Verisure Midholding AB (publ)

Earnings Call Presentation | Q1 2021

May 26th, 2021

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The presentation also contains certain non-GAAP financial information. The Group's management believes these measures provide valuable additional information in understanding the performance of the Group or the Group's businesses because they provide measures used by the Group to assess performance. Although these measures are important in the management of the business, they should not be viewed in isolation or as replacements for but rather as complementary to, comparable GAAP measures.

Today´s Presenters

Austin Lally
Chief Executive Officer

Vincent Litrico
Chief Financial Officer

Agenda

- Key Developments
- Financial Review
- Questions & Answers

Q1 2021 Performance Highlights

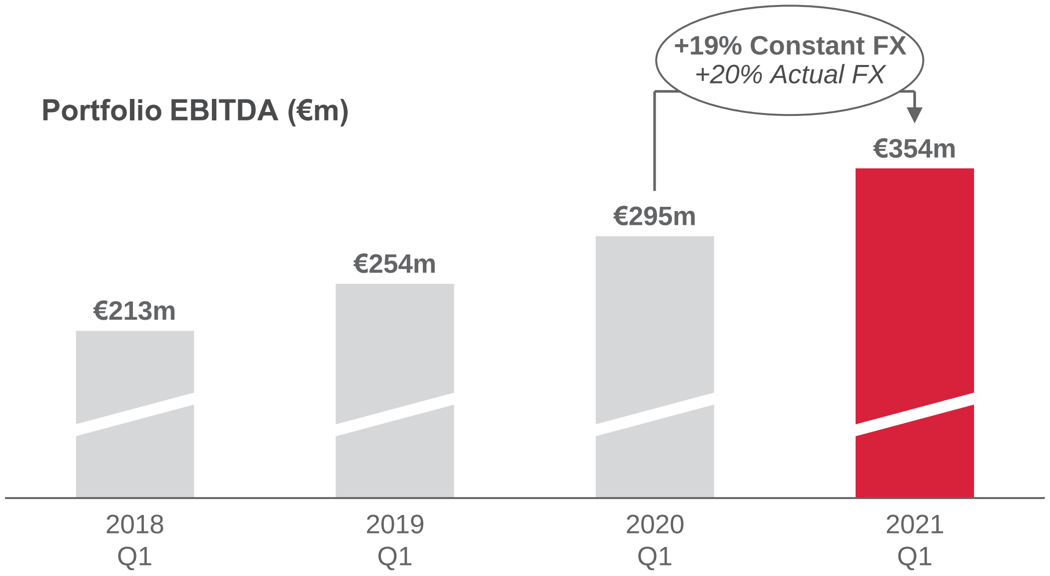
Key Highlights

- Continued strong operational and financial performance in Q1 2021
- Our customer portfolio continued to grow strongly and passed 3.8 million, which represents a growth of +13% vs. Q1 2020
- Total revenues grew +17% in the quarter (+16% in constant currencies)
- Total Adjusted EBITDA increased +38% in the quarter (+37% in constant currencies)
- Portfolio EBITDA continued to grow strongly, up +20% in the quarter (+19% in constant currencies) to €354 million. Annualized Portfolio EBITDA is now over €1.4 billion
- During Q1 2021 we refinanced a significant part of our debt at historically attractive terms, extending the average maturity of our debt portfolio to 6.1 years as of the end of the quarter. Most of our debt now matures in 2026 and beyond.

Key Operating and Financial Metrics

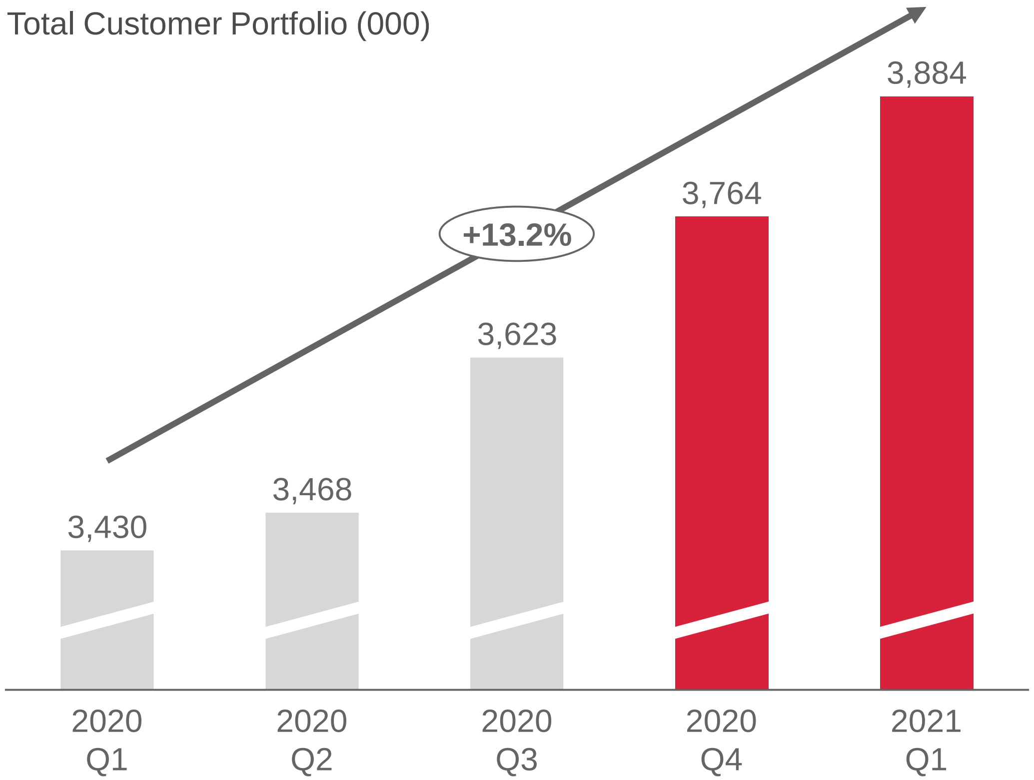
	2019 Q1	2020 Q1	2021 Q1
New Installations	+145k	+142k	+186k
Customer Portfolio	3,028k	3,430k	3,884k

Portfolio EBITDA (€m)



Portfolio up +454k vs. PY and now over 3.8m Customers

Continued Strong Customer Portfolio Growth



Net Portfolio Growth (NPG)

	vs Q1 2020
NPG (000)	+454
NPG (% of Portfolio)	+13.2%
NPG Acceleration[1]	+44.5%

Note: [1] Q1 2021 NPG growth vs. Q1 2020
PY=Prior Year (2020)

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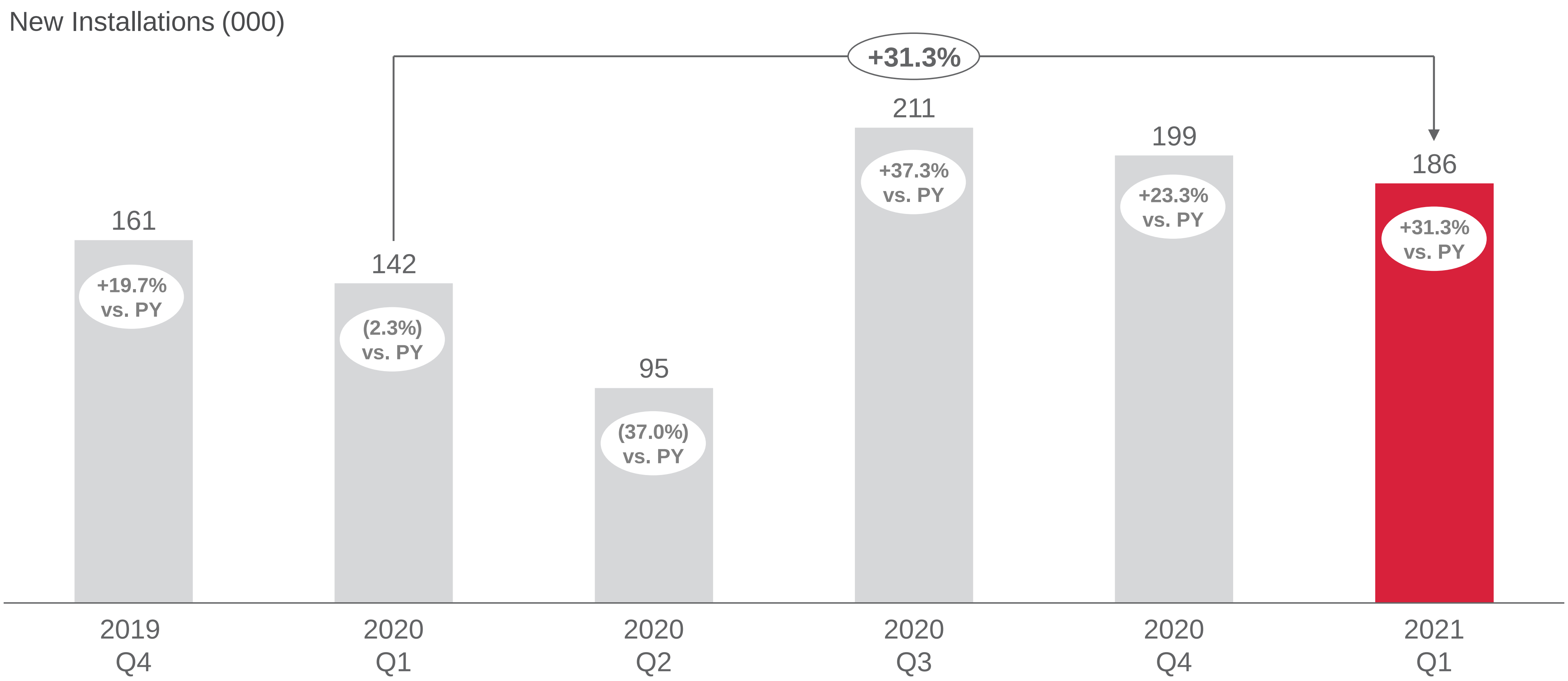
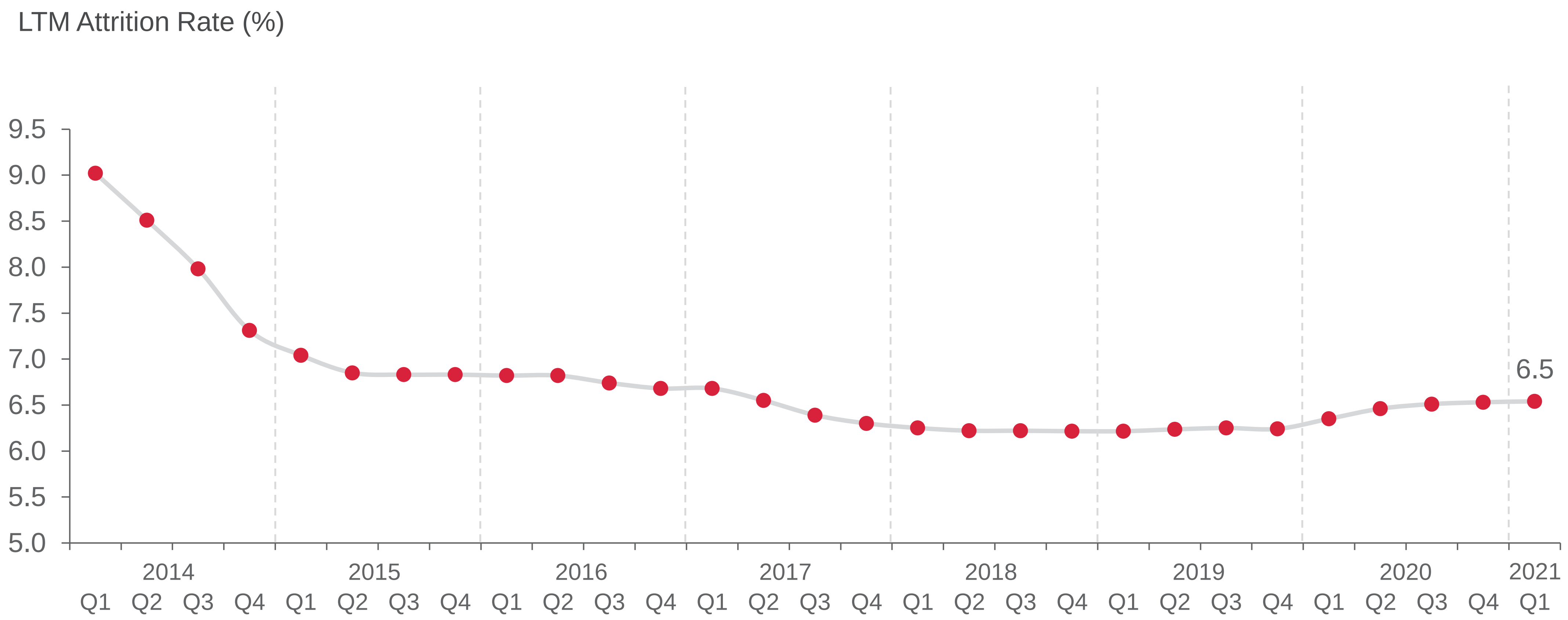
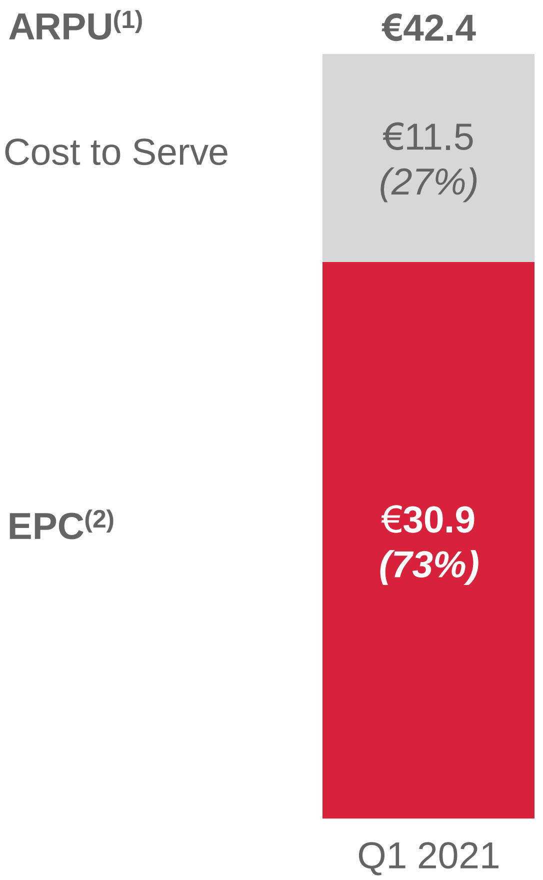
186k New Customers Added in Q1 2021, up +31% vs. 2020



Maintaining Low Attrition



Continued Strong Growth in Customer Profitability



	Q1 2021	Constant Currency Growth[3]	Reported Currency Growth[3]
ARPU	**€42.4**	**+2.0%**	+2.5%
EPC	**€30.9**	**+6.0%**	+6.6%

Note: [1] ARPU: Average Revenue Per User per month; [2] EPC: Portfolio EBITDA Per Customer per month; [3] Growth vs. Q1 2020

Key Financial Metrics – Q1 2021

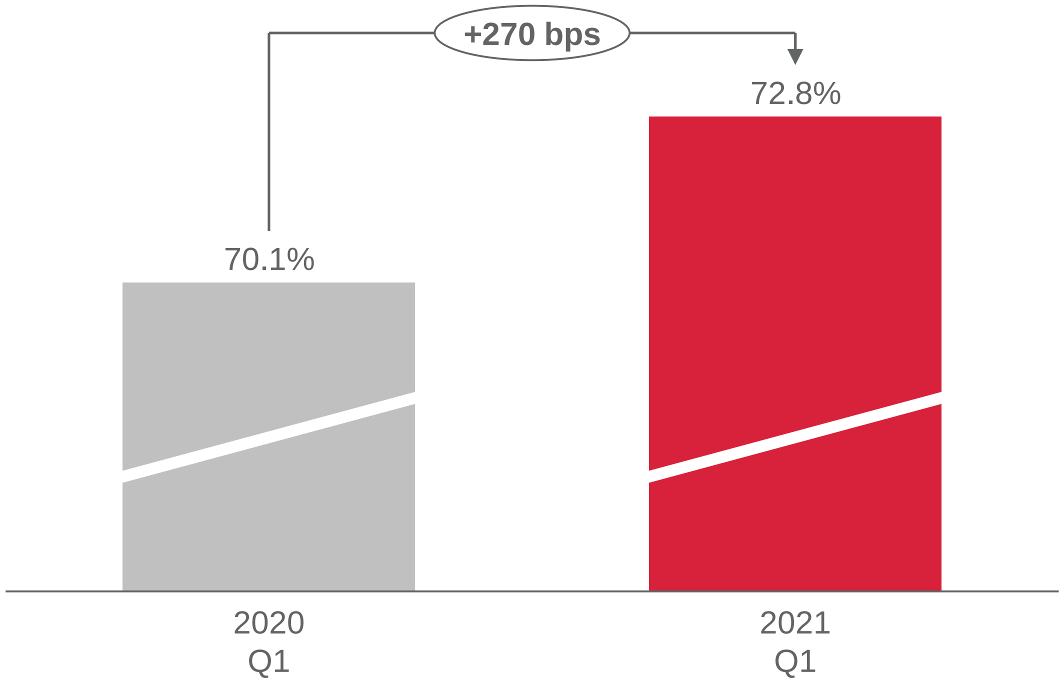
Strong Financial Metrics

€m

	2020 Q1	2021 Q1	% vs. PY
Total Revenues	511	596	+17%
Portfolio Services Adjusted EBITDA[1]	295	354	+20%
Total Adjusted EBITDA[1]	193	263	+36%
CF from Operating Activities	186	190	+2%
Total Capex	144	176	+22%
Net Debt[2]	5,110	6,929	36%
Cash & Unutilised Credit Facilities	180	700	+289%

Increasing Portfolio Services Profitability

Portfolio Services Adj. EBITDA Margin (%)



Notes: [1] Excludes Separately Disclosed Items; [2] Includes IFRS 16 (€131m in Q1-2021 and €137m in Q1-2020). Excluding impact of IFRS 16, Net Debt was €6.798m in Q1-2021 and €4.973m in Q1-2020).
PY=Prior Year (2020)

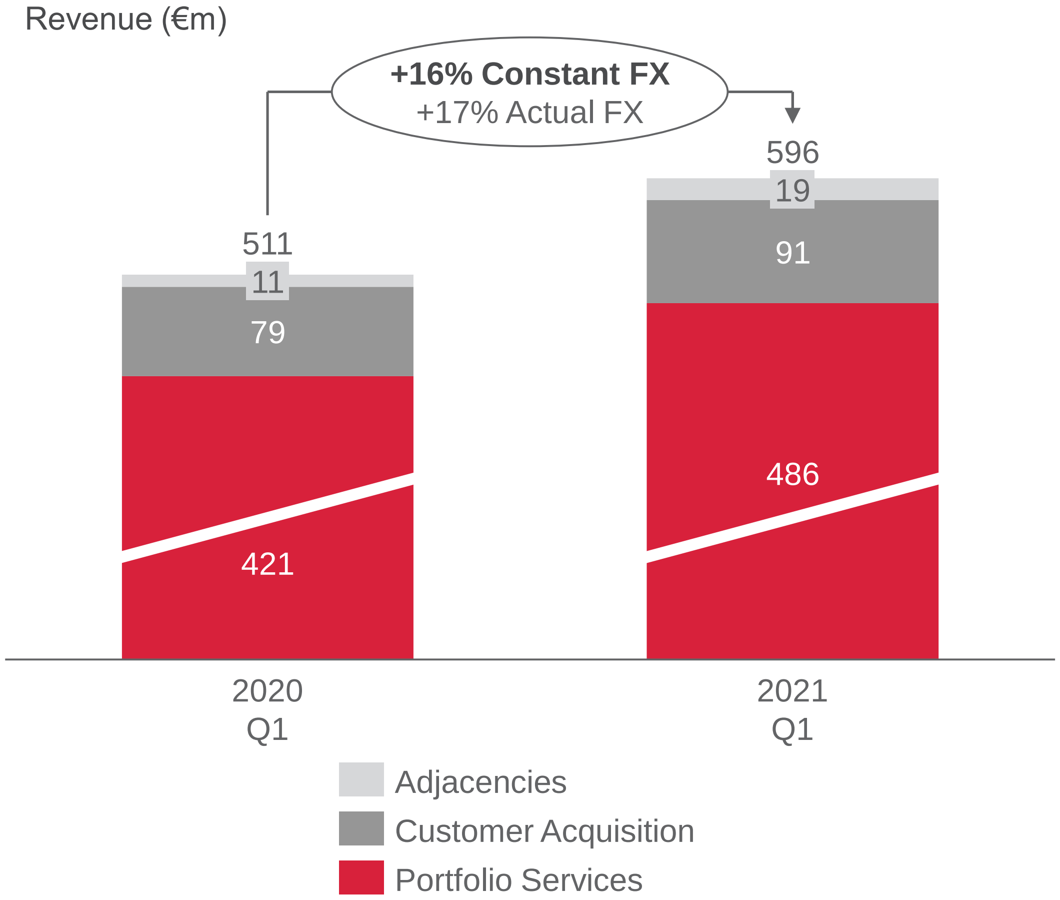
Income Statement – Q1 2021

Income Statement Summary – Q1 2021

€m

	Reported excl. SDI	SDI[1]	Reported
Revenue	596		596
Net Operating Expenses	(333)	(7)	(340)
Adjusted EBITDA	**263**	**(7)**	**257**
D&A	(73)	(40)	(113)
Retirement of Assets	(32)	-	(32)
Operating Profit	**158**	**(46)**	**112**
Interest Income & Cost	(59)	0	(58)
Other Financial Items	(1)	(24)	(26)
Result Before Tax	**98**	**(70)**	**28**
Income Tax			(12)
Result for the Period			**16**

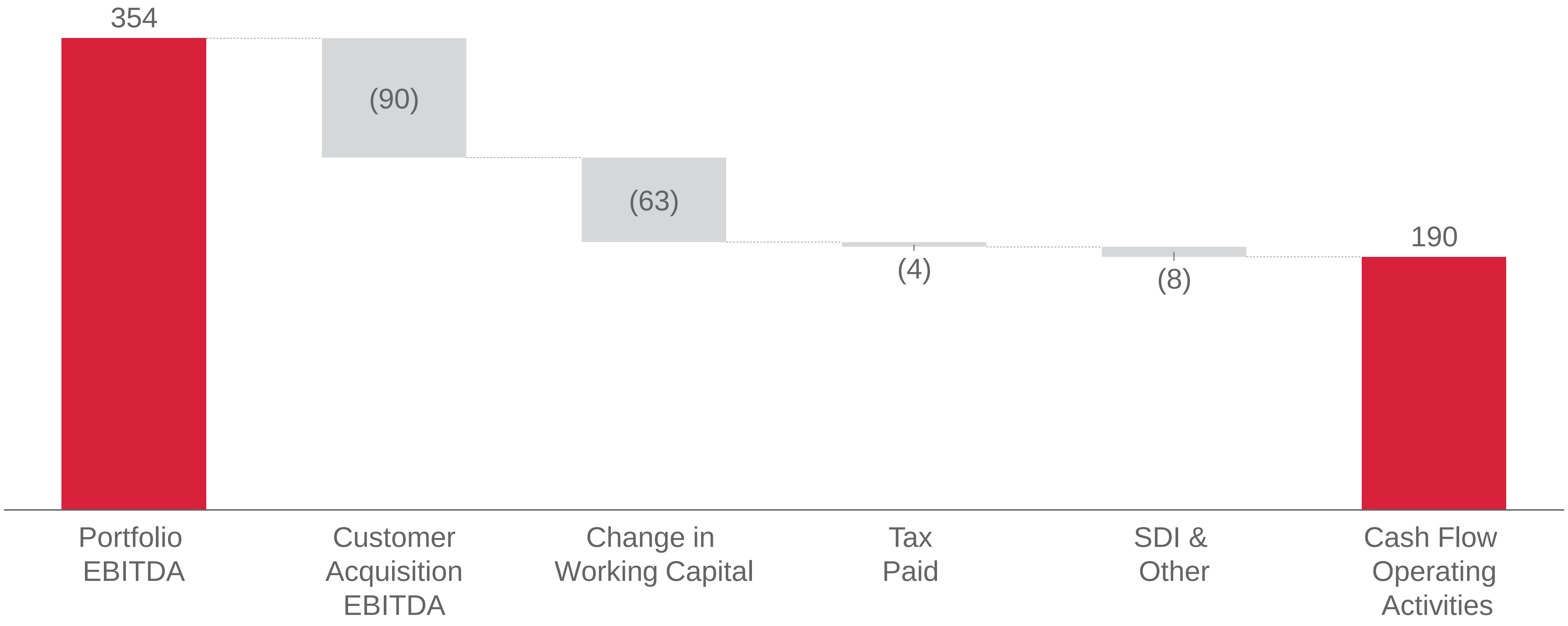
Strong Revenue Growth



Notes: [1] Separately Disclosed Items

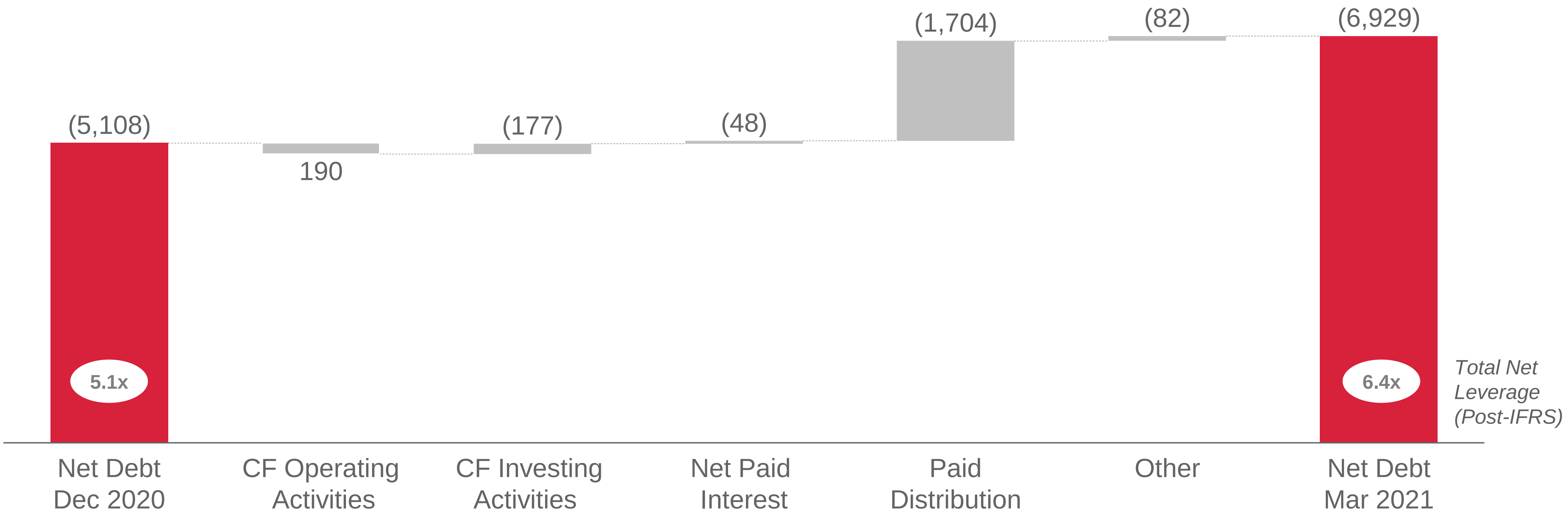
Strong Operating Cash Flow Generation of €190m in Q1 2021

Cash Flow from Operating Activities, Q1 2021, €m



Increase in Net Debt Following Q1 2021 Refinancing

Net Debt Bridge, Q1 2021, €m

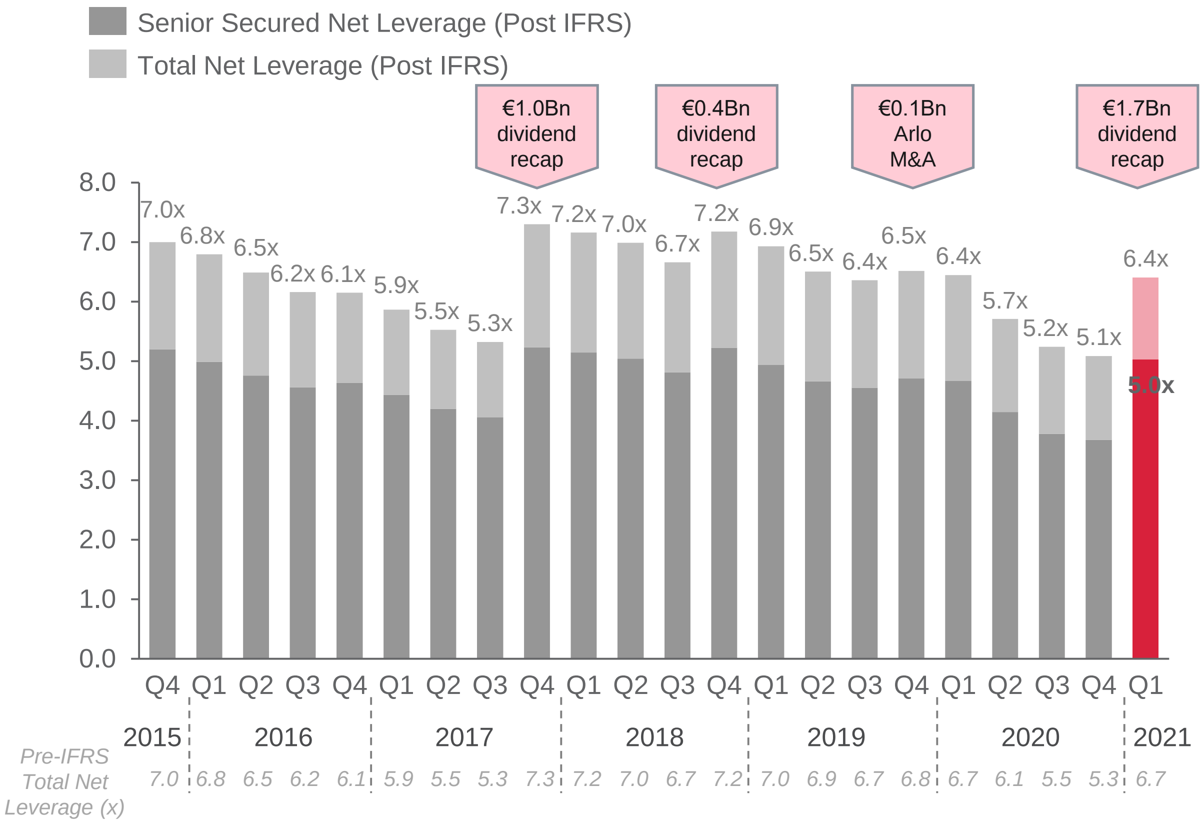


Moody's[1]	*B2*	***Unchanged***	*B2*
S&P[1]	*B*		*B*

Note: [1] Corporate Family Rating

Leverage Overview

Evolution of L2QA Net Leverage[(1)]



Starting in Q1-21 we report on a post-IFRS basis

2020 - Q1 2021 L2QA Net Leverage[(1)]

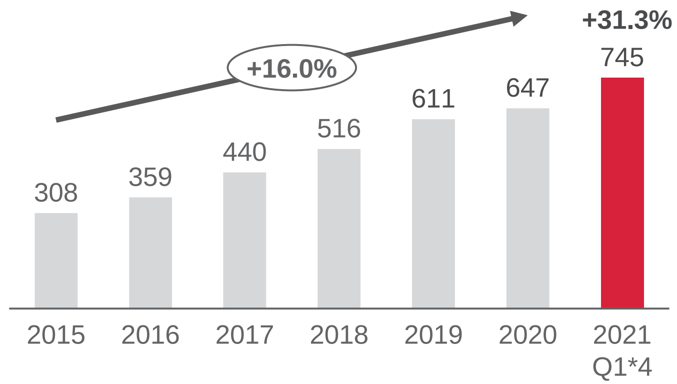
	2020				2021
Post IFRS	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**
SFA Net Debt (€m)	5,110	5,137	5,046	5,108	6,929
Adjusted EBITDA L2QA (€m)	793	900	963	1,004	1,081
Senior Secured Net Leverage (x)	***4.7x***	***4.1x***	***3.8x***	***3.7x***	***5.0x***
Total Net Leverage (x)	***6.4x***	***5.7x***	***5.2x***	***5.1x***	***6.4x***

Note: [(1)] We have historically reported net leverage on a pre-IFRS basis in compliance with our 2015 Senior Facility Agreement. Going forward, we will report net leverage on a post-IFRS basis, in compliance with our 2020 and 2021 Senior Facility Agreements (following Jan 2021´s refinancing, our 2015 Senior Facility Agreement was cancelled).

Resilient High-quality Growth

Strong Customer Intake

New Installations (000)



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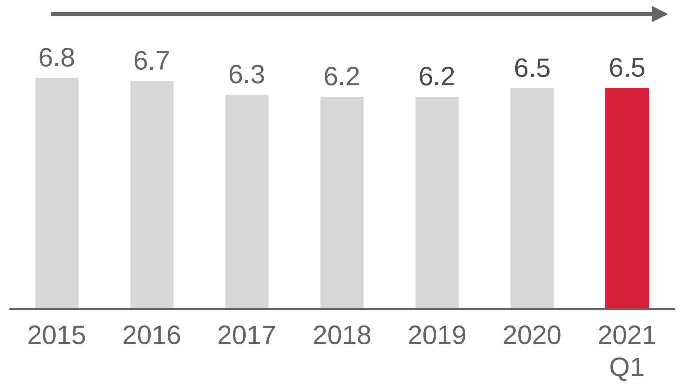
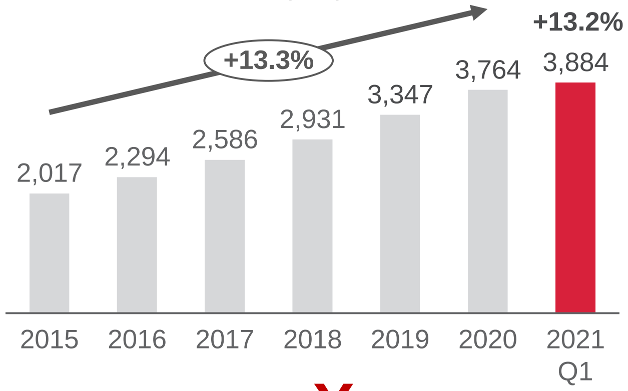
Low Attrition

(%, LTM)



Strong Portfolio Growth

Total Customer Portfolio (000)



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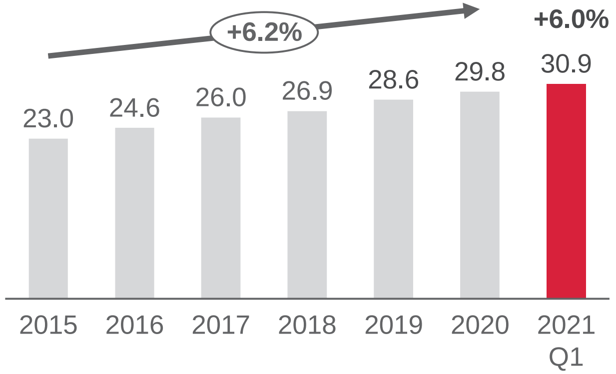
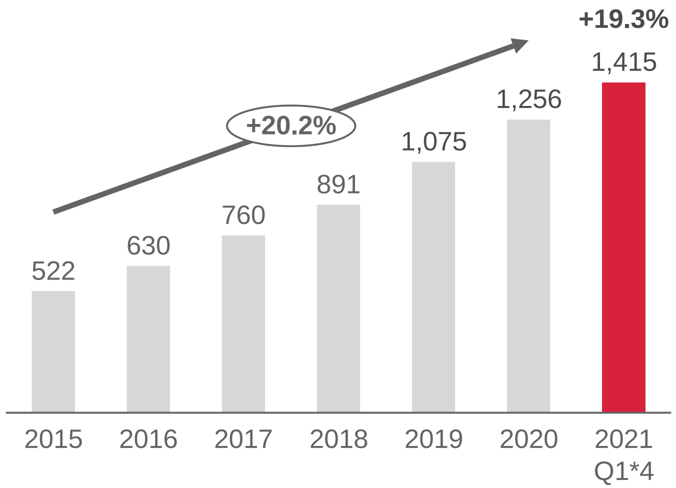
Improving Unit Economics

EPC (€)



Quality Portfolio EBITDA Growth

(€m)



Comments:

% = CAGR 2013 – 2020.

Growth rates above the Q1 2021 bars are vs. Q1 2020.

Note: Absolute numbers above the bars are in actual reported currency, where applicable. CAGR's are in constant currencies

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Q&A

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Thank you

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