



K I N N E V I K

# **Q3 2021 Report**

Wednesday, 20<sup>th</sup> October 2021

## Opening Comments

Georgi Ganev

*CEO, Kinnevik*

Good morning, everyone, and welcome to the presentation on Kinnevik's results for the third quarter 2021. I am Georgi Ganev, Kinnevik's CEO. And with me today is our CFO, Erika Söderberg Johnson, and our Investment Manager and Healthcare lead, Christian Scherrer. For the Q&A part of this call, we are also joined by our Director of Corporate Communications, Torun Litzén, and our Head of Strategy, Samuel Sjöström.

Let us move to page two. We will begin with the strategic highlights of the quarter and then move on to a deep dive into our healthcare portfolio and the progress within fintech and our enabler strategy. After this, we will go through our financial position and give you an updated indication of our expected investments for the remainder of this year.

### Highlights of the Quarter

So let us move on to page three, where we have summarised the key strategic highlights during the third quarter. During the past few quarters, we have been very active both in finding and investing in new exciting companies in a competitive environment, and in supporting our existing companies.

#### *Betterment*

And in the quarter, Betterment raised \$160 million in new capital to accelerate the record growth the company has delivered year-to-date, leading to a significant uplift in valuation.

#### *Cityblock*

Cityblock raised almost \$400 million, increasing the valuation to over \$6 billion and doubling the fair value of our stake at 2 times or SEK2 billion. The funding round establishes Cityblock as a leader in value-based Medicaid and other complex populations. The need to close the care gaps for underserved communities is as pressing as ever and the company is growing rapidly as payers are looking for a value-aligned partner.

#### *Babylon*

Babylon reaffirmed its 2021 and 2022 growth guidance and secured \$200 million in sustainability linked financing as it nears completion of its SPAC merger transaction. And we expect the company to trade on Friday this week.

#### *Growth Portfolio*

We remain focused on reallocating capital across the portfolio into new and exciting growth companies, ensuring we maintain the momentum of our strategic transformation and capture the opportunities that arise in a very active venture and growth capital market. This quarter, we invested in four new companies in our focus sectors.

We invested in Lunar, the leading Nordic challenger bank already in July. Since then, we have also added Spring Health, a company that is making mental health fundamental to healthcare. And Quit Genius, a digital clinic that helps people conquer their substance addictions.

In the enabler space, we invested in Sure, a company offering a complete end-to-end SaaS insurance platform. And I am very proud to say the strong momentum we see comes on the back of more and more founders choosing Kinnevik as one of their preferred partners based on the expertise, network and track record we have established over the past few years.

#### *Tele2*

Something that also supports this momentum is that Tele2 announced its divestments of the Netherlands joint-venture and its intentions to pay out an extraordinary dividend, strengthening our financial position by more than SEK2 billion.

#### *VillageMD*

And lastly, last week we announced our support of the deepened partnership between VillageMD and Walgreens. The partnership has been a key growth driver, and we were happy to facilitate an acceleration of the rollout of the Village Medical at Walgreens practices by committing to sell a minimum of \$340 million stake. Considering the growth opportunity of this accelerated rollout, we were keen to remain a significant investor and are happy to retain around 60% of our investment in the company.

#### *Teladoc and GFG*

In terms of our net asset value, the upwards revaluation of our product portfolio was balanced out by negative share price developments at Teladoc and GFG, leading to a NAV remaining quite flat compared to the second quarter. On a year-over-year basis, our NAV was up by more than 21% to SEK75.8 billion or SEK273 per share, excluding Zalando.

Our private portfolio grew by almost SEK4.5 billion, of which around half was due to net revaluations and half due to the investments I just mentioned. Erika will take you through the development of our NAV in more detail, as well as the valuations of unlisted companies in a few minutes.

But first, let us take a look at the development within Healthcare Services starting on page four. And for this, I will now hand over to Christian Scherrer, the Investment Manager who leads our Healthcare team.

## **Our Healthcare Portfolio**

Christian Scherrer

*Investment Manager, Kinnevik*

### **We Continue to Build Out a High-Performing Healthcare Portfolio**

Thank you, Georgi. The pandemic had a profound impact on global healthcare systems and highlighted systemic issues within the sector. But it also accelerated technology adoption in the last 18 months to the extent we expected would happen over the next decade. This resulted in significant value creation in our company and opened new markets and opportunities in healthcare we can now start to explore.

The systemic issues are not new. And over the last five years, we invested over SEK5 billion in companies that tried to solve them. These issues centre around aligning interests between payers and providers to deliver more value to consumers, data interoperability and equal

opportunities in society to get access to high-quality care. We are seeing increased urgency to solve these issues and, therefore, more demand for our company services.

Our thesis continues to receive external validation from incumbents and investors alike. As Georgi mentioned, Walgreens deepened its partnership with VillageMD by investing a further \$5 billion and increasing the ambition level to a 1,000 clinics nationwide by 2027.

Cityblock received yet another substantial valuation step-up through the funding round led by SoftBank. We see this as a strong proof point of value-based care expanding beyond Medicare into Medicaid and other markets. Our total investment before this round is up more than 6 times since we first invested only last year.

As we continue to build out our healthcare portfolio, we will expand in adjacencies such as data and automation but also double down in value base and virtual care delivery. We will back companies that offer data-driven preventative care, increasingly focused on specific conditions that are underserved.

Livongo was a good example in diabetes, and our investments this year reflect the same thesis. Parsley Health in women's health; Spring Health and anxiety and depression; and Quit Genius and substance abuse, all conditions that are currently top of mind for health insurers and employers.

### **Expanding our Healthcare Portfolio**

On page five, we will look at the two new additions to the portfolio this quarter. We invested \$100 million in Spring Health in a very competitive funding round. Spring Health is a comprehensive mental health provider for the US workforce, serving employees and their families with high-quality, data-driven and personalised care. Prevalence of anxiety and depression has skyrocketed globally, with one in four reporting symptoms during the pandemic, up from one in 10 pre-pandemic.

Employers are facing a big challenge as their employees are feeling the strain from lockdowns, mourning lost loved ones and the lack of access to childcare. Demand for compassionate care and mental health is at unprecedented highs, and we see it continue to increase further in 2022. The stigma in mental health has largely disappeared, and hence the addressable market is expanding. Unsurprisingly, mental healthcare is a competitive market today.

#### *Spring Health*

We believe Spring Health is unique for several reasons. First, it is the most comprehensive solution we have seen, replacing full suite employee assistant services. Second, the company is expanding the product to serve entire families in an integrated way. Third, the company is built on the most advanced data infrastructure that personalises care pathways, and therefore, reaches outcomes faster and at a lower cost. We see this as a key advantage to win as this market moves towards value.

#### *Quit Genius*

Another exciting addition this quarter is Quit Genius. Quit Genius is a digital clinic helping individuals conquer their substance addictions such as smoking, alcohol and opioids. What drove the founders to start four years ago was the realisation that despite the US spending

over \$40 billion on treatment facilities, more than 90% of people suffering from addiction never get access to evidence-based care.

Substance abuse, not unlike anxiety and depression, is a behavioural health condition seeing a rapid increase in prevalence as we suffer through the effects of the pandemic, and is becoming an increasingly challenging issue for payers and employers. We were thrilled to co-lead the company's \$64 million Series B financing alongside Atomico. Proceeds will fuel expansion in the US and long-term support their ambition to help 100 million people conquer their substance addictions in the next 10 years.

Spring Health and Quit Genius, aligned with Kinnevik's vision of a transformed healthcare sector, driving up quality while providing seamless access to care. These companies are doing just that in areas that historically have been drastically underserved and underfunded.

With that, I will hand it back to you, Georgi.

## **Fintech and Enabler Portfolio**

Georgi Ganev

*CEO, Kinnevik*

### **Momentum in Fintech & Enablers**

Thank you for that, Christian. There is so much to do in the healthcare sector and I am thrilled with these new additions to our portfolio. If we then turn to page six to look at the developments within our fintech and enabler portfolio.

#### *New round at Betterment*

After a successful round at Pleo earlier this year, the momentum in our fintech and enabler portfolio continued to build this quarter. Betterment, which we first invested in back in 2016, has firmly established itself as the largest independent digital investment advisor, with \$32 billion in assets under management and nearly 700,000 clients.

In the quarter, we took part in Betterment's \$160 million funding round to support the continued growth, allowing Betterment to cement its category leadership position by hiring the industry's best talent and to further innovate in its product suite, including its offering for small and medium-sized enterprises. Kinnevik invested \$8 million as part of the round, which was concluded at a valuation more than 40% above last quarter's carrying value.

#### *Exited Bread*

We also continued to execute on our enabler strategy that we touched upon a few quarters back. One of the key themes we have identified within the enabler space is embedded finance and our activity started in 2018 with our investment in Bread, which we recently exited realizing an IRR of more than 30%.

#### *Investment in Sure*

Across our sectors, from healthcare to e-commerce, our portfolio companies use embedded finance to deliver everything from payment solutions to lending products. Drawing on our extensive work in this space, many times in collaboration with our existing portfolio companies who use these enabler businesses, this quarter, we invested in Sure. This

company offers a complete end-to-end SaaS insurance platform that enables insurance companies to distribute their product digitally, and enables brands to distribute insurance product to their customer's base to provide a better customer experience.

We were impressed by Sure's state-of-the-art tech platform, which has advanced far beyond what you would expect from a company at this stage, and by the clear vision of the founder, Wayne Slavin, and the company's stellar financial performance. Drawing on the network effects of our enabler strategy in sourcing and diligence to the Sure opportunity, we were actually helped by our friends at Betterment who are happy customers of Sure's services.

### **Diversity & Inclusion**

If we now turn to page seven, we will focus on our work within diversity and inclusion. We have been hard at work with diversity and inclusion over the past few years, and have focused on driving real change in how we operate, behave and think. And we have made significant progress.

Last report, we highlighted how our investment team had increased from being made up of 18% women at the end of Q2 2020 to 38% in 2021. D&I is also an area where we offer hands-on support to our portfolio companies as we are convinced that diversity and inclusion is a key driver of transformation, and that our commitment will ensure we build stronger and better companies that can become the disruptors of tomorrow.

Therefore, I was immensely proud when last week, we were awarded the Allbright prize that is given each year to a company at NASDAQ Stockholm that shows the strongest results in gender equality. The prize demonstrates that we are on the right path with our efforts in diversity and inclusion.

And Kinnevik has a history of paving the way for new ideas in traditional and outdated environments. We always try to set bold ambitions and we hope to stay at the forefront of the industry as we expand on our efforts.

Let us now move over to page 8 for Erika to go through the details of valuation changes and NAV development.

## **Valuation Changes and NAV Development**

Erika Söderberg Johnson

*CFO, Kinnevik*

Thank you, Georgi. The fair value of our unlisted growth assets increased by almost SEK4.5 billion, or 15% in the quarter. Of this, new investments accounted for SEK2.3 billion and that revaluations SEK2.2 billion. The value increase was driven primarily by Cityblock and Betterment. In addition, Tele2 traded up by 11%. These positive changes were offset by negative share price developments in Teladoc and Global Fashion Group.

With SEK2.3 billion net invested, the total value of our growth portfolio amounted to more than SEK50 billion at the end of the quarter.

## **Key Unlisted Valuation Changes**

And now, I will like to comment on the key valuation changes. On the back of the recent fund raise, our valuation of Cityblock increased by almost 2 times from last quarter. This implies a fair value of our 8% stake of SEK4.1 billion and means that Cityblock is valued broadly in line with listed peers on a 2022 basis.

Our holding in Betterment amounts to SEK1.6 billion and is valued in line with the valuation in the company's funding round in the third quarter of 2021. Our valuation is corroborated by forward-looking revenue multiples of digital wealth managers with reference to financial technology companies and SaaS businesses with similar financial profiles to that of Betterment.

With Betterment performing strongly, our valuation is in line with peers on a forward-looking basis. The fair value of Kinnevik's 9% shareholding in VillageMD amounts to SEK7.7 billion and corresponds to the valuation in the recently announced transaction with Walgreens Boots Alliance. The valuation remains fairly stable compared to the previous quarter, down around 5%, in spite of peers trading down by around 30% to 40% on average as VillageMD's growth trajectory is strengthened through the deepening of the Walgreens partnership.

The fair value of Kinnevik's 37% shareholding in Mathem amounts to SEK1.5 billion and corresponds to a decrease of 12% compared to the second quarter. The company is performing in line with expectations and the write-down this quarter is solely driven by multiple contraction in the peer group.

## **Net Asset Value Development**

Let us turn to page nine. Our net asset value amounted to SEK75.8 billion at the end of September or SEK273 per share. This is down SEK0.3 billion compared to the second quarter and represents a net asset value decrease of 0.4% in the quarter. The NASDAQ traded down 7% and the OMX S30 was essentially flat, while our total shareholder return was down 10% in the quarter due to our NAV premium contracting.

With yesterday's closing prices of our listed assets, our net asset value was SEK74.3 billion, 19% up so far this year, excluding Zalando.

## **Capital Allocation**

Now please turn to page 10, for an update on our financial position and capital allocation framework. During the quarter, we invested a total of SEK2.3 billion, where of SEK205 million was deployed into our existing businesses. Our largest follow-on investments in the quarter were SEK76 million into Cityblock and SEK70 million into Betterment. We are expecting to invest an additional \$26 million into Cityblock in Q4 as part of this quarter's funding round.

We added four new companies to the portfolio during the quarter, investing SEK2.1 billion in total into Lunar, Quit Genius, Spring Health and Sure. This brings our net cash position at the end of the third quarter to SEK1.8 billion, down from SEK4.3 billion at the end of Q2. When including the VillageMD divestment and the extraordinary dividend proposed by Tele2, the pro forma net cash position amounts to SEK6.9 billion. This gives us a continued very strong financial position and full flexibility to maintain the momentum in our strategic transformation.

As for our capital allocation, our original expectations for 2021 were to invest between SEK2.3 billion and SEK4.6 billion, with an overall allocation into new investments relative to our framework, adding four to six new companies to our growth portfolio. Due to the successful momentum of recent quarters financed by the material capital releases from VillageMD and Tele2, we now expect to invest around SEK6 billion in total during 2021, and we will continue to add new companies to the growth portfolio also during the fourth quarter.

With that, I would like to hand back over to Georgi for some closing remarks and page 11.

## Conclusion

Georgi Ganev

*CEO, Kinnevik*

Thank you, Erika. Although the COVID crisis is subsiding, parts of the world are still severely affected and uncertainty regarding the global economic recovery remains. At the same time, we are in a period when the creation of innovative companies is greater and faster than ever, enabled by tailwinds such as API adoption, remote talent and rapidly shifting customer preferences.

Consequently, the number of private companies valued at over \$1 billion has exploded over the last 12 months. In a period of increased volatility, higher risk premiums and multiple contractions, we remain wary of the market which we operate in, but we hold to our dedication to fast-growing businesses with strong unit economics as the most sustainable way to generate long-term shareholder value.

We remain focused on making the most of our proven ability to identify consumer trends ahead of the curve and back digital businesses with the potential to become category winners. We are proud of our successes to-date and are working hard to continue replicating these successes by backing the next generations of digital winners.

That said, we are now ready to answer your questions.

## Q&A

**Derek Laliberte (ABG):** Congrats on quite impressive NAV development during the quarter despite tough market conditions. So I was wondering about Betterment here. It is great to see the financing round and, of course, accompanying value uplift as well. But I was wondering, why are you only investing SEK8 million in this quite big round of SEK160 million in total. And also, I was wondering if you could just remind us what the profitability is like for this company and also, if you could give some more details on what the funds will be used for. Thank you.

**Georgi Ganev:** Thank you, Derek. So regarding the Betterment round, as always, when we allocate capital, it is a trade-off of where we think we would like to invest more money. We are already a relatively large owner in Betterment and we also welcome new investors to the cap table. So there is nothing to do with our belief in the company's future. We have been supporters of Betterment since 2016. At that time, the company had roughly \$4 billion as assets under management. Today, it is \$32 billion, so it is an impressive journey.

And regarding profitability, we have always said that this is a scale business. So you need to go up to these levels of \$30 billion, \$40 billion in assets under management in order to get to this profitability. But I think what is really interesting now is that the company is entering a new phase, adding new product sectors or product suites, if you will. So the capital will be used to expand these new verticals further and to attract talent, which, of course, it is a talent war out there as we all know. So this money will be used to further expand these verticals.

And the new CEO salary is in place now and I think the strategy that has been presented to the Board is something that we support very much.

**Derek Laliberte:** That is perfectly clear, thank you. And then just briefly on Cityblock here, basically the same question about the invested amount in the latest round. But I think Erika commented on this, but I did not get that part. It sounded like the line was cut off. Could you say something about that? And also I was wondering what were the other major investors in this round when it comes to Cityblock.

**Samuel Sjöström:** Hi Derek. It is Samuel here. So we are going to invest \$35 million in the Cityblock round, but we have only managed to close \$9 million of them so far. So it is going to be an additional \$26 million next quarter. And the round was very large, almost \$400 million and it was led by SoftBank.

**Derek Laliberte:** Perfect. That is exactly what I was looking for. That is all for me.

**Nizla Naizer (Deutsche Bank):** I just have a question on the post-COVID world, if you can call it like that, that we are currently living in. In which sectors, in your view, have been the structural winners even in a post-COVID environment? So the basis of this question is a lot of the digital businesses did succeed or did do really well during a pandemic-like condition and there were all these concerns that once things normalise, some of these businesses will also not see continued growth. And based on your exposure to the digital businesses that you own, which sectors in your view are continuing to do well and which sectors are facing challenges, if you can put it like that? Some colour there would be great. Thank you.

**Georgi Ganev:** So thank you for the question. As we have said before, the question is not whether we are growing as fast these months compared to the firing[?] COVID last year at the same time with lockdowns. Obviously, there will be some changes in that growth profile. However, the question is really whether we will have a higher penetration of these services post-COVID. And we believe that it is clear that that is the case.

So we will go back to some normal growth in certain sectors, for instance, online groceries, but from a much higher penetration online. Looking today, we have very clear proof points that, for instance, in digital healthcare, this trend will not go backwards. Technology is something that payers and providers need to leverage in order to cope with the increasing demand for healthcare services. So for us, that is a structural trend that will continue for the next 10, 20 years.

If we look at some of our enabling services that are helping other e-com companies to grow, such as Budbee for instance in the Nordics, we also see very, very strong growth numbers. So again, it is a structural shift and a structural trend. But in some specific areas during the lockdown last year, of course, we saw some hyper growth, for instance, in online groceries

with extreme growth figures. Those will be less impressive, let us say, these months. But on average, they will still be very, very strong. And more important, as I started off with, we will start from a much higher base with strong cohorts of customers.

**Nizla Naizer:** Perfect. That makes a lot of sense. And I am not sure if I missed it, but the potential sale of your stake in VillageMD, what do you intend to do with the proceeds? Because it is quite a substantial inflow, \$340 million if I remember right? So any colour on what you intend to do with your increased liquidity position once this does come your way?

**Georgi Ganev:** Yeah. You are absolutely clear. It is close to SEK3 billion, and of course a substantial amount. But again, it is 100% in line with our strategy and what we have communicated earlier to dynamically reallocate capital. So we will use these proceeds and invest in new growth companies that we believe could be the category winners of tomorrow.

So we have seen a few examples this quarter of companies that Christian went through on the healthcare side, the enabler service, Sure, for instance, and earlier this year in July, Lunar. That is the past. The future will probably look more or less the same. So we will add a few companies in Q4. And again, this is a way for us to maintain a healthy financial position so we can support our companies not only in good times, but also in bad times as well. So that is the purpose.

**Johan Sjöberg (Kepler Cheuvreux):** I have so many questions, I do not know really where to start, to be honest. My first question has to do with you being invited to new investments. I would love to hear a little bit more about that and how you have positioned yourself. Georgi, you mentioned yourself as being the leading investor into [inaudible] Life[?] healthcare in Europe. Could you talk about what sort of benefit you see from that in terms of invitation to early round financing and investment, please?

**Georgi Ganev:** Yes, of course. I can start off with that. So, as I have said before, if you look today, at least to our understanding, it is very difficult to get this type of exposure to the digital healthcare globally, definitely in Europe. And for us, that means a lot because this track record of being a successful investor in this sector has created a lot of partnerships and strong bonds – bonds with founders, management team and co-investors.

And since we are looking for large minority stakes, we are not the only selected partner typically in a funding round. We would like to collaborate in this ecosystem and increase the brand of Kinnevik, or make it stronger over time. And what we see now in rounds is that we are selected among other shareholders in these very competitive rounds. Although there are really strong names, top tier investors, sometimes even offering a higher valuation of a certain company, we are anyhow selected.

And of course, that is a very strong testament. But I cannot say we are selected on a generic basis or in every sector. It is really about our sector focus globally that helps us to actually achieve this type of position.

When it comes to the Nordic portfolio, it is a little bit different, because here, I think we have had a stronger brand since a long time. We have our legacy and we have our network. So here, we can be a bit more sector agnostic and make sure that we back companies earlier on in the journey. And I think a few years back, people maybe did not think that some of these companies would make a difference on Kinnevik as a whole. But looking today as companies

like Oda emerging out of Norway, Pleo emerging out of Denmark and Budbee emerging out of Sweden, we have three strong examples, and actually more to add, that actually have made a great difference on the total. But, of course, that is helpful when a lot of investors, both US-based but also Central European-based, are looking more and more into the Nordics. We have this platform.

And lastly, I would say, the collaboration with earlier stage fund is instrumental for us. Looking at some of the investments we have done this quarter, we have shareholders like Northzone in the cap table that, of course, we have a close dialogue with. That is very, very strong that we can help each other to have the common view of how to build strong companies for the long term. And, of course, that is something I would say that the partnership with other type of investment vehicles – Creandum, Northzone, Atomico, for instance, just to name a few – have been helpful.

**Johan Sjöberg:** Great. Just also looking at your investment for this year, you basically guided for SEK2 billion in investment. And, of course, that can change. But how big a portion of this is earmarked, would you say, for healthcare in Q4? Can you give us some colour on that, of where you are going to put this extra SEK2 billion?

**Georgi Ganev:** I cannot comment on the exact type of investment because that is future communication. But we hate to earmark anything, to be honest. The only thing we have done basically is to have this commitment for female-founded and female-led businesses. That was 10% of our total budget within one year. That we have overshot big time, and already this year we are rather at 20% than 10%. So that is great. But I think apart from that, we would like to look at each individual company, case by case.

In healthcare, we have built up this momentum, as I said earlier. So when we have a good chance to invest in the absolute best company within a category and it fits our strategy and it helps us to diversify our healthcare portfolio, we will always be open for that type of investment.

But having said that, we are also looking at expanding the food ecosystem, as we have said before. We started downstream and we are going backwards in the value chain, if you will, and not to forget our broader consumer services and enabler services. So I think today, we are well positioned to invest in these focused sectors and we are more analysing companies and teams, case by case, rather than trying to evenly distribute the capital.

**Johan Sjöberg:** I love your investment pace and I just want to go back to your comment [inaudible], Georgi. You said that you thought that valuations at the beginning of the year was quite high and you thought that it was a good thing to pile up with cash. And now you are actually obviously increasing the investment pace. Is this because do you think valuations have come down?

**Georgi Ganev:** It is definitely not because of that. We think that being a long-term investor, we again need to focus on the best companies that will enjoy a tailwind, structural tailwind for many years to come, 10 years, 20 years. That is what we are looking to invest. And since we are investing ahead of the curve and boldly backing these new business models, it is always some sort of risk taking that is far beyond the multiples at a given time.

It is more about our understanding of what actually could become the potential future. So many of these companies we invest in today, like Sure, for instance, but also Parsley Health, Quit Genius and Spring Health, it is based on our conviction rather than looking at the exact multiples.

Of course, as an investor, we never want to overpay anything but we believe that the potential upside on all of these companies, is basically what we should focus on rather than trying to buy cheap, if you will.

**Johan Sjöberg:** Thanks, I read[?] the transcript on the question[?]. But just coming back also to the upcoming Babylon SPAC now, where it is going to be voted today. And I am a little bit curious how you view that. And when I am comparing the IPO of Livongo, which you did, you actually committed new capital into Livongo, but you are not doing that now. Is that [inaudible] that because you think that there are better investment alternatives out, or how is your thinking about that? Because historically, when I especially listen to you, Georgi, about Babylon, I get super bullish vibes from you on here. So I wonder why you are not committing capital to Livongo.

**Georgi Ganev:** Yeah. I think it is a relevant question, but let us look at the healthcare portfolio now compared to what it was back in 2018-2019. We have three buckets and two of them are very large. That is value-based care and telemedicine. And then we have more data-driven infrastructural services, if you will, helping both payer and providers to become more efficient.

Our distribution of capital needs to reflect how we have structured our healthcare portfolio and, of course, how much we own in each of these companies. So we are taking big bets on some companies early on in their journey, trying also to get this exposure to the entire healthcare market. So this quarter again, we discussed Spring Health and Quit Genius as two new opportunities to drill down in more niche players, whereas we have great exposure to value-based care and telemedicine in general, if you will.

So Babylon being a relatively large shareholder and that combination of what to back at what stage is the reason for us committing a smaller ticket this time than what we did with Livongo back in the days.

**Johan Sjöberg:** Thank you.

**Georgi Ganev:** Thank you very much for listening in and for your questions. And as a reminder, we will report the results for the full year of 2021 on 3<sup>rd</sup> February 2022. Now everyone, stay safe.

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