

Kinnevik A and Kinnevik B (Sweden): Redemption and Distribution of Zalando SE (Germany) - Informative Notice

15 April 2021

Kinnevik A (Sweden, BN2C3Y9, GEIS Mid Cap) and Kinnevik B (Sweden, BN2C4W4, GEIS Mid Cap) have announced a Share Redemption Plan in order to distribute their holding in Zalando SE (Germany, BQV0SV7, GEIS Large Cap).

Under the plan, each share of Kinnevik A and Kinnevik B will be split into a Kinnevik ordinary A or B share and a redemption A or B share. The redemption A or B shares will trade on the Nasdaq Stockholm AB Stock Exchange temporarily, before being redeemed in exchange for approximately 28 unlisted Swedish Zalando shares for every 143 redemption shares held (final rate TBC). Subsequently, the Swedish Zalando shares are required to be re-registered as German Zalando shares so that they can be traded on the XETRA Regulated Market.

Global shareholders (outside of Sweden) will be subject to Swedish Withholding Tax (30%) upon receipt of the redemption consideration although no Withholding Tax will be levied if the redemption shares are sold on the market.

Subject to approval at the shareholders' meeting on 29 April 2021, and based on the current timetable, FTSE Russell anticipates the following treatment:

Monday 17 May 2021 (from market open):

Kinnevik A and Kinnevik B will trade ex-entitlement to the share redemption plan.

Kinnevik A Redemption Shares (SE0015797592) and Kinnevik B Redemption Shares (SE0015797600) will be added to the distributing line's index memberships. The addition price will be calculated based on the previous close in Zalando SE adjusted by the 4pm WM rates and the distribution terms.

A corresponding price adjustment will be applied to Kinnevik A and Kinnevik B, which will be retained within their current index memberships, with updated identifiers.

Monday 17 May 2021 and Tuesday 18 May 2021 (at market close):

The close prices for Kinnevik A Redemption Shares and Kinnevik B Redemption Shares will be updated to reflect the latest close price of Zalando SE, adjusted by the 4pm WM rates and the distribution terms.

The intra-day prices of the redemption share lines will be held static.

Wednesday 19 May 2021 until Wednesday 09 June 2021:

Kinnevik A Redemption Shares and Kinnevik B Redemption Shares are expected to trade on the Nasdaq Stockholm AB Stock Exchange, and both lines will remain within the index during this period and price accordingly.

Thursday 10 June 2021 (from market open):

Kinnevik A Redemption Shares and Kinnevik B Redemption Shares will be deleted from all FTSE Russell Indexes. Zalando SE will remain within its existing FTSE Russell indexes, with index shares increased in accordance with the distribution terms.

No withholding tax adjustments are expected to be implemented.

FTSE Russell will issue further notices confirming index treatment in due course.

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