

Verisure Midholding AB (publ)

Proposed Offering of €100 million Senior Notes due 2023

NOVEMBER 5, 2018. 09:30 CET. Verisure Midholding AB (publ) (the “Issuer”) today announced an intention to offer (the “Senior Notes Offering”), subject to market conditions, €100 million in aggregate principal amount of euro-denominated 5¾% Senior Notes due 2023 (the “Senior Notes”). The Senior Notes are being offered as additional notes under the indenture dated as of November 24, 2017 pursuant to which the Issuer issued €1,145 million (equivalent) Senior Notes due 2023.

Additionally, Verisure Holding AB (publ) (the “Company”) today announced an intention to raise, subject to market conditions, €1,012 million in aggregate principal amount of euro-denominated senior secured indebtedness in a combination of senior secured notes (such notes, to the extent issued, the “New Senior Secured Notes”) and incremental drawings under the Company’s existing senior credit facilities (collectively, the “Senior Secured Financing” and, together with the Senior Notes Offering, the “Transactions”).

The gross proceeds of the Transactions will be used: (i) to redeem all of the Company’s 6% Senior Secured Notes due 2022, including paying the redemption premium in connection therewith, (ii) to repay outstanding amounts under the Company’s revolving credit facility, (iii) to make a distribution to the Issuer’s indirect shareholders and (iv) to pay fees and expenses in connection with the Transactions.

* * *

The offering is being made by means of an offering memorandum. This announcement does not constitute an offer to sell or the solicitation of an offer to buy the Senior Notes, the New Senior Secured Notes or any other security and shall not constitute an offer, solicitation or sale in the United States or in any jurisdiction in which, or to any persons to whom, such offering, solicitation or sale would be unlawful.

The Senior Notes, the New Senior Secured Notes and the related guarantees have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Accordingly, the Senior Notes, the New Senior Secured Notes and the related guarantees are being offered and sold in the United States only to qualified institutional buyers in accordance with Rule 144A under the Securities Act and to non-U.S. persons outside the United States in accordance with Regulation S under the Securities Act. There is no assurance that the offerings will be completed or, if completed, as to the terms on which they will be completed.

Promotion of the Senior Notes and the New Senior Secured Notes in the United Kingdom is restricted by the Financial Services and Markets Act 2000 (the “FSMA”), and accordingly, the Senior Notes and the New Senior Secured Notes are not being promoted to the general public in the United Kingdom. This announcement is only addressed to and directed at persons who (i) are outside the United Kingdom, (ii) have professional experience in matters relating to investments (being investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Financial Promotion Order”), (iii) fall within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”) of the Financial Promotion Order, or (iv) to the extent that doing so does not prejudice the lawful distribution of the announcement to the foregoing, are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any Senior Notes or New Senior Secured Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). The Senior Notes and the New Senior Secured Notes will only be available to relevant persons and this announcement must not be acted on or relied on by anyone who is not a relevant person.

In connection with any issuance of the Senior Notes or the New Senior Secured Notes, a stabilizing manager (or any person acting on behalf of such stabilizing manager) may over-allot Senior Notes or New Senior Secured Notes or effect transactions with a view to supporting the market price of the Senior Notes or the New Senior Secured Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the stabilizing manager (or any person acting on behalf of the stabilizing manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Senior Notes or the New Senior Secured Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Senior Notes or the New Senior Secured Notes and 60 days after the date of the allotment of the Senior Notes or the New Senior Secured Notes. Any stabilization action or over-allotment must be conducted by the stabilizing manager (or person acting on behalf of the stabilizing manager) in accordance with all applicable laws and rules.

This announcement contains certain forward-looking statements with respect to certain of the Issuer's current expectations and projections about future events. These statements, which sometimes use words such as "intend," "proposed," "plan," "expect," and words of similar meaning, reflect management's beliefs and expectations and involve a number of risks, uncertainties and assumptions (including the completion of the transactions described in this announcement) that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. Statements contained in this announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this announcement is subject to change without notice and, except as required by applicable law, neither the Issuer assumes any responsibility or obligation to update publicly or review any of the forward-looking statements contained in it. Readers should not place undue reliance on forward-looking statements, which speak only as at the date of this announcement.

Manufacturer target market (MIFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail investors in EEA.