Results Presentation | Q2 2023

August 30th, 2023

Disclaimer

This presentation and the investor conference call in which this presentation is used might contain forward looking statements, which are based on our current expectations and projections about future events. All statements other than statements of historical facts in this presentation including, without limitation, statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, may be deemed to be forward-looking statements.

Many factors may cause our results of operations, financial condition, liquidity and the development of the industry in which we compete to differ materially from those expressed or implied by the forward-looking statements contained in this quarterly report. Our annual report available on our website contains a list of factors that, among others, may cause our results to differ from those described in our forward-looking statements.

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

Colin Smith
Chief Financial Officer

Agenda

- **Key developments**
- **Financial review**
- **Q&A**

Performance highlights

Highlights

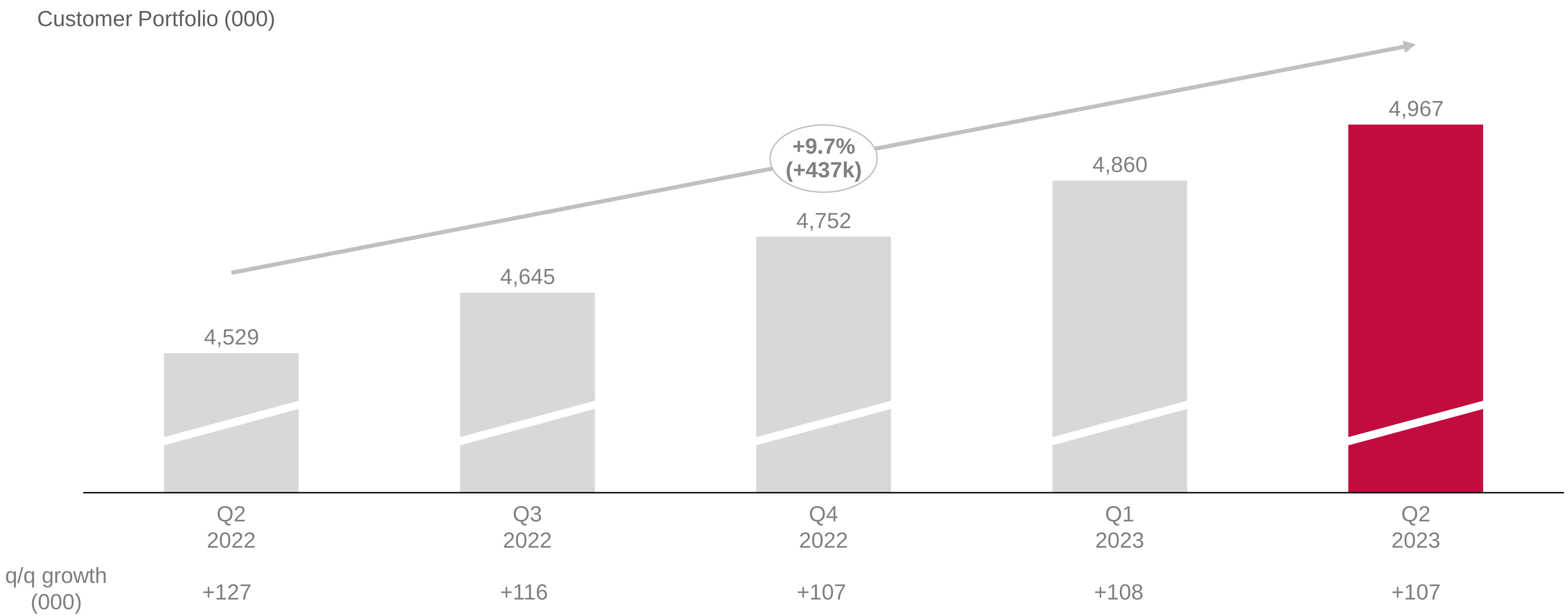
- Strong operating and financial performance in Q2 2023
- Group Revenue +10% to €766m
- Group EBITDA +21% to €323m, EBITDA margin 42%
- Portfolio Services EBITDA +11% to €465m
- Customer Portfolio +10% (to 4,967k) driven by new installations of 201k and attrition of 7.5% in the quarter
- In April we redeemed our €200m FRN due 2025 with RCF drawings
  - All debt now matures in 2026 or beyond, and is 70% fixed
- In May 2023, S&P and Moody´s upgraded Verisure from B2/B to B1/B+, with stable outlook

Key operating & financial metrics

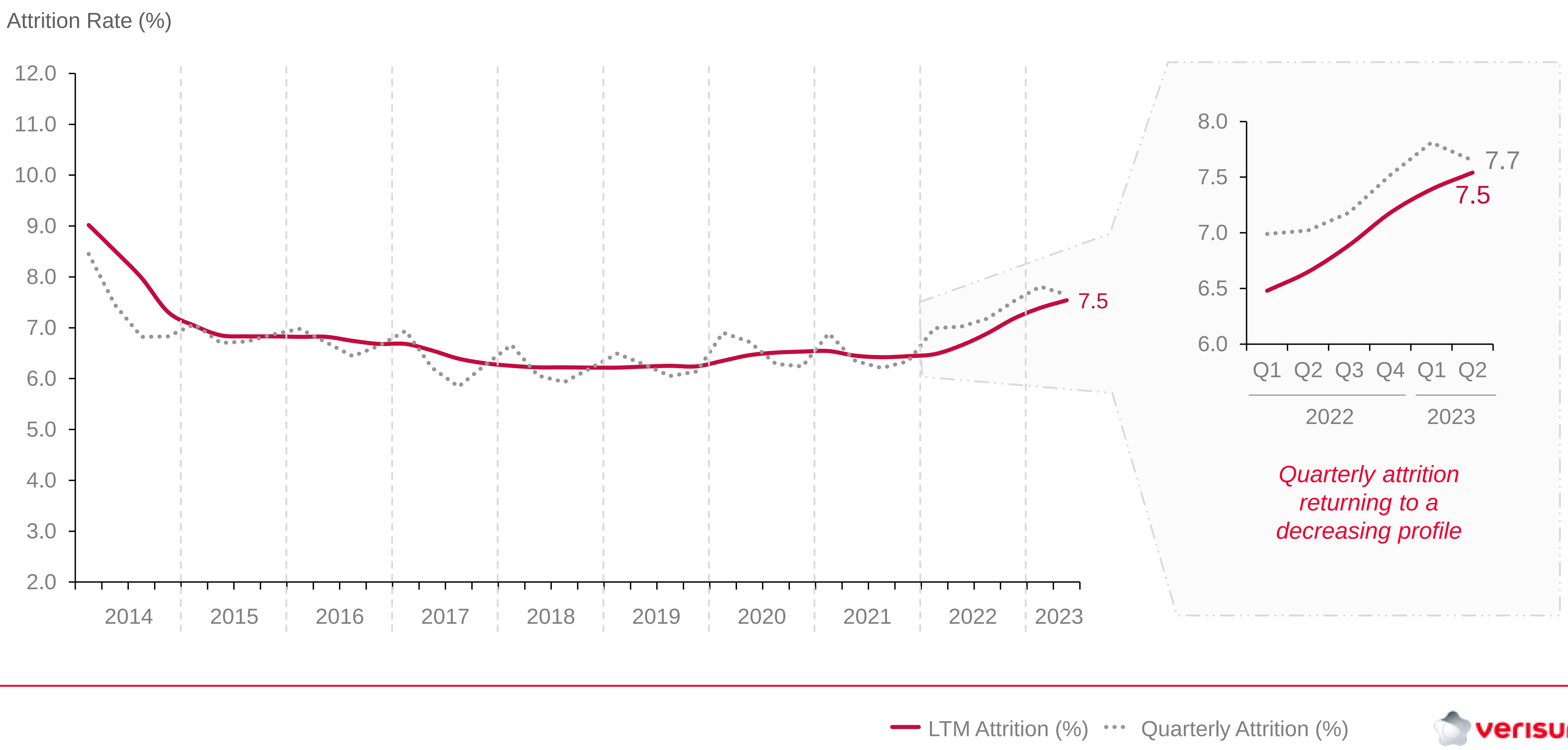
		Q2 22	Q2 23	*Var.*	*Var. @ constant currency*
Group Revenue	(€m)	698	766	*+10%*	*+11%*
Group EBITDA	(€m)	267	323	*+21%*	*+23%*
Portfolio Services EBITDA	(€m)	420	465	*+11%*	*+13%*
New Installations	(000)	206	201	*-2%*	
Customer Portfolio	(000)	4,529	4,967	*+10%*	

Strong customer portfolio growth

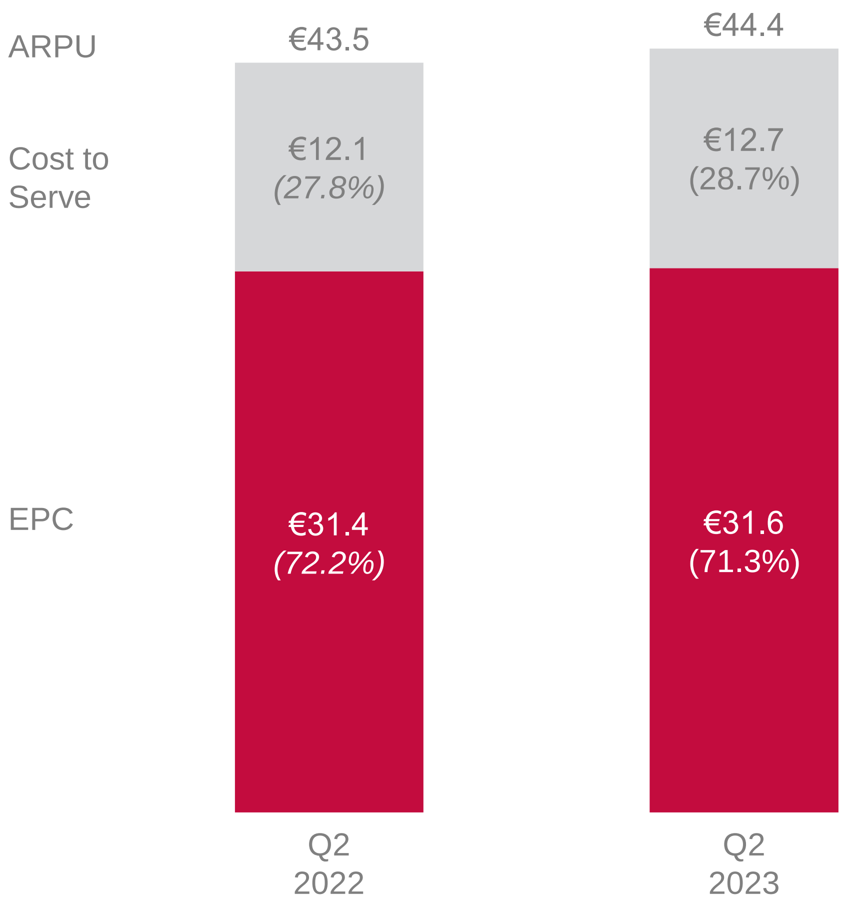
Highly consistent customer growth, +437k vs. prior year



Sustained low attrition, modest uptick in 2022 now normalising



Excellent customer unit economics



	Q2 2023	Var.	***Var.*** *@ constant currency*
ARPU	€44.4	+1.9%	**+3.8%**
EPC	€31.6	+0.6%	**+2.3%**

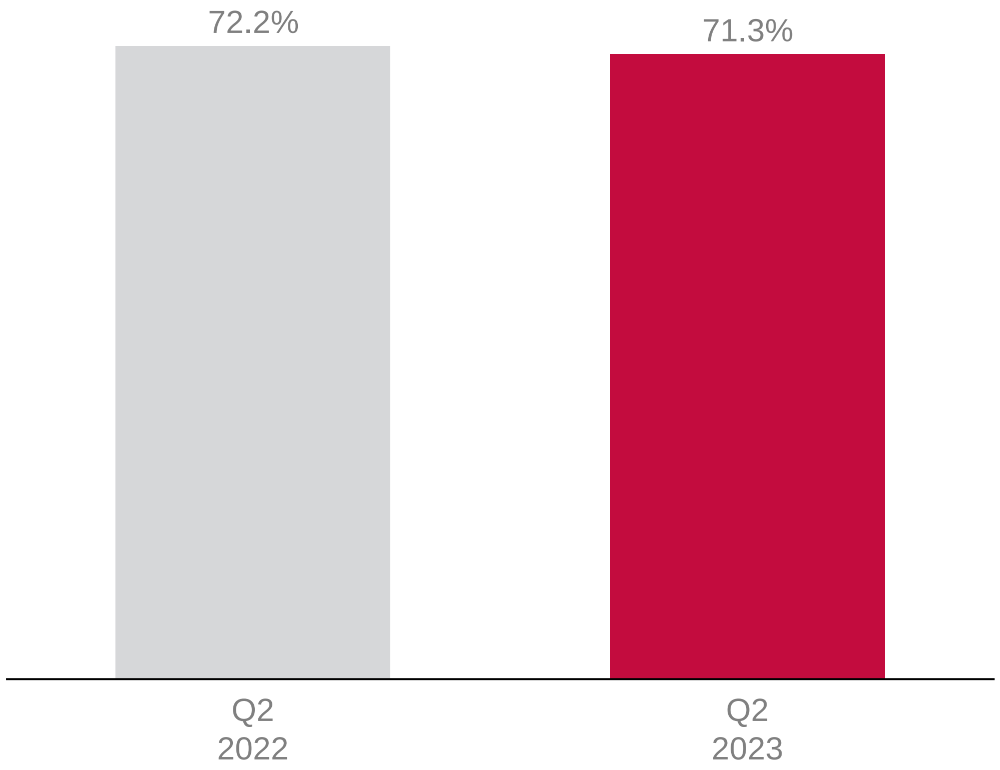
Key financial headlines

Strong financial metrics

(€m)	Q2 22	Q2 23	*Var.*	*Var. @ constant currency*
Group Revenue	698	766	*+10%*	*+11%*
Group EBITDA	267	323	*+21%*	*+23%*
Portfolio Services EBITDA	420	465	*+11%*	*+13%*
CF from Operating Activities	216	334	*+55%*	
Total Capex	213	220	*+3%*	
Net Debt [1]	7,287	7,400	*+2%*	
Cash & Unutilized Credit Facilities	371	491	*+32%*	

Sustained high profitability

Portfolio Services EBITDA Margin (%)



Notes: [1] Net Debt as per our Senior Facilities Agreement dated 25 January 2021

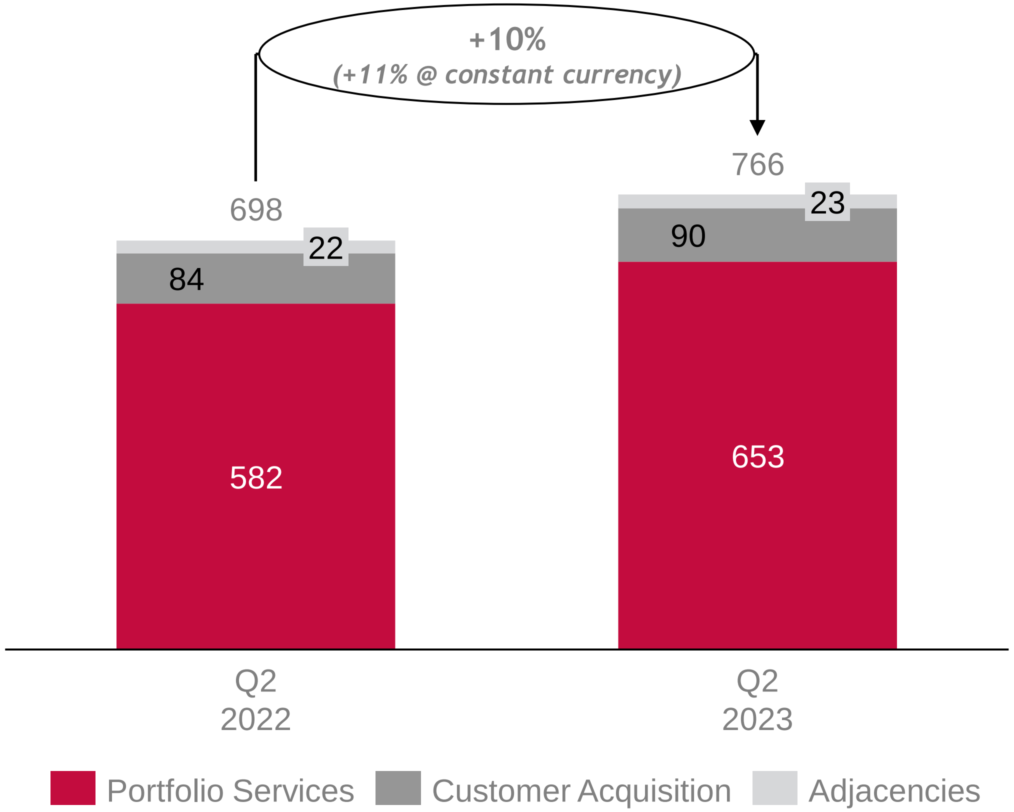
Income statement

Income statement - Q2 2023

(€m)	Reported excl. SDIs [1]	SDIs [1]	Reported
Group Revenue	766	-	766
Net Operating Expenses	(435)	(7)	(442)
Group EBITDA	331	(7)	323
D&A	(132)	(13)	(146)
Retirement of Assets	(29)	-	(29)
Operating Profit	169	(21)	148
Net Interest Expense	(112)	(1)	(113)
Other Financial Items	(4)	22	18
Profit Before Tax	53	1	54
Income Tax			(19)
Net Income			34

Strong revenue growth

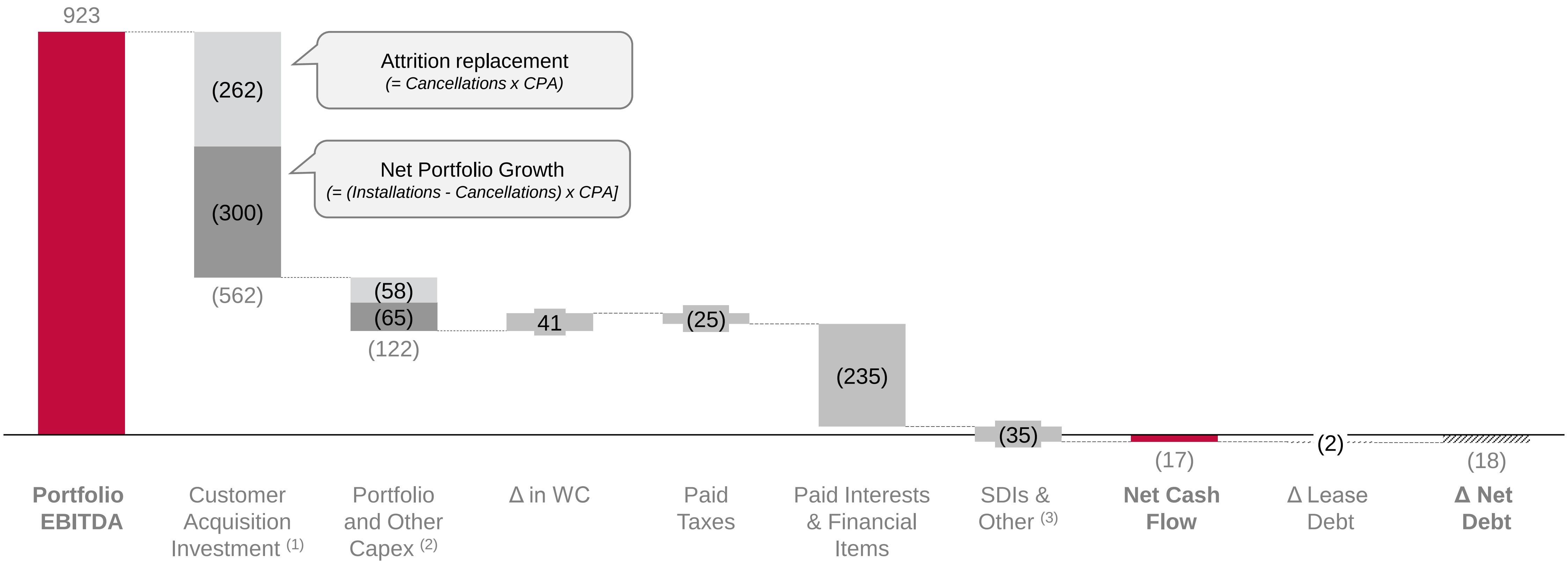
Group Revenue (€m)



Notes: [1] Separately Disclosed Items

Cash flow generation and change in net debt

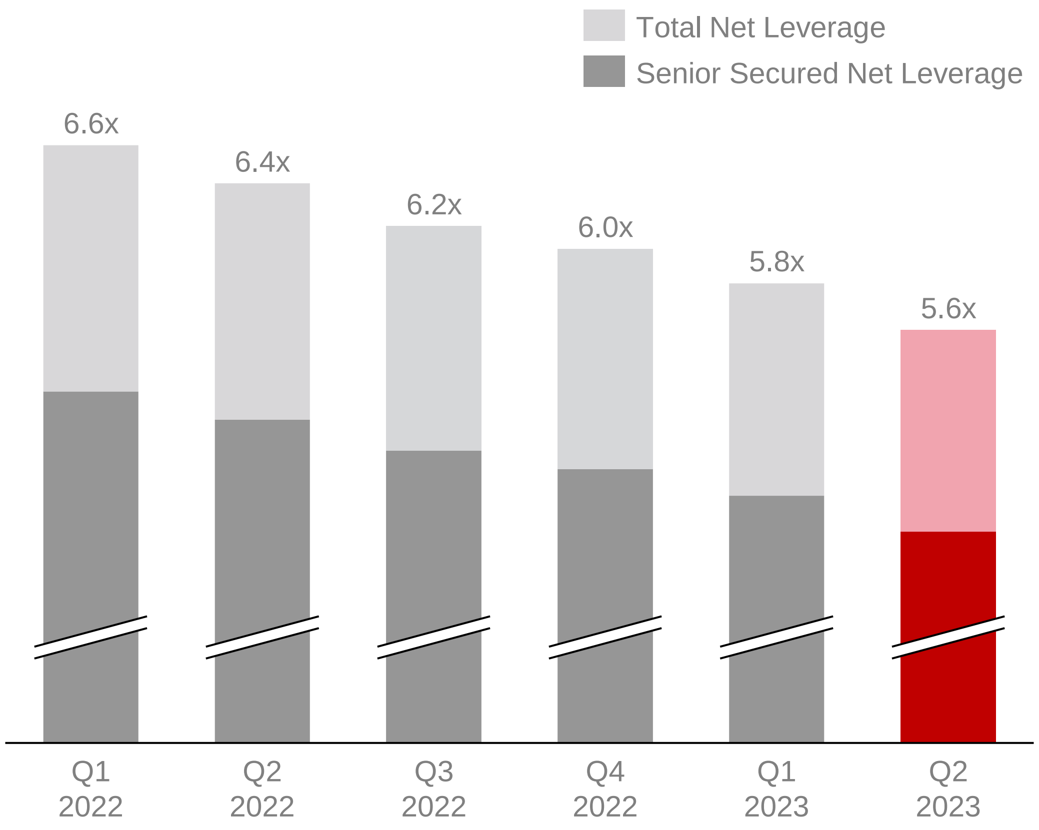
H1 2023 Cash Flow Generation and Change in Net Debt, €m



Notes: [1] Customer Acquisition Investment = Customer Acquisition EBITDA + Customer Acquisition Capex; [2] Portfolio capex (€58m) relates to new equipment for existing customers and Other Capex (€65m) includes capex related to R&D, IT and premises; [3] Includes SDIs, adjacencies and IFRS adjustments

Leverage overview

Continued deleveraging trajectory



2022-23 net leverage

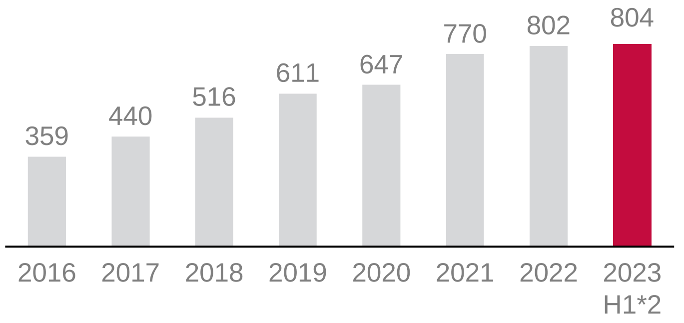
	2022				2023	
	Q1	Q2	Q3	Q4	Q1	Q2
Net Debt (€m)	7,216	7,287	7,345	7,383	7,423	7,400
Adjusted EBITDA L2QA (€m)	1,090	1,140	1,192	1,224	1,270	1,327
Senior Secured Net Leverage (x)	5.2x	5.1x	4.9x	4.8x	4.6x	4.4x
Total Net Leverage (x)	6.6x	6.4x	6.2x	6.0x	5.8x	5.6x

verisure

Resilient high-quality growth model, built on “the power of and”…

Strong Customer Intake

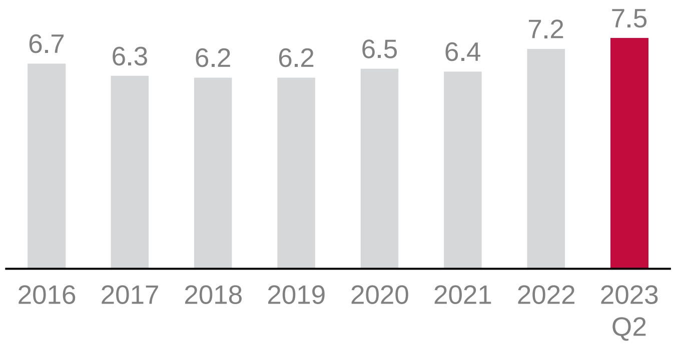
New Installations (000)



+

Sustained Low Attrition

(%, LTM)



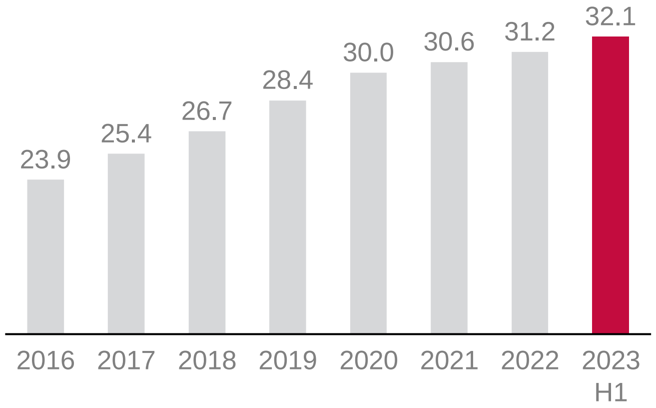
Strong Portfolio Growth

Total Customer Portfolio (000)

X

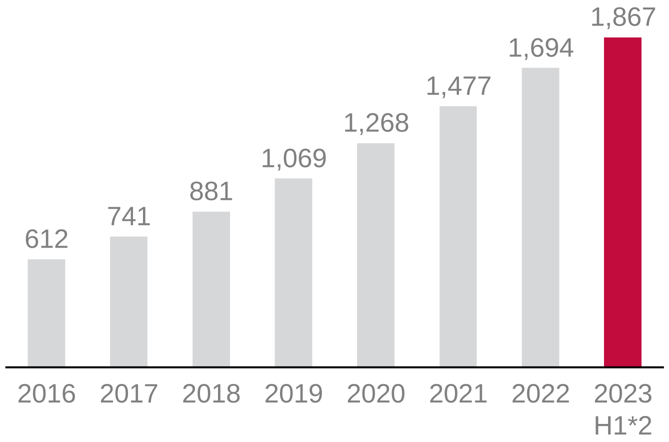
Improving Unit Economics

EPC (€)



Quality Portfolio EBITDA Growth

(€m)



Note: Absolute numbers in constant currency, where applicable

verisure

Q&A

Thank you