



K I N N E V I K

PRESS RELEASE

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VILLAGEMD AND WALGREENS ENTER INTO TRANSFORMATIONAL TRANSACTION IN WHICH KINNEVIK HAS COMMITTED TO SELL A MINIMUM USD 340 MILLION INTEREST IN VILLAGEMD

Kinnevik AB (publ) ("Kinnevik") today announced its support of the Walgreens Boots Alliance ("WBA") announcement to invest an additional USD 5.2bn in VillageMD to expand their partnership. As part of this transformational transaction, Kinnevik has committed to sell a minimum USD 340m interest in VillageMD to WBA. After the transaction, Kinnevik expects to retain an approximate 4 percent stake in VillageMD.

WBA and VillageMD have agreed to extend and deepen their partnership as part of a transaction whereby WBA will invest USD 5.2bn to advance VillageMD's strategic position in the delivery of value-based primary care. The "Village Medical at Walgreens" practices will expand to more than 1,000 locations by 2027, with more than 50 percent of these practices opening in medically underserved communities. In order to support this ambition, Kinnevik has committed to sell a part of its stake in VillageMD for a minimum of USD 340m, and is expected to retain an approximate 4 percent stake valued at approximately USD 535m depending on the final size of Kinnevik's sale. The transaction is subject to customary regulatory approvals and closing conditions and is expected to close in the fourth quarter of 2021. VillageMD remains a standalone company, with its own board, management, and independent decision-making.

With WBA's investment, VillageMD can accelerate its strategy of providing comprehensive, coordinated care through its value-based primary care model, including expanding into broader service lines allowing higher engagement with individuals managing chronic conditions or who need an additional level of care.

Georgi Ganev, CEO of Kinnevik commented: "VillageMD has transformed the way primary care is provided in the US, delivering much needed improvements in quality and reductions in costs. The extended partnership with Walgreens is an important strategic step for VillageMD, and Kinnevik remains a supportive shareholder in the company."

In Kinnevik's Interim Report for the first half-year 2021, Kinnevik's investment in VillageMD was valued at SEK 7,858m. The transaction values Kinnevik's investment at SEK 7.7bn, whereof Kinnevik has committed to sell a minimum SEK 3.0bn stake, and is expected to retain an approximate SEK 4.7bn stake.

This information is information that Kinnevik AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 15.40 CEST on 14 October 2021.

KINNEVIK AB (PUBL)

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Kinnevik's ambition is to be Europe's leading listed growth investor, and we back the best digital companies to make people's lives better and deliver significant returns. We understand complex and fast-changing consumer behaviours, and have a strong and expanding portfolio in healthtech, consumer services, foodtech and fintech. As a long-term investor, we strongly believe that investing in sustainable business models and diverse teams will bring the greatest returns for shareholders. We back our companies at every stage of their journey and invest in Europe, with a focus on the Nordics, and in the US. 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.