

The Swedish Tax Agency's notices/information

Unofficial office translation

Dividend value for withholding tax purposes in respect of Kinnevik AB's distribution of shares in Zalando SE.

Kinnevik AB, corporate registration number 556047-9742 (Kinnevik) decided at the general meeting held on 29 April 2021 to distribute Kinnevik's entire holding in Zalando SE (Zalando) in form of Swedish Zalando-shares that will be converted to German Zalando-shares listed on Frankfurter Wertpapierbörse. The distribution was made through a 2:1 share split, which means that each A and B common share in Kinnevik was split into two shares; one a redemption share and one common share identical to the original share. The share split was combined with an automatic redemption against a repayment of 0.1958 Zalando-shares for each redemption share (regardless of share type). The redemption was made solely against repayment of shares, and not against any cash consideration. The shareholders was offered to convert the received Swedish Zalando-shares against German Zalando-shares, the shares can be converted between 23 June – 14 July 2021 without any cost.

The last day of trading in Kinnevik shares before the split was on 14 May 2021. The record date for share split, and the right to receive redemption shares, was 18 May 2021.

The redemption shares were traded between 19 May to 9 June 2021 on Nasdaq Stockholm. The redemption shares are considered to be listed due to the fact that the share was traded during a certain time period. The record date for the right to receive shares in Zalando was on 16 June 2021. The shareholders of A and B redemption shares on that day received 0.1958 Swedish Zalando-shares per redemption share. The Zalando-shares were distributed on 18 June 2021.

Swedish Zalando-shares that could not be distributed pro rata (so-called fractions) were sold after redemption collectively on behalf of the shareholders. The consideration was subsequently paid out to the relevant shareholders around 29 June 2021.

Valuation of the redemption shares should be undertaken based on the value the day when the transfer becomes definitive. The value should therefore be based on the lowest price paid for the Swedish Zalando-shares received in exchange for the redemption shares on 9 June 2021. The Swedish Zalando-shares are not listed

why the value of the listed Zalando-shares in Germany should be used. The lowest price paid for German Zalando-shares listed on Frankfurter Wertpapierbörse on 9 June 2021 was $(94.10 \times 10.0779=)$ SEK 948.33.

The STA considers that the value per Zalando-shares for withholding tax purposes is SEK 948.33. The value per Kinnevik share for withholding tax purposes is $(948.33 \times 0.1958=)$ SEK 185.68. These values shall be deemed as taxable value with respect to withholding tax and Swedish non resident persons according to the Withholding Tax Act (1970:624)