A great home for great companies

An introduction to Patricia Industries

- 2018 -

PATRICIA INDUSTRIES

a part of Investor AB

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We build companies for the long term

Since our formation in 2015, we have worked to be a great home for great companies, actively supporting our existing businesses and deploying capital towards new platform investments. Our family of companies has expanded, and our top priority remains the same; to support profitable organic and inorganic growth in all our businesses.

A YEAR OF SIGNIFICANT GROWTH INVESTMENTS

2018 was a year of high activity in line with our priorities; profitable growth in existing companies, new platform investments, and monetization of our minority venture capital investments. Key achievements during the year included:

- Significant product launches and expanded sales capacity in existing and new markets. Product launches include Mölnlycke's Mepilex Border Flex, a line of advanced foam dressings with unique stay-on ability, and Permobil's M1; its first powered chair catering to the mid-market. Sarnova increased its investments in sales resources and Vectura continued its expansion in community services. Mölnlycke now has a significant business in growth markets, which grew approximately 25% in the year
- High add-on activity. SEK 3.7 bn. was deployed across addon acquisitions. Examples include LABORIE's acquisition of Cogentix and Mölnlycke's acquisition of Sastomed
- Two new platform investments. In April we acquired Sarnova, a leading specialty distributor of healthcare products in the emergency medical services and acute care markets. In June Piab, a provider of leading gripping and moving solutions with applications in automated manufacturing and logistics processes, was acquired
- Continued monetization of our minority venture capital investments. We exited three North American, three Nordic and one Asian investment for total proceeds of SEK 0.5 bn. during the year
- Strong financial development. Sales growth in the whollyowned subsidiaries was 11%, Of which 5% organic. EBITA for the full year 2018 was SEK 5.8 bn., 8% higher than the previous year pro-forma, including Piab, Sarnova and Aleris Healthcare

GOING INTO OUR FIFTH YEAR, OUR STRATEGY REMAINS INTACT

In the four years since forming Patricia Industries we have made considerable progress on our strategic priorities. Four new platform companies have joined our family, three of which are based in North America. Total investments in new platforms amount to SEK 17.3 bn. These new platforms, together with almost 50 add-on acquisitions completed by our businesses, add up to over SEK 25 bn. deployed during the period. Investment of this speed and scale has been made possible by the monetization of more than 30 legacy venture capital investments, as well as strong underlying cash flow generation in our subsidiaries. Importantly, our companies' focus on investment in profitable growth continues to strengthen our capacity to fund further investments. Over the period, the full-year EBITA from wholly-owned subsidiaries has increased by c. 60%. Our financial flexibility remains strong.

Patricia Industries is unquestionably a stronger platform today than when we were formed with close to twice the number of companies, better geographic balance in the portfolio, a smaller legacy portfolio, and more firmly established operating plans in each company. We are proud of what we and our companies have accomplished over the past four years. But we know this is only the beginning of a long journey. Going forward, our priorities will remain the same, albeit with even greater emphasis on strong, profitable organic and inorganic growth in the companies. While our vision is long-term, we remain relentlessly impatient in achieving continuous progress every day.

Finally, we recognize that none of this progress would have been possible without the hard work and commitment of our company management teams, employees, external board members and colleagues at Patricia Industries. We fully recognize that what has been achieved has been a team effort and we are deeply grateful for their ongoing partnership.

Christian Cederholm

Co-Head, Patricia Industries

Noah Walley

Co-Head, Patricia Industries

"What we do in Patricia Industries is really a continuation of what the Wallenberg family has been doing ever since André Oscar Wallenberg founded Stockholm's Enskilda Bank in Sweden in 1856 – namely actively supporting the development of great companies globally."

Marcus Wallenberg, Chairman of the board

Striving to be a great home for great companies

Patricia Industries is a long-term owner that invests in companies and works to develop each company to its full potential. We were founded in Sweden by the Wallenberg family and we are owned by the family's industrial holding company, Investor AB.

OUR BUSINESS CONCEPT

Patricia Industries develops companies – in the Nordics and in North America – with strong customer relationships, products/services, brands and organizations

We focus on industries with longterm growth potential where our experience, knowledge and network give us an edge. We are the only owner in our subsidiaries and hence the sole source of owner direction and expectation-setting. We enjoy the full impact of our ownership in our companies, but we also have full responsibility.

As owners, we rely on strong and independent boards to ensure that we are building strong and healthy companies for the long term, while simultaneously creating the necessary urgency around the short-term performance. We provide co-ownership to our boards and management teams to ensure alignment and a true partnership with us.

Our main priority is to be a great owner of our existing companies, but we also look for new companies to acquire.

OUR VISION

Our vision is to be a great home for great companies

This entails a never-ending focus on continuous improvement for us as well as for our companies.

It also means that we aspire to be a force for longterm value creation, including investments in organic and non-organic growth, development of strategies that generate sustainable profitability and investments in innovation and sustainability regardless of pressure from market or other external forces.

OUR CORE PRINCIPLES

- We have a longterm perspective but are impatient in terms of driving improvement. A longterm perspective cannot be an excuse for a lack of short-term performance
- Innovation and constant renewal are at the core of our ownership model
- We focus on having the right people in the right place at the right time
- We maintain financial discipline, ensuring that our companies have the funds they need to pursue attractive longterm opportunities for profitable growth

>18,000

employees in our companies

USD 200-700 m.

in typical equity investment

Preferred holding horizon: 🗪

Palo Alto office

New York office

Stockholm office

The Wallenberg family has a history of developing companies that spans more than 150 years

The Wallenberg Foundations, the largest owner in Investor AB, is the leading private donor of funds to Swedish research and science, second only to the Swedish government. Grants to research and science have averaged approximately SEK 2 bn. annually over the past few years.

THE WALLENBERG FAMILY

The Wallenberg family has actively worked to support enterprise and science in Sweden since the mid 1850's. It all began with Stockholm's Enskilda Bank in 1856, established by André Oscar Wallenberg. In 1916, Investor AB was created to manage and own the industrial holdings of the bank. Since then, Investor AB has evolved into a long-term, engaged owner of best-in-class companies.

The family, through the fifth generation, is still very active in the Wallenberg Foundations, Investor AB and Patricia Industries as

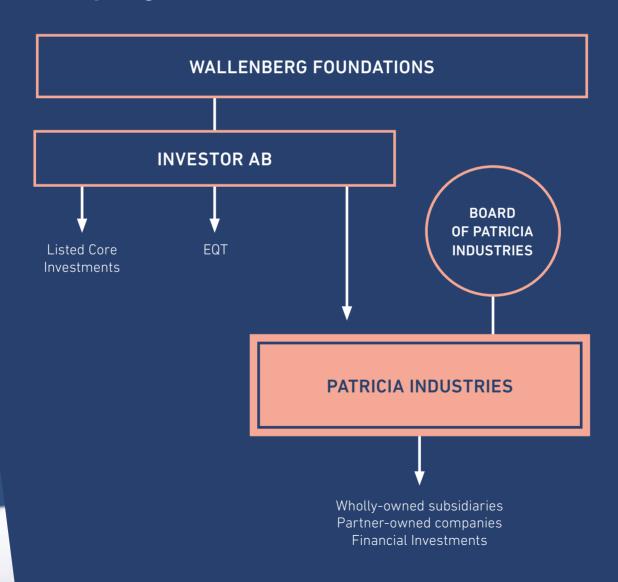
well as in many of the holdings. Marcus and Jacob Wallenberg both serve on the board of Patricia Industries.

OWNERSHIP

Patricia Industries is a part of Investor AB, Northern Europe's largest industrial holding company, which is a public company listed on the Nasdaq Stockholm exchange.

The Wallenberg foundations are the main owners of Investor AB.

Ownership & governance



Focusing on the long-term, because building great companies takes time

We own Nordic and North American companies in industries that we know well, and where we have a relevant network of key people who can contribute their expertise. These industries include healthcare, engineering, financial services and technology. We look for long-term growth as well as market and thought leadership in defined niches.

Our goal is to help our companies maintain or achieve best-inclass positions in their respective industries. We work through the boards, to build and develop strong companies that generate sustainable profitability for years to come.

GREAT PEOPLE IS THE STARTING POINT

As owners, we are deeply involved in setting our companies' strategic direction and we have clear expectations on their performance. However, at the end of the day, how well our companies do will depend mostly on the daily work of the people in the companies. A key focus area for us is therefore to ensure that our companies have the right people in place. We do this through influencing the composition of boards and management teams and through pushing our companies to work actively with talent management and succession planning.

WE FOCUS ON PROFESSIONAL BOARD WORK

We believe in creating value through active ownership and we work diligently through the boards of our companies. We draw on our extensive network to recruit board members with solid industrial expertise, financial knowledge and experience leading international operations. Our goal is to create diverse and dynamic boards with members that have relevant competences and who have the time to be actively engaged.

Our ownership model relies on full alignment and clear division of responsibilities. It is critical that we, subsidiary boards and management teams are in full agreement on what we are setting out to achieve, and what great performance looks like. This, combined with clearly divided roles and responsibilities, constitutes the basis for sustained, high performance. In this spirit, our "Governance and Board Playbook" describes how we want to work together to deliver value, by outlining the main responsibilities of Patricia Industries, the subsidiary boards and management.

Reflecting subsidiary boards and management teams role as partners in our companies and to strengthen alignment of economic interest, we also invite and expect them to co-invest in our companies.

STRIVING FOR BEST-IN-CLASS

We believe in benchmarking against the very best competitors and other relevant companies as a basis for identifying improvement potential for our companies in terms of growth, profitability, efficiency and quality, as well as customer and employee satisfaction.

To become or remain best-in-class, companies must have the ability and courage to invest in innovation. Through our financial strength, we allow our companies to make the right investment decisions – at the right time. Access to capital, in combination with sound ownership and governance, creates opportunities to invest for the long term.

Growth is a key value driver for us. New geographies, products and customers tend to be the best opportunities for creating value over time. Complementary acquisitions and expansion into adjacent areas are also prioritized. We maintain relatively moderate levels of financial gearing in the companies in order to support attractive investments.

SUSTAINABLE BUSINESES

We believe in the strong link between sustainability and longterm profitability and that companies who act in a socially, ethically and environmentally responsible way will outperform the competition over time. We encourage our companies to be positive and responsible forces in their markets and communities. We support our companies in developing sustainable business models, for example by constantly working to reduce their environmental impact and encouraging their partners and suppliers to do the same.



Milestones in Patricia Industries' history





1968

Grand Hôtel becomes a holding within Investor AB

1988

Patricia Investments Ltd is established in the U.S., focusing on investments in listed companies and unlisted companies with growth potential that may be listed at a later stage



2007

Investor AB acquires a majority stake in Mölnlycke

2010

Investor AB acquires Aleris, a Scandinavian healthcare and care provider

1984

Patricia is first founded as a vehicle for buying back Volvo's stakes in Atlas Copco and Stora. The transaction was financed by the largest capital issue to date in Sweden

2000

Together with Hutchison Whampoa, Investor AB establishes Three Scandinavia, a green-field 3G mobile operator in Sweden and Denmark

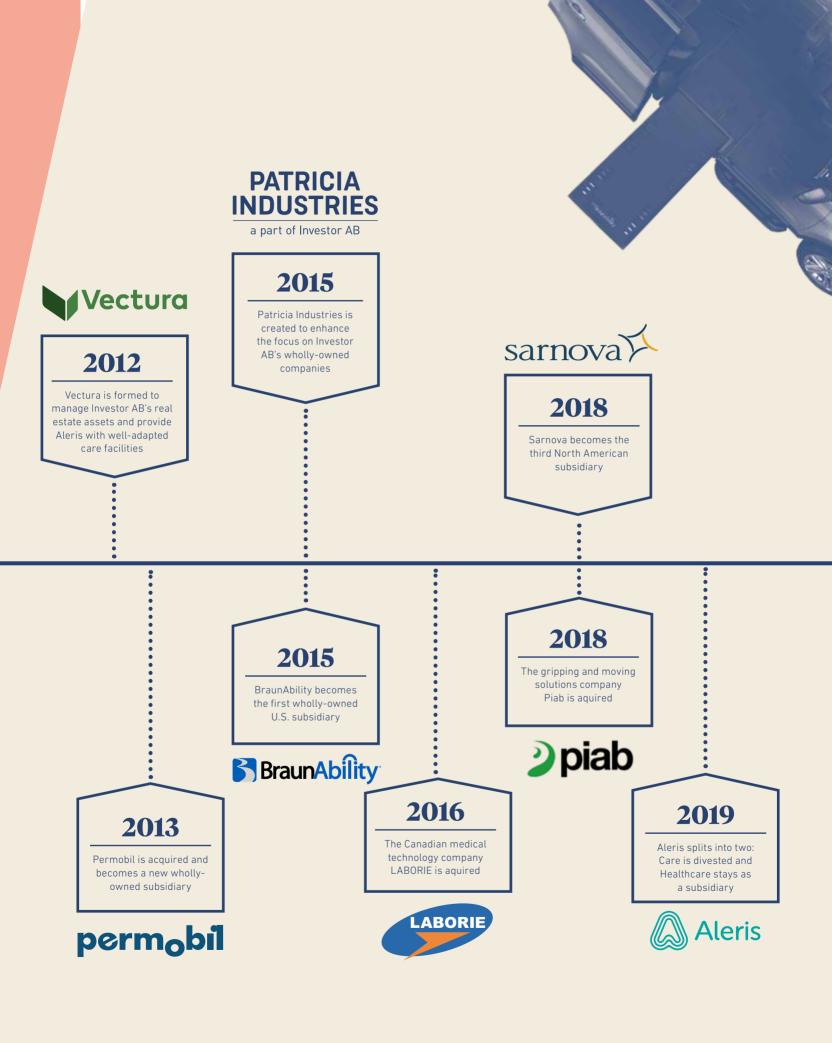


2010

Mölnlycke Health Care becomes a wholly-owned subsidiary when Investor AB acquires the remaining outstanding shares









About our companies

Our family of companies consists of wholly-owned subsidiaries, partner-owned companies and legacy financial investments.

We believe that companies perform their best when there is an alignment of interest between owners, boards and management. Accordingly, we always own our companies together with management and board members.

WHOLLY-OWNED SUBSIDIARIES

Our wholly-owned subsidiaries are world-class companies with leadership positions in attractive industries with significant growth potential, such as healthcare services, medical technology, industrial products, hospitality and real estate management. The wholly-owned companies in our portfolio are: Aleris, BraunAbility, LABORIE, Mölnlycke, Permobil, Piab, Sarnova, The Grand Group and Vectura.

PARTNER-OWNED COMPANIES

The mobile operator Three Scandinavia, active in Sweden and Denmark, was founded together with CKHH (formerly Hutchison Whampoa) in 2000, and has been co-owned since then.

FINANCIAL INVESTMENTS

Our portfolio also contains legacy minority investments primarily made by Investor AB's former venture capital arm, Investor Growth Capital. For these holdings, we are either looking to find new owners or evaluating whether they would be attractive as wholly-owned companies.







Mobility solutions



Medical technology





Mobility solutions



Industrial technology





Hospitality







Communication services

Aleris

Aleris is one of Scandinavia's leading private healthcare providers with a versatile offering of specialist care and diagnostic services. Through approx. 100 facilities, Aleris aims to provide a person-oriented and seamless healthcare journey for all individuals seeking care – either physically or through its digital offering.

Through innovation, quality and efficiency, Aleris is involved in developing healthcare in Sweden, Norway and Denmark, for the benefit of both patients and the society. The company strives to improve the individuals' quality of life for the patients, while reducing overall costs, by designing care procedures tailored to minimize treatment time, enhance outcomes and strengthen patients' involvement.

As an example, Aleris Cancer Centre in Oslo, Norway, has successfully managed to reduce the time between the first sign of a disease, to a correct diagnosis, from 16 weeks to one day. This has been done by gathering all expertise and screenings required, to one physical location, resulting in minimum waiting time for an individual seeking to be diagnosed.

Innovation is a cornerstone of Aleris' business model, and new technology is increasingly used to improve services and enhance quality of life for everyone involved in the care process. Through the digital platform Doktor24, Aleris works to bridge the gap between digital and physical care, to create a fully integrated healthcare journey.

Since Aleris was acquired in 2010, the company has achieved strong growth, both organically and through acquisitions.

RECENT HIGHLIGHTS

To enhance focus, leverage growth opportunities and drive efficiency, it was decided to separate Aleris into two companies – one focused on Care, one on Healthcare. In October 2018, it was communicated that Aleris had decided to divest its Care business to Ambea in, allowing Aleris to fully focus on its healthcare operations.

ALERIS – KEY FACTS¹⁾

	2018	2017	2016
Sales (SEK m.)	5,778	5,542	5,211
EBITDA (SEKm.)	154	350	219
EBITDA (%)	3	6	4
Number of employees	3,360	3,410	3,580

Pro forma excluding Aleris Care. Pro forma cash flow and balance sheet items not available for historical periods. Net debt as of December 31, 2018, includes estimated net proceeds from the divestiture of Aleris Care.

Initial investment year: 2010



employees at ~100 different units

BraunAbility

Ralph Braun, the founder of automotive mobility solutions company BraunAbility, is a perfect example of the saying "necessity is the mother of invention." Being disabled himself, he was committed to creating better solutions to improve mobility and independence for wheelchair users. The result was the invention of the first motorized scooter and the first wheelchair van lift.

BraunAbility was founded with only a handful of employees in Winamac, Indiana. With a spirit of entrepreneurship and a commitment to improving the lives of people with disabilities, the company has thrived for close to 50 years. Today, BraunAbility is the market leader in automobile mobility products for people with disabilities, and among its innovations is the first wheelchair-accessible SUV. BraunAbility has an extensive dealer network, along with one of the largest product portfolios and by far the largest market share in its industry. Over the years that original handful of employees has grown to over a thousand and the company now offers a portfolio of complex products. Ralph Braun built the company focusing on quality, safety and innovation – and these are still the cornerstones of the business.

Today, BraunAbility is proud to provide freedom, mobility and independence to millions of wheelchair users across the globe, and will continue to create new, high-quality products that allow people with physical disabilities to participate fully and actively in life.

BraunAbility has great potential to grow on its own as its core market is both underpenetrated and growing as a result of sustainable demographic changes. Furthermore, there are multiple attractive opportunities for international expansion as well as acquisitions to broaden the product portfolio.

Between 2010 and 2017, sales have grown at an average of 7% annually organically and 9% inorganically.

RECENT HIGHLIGHTS

BraunAbility's MXV Ford Explorer is the first commercially produced side-entry wheelchair-accessible SUV product.

BraunAbility's Chrysler Pacifica which has the most interior space of any side-entry wheelchair-accessible minivan.

BraunAbility expanded its portfolio of innovative automotive mobility products with the acquisition of Sweden-based Autoadapt AB in April 2018.

BRAUNABILITY - KEY FACTS

	2018	2017	2016	
Sales (USD m.)	646	531	454	
EBITDA (USD m.)	45	36	40	
EBITDA (%)	7	7	9	
Number of employees	1,685	1,310	1,075	

Initial investment year: 2015

Since 1972

BraunAbility wheelchair lifts have provided nearly 5 billion rides for people with physical disabilities



>1,600

employees are working to grow mobility across the world

LABORIE

LABORIE is an industry-leading manufacturer and supplier of technology and consumables used to diagnose and treat pelvic floor and gastrointestinal disorders. Based in Toronto, Canada, it is the global leader in advanced urodynamic testing, which is the gold standard for diagnosing the underlying causes of urinary incontinence. A vision to deliver progressive diagnostic and treatment solutions has allowed LABORIE to better the lives of millions.

Founded in 1967 by Ray Laborie, LABORIE has been a pioneer and market leader in urodynamic systems for several decades. In 1984, LABORIE became the first manufacturer to commercialize a computerized urodynamic system. The company subsequently established a market-leading position in disposables used with its systems. LABORIE remained a family business until 2012, and has since focused on expanding its offering to adjacent product verticals and therapeutic areas while keeping the innovative spirit and culture established by its founder.

In recent years, LABORIE has solidified its leadership through the introduction of new diagnostic and therapeutic products, and it has integrated its supply chain and market channel. LABORIE's business benefits from market trends, including an aging population and increased awareness and diagnosis of the conditions addressed by its products.

Today, LABORIE has a global infrastructure for manufacturing, development and commercialization, and leverages this platform to further expand and grow its business. In addition to its leading urodynamic systems offering, LABORIE has rapidly grown in the gastrointestinal diagnostics market and will disrupt the high resolution diagnostic GI market with new technology that leverages core patented pressure-sensing technology utilized in its urology equipment and consumable products.

Patricia Industries acquired LABORIE in 2016 and owns more than 98% of the company, with management owning the remaining equity.

RECENT HIGHLIGHTS

LABORIE'S Aquarius XT system is the market-leading fully-integrated advanced pelvic floor diagnostics platform.

LABORIE strengthened its urology diagnostics and therapeutics product offering with the acquisition of Cogentix Medical in April 2018.

LABORIE continues to expand its market leading portfolio of urologic and gastrointestinal diagnostics portfolio with several new product launches in 2018 and 2019.

LABORIE - KEY FACTS

2018	2017	2016
181	134	123
22	29	23
12	22	19
580	470	425
	181 22 12	181 134 22 29 12 22

Initial investment year: 2016



Mölnlycke

Mölnlycke is a world-leading medical products and solutions company that equips healthcare professionals to achieve the best patient, clinical and economic outcomes, with focus on wound care and surgical procedures. Products are used by surgeons and medical personnel to help over 65 million patients in over 90 countries world-wide. Mölnlycke's ambition is to make the lives of patients better.

Mölnlycke, headquartered in Gothenburg, Sweden, is a world-leading specialist provider and innovator of single-use wound care and surgical products. It has a long history of challenging the status quo and, through innovation, create advanced wound care products that reduce the healing time and suffering of patients. This approach has made Mölnlycke the market leader within advanced wound care dressings. In addition, Mölnlycke is a pioneer in the field of dressings and other products for the prevention of wounds, such as pressure ulcers. Mölnlycke also makes the operating room more efficient with innovative and safe surgical solutions. Cutting-edge and cost-efficient products have made Mölnlycke the company it is today.

Over the years the entrepreneurial and innovative spirit that characterizes Mölnlycke has resulted in an R&D-department that is committed to bringing new, innovative products to the market. Also, demographic factors, such as an aging population and an increase in surgical procedures, have created a greater demand for high-quality medical products. This has in turn resulted in growth and improvements further reinforcing Mölnlycke's offering to the market. Mölnlycke has grown strongly since it was acquired over the years. Successful acquisitions have also been made to complement the product offering.

RECENT HIGHLIGHTS

Mölnlycke successfully launched a new range of advanced wound care dressings, Mepilex® Border Flex, which has been well received by the market. The dressings offer better conformity and wear time, better absorption and also improved bacteria containment.

In mid-2018 Mölnlycke acquired SastoMed, a German company offering products for acceleration of healing and treatment of chronic wounds. The addition of these products strengthens Mölnlycke's offering within both active and passive wound healing.

In the beginning of 2019 Mölnlycke acquired M&J Airlaid, a manufacturer of a key component in Mölnlycke's best-selling wound care dressings. The acquisition supports Mölnlycke's growth ambitions and adds critical R&D capabilities.

1.7 bn.

wound care dressings and surgical supplies to treat millions of people in more than 90 countries

MÖLNLYCKE – KEY FACTS

	2018	2017	2016
Sales (EUR m.)	1,452	1,443	1,429
EBITDA (EUR m.)	418	400	428
EBITDA (%)	29	28	30
Number of employees	7,895	7,570	7,505

Initial investment year: 2007 (sole owner since 2010)

Every three seconds

a new Mölnlycke drape is used in surgery



Permobil

"Every person with a disability has the right to have his or her disability compensated as much as possible by aids with the same technical standard as those we all use in our everyday lives." This was the firm belief of the Swedish doctor and inventor Per Uddén when he founded the advanced rehabilitation solution provider, Permobil, more than 50 years ago. This ambition to increase the quality of life for users is still the heart and soul of Permobil.

Advanced rehab mobility solutions are not only key components that improve the quality of life for people with functional disabilities, but also an essential part of medical treatment. The complex and special nature of rehab technology demands substantial investments in research and development, which is at the core of Permobil's business. All chairs from Permobil are built to order and designed to cater to the specific medical needs of the individual. In the endeavor to build top-quality powered and manual wheelchairs, Permobil constantly strives to innovate. In doing so the company is pushing the boundaries of what is possible, resulting in many "firsts" in the industry.

Today, Permobil's products are sold in more than 70 countries worldwide. North America and Europe are its largest markets, but Permobil is proud that its innovative solutions are being made available to more and more disabled people around the world.

Since Patricia Industries acquired Permobil in 2013, the company has been growing strongly on its own as well as through select acquisitions of product market leaders and distributors that help them become even more relevant to their customers.

RECENT HIGHLIGHTS

Introduction of the M1 in the US, the first Permobil powered chair that caters to the mid-market. Introduction of the R0H0 Agility Active series of back supports, designed for individuals with an active lifestyle.

Bengt Thorsson was appointed new CEO, effective in August, 2018, succeeding Jon Sintorn. Bengt was most recently President of EMEA at Dometic Group.

	2018	2017	2016
Sales (SEK m.)	4,162	3,649	3,335
EBITDA (SEK m.)	354	692	682
EBITDA (%)	19	19	20
Number of employees	1,565	1,620	1,375



Piab

Piab provides smart solutions for the automated world, helping thousands of end users and machine producers in e-commerce logistics, food, pharma, automotive and other manufacturing industries to improve energy-efficiency, productivity and working environments. With nearly 470 employees, Piab is a global organization, serving customers in almost 70 countries from a network of subsidiaries and distributors.

Automation is transforming production processes around the globe, driven by the continuous strive for efficient production and improved quality. The average global robot density increased to 74 robot units per 10,000 employees, up from 66 units in 2015 (according to IFR). The technological breakthroughs in robotics and connectivity bring multiple opportunities, such as opening-up new industries for automation and facilitating fully digital business models, requiring Piab's smart and line-critical solutions.

Piab has doubled its sales in the last four years, through a combination of double-digit organic growth and acquisitions of niche players to further strengthen the product offering. Piab concluded 2018 with SEK 1,255 m. in sales which was an increase of roughly 22% compared to the previous year with an EBITDA-margin of 29%.

Piab's vision is to become the global leader in gripping and moving solutions.

RECENT HIGHLIGHTS

The new piSMART® products are aimed at maximizing productivity and energy-efficiency and getting customers ready for Industry 4.0 factories. The piSMART® vacuum ejector is key to 4.0 factory, building on IO-Link it offers a smooth transition to smarter industry.

Piab has also introduced products for collaborative robots through piCOBOT®, small and powerful vacuum grippers and ejectors designed to be fitted to the end of any type of collaborative robot.

PIAB - KEY FACTS

	2018	2017	
Sales (SEK m.)	1,255	1,028	
EBITDA (SEK m.)	354	289	
EBITDA (%)	28	28	
Number of employees	465	425	

Initial investment year: 2018



Sarnova

Sarnova is the leading U.S. specialty distributor of healthcare products for the emergency preparedness and acute care markets. The company is comprised of four major business units: Bound Tree Medical, Cardio Partners, Emergency Medical Products and Tri-anim Health Services.

Sarnova provides a wide range of highly differentiated, mission-critical products and value added services to thousands of customers in the emergency preparedness and acute care markets, including fire departments, ambulance companies, law enforcement, the federal government, and hospital emergency, critical care and neonatal intensive care departments.

Over the past ten years, Sarnova has completed eight acquisitions to expand its suite of medical products and services. Patricia Industries acquired Sarnova in April 2018.

RECENT HIGHLIGHTS

In 2018, Bound Tree Medical celebrated 40 years of being its customers' partner in EMS. This type of longevity is quite remarkable and rarely seen in the EMS industry.

Tri-anim received the 2018 Zenith Award from the American Association for Respiratory Care (AARC), an award given to the top companies in the respiratory care industry and widely considered the "people's choice" award.

Sarnova has continued to expand its offering of Curaplex® private label products and pre-assembled kits, which provide customers with a more cost-effective and convenient way to prepare and respond while improving patient outcomes.

	2018	2017
Sales (USD m.)	597	555
EBITDA (USD m.)	69	61
EBITDA (%)	12	11
Number of employees	620	605

100,000

different types of medical supplies, equipment, pharmaceuticals and training services





The Grand Group

The Grand Group consists of three hotels in central Stockholm: the prominent Grand Hôtel and Lydmar Hotel, as well as the new The Sparrow Hotel.

Grand Hôtel opened in Stockholm in 1874 with a vision to be Scandinavia's leading five star hotel, a vision that has become reality. As a full-service luxury hotel, it provides its guests with a grand experience through a high-quality product, an international atmosphere and passionate, genuine service in every interaction. It is home to a Michelin-starred restaurant, a spectacular hotel bar and an award-winning spa, offering recreation of the highest standard. With the capacity to cater to all sizes of events, it is a natural location for smaller meetings as well as gala dinners and premieres.

In 2013, Grand Group acquired the neighboring Lydmar Hotel, a high-end boutique hotel, also uniquely situated overlooking the Royal Palace and the Old Town.

The Grand Group has been a strategic holding of Investor AB and Patricia Industries since 1968. The strategic direction is to improve and broaden the existing product offering and ensure operational excellence.

RECENT HIGHLIGHTS

Grand Group strengthened its product offering by acquiring the operations of Hotel Drottning Kristina, a boutique hotel with 101 rooms located close to Stureplan, Stockholm. The hotel has undergone renovations and opened under the new name The Sparrow Hotel in 2019.

THE GRAND GROUP - KEY FACTS

	2018	2017	2016
Sales (SEK m.)	603	649	635
EBITDA (SEK m.)	34	55	51
EBITDA (%)	6	9	8
Number of employees	380	355	360

Initial investment year: 1968



Vectura

Vectura develops and manages real estate in community service, office and hotel. The company provides innovative and sustainable properties, carefully tailored to meet customers' needs.

Vectura is a real estate company focusing on the community service, office and hotel segments. With a deep understanding of its customers' businesses and needs, Vectura strives to support its customers' operations by providing the right prerequisites with innovative and sustainable properties. Vectura manages all steps in the property value chain, from land acquisition to property development and management. The company puts great emphasis on long term relationships with customers and partners, to facilitate sustainable environmental, social and economic solutions that contribute to society.

Today, Vectura's property portfolio consists of nine community service properties, the recently completed Royal Office on top of Grand Hôtel, the Grand Hôtel property, and an office property at Arsenalsgatan. In addition, Vectura has several properties under construction, and a strong pipeline of opportunities.

RECENT HIGHLIGHTS

Continued growth in community service through construction start of several nursing homes and elderly care facilities.

Vectura expanded its customer base and is providing community service properties for private care providers and municipality operators. Vectura was awarded a land allocation by the city of Stockholm for the development of an office

building with a life science profile in Hagastaden. The building will be 25,000 square meters and is expected to be opened in 2024. Mats Weppling was appointed new Chairperson, effective in February 2019.

VECTURA - KEY FACTS

	2018	2017	2016
Sales (SEK m.)	233	208	184
EBITDA (SEK m.)	142	134	115
EBITDA (%)	61	65	62
Number of employees	22	17	16

Initial investment year: 2012

Existing properties and the constantly growing project portfolio houses more than 1,200 elderly

Three Scandinavia

Three Scandinavia is a leading provider of voice and broadband services in Sweden and Denmark. Since its inception in 2000, the company's vision has been to build an entirely new platform for mobile communication, providing its subscribers with high-quality communication services.

In 2000, Three Scandinavia, owned by Investor AB and CKHH (formerly Hutchison Whampoa), was awarded one of the four Swedish 3G licenses and began building a greenfield 3G network. Supported by the rapidly increasing availability of smartphones and customers wanting fast and reliable data everywhere, Three Scandinavia has benefited greatly from its state-of-the-art mobile network, innovativeness and competitive service offering. Because the company is at the forefront of delivering fast data, it has benefited from high usage and increased customer demand. The company has consistently gained significant market share in both Sweden and Denmark by constantly challenging the status quo with innovative services and solutions.

Today, Three Scandinavia has more than three million subscribers. Thanks to its strong service focus and cost-efficient structure, it has grown rapidly over the years and generated strong profit and cash flow. There is great potential for the company to continue to grow, both in the consumer and enterprise markets.

RECENT HIGHLIGHTS

The Swedish business has returned to subscriber base growth after the decline in 2017, and net subscriber intake continues in Denmark. The work to increase customer satisfaction, which is yielding positive results, remains an important focus area.

Currently,
Three Scandinavia
has more than 3 million
subscribers.

Reflecting changing customer preferences, the two onlinefocused brands Hallon and Oister continued to enjoy strong momentum during the year.

Three Scandinavia continued to invest in its network, improving coverage and capacity and implementing several technical functionalities such as e-sim and Narrowband IoT. Three Scandinavia was also first to launch several new products to the market, including the Apple Watch Series 3 and several smartphones from Xiaomi.

Morten Christiansen was appointed CEO of Three Scandinavia, a position he will combine with his role as CEO of Three Denmark.

3 SCANDINAVIA - KEY FACTS

	2018	2017	2016
Sales (SEK m.)	10,728	11,444	11,480
EBITDA (SEK m.)*	3,284	3,201	3,063
EBITDA (%)	31	28	27
Number of employees	1,975	2,070	2,160

*) Excluding charges related to value added tax rulings Patricia Industries ownership 40% Initial investment year: 2000

Financial investments

Patricia Industries' financial investments consist of European, Asian and North American investments that are a part of an Investor Growth Capital legacy portfolio. Some of these investments are listed, while the majority are unlisted.

The majority of these holdings are in the U.S. and we typically hold minority shares with a variety of shareholder rights attached. While some of these holdings could be attractive, our ambition is to exit most of them in a way that creates value, and then reinvest in subsidiaries. During 2018 we made seven exits at a total value of SEK 480 m.

Our Asian portfolio is limited including our largest holding NS Focus, with an ambition to fully divest in 2019.

Our European portfolio is also limited. We are evaluating whether or not some of these assets are a good fit to our long term ambition.

Our team

Patricia Industries has its own board of directors, consisting of Marcus Wallenberg, Jacob Wallenberg, Gunnar Brock, Sune Carlsson, and Johan Forssell. Christian Cederholm and Noah Walley are Co-Heads for Patricia Industries.



CHRISTIAN CEDERHOLM

Christian is Co-Head and based in Stockholm. In 2001, Christian joined Investor AB as an investment professional working with a broad set of companies and industries. Over the years, he has focused on the investment and development of the privately held companies. Christian also led the acquisition of Permobil in 2013.

Christian serves on the boards of Aleris, Nasdaq Nordic, Permobil, and Three Scandinavia.

He holds an M.Sc. in Science with a Major in Finance from Stockholm School of Economics, Sweden.



NOAH WALLEY

Co-Hea

Noah is Co-Head and based in New York. He is also the President of Investor AB's legacy venture capital investment arm. Noah joined Investor AB in 2003 as a Managing Director for Investor Growth Capital ("IGC") and between 2005 and 2015 led IGC's information technology investing activities in North America. Noah led the acquisition of BraunAbility for Patricia Industries in 2015 and serves on its board, as well as on the boards of several of IGC's investments.

Noah has been an active, technology-focused investor for over 20 years. Prior to joining Investor AB, he was a General Partner with Morgan Stanley Venture Partners and a consultant with McKinsey & Company. He began his career as an investment banker at N M Rothschild & Sons.

Noah received a BA in History and an MA (First Class) from Oxford University, as well as a JD (Order of the Coif) from Stanford University Law School.



LENNART JOHANSSON

Senior Advisor

Lennart has served as Senior Advisor at Patricia Industries Nordic since 2015. In 2006 Lennart joined the Management Group of Investor AB where he has held different positions including Head of Business Development, Head of Operating Investments and Head of Financial Investments.

Prior to joining Investor AB, Lennart spent 14 years at Atlas Copco during nine of which he held senior management roles in Sweden and abroad. He has also been the CEO for two different venture capital companies.

Lennart serves on the boards of Atlas Antibodies, Sobi, Vectura, and Three Scandinavia. Previous board assignments include Gambro, Lindorff, Mölnlycke, and Saab AB.

He holds an MBA from Stockholm School of Economics, Sweden.

Board



MARCUS WALLENBERG Chairman



JACOB WALLENBERG
Vice Chairman



GUNNAR BROCK
Director



SUNE CARLSSON
Director



JOHAN FORSSELL Director

Nordic team



JENNY ASHMAN HAQUINIUS Senior Associate



PETRA BOWRING Assistant



LOUIS DE GEER Legal Counsel



HANNA EIDERBRANT Principal



CHRISTER ERIKSSON
Managing Director



HELEN JÖNSSONExecutive Assistant



THOMAS KIDANEManaging Director



LOUISE KORES Senior Associate



CHRISTOFFER MARIN Analyst



MARTIN SKOGLUND
Principal

North America team



LAURA ANDREWS
Senior Finance Director



ANNA CAVALIERE
Executive Assistant



BRANDON CHO Associate



JACOLBI COURINGTON-MEYER Analyst



OLIVIA HERRERA-SANCHEZ



REBECCA JINPrincipal



JOANNA KOLAR Fund Accountant



ROBERT KUFEL Analyst



XAVIER LAWRENCE-THOMAS Associate/Finance



MICHAEL OPORTO
Chief Financial Officer



YURIY PRILUTSKIY Managing Director



JOSÉ F SUÁREZ Managing Director

Visit our web site **www.patriciaindustries.com** for more details of our team.

