
PRESENTATION OF THE SECOND QUARTER OF 2018

20 JULY 2018

AGENDA

- A** Operating Companies' Performance
- B** Kinnevik's Financial Position
- C** 2018 Priorities

TODAY'S PRESENTERS

Georgi Ganev

Chief Executive Officer

Joakim Andersson

Chief Financial Officer

Torun Litzén

Director Corporate Communications

SECTION A

OPERATING COMPANIES' PERFORMANCE

Q2 2018 HIGHLIGHTS: STRATEGIC DEVELOPMENTS IN OUR PORTFOLIO ON TRACK, AND THREE NEW INVESTMENTS ANNOUNCED DURING THE QUARTER

NAV 30 JUNE 2018

SEK **96.4**bn

CHANGE IN NAV Q/Q

3%

1 YEAR TSR

21%

5 YEAR TSR

17%

KEY PORTFOLIO DEVELOPMENTS

- An Extraordinary General Meeting in Kinnevik on 16 July resolved to distribute Kinnevik's shares in MTG to its shareholders in order to facilitate the EU clearance of the proposed merger between Tele2 and Com Hem
- Qliro Group announced a new strategic direction, where Qliro Financial Services, CDON Marketplace and Nelly will operate as three fully independent companies to highlight and increase shareholder value
- Home24, the leading pure-play home & living e-commerce platform, was successfully listed on the Frankfurt Stock Exchange in June, resulting in an increase in fair value of Kinnevik's stake of SEK 666m during the quarter

INVESTMENT MANAGEMENT ACTIVITIES

- Total investments of SEK 789m in the second quarter, whereof SEK 345 in Livongo and SEK 288m in three new companies
 - SEK 80m for a 20% stake in Budbee, a Swedish last-mile logistics company
 - SEK 67m for a 13% stake in Pleo, a Danish corporate payment card solution company
 - SEK 141m for a 8% stake in Cedar, a US based healthcare services company

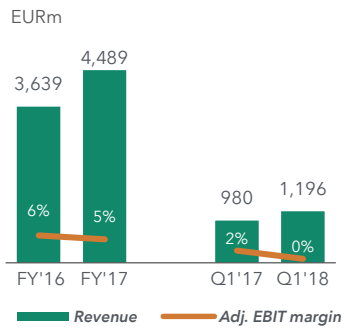
FINANCIAL POSITION

- Net Asset Value of SEK 96.4bn (SEK 350 per share), up SEK 3.1bn or 3% during the quarter, led by Zalando and Tele2
- Net debt position increased by SEK 1.8bn to SEK 2.9bn driven by paid dividends and investment activity, corresponding to a leverage of 3% of portfolio value

OUR LARGE PUBLIC COMPANIES HAD A STRONG QUARTER WITH HIGH GROWTH AND INCREASING PROFITS



EXPANDING TO TWO NEW EUROPEAN MARKETS

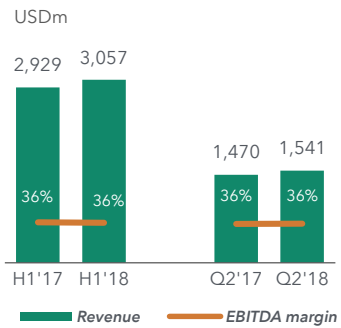


- Zalando announced its intention to expand into Ireland and Czech Republic in summer 2018. With the new markets, Zalando will expand its reach and open its offering to an additional 15.4 million citizens
- Additional language versions of Zalando will be launched in Germany and Switzerland
- Zalando reports Q2 2018 results on 7 August

Note: EBIT adjusted for share-based compensation.



POSITIVE MOMENTUM, ON TRACK WITH GUIDANCE

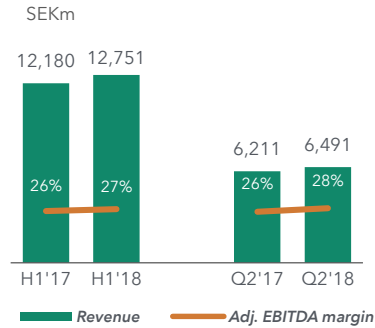


- The investments made are delivering faster and more predictable revenue growth
- Growth for full year 2018 expected to come in near the top of previously communicated range
- With growth back on track, focus increases on costs, and improving operational efficiency

Note: Figures includes Guatemala (55% ownership) and Honduras (66.7% ownership) and excludes discontinued operations.



CONTINUED STRONG FINANCIAL PERFORMANCE

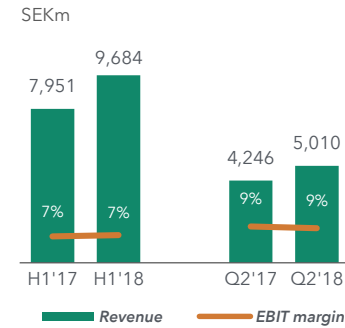


- 12th consecutive quarter of delivering results ahead of expectations
- Raises full year Adjusted EBITDA guidance to SEK 6.8 - 7.1bn
- Preparations for the two transformative deals continued throughout the quarter, and both the Swedish merger with Com Hem and the Dutch combination with T-Mobile are expected to close in the fourth quarter

Note: Figures presented on a like-for-like basis. Discontinued operations include Tele2 Netherlands and the former operations in Austria, Italy and Russia.



EIGHT CONSECUTIVE QUARTER OF >5% ORGANIC GROWTH

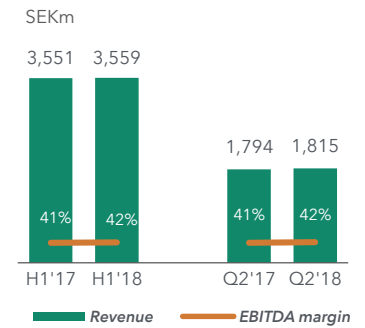


- Nordic Entertainment delivered another quarter of higher sales and profits, driven by the exclusive coverage of the Ice Hockey World Championship and continued strong performance from Viaplay
- MTGx sales were up 63% (25% organically). Strong performance from InnoGames meant that MTGx delivered its third consecutive EBITDA positive quarter

Note: Excludes discontinued operations comprising MTG's businesses in Tanzania in Q2 2018 and MTG's businesses in the Czech Republic and the Baltics in 2017. Figures also exclude items affecting comparability.



FURTHER STRENGTHENING OF LEADING POSITION IN SWEDISH TV



- Additional steps taken to secure leadership position in the Swedish TV market through the launch of TV Hub for both the Com Hem and Boxer brands
- Com Hem continued to expand its addressable footprint during the quarter, with the uptake primarily driven by the expansion in the SDU market

Note: EBITDA stated before disposals excluding items affecting comparability and operating currency gains/losses.

ACTIVE OWNERSHIP: CONTINUED HIGH ACTIVITY IN THE NORDIC PORTFOLIO



MODERN TIMES GROUP

Distribution of MTG to facilitate Nordic TMT vision

Strong company, well positioned and ready for the future, distributed to Kinnevik's shareholders

16/7

Extraordinary General Meeting held

10/8

Expected **record date** for the right to receive shares in the MTG distribution

14/8

Expected **distribution date**



QLIRO GROUP

New strategic direction announced

Qliro Group to operate as three independent companies to highlight shareholder value

NELLY.COM

Q2 2018
Net sales:
SEK 403m

Q2 2018
EBIT margin:
5.9%



Q2 2018
Total operating income:
SEK 71m

Q2 2018
Loans to the public:
1.2bn

CDON.COM
Marketplace

Q2 2018 Gross
Merchandise Value:
SEK 448m

Q2 2018 LTM
Active customers:
1.8m

CLEAR RATIONALES

1. Facilitates the merger between Tele2 and Com Hem
2. Allows Kinnevik's shareholders continued exposure to MTG
3. Significant value distributed to shareholders

1. Highlights and creates shareholder value
2. Creates the best conditions for strengthening the competitiveness of each individual company
3. All three companies have begun to reach sufficient size to be able to develop further on their own

OUR PRIVATE COMPANIES CONTINUED TO FOCUS ON GROWTH, STRATEGIC PARTNERSHIPS AND PRODUCT INNOVATION



- In excess of 10 million active customers at the end of Q1 2018¹
- Q1 2018 Net Merchandise Value growth of 20% and net revenue growth of 18%
- The gross profit margin declined 1.0 percentage points to 37%. The adjusted EBITDA margin improved as a result of successful path-to-profit initiatives to (13.6)%²



- 12.0 million responses in June 2018 (21% growth on a per-listing basis, reflecting a continued focus on quality of content and conversion to end transactions)
- The company continued to execute on its cross category strategy and registered the second consecutive quarter during which all categories generated positive contribution margins



- Over 365,000 customers at the end of Q2 2018 (35% growth)
- Assets under management of USD 14.1bn (43% growth)
- Introduced a new suite of tools that provide customers the ability to link external accounts to individual goals and an enhanced risk analysis of their accounts held outside of Betterment



- 6.8 million active customers at the end of Q2 2018 (31% growth excluding discontinued products)
- Signed a global framework agreement with Orange to drive expansion in African markets and strengthen its footprint in the region



- “GP at hand”, the digital GP service in collaboration with the NHS, continued its growth to over 26,000 registered members and 20,000 applications
- Babylon surpassed 2 million members in Rwanda, covering 30% of the nation’s population
- Launched video doctor appointments and symptom checker within the Samsung health app



- In excess of 80,000 members at the end of Q2 2018 (+100% growth)
- Livongo continues to add payers and other key partners to its already strong ecosystem of approximately 340 clients
- Continued strong momentum in the health services segment driven by new and existing growth within some of the largest health plans in the United States including a strategic agreement with Cambia Health

¹ Pro forma growth; includes Kanui and Tricae and excludes Mexico, Thailand, Vietnam, Jabong and Namshi. Revenue and NMV growth at constant currencies

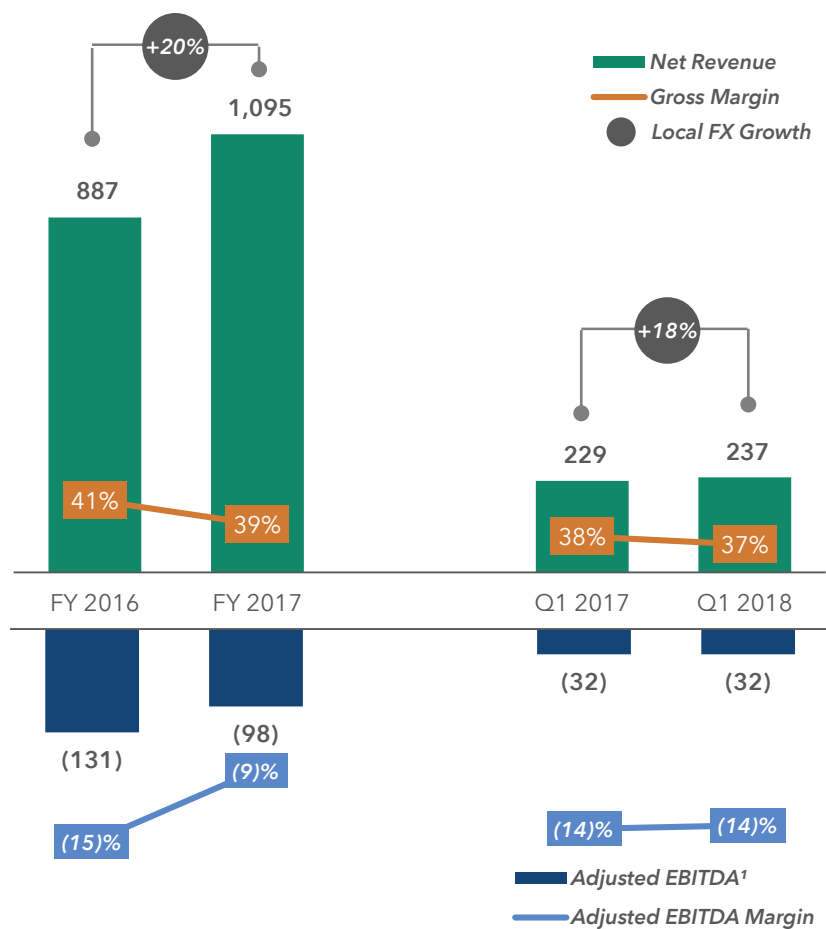
² Excluding share based compensation

Note: All growth rates are year-on-year, unless otherwise stated

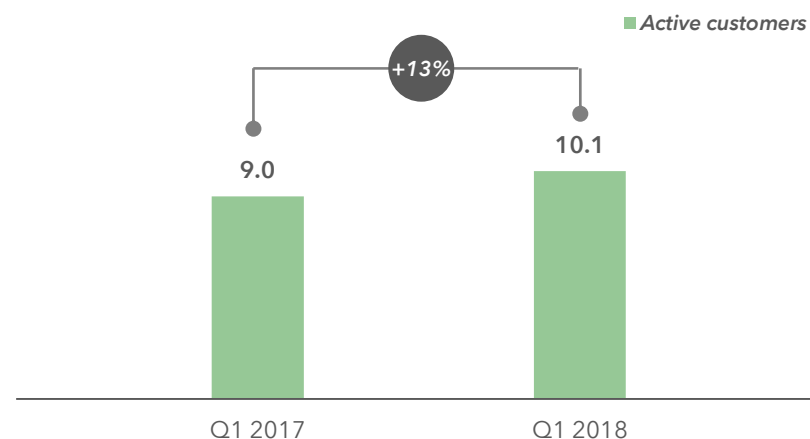
Source: Company information

GLOBAL FASHION GROUP GREW STEADILY DURING THE FIRST QUARTER OF 2018 IN LOCAL CURRENCY

GROWTH AND MARGIN DEVELOPMENT



OPERATIONAL KPI DEVELOPMENT



REGIONAL OVERVIEW

- **Lamoda** grew net revenue by 2% and NMV by 5%. Gross margin increased to 34%. Further enhancements in customer experience, including 15 minute delivery slots, were initiated during the quarter
- **Dafiti** grew net revenue and NMV by 24% and 21% respectively, driven by strong marketplace performance as a result of quality improvements and strong growth in Colombia. Gross margin amounted to 41% in the quarter
- **Zalora** and **The Iconic** grew net revenue and NMV by 31% and 37% respectively. Gross margin declined to 37% in the quarter, driven by competitive promotional pricing and product mix effects

¹ Excluding share based compensation

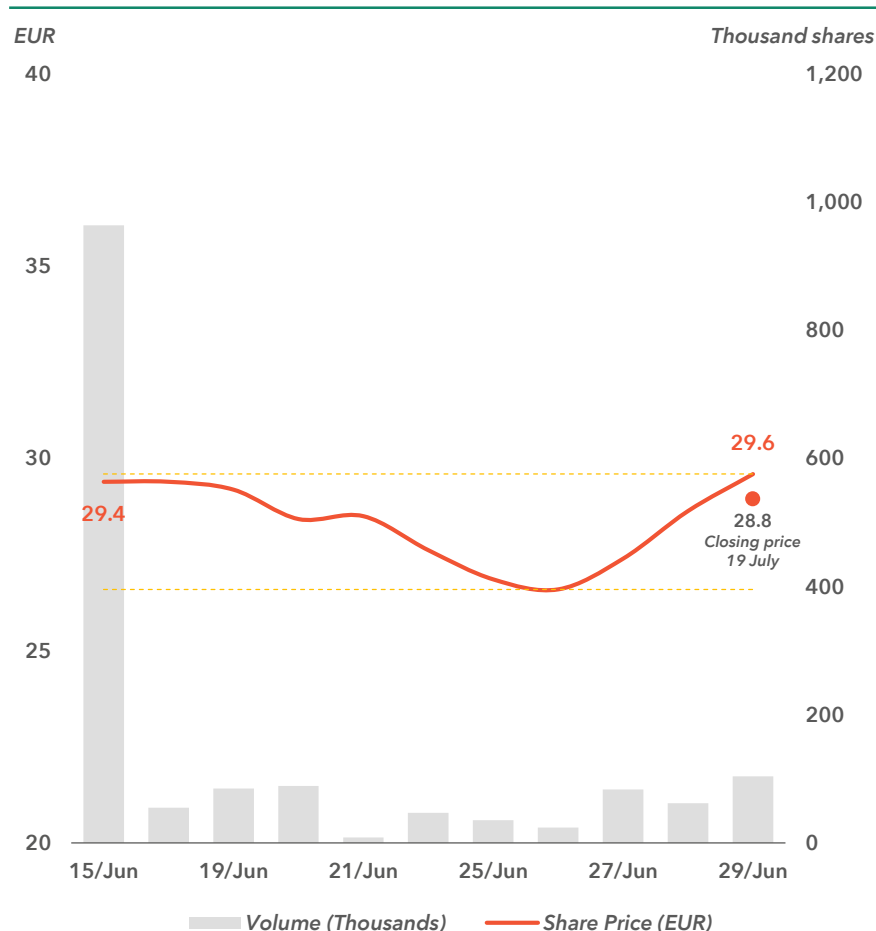
Note: Growth rates on a constant currency and pro forma basis; includes Kanui and Tricae and excludes Mexico, Thailand, Vietnam, Jabong and Namshi

Source: Company information

HOME24 STARTED TRADING ON THE FRANKFURT STOCK EXCHANGE IN JUNE 2018



SHARE DEVELOPMENT



COMMENTS

- Home24 became Kinnevik’s next public investee company when it **commenced trading** on the **Frankfurt Stock Exchange on 15 June**
- The final offer price was set to EUR 23.00 and the share closed its first day of trading at EUR 29.40, an **increase of 28%**
- After the IPO, Kinnevik remains a large owner with 12% of the company
- Trading during the first quarter of 2018 was solid, especially in Latin America, leading to a **revenue uplift of 25% year-on-year** for the group
- The second quarter traded significantly slower for the entire furniture market in Europe due to the exceptionally warm weather, leading to Home24 adjusting its sales estimates for the quarter
- However, the company **reconfirmed its full year guidance of around 30% sales growth**

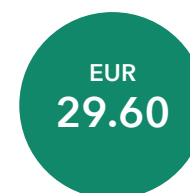
IPO HIGHLIGHTS



Offer price



Closing price
First day of trading



Closing price
30 June

WE ARE CONTINUING TO EXECUTE ON OUR INVESTMENT STRATEGY WITH THREE NEW COMPANIES JOINING US IN Q2

The logo for budbee, featuring the word "budbee" in a lowercase, teal, sans-serif font with a registered trademark symbol (®) to the upper right.

Swedish last-mile logistics service for e-Commerce

- Budbee operates a modern customer centric last-mile logistics platform specialized for e-commerce businesses
- The solution allows end customers to track their deliveries in real time and allows for fast deliveries on the customers' terms
- Kinnevik invested SEK 80m for a 20% stake

The logo for pleo, featuring the word "pleo" in a lowercase, pink, sans-serif font.

Danish corporate payment card solution

- Offering smart payment cards to employees, Pleo enables everyone to buy whatever they need for work, while making sure the company remains in full control of spending
- With the help of new technology, Pleo reduces administrative complexity, eliminates expense reports and simplifies bookkeeping
- Kinnevik invested SEK 67m for a 13% stake

The logo for Cedar, featuring a stylized red and orange leaf icon to the left of the word "Cedar" in a bold, dark blue, sans-serif font.

US based healthcare payments company

- Cedar is a challenger business, solving a material consumer need in healthcare by enabling better communication between healthcare providers, payers and patients
- Kinnevik invested SEK 141m for a 8% stake

SECTION B

KINNEVIK'S FINANCIAL POSITION

SOLID NET ASSET VALUE DEVELOPMENT, WITH STRONG PERFORMANCE IN ZALANDO AND TELE2 DRIVING NAV UP 3%

NAV Development

(SEKbn)



MAINTAINED STRONG BALANCE SHEET IN LINE WITH FINANCIAL TARGETS

INVESTMENT ACTIVITY (SEKM)

	Q2 2018
<i>Livongo</i>	345
<i>Cedar</i>	141
<i>Babylon</i>	118
<i>Budbee</i>	80
<i>Pleo</i>	67
<i>Other</i>	38
Total Investments	789
Total Divestments	89
Net Investments (Divestments)	700

FINANCIAL POSITION (SEKM)

Net Cash / (Debt) Per 31 March 2018	(1 079)
Net Investments	(700)
Operating Expenses	(60)
Net Financial Expenses	(13)
Dividends received	1 220
Dividends paid	(2 270)
Net Cash / (Debt) Per 30 June 2018	(2 902)
Leverage	3%

TOTAL SHAREHOLDER RETURN



Past 30 years



Past 10 years



Past 5 years



Past 12 months

SECTION C

2018 PRIORITIES

2018 KEY PRIORITIES

INTENSIFY ACTIVE OWNERSHIP

Active ownership is a core pillar of Kinnevik's strategy, and key to building successful businesses.

We will continue to focus on creating value in our large listed companies.

ACCELERATE PRIVATE PORTFOLIO

Identify and accelerate the key assets in our private portfolio, and invest in a number of new companies in the coming years.

INCREASE NORDIC FOCUS

Increase our efforts to identify new investments in our focus markets, including the Nordics.

DEVELOPMENTS IN 2018

Q1

- ✓ Tele2 / Com Hem merger
- ✓ MTG split
- ✓ Strengthened investment team with two new hires

Q2

- ✓ Livongo investment
- ✓ Budbee investment
- ✓ Pleo investment
- ✓ Cedar investment
- ✓ MTG distribution decided
- ✓ Home24 IPO
- ✓ Qliro Group strategic review



BUILDING THE BUSINESSES THAT PROVIDE
MORE AND BETTER CHOICE