



K I N N E V I K

INTERIM REPORT 1 JANUARY - 30 JUNE 2017

NAV
SEK 81.9BN

CHANGE IN NAV Q/Q
3%

INVESTMENTS
SEK 3.9BN

NET INVESTMENTS
SEK 0.8BN

1 YEAR TSR
33%

5 YEAR TSR
19%

OPERATING COMPANIES' PERFORMANCE

- Zalando's preliminary numbers for the second quarter showed revenue growth of 19-21% with an EBIT margin of 7.3-7.8%
- GFG achieved 18% revenue growth in the first quarter and an EBITDA margin of -13%
- Millicom's organic service revenue declined by 1.3% in the second quarter and the EBITDA margin amounted to 35%
- Tele2 grew second quarter revenues by 3% on a like for like basis and delivered an EBITDA margin of 20%
- Com Hem had organic revenue growth of 5% in the second quarter and an organic underlying EBITDA margin of 48%
- MTG reported second quarter organic revenue growth of 5% and an EBIT margin of 9%

INVESTMENT MANAGEMENT ACTIVITIES

- Total investments of SEK 3.9bn in the second quarter, whereof SEK 3.7bn for a 18.5% stake in Com Hem
- Total divestments of SEK 3.1bn, whereof:
 - SEK 2.1bn (EUR 217m) from the sale of Kinnevik's remaining shareholding in Rocket Internet
 - SEK 1.0bn (USD 115m) from the sale of Kinnevik's remaining shareholding in Lazada
- On 21 July, Kinnevik announced an investment of USD 65m in Betterment, increasing the ownership to 16%

FINANCIAL POSITION

- Net Asset Value of SEK 81.9bn (SEK 298 per share), up SEK 2.4bn or 3% during the quarter led by a SEK 1.9bn increase from Zalando and a SEK 1.2bn increase from Tele2 including dividend received. Adding back dividend paid of SEK 2.2bn, the value increase was 6% during the quarter
- Net debt position of SEK 0.8bn at the end of the quarter
- Bond issue of SEK 1.45bn in new bonds and SEK 400m tap issue of the 2022 bonds

ORGANISATION

- Appointment of Georgi Ganev as CEO with effect from 1 January 2018

SEKm	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Jun 2016
Net Asset Value	81 887	79 488	72 434	64 550
Net Asset Value per share, SEK	297.65	288.93	263.29	234.63
Share price, SEK	258.00	238.90	218.90	198.50
Net cash/net debt	-775	447	-1 367	354

SEKm	Q2 2017	Q2 2016	H1 2017	H1 2016	FY 2016
Net profit/loss	4 582	-1 100	11 632	-11 331	-3 459
Net profit/loss per share, SEK	16.63	-4.04	42.23	-41.05	-12.55
Change in fair value of financial assets	2 841	-2 790	9 934	-12 982	-4 969
Dividends received	1 842	1 703	1 842	1 703	1 733
Dividend paid	-2 201	-7 084	-2 201	-7 084	-7 084
Investments	3 894	534	4 089	1 686	3 399
Divestments	3 090	455	5 173	457	563

Chief executive's review

Continued high investment management activity combined with solid operating performance in our larger companies resulted in a 3% increase in our Net Asset Value in the second quarter. We made a significant investment to become the largest shareholder in Com Hem, complementing our existing mobile and media companies in the Nordics, and successfully divested our remaining shares in Rocket Internet and Lazada. Our financial position is strong. We ended the quarter with a net debt position of 1% of our portfolio value.

KINNEVIK'S SECOND QUARTER RESULTS

During the second quarter 2017, Kinnevik's NAV increased by 3% to SEK 81.9bn, or SEK 298 per share, driven mainly by Zalando and Tele2. Adding back dividend paid of SEK 2.2bn, the value increase was 6% during the quarter. The value of our private assets decreased in the quarter as a result of the divestment of our remaining stake in Lazada, as well as adverse currency movements, resulting in a total value of the private portfolio of SEK 11.3bn. On 20 July, Kinnevik's NAV had increased by SEK 0.7bn to SEK 82.6bn, or SEK 300 per share.

Q2 2017: FOCUS ON PROFITABLE GROWTH

Our larger companies had a solid quarter with focus on profitable growth and continued investments to improve their customer offerings.

Zalando's preliminary numbers for the second quarter 2017 showed 19-21% revenue growth and an EBIT margin of 7.3-7.8%. The company hosted its annual Capital Markets Day in June, providing investors and analysts with insights into its strategic agenda and the future of digital fashion retail. Building on its position as an operating system for the fashion industry, the company recently launched Zalando Fulfilment Solutions which gives brands access to its logistics infrastructure and know-how. Zalando also announced the launch of Zalando Zet, a new membership program that offers customised premium services like same day delivery, pick-up of returns on demand as well as additional benefits such as personal fashion advice or early access to sales.

Global Fashion Group's results for the first quarter of 2017 showed a net revenue growth of 18% on a constant currency and pro forma basis. The adjusted EBITDA improved by 11 percentage points to -13% driven by further operational efficiency gains which were enabled by better technology solutions as well as scale benefits. In May, GFG announced a strategic partnership with Emaar Malls whereby Emaar Malls acquired 51% of Namshi. The partnership is expected to accelerate Namshi's development and further its position in the Middle East.

Millicom's organic service revenue declined by 1.3% and the EBITDA margin amounted to 35%. In April and July, Millicom agreed to sell and lease back in total approximately 2,600 wireless communications towers in Paraguay and Colombia to American Tower Corporation. The transactions are consistent with Millicom's strategic goal to improve operational and capital efficiency.

Tele2 had a quarter of strong growth, with mobile end-user service revenues increasing by 12% on a like-for-like basis and an EBITDA margin of 20%. In line with its ambition to be the customer champion of connectivity, Tele2 launched new subscription packages with unlimited data in Sweden and the Netherlands, being the only operator in the countries to do so.

MTG reported organic sales growth of 5% and EBIT up 9% for continuing operations driven by healthy incremental margins for the Nordic business supported by growth in Viaplay, as well as a positive contribution from InnoGames. The execution of the strategic transformation continued with the completion of the divestment of the Czech operations, investments in original drama and key sports rights, and the acquisition of US cross platform games publisher and developer Kongregate.

Com Hem's revenues increased by 38% while organic revenue (excluding Boxer) grew by 5% with underlying EBITDA growing by 20% and organic underlying EBITDA increased by 7%. 200,000 addressable households were added in the quarter, bringing the total number to 2.6 million which represents a 30% footprint expansion compared to last year.

INVESTMENT MANAGEMENT ACTIVITIES AND FINANCIAL POSITION

Kinnevik invested in total SEK 3.9bn in the quarter, with total divestments amounting to SEK 3.1bn. We acquired an 18.5% interest in Com Hem for SEK 3.7bn. Com Hem has a strong market position in the Swedish broadband and TV market, and offers attractive growth and cash flow. The acquisition enables Kinnevik to take a leading position in a company complementary to our existing mobile and media assets in the Nordics.

We continued to focus our portfolio and made two sizeable and profitable divestments. In June, we completed the divestment of Rocket Internet, selling our remaining 7% stake to institutional investors for SEK 2.1bn. Kinnevik's partnership with Rocket Internet has been instrumental in broadening our investment focus and in building a large and successful vertical within e-commerce, which now accounts for almost half of our portfolio. Our total investments and subsequent dividends and divestments of Rocket Internet resulted in an IRR of more than 90% and six times Kinnevik's invested capital.

In June, we sold our remaining 3.6% stake in Lazada for SEK 1.0bn to Alibaba. Lazada was founded by Kinnevik and Rocket Internet in 2012 and successfully scaled as an e-commerce gateway for local and international sellers and brands to the consumers in six Southeast Asian markets. Kinnevik's total investment of SEK 503m resulted in a gain of SEK 947m, a 2.9x return on invested capital and an IRR of 33%.

Kinnevik's balance sheet continues to be strong with a net debt position of SEK 0.8bn corresponding to 1% of our portfolio value. We issued a total of SEK 1.85bn in bonds in the Swedish bond market during the quarter, taking advantage of the favourable interest rate environment.

NEW CEO OF KINNEVIK

In June, the Board announced the appointment of Georgi Ganev as the new CEO of Kinnevik. Georgi has a successful track record as a CEO, having taken a fast-growing digital e-commerce company public and significantly improved growth and profitability. He also has solid experience from the Nordic TMT sector, currently serving as a Board Director of Tele2 where he also started his career. Georgi will lead Kinnevik in the next phase of identifying, scaling and transforming businesses. I look forward to working with him as he assumes his position at the beginning of next year and will continue to execute our strategy as acting CEO until then.

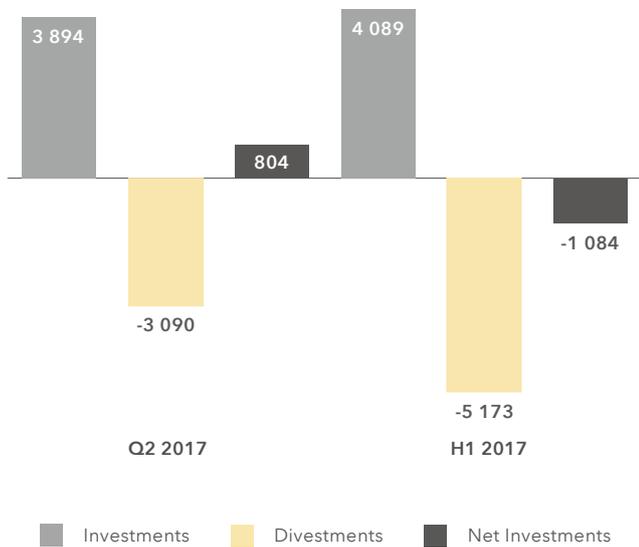
Joakim Andersson
Acting Chief Executive Officer, Chief Financial Officer

Kinnevik in summary

Kinnevik is an industry focused investment company with an entrepreneurial spirit. Our purpose is to build the digital consumer businesses that provide more and better choice. We do this by working in partnership with talented founders and management teams to create, invest in and lead fast growing businesses in developed and emerging markets. We believe in delivering both shareholder and social value by building well governed companies that contribute positively to society. Kinnevik was founded in 1936 by the Stenbeck, Klingspor and von Horn families. Kinnevik's shares are listed on Nasdaq Stockholm's list for large cap companies under the ticker codes KINV A and KINV B.

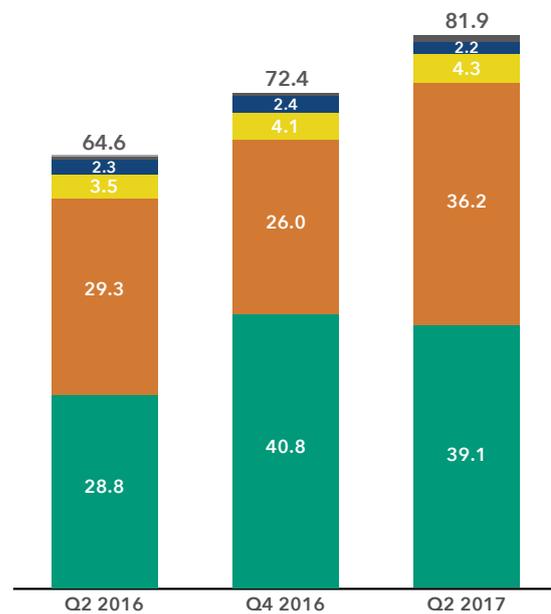
INVESTMENT ACTIVITY

SEKm

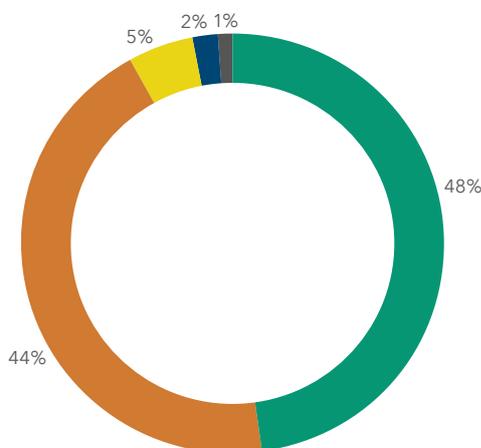


PORTFOLIO DEVELOPMENT

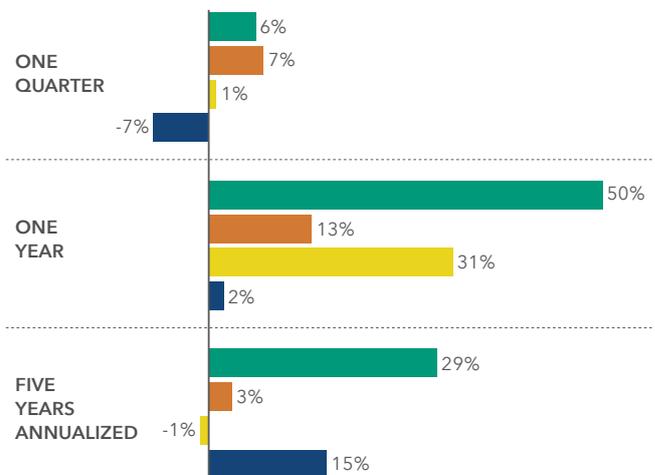
SEKbn



PORTFOLIO COMPOSITION



PORTFOLIO RETURN RATES



One and five-year returns are annualized internal rates of return (IRR). The returns are based on fair values at the beginning and end of the respective period, includes cash and non-cash items and is calculated on a SEK gross basis.

- E-Commerce & Marketplaces
- Communication
- Entertainment
- Financial Services
- Healthcare & Other
- Net cash/net debt

Net Asset Value

SEKm	Fair value 2017 30 Jun	Fair value 2017 31 Mar	Fair value 2016 31 Dec	Fair value 2016 30 Jun	Total return 2017 ¹
Zalando	30 224	28 336	27 245	17 683	11%
Global Fashion Group	5 188	5 437	5 641	3 614	-8%
Rocket Internet	-	1 658	3 990	3 593	2%
Qliro Group	665	550	367	394	81%
Home & Living E-Commerce ²	648	539	551	565	10%
Other E-Commerce ²	652	1 250	1 280	1 147	23%
Quikr	1 480	1 519	1 535	1 527	-4%
Other Marketplaces ²	197	219	220	230	-10%
Total E-Commerce & Marketplaces	39 054	39 508	40 829	28 753	8%
Millicom	18 759	18 876	14 790	19 410	33%
Tele2	13 475	13 033	11 166	9 898	28%
Com Hem	3 957	-	-	-	6%
Total Communication	36 191	31 909	25 956	29 308	29%
MTG	3 927	4 050	3 650	3 007	12%
Other	422	386	439	509	2%
Total Entertainment	4 349	4 436	4 089	3 516	11%
Bayport	1 115	1 180	1 201	1 120	-7%
Betterment	548	580	590	551	-7%
Other ²	536	617	649	589	-3%
Total Financial Services	2 199	2 377	2 440	2 260	-6%
Healthcare & Other ²	869	811	487	359	19%
Total Portfolio Value	82 662	79 041	73 801	64 196	16%
Net cash/debt	-775	447	-1 367	354	
<i>whereof unpaid investments/divestments</i>	-47	-47	-49	-62	
Total Net Asset Value	81 887	79 488	72 434	64 550	16%
Net Asset Value per share, SEK	297.65	288.93	263.29	234.63	16%
Closing price, class B share, SEK	258.00	238.90	218.90	198.50	22%

¹ Includes investments and divestments.

² For split see page 13.

E-Commerce & Marketplaces



Zalando is an online fashion platform for women, men and children, offering a broad assortment of shoes, apparel and accessories from around 2,000 global and local brands as well as private labels. With its localised offering, Zalando addresses country specific customer preferences in each of its 15 European markets.

- On 18 July, Zalando announced preliminary results for the second quarter 2017, growing revenues by 19-21% to EUR 1,091-1,109m
- The company expects to achieve an adjusted EBIT of EUR 80-86m in the second quarter, corresponding to a margin of 7.3-7.8%
- Zalando announced the launch of Zalando Zet, a new membership program that offers customised premium services like same day delivery, pick-up of returns on demand as well as additional benefits such as personal fashion advice or early access to sales
- Detailed financial results for the second quarter 2017 will be published on 10 August 2017

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32%
KINNEVIK STAKE

SEK 30.2BN
FAIR VALUE

20.4M
ACTIVE CUSTOMERS

Key data (EURm)	Apr-Jun		Jan-Jun	
	2017	2016	2017	2016
Revenue	1 091	916	2 071	1 713
% Growth	19%	25%	21%	25%
EBIT	80	81	100	101
% Margin	7%	9%	5%	6%

EBIT adjusted for share-based compensation. Second quarter 2017 numbers are preliminary, figures included in table represent bottom of preliminary range.



Global Fashion Group (GFG) is an online fashion destination for emerging markets. GFG operates through five branded platforms, Lamoda, Dafiti, Namshi, Zalora and The Iconic, offering over 10,000 international and local brands across 24 countries with a 1.9 billion population, addressing a fashion market estimated to be worth EUR 300bn.

- GFG achieved solid sales growth and improved profitability in the first quarter. The number of active customers grew by 13%, totalling 9.6 million, NMV growth amounted to 17% and revenue growth amounted to 18%
- The adjusted EBITDA margin improved by 11 percentage points to -13%, largely driven by path-to-profit initiatives including further operational efficiency gains which are in part technology enabled as well as scale benefits
- On 24 May, GFG announced a strategic partnership with Emaar Malls in the Middle East, whereby Emaar Malls acquired 51% of Namshi. The partnership is expected to accelerate Namshi's development and further its position as the region's leading fashion e-commerce destination

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35%
KINNEVIK STAKE

SEK 5.2BN
FAIR VALUE

9.6M
ACTIVE CUSTOMERS

Key data (EURm)	Jan-Mar		Full year	
	2017	2016	2016	2015
Revenue	265	197	1 023	808
% Growth	18%	-	26%	-
Gross profit	105	78	434	327
% Margin	40%	40%	42%	40%
EBITDA	-33	-47	-128	-217
% Margin	-13%	-24%	-13%	-27%

All figures excludes Jabong. EBITDA adjusted for share-based compensation. Growth figures in constant currencies and pro forma divested operations.

Qliro Group

Qliro Group is a Nordic e-commerce group in consumer goods, lifestyle products and related financial services. Qliro Group operates CDON.COM, Nelly, NLYman, Gymgrossisten, Bodystore and Qliro Financial Services.

- Sales increased by 7% in the second quarter driven by an 18% increase in total GMV for CDON Marketplace and a 10% sales increase for Nelly. External merchant's sales in CDON Marketplace grew by 83%
- EBITDA improved by SEK 23m to SEK 36m supported by a seasonally strong quarter for Nelly, that also had a favourable inventory with optimized assortment and stock levels at the start of the quarter
- QFS' business volume increased by 34% during the second quarter. The offering to merchants was strengthened by the introduction of full payment service in Norway and to consumers by the launch of savings accounts
- The divestment of Lekmer to Babyshop closed on 30 June and the sale of Members.com to Campadre closed on 3 July. The transactions will allow Qliro Group to invest further in its core areas

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29%
KINNEVIK STAKE

SEK 665M
FAIR VALUE

3.5M
ACTIVE CUSTOMERS

Key data (SEKm)	Apr-Jun		Jan-Jun	
	2017	2016	2017	2016
Net sales	984	919	1 898	1 839
% Growth	7%	3%	3%	-
Gross profit	235	169	423	321
% Margin	24%	18%	22%	18%
EBITDA	36	13	47	11
% Margin	4%	1%	3%	1%

Excluding items affecting comparability and discontinued operations.



Quikr is an online classifieds platform operating in India. Headquartered in Bangalore, Quikr serves approximately 20 million unique monthly visitors and focuses its operations on five verticals; Goods, Cars, Jobs, Homes and Services.

- Quikr's platform generated 11.7 million responses in June 2017. Responses per listing increased by 45% compared to the same period last year
- The company continued to make selective acquisitions to complement its organic growth, including transactions to consolidate the blue-collar jobs market and deepen the full-stack services offering

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18%
KINNEVIK STAKE

SEK 1.5BN
FAIR VALUE

11.7M
JUNE RESPONSES



Saltside was founded in Gothenburg, Sweden, in 2011 and operates classifieds websites in Sri Lanka, Bangladesh and Ghana.

- Saltside's regional platforms generated 3.5 million responses in June 2017, an increase of 21% compared to the same month last year
- The company's market position in Bangladesh further strengthened as a result of the shut-down of the primary online general classifieds competitor

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61%
KINNEVIK STAKE

SEK 197M
FAIR VALUE

3.5M
JUNE RESPONSES

WESTWING

Westwing is an international e-commerce company for home & living, offering a curated selection of home décor and furniture products. Westwing has more than 3,500 brand partners and operates in 14 markets across Europe, Brazil and Russia.

- Active customers increased by 4% and totalled 1.0 million at the end of the first quarter 2017
- Revenues grew by 6% compared to the previous year, GMV increased by 5% and the adjusted EBITDA margin improved by 5 percentage points to -6%
- Increased operational efficiency and a focus on organic marketing channels enabled Westwing to progress substantially on its path to profitability
- The company opened a pop-up store in Munich, in part to position and brand its private label series Westwing Basics

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17%
KINNEVIK STAKE

SEK 439M
FAIR VALUE

1.0M
ACTIVE CUSTOMERS

home24

Home24 is an online shop for furniture and home accessories in seven core markets in Europe and Brazil. The broad range of products includes furniture, lamps, home accessories and garden equipment.

- Active customers decreased slightly year-on-year and totalled 1.0 million at the end of the first quarter 2017
- During the first quarter of 2017, revenues grew by 5% compared to the previous year, GMV increased by 9% and the adjusted EBITDA margin improved by 9 percentage points to -11%
- Home24 successfully continued its path to profitability focusing on assortment and operational efficiency. The company also continued with process improvements and system upgrades which is expected to result in further efficiency gains
- The company closed a EUR 20m funding round where Kinnevik invested EUR 3.8m, thus retaining the ownership of 17%

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17%
KINNEVIK STAKE

SEK 184M
FAIR VALUE

1.0M
ACTIVE CUSTOMERS

Key data (EURm)	Jan-Mar		Full year	
	2017	2016	2016	2015
Revenue	60	57	250	219
% Growth	6%	9%	14%	66%
Gross profit	26	25	106	93
% Margin	44%	44%	43%	42%
EBITDA	-4	-6	-14	-50
% Margin	-6%	-11%	-6%	-23%

EBITDA adjusted for share-based compensation.

Key data (EURm)	Jan-Mar		Full year	
	2017	2016	2016	2015
Revenue	67	64	244	234
% Growth	5%	7%	4%	46%
Gross profit	30	28	102	90
% Margin	44%	43%	42%	38%
EBITDA	-7	-13	-40	-75
% Margin	-11%	-20%	-17%	-32%

EBITDA adjusted for share-based compensation.

Communication



Millicom is a provider of cable and mobile services dedicated to emerging markets in Latin America and Africa. Millicom offers innovative and customer-centric digital lifestyle services through its principal brand Tigo.

- Organic service revenue declined by 1.3% in the second quarter, weighed down by challenging market conditions in Africa
- Latin America had its strongest quarter ever for net additions of 4G mobile and HFC customers. The high-speed data network expansion continued, and with 8.6 million homes passed the long-term ambition was raised from 12 to 15 million
- EBITDA declined 1.3% organically, reflecting a weak development in Africa which was only partly offset by margin improvements in a majority of the Latin American markets
- In April and July, Millicom agreed to sell and lease back in total 2,600 wireless communications towers in Paraguay and Colombia, in line with the company's strategic goal to improve operational and capital efficiency

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38%
KINNEVIK STAKE

SEK 18.8BN
FAIR VALUE

53M
MOBILE CUSTOMERS

TELE2

Tele2 is a telecom operator offering mobile services, fixed broadband and telephony, data network services, content services and global IoT solutions to 17 million customers in 9 countries across Europe.

- Mobile end-user service revenue grew by 12% on a like for like basis in the second quarter, during which Tele2 launched new commercial propositions in both Sweden and the Netherlands
- EBITDA growth of 39% on a like for like basis, and 12 months rolling operating cash flow increased to SEK 3.1bn from SEK 1.1bn a year earlier
- Investment markets Kazakhstan and the Netherlands delivered mobile end-user service revenue growth of 21% and 45% respectively, both in local currencies, while at the same time reducing its negative operating cash flow
- Tele2 raised full-year EBITDA guidance to SEK 6.2-6.5bn (SEK 5.9-6.2bn), reflecting strong progress in Kazakhstan, improved economics in the Netherlands, and good progress in both TDC and Altel integrations and Challenger Program across the company's footprint

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30%
KINNEVIK STAKE

SEK 13.5BN
FAIR VALUE

15.9M
MOBILE CUSTOMERS

Key data (USDm)	Apr-Jun		Jan-Jun	
	2017	2016	2017	2016
Revenue	1 517	1 540	3 022	3 039
% Growth	-2%	-	-1%	-
EBITDA	535	538	1 090	1 077
% Margin	35%	35%	36%	35%
EBIT	198	198	421	421
% Margin	13%	13%	14%	14%
Net profit/loss	-28	39	-4	77

Figures are based on full consolidation of Guatemala (55% ownership) and Honduras (66.7% ownership) and excludes discontinued operations.

Key data (SEKm)	Apr-Jun		Jan-Jun	
	2017	2016	2017	2016
Revenue	7 988	6 668	15 863	13 114
% Growth	20%	1%	21%	0%
EBITDA	1 631	1 087	3 354	2 313
% Margin	20%	16%	21%	18%
EBIT	724	286	1 530	806
% Margin	9%	4%	10%	6%
Net profit/loss	278	-60	679	279

Figures refer to continuing operations and excludes one-off items. TDC Sweden is included from 31 October 2016.

COM HEM



Com Hem offers broadband, TV, play and telephony services to Swedish households and companies. Its broadband network covers half of Sweden's households, offering a range of digital TV channels and play services via set-up boxes as well as on-the-go for tablets and smartphones.

- Revenues increased by 38% while organic revenue (excluding Boxer which was acquired in September 2016) grew by 5%
- Underlying EBITDA grew by 20% and organic (excluding Boxer) underlying EBITDA increased by 7%
- Following price adjustments in the first quarter, the Com Hem segment recorded an all-time high consumer ARPU of SEK 376 while consumer churn dropped to record low 12%
- 200,000 households were added in the second quarter, bringing the total number of addressable households to 2.6 million which represents a 30% footprint expansion compared to last year

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19%

KINNEVIK STAKE

SEK 4.0BN

FAIR VALUE

2.6M

ADDRESSABLE HOUSEHOLDS

Key data (SEKm)	Apr-Jun		Jan-Jun	
	2017	2016	2017	2016
Revenue	1 794	1 300	3 551	2 576
% Growth	38%	4%	38%	4%
EBITDA	730	607	1 442	1 210
% Margin	41%	47%	41%	47%
Net profit/loss	110	82	230	177

EBITDA stated before disposals excluding items affecting comparability and operating currency gains/losses. Boxer is included in reporting from 30 September 2016.



Entertainment

MTG is an international digital entertainment group active across six continents. Its brands span TV, radio and next generation entertainment experiences in esports, digital video networks and online gaming.

- MTG had organic revenue growth of 5% driven by the Nordic Entertainment business, with higher advertising and subscription prices, further development of Viaplay and Viafree, and positive impact of partnership agreements with both content owners and distributors
- EBIT increased by 9% for continuing operations, primarily driven by healthy incremental margins for the Nordic business and a positive contribution from InnoGames
- MTG continued its strategic transformation by completing the divestment of the Czech operation, increasing its shareholding in InnoGames, and announcing the acquisition of US cross platform games publisher and developer Kongregate
- The company continued to invest into original drama productions, key sports rights, new virtual reality app Viareal and as a founding shareholder in the World Boxing Super Series

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20%

KINNEVIK STAKE

SEK 3.9BN

FAIR VALUE

1.0M

SUBSCRIBERS

Key data (SEKm)	Apr-Jun		Jan-Jun	
	2017	2016	2017	2016
Revenue	4 246	3 718	7 951	7 045
% Growth	5%	3%	7%	3%
EBIT	391	360	528	502
% Margin	9%	10%	7%	7%
Net profit/loss	275	244	359	355

Excludes discontinued operations. EBIT is excluding non-recurring items.

Financial Services

Betterment

Betterment is an independent automated investing service in the United States. The company operates a vertically integrated platform that provides fully automated, personalised advice and access to a low cost, globally diversified investment portfolio.

- Assets under management amounted to USD 9.6bn at the end of the second quarter 2017, an increase of 95% compared to last year. Number of customers totalled approximately 270,000, a yearly increase of 60%
- During the second quarter, Betterment launched a new brand profile across website, product, and mobile experiences
- Betterment for Business, the company's 401(k) solution, launched its Participant Choice prototype to allow greater portfolio flexibility desired by plan sponsors
- On 21 July, Betterment announced a USD 70m extension to the March 2016 financing round. Kinnevik is investing USD 65m, increasing its ownership to 16%

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9%
KINNEVIK STAKE

SEK 548M
FAIR VALUE

270 000
CUSTOMERS

BAYPORT

FINANCIAL SERVICES

Bayport provides financial solutions to formally and informally employed individuals in emerging markets. The company's operations span 9 countries across Africa and Latin America.

- At the end of May 2017, Bayport's core payroll customer base had grown by 8% on a yearly basis to 460,000, providing 13% loan book growth
- Bayport's rollout of retail banking in Ghana continued, as the first and only lender in Ghana offering small unsecured loans by means other than on payroll. Bayport is also the only lender in Ghana to offer a free transactional bank account, in a country with more than 5 million unbanked individuals

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24%
KINNEVIK STAKE

SEK 1.1BN
FAIR VALUE

0.5M
CORE PAYROLL
CUSTOMERS



Milvik offers, under the brand BIMA, affordable and uniquely designed life and health insurance products via mobile phones. BIMA is active in 15 countries across Africa, Asia, Latin America and the Caribbean.

- At the end of the second quarter, BIMA had 5.9 million active customers, representing a yearly increase of 23% excluding discontinued products
- In April, BIMA announced a USD 16.8m investment from Axiata Digital, the digital services arm of Axiata Group. The investment is expected to enable accelerated growth in existing as well as new markets

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33%
KINNEVIK STAKE

SEK 406M
FAIR VALUE

5.9M
ACTIVE
CUSTOMERS

Healthcare & Other



Babylon is a digital healthcare service based in the United Kingdom. Combining mobile tech and artificial intelligence with medical expertise, Babylon's mission is to make healthcare more accessible and affordable for people everywhere.

- At the end of June 2017, Babylon had over 900,000 registrations and its users continue to award the service with sector leading satisfaction rates
- Babylon launched the world's first publicly covered digital primary care service in partnership with the NHS, branded "GP at hand", allowing patients in selected areas to see a doctor for free
- The company made further progress partnering with a leading pharma company on chronic care and added several large corporates to its B2B product offering
- Kinnevik co-led a GBP 47m funding round in April investing a total of GBP 17m, increasing the ownership stake in Babylon to 20%

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20%
KINNEVIK STAKE

SEK 371M
FAIR VALUE

900 000
REGISTRATIONS



Livongo is a California based consumer digital health company that empowers people with chronic conditions to live better and healthier lives. Livongo has developed a new approach for diabetes management that combines the latest technology with coaching.

- In the first six months of 2017, Livongo doubled its member base which now exceeds 40,000 members and had its best ever quarter ending June in terms of client and member growth
- Livongo partnered with Glytec to deliver an expanded diabetes management solution that includes insulin titration and hence allows for medication optimization
- The company launched a direct to consumer product in partnership with the American Diabetes Association and other reputable institutions

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4%
KINNEVIK STAKE

SEK 105M
FAIR VALUE

40 000
MEMBERS

Financial review

DIVIDEND AND CAPITAL STRUCTURE

As at 30 June 2017, Kinnevik was in a SEK 0.8bn net debt position.

During the second quarter Kinnevik received dividends and paid dividend to its shareholders as follows:

Investee company	Dividend per share	Amount (SEKm)
Millicom	USD 2.64 per share	883
Tele2	SEK 5.23 per share	797
MTG	SEK 12.00 per share	162
Total ordinary dividends received		1 842
Ordinary dividend paid	SEK 8.00 per share	2 201

FINANCIAL TARGETS

Attractive Returns

Kinnevik's objective is to generate a long term total return to our shareholders in excess of our cost of capital. We aim to deliver an annual total shareholder return of 12-15% over the business cycle.

Low Leverage

Given the nature of Kinnevik's investments, our goal is to carry low leverage, not exceeding 10% of portfolio value.

Increasing Shareholder Remuneration

Kinnevik aims to pay an annual dividend growing in line with dividends received from our investee companies and the cash flow generated from our investment activities.

Kinnevik will make share buybacks when our shares trade at a significant discount to their intrinsic value, as perceived by Kinnevik, and the company has significant net cash (taking into consideration its dividend expectations, net investment plan and operating cost).

INVESTMENT ACTIVITY

Investee company (SEKm)	Q2 2017	H1 2017
Com Hem	3 730	3 730
Livongo	-	112
Babylon	70	144
Home24	38	38
Other	56	65
Investments	3 894	4 089
Rocket Internet	2 100	4 071
Lazada	967	967
Other	23	135
Divestments	3 090	5 173
Net investments/divestments	804	-1 084

EVENTS AFTER THE REPORTING PERIOD

On 21 July, Kinnevik announced an investment of USD 65m in Betterment as part of a USD 70m extension to the March 2016 financing round. Post closing of the transaction our ownership stake in Betterment will increase from 9% to 16%.

KINNEVIK'S ORGANISATION

On 26 June, Kinnevik announced the appointment of Georgi Ganev as its Chief Executive Officer with effect from 1 January 2018.

TOTAL SHAREHOLDER RETURN

15%

Past 30 years

11%

Past 10 years

19%

Past 5 years

33%

Past 12 months

Total shareholder return is calculated on the basis of shareholders reinvesting all cash dividends, dividends in kind and mandatory share redemption proceeds into the Kinnevik share.

VALUATION OF UNLISTED FINANCIAL ASSETS

Investment (SEKm)	Kinnevik ownership	Net invested amount	Fair value 30 June 2017	Change in fair value and dividends received		Valuation method
				Apr-Jun 2017	Jan-Jun 2017	
Global Fashion Group ^{1,2}	35%	5 658	5 188	-249	-453	Revenue multiple
<i>Home & Living</i>						
Home24 ²	17%	871	184	68	52	Revenue multiple
Westwing ²	17%	419	439	6	10	Revenue multiple
Other	Mixed	52	25	-3	-3	Mixed
<i>Other E-Commerce</i>						
Lazada	-	-	-	273	261	-
Linio ²	27%	438	357	28	65	Revenue multiple
Konga	34%	275	121	10	-30	Revenue multiple
Other ¹	Mixed	206	174	25	1	Mixed
<i>Marketplaces</i>						
Quikr	18%	879	1 480	-39	-55	DCF
Saltside	61%	195	197	-2	-3	DCF
Other	Mixed	221	-	-18	-18	Mixed
Total E-Commerce & Marketplaces		9 213	8 165	99	-173	
Metro	100%	939	316	17	16	DCF
Other	Mixed	128	106	-4	-6	Mixed
Total Entertainment		1 067	422	13	10	
Bayport	24%	467	1 115	-65	-86	Latest transaction
Betterment	9%	538	548	-32	-42	Latest transaction
Milvik/BIMA	33%	151	406	-24	4	Latest transaction
Other	Mixed	103	130	-32	-35	Mixed
Total Financial Services		1 259	2 199	-153	-159	
Babylon	20%	308	371	10	73	Latest transaction
Livongo	4%	112	105	-7	-7	Latest transaction
Other	Mixed	242	50	1	-1	Mixed
Total Healthcare & Other		662	526	4	65	
Total Unlisted Financial Assets		12 201	11 312	-37	-257	

¹ Net invested amounts include SEK 1.0bn in share distributions received from Rocket Internet.

² Ownership not adjusted for employee stock option plans and employee equity at subsidiary level.

FAIR VALUES AS AT 30 JUNE 2017

At the end of June, the fair value of Kinnevik's unlisted financial assets amounted to a total of SEK 11,312m, to be compared with an accumulated invested amount (net after dividends received) of SEK 12,201m. Change in fair value and dividends received amounted to negative SEK 37m in the quarter, as specified in the table on the previous page.

As a consequence of Kinnevik's investee companies adopting different financing structures, such as liquidation preferences, the value of Kinnevik's shareholding in an investee company may be higher or lower than implied by Kinnevik's percentage ownership stake. Liquidation preferences determine how proceeds from a liquidity event are allocated between shareholders and this allocation may become increasingly complex as a company raises several funding rounds at different valuations. An increase or decrease in the equity value of an investee company where liquidation preferences apply may result in a disproportionate increase or decrease in the fair value of Kinnevik's shareholding in that investee company.

GLOBAL FASHION GROUP

The valuation of Kinnevik's shareholding in Global Fashion Group (**GFG**) has been based on an average multiple of 1.3x the company's latest publicly available 12 months' net revenues and net cash position as at 31 March 2017. The average multiple used in the valuation corresponds to a 43% discount to GFG's listed and profitable developed market peers. The fair value of Kinnevik's aggregate shareholding in GFG implies a EUR 1.6bn valuation for 100% of the company's fully diluted equity. Kinnevik holds 35% of the share capital in GFG.

E-COMMERCE

Revenue multiple valuations have been applied for Kinnevik's shareholdings in the e-commerce companies listed in the table on the right-hand side. The valuations have in all cases been based on the respective company's latest 12 months' net revenues and net cash positions as at 31 March 2017.

The peer group's average revenue multiple within the Home & Living category has been discounted downwards to 1.0x for Home24 and to 1.1x for Westwing when assessing the fair values of Kinnevik's shareholding.

Kinnevik's general e-commerce investee companies, Linio and Konga, are continuing their shift from a purely inventory based business model into a marketplace model, where third party products are sold on the companies' platforms. Revenues from this model generally consist of the fees charged third party merchants. To reflect the ongoing shift in business model in the method of valuing Kinnevik's shareholding in each company, the average trading multiples of two different peer groups have been applied in proportion to the revenue contribution of each business model. The weighted average multiple applied on the respective company's latest publicly available 12 months' net revenue is 2.5x for Linio and 2.6x for Konga (0.7x and 0.7x, respectively, in relation to gross merchandise value during the same period).

Company	30 June 2017 *	31 Mar 2017 *	Adjusted multiple **
GFG	1.3	1.3	Yes
Home24	1.0	0.8	Yes
Westwing	1.1	0.9	Yes
Linio	2.5	2.2	Yes
Konga	2.6	1.8	Yes

* Multiple of latest publicly available 12 months' historical net revenues.

** Multiple has been adjusted as per 30 June 2017 to reflect differences in factors such as profitability and growth rate. See Note 4 for further details.

MARKETPLACES

The valuation of Kinnevik's shareholding in Quikr has been based on a discounted cash flow analysis. The valuation implies an equity value of USD 989m.

FINANCIAL SERVICES

As in previous quarters, Kinnevik's shareholding in Bayport has been valued in line with a transaction in secondary equity in the first quarter of 2016. The transaction valued Bayport's total equity to USD 547m.

Kinnevik's shareholding in Milvik/BIMA has been valued in line with a third-party investment in March 2017, where Kinnevik offered the third party to take over its previous outstanding investment commitment of USD 7m. The valuation implies a fully diluted equity value of USD 146m.

Kinnevik's shareholding in Betterment has been valued in line with the valuation applied in the USD 70m funding round announced in July 2017, corresponding to a fully diluted equity value of USD 800m.

FAIR VALUES AND IMPLIED VALUES FROM LATEST TRANSACTIONS AS AT 30 JUNE 2017

Investment (SEKm)	Valuation in latest transaction	Implied value Kinnevik's stake	Fair value Kinnevik's stake	Difference	Nature of latest transaction
Global Fashion Group	9 927	3 225	5 188	-1 963	New share issue
Home24	4 237	723	184	539	New share issue
Westwing	4 844	820	439	381	New share issue
Linio	1 438	357	357	-	New share issue
Quikr	12 942	2 325	1 480	845	New share issue
Saltside	956	581	197	384	New share issue
Bayport	4 610	1 115	1 115	-	Sale of shares
Betterment	5 837	548	548	-	New share issue
BIMA	1 153	406	406	-	New share issue
Iroko	565	106	106	-	New share issue
Other E-Commerce & Marketplaces	-	960	320	640	Various
Other Financial Services	-	142	130	12	Various
Other Entertainment	-	317	316	1	Various
Health & Other	-	526	526	-	Various
Total		12 151	11 312	839	

In a number of Kinnevik's unlisted investee companies, shares have been issued or transacted at price levels that diverge from Kinnevik's recognized assessed fair values.

Newly issued shares may have preferential rights such as higher preference over an investee company's assets in the event of a liquidation or sale than Kinnevik's shares have; may represent a small share of an investee company's share capital; and may be directed solely to existing shareholders. Transactions in secondary shares may also represent a small share of an investee company's share capital or otherwise not be reflective of the value of an investee company as a whole. Therefore, Kinnevik does not necessarily consider these price levels as the most relevant base in assessing the fair values in Kinnevik's accounts.

As specified in the table above, the total difference between Kinnevik's pro rata share of the valuations implied by the latest transactions and the fair values in Kinnevik's accounts amounted to SEK 839m applied to Kinnevik's shareholdings as at 30 June 2017, whereof Kinnevik's E-Commerce & Marketplaces portfolio represented SEK 826m. Excluding Global Fashion Group, where Kinnevik's assessed fair value exceeds the value implied by the EUR 330m funding round completed in the third quarter of 2016, the aggregate difference amounted to SEK 2.8bn.

For further information about valuation principles and assumptions, please see Note 4.

Condensed Consolidated Income Statement

SEK m	Note	2017 1 Apr- 30 Jun	2016 1 Apr- 30 Jun	2017 1 Jan- 30 Jun	2016 1 Jan- 30 Jun	2016 Full year
Change in fair value of financial assets	4	2 841	-2 790	9 934	-12 982	-4 969
Dividends received	5	1 842	1 703	1 842	1 703	1 733
Administration costs		-54	-57	-101	-104	-261
Other operating income		5	11	10	13	47
Other operating expenses		0	0	0	-1	-1
Operating profit/loss		4 634	-1 133	11 685	-11 371	-3 451
Financial net		-52	33	-53	40	-7
Profit/loss after financial net		4 582	-1 100	11 632	-11 331	-3 458
Tax		0	0	0	0	-1
Net profit/loss for the period		4 582	-1 100	11 632	-11 331	-3 459
Net profit/loss per share before dilution		16.65	-4.03	42.28	-41.07	-12.55
Net profit/loss per share after dilution		16.63	-4.03	42.23	-41.07	-12.55
Other comprehensive income						
Cash flow hedging, gains/losses during the period		14	0	16	0	5
Total other comprehensive income for the period		14	0	16	0	5
Total comprehensive income for the period		4 596	-1 100	11 648	-11 331	-3 454
Outstanding shares at the end of the period		275 115 735	275 115 735	275 115 735	275 115 735	275 115 735
Average number of shares before dilution		275 115 735	275 108 453	275 115 735	275 873 209	275 570 219
Average number of shares after dilution		275 487 460	275 260 785	275 451 052	276 031 877	275 802 078

CONSOLIDATED EARNINGS FOR THE SECOND QUARTER

The change in fair value of financial assets including dividends received amounted to a profit of SEK 4,683m (loss of 1,087) for the second quarter of which a profit of SEK 4,720m (loss of 834) was related to listed holdings and a loss of SEK 37m (loss of 253) was related to unlisted holdings. See note 4 for further details.

CONSOLIDATED EARNINGS FOR THE FIRST SIX MONTHS OF THE YEAR

The change in fair value of financial assets including dividends received amounted to a profit of SEK 11,776m (loss of 11,279) for the first six months of the year of which a profit of SEK 12,033m (loss of 9,366) was related to listed holdings and a loss of SEK 257m (loss of 1,913) was related to unlisted holdings. See note 4 for further details.

Condensed Consolidated Cash Flow Statement

SEK m	Note	2017 1 Apr- 30 Jun	2016 1 Apr- 30 Jun	2017 1 Jan- 30 Jun	2016 1 Jan- 30 Jun	2016 Full year
Dividends received	5	1 842	1 703	1 842	1 703	1 733
Cash flow from operations		-41	-50	-108	-118	-250
Cash flow from operations before interest net and income taxes		1 801	1 653	1 734	1 585	1 483
Interest, received		3	42	7	42	54
Interest, paid		-30	-10	-41	-20	-41
Cash flow from operations		1 774	1 685	1 700	1 607	1 496
Investments in financial assets		-3 894	-534	-4 112	-1 686	-3 330
Sale of shares and other securities		3 090	455	5 197	457	480
Cash flow from investing activities		-804	-79	1 085	-1 229	-2 850
Change in interest bearing loans		2 002	0	2 479	0	381
Repurchase of shares		0	0	0	-500	-500
Redemption program and dividend paid to equity holders of the Parent company		-2 201	-7 084	-2 201	-7 084	-7 084
Cash flow from financing activities		-199	-7 084	278	-7 584	-7 203
Cash flow for the period		771	-5 478	3 063	-7 206	-8 557
Cash and short term investments, opening balance		2 615	7 152	323	8 880	8 880
Cash and short term investments, closing balance		3 386	1 674	3 386	1 674	323
SUPPLEMENTARY CASH FLOW INFORMATION						
Investments in financial assets	4	-3 894	-534	-4 089	-1 686	-3 399
Current period investments, not yet paid		-	-	-	-	69
Prior period investments, paid in current period		-	-	-23	-	-
Cash flow from investments in financial assets		-3 894	-534	-4 112	-1 686	-3 330

Condensed Consolidated Balance Sheet

SEK m	Note	2017 30 Jun	2016 30 Jun	2016 31 Dec
ASSETS				
Fixed assets				
Financial assets accounted at fair value through profit and loss	4	82 677	64 206	73 827
Tangible fixed assets		61	65	63
Other fixed assets		6	2	3
Total fixed assets		82 744	64 273	73 893
Other current assets		26	33	103
Short term investments		2 025	1 273	0
Cash and cash equivalents		1 361	401	323
TOTAL ASSETS		86 156	65 980	74 319
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity attributable to equityholders of the Parent Company		81 887	64 550	72 434
Interest bearing liabilities, long term		2 867	1 258	41
Interest bearing liabilities, short term		1 253	0	1 600
Non interest bearing liabilities		149	172	244
TOTAL EQUITY AND LIABILITIES		86 156	65 980	74 319

Key Ratios

Ratio	Note	2017 30 Jun	2016 30 Jun	2016 31 Dec
Debt/equity ratio		0.05	0.02	0.02
Equity ratio		95%	98%	97%
Net cash/(Net debt) for the Group, including net loans to investee companies	6	-690	1 245	-1 309
Leverage		1%	-	2%

Condensed Report of Changes in Equity for the Group

SEK m	Attributable to the Parent Company's shareholders				Total shareholders' equity
	Share capital	Other contributed capital	Hedging reserve	Retained earnings including net result for the year	
Opening balance 1 January 2016	28	8 840	-34	74 630	83 464
Profit for the year				-3 459	-3 459
Other comprehensive income			5		5
Total comprehensive income for the period	0	0	5	-3 459	-3 454
Transactions with shareholders					
Effect of employee share saving programme				8	8
Redemption program and cash dividend				-7 084	-7 084
Share buy-backs	-1			-499	-500
Closing balance 31 December 2016	27	8 840	-29	63 596	72 434
Profit for the period				11 632	11 632
Other comprehensive income			16		16
Total comprehensive income for the period	0	0	16	11 632	11 648
Transactions with shareholders					
Effect of employee share saving programme				6	6
Cash dividend				-2 201	-2 201
Closing balance 30 June 2017	27	8 840	-13	73 033	81 887

Notes for the Group (SEKm)

NOTE 1 ACCOUNTING PRINCIPLES

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU. This report was prepared in accordance with the Annual Accounts Act and IAS 34, Interim Financial Reporting. Information in accordance with IAS 34, Interim Financial Reporting is provided in the notes as well as on other places in the interim report.

The accounting principles and calculation methods applied in this report are the same as those described in the 2016 Annual Report.

NOTE 2 RISK MANAGEMENT

Kinnevik has a model for risk management, which aims to identify, control and reduce risks. The identified risks and how they are managed are reported to the Kinnevik Board of Directors on a quarterly basis.

Kinnevik's financing and management of financial risks is centralised within Kinnevik's finance function and is conducted on the basis of a finance policy established by the Board of Directors. Kinnevik is exposed to financial risks mainly in the form of changes in the value of the stock portfolio, changes in currency and interest rates, and financing risks. Operational risks are managed within each company with an operating business. Kinnevik is also exposed to political risks since the companies in which Kinnevik has invested have substantial operations in less developed markets in Latin America, Sub-Saharan Africa and South East Asia.

For a more detailed description of Kinnevik's risks and uncertainties, as well as risk management, refer to Note 18 for the Group in the 2016 Annual Report.

NOTE 3 RELATED PARTY TRANSACTIONS

Related party transactions for the period are of the same character as the transactions described in the 2016 Annual Report.

NOTE 4 FINANCIAL ASSETS ACCOUNTED AT FAIR VALUE THROUGH PROFIT AND LOSS

Kinnevik's unlisted holdings are valued using IFRS 13 and the International Private Equity and Venture Capital Valuation Guidelines, whereby a collective assessment is made to establish the valuation method that is most suitable for each individual holding. Firstly, it is considered whether any recent transactions have been made at arm's length in the companies. For new share issues, consideration is taken to if the newly issued shares have preferential rights, such as senior liquidation preference to the company's assets than earlier issued shares. For companies where no or few recent arm's length transactions have been performed, a valuation is conducted either by applying relevant multiples to the company's historical and forecast key figures, such as sales, profit, equity, or by discounting future expected cash flows. When performing a valuation based on multiples, consideration is given to potential adjustments due to, for example, difference in size, historic growth, profitability and geographic market between the current company and the group of comparable companies.

The valuation process for Kinnevik's unlisted holdings is run by the financial department and based on financial information reported from each holding. The correctness of the financial information received is ensured through continuous contacts with management of each holding and monthly reviews of the accounts. Prior to decisions being made about the valuation method to be applied for each holding, and the most suitable peers with which to compare the holding, the financial department obtains information and views from the investment team, as well as external sources of information. Information and opinions on applicable methods and groups of comparable companies are also obtained periodically from well-renowned, valuation companies in the market. The results from the valuation is discussed firstly with the CEO following which a draft is sent to the Audit Committee as well as the companies external auditors, who each quarter analyze and discuss the outcome before it is approved.

Below is a summary of the valuation methods applied in the accounts as per 30 June 2017:

Company	Valuation method	Valuation assumptions
Global Fashion Group	The valuation is based on the average sales multiple of a group of comparable companies (Zalando, Asos and Yoox Net-a-Porter Group), adjusted with a 43% discount on an aggregated level to adjust for emerging market exposure and path to profitability.	12 months historical sales (ending 31 Mar 2017)
	The valuation considers preferential rights in case of a liquidation or sale of the company.	Multiple: 1.3x
Home24	The valuation is based on the average sales multiple of a group of comparable companies (including Ocado Group, Wayfair and AO World), adjusted with a 20% discount on an aggregated level to adjust for growth and path to profitability.	12 months historical sales (ending 31 Mar 2017)
	The valuation considers preferential rights in case of a liquidation or sale of the company.	Multiple: 1.0x
Westwing	The valuation is based on the average sales multiple of a group of comparable companies (including Ocado Group, Wayfair and AO World). The average sales multiple of the peer group has been reduced by 10% due to factors such as lower profitability and company size.	12 months historical sales (ending 31 Mar 2017)
	The valuation considers preferential rights in case of a liquidation or sale of the company.	Multiple: 1.1x
Linio	The valuation is based on the average sales multiple of a group of comparable companies. Linio generates revenue from two business models, inventory and marketplace. Accordingly, two different peer groups are used in the valuation and the multiple weighted based on sales. The peer group for the inventory model includes AO World, B2W, CNova and JD.com. The peer group for the marketplace model includes MercadoLibre, eBay and Alibaba. This has then been adjusted by a 39% discount on aggregate level to adjust for factors such as path to profitability and emerging market exposure.	12 months historical sales (ending 31 Mar 2017)
	The valuation considers preferential rights in case of a liquidation or sale of the company.	Multiple: 2.5x
Konga	The valuation is based on the average sales multiple of a group of comparable companies. Konga generates revenue from two business models, inventory and marketplace. Accordingly, two different peer groups are used in the valuation and the multiple weighted based on sales. The peer group for the inventory model includes AO World, B2W, CNova and JD.com. The peer group for the marketplace model includes MercadoLibre, eBay and Alibaba. This has then been adjusted by a 39% discount on aggregate level to adjust for factors such as path to profitability and emerging market exposure.	12 months historical sales (ending 31 Mar 2017)
	The valuation considers preferential rights in case of a liquidation or sale of the company.	Multiple: 2.6x
Quikr	The valuation is based on discounted cash flows valuing Quikr at USD 989m.	
Bayport	The valuation is based on the latest transaction at arm's length; secondary share transaction in February 2016. The transaction valued all shares in Bayport at USD 547m.	
Milvik/BIMA	The valuation is based on the latest transaction at arm's length; third-party investment in March 2017. The transaction valued all shares in BIMA at USD 146m.	
Betterment	The valuation is based on the latest funding round. The transaction values all shares in Betterment at USD 800m on a fully diluted basis.	

For the companies in the table above that are valued based on sales multiples (i.e. Global Fashion Group, Home24, Westwing, Linio and Konga), an increase in the multiple by 10% would have increased estimated fair value by SEK 414m. Similarly, a decrease in the multiple by 10% would have decreased estimated fair value by SEK 363m.

When establishing the fair value of other financial instruments, methods that in every individual case are assumed to provide the best estimation of fair value have been used. For assets and liabilities maturing within one year, a nominal value adjusted for interest payments and premiums is assumed to provide a good approximation to fair value.

Information is provided in this note per class of financial instruments that are valued at fair value in the balance sheet, distributed in the levels stated below:

Level 1: Fair value established based on listed prices in an active market for the same instrument.

Level 2: Fair value established based on valuation techniques with observable market data, either directly (as a price) or indirectly (derived from a price) and not included in Level 1.

Level 3: Fair value established using valuation techniques, with significant input from data that is not observable in the market.

Change in fair value of financial assets	2017 1 Apr- 30 Jun	2016 1 Apr- 30 Jun	2017 1 Jan- 30 Jun	2016 1 Jan- 30 Jun	2016 Full year
Black Earth Farming	8	-29	50	-35	100
Com Hem	227	-	227	-	-
Millicom	-117	2 622	3 969	931	-3 689
MTG	-123	-277	277	69	711
Qliro Group	115	15	298	-119	-147
Rocket Internet	442	-1 346	81	-2 034	-1 637
Seamless	-4	6	1	6	-7
Tele2	442	-304	2 309	-1 625	-1 255
Zalando	1 889	-3 224	2 979	-8 261	1 302
Total Listed holdings	2 878	-2 537	10 191	-11 069	-4 623
Babylon	10	-3	73	-9	-10
Bayport	-65	49	-86	-158	-77
Betterment	-32	24	-42	13	52
Global Fashion Group	-249	159	-453	-1 378	71
Home24	68	-396	52	-705	-734
Konga	10	-44	-30	-2	7
Lazada	273	21	261	554	601
Linio	28	-20	65	-55	-90
Livongo	-7	-	-7	-	-
Milvik/BIMA	-24	17	4	56	113
Quikr	-39	66	-55	8	16
Westwing	6	-33	10	-30	-16
Other	-16	-93	-49	-207	-279
Total Unlisted holdings	-37	-253	-257	-1 913	-346
Total	2 841	-2 790	9 934	-12 982	-4 969

30 June 2017
(listed companies)

Book value of Financial assets	Class A shares	Class B shares	Capital/ Votes (%)	2017 30 Jun	2016 30 Jun	2016 31 Dec
Black Earth Farming	51 811 828	-	24.6/24.6	358	173	308
Com Hem	33 911 671	-	18.7/18.7	3 957	-	-
Millicom	37 835 438	-	37.6/37.6	18 759	19 410	14 790
MTG	4 461 691	9 042 165	20.3/48.0	3 927	3 007	3 650
Qliro Group	42 613 642	-	28.5/28.5	665	394	367
Rocket Internet	-	-	-	-	3 593	3 990
Seamless	-	-	-	-	40	20
Tele2	20 733 965	131 699 187	30.3/47.9	13 475	9 898	11 166
Zalando	78 427 800	-	31.7/31.7	30 224	17 683	27 245
Total Listed holdings				71 365	54 198	61 536
Babylon			19.6/19.6	371	109	154
Bayport			24.2/24.2	1 115	1 120	1 201
Betterment			9.3/9.3	548	551	590
Global Fashion Group			35.4/35.4	5 188	3 614	5 641
Home24			17.0/17.0	184	96	94
Konga			34.0/34.0	121	101	133
Lazada			-/-	-	659	706
Linio			27.0/27.0	357	212	292
Livongo			3.5/3.5	105	-	-
Milvik/BIMA			33.0/33.0	406	407	464
Quikr			18.0/18.0	1 480	1 527	1 535
Saltside			60.8/60.8	197	195	200
Westwing			16.5/16.5	439	415	429
Other			-/-	801	1 002	852
Total Unlisted holdings				11 312	10 008	12 291
Total				82 677	64 206	73 827

Investments in financial assets	2017 1 Apr- 30 Jun	2016 1 Apr- 30 Jun	2017 1 Jan- 30 Jun	2016 1 Jan- 30 Jun	2016 Full year
Com Hem	3 730	-	3 730	-	-
Tele2	-	-	-	-	898
Total listed holdings	3 730	-	3 730	-	898
Babylon	70	-	144	118	164
Betterment	-	-	-	538	538
Global Fashion Group	-	456	-	925	1 503
Home24	38	-	38	-	27
Iroko	-	-	-	17	17
Konga	9	-	18	-	23
Linio ¹	-	-	-	-	115
Livongo	-	-	112	-	-
Westwing	-	58	-	58	58
Other	47	20	47	30	56
Total unlisted holdings	164	534	359	1 686	2 501
Total	3 894	534	4 089	1 686	3 399

¹ Comparable periods have been adjusted for the swap between Linio and Africa E-Commerce Holding ("Jumia").

Changes in unlisted assets (level 3)	2017 1 Apr- 30 Jun	2016 1 Apr- 30 Jun	2017 1 Jan- 30 Jun	2016 1 Jan- 30 Jun	2016 Full year
Opening balance	12 154	10 182	12 291	10 692	10 692
Investments	164	534	359	1 686	2 501
Disposals / Exit proceeds	-969	-455	-1 081	-457	-556
Change in fair value	-37	-253	-257	-1 913	-346
Closing balance	11 312	10 008	11 312	10 008	12 291

NOTE 5 DIVIDENDS RECEIVED

	2017 1 Apr- 30 Jun	2016 1 Apr- 30 Jun	2017 1 Jan- 30 Jun	2016 1 Jan- 30 Jun	2016 Full year
Millicom	883	823	883	823	823
Tele2	797	725	797	725	725
MTG	162	155	162	155	155
Other	-	-	-	-	30
Total dividends received	1 842	1 703	1 842	1 703	1 733
<i>Of which cash dividends</i>	<i>1 842</i>	<i>1 703</i>	<i>1 842</i>	<i>1 703</i>	<i>1 733</i>
<i>Of which ordinary cash dividends</i>	<i>1 842</i>	<i>1 703</i>	<i>1 842</i>	<i>1 703</i>	<i>1 703</i>

NOTE 6 INTEREST BEARING ASSETS AND LIABILITIES

Kinnevik's total interest bearing assets amounted to SEK 3,477m as at 30 June 2017. The total amount of interest bearing liabilities was SEK 4,120m and the debt for unpaid investments/divestments was SEK 47m. Kinnevik was in a net debt position of SEK 775m as at 30 June 2017 (net debt SEK 1,367m as at 31 December 2016). Including net outstanding loans to investee companies, the corresponding figure was SEK 690m (net debt SEK 1,309m as at 31 December 2016).

In May 2017 Kinnevik issued a SEK 1.45bn bond with three years maturity as well as a SEK 400m tap on the SEK 1bn bond issued in March 2017 with five years maturity. The bonds were issued under Kinnevik's medium term note programme (the "MTN Programme") which was put in place in February 2017 with a framework amount of SEK 4bn, whereof SEK 2.85bn has now been utilized. The bonds were a mix of fixed and floating rate bonds. To eliminate interest rate risk Kinnevik entered into interest rate swap agreements whereby Kinnevik will pay fixed annual interest on the full amounts.

Kinnevik's total credit facilities (including issued bonds) amounted to SEK 9,724m as at 30 June 2017 whereof SEK 5,500m related to unutilised revolving credit facilities and SEK 4,050m related to bonds.

The Group's available liquidity, including short term investments and available unutilized credit facilities, totalled SEK 9,016m as at 30 June 2017 (SEK 6,053m as at 31 December 2016).

SEKm	2017 30 Jun	2016 30 Jun	2016 31 Dec
Interest bearing assets			
Loans to investee companies	85	891	91
Short term investments	2 025	1 273	-
Cash and cash equivalents	1 361	401	323
Other interest bearing assets	6	-	-
Total interest bearing assets	3 477	2 565	413
Interest bearing long term liabilities			
Debt to investee companies	-	-	32
Liabilities to credit institutions	0	30	21
Capital markets issues	2 850	1 200	0
Accrued borrowing cost	-14	-5	-12
Other interest bearing liabilities	31	33	31
	2 867	1 258	73
Interest bearing short term liabilities			
Debt to credit institutions	9	-	-
Capital markets issues	1 200	-	1 200
- of which held in own custody	-456	-	-
Commercial papers	500	-	400
	1 253	-	1 600
Total interest bearing liabilities	4 120	1 258	1 673
Net interest bearing liabilities (-) / assets (+)	-643	1 307	-1 260
Debt, unpaid investments/divestments	-47	-62	-49
Net cash/(Net debt) for the Group, including net loans to investee companies	-690	1 245	-1 309

The outstanding loans carry an interest rate of Stibor or similar base rate with an average margin of 0.94%. All bank loans have variable interest rates (up to 3 months) while financing from the capital markets vary between 1 to 12 months for the loans under the commercial paper program and 5 years fixed for the outstanding bond (as per date of issue).

As at 30 June 2017, the average remaining tenor was 2.75 years for all credit facilities including the bonds. As at 30 June 2017, Kinnevik had not provided any security for any of its outstanding loans.

Condensed Parent Company Income Statement

SEK m	2017 1 Apr- 30 Jun	2016 1 Apr- 30 Jun	2017 1 Jan- 30 Jun	2016 1 Jan- 30 Jun	2016 Full year
Administration costs	-65	-47	-95	-88	-245
Other operating income and costs	3	1	3	1	7
Operating loss	-62	-46	-92	-87	-238
Dividends received, external	1 007	786	1 007	786	786
Result from subsidiaries	8 466	-849	8 466	-849	-3 431
Financial net	-24	11	-40	-22	-45
Profit/loss after financial items	9 386	-98	9 340	-172	-2 928
Group contribution	-	-	-	-	100
Profit/loss before taxes	9 386	-98	9 340	-172	-2 828
Taxes	-	-	-	-	-
Net profit/loss for the period	9 386	-98	9 340	-172	-2 828
Total comprehensive income for the period	9 386	-98	9 340	-172	-2 828

Condensed Parent Company Balance Sheet

SEK m	2017 30 Jun	2016 30 Jun	2016 31 Dec
ASSETS			
Tangible fixed assets	4	4	4
Financial fixed assets	52 062	51 774	51 960
Short term receivables	15	22	121
Short term investments	2 025	414	0
Cash and cash equivalents	400	1 272	317
TOTAL ASSETS	54 506	53 486	52 402
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity	49 253	44 757	42 108
Provisions	27	28	27
Long term interest bearing liabilities	3 899	8 601	6 605
Short term interest bearing liabilities	1 244	-	-
Other short term liabilities	83	100	3 662
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	54 506	53 486	52 402

The Parent Company's liquidity, including short-term investments and unutilized credit facilities, totalled SEK 8,055m (8,737) at 30 June 2017. The Parent Company's interest bearing external liabilities amounted to SEK 4,103m (2,097) on the same date. Investments in tangible fixed assets amounted to SEK 0m (0) during the period.

Distribution by class of shares on 30 June 2017 was as follow:

	Number of shares	Number of votes	Par value (SEK 000s)
Outstanding Class A shares, 10 votes each	41 157 144	411 571 440	4 116
Outstanding Class B shares, 1 vote each	233 959 015	233 959 015	23 396
Class B shares in own custody	350 479	350 479	35
Registered number of shares	275 466 638	645 880 934	27 547

The total number of votes for outstanding shares amounted at 30 June 2017 to 645,530,455 excluding 350,479 class B treasury shares. During the first six months of the year 424 Class B shares were delivered to a participant in a long term incentive program.

The Board has authorization to repurchase up to a maximum of 10% of all shares in the Company over 12 months, ending at the AGM of 2018.

There are no convertibles or warrants in issue.

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

Kinnevik presents some performance measures in the interim report that are not defined by IFRS. Kinnevik believes that these performance measures adds valuable information to the company's investors and the company's management since they enable assessment of the Kinnevik's and its portfolio companies performance and position. Since all companies do not calculate their performance measures in the same manner, these are not always comparable with similar measures used by other companies. Such performance measures shall therefore not be used in replacement of measures defined by IFRS.

Alternative performance measures in Kinnevik's interim report include:

Active customers	Number of customers having made at least one order within the last 12 months
Debt/equity ratio	Interest-bearing liabilities including interest-bearing provisions divided by shareholders' equity
Equity ratio	Shareholders' equity including non-controlling interest as percentage of total assets
Gross merchandise value, GMV	Total value of all sale transactions during the period, including taxes but excluding shipping costs
Internal rate of return, IRR	The annual rate of return calculated in quarterly intervals on a SEK basis that renders a zero net present value of (i) fair values at the beginning and end of the respective measurement period, (ii) investments and divestments, and (iii) cash dividends and dividends in kind
Investments	All investments in listed and unlisted financial assets, including loans to portfolio companies
Leverage	Net debt as a percentage of portfolio value
Net asset value, NAV	Net value of all assets on the balance sheet, equal to the shareholders' equity
Net cash/(net debt)	Interest bearing receivables (excluding net outstanding receivables relating to portfolio companies), short-term investments and cash and cash equivalents less interest-bearing liabilities including interest-bearing provisions and unpaid investments/divestments
Net investments	The net of all investments and divestments in listed and unlisted financial assets
Net merchandise value, NMV	Gross merchandise value after actual and provisioned returns and rejections
Portfolio value	Value of all assets on the balance sheet, less cash and cash equivalents
Total shareholder return, TSR	Annualized total return of the Kinnevik B share on the basis of shareholders reinvesting all cash dividends, dividends in kind, and mandatory share redemption proceeds into the Kinnevik B share, before tax, on each respective ex-dividend date. The value of Kinnevik B shares held at the end of the measurement period is divided by the price of the Kinnevik B share at the beginning of the period, and the resulting total return is then recalculated as an annual rate

FINANCIAL REPORTS

Dates for 2017 reporting: 26 October Interim Report January-September 2017
February 2018 Year end release 2017

The Board of Directors and the Chief Executive Officer certify that this undersigned six month interim report provides a true and fair overview of the Parent Company and Group's operations, financial position and performance for the period, and describes the material risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, 21 July 2017

Tom Boardman
Chairman of the Board

Anders Borg
Deputy Chairman of the Board

Dame Amelia Fawcett
Deputy Chairman of the Board

Cynthia Gordon
Member of the Board

Wilhelm Klingspor
Member of the Board

Lothar Lanz
Member of the Board

Erik Mitteregger
Member of the Board

Henrik Poulsen
Member of the Board

Mario Queiroz
Member of the Board

John Shakeshaft
Member of the Board

Cristina Stenbeck
Member of the Board

Joakim Andersson
Acting Chief Executive Officer

AUDIT REPORT

Introduction

We have reviewed the interim report for Kinnevik AB (Publ) for the period January 1 - June 30, 2017. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm 21 July 2017

Deloitte AB

Jan Berntsson
Authorized Public Accountant

This information is information that Kinnevik AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 08.00 CET on 21 July 2017.

For further information, visit www.kinnevik.com or contact:

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Kinnevik is an industry focused investment company with an entrepreneurial spirit. Our purpose is to build the digital consumer businesses that provide more and better choice. We do this by working in partnership with talented founders and management teams to create, invest in and lead fast growing businesses in developed and emerging markets. We believe in delivering both shareholder and social value by building well governed companies that contribute positively to society. Kinnevik was founded in 1936 by the Stenbeck, Klingspor and von Horn families. Kinnevik's shares are listed on Nasdaq Stockholm's list for large cap companies under the ticker codes KINV A and KINV B.