



K I N N E V I K

INTERIM REPORT 1 JANUARY - 30 SEPTEMBER 2018

"Our telecom companies are executing transformational deals, and our investment activity has been high as we continue to deliver on our strategy to accelerate the development of our private portfolio"

Georgi Ganev, CEO of Kinnevik

NAV 30 SEP 2018

SEK 78.8BN

CHANGE IN NAV Q/Q

-18%

1 YEAR TSR

10%

5 YEAR TSR

10%

KEY PORTFOLIO DEVELOPMENTS

- The proposed merger between Tele2 and Com Hem was approved by EGMs held 21 September. Subsequently, the European Commission also approved the proposed merger, meaning that the transaction now can be finalized
- On 7 October Millicom announced the acquisition of Cable Onda, the leading provider of telecom services in Panama. The acquisition strengthens Millicom's position in the region and connects the Central American and Colombian footprints
- Westwing, the leading pure-play home & living e-commerce platform, was listed on the Frankfurt Stock Exchange on 9 October resulting in an increase in the fair value of Kinnevik's stake of SEK 243m during the quarter

INVESTMENT MANAGEMENT ACTIVITIES

- Total investments of SEK 1,529m in the third quarter in six new companies, including:
 - SEK 443m in GoEuro, an online travel agency that aggregates all major modes of transport in Europe
 - SEK 328m in Kolonial.no, Norway's only pure-play online grocer
 - SEK 307m in Bread, a company providing purchase financing solutions for e-commerce merchants
- Total divestments of SEK 312m in the third quarter, whereof SEK 273m attributable to Linio

FINANCIAL POSITION

- Net asset value of SEK 78.8bn (SEK 286 per share), down SEK 17.6bn or 18% during the quarter, driven by Zalando as well as Kinnevik's distribution of its shares in MTG during the quarter, effectively transferring SEK 4.2bn or SEK 15 per Kinnevik share to shareholders
- Net debt position increased, driven by investment activity, by SEK 1.2bn to 4.1bn, corresponding to a leverage of 5% of portfolio value

SEKm	30 Sep 2018	30 Jun 2018	31 Dec 2017	30 Sep 2017
Net Asset Value	78 775	96 409	90 633	85 661
Net Asset Value per share, SEK	286.33	350.42	329.44	311.36
Share Price, SEK	269.70	306.80	276.40	265.00
Net Cash / (Net Debt)	-4 106	-2 902	-1 062	-878

SEKm	Q3 2018	Q3 2017	Q1-Q3 2018	Q1-Q3 2017	FY 2017
Net Profit	-13 423	3 767	-5 376	15 399	20 359
Net Profit per Share, SEK	-48.71	13.67	-19.51	55.90	73.90
Change in Fair Value of Financial Assets	-13 349	3 406	-6 594	13 340	18 395
Dividends Received	-	418	1 438	2 260	2 260
Dividend Paid	-4 227	-	-6 497	-2 201	-2 201
Investments	1 529	569	2 339	4 658	4 774
Divestments	312	104	413	5 277	5 280

Chief Executive's Review

Dear Shareholders,

The third quarter has been characterized by high activity in all parts of our portfolio. Our telecom companies are executing transformational deals and our investment activity has been high as we continue to deliver on our strategy to accelerate our private portfolio. Our financial performance was weighed down by Zalando's weaker than anticipated trading in the quarter, but we remain convinced of the company's long-term strategy and potential.

TRANSFORMING OUR COMPANIES

In August, we distributed our shares in MTG to our shareholders to expedite the European Commission's clearance of the merger of Tele2 and Com Hem. Shareholders of both companies approved the merger in the middle of September, and with regulatory clearance in the beginning of October, the transaction can now be finalized. The two companies will formally merge on 5 November, creating a leading connectivity provider in the Baltic Sea region, offering better choice to consumers through offering a portfolio of truly integrated services. Tele2 continues to deliver strong financial results and in conjunction with the Q3 report, the company yet again upwards revised its guidance for the full year.

Millicom will acquire Cable Onda, the leading provider of broadband internet, pay-TV, fixed telephony and B2B telecommunication services in Panama, supporting the company's strategy of accelerating the deployment of high-speed data networks. Panama is an important business hub in the region, and it completes Millicom's Central American footprint, significantly improving the value proposition for businesses in the region.

HIGH ACTIVITY IN THE PRIVATE PORTFOLIO

We have added six new companies to our private portfolio during the third quarter alone and nine companies during the first three quarters of 2018.

We invested SEK 443m in GoEuro, a leading online travel agency, aggregating all modes of transport in Europe. Booking transportation remains fragmented and mostly on non-mobile systems, representing a great opportunity for GoEuro. We are also excited about partnering up with Temasek, the global investment company headquartered in Singapore, which shares our philosophy of active, long-term ownership.

Within financial services, we have added three companies to our portfolio: Monese, the first mobile-only banking app in the UK; Deposit Solutions, an open banking platform for banks to offer third party deposit products to their customers; and Bread, which operates in the boundaries between financial services and e-commerce offering a white-label payment solution to online retailers in the US. What unites these companies is that they are digital challengers finding innovative ways to serve their customers online, giving the customers more and better choice.

In the Nordics, we added Karma and Kolonial to our group of companies. Kolonial.no is the leading online grocery store in Norway, and we have been impressed by the founding team and what they have achieved in a relatively short pe-

riod of time. Addressing another part of the food sector, Karma reduces food waste by letting customers buy unsold food from local grocery stores and restaurants at a discount through their app, a business proposition we find attractive both financially and for society at large.

Westwing, one of our home & living e-commerce companies, went public on the Frankfurt Stock Exchange in the beginning of October. We have been invested in the company since 2011 and supported the listing of a company with a strong business model and financial momentum.

THIRD QUARTER RESULTS AND FINANCIAL POSITION

Zalando revised its guidance for 2018, as the extended and unusually hot summer period and a delayed switch to the fall/winter season weighed on revenue growth and adjusted EBIT. This clearly does not reflect Zalando's ambition, and we remain confident of the company's ability to deliver on its long term strategic plan.

Kinnevik's NAV decreased by 18% to SEK 79bn, or SEK 286 per share, in the third quarter, driven by the fall in Zalando's share price and the distribution of MTG shares whereby Kinnevik transferred SEK 4.2bn to shareholders. The value of our private assets increased in the quarter to SEK 13.7bn, driven by net investments of SEK 1.2bn. On 24 October, our NAV had decreased to SEK 78bn, or SEK 283 per share. Kinnevik ended the quarter with net debt of SEK 4.1bn, corresponding to a leverage of 5%. In the fourth quarter, Kinnevik is expected to receive SEK 1.3bn in cash consideration from the Tele2 Com Hem merger as well as around SEK 0.4bn as Millicom pays out the second tranche of its annual dividend.

CONCLUDING REMARKS

I am excited that the merger of Tele2 and Com Hem can now proceed to be finalized, a merger which is a clear testament to how we drive active ownership in our companies to create value. The intense investment activity in the private portfolio year to date should be seen against a fairly muted pace in the recent past. Going forward, activity will remain high, but I expect that the number of new investments will go down as we focus on working with our companies to ensure that they are well positioned to execute on their respective strategies. All companies are led by visionary founders and stellar teams, and we look forward to developing the partnerships!

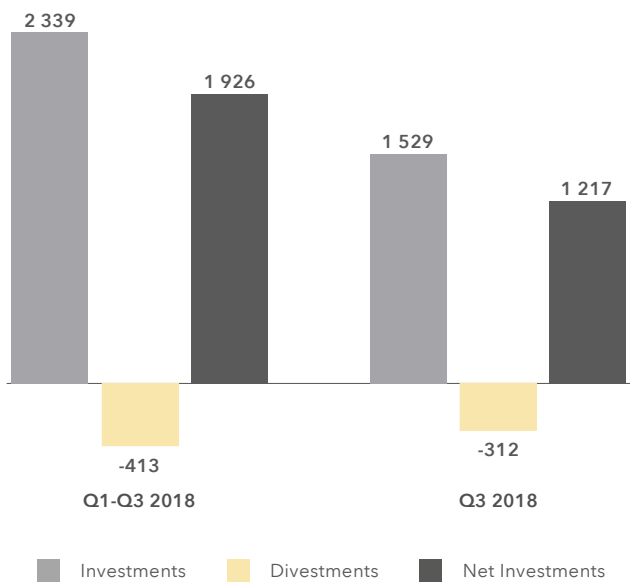
Georgi Ganev
Chief Executive Officer

Kinnevik in summary

Kinnevik is an industry focused investment company with an entrepreneurial spirit. Our purpose is to build digital businesses that provide more and better choice. We do this by working in partnership with talented founders and management teams to create, develop and invest in fast growing businesses in developed and emerging markets. We believe in delivering both shareholder and social value by building 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.

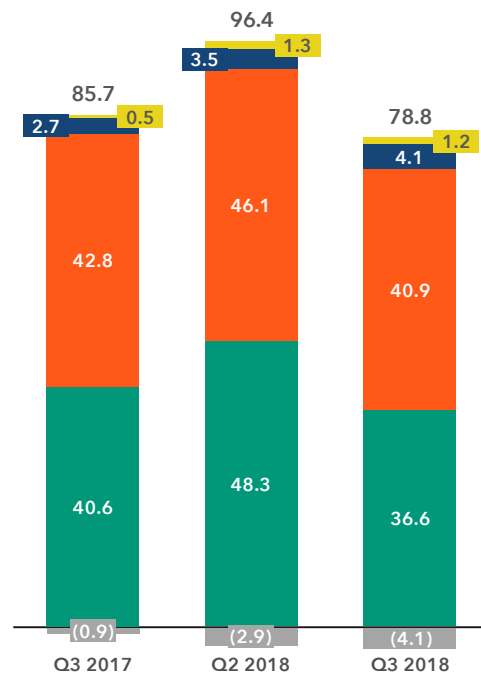
INVESTMENT ACTIVITY

SEKm



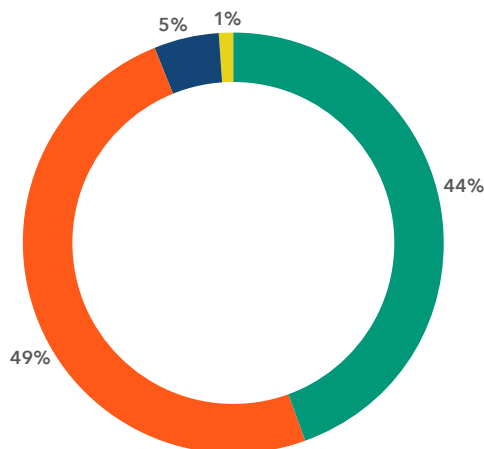
PORTFOLIO DEVELOPMENT

NAV, SEKbn

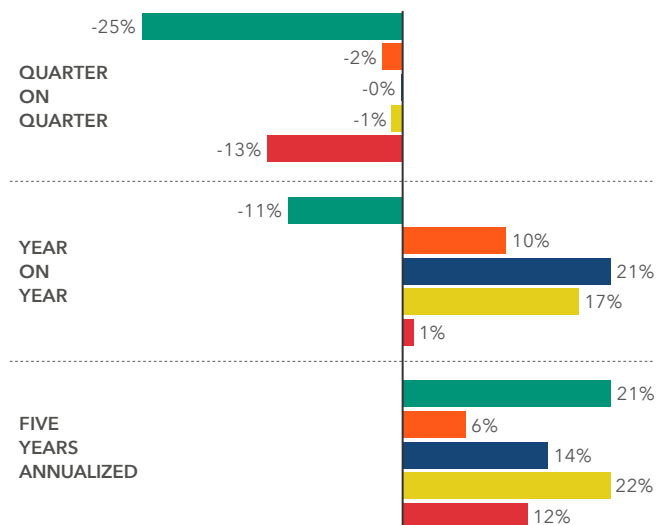


PORTFOLIO COMPOSITION

% of Portfolio Value



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
- TMT
- Financial Services
- Healthcare & Other
- Net Cash/(Debt)
- Total Portfolio

Net Asset Value

SEKm	Fair Value 2018 30 Sep	Fair Value 2018 30 Jun	Fair Value 2017 31 Dec	Fair Value 2017 30 Sep	Total Return 2018 ¹
Zalando	27 187	39 165	34 097	31 990	-20%
Global Fashion Group	4 568	5 047	5 239	4 983	-13%
Quikr	1 622	1 575	1 358	1 498	19%
Westwing	751	508	479	445	57%
Home24	730	965	218	91	235%
Qliro Group	542	568	767	822	-29%
Other ²	1 179	481	516	754	6%
Total E-Commerce & Marketplaces	36 579	48 309	42 674	40 583	-15%
Millicom	19 391	19 883	20 942	20 261	-5%
Tele2	16 295	16 021	15 350	14 207	10%
Com Hem	4 999	4 921	4 226	3 930	23%
MTG	-	5 045	4 645	3 978	9%
Other	200	273	277	391	-34%
Total TMT	40 885	46 143	45 440	42 767	4%
Bayport	1 175	1 182	1 082	1 079	9%
Betterment	1 156	1 163	1 064	1 061	9%
Bima	876	881	806	393	9%
Other ²	914	224	126	138	2%
Total Financial Services	4 121	3 450	3 078	2 671	7%
Livongo	580	584	105	102	29%
Babylon	511	518	375	371	3%
Cedar	142	143	-	-	1%
Total Healthcare	1 233	1 245	480	473	14%
Other	3	35	45	55	
Total Portfolio Value	82 821	99 182	91 717	86 549	-5%
Net Cash / (Net Debt)	-4 106	-2 902	-1 062	-878	
Other Net Assets / (Liabilities)	60	129	-22	-10	
Total Net Asset Value	78 775	96 409	90 633	85 661	-6%
Net Asset Value per Share, SEK	286.33	350.42	329.44	311.36	-6%
Closing Price, Class B Share, SEK	269.70	306.80	276.40	265.00	6%

¹ Includes investments and divestments.

² For split see page 11.

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.

- Zalando reported Q2 2018 revenue growth of 21% and EBIT margin of 7%
- Continued strong development in long-term growth indicators such as number of active customers and partner program share
- Zalando revised 2018 guidance with full year growth expected to come in around the low end of the previously reported 20-25% range, and Adjusted EBIT of EUR 150-190 million

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32%
KINNEVIK STAKE

SEK 27.2BN
FAIR VALUE



Global Fashion Group (GFG) is an online fashion destination for growth markets. GFG operates with five branded platforms, Lamoda, Dafiti, Zalora, The Iconic and Namshi, offering over 3,000 international and local brands across 24 countries with a 1.9 billion population.

- GFG reported Q2 2018 Net Merchandise Value growth of 23%, with growth particularly strong in Zalora and The Iconic
- The gross margin remained stable at 43%, and EBITDA margin improved by 2pp following path-to-profit initiatives and scale benefits
- Lamoda improved their customer service in the quarter, with the introduction of free delivery for most shipping options in Russia and Belarus

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35%
KINNEVIK STAKE

SEK 4.6BN
FAIR VALUE



Qliro Group is a Nordic e-commerce group in consumer goods and complementary financial services. Qliro Group operates CDON Marketplace, Nelly and Qliro Financial Services (QFS).

- Qliro reported negative revenue growth in Q3 2018 of 3% and EBITDA margin of 2.9%
- Nelly grew net sales by 11% for the second quarter in a row, and the proportion of own brands was 44% of sales
- CDON Marketplace continued to strengthen its position as an independent company and increased sales from external merchants by 22%

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29%
KINNEVIK STAKE

SEK 542M
FAIR VALUE



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

- Quikr's platform generated 9.4 million responses in September 2018. The business continues to focus on higher conversion into transactions, and has seen particularly strong growth in the managed rentals and managed automotive categories
- The company continued to execute on its cross-category strategy and registered yet another quarter during which all categories generated positive contribution margins

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17%
KINNEVIK STAKE

SEK 1.6BN
FAIR VALUE

E-Commerce & Marketplaces

WESTWING

Westwing is a home & living e-commerce brand and platform operating across Europe. Through its "shop-pable magazine" Westwing inspires its customers with a curated product selection including textiles, furniture, rugs and lamps.

- Continued acceleration of revenue growth to 22% in Q2 2018, driven by the DACH region's full Westwing model of daily themes, permanent assortment and private label
- Third consecutive profitable quarter at 1.3% Adjusted EBITDA margin, driven by private label portfolio and DACH segment at 5% Adjusted EBITDA margin
- Westwing's shares were listed on the Frankfurt Stock Exchange on 9 October

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18%

KINNEVIK STAKE PRE IPO

SEK 751M

FAIR VALUE

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.

- Home24 reported Q2 2018 revenue growth of 3% and FX-adjusted revenue growth of 8%
- The gross margin remained stable at around 43%, while the Adjusted EBITDA margin decreased to (13)% driven by investments in future growth and cost for temporarily running two ERP systems in parallel
- Number of active customers totalled 1.2 million as of Q2 end, growing 20% year over year

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12%

KINNEVIK STAKE

SEK 730M

FAIR VALUE

 TMT


Millicom is a provider of cable and mobile services dedicated to emerging markets in Latin America and Africa. The company offers high-speed broadband and digital lifestyle services through its principal brand Tigo.

- Millicom reported Q3 2018 organic service revenue growth of 4.2% and an EBITDA margin of 38%
- Home revenue grew by 12.5%, with double-digit growth in Bolivia, Guatemala, Paraguay, and Honduras
- The acquisition of Cable Onda in Panama accelerates Millicom's cable expansion and completes its Central American footprint

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38%

KINNEVIK STAKE

SEK 19.4BN

FAIR VALUE

TELE2

Tele2 offers mobile services, fixed broadband and telephony, data network services, content services and global IoT solutions to 17 million customers in 8 countries across Europe.

- Tele2 reported Q3 2018 revenue growth of 4% and an EBITDA margin of 30%. Rolling 12 months operating cash flow grew by 14%
- The merger between Tele2 and Com Hem was approved by EGMs on 21 September and the European Commission on 8 October
- The transaction is expected to close on 5 November

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30%

KINNEVIK STAKE

SEK 16.3BN

FAIR VALUE

COM HEM



Com Hem offers broadband, TV, play and telephony services to Swedish households and companies. The company offers a range of digital TV channels and play services via set top boxes as well as on-the-go for tablets and smartphones.

- Com Hem reported negative revenue growth in Q3 2018 of 0.2% and underlying EBITDA margin of 45%
- The merger between Tele2 and Com Hem was approved by EGMs on 21 September and the European Commission on 8 October
- The transaction is expected to close on 5 November

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19%

KINNEVIK STAKE

SEK 5.0BN

FAIR VALUE

Financial Services

Betterment

Betterment is the largest independent online financial advisor in the United States. The company operates a vertically integrated platform that provides fully automated, personalised advice and access to low cost, globally diversified investment portfolios.

- Assets under management amounted to USD 15.2bn at the end of September 2018, an increase of 39% year-on-year. Number of customers totalled over 384,000, a yearly increase of 32%
- During the quarter, Betterment announced its new Smart Saver offering, a low-risk portfolio helping clients take advantage of rising interest rates
- The Company also announced a pilot of a new line up of financial advice packages

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16%
KINNEVIK STAKE

SEK 1.2BN
FAIR VALUE

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 Q3 2018, Bayport's number of payroll-deduction loans totalled at approximately 555,000, representing yearly growth of 22%
- The company launched several new products, such as a 72-month loan product to low-risk customers in South Africa and funeral insurance in Zambia
- Bayport has also worked to digitise its sales channels in Ghana with remote disbursements being one initiative that allows agents with tablets to score customers in the field and issue loans remotely

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22%
KINNEVIK STAKE

SEK 1.2BN
FAIR VALUE



Milvik offers, under the brand BIMA, affordable and uniquely designed life and health insurance products via mobile phones. BIMA is active in 14 countries across Africa, Asia, Latin America and the Caribbean.

- At the end of September 2018, BIMA had 7.2 million active customers, representing a yearly increase of 36% excluding discontinued products
- In Q3 2018, BIMA launched operations in Malaysia in partnership with two shareholders, Axiata and Allianz. The launch further strengthens BIMA's position in the region

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33%
KINNEVIK STAKE

SEK 876M
FAIR VALUE

Healthcare



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.

- "GP at hand", the digital GP service in collaboration with the NHS, continued its growth to over 32,000 registered members
- Babylon has surpassed 2 million members in Rwanda, covering 30% of the nation's population
- Babylon signed an agreement with Prudential to provide AI technology to the insurance company's customers in up to 12 markets in Asia; Prudential covers over 5 million health customers in the region
- TELUS Health and Babylon announced a partnership to provide doctors and patients in Canada with access to virtual healthcare technology and services

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20%

KINNEVIK STAKE

SEK 511M

FAIR VALUE



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.

- Livongo's member base exceeded 90,000 members by end of September 2018, and the company experienced a record-setting quarter for sales, expanding the already strong ecosystem of more than 450 clients
- The company continued its strong momentum in the health services segment with growth within some of the largest health plans in the United States, including the largest health plan in Michigan
- The hypertension product is proving successful and Livongo announced the first cellular-enabled blood pressure monitoring system in the U.S. during the quarter

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8%

KINNEVIK STAKE

SEK 580M

FAIR VALUE

Financial review

INVESTMENT ACTIVITY

Investee Company (SEKm)	Q3 2018	Q1-Q3 2018
GoEuro	443	443
Livongo	-	345
Kolonial	328	328
Bread	307	307
Deposit Solutions	213	213
Monese	174	197
Cedar	-	141
Babylon	2	120
Budbee	-	80
Pleo	-	67
Karma	62	62
Other	-	36
Investments	1 529	2 339
Linio	273	273
Other	39	140
Divestments	312	413
Net Investments / (Divestments)	1 217	1 926

DIVIDEND AND CAPITAL STRUCTURE

As of 30 September 2018, Kinnevik carried net debt of SEK 4.1bn, corresponding to a leverage of 5% of portfolio value.

During 2018, Kinnevik has received ordinary dividends of SEK 1.4bn from Tele2, MTG, Com Hem and Millicom. Millicom paid the first half of the dividend during the second quarter, and will pay the second half on 14 November, at which point Kinnevik will receive an additional SEK 0.4bn.

In May, Kinnevik paid out an ordinary dividend of SEK 2.3bn and in August, Kinnevik distributed its shares in MTG, with a corresponding value of SEK 4.2bn.

Out of Kinnevik's 13,503,856 shares in MTG, approximately 400,000 shares could not be evenly allocated between shareholders pro rata the number of shares they held in Kinnevik. These shares were therefore sold by Kinnevik during the second half of August 2018, and the proceeds from the sale were distributed evenly between the shareholders.

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).

EVENTS AFTER THE REPORTING PERIOD

Millicom announced that it will acquire Cable Onda, the leading telecom services provider in Panama, on 7 October

The European Commission approved the proposed merger between Tele2 and Com Hem on 8 October

Westwing, the leading pure-play home & living e-commerce platform, was successfully listed on the Frankfurt Stock Exchange on 9 October

TOTAL SHAREHOLDER RETURN

13%

Past 30 years

18%

Past 10 years

10%

Past 5 years

10%

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's Ownership	Net Invested Amount	Fair Value 30 Sep 2018	Change in fair value and dividends received		Valuation Method
				Jun-Sep 2018	Jan-Sep 2018	
Global Fashion Group ^{1,2}	35%	5 658	4 568	-479	-671	Revenue multiple
Westwing	18%	419	751	243	272	Latest transaction
Kolonial	15%	328	329	1	1	Latest transaction
Quikr	17%	879	1 622	47	264	DCF
Saltside	61%	195	199	-	4	DCF
GoEuro	-	443	445	2	2	Latest transaction
Other ¹	Mixed	193	206	137	140	Mixed
Total E-Commerce & Marketplaces		8 115	8 120	-49	12	
Total TMT	Mixed	1 096	200	-73	-101	Mixed
Bayport ³	22%	467	1 175	-7	93	Latest transaction
Betterment	16%	1 065	1 156	-7	92	Latest transaction
Milvik/BIMA	33%	257	876	-5	70	Latest transaction
Bread	-	307	299	-8	-8	Latest transaction
Deposit Solutions	6%	213	228	15	15	Latest transaction
Monese	-	197	208	10	11	Latest transaction
Other	Mixed	154	173	-20	1	Mixed
Total Financial Services		2 660	4 115	-22	274	
Babylon	20%	428	511	-9	16	Latest transaction
Livongo	8%	458	580	-4	130	Latest transaction
Cedar	8%	141	142	-1	1	Latest transaction
Total Healthcare		1 027	1 233	-14	147	
Other	Mixed	-	3	4	46	Mixed
Total Unlisted Financial Assets		12 898	13 671	-154	378	

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.

³ Ownership on a fully diluted as converted basis.

FAIR VALUES AS AT 30 SEPTEMBER 2018

At the end of September, the fair value of Kinnevik's unlisted financial assets amounted to a total of SEK 13,671m, to be compared with an accumulated invested amount (net after dividends received) of SEK 12,898m. The change in fair value, plus dividends received, amounted to negative SEK 154m in the quarter, as specified in the table on the previous page.

LIQUIDATION PREFERENCES

Kinnevik's unlisted investee companies adopt different financing structures, and may at times issue shares with liquidation preference rights. Liquidation preferences determine how proceeds from a liquidity event are allocated between shareholders. This allocation may become increasingly complex as a company raises several funding rounds at different valuations. As Kinnevik's participation often varies between funding rounds, Kinnevik's share of proceeds may significantly deviate from its percentage ownership of the investee company's issued equity. Accordingly, an increase or decrease in value of an investee company's equity where liquidation preferences are applicable may result in a disproportionate increase or decrease in the fair value of Kinnevik's shareholding in that investee company. An unlisted investee company's transition into a publicly listed company may also affect the value of Kinnevik's shareholding due to the dismantling of such provisions.

GLOBAL FASHION GROUP

The fair value of Kinnevik's 35 percent shareholding in **Global Fashion Group** ("GFG") amounts to SEK 4,568m, based on a total value of GFG's fully diluted equity of EUR 1.2bn. The valuation of GFG implies an average multiple of 0.9x the company's last twelve months' net revenues as at 30 June 2018. The implied average multiple corresponds to a 47 percent discount to a group of listed and profitable developed market fashion e-commerce peers, and discounts vary between GFG's different regional businesses. The implied discount not only reflects differences in historic growth and profitability, but also Kinnevik's assessment of equity risk premiums across GFG's partly emerging market focused footprint

OTHER E-COMMERCE

The fair value of Kinnevik's 18 percent shareholding in **Westwing** amounts to SEK 751m, based on a total value of Westwing's equity of EUR 417m, corresponding to the valuation in the company's initial public offering in October 2018.

The fair value of Kinnevik's 15 percent shareholding in **Kolonial** amounts to SEK 329m, based on a total value of Kolonial's equity of NOK 2.0bn. The valuation is based on a funding round and secondary transaction during the third quarter of 2018.

MARKETPLACES

The fair value of Kinnevik's 17 percent shareholding in **Quikr** amounts to SEK 1,622m, based on a total value of Quikr's fully diluted equity of USD 1,064m. The valuation of Quikr is based on a discounted cash flow analysis. A number of all-

stock transactions have been concluded at an approximate 51 percent premium to the USD 1,064m valuation, but due to the lack of a significant cash element in each of these transactions they are not considered as sufficiently robust to be used as basis for the assessment of the fair value of Kinnevik's shareholding.

The fair value of Kinnevik's 61 percent shareholding in **Saltside** amounts to SEK 199m. The valuation of Saltside is based on a discounted cash flow analysis.

The fair value of Kinnevik's shareholding in **GoEuro** amounts to SEK 445m and is based on a funding round during the third quarter of 2018.

FINANCIAL SERVICES

The fair value of Kinnevik's 22 percent shareholding in **Bayport** amounts to SEK 1,175m, based on a total value of Bayport's fully diluted equity of USD 608m. The valuation of Bayport is based on a funding round during the third quarter of 2017, and is supported by price-to-earnings and price-to-book multiples of a group of listed financial services peers.

The fair value of Kinnevik's 16 percent shareholding in **Betterment** amounts to SEK 1,156m, based on a total value of Betterment's fully diluted equity of USD 800m. The valuation of Betterment is based on a funding round during the third quarter of 2017, and is supported by a discounted cash flow analysis.

The fair value of Kinnevik's 33 percent shareholding in **Bima** amounts to SEK 876m, based on a total value of Bima's fully diluted equity of approximately USD 290m. The valuation is based on a funding round in the fourth quarter of 2017.

The fair value of Kinnevik's shareholding in **Bread** amounts to SEK 299m and is based on a funding round during the third quarter of 2018.

The fair value of Kinnevik's 6 percent shareholding in **Deposit Solutions** amounts to SEK 228m, based on a total value of Deposit Solution's equity of approximately EUR 400m. The valuation is based on a funding round during the third quarter of 2018.

The fair value of Kinnevik's shareholding in **Monese** amounts to SEK 208m and is based on a funding round during the third quarter of 2018.

HEALTHCARE

The fair value of Kinnevik's 20 percent shareholding and other interest in **Babylon** amounts to SEK 511m, and is based on a funding round during the second quarter of 2017.

The fair value of Kinnevik's 8 percent shareholding in **Livongo** amounts to SEK 580m, and is based on a funding round during the second quarter of 2018.

The fair value of Kinnevik's 8 percent shareholding in **Cedar** amounts to SEK 142m, and is based on a funding round during the second quarter of 2018.

Condensed Consolidated Income Statement and report concerning Total Comprehensive Income

SEK m	Note	2018 1 Jul- 30 Sep	2017 1 Jul- 30 Sep	2018 1 Jan- 30 Sep	2017 1 Jan- 30 Sep	2017 Full year
Change in fair value of financial assets	4	-13 349	3 406	-6 594	13 340	18 395
Dividends received	5	-	418	1 438	2 260	2 260
Administration costs		-60	-48	-189	-149	-245
Other operating income		2	3	16	13	41
Other operating costs		0	0	-5	0	0
Operating profit/loss		-13 407	3 779	-5 334	15 464	20 451
Financial net		-16	-12	-42	-65	-90
Profit/loss after financial net		-13 423	3 767	-5 376	15 399	20 361
Tax		-	-	-	-	-2
Net profit/loss for the period		-13 423	3 767	-5 376	15 399	20 359
Net profit/loss per share before dilution		-48.79	13.69	-19.54	55.97	74.00
Net profit/loss per share after dilution		-48.71	13.67	-19.51	55.90	73.90
Other comprehensive income						
Cash flow hedging, gains/losses during the period		8	2	-2	18	29
Total other comprehensive income for the period		8	2	-2	18	29
Total comprehensive income for the period		-13 415	3 769	-5 378	15 417	20 388
Outstanding shares at the end of the period		275 130 169	275 115 735	275 130 169	275 115 735	275 115 735
Average number of shares before dilution		275 130 169	275 115 735	275 123 164	275 115 735	275 115 947
Average number of shares after dilution		275 537 305	275 467 687	275 553 290	275 459 370	275 492 517

CONSOLIDATED EARNINGS FOR THE THIRD QUARTER

The change in fair value of financial assets amounted to a loss of SEK 13,349m (profit of 3,824) for the third quarter of which a loss of SEK 13,195m (profit of 4,235) was related to listed holdings and a loss of SEK 154m (loss of 411) was related to unlisted holdings. See note 4 and 5 for further details.

CONSOLIDATED EARNINGS FOR THE FIRST NINE MONTHS OF THE YEAR

The change in fair value of financial assets including dividends received amounted to a loss of SEK 5,156m (profit of 15,600) for the first nine months of the year of which a loss of SEK 5,534m (profit of 16,268) was related to listed holdings and a profit of SEK 378m (loss of 668) was related to unlisted holdings. See note 4 och 5 for further details. Improved financial net is due to lower borrowing costs and exchange differences.

Condensed Consolidated Cash Flow Statement

SEK m	Note	2018 1 Jul- 30 Sep	2017 1 Jul- 30 Sep	2018 1 Jan- 30 Sep	2017 1 Jan- 30 Sep	2017 Full year
Dividends received	5	101	418	1 438	2 260	2 260
Cash flow from operations		-57	-46	-214	-154	-201
Cash flow from operations before interest net and income taxes		44	372	1 224	2 106	2 059
Interest, received		0	3	0	10	10
Interest, paid		-19	-16	-48	-57	-76
Cash flow from operations		25	359	1 176	2 059	1 993
Investments in financial assets		-1 529	-592	-2 339	-4 704	-4 843
Sale of shares and other securities		334	104	394	5 301	5 304
Cash flow from investing activities		-1 195	-488	-1 945	597	461
Amortization		0	-496	0	-867	-1 611
Borrowing		1 300	-	1 500	2 850	2 833
Dividend paid to equity holders of the Parent company		-	-	-2 270	-2 201	-2 201
Cash flow from financing activities		1 300	-496	-770	-218	-979
Cash flow for the period		130	-625	-1 539	2 438	1 475
Cash and short term investments, opening balance		129	3 386	1 798	323	323
Cash and short term investments, closing balance		259	2 761	259	2 761	1 798
SUPPLEMENTARY CASH FLOW INFORMATION						
Investments in financial assets	4	-1 529	-569	-2 339	-4 658	-4 774
Prior period investments, paid in current period		-	-23	-	-46	-69
Cash flow from investments in financial assets		-1 529	-592	-2 339	-4 704	-4 843

Condensed Consolidated Balance Sheet

SEK m	Note	2018 30 Sep	2017 30 Sep	2017 31 Dec
ASSETS				
Fixed assets				
Financial assets accounted at fair value through profit and loss	4	82 821	86 548	91 717
Tangible fixed assets		55	59	58
Other fixed assets		17	3	3
Total fixed assets		82 893	86 610	91 778
Other current assets		69	39	46
Short term investments		-	2 380	1 750
Cash and cash equivalents		259	381	48
TOTAL ASSETS		83 221	89 410	93 622
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity attributable to equityholders of the Parent Company		78 775	85 661	90 633
Interest bearing liabilities, long term	6	2 868	2 870	2 863
Interest bearing liabilities, short term	6	1 500	748	-
Non interest bearing liabilities		78	131	126
TOTAL EQUITY AND LIABILITIES		83 221	89 410	93 622

Key Ratios

Ratio	Note	2018 30 Sep	2017 30 Sep	2017 31 Dec
Debt/equity ratio		0.06	0.04	0.03
Equity ratio		95%	96%	97%
Net cash/(Net debt) for the Group, including net loans to investee companies	6	-3 964	-821	1 062
Leverage		5%	1%	1%

Condensed Report of Changes in Equity for the Group

SEK m	2018 30 Sep	2017 30 Sep	2017 Full year
Opening balance	90 633	72 434	72 434
Profit for the period	-5 376	15 399	20 359
Other comprehensive income	-2	18	29
Total comprehensive income for the period	-5 378	15 417	20 388
Transactions with shareholders			
Effect of employee share saving programme	17	11	12
Cash dividend and distribution in kind	-6 497	-2 201	-2 201
Closing balance for the period	78 775	85 661	90 633

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.

From 1 January 2018 Kinnevik apply IFRS 9 Financial Instruments, which replaces IAS 39 Financial Instruments: Recognition and Measurement and introduce requirements for the classification and measurement, impairment, derecognition and requirements for general hedge accounting. Classification and measurement under IFRS 9 is based on the entity's business model for managing the financial asset and the characteristics of the contractual cash flows of the asset. The change does not cause any transition effects for Kinnevik.

The accounting principles and calculation methods applied in this report are the same as those described in the 2017 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 17 for the Group in the 2017 Annual Report.

NOTE 3 RELATED PARTY TRANSACTIONS

Related party transactions for the period are of the same character as the transactions described in the 2017 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 relevant company. For new share issues, consideration is taken to if the newly issued shares have preferential rights, such as liquidation preferences to the company's assets senior to earlier issued shares. For companies where no or few recent arm's length transactions have been carried out, a valuation is conducted either by applying relevant multiples to the company's historical sales or profits, or by discounting future expected cash flows. When performing a valuation based on multiples, consideration is given to differences in size, historic growth, profitability and geographic exposure.

The valuation process for Kinnevik's unlisted holdings is led by a valuation team independently from the respective holding's investment manager. Accuracy and reliability of financial information used in the valuations is ensured through continuous contacts with the management of each holding and regular reviews of their accounts. Information and opinions on applicable valuation methods are obtained periodically from investment managers and well-renowned investment banks and audit firms. The valuations are discussed with the CFO and CEO after which a proposal is discussed with the Audit Committee and the external auditors. After their scrutiny and potential adjustments, the valuations are approved and included in Kinnevik's accounts.

Below is a summary of the valuation methods applied in the accounts as per 30 September 2018:

Company	Summary
Global Fashion Group	<ul style="list-style-type: none"> ▪ Sum-of-the-parts applying varying multiples on each region's last twelve months' net revenues ▪ Peer group includes Zalando, Asos and Boozt ▪ Implied average multiple of 0.9x, corresponding to an aggregate discount of 47% ▪ Fully diluted equity value of EUR 1.2bn, liquidation preferences considered in valuing Kinnevik's shareholding
Westwing	<ul style="list-style-type: none"> ▪ Latest transaction value from initial public offering during the fourth quarter of 2018
Kolonial	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the third quarter of 2018 ▪ Equity value of NOK 2.0bn
Quikr	<ul style="list-style-type: none"> ▪ Discounted cash flow analysis ▪ Fully diluted equity value of USD 1,064m
Saltside	<ul style="list-style-type: none"> ▪ Discounted cash flow analysis
GoEuro	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the third quarter of 2018
Bayport	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the third quarter of 2017 ▪ Supported by a peer group's average price-to-earnings and price-to-book multiples ▪ Fully diluted as-converted equity value of USD 608m
Betterment	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the third quarter of 2017 ▪ Supported by a discounted cash flow analysis ▪ Fully diluted equity value of USD 800m
Milvik/BIMA	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the fourth quarter of 2017 ▪ Fully diluted equity value of approximately USD 290m
Bread	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the third quarter of 2018
Deposit Solutions	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the third quarter of 2018 ▪ Fully diluted equity value of EUR 400m
Monese	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the third quarter of 2018
Babylon	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the second quarter of 2017
Livongo	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the second quarter of 2018
Cedar	<ul style="list-style-type: none"> ▪ Latest transaction value from funding round during the second quarter of 2018

For Global Fashion Group, an increase in the multiple by 10% would have increased estimated fair value by SEK 250m. Similarly, a decrease in the multiple by 10% would have decreased estimated fair value by SEK 249m. Should Global Fashion Group have been valued using the same multiples and foreign exchange rates as at 30 June 2018, the fair value would have amounted to SEK 5,142m, SEK 574m higher than the assessed fair value as at 30 September 2018.

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.

This note includes information per class of financial instruments that are valued at fair value, 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	2018 1 Jul- 30 Sep	2017 1 Jul- 30 Sep	2018 1 Jan- 30 Sep	2017 1 Jan- 30 Sep	2017 Full year
Black Earth Farming	-	-356	-	-306	-309
Com Hem	78	-27	773	200	496
Home24	-235	-	431	-	-
Millicom	-492	1 502	-1 551	5 471	6 152
MTG	-818	51	-419	328	995
Qliro Group	-26	158	-224	456	401
Rocket Internet	-	-	-	81	81
Seamless	-	-	-	1	1
SDS	2	-8	-2	-8	-13
Tele2	274	732	945	3 041	4 184
Zalando	-11 978	1 765	-6 910	4 744	6 851
Total Listed holdings	-13 195	3 817	-6 957	14 008	18 839
Babylon	-9	-	16	73	77
Bayport	-7	-36	93	-122	-119
Betterment	-7	-14	92	-56	-53
Bread	-8	-	-8	-	-
Cedar	-1	-	1	-	-
Deposit Solutions	15	-	15	-	-
Global Fashion Group	-479	-205	-671	-658	-402
GoEuro	2	-	2	-	-
Home24	-	-93	81	-41	86
Kolonial	1	-	1	-	-
Lazada	-	-	-	261	261
Livongo	-4	-3	130	-10	-8
Milvik/BIMA	-5	-13	70	-9	298
Monese	10	-	11	-	-
Quikr	47	18	264	-37	-177
Westwing	243	6	272	16	50
Other*	48	-71	-6	-85	-457
Total Unlisted Holdings	-154	-411	363	-668	-444
Total	-13 349	3 406	-6 594	13 340	18 395

* Other includes i.a. Budbee, Enuygun, Iroko, Karma, Linio, Pleo and Zanui.

30 September 2018

Book value of financial assets	Class A shares	Class B shares	Capital/Votes (%)	2018 30 Sep	2017 30 Sep	2017 31 Dec
Black Earth Farming	-	-	-	-	3	-
Com Hem	33 911 671	-	19.2/19.2	4 999	3 930	4 226
Home24	3 111 953	-	12.0/12.0	730	-	-
Millicom	37 835 438	-	37.5/37.5	19 391	20 261	20 942
MTG	-	-	-	-	3 978	4 645
Qliro Group	42 613 642	-	28.5/28.5	542	822	767
SDS	587 722	-	8.5/8.5	6	13	8
Tele2	20 733 965	131 699 187	30.3/47.9	16 295	14 207	15 350
Zalando	78 427 800	-	31.6/31.6	27 187	31 990	34 097
Total Listed Holdings				69 150	75 204	80 035
Babylon			19.6/19.6	511	371	375
Bayport			21.8/21.8	1 175	1 079	1 082
Betterment			16.3/16.3	1 156	1 061	1 064
Bread			-	299	-	-
Cedar			7.5/7.5	142	-	-
Deposit Solutions			5.6/5.6	228	-	-
Global Fashion Group			35.4/35.4	4 568	4 983	5 239
GoEuro			-	445	-	-
Home24			-	-	91	218
Kolonial			15.0/15.0	329	-	-
Livongo			8.0/8.0	580	102	105
Milvik/BIMA			33.4/33.4	876	393	806
Monese			-	208	-	-
Quikr			17.1/17.1	1 622	1 498	1 358
Saltside			60.8/60.8	199	195	195
Westwing			17.6/17.6	751	445	479
Other*			-	582	1 126	761
Total Unlisted Holdings				13 671	11 344	11 682
Total				82 821	86 548	91 717

* Other includes i.a. Budbee, Enuygun, Iroko, Karma, Linio, Pleo and Zanui.

Investments in financial assets	2018 1 Jul- 30 Sep	2017 1 Jul- 30 Sep	2018 1 Jan- 30 Sep	2017 1 Jan- 30 Sep	2017 Full year
Com Hem	-	-	-	3 730	3 730
SDS	-	21	-	21	21
Total Listed Holdings	-	21	-	3 751	3 751
Babylon	2	-	120	144	144
Betterment	-	527	-	527	527
Milvik/BIMA	-	-	-	-	106
Bread	307	-	307	-	-
Cedar	-	-	141	-	-
Deposit Solutions	213	-	213	-	-
GoEuro	443	-	443	-	-
Home24	-	-	-	38	38
Kolonial	328	-	328	-	-
Livongo	-	-	345	112	113
Monese	174	-	197	-	-
Other	62	21	245	86	95
Total Unlisted Holdings	1 529	548	2 339	907	1 023
Total	1 529	569	2 339	4 658	4 774

Changes in unlisted assets (level 3)	2018 1 Jul- 30 Sep	2017 1 Jul- 30 Sep	2018 1 Jan- 30 Sep	2017 1 Jan- 30 Sep	2017 Full year
Opening balance	12 609	11 312	11 682	12 291	12 291
Investments	1 529	547	2 339	906	1 023
Disposals / Exit proceeds	- 313	- 104	- 414	-1 185	-1 188
Reclassification	-	-	- 299	-	-
Change in fair value	- 154	- 411	363	- 668	- 444
Closing balance	13 671	11 344	13 671	11 344	11 682

NOTE 5 DIVIDENDS RECEIVED

SEKm	2018 1 Jul- 30 Sep	2017 1 Jul- 30 Sep	2018 1 Jan- 30 Sep	2017 1 Jan- 30 Sep	2017 Full year
Millicom	-	-	441	883	883
Tele2	-	-	610	797	797
MTG	-	-	169	162	162
Com Hem	-	68	203	68	68
Black Earth Farming	-	350	-	350	350
Other	-	-	15	-	-
Total dividends received	-	418	1 438	2 260	2 260
<i>Of which cash dividends</i>	<i>-</i>	<i>418</i>	<i>1 438</i>	<i>2 260</i>	<i>2 260</i>
<i>Of which ordinary cash dividends</i>	<i>-</i>	<i>68</i>	<i>1 423</i>	<i>1 910</i>	<i>1 910</i>

NOTE 6 INTEREST BEARING ASSETS AND LIABILITIES

Kinnevik's total interest bearing assets amounted to SEK 404m as at 30 September 2018. The total amount of interest bearing liabilities was SEK 4,368m. Kinnevik was in a net debt position of SEK 3,964m as at 30 September 2018, including loans to investee companies (net debt SEK 1,062m as at 31 December 2017). Net debt excluding loans to portfolio companies amounted to SEK 4,106m.

Kinnevik's total credit facilities (including issued bonds) amounted to SEK 8,980m as at 30 September 2018 whereof SEK 6,000m related to unutilised revolving credit facilities and SEK 2,850m related to bonds.

The Group's available liquidity, including short term investments and available unutilized credit facilities, totalled SEK 4,889m as at 30 September 2018 (SEK 7,995m as at 31 December 2017).

SEKm	2018 30 Sep	2017 30 Sep	2017 31 Dec
Interest bearing assets			
Loans to investee companies	142	57	-
Short term investments	-	2 380	1 750
Cash and cash equivalents	259	381	48
Other interest bearing assets	3	3	3
Total interest bearing assets	404	2 821	1 801
Interest bearing long term liabilities			
Corporate bonds	2 850	2 850	2 850
Accrued borrowing cost	-14	-11	-17
Other interest bearing liabilities	32	31	30
	2 868	2 870	2 863
Interest bearing short term liabilities			
Debt to credit institutions	-	4	-
Corporate bonds	-	744	-
Commercial papers	1 500	-	-
	1 500	748	-
Total interest bearing liabilities	4 368	3 618	2 863
Net interest bearing liabilities (-) / assets (+)	-3 964	-797	-1 062
Receivable/debt, unpaid investments/divestments	-	-24	-
Net cash/(Net debt) for the Group, including net loans to investee companies	-3 964	-821	-1 062

The outstanding loans carry an interest rate of Stibor or similar base rate with an average margin of 0.6%. 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 September 2018, the average remaining tenor was 3.2 years for all credit facilities including the bonds. As at 30 September 2018, Kinnevik had not provided any security for any of its outstanding loans.

Condensed Parent Company Income Statement

SEK m	2018 1 Jul- 30 Sep	2017 1 Jul- 30 Sep	2018 1 Jan- 30 Sep	2017 1 Jan- 30 Sep	2017 Full year
Administration costs	-55	-44	-176	-140	-235
Other operating income and costs	1	2	3	5	5
Operating loss	-55	-42	-174	-135	-230
Dividends received, external	-	-	705	1 007	1 007
Result from associated companies	8 449	-	8 472	-	-
Result from subsidiaries	70	-	2 253	8 466	8 261
Financial net	-3	37	-25	-3	-23
Profit/loss after financial items	8 462	-5	11 232	9 335	9 015
Group contribution	-	-	-	-	-109
Profit/loss before taxes	8 462	-5	11 232	9 335	8 906
Taxes	-	-	-	-	-
Net profit/loss for the period	8 462	-5	11 232	9 335	8 906
Total comprehensive income for the period	8 462	-5	11 232	9 335	8 906

Condensed Parent Company Balance Sheet

SEK m	2018 30 Sep	2017 30 Sep	2017 31 Dec
ASSETS			
Tangible fixed assets	4	4	3
Financial fixed assets	61 463	52 587	52 368
Short term receivables	13	24	33
Short term investments	-	2 380	1 750
Cash and cash equivalents	154	373	39
TOTAL ASSETS	61 634	55 368	54 193
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity	53 576	49 253	48 825
Provisions	27	27	26
Long term interest bearing liabilities	5 983	5 256	5 117
Short term interest bearing liabilities	1 500	744	-
Other short term liabilities	548	88	225
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	61 634	55 368	54 193

The Parent Company's liquidity, including short-term investments and unutilized credit facilities, totalled SEK 4,784m (8,883) at 30 September 2018. The Parent Company's interest bearing external liabilities amounted to SEK 4,368m (3,606) on the same date. Investments in tangible fixed assets amounted to SEK 1m (0) during the period.

Distribution by class of shares on 30 September 2018 was as follow:

	Number of shares	Number of votes	Par value (SEK 000s)
Outstanding Class A shares, 10 votes each	33 755 432	337 554 320	3 375
Outstanding Class B shares, 1 vote each	241 374 737	241 374 737	24 137
Class B shares in own custody	536 469	536 469	54
Registered number of shares	275 666 638	579 465 526	27 567

The total number of votes for outstanding shares amounted at 30 September 2018 to 578,929,057 excluding 536,469 class B treasury shares.

On 21 May 2018, the Annual General Meeting of Kinnevik resolved that holders of class A shares should be entitled to reclassify their class A shares into class B shares. Reclassification was made possible between 4 June 2018 up to and including 18 June 2018. During this period, 7,401,712 class A shares were requested to be reclassified into class B shares.

In May, 200,000 class C shares were issued and repurchased and reclassified into class B shares held in treasury in order to ensure delivery of shares to participants in outstanding long-term incentive programs.

During the period 14,010 class B shares were delivered to participants in the share based plan from 2015.

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 2019. 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

KINNEVIK ANNUAL GENERAL MEETING 2019

The Annual General Meeting will be held on 6 May 2019 in Stockholm. Shareholders wishing to have matters considered at the Annual General Meeting should submit their proposals in writing to agm@kinnevik.com or to The Company Secretary, Kinnevik AB, Box 2094, SE-103 13 Stockholm, Sweden, at least seven weeks before the Annual General Meeting, in order for the proposal to be included in the notice to the meeting. Further details on how and when to register will be published in advance of the meeting.

NOMINATION COMMITTEE AHEAD OF THE 2019 ANNUAL GENERAL MEETING

In accordance with the resolution of the 2018 Annual General Meeting in Kinnevik, Cristina Stenbeck has convened a Nomination Committee comprising representatives of Kinnevik's largest shareholders in terms of voting interest. The Nomination Committee comprises Cristina Stenbeck representing Verdere S.à r.l. and Camshaft S.à r.l., Hugo Stenbeck representing AMS Sapere Aude Trust, James Anderson representing Baillie Gifford, Ramsay Brufer representing Alecta, and Marie Klingspor.

Information about the work of the Nomination Committee can be found on Kinnevik's corporate website at www.kinnevik.com.

Shareholders wishing to submit proposals to the Nomination Committee can do so in writing to agm@kinnevik.com or to the Nomination Committee, Kinnevik AB, P.O. Box 2094, SE-103 13 Stockholm, Sweden.

FINANCIAL REPORTS

The year-end release for 2018 will be published on 8 February 2019. Dates for 2019 reporting:

25 April	Interim Report January-March 2019
19 July	Interim Report January-June 2019
24 October	Interim Report January-September 2019

Stockholm 25 October 2018

Georgi Ganev
Chief Executive Officer

This Interim Report has not been subject to specific review by the Company's auditors.

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 25 October 2018.

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.