for participation in the program were received
56 APPLICATIONS were selected
32 EXPERTS were involved in the development and implementation of the program
28 CONCEPTS of corporate innovation management and corporate venture investment

To contribute to the support and development of corporate accelerators, RVC and O2Consulting conducted a survey of the global and Russian experience in the development of corporate accelerators and issued the Practical Guide to Launching Corporate Accelerators. Together with R&D Directors Club, iR&Dclub, was issued the collection, Best practices of innovation management in Russian companies, containing the cases of large Russian technology companies and banks.
DEVELOPMENT OF REGIONAL ECOSYSTEMS

UNDER THE PROJECT DEVELOPMENT OF INNOVATIVE INFRASTRUCTURE, RVC SUPPORTS THE MINISTRY OF ECONOMIC DEVELOPMENT OF THE RUSSIAN FEDERATION IN TERMS OF SUPPORTING INNOVATION REGIONAL CLUSTERS, TECHNOLOGY PLATFORMS, AND ENGINEERING CENTERS.

2016 PERFORMANCE:

- Monitoring activities were completed, supporting activities were implemented with regards to 82 innovation infrastructure facilities: 27 pilot innovation regional clusters, 19 engineering centers, 36 technology platforms;
- 5 educational and communication events were held;
- Analysis of management practice in 15 foreign leading clusters was performed;
- Recommendations were developed for improving management system in innovation regional clusters (IAC), the formation of ‘competence profiles’ of IAC development management teams, drafting attestation procedure for IAC development management teams, conducting competitive selection of key employees of specialized organizations that fully support IAC development;
- Organizational and expert-analytical support was performed for the competitive selection of applications from the constituent entities of the Russian Federation for inclusion in the list of innovative area clusters;
- 4 seminars were conducted with representatives of innovation infrastructure facilities and regional authorities.

The implementation of NTI activities involves the regions of the Russian Federation in the development of regional NTI policies and plans for the development of territories in the context of NTI. At the end of 2016, development of a regional model of NTI implementation was started in 16 constituent entities of the Russian Federation, chosen upon the competitive selection. It should be noted that 54 Russian regions applied for participation.

NTI Regional Project Sessions organized by the Agency for Strategic Initiatives and NTI were held successfully in three regions. Support in the formation of the regional model for the region’s participation in the implementation of NTI was provided to the Krasnoyarsk Territory, the Tomsk Oblast and St. Petersburg. This area of RVC activities contributes to the implementation of the National Technology Initiative by adapting the regions’ social and economic agenda to the goals of developing high-technology sectors of the economy focused on global markets.

In 2016, RVC launched the educational program for regional incubators and technology parks to improve the quality of work with residents, which was attended by representatives of more than 40 infrastructure organizations from 20 regions of Russia. For three months 53 specialists, including heads of private as well as state incubators and technoparks, analyzed practical cases of the most successful infrastructure organizations. The program covered the issues of projects generation in the regions, ways of locating and selecting residents, the participants shared the tools for development of tech start-ups. Famous speakers from RVC, Skolkovo, Internet Initiatives Development Fund, Innov8 Global Advisory, the mentor of 500 Start-ups and Y-Combinator, as well as representatives of venture funds and large corporations shared their experience and secrets with participants.
Regional Consulting Practice Sessions (RCPS) program became one of the key programs implemented as part of regional ecosystems development. Regional Consulting Practice Sessions (RCPS) are the RVC’s intensive workshops, allowing participants to get an investment assessment of their project and take up skills necessary for its development. The RCPS exists for nine years. Since the launch in 2008, more than 160 intensive workshops have been conducted to give practical skills and knowledge to 11,000 entrepreneurs. The RCPS is the center of preparing the start-ups for participation in GenerationS federal accelerator.

Within the program, regional infrastructure units such as regional venture funds, regional centers of informatization, clusters, technology parks, business incubators, engineering centers are integrated into the region’s complete innovation ecosystem. Since the beginning of the program (since 2008), more than 190 regional consulting practice sessions have been held, where 11,000 people have received practical skills and knowledge. In 2016, RCPSs were conducted in 34 regions, more than 2,500 people participated in the programs, 790 companies and projects received individual consultations.

In 2016, for the third time RVC held the Ecosystem of Innovations Forum that became the key site for discussion of issues related to the regional innovation infrastructure development. The Forum attracted more than 370 specialists from 34 regions. In the course of it, the preliminary results of the Russian venture capital market in 2016 were summarized, and the algorithms were developed for adjusting universities and regional innovation ecosystems for the country’s technological development and ensuring its competitiveness at a global scale.
PROMOTION OF INNOVATIVE ACTIVITIES

RVC continues to develop the communication component of the venture capital market. In 2016, more than 290 authors took part in Tech in Media competition for journalists who are writing on topics related to science, technology and innovation. Intel was one of the partners of the competition.

Media Accelerator, a development program for thematic niche mass media, contributed to the launch of 15 projects for the promotion of technical creativity, science and new technologies. In the framework of the program, MediaMakers Conference was held for the third time; it attracted 600 participants and more than 30 experts.

Having been launched in 2014, Communication Laboratory Project continues to develop scientific communication in Russia. The project expands its geography involving new participants, including young people. In 2016, Communication Laboratory conducted more than 30 events, School of Scientific Communication was held in 10 cities, the series of workshops and lectures Science in Media and Reading were launched, as well as ComLab Junior, the course at MIPT winter school.

In 2016, in the framework of the project involving the development of technology enthusiasts’ community, 5 major technical creativity festivals were organized, which were attended by 50,000 people. Events of such format were held for the first time in Russia. Internships in Israel, China, Singapore were organized for the leaders of the Russian Center for Youth Innovation Creativity and digital laboratories [Fab Labs].

OPEN INNOVATIONS FORUM

In October, the 5th Annual Open Innovations Forum, co-organized by RVC, was held in Skolkovo Technopark. 13,500 people from 99 countries, more than 2,000 representatives of corporations, 4,000 start-ups and around 300 investors attended the Forum. 9 events of RVC were integrated into the business program of the Forum; the space was arranged in the exhibition area for workshops, presentations by GenerationS participants, project demonstrations by NTI work groups.

Among the guests of the Forum invited by RVC were the heads of the leading global corporate venture funds and companies such as Schlumberger, PepsiCo, McKinsey, Orange Digital Ventures Naspers, Evonik Industries, Rubicon Venture Capital, etc.

The project of the second National Report on Innovations in Russia was presented at the Forum; it was prepared by RVC in cooperation with the Ministry of Economic Development of the Russian Federation and Open Government.
We confirmed common interests of the ITMO University and RVC in 2016 and reaffirmed it by signing a joint Roadmap and implementing a number of project initiatives and projects aimed at developing the Russian venture capital market, creating innovative ecosystem, enhancing the global competitiveness of Russian organizations — from a set of measures to promote high-tech entrepreneurship and maker culture to acceleration programs and creation of the joint fund ITMO Venture.

The major area of cooperation in 2016 was the National Technology Initiative. NTI project office of RVC and NTI Project Management Office of our university worked in close cooperation throughout the year and it allowed for implanting the ‘gene’ of NTI in university teams and to initiate new pilot projects aimed at promoting the country’s global leadership in high-tech markets.

Vladimir Vasiliev
Rector of ITMO University
Development of University Ecosystems

RVC cooperates actively and builds partner relations with leading universities and scientific organizations in Russia. This activity is aimed at supporting tech entrepreneurship, developing technology transfer and creating an efficient service infrastructure of the National Innovation Ecosystem.

In 2016 within the activities supporting the development of innovation ecosystems of universities and strengthening their role in regional development, RVC signed cooperation agreements with The Tomsk Polytechnic University, The I.M. Sechenov First Moscow State Medical University, The National Research Nuclear University MEPhI, The Moscow Technical University (MIREA) together with Ruselectronics, as well as roadmaps with The ITMO University and The National Intellectual Development Foundation (Innopraktika). Thus, in 2016, in partnership with the ITMO University RVC organized the monitoring of innovative activities of 40 leading universities in Russia to reveal the key indicators of universities on development of technological transfer, technological entrepreneurship and economic influence of the university on regional development in general, to work out recommendations on linking university with the relevant industry and to issue a set of methodological documents for universities.

The participation of the universities in the federal GenerationS accelerator for tech start-ups has also expanded: The Ural Federal University named after B. N. Yeltsin and The Kuban State University acted as operators of accelerator tracks.

The basic Department of Technological Projects Management, established by RVC in 2012 at the Department of Innovation and High Technology of the Moscow Institute of Physics and Technology is also continuing its successful work.

The second annual Ecosystem of Innovations Forum: Universities and Scientific Organizations– 2016, held in April 2016 at the sites of the National University of Science and Technology MISiS and the Financial University under the Government of the Russian Federation, was beyond the horizon of the previous one, 870 representatives of innovative activities from more than 120 organizations visited it. The geography of scientific organizations interested in it has also expanded: eight representatives of the world’s leading universities from Israel, Korea, the Netherlands, Singapore, the United States, Switzerland, and Sweden took part in the forum as speakers. The partners of the event were: The Ministry of Education and Science of the Russian Federation, The Ministry of Economic Development of the Russian Federation, Agency for Strategic Initiatives, Innopraktika, Rusnano, The National University of Science and Technology MISiS, The Financial University, Project 5-100 [state program to support the largest Russian universities], The Federal Agency for Scientific Organizations of Russia, IR&Dclub.

In 2016, to promote the innovative development of universities, three new projects were launched:

- **Monitoring of innovative activities efficiency of universities** is aimed at developing criteria for assessing the efficiency of universities innovative activities as well as collecting information related to these indicators among the leading universities. 40 universities participated in the monitoring.

- **Evaluation of the candidate pool in relation to innovative activities for universities** is aimed at developing methodology and necessary documentation to assess the current situation and identify opportunities for improvement of the quality of the universities management capacity in innovation sphere. 50 universities participated in the research.

- **The development of ties between universities and industry** is aimed at forming new models and supporting of development and promotion of existing interaction mechanisms between higher educational establishments and large backbone enterprises. The educational guidance compiled on the basis of project results includes more than 10 examples of successful interaction between universities and industrial enterprises.

In cooperation with R&D Directors Club, methodical documents and the communication guide for universities and production sector were developed. In cooperation with the Business Alliance, the university manager competence model for innovative activities was developed, and the continuation of the project will be the creation of the pool of candidates.

Under the auspices of RVC and with the support from the Center for Strategic Development and NeuroTech industry union, the project on the efficiency improvement of technology transfer from research institutions and universities was started. Its first stage was the research of existing barriers, with over 100 representatives of universities, venture funds and innovation infrastructure being its participants.
INTERNATIONAL ACTIVITIES
RVC is a catalyst for attracting long-term foreign investments, where the Company acts as an anchor participant in funds with the participation of the international investors. In the current sanctions situation, capital mobilization opportunities are opened for fund managers in Asia and the Middle East in the first place. Chinese investors show their interest; in the last few months, investors from Japan interested in long-term operation on the Russian market under the signed interstate agreements, including venture industry, have become active. For investors from these regions, it is very important to participate in the project of public sector players, which is a sign of guarantee, reliability, and stability. RVC, managing a portfolio of about 200 companies, is very well positioned for implementation of investment projects with the international partners and specifying the direction for the development of Russian venture industry for the years to come.

Oleg Zhelezko
Managing Partner at MC Da Vinci Capital

The Israel Advanced Technology Industries (IATI) is Israel’s largest umbrella organization that unites different participants in the high tech and life science sectors. It is aiming to strengthen Israeli innovation ecosystem. IATI and RVC have been cooperating closely since 2014. RVC shares a similar vision of the development of a competitive technological ecosystem, so the IATI and RVC are open and active in building long-term relationships for the benefit of its members and partners.

For the recent three years, RVC has proven its commitment to the goals and our partnership not only ‘on paper’ but, which is more important, on a practical level by constantly initiating numerous joint projects. We believe RVC does its best to serve a connection joint, helping us to overcome cultural, language and other barriers that are inevitable in the process of building international relations.

Karin Rubinstein
CEO at IATI
IN 2016, RVC INTERNATIONAL ACTIVITIES ARE AIMED AT PROMOTION OF RVC ON GLOBAL MARKETS AS THE GOVERNMENT FUND OF FUNDS AND THE DEVELOPMENT INSTITUTION, ESTABLISHMENT OF PARTNERSHIP WITH INTERNATIONAL PLAYERS OF INNOVATION AND VENTURE ECOSYSTEMS, INCLUDING THOSE OF STATE AND BUSINESS PLATFORMS; PROVISION OF SERVICES TO SUPPORT PROJECTS ON RVC PROGRAM ACTIVITIES ABROAD, PROMOTION OF RUSSIAN TECHNOLOGY COMPANIES INCLUDING COMPANIES FROM RVC POOL.

RESULTS

- In 2016, the annual exports of RVC-backed portfolio funds comprised USD 43.1 million;
- Number of supported companies – 52;
- Number of events for business interaction and the promotion of companies – 12;
- Number of events for state interaction for RVC promotion – 11;
- Number of foreign experts and partners involved – 30 persons;
- Number of analytical reports on foreign technology markets – 15.
I believe that the prospects for cooperation between the Venture Committee of the All-China Association for the Financial Promotion of Science and Technology and RVC are extremely broad. If we are able to transform and implement the specific and comprehensive joint initiatives under the Belt and Road strategy of the PRC, by making efforts to promote co-financing approaches as a starting point for a future mutually beneficial partnership, then we will systematic achieve impressive successes in various directions.

I believe that we need to create systemic cooperation mechanisms. It is necessary to unite the political resources of China and Russia to develop special zones of bilateral cooperation. We need to initiate one or several joint funds and as institutional investors (LP) to attract large corporations and state management funds interested in the implementation of cross-border transactions. Together with ministries, departments and development institutions, it is advisable to sign an agreement on strategic cooperation to form an online platform of projects. It is necessary to organize large-scale events on a regular basis, to invite representatives of business, financial, state circles for joint work, it is necessary to help representatives of business and investment funds to find each other.

Our cooperation should first of all be based on comprehensive communication, mutually beneficial information exchange about the companies to search for partners and implement co-financing models.

**Xiu Xiaoping,**
Chairman of the Venture Committee of the All-China Association for the Financial Promotion of Science and Technology
In 2016, RVC implemented a number of projects abroad, including in South Korea, Israel, Singapore, USA, China, India and in several European countries.

Thanks to RVC foreign partner network and representatives network, more than 50 Russian tech companies gained access to infrastructure, analytics, and support tools to enter international markets and build partner relations for business development.

By the end of 2016, more than 30 countries are represented in RVC international partner pool; on a periodic basis, in particular on such national platforms as Open Innovations Forum, events for sharing the best international practices within programs of state support for innovations development were organized with these countries under their innovation policies.

In 2016, technology companies from RVC pool were provided with access to 12 sites for business interaction, RVC initiatives and projects for the development of the Russian venture capital market and innovative ecosystem were presented at 11 sites of state interaction.

As a result of interaction with the profile communication platforms, RVC attracted international partners for both companies and innovative ecosystem projects, such as GenerationS business accelerator, the priority project of the Ministry of Economic Development for supporting high-tech leading companies National Champions and TechUp rating.

According to the roadmap on the interaction of the Skolkovo Foundation and RVC, a coordination mechanism for the international activities of development institutes was established. Its main objectives are to improve the quality of joint projects, optimize resources and expand the audience.

Integrating efforts to promote Russian high-tech products and services to foreign markets, RVC signed a cooperation agreement with the Russian Export Center, which enables both parties to use a greater number of support tools.

The development of RVC’s international partner network facilitates the integration of the Russian technology business into the international professional community, including corporations, investors, business angels and technology experts. Recognition of RVC projects and initiatives on the international arena, such as TechUp, National Championships and GenerationS, is enhanced by the long-standing partnerships and regular activities of RVC with foreign partners in various countries around the world.
**MAIN RVC’S INTERNATIONAL ACTIVITIES**

**KOREA**
For the second year in a row, within bilateral cooperation, a series of mirror events were held in Russia and Korea. In June 2016, Korea’s High-Tech Business Week was held in Moscow, and in December Russian companies repaid a visit to Seoul and Kangido Province. The events resulted in the signing of cooperation agreements with the Korea Institute for Advancement of Technology (KIAT) and the Samsung Research Center. Systematic work with them is performed for creating technology alliances with Russian companies.

**CHINA**
In 2016, RVC arranged the first Russian-Chinese forum Investing in Innovations. Within the forum, the delegation of Chinese venture investors from 16 investment funds and financial institutes visited Russia. The forum started a dialogue on cooperation related to investment and innovation with a number of the largest and highly reputed representatives of the innovation ecosystem of China (Shenzhen Capital, TUS Holding, CASEC, Magic Stone Alternative, etc.), and helped to promote RVC as a competence center for venture investment in foreign markets.

**INDIA**
As part of expanding cooperation with India, technology companies of RVC pool participated in the Second Smart Cities India Conference and presented their products at the BRICS Trade Fair in Delhi. Based on the results of participation in RVC booth, one of the companies of TechUp rating opened a representative office in India and is currently developing business in the country. Intensive cooperation with the region in 2016 enabled the creation of a partner network and sign the first cooperation agreements with the Indian Science and Technology Entrepreneurs Parks and Business Incubator Association (ISBA).
In 2016, six companies of RVC pool were represented at TechVenture and TechInnovation technology platforms in Singapore, which drew the attention of international investment and technology community to Russian innovative robotics, medical equipment and software companies.

Efficient participation of RVC-backed funds and participants of the GenerationS Accelerator in foreign events was facilitated by the Company’s study of up-to-date information on activities of different regions related to supporting of innovations.

In 2016, regular activities were continued to develop a partnership with the business community of Israel, as part of the activities experts from representatives of leading universities, business associations, and infrastructure of Israel took an active part in key events of RVC: RVC Partner Conference, the Ecosystem of Innovations Forum, Open Innovations Forum.

In 2016, more than 200 meetings for the pool of RVC companies were held on such large technological and industrial platforms as MEDICA 2016 in Dusseldorf (Germany), SLUSH in Helsinki (Finland), Global Identity Summit 2016 in Florida (USA), ASIA TV in Singapore, etc.
7 FINANCIAL RESULTS FOR 2016
FINANCIAL RESULTS FOR 2016

IN 2016, THE REVENUES OF RVC AMOUNTED TO RUB 2,132.8 MILLION.

As of December 31, 2016, monetary resources held in the Company’s accounts amounted to RUB 20,785.3 million. Net assets as of December 31, 2016, amounted to RUB 36,135.0 million.

During 2016 RVC did not attract borrowed funds in the form of loan or credit. The Company has no overdue accounts payable, including budgets and non-budgetary funds.

<table>
<thead>
<tr>
<th>Monetary resources held in the Company’s accounts as of December 31, 2015</th>
<th>Net assets as of December 31, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>RUB 20,785.3 million</td>
<td>RUB 36,135.0 million</td>
</tr>
</tbody>
</table>
8 CORPORATE GOVERNANCE
RVC corporate governance model is developed in accordance with the requirements of the Russian legislation, the recommendations of the Federal Property Management Agency and the main principles of the Corporate Governance Code recommended by the Bank of Russia.

RVC Charter and internal provisions set the principles and procedures for corporate governance, the structure and competence of the Company’s management and supervision bodies.
The Russian Federation owns 100% of RVC shares. On behalf of the Russian Federation, the shareholder rights are exercised by the Federal Agency for State Property Management (Rosimushchestvo). The General Meeting of Shareholders is the supreme governing body of the Company, making decisions on the most important issues, including approval of the Company’s Charter and major transactions, the election of members to the Board of Directors and both collective and sole executive bodies of the Company.

In 2016, five General Meetings of RVC Shareholders (one annual and four extraordinary meetings) were held to make resolutions of the following agenda items:

- Approval of the Annual Report, annual statements and distribution of profit for 2015;
- Election of the CEO of RVC, members of the Board of Directors, the Management Board and the Audit Commission of RVC;
- Approval of the Auditor of RVC financial statements for 2016;
- Approval of the amendments to the internal documents, regulating the activities of RVC governance bodies.

The Board of Directors of RVC is a collective governing body, determining the priority development areas and development strategy of RVC, performing general management of the Company’s activities, except for resolving the issues falling within the competence of the General Meeting of Shareholders, and also controls the activities of the Management Board and sole executive bodies of RVC.

The procedure for selecting candidates to RVC Board of Directors is determined by the sole shareholder: the candidates are selected by the commission of the Federal Agency for State Property Management. The Board of Directors shall include representatives of the interests of the Russian Federation (professional trustees, civil officers) and independent directors.

Members of the Board of Directors are elected by the General Meeting of Shareholders for the period until the next annual meeting. The Board of Directors shall consist of at least five members.

From January 1, 2016, through June 30, 2016, the Board of Directors performed its activities in the composition, approved at the Annual General Meeting of Shareholders on June 30, 2015. Following the results of 2015, the Board of Directors was re-elected by the resolution of the Annual General Meeting of Shareholders. As of December 31, 2016, the Board of Directors consisted of nine members, including two independent directors, seven representatives of the Russian Federation (including two public officers and five professional trustees).
MEMBERS OF THE BOARD OF DIRECTORS

ALEXANDER AUZAN
(Independent Director)
Head of the Department of Applied Institutional Economics, Dean of Faculty of Economics at Lomonosov Moscow State University, Ph.D. in Economics, Professor

VASILY BELOV
CEO of Skolkovo-Venture Investments LLC

GLEB NIKITIN
First Deputy Minister of Industry and Trade of the Russian Federation

BORIS NURALIEV
CEO of 1C Joint Stock Venture

DMITRY PESKOV
Director of Young Professionals Division of the Agency for Strategic Initiatives

ALEXANDER POVALKO
CEO of RVC

SERGEY POLYAKOV
CEO of Foundation for Assistance to Small Innovative Enterprises

YURI UDALTSOV
Deputy Chairman of the Executive Board of RUSNANO MC LLC

OLEG FOMICHEV
State Secretary, Deputy Minister of Economic Development of the Russian Federation
MEETINGS OF THE BOARD OF DIRECTORS

In 2016, 26 meetings of the Board of Directors were held, including 17 meetings in the form of absentee voting.

In the reporting period, the following issues were reviewed at the meetings of the Board of Directors:

<table>
<thead>
<tr>
<th>No.</th>
<th>Subject</th>
<th>Number of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Determining the Company’s priority business lines: approving the strategic documents for the long-term period, annual Business Plan and budget of RVC, establishing the Company’s KPIs</td>
<td>14</td>
</tr>
<tr>
<td>2</td>
<td>Establishing RVC-backed venture capital funds in accordance with the Provisions on the procedure for selection of asset management companies for transferring to them the fiduciary management of monetary funds of the open joint stock company Russian Venture Company</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>Approval of transactions within the competence of the Company’s Board of Directors</td>
<td>19</td>
</tr>
<tr>
<td>4</td>
<td>Approval of RVC by-laws</td>
<td>12</td>
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<tr>
<td>5</td>
<td>Issues initiated for consideration by the Federal Agency for State Property Management pursuant to execute the instructions of the President and the Government of the Russian Federation</td>
<td>10</td>
</tr>
<tr>
<td>6</td>
<td>Issues related to the activities of RVC-backed venture capital funds</td>
<td>18</td>
</tr>
<tr>
<td>7</td>
<td>Reporting issues: relating to the selection of management companies and venture capital funds, RVC performance, KPI performance, operation of internal audit and risk management systems, RVC’s procurement activities, etc.</td>
<td>20</td>
</tr>
<tr>
<td>8</td>
<td>Issues related to composition of the Company’s Management Board and concurrent serving of its members in the governance bodies of other companies</td>
<td>1</td>
</tr>
<tr>
<td>9</td>
<td>Issues related to the arrangements for the General Meeting of Shareholders of RVC</td>
<td>9</td>
</tr>
<tr>
<td>10</td>
<td>Issues related to development, selection, implementation, and monitoring of projects in order to perform Action Plans (roadmaps) of the National Technology Initiative in accordance with the Regulations approved by the Resolution of the Government of the Russian Federation No. 317 of April 18, 2016</td>
<td>8</td>
</tr>
<tr>
<td>11</td>
<td>Issues related to formation of Committees of RVC Board of Directors</td>
<td>12</td>
</tr>
<tr>
<td>12</td>
<td>Other</td>
<td>19</td>
</tr>
</tbody>
</table>
COMMITTEES OF THE BOARD OF DIRECTORS

To perform primary analysis of materials and issue recommendations on the most important issues, the following Committees were formed under the Board of Directors of RVC:

- Strategic Planning Committee;
- Personnel and Compensation Committee;
- Audit and Ethics Committee;
- Corporate Governance Committee.

The committees operate on the basis of the Provisions on Committees of the Board of Directors of RVC. The Committees are composed of members of the Board of Directors of RVC, the representatives of federal ministries, business and the innovation and venture capital markets. The Committees are headed by members of the Board of Directors of RVC.

The members of the Committees of the Board of Directors performing their duties as of the end of the reporting period were elected by the Board of Directors of RVC on August 18, 2016.

STRATEGIC PLANNING COMMITTEE

The Strategic Planning Committee assists the Board of Directors in developing resolutions on determining strategic goals and priority activities, forming RVC development strategy and annual Business Plans, and issuing recommendations to the Board of Directors for making decisions on the Company’s strategic development and evaluating the Company’s long-term performance. In addition, starting from 2015, the Committee is authorized to review the plans of RVC activities as part of the functions of the Project Office of the National Technology Initiative, monitor their implementation and prepare proposals for their improvement.

MEMBERS OF STRATEGIC PLANNING COMMITTEE

Chairman of the Committee: Dmitry Peskov, Director of Young Professionals Division of the Agency for Strategic Initiatives.

COMMITTEE MEMBERS:

- Grigory Andrushak, Adviser to the CEO of RVC;
- Alexander Auzan, Head of the Department of Applied Institutional Economics, Dean of Faculty of Economics at Lomonosov Moscow State University, Ph.D. in Economics, Professor;
- Pavel Bulavin, Director of the Project Office of the National Technology Initiative (NTI);
- Vasily Burov, Chairman of the Board of Directors of WikiVote, member of the Expert Council of the Government of the Russian Federation;
- Ekaterina Inozemtseva, Vice President, Director for Strategy at Skolkovo Foundation;
- Evgeny Kovnir, Deputy Director of Young Professionals Division of the Agency for Strategic Initiatives;
- Evgeny Kuznetsov, Deputy CEO and Head of Project Office of RVC;
- Alexander Lupachev, Director of Russia Partners;
- Vasily Osmakov, Deputy Minister of Industry and Trade of the Russian Federation;
- Oleg Teplov, Administrator of the Presidential Experts Directorate;
- Oleg Khorokhordin, Deputy Head of the Secretariat of the Deputy Chairman of the Government of the Russian Federation;
- Artem Shadrin, Director of Strategic Development and Innovation Department of the Ministry of Economic Development of the Russian Federation.

In 2016, the Strategic Planning Committee held five ordinary meetings.

PERSONNEL AND COMPENSATION COMMITTEE

The Personnel and Compensation Committee assists the Board of Directors with the development of systems for staff motivation (including members of the Management Board) and respective by-laws of the Company that determine the bonus system, as well as the proposals for improving this system.

MEMBERS OF PERSONNEL AND COMPENSATION COMMITTEE

Chairman of the Committee: Boris Nuraliev, CEO of 1C Joint Stock Venture.

COMMITTEE MEMBERS:

- Alexey Germanovich, Professional Independent Director;
- Ekaterina Gorokhova, Vice President and CEO of Kelly Services Inc.;
- Sergey Leshchenko, Deputy Director of the Department of Strategic Development and Innovation of the Ministry of Economic Development of the Russian Federation;
- Alexander Lupachev, Director of Russia Partners;
- Anna Nesterova, Deputy Director of Social Projects Division of the Agency for Strategic Initiatives, Head of the Inclusive Environment Sector of the Sberbank’s Contribution to the Future Charity Fund, Deputy Head of the Task Force on Social Integration of Young People with Disabilities, established under the Presidential Commission of the Russian Federation for the Disabled.

In 2016, the Personnel and Compensation Committee held three meetings (including one absentee meeting).
AUDIT AND ETHICS COMMITTEE

The Audit and Ethics Committee assists the Board of Directors with issues regarding the approval of non-financial reporting, verification of KPI calculation, as well as with issues related to internal control, audit, risk management, and ethics system.

MEMBERS OF AUDIT AND ETHICS COMMITTEE

Chairman of the Committee: Yuri Udaltsov, Deputy Chairman of the Executive Board, Head of the Venture Capital Investment Division, RUSNANO MC LLC.

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee assists the Board of Directors in developing and improving corporate governance systems and practices.

MEMBERS OF THE CORPORATE GOVERNANCE COMMITTEE

Chairman of the Committee: Alexander Auzan, Head of the Department of Applied Institutional Economics, Dean of Faculty of Economics at Lomonosov Moscow State University, Ph.D. in Economics, Professor.

COMMITTEE MEMBERS:
- Sergey Borisov, Chairman of the Board of Trustees of OPORA RUSSIA, All-Russian Non-Governmental Organization for Small and Medium Business;
- Oleg Byakhov, Business Development Executive, IBM Russia & CIS;
- Sergey Leshchenko, Deputy Director of the Department of Strategic Development and Innovation of the Ministry of Economic Development of the Russian Federation;
- Sergey Polyakov, CEO of Foundation for Assistance to Small Innovative Enterprises.

In 2016, the Audit and Integrity Ethics held four meetings (including one absentee meeting).

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee assists the Board of Directors in developing and improving corporate governance systems and practices.

MEMBERS OF THE CORPORATE GOVERNANCE COMMITTEE

Chairman of the Committee: Alexander Auzan, Head of the Department of Applied Institutional Economics, Dean of Faculty of Economics at Lomonosov Moscow State University, Ph.D. in Economics, Professor.

COMMITTEE MEMBERS:
- Vladimir Verbitsky, First Deputy Director of the Russian Institute of Directors;
- Evgeny Kuznetsov, Deputy CEO and Head of Project Office of RVC;
- Victoria Semerikova, Member of the Audit Commissions of Gazprom and Russian Railways;
- Vladislav Fedotov, Director, Member of the Management Board of Directorium (Professional Community of Directors) Association, Adviser to the CEO of RVC;
- Sergey Tsygankov, Lawyer of Forum Analytical Center.

In 2016, The Corporate Governance Committee held two ordinary meetings.
The Management Board, the executive body of RVC, performs management of day-to-day operations, strategic management and control of activities of RVC subsidiaries and ensures implementation of the Company’s main strategic documents and resolutions of the General Meeting of Shareholders and the Board of Directors.

Activities of the Management Board are regulated by the Charter and the Provisions on the Management Board of RVC. The Management Board of RVC is accountable to the Board of Directors and the General Meeting of Shareholders.

MEMBERS OF THE MANAGEMENT BOARD

The membership of the Management Board of RVC which was effective as of December 31, 2016, was elected by the decisions of the Extraordinary General Meeting of Shareholders of May 10, 2016 (Order of the Federal Property Management Agency No. 352-r of May 10, 2016), General Meeting of Shareholders of June 30, 2016 (Order of the Federal Property Management Agency No. 518-r of June 30, 2016).

The CEO of RVC is the Chairman of the Management Board of RVC.
MEMBERS OF THE MANAGEMENT BOARD

PAVEL ALFEROV
First Deputy Head of the Project Office of the National Technology Initiative, Director of the Project, Programs and Portfolio Management Center

GULNARA BIKKULOVA
Deputy CEO, Director for Development

VLADIMIR BOTANTSOV
Head of Risk Analysis and Internal Control Department

PAVEL BULAVIN
Director of the Project Office of the National Technology Initiative

ANDREY VVEDENSKY
Deputy CEO, Head of Investment Programs

EVGENY KUZNETSOV
Deputy CEO, Head of Project Office

ALEXANDER POVALKO
Chairman of the Management Board

ALEXANDER POTAPOV
Deputy CEO, Chief Operations Officer

Composition of the Management Board as of December 31, 2016

Biographies of members of the Management Board are available at:
http://www.rvc.ru/about/governance/board/

Members of the Management Board neither hold any shares of RVC nor entered into any transactions with them during the reporting year.
COMMITTEES OF THE MANAGEMENT BOARD

The following committees operate under the Management Board of RVC:

- Procurement Committee was formed to optimize the planning of procurement and maximize the efficiency of the Company’s procurement of goods, works and services;
- Ethics Committee was formed to efficiently work out the issues of corporate ethics and solve conflict management.

MEETINGS OF THE MANAGEMENT BOARD

Ordinary meetings of the Management Board shall be convened twice a month. From time to time, the meetings may be convened more frequently, including by means of absentee voting.

During the reporting year, the Management Board held 32 meetings (27 ordinary meetings and 5 absentee meetings) and reviewed the following items:

<table>
<thead>
<tr>
<th>No.</th>
<th>Items</th>
<th>Number of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>RVC Business Plan implementation for 2016</td>
<td>114</td>
</tr>
<tr>
<td>2</td>
<td>Determining of the position of RVC representatives in the funds created with the participation of the RVC capital, as well as consideration of other items related to the activities of RVC funds (including subsidiaries)</td>
<td>55</td>
</tr>
<tr>
<td>3</td>
<td>Consideration of reporting items (on RVC activities, on activities of structural units, etc.)</td>
<td>13</td>
</tr>
<tr>
<td>4</td>
<td>Consideration of internal items related to arrangement of the Company’s work, including financial planning, procurement activities, etc.</td>
<td>29</td>
</tr>
<tr>
<td>5</td>
<td>Items related to International activities of RVC</td>
<td>3</td>
</tr>
<tr>
<td>6</td>
<td>Other</td>
<td>5</td>
</tr>
</tbody>
</table>

DIRECTOR OF NTI PROJECT OFFICE

DIVIDEND POLICY

IN ACCORDANCE WITH THE DECREES OF THE GOVERNMENT OF THE RUSSIAN FEDERATION AND THE DIRECTIVES OF THE FEDERAL AGENCY FOR STATE PROPERTY MANAGEMENT, RVC ALLOCATES 25% OF THE COMPANY’S ANNUAL NET PROFIT FOR DIVIDEND PAYMENT. IN THE ABSENCE OF PROFIT, NO DIVIDEND PAYMENT IS MADE.

ADVISORY BOARD

THE ADVISORY BOARD OF RVC PROVIDES EXPERT RECOMMENDATIONS TO THE COMPANY’S GOVERNANCE BODIES ON CURRENT ISSUES OF THE INNOVATION MARKET DEVELOPMENT AND RENDERS EXPERT SUPPORT TO CURRENT AND PROSPECTIVE PROGRAMS AND INITIATIVES.
MEMBERS OF THE ADVISORY BOARD:

**SERGEY BEOUSOV**  
CEO of Acronis

**ALEXEY BOROVKOV**  
Vice-Rector for Perspective Projects, St.Petersburg State Polytechnical University

**ALEXANDER GALITSKIY**  
Managing Partner, Almaz Capital Partners, Advisory Board Coordinator

**LEONID GOKHBERG**  
First Vice Rector of the Higher School of Economics, Director of the Institute for Statistical Studies and Economics of Knowledge of the Higher School of Economics, Editor in Chief of the Foresight scientific journal

**ANDREY ZOTOV**  
Managing Partner, ADJ Consulting

**MICHAEL ALEMU GORSKY**  
CEO and Founder of Tochka Publishing

**ALEXANDER IDRISOV**  
Founder and CEO of Strategy Partners Group

**GERMAN KAPLUN**  
Director for Strategic Development, TMT Investments

**MIKHAIL KIRPICHNIKOV**  
Dean of the Department of Biology, Moscow State University

**VLADIMIR KNYAGININ**  
President of the Moscow Fund for the Center for Strategic Research, Chairman of the Management Board of the CSR “North-West”

**MIKHAIL KOZLOV**  
Independent Expert

**MIKHAIL KRASNOSOV**  
Founder of Verysell
Mikhail Krasnov  
CEO of Russian Technological Agency

Nickolay Lebedev  
Chairman of the Supervisory Board of Transas Group

Dmitry Mendrelyuk  
Independent Expert

Albina Nikkonen  
Executive Director, RVCA

Aleksey Ponomarev  
Vice President for Strategy and Industry Communications of Skolkovo Institute of Science and Technology

Yury Simachev  
Deputy CEO of the Russian Science Fund

Ekaterina Shapochka  
Executive Director of Forum Analytical Center

Andrey Sharonov  
Rector of Skolkovo Moscow School of Management

Mark Shmulevich  
Chief Strategy and Operations Officer, Acronis

Yan David  
Chairman of the Board of Directors, ABBYY

Marina Yanina  
Vice President for Corporate Relations, Yandex
AUDIT, CONTROL AND RISK MANAGEMENT

The key audit, control and risk management bodies of RVC are as follows: Audit Commission, Risk Analysis and Internal Control Department and Internal Audit Department. Reliability of the financial (accounting) statements of the Company is also inspected by an external independent auditor approved by the General Meeting of Shareholders based on the results of an open bidding.

Development and improvement of the control, audit and risk management systems in RVC is carried out with an account of the best practices of corporate governance.

AUDIT COMMISSION

Control over financial and economic activities of RVC in order to improve its efficiency and protect the interests of its shareholders is performed by the Audit Commission elected at the General Meeting of Shareholders of the Company.

The Audit Commission is composed of not less than three and not more than five members. Members of the Audit Commission shall not concurrently be members of the Board of Directors or hold other positions in the governance bodies of RVC.

Members of the Audit Commission (elected by the resolution of the Annual General Meeting of Shareholders of June 30, 2016):

- Aleksey Demchishin, Council of the Deputy Head of the Management Board of St. Petersburg Bank – an independent expert;
- Ivan Chigirin, member of the Institute of Internal Auditors, certified internal auditor – an independent expert;
- Nikolay Starchenko, Deputy Chairman of the Management Board of the National Association of Corporate Directors, as an independent expert;
- Evgeny Chutkin, Associate Professor of the International Law Institute – an independent expert.

INTERNAL CONTROL AND AUDIT

The system of internal control and audit ensures that activities of RVC and its subsidiaries comply with the procedures established by Russian legislation and the Company’s by-laws.

In the reporting period, the Company carried out the following activities to improve the organizational and legal platform of the internal control and audit system functioning:

- Approved the Internal Audit Policy of RVC;
- Established the Internal Audit Directorate;
- Activities to improve the efficiency of internal audit in RVC were carried out upon results of the self-assessment performed by the Internal Audit Department.

In 2016, the Internal Audit Department inspected the target expenditure and application efficiency of the invested funds of four portfolio companies and performed planned audits of financial and economic activities of RVC subsidiaries. No facts of theft, embezzlement or misuse of property were identified in the course of inspections.

RISK MANAGEMENT

Risk identification and response is one of the parts of RVC’s corporate governance activities. Risk management is a systematic, continuous process that involves each of the Company’s activities.

RVC’s organization chart for risk management includes the Board of Directors, the Audit and Ethics Committee of the Board of Directors, CEO, Risk Analysis and Internal Control Department\(^1\) and regular task force on risk management. Control over the efficiency of risk management in subsidiaries is an integral part of the Company’s Risk Management: Risk Analysis and Internal Control Department employees, as members of the Audit Commissions of subsidiaries, verify the existence and functioning of the internal control system and the risk management system.

\(^1\)Reports directly to CEO
INVESTMENT DECISION-MAKING PROCESS

Control over arrangement of the investment process in funds, portfolio companies and management companies by RVC is carried out by the Project Analysis Service of the Investment Department of RVC and the Investment Portfolio Monitoring Service.

The Project Analysis Service evaluates investment attractiveness of innovative projects and develops voting recommendations for members of investment committees of the funds created with the involvement of RVC, taking into account the identified risks. RVC representatives review the projects and take voting decisions at the meetings of the funds’ investment committees, taking into account the submitted recommendations.

RESPONSIBILITIES OF THE INVESTMENT PORTFOLIO MONITORING SERVICE:

1. Monitoring the current status of RVC-backed funds and their portfolio companies.
2. Performing post-investment analysis of funds and portfolio companies, including the control of KPIs performance, the assessment of investment memorandums, financial models and business plans implementation as well as the cost of assets and potential recoveries.
3. Developing methodological recommendations for managing companies aimed at increasing the efficiency of funds and their portfolio companies.
4. Rendering expert methodological support to RVC-backed funds and regional venture funds, supported by RVC in terms of various investment instruments application.
5. Conducting educational seminars for employees of regional venture funds, supported by RVC.

Employees of the Monitoring Service participate in the meetings of collective management bodies, in approval and performance monitoring of the resolution of trustee and supervisory boards, develop recommendations for improving operations and extending the functions of regional venture funds, supported by RVC.
SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT
SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

BEING A STATE FUND OF FUNDS AND DEVELOPMENT INSTITUTE OF THE RUSSIAN FEDERATION, RVC IS A KEY INSTRUMENT OF THE STATE IN TERMS OF CREATING A NATIONAL INNOVATION SYSTEM.

The Company’s efforts to build a national innovation system are non-commercial and socially oriented. The importance of the targets being solved by the Company imposes a particular responsibility for the impact on the social and economic well-being of society.

From the point of view of the current international agenda, RVC’s activities contribute to the achievement of the UNO’s sustainable development goal for the period up to 2030, Industry, Innovation & Infrastructure. RVC shares the principles of responsible business management of the Social Charter and the Anti-Corruption Charter of the Russian Business.

The Company’s activities are focused on both developing venture industry in Russia and creating educational and methodological services for market participants, increasing global competitiveness of Russian technology companies.

In its strategy, RVC strives to follow the principles of corporate social responsibility and sustainable development, ensures openness to market participants, partners, employees, society and the state.

INTRODUCTION OF INFORMATION TECHNOLOGIES

PROJECTS TO IMPROVE THE EFFICIENCY OF THE INFORMATION AND TECHNOLOGICAL SUPPORT OF RVC ACTIVITIES ARE BEING IMPLEMENTED ON THE BASIS OF THE CURRENT AND FUTURE CHALLENGES FACING THE COMPANY.

In the reporting year, significant attention was paid to the development of the information support system for the operations of NTI Project Office: introduction of an integrated project management system, development of the IT strategy for NTI Project Office, introduction of NTI crowdsourcing system [based on WikiVote crowdsourcing platform] and fitting up a new office of NTI. In addition, a project on arranging cloud hosting of RVC computing resources was being implemented.
HUMAN RESOURCE MANAGEMENT

HR POLICY OF RVC IS AIMED AT ENSURING THE IMPLEMENTATION OF PROJECTS AND INITIATIVES, ACHIEVING KEY PERFORMANCE INDICATORS, MAINTAINING A BALANCE OF INTERESTS BETWEEN EMPLOYEES AND THE EMPLOYER.

The set goals determined the following focuses of HR policy of RVC in 2016:

1. Ensuring an optimal balance of updating and maintaining the number and quality of personnel in accordance with the needs of the Company in compliance with the requirements of the current legislation;

2. Increasing efficiency of work and maintaining a high level of professional competence of the personnel;

3. Maintaining and improving a positive social and psychological climate in the Company.

RVC’s average headcount in 2016 amounted to 168 people.

RVC traditionally focuses on the development and training of its personnel. In the reporting period, 70 employees completed training at 43 advanced training courses. The Company’s employees were actively participating in various seminars and trainings.

PROCUREMENT ACTIVITIES


KEY PRINCIPLES OF PROCUREMENT:

- Accessibility of procurement information;

- Transparency of procurement, which enables the possibility of monitoring and control at any stage of the procurement process;

- Application of preferential competitive procedures for selecting suppliers, executors and contractors: competition, auction, request for commercial proposals, competitive negotiations, request for quotations / prices, price comparison;

- Equality, fairness, absence of prejudice, discrimination or unwarranted restrictions on competition, towards the parties of the procurement process, including the prohibition of coordination of the procurement process by the Company or the creation of beneficial conditions thereto;

- Cost-effective expenditure of monetary funds for the procurement of goods, works and services, and for cost-cutting arrangements;

- Establishment of measurable requirements for participants in the procurement process.


In 2016, the volume of purchases amounted to RUB 1,039,372.7 thousand, while the volume of competitive procedures amounted to RUB 527,163 thousand or 53.03%, in 2015 — RUB 444,695 thousand or 57.58%.

The share of procurements from SME in 2016 made 45.96% of the total amount of procurement.
ANTI-CORRUPTION EFFORTS

IN 2016, THE COMPANY ADOPTED THE ANTI-CORRUPTION POLICY OF RVC — THE KEY DOCUMENT FOR THE PREVENTION, DETECTION, SUPPRESSION AND MINIMIZATION OF CONSEQUENCES FROM POSSIBLE EVIDENCE OF CORRUPTION IN THE COMPANY.

Anti-Corruption Policy reflects the commitment of RVC and its employees to high ethical standards of business conduct, concern for business reputation, as well as the desire to improve corporate culture and adhere to the best practices of corporate governance.

Within its competence RVC initiates introduction of its own anti-corruption policies in its subsidiaries that are similar to the Anti-Corruption Policy of RVC; makes efforts to comply with provisions on the document in activities of joint companies and associations, as well as counterparties of the Company.

Since 2015, RVC has been included in the consolidated register of participants of the Anti-Corruption Charter of Russian Business of the Russian Union of Industrialists and Entrepreneurs (RSPP), which confirms the Company’s adherence to the principles of preventing and combating corruption.

KEY AREAS OF THE ANTI-CORRUPTION ACTION PLAN OF RVC IN 2016

- **Anticorruption Monitoring (Analysis of Statutory and Operating Activities of RVC)**
- **Maintaining of Feedback System Provided by the Code of Corporate Ethics of RVC**
- **Participating in On-the-Job Inspections and Advising the Commissions Employees on Holding Internal Inspections**
- **Ensuring Inclusion of Anti-Corruption Conditions (Clauses) in Contracts with Counterparties**
- **Maintaining and Updating of the Register of Persons Obliged to Provide Information on Any Interest in the Transactions Made by RVC**
- **Developing and Approving the Provisions on the Procedure for Identifying and Resolving the Conflict of Interests of RVC Employees (Order No. 36/16 of April 5, 2016)**
- **Updating of Anti-Corruption Section on RVC Official Website**
- **Analysing Applications and Publications in the Media on RVC Activities**
TO PREVENT AND COMBAT CORRUPTION, THE COMPANY APPROVED THE ANTI-CORRUPTION ACTION PLAN, THE REPORT ON ITS IMPLEMENTATION IS SUBJECT TO ANNUAL REVISIGN BY THE BOARD OF DIRECTORS OF RVC.

PERFORMANCE OF THE ANTI-CORRUPTION ACTION PLAN IN 2016:
- No cases of non-compliance by RVC employees with anti-corruption legislation were detected;
- No requests from citizens and organizations with information about corruption in RVC were received during the reporting period;
- No conditions that facilitate corruption in the activities of RVC were detected.

Update of the Company’s Anti-Corruption Action Plan is planned for 2017, as well as a number of internal regulations on combating corruption. RVC is also planning to prepare and send to RSPP the report on compliance with provisions of the Anti-Corruption Charter of Russian Business.
RVC IN FIGURES STATEMENT FROM CEO RUSSIAN VENTURE CAPITAL MARKET DEVELOPMENT OF NTI PROJECT OFFICE INTEGRATION WITH THE SKOLKOVO FOUNDATION INVESTMENT ACTIVITY
APPENDICES

INTERNATIONAL ACTIVITIES
FINANCIAL RESULTS FOR 2016
CORPORATE GOVERNANCE
SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT
INNOVATION ECOSYSTEM DEVELOPMENT
REVIEWS AND SURVEYS OF RUSSIAN INNOVATION ECOSYSTEM

NATIONAL REPORT ON INNOVATIONS IN RUSSIA IN 2016

The Report was prepared in cooperation with the Ministry of Economic Development of the Russian Federation, Open Government and RVC.

The main idea of the document is the creation of tools for involving large business in the innovative development of Russia. The goal of this Report is to make a transition from general recommendations on priorities of the innovation policy specified in 2015 Report to the development of specific measures that can accelerate the technological development of the country.


MONITORING OF INNOVATIVE ACTIVITIES EFFICIENCY OF RUSSIAN UNIVERSITIES

The report on the results of the study of ITMO University and RVC describes the methodology and results of monitoring of the innovative activities efficiency of Russian Universities on the basis of the example of National Research Universities, universities participating in 5–100 Project, Federal Universities. The report provides recommendations on the choice of backbone international and Russian university ratings and proposals for cooperation with them.


SCIENCE AND TECH START-UP EXPERTISE

Analysis of Russian market of science and tech start-up expertise was conducted by Autonomous Non-Profit Organization Informatsionnaya Kultura on request of RVC. Summary Report contains current status and maturity level of the market, key goals of its development.

http://www.rvc.ru/upload/iblock/144/RVC_project_expertise.pdf

FROM TECHUP NATIONAL RATING TO NATIONAL CHAMPIONS. TECHUP–2016 NATIONAL RATING FOR HIGH-TECH FAST DEVELOPING COMPANIES

TechUp national rating being held since 2012 proved itself as an efficient tool for seeking out, monitoring and promotion of promising fast developing Russian medium-sized technology companies.

The rating is supplemented with detailed information on the companies included in it, and the analytical report of the Institute of Innovation Management of the Higher School of Economics. The report was prepared based on the analysis of forms and methods of supporting similar companies abroad, analyzing the efficiency of Russian state policy perspectives in this area, as well as surveys and in-depth interviews with the leaders of the companies participating in TechUp rating.

OVERVIEW OF THE MARKET OF DIRECT AND VENTURE INVESTMENTS FOR 2016

The overview was prepared by the Russian Venture Capital Association, it provides information on the performance of Russian and foreign institutional investors [Russian and foreign funds, as well as business accelerators, investing money and having their own (partner) fund]. Direct and venture investments of funds, exit transactions are analyzed.

The overview was prepared based on the methodology developed in 2014 and updated in 2015 that ensures comparability of the results of the study of the Russian market of direct and venture investments. Data on more than 250 funds, included in the Expert Database of the Russian Venture Capital Market (created by RVCA with support from RVC), were taken into account.


ASSESSMENT OF ADVANTAGES AND DISADVANTAGES OF THE INSTITUTIONAL ENVIRONMENT, NATIONAL ECONOMY AND LEGAL SYSTEM, AND PREPARATION OF PROPOSALS ON WAYS AND MECHANISMS OF IMPROVEMENT

Materials from the analytical research prepared by Pepeliaev Group LLC, commissioned by RVC, contain description of the specifics of Russian institutional environment for investment activities, institutional environment of the national innovation system. The materials also provide the analysis results on the functioning of the national innovation systems of foreign countries, systematize the main approaches to stimulating innovative activities abroad, summarize the development results of Russian and foreign scientists in the field of formation and management of the national innovation system.


PRACTICAL GUIDE TO LAUNCHING CORPORATE ACCELERATORS

The guide presents the results of the joint study of O2Consulting and RVC. More than 75 corporate accelerators from around the world were studied in the course of the research and best practices for their organization were specified. The guide provides a detailed description of the stages of launching a corporate accelerator, provides templates for corporate regulations for search and selection, acceleration of projects, working with graduates.


STUDY OF GLOBAL AND RUSSIAN EXPERIENCE OF CORPORATE ACCELERATORS DEVELOPMENT

The report on the results of a joint study, performed by O2Consulting and RVC, examined the concept and features of such a tool for acceleration and reduction of costs for introducing new technologies and developing new products as a corporate accelerator. The Russian and foreign experience of creation and development of corporate accelerators is analyzed, the process of their creation is examined in detail. The specifics of operation of corporate accelerators is disclosed not only in the format of analytical conclusions but also using the example of specific cases.

FORMULA OF PR 2.0

The compilation contains the best Russian practices in the field of scientific communications. Representatives of Universities and technology companies share their experience of building a dialogue about science using easy and understandable language.


BEST PRACTICES OF INNOVATION MANAGEMENT IN RUSSIAN COMPANIES

The compilation was prepared based on the results of the project of RVC and R&D Directors Club, iR&Dclub, aimed at studying the best corporate practices in managing innovations and working with internal and external innovations. It presents cases of large Russian technology companies and banks.


MONEYTREETM: VENTURE CAPITAL MARKET NAVIGATOR

The review of the Russian venture industry in 2015 was prepared by PwC Center for Technology and Innovation in cooperation with RVC. Main trends of development of the venture ecosystem for the year and information technology sector leading by the volume of investments were reviewed; the biotechnology and industrial technologies sector, which showed significant growth in the number of transactions was analyzed; the yields of investors, major transactions and grants issued in 2015 were studied.


CHALLENGES-2035

A collection of analytical articles and science fiction stories, issued and published on the initiative of RVC, offering scenario studies of the impact of technological development on Russian and global economy and society by the year 2035, as well as an overview of the potential specific technological focuses. Representatives of business and development institutes, as well as analysts and leading Russian and foreign science fiction writers are among the authors.


SECTORAL RESEARCH

DEVELOPMENT DYNAMICS OF THE SCIENTIFIC COMMUNICATIONS INDUSTRY IN RUSSIA

A joint research of RVC and SPN Communications agency is devoted to the assessment of the current state of the scientific communications industry in Russia. The process of designing and creating an information infrastructure that ensures the development and maintenance of links within the science, as well as between the science and other public establishments, is explored.

ANALYTICAL REPORT ON STUDYING THE WORK OF NATURAL SCIENCE AND TECHNOLOGY MUSEUMS, AS WELL AS POPULAR SCIENCE AND EXPLORATORY CENTERS

The research mission was performed by Evolution Educational Foundation. The research was held by RVC to study the best up-to-date practices of working with children and youth in natural science and science and technology museums, as well as popular science and exploratory centers (both Russian and foreign), and also to identify the links of Russian museums with local and global communities (museums entities, business communities, scientists, educators and museum enthusiasts).


GUIDANCE MATERIALS

ECONOMIC PARTNERSHIPS IN THE MODERN SYSTEM OF LEGAL ENTITIES, ADAPTATION PROBLEMS. APPLICATION OF ECONOMIC PARTNERSHIP AS A MODEL FOR JOINT ACTIVITIES

The material was prepared on request of RVC by Liniya Prava Law Firm. The concept of economic partnerships, their features as legal entities, pros and cons in terms of business management in the sphere of innovations, perspective development areas of this organizational and legal form are analyzed.


CONCEPTUAL END-TO-END METHODOLOGY FOR VENTURE PROJECTS ANALYSIS

The methodology has been developed by E&Y on request of RVC, it describes common approaches adopted in the best international and Russian practices to the analysis of venture projects while taking investment decisions.


SOCIAL MEDIA FOR INNOVATIVE COMPANIES

Methodological recommendations, Social Media for Innovative Companies, developed by RVC, offer a set of approaches and tools for implementing a conscious, integrated plan for arranging operations of a high-tech company in social networks.

GLOSSARY

BUSINESS ACCELERATOR
A model for supporting innovative start-up companies at an early stage, which involves an intensive development of the project in the shortest possible time. The project is provided with investment, infrastructure, expert and information support to facilitate its prompt entry to the market.

BUSINESS ANGEL
A private investor who provides financial support to an innovative company at an early stage of its development, as well as occasional advisory support in exchange for a certain share of ownership in the share capital.

BUSINESS INCUBATOR
An entity that helps to develop innovative start-up companies at early stages by providing them with premises, technical assistance, legal, financial and other consultations on preferential terms.

VENTURE INVESTMENTS
Investments in particularly high-risk projects.

VENTURE FUND
Property complex whether incorporated or unincorporated, formed [being formed] by the combination of deposits (in cash, unless otherwise provided by the transaction structure) by a legal entity [a group of legal entities] or an individual [a group of individuals] in any form stipulated by the current legislation of the Russian Federation, as well as funds established in accordance with foreign legislation or managed by a legal entity established in accordance with foreign legislation. The investment strategy of a venture fund involves the acquisition of securities [stakes] of exclusively innovative companies.

GENERAL PARTNER
A legal entity or an individual who manages a partnership and/or a venture fund established abroad and/or in accordance with the requirements of foreign legislation.

INVESTMENT PARTNERSHIP AGREEMENT (IPA)
Association of two or more persons [partners] who undertake to combine their deposits and carry out joint investment activities to make profit without establishing a legal entity.

CEF
Closed-end funds, whose funds are managed by a professional management company.

CEF FOR HR(V)I
Closed-end funds for high-risk [venture] investments.

INVESTMENTS
Long-term financial and/or property and/or non-property investments in any form permitted by applicable law into the capital of innovative companies and/or venture funds.

INVESTMENT TRANSACTION
The actions of physical and/or legal entities aimed at establishing, changing or terminating of civil rights and obligations in the framework of investments.

INNOVATIVE COMPANY
A company of any organizational and legal form, whose activities correspond with the priority areas of development of science, technology and equipment, and/or whose products are included in the list of critical technologies of the Russian Federation. The structure of the owners of the innovative company includes persons possessing rights for the results of intellectual activity, which are the basis of the business model of the society, and who transferred them as a contribution to its authorized capital.

DEVELOPMENT INSTITUTE
An agent of state influence acting in the interests of the efficient development of the most important aspects of social and economic life and performing its function as one of the market participants.

RVC-SUPPORTED COMPANY
The company that received marketing, consulting or expert support in the framework of events arranged and [or] supported by the RVC, but not financed by RVC-backed funds.

PARALLEL FUNDS
Funds under direction of one the managing teams and that inject capital in the same assets on a pro rata basis [according to the proportion on equivalent rights].

PORTFOLIO COMPANY
An investee company.

PORTFOLIO COMPANY OF A VENTURE FUND
A legal entity, a part of the shares, stakes in the authorized/reserve capital of which belongs to the venture fund or which received the investments from the venture fund in any form excluding contribution to the authorized [reserve] capital.

PROJECT COMPANY
A company in respect of which a decision to invest is taken [a decision of the investment committee] and at the time of reporting the fund owns a stake in this company.
RVCA
Russian Venture Capital Association. RVC is a member of this association.

RUSSIAN COMPANY
A legal entity that satisfies one or more of the following conditions:

- The parent company (which owns a controlling interest and/or has the authority to manage its subsidiaries/affiliates) is registered in the territory of the Russian Federation; at least 50% of employees work at the territory of the Russian Federation;
- The parent company is registered in the territory of the Russian Federation; at least 50% of the expenses are borne by the company at the territory of the Russian Federation;
- The parent company is registered in the territory of the Russian Federation; at least 50% of the company’s revenues are generated at the territory of the Russian Federation.

RCPS
Regional consulting practice sessions.

SPECIALIZED FINANCIAL INSTRUMENT (SPECIALIZED FUND)
Venture fund, or a subsidiary or affiliate of RVC, whose investment declaration provides for investment in securities/stakes in the authorized capital of Russian and/or foreign innovative companies with a certain industry specialization, being at different stages of development and/or carrying out activities related to the development of innovative infrastructure for specialized services and services for innovative companies of the appropriate technology cluster.

STAGES OF THE START-UP DEVELOPMENT
Pre-seed stage – a technological entrepreneur has only an idea, the development of which at this stage does not require large expenditures and is mainly financed by the project author with the help of 3F (family, friends, fools) and grants.
Seed stage – a company is being formed, there is only an idea or draft.
Start-up stage – a company has prototypes, tries to organize production and market entry.
Stage of growth – a company produces and sells finished products, although it does not yet have a steady profit.
Expansion stage – a company occupies certain positions in the market, increases sales and becomes profitable.
The exit stage is a creation of a public company, sales of an investor’s share to another strategic investor, a primary placement in the stock market (IPO), or a buyout by management.

START-UP
A newly established company that is in the process of developing or researching promising markets. Investments in start-ups are characterized by a particularly high risk.

MANAGEMENT COMPANY
A legal entity established in accordance with the applicable law at the territory of the Russian Federation or of another state whose employees/management have an experience and competencies required to manage the venture fund and/or have a license to conduct trust management of investment funds, mutual investment funds and non-government pension funds.

MANAGING PARTNER
A partner under an investment partnership agreement that is obliged to manage the investment partnership funds independently or jointly with other managing partners.

SEED INVESTMENT FUNDS
Funds investing primarily in innovative and/or service companies and/or projects (prior to the forming of the company on the basis of this project), whose revenues do not exceed RUB 10 million for four reporting periods preceding the investment, and the total investment of the fund in the first (seed) round does not exceed RUB 25 million.

ECOSYSTEM OF VENTURE INDUSTRY AND TECH ENTREPRENEURSHIP
A favorable self-organizing environment that provides the resources necessary for creation and growth of innovation and technology companies, the participants of which have well-established and balanced relations.

IPO (INITIAL PUBLIC OFFERING)
The first public sale or distribution of the company’s shares on the stock market. IPO of shares of portfolio company is one of the ways out for the venture capital fund.

LP (LIMITED PARTNER)
An investor-partner with a limited liability in a private equity fund or in a venture fund.
ABOUT THE REPORT

The public annual report of RVC for 2016 is prepared with an account of the following regulatory documents:

- Corporate Governance Code recommended to be applied by the letter of the Central Bank of the Russian Federation No. 06-52/2463 of April 10, 2014;
- Guidelines for reporting on sustainable development, The Global Reporting Initiative, version G4;
- Russian Business Social Charter.

The report fully or partially discloses the following GRI G4 indicators: 4.1-4.10, 4.15, 4.24-4.26, 4.28, 4.30, 4.34, 4.36, 4.38, 4.41, 4.45, 4.49, 4.50, EC8, S03-S05.

Report work group will be grateful for the feedback and suggestions on the topics and issues that you would like to see in the next public annual report of the Company. Please send proposals to the corporate info@rusventure.ru with the mark On the Annual Report.

LIMITATION OF LIABILITY

This public annual report of JSC Russian Venture Company for 2016 is prepared using information available to the Company at the moment of its compilation.

The annual report contains information on the results of the Company’s activities in 2016 and forecast data, statements regarding the intentions, opinions or current expectations of the Company related to the results of its operations, financial position, liquidity, growth prospects, strategy, and development of the industry in which RVC operates. Such forward-looking statements are characterized by the presence of risks and uncertainties, as they depend on circumstances that may change in the future.

RVC does not provide any explicit or implicit assurances and guarantees nor does it bear any responsibility in the event of any losses that physical or legal entities may incur as a result of using the forward-looking statements of this annual report, for any reason, directly or indirectly. The above-mentioned entities should not fully rely on the forward-looking statements contained in this document as they are not the only possible scenario of progression of events.

Unless it is envisaged by the laws of the Russian Federation, RVC undertakes no obligation to revise or confirm expectations and estimates and to publish updates and changes of forward-looking statements presented in this annual report caused by the subsequent events or revealed after the receipt of new information.
CONTACTS

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Address: 109028, 29 Serebryanicheskaya embankment, Moscow
S/A 40702810890470481501
C/A 30101810400000000555
BIC (Russian Central Bank identifier code) 044525555
Bank PJSC Promsvyazbank

RVC SUBSIDIARY FUNDS

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http://www.rvc.ru/investments/affiliated_funds/fpi/

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FUNDS WITH PARTICIPATION OF RVC CAPITAL IN A FOREIGN JURISDICTION

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VOLGA VENTURE MANAGEMENT INC.
420 Boylston street, 6th floor, Boston, MA 02116, USA
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MANAGING COMPANIES CARRYING OUT TRUST MANAGEMENT OF FUNDS CREATED AS CEF

MANAGEMENT COMPANY BIOPROCESS CAPITAL PARTNERS LLC (BIOPROCESS CAPITAL VENTURES CEF FOR HR(VII))
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SUBSIDIARY COMPANY

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1 The company is closed after the reporting period.
MANAGING COMPANIES CARRYING OUT TRUST MANAGEMENT OF FUNDS CREATED AS AN INVESTMENT PARTNERSHIP AGREEMENT

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**FINEMATICA LLC (FINEMATICA AIR-COSMIC FUND IPA)**
26 Prawdy str., Moscow, Russia, 125040
Tel: +7 (495) 542-58-58
info@finematika.ru

**DA VINCI CAPITAL LLC (STRUCTURE OF PARALLEL FUNDS: DA VINCI PRE-IPO FUND IPA AND DA VINCI PRIVATE EQUITY FUND II L.P.) DA VINCI PRE-IPO FUND IPA AND DA VINCI PRIVATE EQUITY FUND II L.P.**
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**MANAGEMENT COMPANY ACP LLC (SEED FUND ACP IPA)**
1 Leninskie Gory, building 77, Moscow, Russia, 119992
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**TONAP VENTURE LLC (HIGH-TECH SEED FUND IPA)**
49 Leningradsky prospect, Moscow, Russia
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www.tonap.ru

**SOFTLINE INTERNET TRADE LLC (SOFTLINE SEED FUND IPA)**
7 Derbenevskaya emb., building 8, Moscow, Russia, 114115
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info@ssf.vc
wwwssf.vc

**DI GROUP LLC (VENTURE FUND ACCELERATOR IPA)**
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**KSI VENTURES LLC LIFE SCIENCES SEED FUND IPA**
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**PHYSTECH VENTURES LLC (PHYSTECH VENTURES 2 IPA)**
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startup@phystechventures.com
www.phystechventures.com