DEEP DIVE ON KINNEVIK'S

VALUATIONS OF UNLISTED INVESTMENTS

IN CONNECTION WITH KINNEVIK'S
2022 Q1 REPORT

TODAY'S AGENDA

Valuations of Unlisted Investments

Agenda & Presenters

1. Our Framework and Principles
2. Private and Public Markets
3. Peer Sets
4. Transaction Valuations
5. Investee Performance
6. Q1 2022 Value Drivers
7. New NAV Split
8. Q&A

Today's Presenters

Georgi Ganev
Chief Executive Officer

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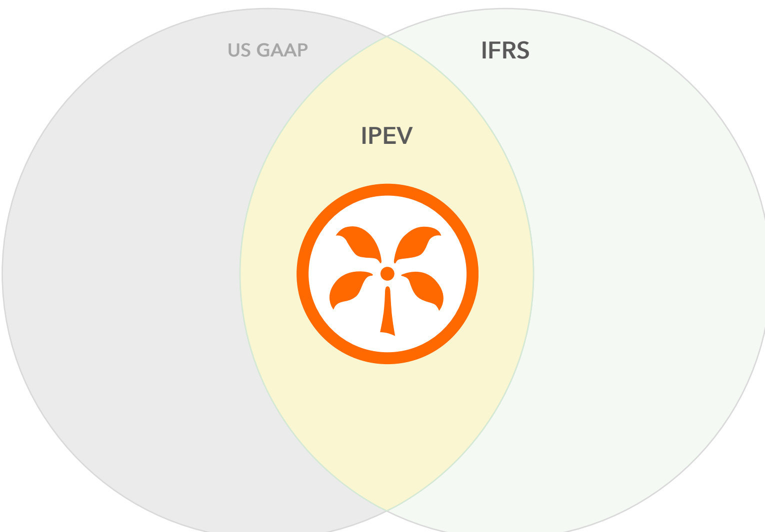
OUR VALUATION PROCESS OPERATES WITHIN IFRS AND IPEV GUIDELINES

Our Framework and Principles

Valuations of Unlisted Investments

Regulatory Framework

IPEV & IFRS



- ***IFRS 13*** defines fair value as the price that would be received to sell an asset in an orderly transaction between market participants
  - Three techniques – market, cost and income
- ***International Private Equity and Venture Capital*** ("IPEV") ***Guidelines*** set out recommendations intended to represent best practice in valuing private investments
  - Compliant with both IFRS and US GAAP
  - In-depth recommendations on e.g. valuation techniques and how to use recent transactions to calibrate inputs used in valuation methods
- We make a collective assessment to establish the most suitable and ***relevant valuation methods***
  - Ambition is to value our businesses as any prospective investor or purchaser would, whilst taking a fairly conservative approach to expectations, forecasts and valuation levels
- Robust process ***independent*** of investment managers
  - Approved by the Audit & Sustainability Committee
  - Reviewed by external auditors, more in-depth formal review in Q2 and Q4, and full audit of Annual Report
  - Third-party review of top 10 investments (at least) once per year, covering our valuation approach, technical correctness, peer group composition and distribution of value between different equity instruments

2021 WAS A RECORD-BREAKING YEAR FOR GROWTH INVESTING

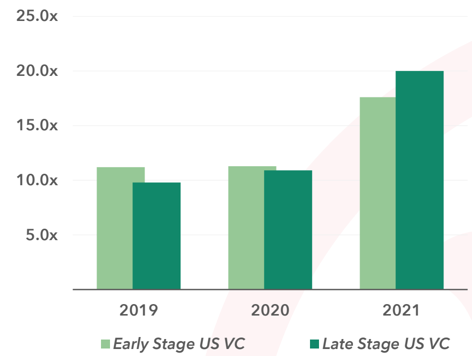
Private and Public Markets

An Exuberant 2021

- ***2021 was a record year*** in venture and growth investing in the US and globally, driven by record-high inflows of capital as investors pursued growth and risk in a low interest rate environment. This led to –
  - *I.* expansive valuations – median fundraising ***multiples expanded by >30%***, and ***one new unicorn was created per day***, up 3x from 2020
  - *II.* more and larger rounds triggered more by supply than by demand – ***VC fundraising more than doubled*** to >USD 600bn, the ***number of VC financings*** in >USD 100m companies ***almost tripled***, and the number of >USD 100m rounds grew by >140%
  - *III.* an intensified fundraising environment with fast processes and cross-over investors defocusing on diligence and governance
- All the while, ***dry powder*** across growth-focused private equity to early-stage VC funds ***exceeded USD 900bn*** at the start of 2022
- ***Coming into 2022***, the venture and growth market had a combination of –
  - ***high*** *(mostly on-paper)* ***returns***;
  - ***well-funded businesses***; and
  - massive amounts of ***dry-powder*** to be deployed

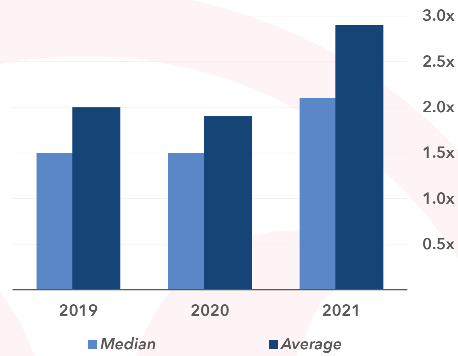
Trailing Revenue Multiples

Median US VC



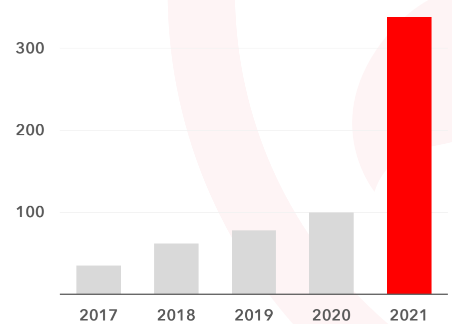
Value Uplifts From Prior Round

US Late-Stage VC



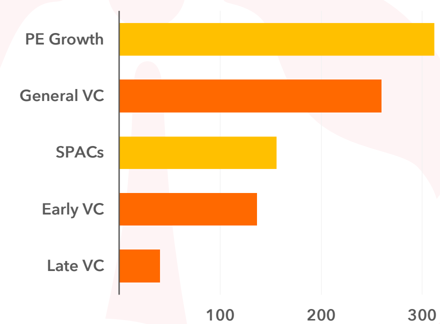
New Private Unicorns

US, 2016-21



Dry Powder

End of 2021, Across Pockets, USDbn



Source: PitchBook, Preqin, FactSet, Kinnevik Estimates

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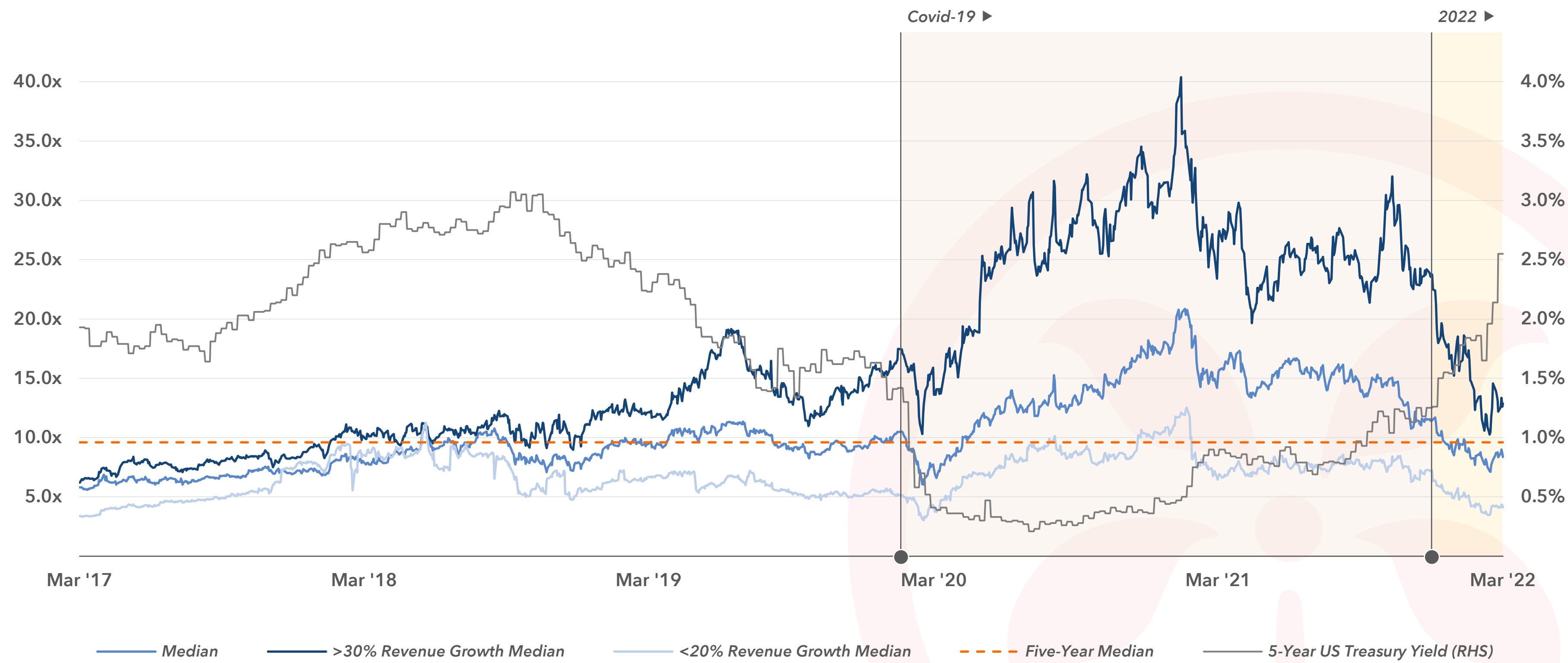
AFTER EXPANDING MATERIALLY DURING THE PANDEMIC, MULTIPLES ARE NOW BELOW PRE-PANDEMIC AND FIVE-YEAR MEDIAN LEVELS

Private and Public Markets

EV/NTM Revenue, BVP Emerging Cloud Index, Q1 2017-22



Sector averages can be deceiving – the median SaaS businesses in BVP's Emerging Cloud index growing by >30% trades at around 13x NTM revenues while the median business growing by <20% trades at around 4x NTM revenues

Note: BVP's Emerging Cloud Index is designed to track the performance of emerging public companies primarily involved in providing cloud software to their customers
Source: BVP, FactSet

PRIVATE AND PUBLIC MARKET VALUATIONS ARE BEING RECONCILED, BUT THERE IS STILL SIGNIFICANT AMOUNTS OF DRY POWDER IN THE SYSTEM

Private and Public Markets

What's Unfolding in 2022

- Private markets are now being ***brought in line*** with public markets
- ***IPOs, SPACs and de-SPACs*** have cooled down materially
- There is a ***flight to quality*** as it relates to both companies and stewards of capital, and companies should be seeing the true value of long-term patient capital over the next months and quarters
- ***Fundraising is down materially*** – few companies dare to go into ***'price discovery'*** mode and instead utilize internal rounds, investor-friendly terms, and convertibles – when capital becomes more scarce, its allocators accrete more power
- Many companies that raised last year have ***huge cash balances***, with no need to raise until next year in what may be a more benign market (in particular if they can ***burn more efficiently***)
- From a valuation point of view, we see two wedges - one between ***later stage*** companies and ***earlier stage*** companies, and one between the category ***winners*** and the category ***followers***
  - Later-stage businesses ***priced on more short-term expectations*** where valuations were set with reference to prices that ***cross-over investors*** could achieve a public market exit at are facing the most pressure
  - ***We believe category-winning businesses with strong unit economics should still be able to raise capital at satisfactory terms***, drawing on the flight to quality, whereas the median business that rose with the tide in 2021 may struggle (the former tend to overlap with businesses with strong cash balances)

<(80)%
# of US IPOs Priced
2022 vs 2021 YTD

(65)%
Announced SPAC Deals
Q1 2022 vs Q1 2021

(24)%
IPO ETF
Q1 2022

(27)%
De-SPAC ETF
Q1 2022

(30)%
Drop in >USD 100m Rounds
Q1 2022 vs Q1 2021

(19)%
Global VC Deal Volume
Q1 2022 vs Q1 2021

>50bn
SEK Raised
Kinnevik Investees in 2021

>8bn
SEK Net Cash
Kinnevik PF Dividends

Source: FactSet, LionTree, Renaissance Capital, Forge Global, Pitchbook, Carta, CB Insights, Numis, SEC

WE SEEK TO BE SYSTEMATIC IN CONSTRUING PEER SETS FOR OUR UNLISTED INVESTMENTS, AND RESTRAINED IN AMENDING THEM

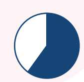
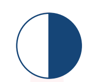
Peer Sets

Construing & Amending the Benchmark

- In ***triangulating the relevant peer set***, we focus on a handful of characteristics, including –
  1. ***Financial Profile***
     e.g. top-line growth, margins, scale and financial strength
  2. ***Business Model***
     e.g. product / service offering, target customers, place in value chain
  3. ***Geographic Footprint***
  4. ***Research Coverage and Other Technicals***
     e.g. recency of listing and idiosyncratic shocks
- Peer groups are ***reviewed more in-depth once per year***, but we make ***minor amendments throughout the year*** primarily to accommodate for additions on the back of new peers going public
- We typically prefer ***smaller peer sets*** of companies we track and understand over macro-level peer sets (e.g. BVP's Emerging Cloud Index)
  - The average peer set consists of ***5-10 companies***, and we tend to use one directly applied peer set and one or more reference groups
- ***Private transactions*** (that we do not participate in ourselves) are used for reference only, considering the lower quality, access and reliability of data
- At what ***relative level*** we value our companies to the peer group (premiums & discounts) depends on the above characteristics, as well as additional parameters, and is ***often recalibrated in connection with transactions*** that provide new and clear indications of fair value

Illustrative Example

Pros & Cons of Budbee Peers

	InPost	*Food Delivery*	*Mobility*
Average Financial Profile	20% Topline Growth 40% Gross Margin	>50% Topline Growth 35% Gross Margin	10% Topline Growth 50% Gross Margin
Business Model	Box & home delivery Home market winner High customer concentration	Distribution models Top market positions Different service	Similar value proposition Increasingly tilting towards delivery More akin to a marketplace
Geographic Footprint	European Significant footprint in Poland	Developed Markets	Worldwide
Relevance			

Source: FactSet

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UNDER CERTAIN CIRCUMSTANCES WE REFLECT PRIVATE MARKET INERTIA RELATIVE TO PUBLIC MARKETS BY MUTING UPWARDS AND DOWNWARDS PEER MOVEMENTS

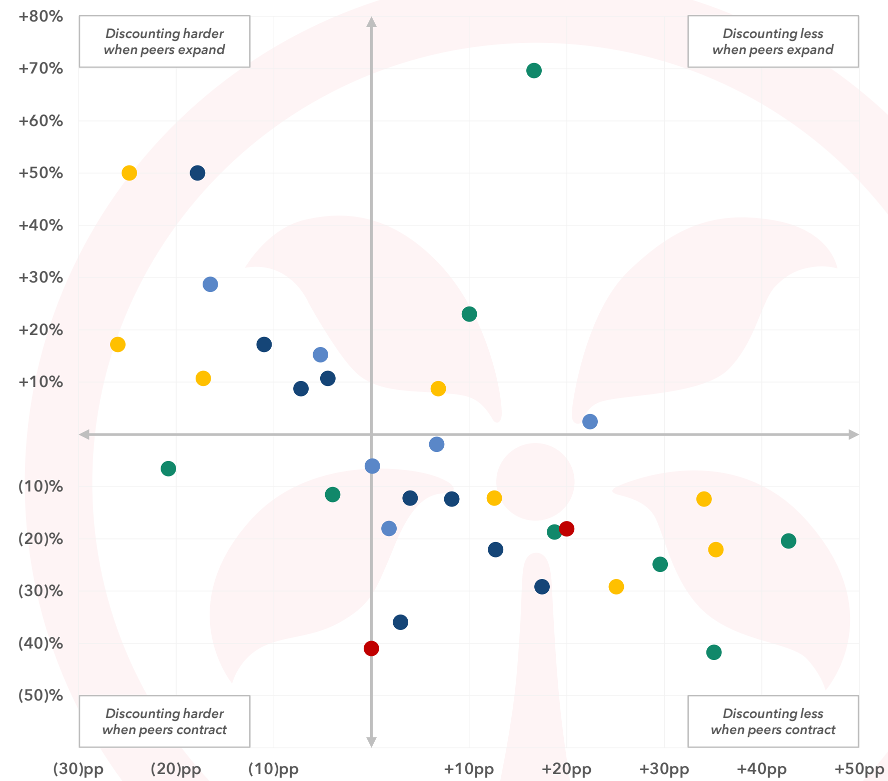
Peer Sets

Premiums & Discounts

- We seek to ***reflect the development of public markets***, all the while being mindful of the fact that investors take different approaches to valuing more established publicly listed businesses relative to high-growth private businesses
  - Public markets make sense out of billions of signals every second and distill bits of information and emotion into a direction
  - ***Private markets take longer to reflect a new reality because private ownership changes hand less often and between fewer parties***
  - Hence, private markets tend to ***lag behind*** public markets
- Therefore, movements in peer multiples may at times be ***muted*** by increasing/decreasing the discount applied on the average peer multiple when valuing our investees, leading to our valuation levels ***developing more slowly around the same underlying trend***
  - We seek to reflect ***significant movements*** – such as in Q1 2020 and Q1 2022 – ***more quickly and directly***
- Material changes in discounts to average peer multiples are due to equally ***material idiosyncrasies***, either at our investees (typically transactions) or in constituents of smaller peer groups
- Changes can also be informed by amendments of the peer group –
  - The ***flurry of listings of value-based care peers*** caused us to systematically decrease an excessively conservative discount over a number of quarters
  - Similarly, the ***IPO of InPost*** – a key peer for Budbee – gave a stronger reflection of public market valuations of last-mile delivery and led to our valuation implicitly being at an excessively conservative discount that we sought to narrow over time

Peer Multiple Changes vs Discount Adjustments

% Change in Peers (Y-Axis) vs %-Point Change in Discount (X-Axis)



Note: Scatter chart shows actual data for a limited set of more late-stage businesses on an LTM revenue basis (which is not necessarily the applied valuation method)

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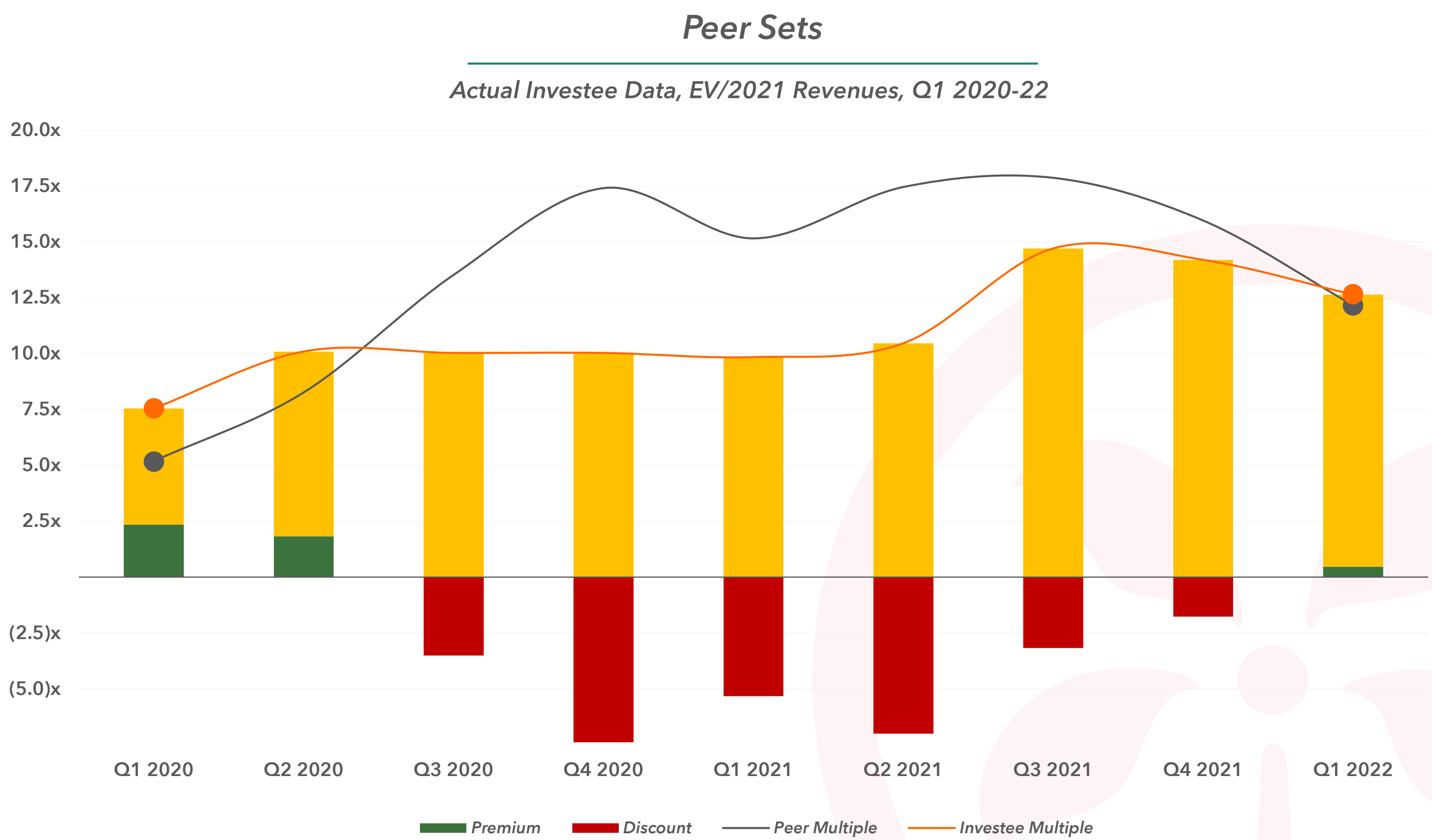
A SLIGHTLY SLUGGISH REFLECTION OF PUBLIC MARKET MOVEMENTS MEANS OUR APPLIED MULTIPLES CHANGE WITH MORE SUSTAINED MARKET TRENDS



Our valuation levels typically fluctuate less intensely around the same underlying trend as public market averages

(Note that the chart illustrates multiples on an unchanged fiscal year and as such there is underlying expansion due to time-value of money and forward revenue growth)

VALUATIONS ASCRIBED TO OUR COMPANIES IN FUNDING ROUNDS OR OTHER TRANSACTIONS ARE IMPORTANT CALIBRATORS OF PREMIUMS/DISCOUNTS TO PEERS

Transaction Valuations

Their Influence on Our Valuations

- Transaction valuations ***calibrate*** how we value our companies relative to their listed peer group
- Considering (our relatively conservative approach and) the fact that investors typically ***price companies further into the future than our models***, transactions tend to provide the largest changes in valuations in any given quarter
- ***Key factors*** that are taken into account when calibrating our valuations based on transactions include –
  - Rights such as ***liquidation preferences***, where investments enjoy some downside protection (see overleaf)
  - The participants in the transaction, e.g. ***primary or secondary*** equity and ***existing or new investors***
  - The ***size of the transaction*** as % of the company
- For younger high-growth businesses, the concept of ***"growing into"*** or "catching up to" a valuation still holds and may lead to a ***fairly static valuation*** for a number of quarters after a transaction
- Bar material changes in our companies or their peers that render a transaction-inferred valuation irrelevant, ***we decouple our marks from transaction-guided levels earlier for later-stage companies*** (sometimes as quickly as one or two quarters) ***and later for earlier-stage companies*** (sometimes as slowly as four or six quarters)

Transaction Valuations

10 Largest Unlisted Assets, LTM Revenue Basis

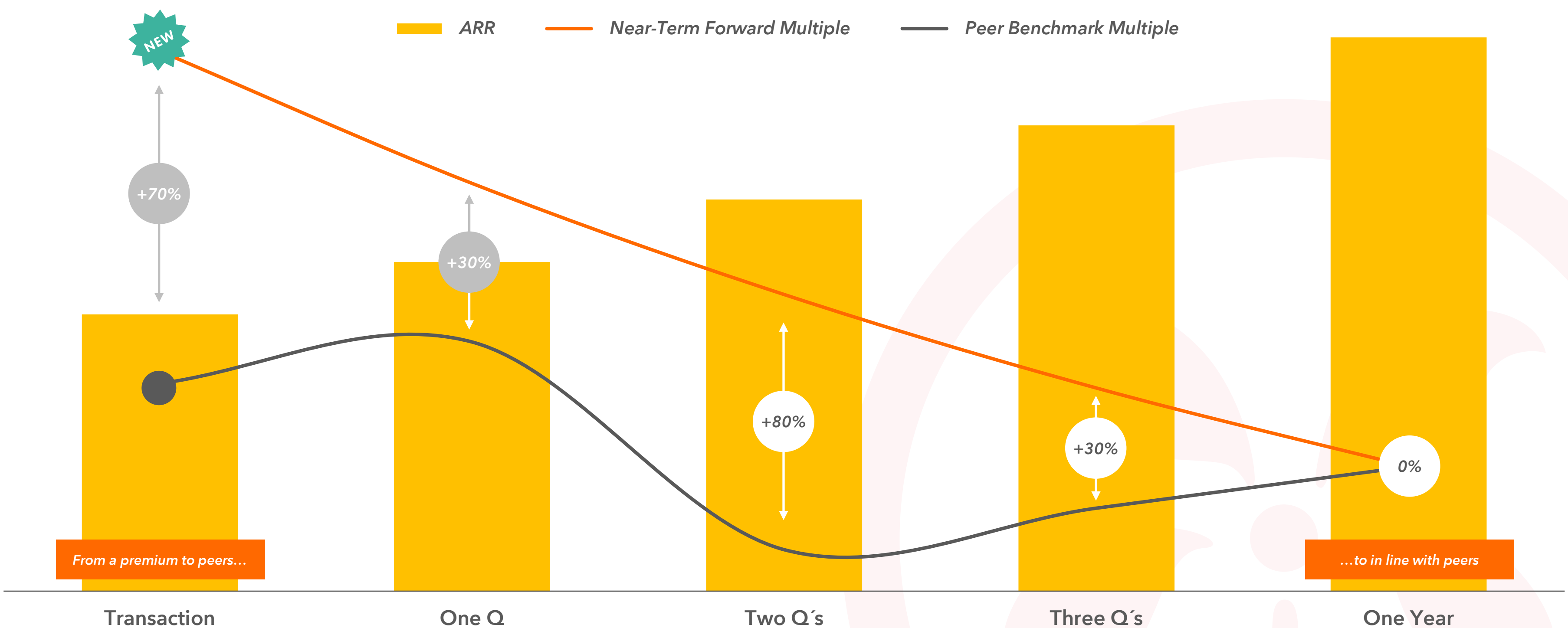
Investee	*Time of Transaction*	*Peer Multiple Contraction (Since Then)*	*Value Change (Since Then)*	*Revenue Growth Offsetting Peer Multiple Contraction*
PLEO	December 2021	(30)%	(10)%	✓ Offset
VillageMD	October 2021	(40)%	(11)%	✓ Almost offset
CITYBLOCK	September 2021	(40)%	(22)%	✓ Offset
cedar	March 2021	(40)%	(12)%	↗ Significantly more than offset
TravelPerk	January 2022	(30)%	-	↗ More than offset
oda	April 2021	(70)%	(10)%	× Less than offset
Betterment	September 2021	(25)%	(16)%	✓ Almost offset
budbee	January 2021	(60)%	+70%	↗ Significantly more than offset
jobandtalent	December 2021	(40)%	(11)%	↗ More than offset
spring health	September 2021	(50)%	(15)%	↗ Significantly more than offset

Source: FactSet

WITH INVESTORS PRICING OUR BUSINESSES ON THE BASIS OF EXPECTATIONS, SIGNIFICANT VALUE UPLIFTS MAY BE FOLLOWED BY A NUMBER OF FLAT QUARTERS

Transaction Valuations

Growing Into a Valuation (Illustrative)



Provided markets remain relatively stable, we may allow companies to 'grow into' their valuation for a few quarters until the mark looks more grounded in public market valuation terms – this catching up may however be preceded by another transaction pushing the multiple horizon further into the future

LIQUIDATION PREFERENCES CAN CAUSE SOME IMMOBILITY IN OUR FAIR VALUES, IN PARTICULAR IN INVESTMENTS WHERE WE HAVE ONLY INVESTED IN ONE ROUND

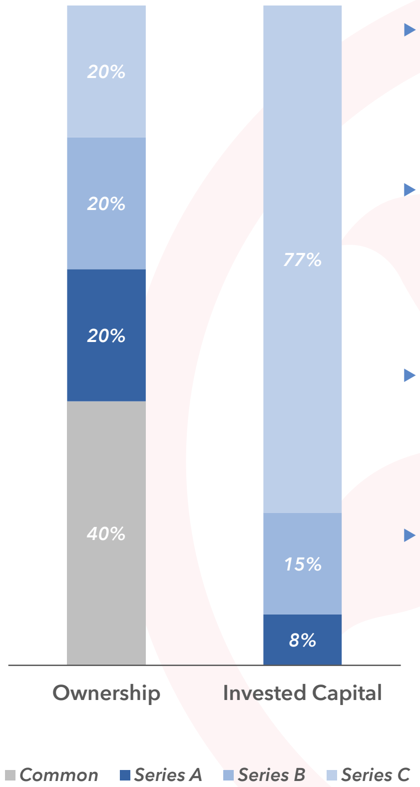
Transaction Valuations

Liquidation Preferences

- In the event of an exit at a valuation lower than a company has raised capital at, contractual ***liquidation preferences can skew the allocation of value away from % ownership*** towards the benefit of investors over management, and of shares purchased at a higher valuation over shares purchased at a lower valuation
- Very broadly speaking, we are invested in ***three varieties*** of equity capital structures –
  - ***No liquidation preferences***
  - Liquidation preferences where all investors rank equally in proportion to the capital they have invested, commonly referred to as ***pari passu*** *("equal footing")*
  - Liquidation preferences where investors rank differently, typically in order from latest round to earliest round, often referred to as ***standard seniority***
- We typically ***take liquidation preferences into account when valuing our investments*** – both from a fundamental perspective and an allocation of value perspective
- The ***prevalence of liquidation preferences*** in late-stage growth companies went ***from >50% in the early 2010s to just above 10% in late 2021***, as investors sacrificed protective deal terms in exchange for deal flow access
- ***Our investments in new businesses in 2021*** are protected by these types of downside protections

Effect of Liquidation Preferences

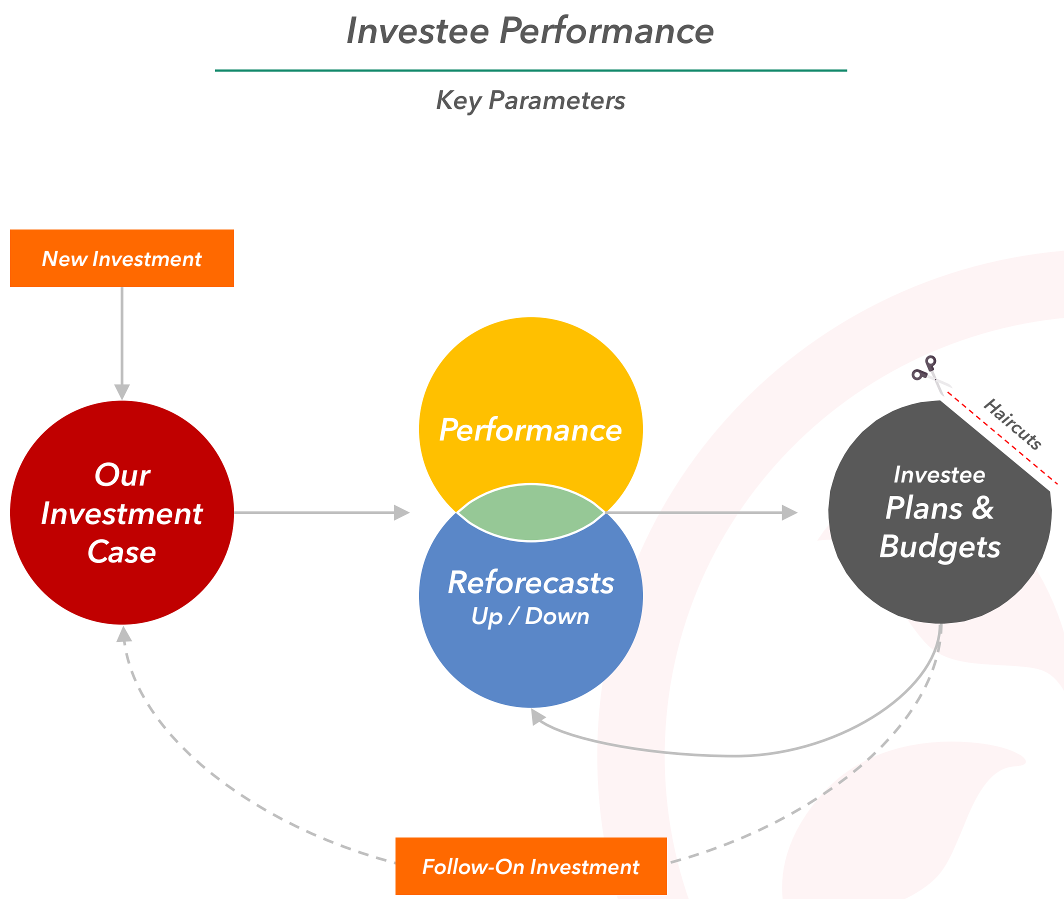
Illustrative Examples



- With ***pari passu*** preferences, all preferential investors recoups their investment at valuations exceeding total capital raised, and share value in proportion to invested capital at valuations lower than total capital raised
- With ***ranked preferences***, Series C recoups their investment at valuations exceeding capital raised in the Series C round before other investors receive anything, Series B recoups at valuations exceeding capital raised in the Series B and C rounds before Series A receives anything (and so forth)
- ***Common shares*** are typically only worth something at valuations exceeding invested capital, and ***do not receive their ownership % of value until the valuation is at or exceeds the last valuation*** the company raised capital at
- At ***valuations between total capital raised and the last valuation*** the company raised capital at, common shares and preferred shares issued in earlier rounds typically receive the full value differential in order to ***"catch up"*** to preferred equity issued in the most recent funding round

Source: PitchBook

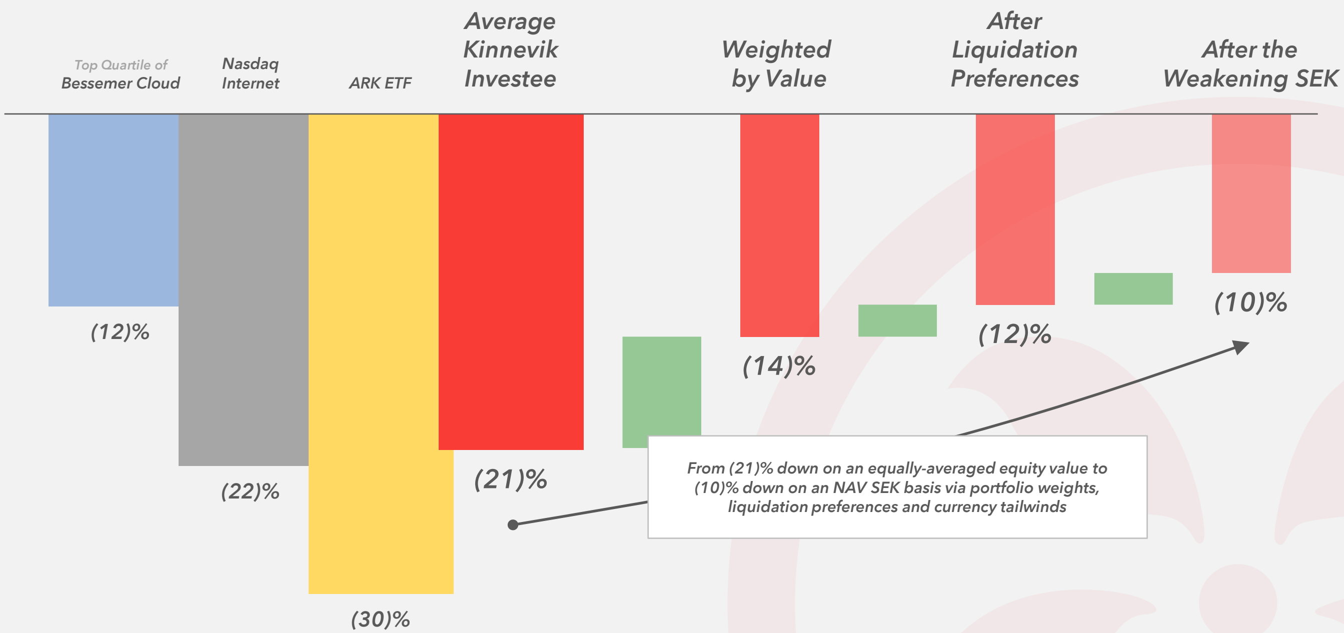
WE CONTINUOUSLY REFORECAST INVESTEE PERFORMANCE, WITH MORE IN DEPTH ASSESSMENTS IN CONNECTION WITH FUNDRAISES



IF OUR UNLISTED INVESTEES FORMED AN EQUALLY-WEIGHTED INDEX OF STOCKS, IT WOULD BE DOWN BY AROUND 20%, IN LINE WITH RELEVANT BENCHMARKS

Q1 2022 Value Drivers

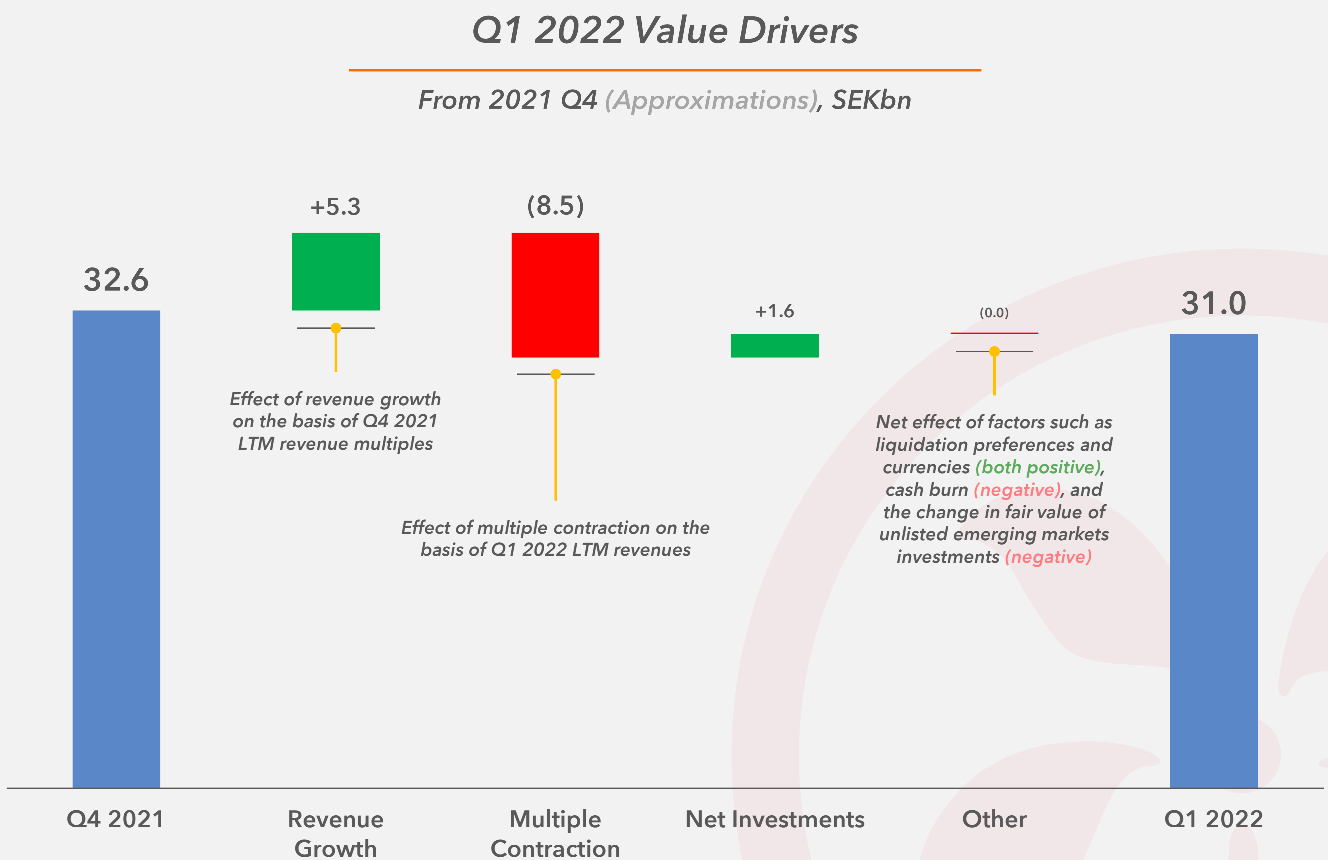
Write-Down Put in Perspective (Indicative and Approximate)



Key mitigants to the broad-based correction in Q1 is that (i) we do not believe we hold an 'average portfolio' but rather a group of assets that should be benchmarked against above-average comparables; and (ii) our companies are generally growing materially faster even than these comparisons, bringing valuation levels down materially when looking into 2023-24 revenues

Source: BVP, FactSet

REVENUE GROWTH IS MORE THAN OFFSET BY CONTRACTING MULTIPLES IN Q1



Multiple contraction has a >25% negative effect on our fair values in Q1 2022, as peer multiples have contracted across all peer groups (albeit at varying magnitudes)

Note: Illustratively based on LTM revenues and multiples, which clearly are not the valuation method applied in valuing each of Kinnevik's investments

IN THIS QUARTER, WE ARE DOUBLING THE NUMBER OF CATEGORIES IN OUR NAV FOR A MORE REFINED DEPICTION OF OUR PORTFOLIO

New NAV Split

Redefined Categories

Recategorization of existing portfolio

- Healthcare Services
- Consumer Services
- Financial Services

Value-Based Care	*Care delivery companies taking risk and being paid on the basis of patient health outcomes*
Virtual Care	*Businesses that deliver general or specialized care services through virtual channels*
Platforms & Marketplaces	*Companies connecting buyers and sellers of products and services, or playing a direct and curated role in the transaction itself*
Software	*Software services companies with a blend of subscription and transactional revenue*
Consumer Finance	*Companies primarily offering B2C financial services such as banking and asset management*
Early Bets & New Themes	*Smaller early-stage investments and investments drawn from new, more exploratory themes*

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THE RECATEGORIZATION BRINGS SAME-LEVEL OR INCREASED TRANSPARENCY FOR MORE THAN 90% OF THE GROWTH PORTFOLIO

New NAV Split

Constituents

25 Investments Making Up >90% of Growth Portfolio			*>15 Investments*
Value-Based Care	**Software**	**Platforms & Marketplaces**	**Early Bets & New Themes**
babylon CITYBLOCK Transcarent VillageMD	cedar omnipresent PLEO SURE TravelPerk	budbee Common 熊猫外卖 HungryPanda jobandtalent Mathem oda omio vivino	**Emerging Markets**
Virtual Care	**Consumer Finance**		**Tele2**
Parsley Health Quit Genius spring health Teladoc	Betterment LUNAR monese raisin		

The key determinant behind the recategorization is the listed companies used as benchmarks in valuing our unlisted businesses

WE ARE PROVIDING MORE SPECIFIC, ALBEIT AGGREGATED, METRICS ON OUR UNLISTED COMPANIES RELATIVE TO THEIR MORE MATURE LISTED PEER GROUPS

New NAV Split

Key Data Points

	Kinnevik Unlisted Investee Averages			Peer Group Averages		
Investment	*Average Growth* (2021)	*Average Gross Margin* (2021)	*Average EV/R* (2022E)	*Average Growth* (2021)	*Average Gross Margin* (2021)	*Average EV/R* (2022E)
Value-Based Care	105-125%	5-15%	5.5-7.5x	55%	25%	3.0x
Virtual Care	215-235%	35-55%	17.5-20x	80%	45%	3.5x
Platforms & Marketplaces	40-60% / 140-160%	30-40% / 60-80%	1-3x / 6-8x	40% / 45%	40% / 80%	1-3x / 6x
Software	130-150%	60-80%	30-40x	35%	80%	11.5x
Consumer Finance	30-50%	50-70%	8-10x	40%	55%	8x

The key drivers of our valuations relative to peers are (i) differences in growth rate and (ii) levels and recency of transactions

Note: Gross margins comparable to relevant peer groups, but not necessarily between NAV categories due to differences in business model and accounting standards


Q&A


WE INVEST FOR A REIMAGINED EVERYDAY