



K I N N E V I K

INTERIM REPORT 1 JANUARY - 30 JUNE 2018

"Business activity has continued at a high pace with transformative developments in our public portfolio, as well as new investments into three exciting private companies in our focus sectors"

Georgi Ganev, CEO of Kinnevik

NAV 30 JUN 2018

SEK 96.4BN

CHANGE IN NAV Q/Q

3%

1 YEAR TSR

21%

5 YEAR TSR

17%

KEY PORTFOLIO DEVELOPMENTS

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

INVESTMENT MANAGEMENT ACTIVITIES

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

FINANCIAL POSITION

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

SEKm	30 Jun 2018	31 Mar 2018	31 Dec 2017	30 Jun 2017
Net Asset Value	96 409	93 341	90 633	81 887
Net Asset Value per share, SEK	350.42	339.28	329.44	297.65
Share Price, SEK	306.80	299.20	276.40	258.00
Net Cash / (Net Debt)	-2 902	-1 079	-1 062	-775

SEKm	Q2 2018	Q2 2017	H1 2018	H1 2017	FY 2017
Net Profit	5 344	4 582	8 047	11 632	20 359
Net Profit per Share, SEK	19.39	16.63	29.20	42.23	73.90
Change in Fair Value of Financial Assets	4 195	2 841	6 755	9 934	18 395
Dividends Received	1 220	1 842	1 438	1 842	2 260
Dividend Paid	-2 270	-2 201	-2 270	-2 201	-2 201
Investments	789	3 894	810	4 089	4 774
Divestments	89	3 090	101	5 173	5 280

Chief Executive's Review

Dear Shareholders,

Kinnevik has a long history and track record as an owner and builder of companies, and it is our vision to make people's lives better by providing more and better choice. In the fast-changing world we live in, it is easy to forget that only some 30 years ago, consumers all over the world were far more limited in our choice of how to shop, what to watch and how to connect with each other. Not to mention our choice of financial advisory services and how to access healthcare. By building and supporting companies such as Zalando, MTG, Tele2, Betterment and Livongo, Kinnevik has contributed to the digital disruption and improved consumer choice. Realising our vision and driving shareholder value also requires us to be flexible, and in the second quarter we announced transformative developments in our public portfolio, as well as new investments into three exciting private companies in our focus sectors.

BEING AN ACTIVE OWNER

Kinnevik's strategy builds on active ownership, which requires agility and the ability to pivot in order to deliver on our long-term vision.

When we announced our support of the merger between Tele2 and Com Hem in January, we also committed to effecting pro-competitive measures if necessary to complete the merger. To honor this commitment, Kinnevik's Board has proposed to distribute Kinnevik's shares in MTG to shareholders in mid-August. An Extraordinary General Meeting was held in mid-July where shareholders approved the proposal.

In addition to facilitating the regulatory clearance of the merger of Tele2 and Com Hem, the distribution will deliver an extra dividend-in-kind to Kinnevik's shareholders of in total around SEK 4.3bn or SEK 16 per Kinnevik share. The distribution also gives our shareholders the opportunity to become direct shareholders in MTG and Nordic Entertainment Group, following the ongoing split of MTG, two companies which I believe have very attractive customer propositions and market opportunities.

As the largest owner of Qliro Group, Kinnevik is also fully supportive of the company's strategic decision to focus on operating Qliro Financial Services, CDON Marketplace and Nelly as three fully independent companies. We share Qliro Group's view that the three companies have begun to reach sufficient size and maturity to operate on a stand-alone basis, and that this creates the best conditions for strengthening the competitiveness of each company.

Home24, the home & living e-commerce platform in which Kinnevik first invested in 2011, was listed on the Frankfurt Stock Exchange in June. The company has in recent years refined its customer proposition, resulting in an acceleration of revenue growth. The IPO generated high investor interest and was multiple times over-subscribed, resulting in a SEK 0.7bn value uplift for Kinnevik in the quarter. After the IPO, Kinnevik remains a large owner with 12% of the shares.

ACCELERATING THE PRIVATE PORTFOLIO

Driving growth and value in our private portfolio is a key strategic priority, and during the first six months of 2018 we have intensified our investment activities. In addition to the investment in Budbee in April, announced in the first quarter report, we have added two new companies to our private portfolio during the second quarter, Pleo and Cedar. Both

are great examples of our commitment to realize our mission to build digital businesses that address material, everyday consumer needs.

We invested SEK 67m for a 13% stake in the Denmark based corporate payment card solution company Pleo. With its offering of smart employee payment cards, Pleo has developed a new way to manage company expenses whilst ensuring companies have full control over spending. Through new technology, Pleo helps reduce administrative complexity, eliminates expense reports, and simplifies bookkeeping.

We invested SEK 141m for a 8% stake in Cedar, our third investment in healthcare. Based in New York, Cedar has developed an intelligent payment platform for patient billing. By leveraging machine learning and data science, Cedar generates a personalized outreach strategy, payment plan, and preferred method of payment for each and every patient. Healthcare organizations use Cedar's platform to manage patient engagement, monitor financial activity, and track key payment metrics.

SECOND QUARTER RESULTS AND FINANCIAL POSITION

Kinnevik's NAV increased by 3% to SEK 96.4bn, or SEK 350 per share, in the second quarter, driven mainly by a positive development in Zalando and Tele2. The value of our private assets increased slightly in the quarter to SEK 12.6bn. On 19 July, our NAV had increased by SEK 2.3bn to SEK 98.7bn, or SEK 359 per share. Kinnevik ended the quarter in a strong financial position, with net debt of SEK 2.9bn, corresponding to a leverage of 3%.

CONCLUDING REMARKS

In my job, I get challenged daily by the great entrepreneurs and people in our companies. We are excited to join the ride of Budbee, Pleo and Cedar, and to continue supporting our current investments ranging from larger companies like Zalando to younger challengers like Livongo. I would like to thank you, our shareholders, for your support and take this opportunity to wish you a great summer!

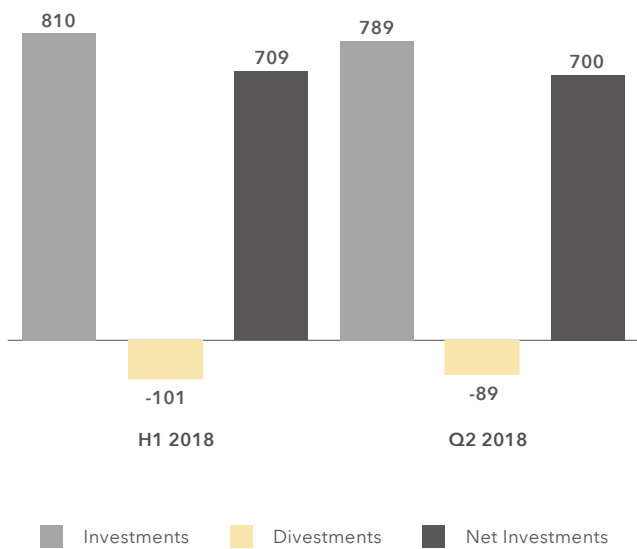
Georgi Ganev
Chief Executive Officer

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.

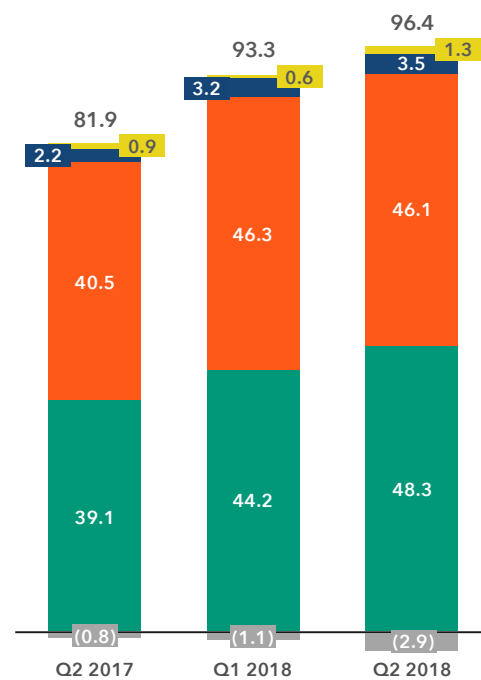
INVESTMENT ACTIVITY

SEKm



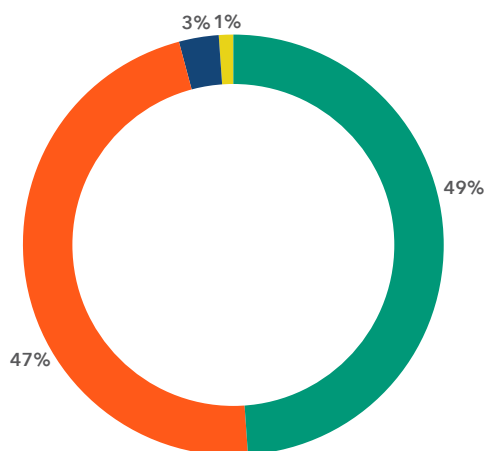
PORTFOLIO DEVELOPMENT

NAV, SEKbn

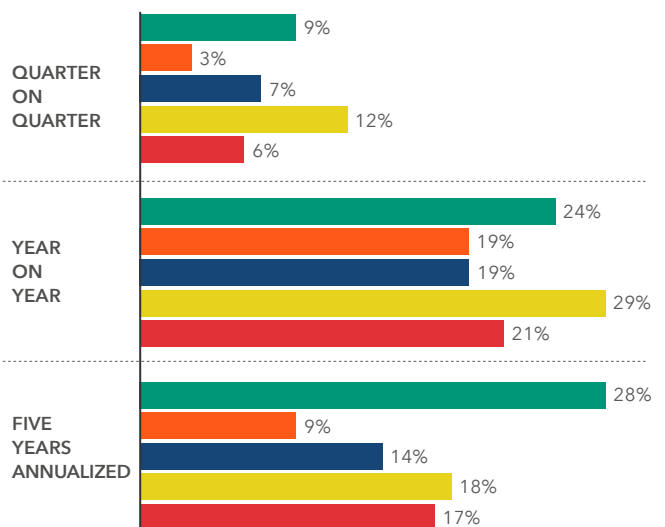


PORTFOLIO COMPOSITION

% 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 Jun	Fair Value 2018 31 Mar	Fair Value 2017 31 Dec	Fair Value 2017 30 Jun	Total Return 2018 H1 ¹
Zalando	39 165	35 737	34 097	30 224	15%
Global Fashion Group	5 047	5 300	5 239	5 188	-4%
Quikr	1 575	1 426	1 358	1 480	16%
Home24	965	299	218	184	343%
Qliro Group	568	520	767	665	-26%
Other ²	989	912	995	1 313	-5%
Total E-Commerce & Marketplaces	48 309	44 194	42 674	39 054	13%
Millicom	19 883	21 680	20 942	18 759	-3%
Tele2	16 021	15 210	15 350	13 475	8%
Com Hem	4 921	4 588	4 226	3 957	21%
MTG	5 045	4 551	4 645	3 927	12%
Other	273	266	277	422	-10%
Total TMT	46 143	46 295	45 440	40 540	5%
Bayport	1 182	1 107	1 082	1 115	9%
Betterment	1 163	1 089	1 064	548	9%
Other ²	1 105	961	932	536	10%
Total Financial Services	3 450	3 157	3 078	2 199	9%
Livongo	584	203	105	105	128%
Babylon	518	397	375	371	7%
Cedar	143	-	-	-	-
Total Healthcare	1 245	600	480	476	36%
Other	35	40	45	407	
Total Portfolio Value	99 182	94 286	91 717	82 676	9%
Net Cash / (Net Debt)	-2 902	-1 079	-1 062	-775	
Other Net Assets / (Liabilities)	129	134	-22	-14	
Total Net Asset Value	96 409	93 341	90 633	81 887	9%
Net Asset Value per Share, SEK	350.42	339.28	329.44	297.65	9%
Closing Price, Class B Share, SEK	306.80	299.20	276.40	258.00	14%

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 Q1 2018 revenue growth of 22% and an adjusted EBIT margin of 0%
- Zalando announced its intention to expand into Ireland and Czech Republic in summer 2018. With the new markets, Zalando expands its reach and opens its offering to an additional 15.4 million citizens
- Additional language versions of Zalando will be launched in Germany and Switzerland

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32%
KINNEVIK STAKE

SEK 39.2BN
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 Q1 2018 Net Merchandise Value growth of 20%, with growth particularly strong at Zalora and The Iconic
- The gross margin fell by 1 percentage point, offset by successful path to profit initiatives and scale benefits, which delivered overall profitability improvements on an EBITDA level
- GFG hit the milestone of 10 million active customers during the quarter

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35%
KINNEVIK STAKE

SEK 5.0BN
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 Group reported Q2 2018 revenue growth of 1% and EBITDA margin of 1.0%
- The result was positively affected by Nelly returning to profitable growth
- Qliro Group announced a new strategic direction, where Qliro Financial Services, CDON Marketplace and Nelly will operate as three independent companies

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29%
KINNEVIK STAKE

SEK 568M
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 12.0 million responses in June 2018. Responses per listing increased by 21% compared to last year, reflecting a continued focus on quality of content and conversion to end transactions
- The company continued to execute on its cross-category strategy and registered the second consecutive quarter during which all categories generated positive contribution margins

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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 21% in Q1 2018, driven by the profitable DACH region
- Second consecutive profitable quarter at 1.7% Adjusted EBITDA margin, fueled by the attractive private label portfolio
- Continued strong customer loyalty with 2.8 orders per active customer per year

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17%
KINNEVIK STAKE

SEK 508M
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 Q1 2018 Gross Order Value growth of 19% and revenue growth of 25%
- The gross margin was stable at 45%, and the adjusted EBITDA margin improved by 4.7 percentage points to -6.0%
- Number of active customers totalled 1.1 million and number of orders 0.5 million, growing 17% and 27%, respectively on a yearly basis
- Home24's shares were listed on the Frankfurt Stock Exchange in mid-June

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12%
KINNEVIK STAKE

SEK 965M
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 Q2 2018 organic service revenue growth of 5.3% and an EBITDA margin of 36%
- The company saw strong growth momentum across countries and business lines, with mobile revenue growth in Latin America continuing its recovery to 2.1%
- Millicom raises 2018 guidance for homes connected from 300,000 to 400,000 net additions

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38%
KINNEVIK STAKE

SEK 19.9BN
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 Q2 2018 revenue growth of 5% and an EBITDA margin of 28%. Rolling 12 months operating cash flow grew by 20%
- Preparations for the two transformative deals continued throughout the quarter, and both the Swedish merger with Com Hem and the Dutch combination with T-Mobile are expected to close in the fourth quarter

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30%
KINNEVIK STAKE

SEK 16.0BN
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 Q2 2018 revenue growth of 1.1% and an underlying EBITDA margin of 42%
- The company has taken additional steps to secure its leadership in the Swedish TV market by launching the TV Hub for both the Com Hem and Boxer brands
- Com Hem continued to expand its addressable footprint during the quarter, with the uptake primarily driven by the expansion in the SDU market

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19%
KINNEVIK STAKE

SEK 4.9BN
FAIR VALUE

MTG

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

- MTG reported Q2 2018 organic revenue growth of 9% and an EBIT margin of 9%
- Nordic Entertainment delivered another quarter of higher sales and profits, driven by the exclusive coverage of the Ice Hockey World Championship and continued strong performance from Viaplay
- MTGx sales were up 63% (25% organically). Strong performance from InnoGames meant that MTGx delivered its third consecutive EBITDA positive quarter

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20%
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 14.1bn at the end of June 2018, an increase of 43% compared to the same time last year. Number of customers totalled 365,000, a yearly increase of 35%
- Betterment recently introduced a new suite of tools that provide customers the ability to link external accounts to individual goals and an enhanced risk analysis of their accounts held outside of Betterment

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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.

- In Q2 2018, Bayport's core payroll customer base grew by 18% to around 544,000, providing 34% loan book growth on a yearly basis
- Retail banking is picking up pace, with developments underway for several credit and savings products
- Bayport has developed its IT platform strategy and insurance strategy, both of which are now in the implementation phase

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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 June 2018, BIMA had 6.8 million active customers, representing a yearly increase of 31% excluding discontinued products
- In Q2 2018, BIMA signed a global framework agreement with Orange to drive expansion in African markets and further strengthen its footprint in the region

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33%

KINNEVIK STAKE

SEK 881M

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 26,000 registered members and 20,000 applications
- Babylon has surpassed 2 million members in Rwanda, covering 30% of the nation's adult population
- Babylon and Samsung launched video doctor appointments and a symptom checker within the Samsung health app

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20%

KINNEVIK STAKE

SEK 518M

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 80,000 members at the end of the second quarter, a growth of more than 100% on a yearly basis
- Livongo continues to add payers and other key partners to its already strong ecosystem of approximately 340 clients
- Continued strong momentum in the health services segment driven by growth within large health plans in the United States including a strategic agreement with Cambia Health
- Successful introduction of hypertension product

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8%

KINNEVIK STAKE

SEK 584M

FAIR VALUE

Financial review

DIVIDEND AND CAPITAL STRUCTURE

As at 30 June 2018, Kinnevik carried net debt of SEK 2.9bn, corresponding to a leverage of 3% of portfolio value.

Kinnevik's and its investee companies' respective AGMs resolved on the below dividends to be paid for fiscal year 2017:

Investee Company	Dividend Per Share	Amount (SEKm)
Millicom	USD 2.64	882 ¹
Tele2	SEK 4.00	610
Com Hem	SEK 6.00	203
MTG	SEK 12.50	169
Total Dividends Received		1 864
<i>of which received by 30 June 2018</i>		1 423
Ordinary Dividend Paid	SEK 8.25	2 270

¹ Based on a USD/SEK exchange rate of 8.83

During the first half of 2018, Kinnevik received dividends from Tele2 and MTG, and half of the dividends resolved by Com Hem and Millicom. The Com Hem share started trading without the right to receive the second half of the dividend on 29 June, and this dividend was paid on 5 July. Millicom will pay the second half of its dividend on 14 November 2018.

INVESTMENT ACTIVITY

Investee Company (SEKm)	Q2 2018	H1 2018
Livongo	345	345
Cedar	141	141
Babylon	118	118
Budbee	80	80
Pleo	67	67
Other	38	59
Investments	789	810
Other	89	101
Divestments	89	101
Net Investments / (Divestments)	700	709

TOTAL SHAREHOLDER RETURN



14%

Past 30 years



15%

Past 10 years



17%

Past 5 years



21%

Past 12 months

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

An Extraordinary General Meeting in Kinnevik on 16 July resolved to distribute Kinnevik's shares in MTG to its shareholders in order to facilitate the European Commission's clearance of the proposed merger of Tele2 and Com Hem.

The distribution is expected to take place on 14 August and the expected record date is 10 August.

Additional information about the distribution is available on Kinnevik's website under the heading "General Meetings".

VALUATION OF UNLISTED FINANCIAL ASSETS

Investment (SEKm)	Kinnevik's Ownership	Net Invested Amount	Fair Value 30 Jun 2018	Change in fair value and dividends received		Valuation Method
				Apr-Jun 2018	Jan-Jun 2018	
Global Fashion Group ^{1,2}	35%	5 658	5 047	-253	-192	Revenue multiple
Westwing ²	17%	419	508	25	29	Revenue multiple
Quikr	17%	879	1 575	149	217	DCF
Saltside	61%	195	199	3	4	DCF
Other ¹	Mixed	562	282	-1	3	Mixed
Total E-Commerce & Marketplaces		7 713	7 611	-77	61	
Total TMT	Mixed	1 096	273	-	-28	Mixed
Bayport ³	22%	467	1 182	75	100	Latest transaction
Betterment	16%	1 065	1 163	74	99	Latest transaction
Milvik/BIMA	33%	257	881	56	75	Latest transaction
Other	Mixed	180	220	10	22	Mixed
Total Financial Services		1 969	3 446	215	296	
Babylon	20%	426	518	3	25	Latest transaction
Livongo	8%	458	584	36	134	Latest transaction
Cedar	8%	141	143	2	2	Latest transaction
Total Healthcare		1 025	1 245	41	161	
Other	Mixed	190	34	35	42	Mixed
Total Unlisted Financial Assets		11 992	12 609	214	532	

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 JUNE 2018

At the end of June, the fair value of Kinnevik's unlisted financial assets amounted to a total of SEK 12,609m, to be compared with an accumulated invested amount (net after dividends received) of SEK 11,992m. The change in fair value, plus dividends received, amounted to SEK 214m 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 5,047m as at 30 June 2018, based on a total value of GFG's fully diluted equity of EUR 1.4bn. The valuation of GFG implies an average multiple of 1.1x the company's last twelve months' net revenues as at 31 March 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 peer group was updated in Q1 2018 and includes Asos, Boozt and Zalando. 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 as may be referenced from a broader set of publicly traded emerging market companies.

OTHER E-COMMERCE

The fair value of Kinnevik's 17 percent shareholding in **Westwing** amounts to SEK 508m as at 30 June 2018, based on a total value of Westwing's fully diluted equity of EUR 284m, treating outstanding warrants as debt. The valuation of Westwing applies a multiple of 1.3x the company's last twelve months' net revenues as at 31 March 2018. The applied multiple corresponds to a 25 percent discount to a group of listed e-commerce peers, which reflects differences in historic growth and profitability.

MARKETPLACES

The fair value of Kinnevik's 17 percent shareholding in **Quikr** amounts to SEK 1,575m as at 30 June 2018, based on a total value of Quikr's fully diluted equity of USD 1,027m. The valuation of Quikr is based on a discounted cash flow analysis. A number of all-stock transactions have been concluded at an approximate 56 percent premium to the USD 1,027m 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 as at 30 June 2018. The valuation of Saltside is based on a discounted cash flow analysis.

FINANCIAL SERVICES

The fair value of Kinnevik's 22 percent shareholding in **Bayport** amounts to SEK 1,182m as at 30 June 2018, based on a total value of Bayport's fully diluted equity of USD 608m. The valuation of Bayport is based on the valuation applied in a funding round during the third quarter of 2017.

The fair value of Kinnevik's 16 percent shareholding in **Betterment** amounts to SEK 1,163m as at 30 June 2018, based on a total value of Betterment's fully diluted equity of USD 800m. The valuation of Betterment is based on the valuation applied in a funding round during the third quarter of 2017.

The fair value of Kinnevik's 33 percent shareholding in **Bima** amounts to SEK 881m as at 30 June 2018, based on a total value of Bima's fully diluted equity of approximately USD 290m. The valuation of Bima is based on the valuation applied in a funding round in the fourth quarter of 2017.

HEALTHCARE

The fair value of Kinnevik's 20 percent shareholding and other interest in **Babylon** amounts to SEK 518m as at 30 June 2018. The valuation of Babylon's equity is based on the valuation applied in a funding round during the second quarter of 2017.

The fair value of Kinnevik's 8 percent shareholding in **Livongo** amounts to SEK 584m as at 30 June 2018. The valuation of Livongo is based on the valuation applied in a funding round during the second quarter of 2018.

The fair value of Kinnevik's 8 percent shareholding in **Cedar** amounts to SEK 143m as at 30 June 2018. The valuation of Cedar is based on the valuation applied in a funding round during the second quarter of 2018.

Condensed Consolidated Income Statement and report concerning Total Comprehensive Income

SEK m	Note	2018 1 Apr- 30 Jun	2017 1 Apr- 30 Jun	2018 1 Jan- 30 Jun	2017 1 Jan- 30 Jun	2017 Full year
Change in fair value of financial assets	4	4 195	2 841	6 755	9 934	18 395
Dividends received	5	1 220	1 842	1 438	1 842	2 260
Administration costs		-57	-54	-129	-101	-245
Other operating income		6	5	14	10	41
Other operating costs		-5	0	-5	0	0
Operating profit/loss		5 359	4 634	8 073	11 685	20 451
Financial net		-15	-52	-26	-53	-90
Profit/loss after financial net		5 344	4 582	8 047	11 632	20 361
Tax		-	-	-	-	-2
Net profit/loss for the period		5 344	4 582	8 047	11 632	20 359
Net profit/loss per share before dilution		19.42	16.65	29.25	42.28	74.00
Net profit/loss per share after dilution		19.39	16.63	29.20	42.23	73.90
Other comprehensive income						
Cash flow hedging, gains/losses during the period		-7	14	-10	16	29
Total other comprehensive income for the period		-7	14	-10	16	29
Total comprehensive income for the period		5 337	4 596	8 037	11 648	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		275 123 164	275 115 735	275 120 829	275 115 735	275 115 947
Average number of shares after dilution		275 572 564	275 487 460	275 571 468	275 451 052	275 492 517

CONSOLIDATED EARNINGS FOR THE SECOND QUARTER

The change in fair value of financial assets including dividends received amounted to a profit of SEK 5,415m (4,683) for the second quarter of which a profit of SEK 5,201m (4,720) was related to listed holdings and a profit of SEK 214m (loss of 37) was related to unlisted holdings. See note 4 and 5 for further details. Improved financial net is due to lower borrowing costs and exchange differences.

CONSOLIDATED EARNINGS FOR THE FIRST SIX MONTHS OF THE YEAR

The change in fair value of financial assets including dividends received amounted to a profit of SEK 8,193m (11,776) for the first six months of the year of which a profit of SEK 7,661m (12,033) was related to listed holdings and a profit of SEK 532m (loss of 257) was related to unlisted holdings. See note 4 och 5 for further details.

Condensed Consolidated Cash Flow Statement

SEK m	Note	2018 1 Apr- 30 Jun	2017 1 Apr- 30 Jun	2018 1 Jan- 30 Jun	2017 1 Jan- 30 Jun	2017 Full year
Dividends received	5	1 220	1 842	1 337	1 842	2 260
Cash flow from operations		-53	-41	-157	-108	-201
Cash flow from operations before interest net and income taxes		1 167	1 801	1 180	1 734	2 059
Interest, received		0	3	0	7	10
Interest, paid		-13	-30	-29	-41	-76
Cash flow from operations		1 154	1 774	1 151	1 700	1 993
Investments in financial assets		-789	-3 894	-810	-4 112	-4 843
Sale of shares and other securities		48	3 090	60	5 197	5 304
Cash flow from investing activities		-741	-804	-750	1 085	461
Amortization		-	-348	-	-456	-1 611
Borrowing		200	2 350	200	2 935	2 833
Dividend paid to equity holders of the Parent company		-2 270	-2 201	-2 270	-2 201	-2 201
Cash flow from financing activities		-2 070	-199	-2 070	278	-979
Cash flow for the period		-1 657	771	-1 669	3 063	1 475
Cash and short term investments, opening balance		1 786	2 615	1 798	323	323
Cash and short term investments, closing balance		129	3 386	129	3 386	1 798
SUPPLEMENTARY CASH FLOW INFORMATION						
Investments in financial assets	4	-789	-3 894	-810	-4 089	-4 774
Prior period investments, paid in current period		-	-	-	-23	-69
Cash flow from investments in financial assets		-789	-3 894	-810	-4 112	-4 843

Condensed Consolidated Balance Sheet

SEK m	Note	2018 30 Jun	2017 30 Jun	2017 31 Dec
ASSETS				
Fixed assets				
Financial assets accounted at fair value through profit and loss	4	99 181	82 677	91 717
Tangible fixed assets		55	61	58
Other fixed assets		2	6	3
Total fixed assets		99 238	82 744	91 778
Other current assets		195	26	46
Short term investments		-	2 025	1 750
Cash and cash equivalents		129	1 361	48
TOTAL ASSETS		99 562	86 156	93 622
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity attributable to equityholders of the Parent Company		96 409	81 887	90 633
Interest bearing liabilities, long term		2 875	2 867	2 863
Interest bearing liabilities, short term		200	1 253	-
Non interest bearing liabilities		78	149	126
TOTAL EQUITY AND LIABILITIES		99 562	86 156	93 622

Key Ratios

Ratio	Note	2018 30 Jun	2017 30 Jun	2017 31 Dec
Debt/equity ratio		0.03	0.05	0.03
Equity ratio		97%	95%	97%
Net cash/(Net debt) for the Group, including net loans to investee companies	6	-2 751	-690	1 062
Leverage		3%	1%	1%

Condensed Report of Changes in Equity for the Group

SEK m	2018 1 Jan- 30 Jun	2017 1 Jan- 30 Jun	2017 Full year
Opening balance	90 633	72 434	72 434
Profit for the period	8 047	11 632	20 359
Other comprehensive income	-10	16	29
Total comprehensive income for the period	8 037	11 648	20 388
Transactions with shareholders			
Effect of employee share saving programme	9	6	12
Cash dividend	-2 270	-2 201	-2 201
Closing balance for the period	96 409	81 887	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 June 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 1.1x, corresponding to an aggregate discount of 47% Fully diluted equity value of EUR 1.4bn, liquidation preferences considered in valuing Kinnevik's shareholding
Westwing	<ul style="list-style-type: none"> Multiple on the company's last twelve months' net revenues Peer group includes Asos, Wayfair and Maisons du Monde Multiple of 1.3x, corresponding to a discount of 25% Fully diluted equity value of EUR 284m, with outstanding warrants treated as debt, liquidation preferences considered in valuing Kinnevik's shareholding
Quikr	<ul style="list-style-type: none"> Discounted cash flow analysis Fully diluted equity value of USD 1,027m
Saltside	<ul style="list-style-type: none"> Discounted cash flow analysis
Bayport	<ul style="list-style-type: none"> Latest transaction value from funding round during the third quarter of 2017 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 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
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 companies that are valued based on sales multiples (e.g. Global Fashion Group and Westwing), an increase in the multiple by 10% would have increased estimated fair value by SEK 385m. Similarly, a decrease in the multiple by 10% would have decreased estimated fair value by SEK 316m.

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

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

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

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

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

Change in fair value of financial assets	2018 1 Apr- 30 Jun	2017 1 Apr- 30 Jun	2018 1 Jan- 30 Jun	2017 1 Jan- 30 Jun	2017 Full year
Black Earth Farming	-	8	-	50	-309
Com Hem	332	227	695	227	496
Home24	666	-	666	-	-
Millicom	-1 796	-117	-1 059	3 969	6 152
MTG	494	-123	399	277	995
Qliro Group	49	115	-198	298	401
Rocket Internet	-	442	-	81	81
Seamless	-	-4	-	1	1
SDS	-2	-	-4	-	-13
Tele2	811	442	671	2 309	4 184
Zalando	3 427	1 889	5 068	2 979	6 851
Total Listed holdings	3 981	2 878	6 238	10 191	18 839
Babylon	3	10	25	73	77
Bayport	75	-65	100	-86	-119
Betterment	74	-32	99	-42	-53
Cedar	2	-	2	-	-
Global Fashion Group	-253	-249	-192	-453	-402
Home24	-	68	81	52	86
Lazada	-	273	-	261	261
Livongo	36	-7	134	-7	-8
Milvik/BIMA	56	-24	75	4	298
Quikr	149	-39	217	-55	-177
Westwing	25	6	29	10	50
Other*	47	22	-53	-14	-457
Total Unlisted holdings	214	-37	517	-257	-444
Total	4 195	2 841	6 755	9 934	18 395

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

30 June 2018

Book value of financial assets	Class A shares	Class B shares	Capital/Votes (%)	2018 30 Jun	2017 30 Jun	2017 31 Dec
Black Earth Farming	51 811 828	-	-	-	358	-
Com Hem	33 911 671	-	19.2/19.2	4 921	3 957	4 226
Home24	3 111 953	-	12.5/12.5	965	-	-
Millicom	37 835 438	-	37.5/37.5	19 883	18 759	20 942
MTG	4 461 691	9 042 165	20.2/48.0	5 045	3 927	4 645
Qliro Group	42 613 642	-	28.5/28.5	568	665	767
SDS	587 722	-	8.5/8.5	4	-	8
Tele2	20 733 965	131 699 187	30.3/47.9	16 021	13 475	15 350
Zalando	78 427 800	-	31.9/31.9	39 165	30 224	34 097
Total Listed Holdings				86 572	71 365	80 035
Babylon			19.6/19.6	518	371	375
Bayport			21.8/21.8	1 182	1 115	1 082
Betterment			16.3/16.3	1 163	548	1 064
Cedar			7.5/7.5	143	-	-
Global Fashion Group			35.4/35.4	5 047	5 188	5 239
Home24			-	-	184	218
Livongo			8.0/8.0	584	105	105
Milvik/BIMA			33.4/33.4	881	406	806
Quikr			17.1/17.1	1 575	1 480	1 358
Saltside			60.8/60.8	199	197	195
Westwing			16.5/16.5	508	439	479
Other*			-	809	1 279	761
Total Unlisted Holdings				12 609	11 312	11 682
Total				99 181	82 677	91 717

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

Investments in financial assets	2018 1 Apr- 30 Jun	2017 1 Apr- 30 Jun	2018 1 Jan- 30 Jun	2017 1 Jan- 30 Jun	2017 Full year
Com Hem	-	3 730	-	3 730	3 730
SDS	-	-	-	-	21
Total Listed Holdings	-	3 730	-	3 730	3 751
Babylon	118	70	118	144	144
Betterment	-	-	-	-	527
Milvik/BIMA	-	-	-	-	106
Cedar	141	-	141	-	-
Home24	-	38	-	38	38
Livongo	345	-	345	112	113
Other	185	56	206	65	95
Total Unlisted Holdings	789	164	810	359	1 023
Total	789	3 894	810	4 089	4 774

Changes in unlisted assets (level 3)	2018 1 Apr- 30 Jun	2017 1 Apr- 30 Jun	2018 1 Jan- 30 Jun	2017 1 Jan- 30 Jun	2017 Full year
Opening balance	11 994	12 154	11 682	12 291	12 291
Investments	789	164	810	359	1 023
Disposals / Exit proceeds	-89	-969	-101	-1 081	-1 188
Reclassification	-299	-	-299	-	-
Change in fair value	214	-37	517	-257	-444
Closing balance	12 609	11 312	12 609	11 312	11 682

NOTE 5 DIVIDENDS RECEIVED

	2018 1 Apr- 30 Jun	2017 1 Apr- 30 Jun	2018 1 Jan- 30 Jun	2017 1 Jan- 30 Jun	2017 Full year
Millicom	441	883	441	883	883
Tele2	610	797	610	797	797
MTG	169	162	169	162	162
Com Hem	-	-	203	-	68
Black Earth Farming	-	-	-	-	350
Other	-	-	15	-	-
Total dividends received	1 220	1 842	1 438	1 842	2 260
<i>Of which cash dividends</i>	<i>1 220</i>	<i>1 842</i>	<i>1 438</i> ¹	<i>1 842</i>	<i>2 260</i>
<i>Of which ordinary cash dividends</i>	<i>1 220</i>	<i>1 842</i>	<i>1 423</i>	<i>1 842</i>	<i>1 910</i>

¹ Of which SEK 101m was received in Q3 2018

NOTE 6 INTEREST BEARING ASSETS AND LIABILITIES

Kinnevik's total interest bearing assets amounted to SEK 283m as at 30 June 2018. The total amount of interest bearing liabilities was SEK 3,075m and receivables for unpaid divestments was SEK 41m. Kinnevik was in a net debt position of SEK 2,751m as at 30 June 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 2,902m.

Kinnevik's total credit facilities (including issued bonds) amounted to SEK 8,980m as at 30 June 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 6,213m as at 30 June 2018 (SEK 7,995m as at 31 December 2017).

SEKm	2018 30 Jun	2017 30 Jun	2017 31 Dec
Interest bearing assets			
Loans to investee companies	151	85	-
Short term investments	-	2 025	1 750
Cash and cash equivalents	129	1 361	48
Other interest bearing assets	3	6	3
Total interest bearing assets	283	3 477	1 801
Interest bearing long term liabilities			
Corporate bonds	2 850	2 850	2 850
Accrued borrowing cost	-16	-14	-17
Other interest bearing liabilities	41	31	30
	2 875	2 867	2 863
Interest bearing short term liabilities			
Debt to credit institutions	-	9	-
Corporate bonds	-	744	-
Commercial papers	200	500	-
	200	1 253	-
Total interest bearing liabilities	3 075	4 120	2 863
Net interest bearing liabilities (-) / assets (+)	-2 792	-643	-1 062
Receivable/debt, unpaid investments/divestments	41	-47	-
Net cash/(Net debt) for the Group, including net loans to investee companies	-2 751	-690	-1 062

The outstanding loans carry an interest rate of Stibor or similar base rate with an average margin of 0.8%. All bank loans have variable interest rates (up to 3 months) while financing from the capital markets vary between 1 to 12 months for the loans under the commercial paper program and 5 years fixed for the outstanding bond (as per date of issue).

As at 30 June 2018, the average remaining tenor was 3.4 years for all credit facilities including the bonds. As at 30 June 2018, Kinnevik had not provided any security for any of its outstanding loans.

Condensed Parent Company Income Statement

SEK m	2018 1 Apr- 30 Jun	2017 1 Apr- 30 Jun	2018 1 Jan- 30 Jun	2017 1 Jan- 30 Jun	2017 Full year
Administration costs	-54	-65	-121	-95	-235
Other operating income and costs	-1	3	2	3	5
Operating loss	-55	-62	-119	-92	-230
Dividends received, external	690	1 007	705	1 007	1 007
Result from associated companies	35	-	23	-	-
Result from subsidiaries	2 214	8 466	2 183	8 466	8 261
Financial net	-11	-24	-22	-40	-23
Profit/loss after financial items	2 873	9 386	2 770	9 340	9 015
Group contribution	-	-	-	-	-109
Profit/loss before taxes	2 873	9 386	2 770	9 340	8 906
Taxes	-	-	-	-	-
Net profit/loss for the period	2 873	9 386	2 770	9 340	8 906
Total comprehensive income for the period	2 873	9 386	2 770	9 340	8 906

Condensed Parent Company Balance Sheet

SEK m	2018 30 Jun	2017 30 Jun	2017 31 Dec
ASSETS			
Tangible fixed assets	3	4	3
Financial fixed assets	53 945	52 062	52 368
Short term receivables	14	15	33
Short term investments	-	2 025	1 750
Cash and cash equivalents	116	400	39
TOTAL ASSETS	54 078	54 506	54 193
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity	49 334	49 253	48 825
Provisions	26	27	26
Long term interest bearing liabilities	4 458	3 899	5 117
Short term interest bearing liabilities	200	1 244	-
Other short term liabilities	60	83	225
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	54 078	54 506	54 193

The Parent Company's liquidity, including short-term investments and unutilized credit facilities, totalled SEK 6,046m (8,055) at 30 June 2018. The Parent Company's interest bearing external liabilities amounted to SEK 3,035m (4,103) on the same date. Investments in tangible fixed assets amounted to SEK 0m (0) during the period.

Distribution by class of shares on 30 June 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 June 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 2018. There are no convertibles or warrants in issue.

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

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

Alternative performance measures in Kinnevik's interim report include:

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

FINANCIAL REPORTS

Dates for 2018 reporting: 25 October Interim Report January-September 2018
February 2019 Year end release 2018

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

Stockholm, 20 July 2018

Dame Amelia Fawcett
Chairman of the Board

Henrik Poulsen
Deputy Chairman of the Board

Wilhelm Klingspor
Member of the Board

Erik Mitteregger
Member of the Board

Mario Queiroz
Member of the Board

Cristina Stenbeck
Member of the Board

Charlotte Strömberg
Member of the Board

Georgi Ganev
Chief Executive Officer

AUDIT REPORT

Introduction

We have reviewed the interim report for Kinnevik AB (Publ) for the period January 1 - June 30, 2018. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

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

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

Conclusion

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

Stockholm 20 July 2018

Deloitte AB

Jan Berntsson
Authorized Public Accountant

This information is information that Kinnevik AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 07.00 CET on 20 July 2018.

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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.