Verisure Midholding AB (publ)

Earnings Call Presentation – Q3 2020

July 1 – September 30, 2020

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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.

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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.

Agenda

- **Development in KPIs during Q3 2020** – Austin Lally, CEO
- **Financial review of Q3 2020** – Vincent Litrico, CFO
- **Questions & answers**

Austin Lally
Chief Executive Officer

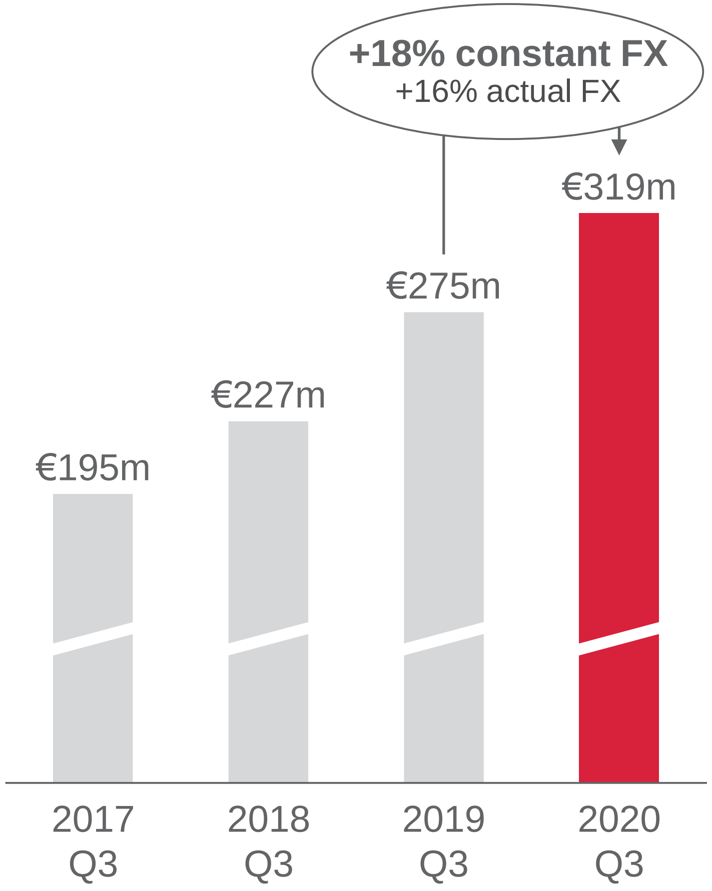
Vincent Litrico
Chief Financial Officer

Q3 2020 Performance Highlights

	Installations	*Portfolio*	*Portfolio EBITDA*
Q3 2020	+211k	3.6m	€319m
Q3 2019	+154k	3.2m	€275m
Q3 2018	+128k	2.8m	€227m

Summary

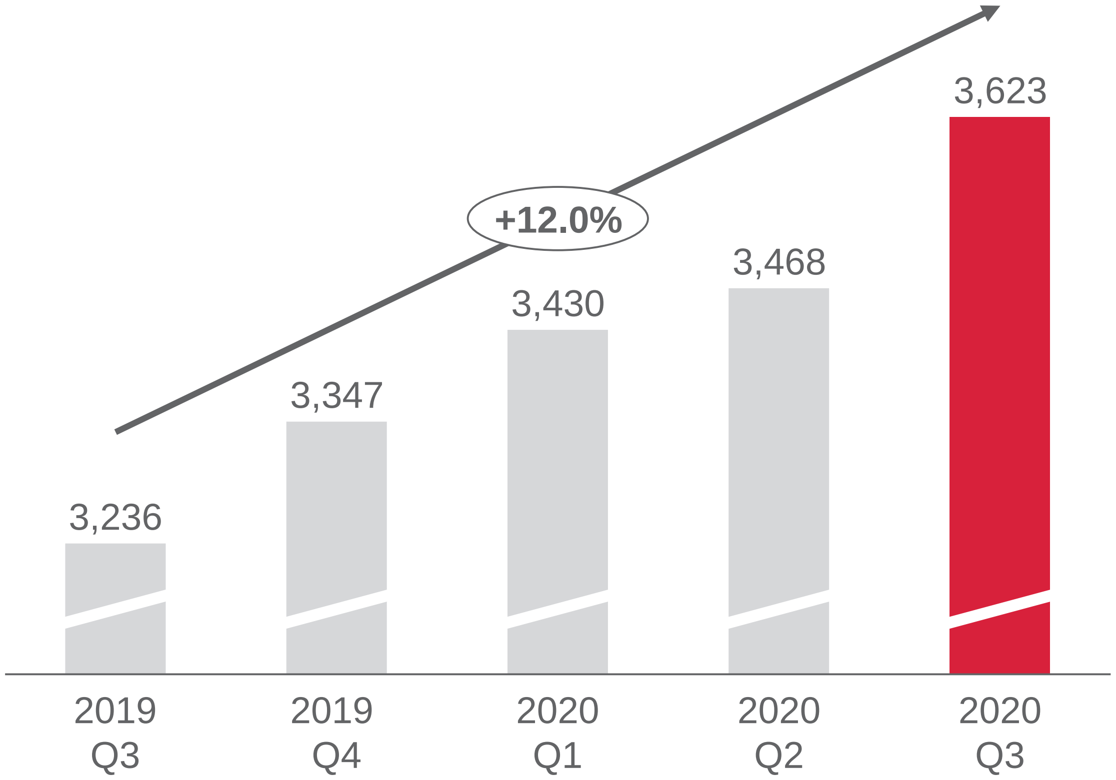
- Continued strong operational and financial performance in Q3 2020.
- Total revenues up +17% in the quarter (+18% in constant currencies).
- Total adjusted EBITDA up +14% in the quarter. YTD per September total adjusted EBITDA up +16% (+17% in constant currencies) vs. 2019.
- Portfolio EBITDA continued to grow strongly, up +16% as reported and +18% in constant currencies to EUR 319 million in the quarter. Now over EUR 1.2 billion on an annualized basis.
- Continued strong operating cash flow, up +55% in Q3 vs. 2019. In Q3 we also refinanced EUR 1,600 million of our debt successfully to extend maturity of the debt portfolio.



Portfolio EBITDA (€m)

k=thousands. m=millions
YTD=Year to date per September (9 months)

Portfolio up +387k vs. PY and now over 3.6 million customers



Number of Customers in portfolio (000s)

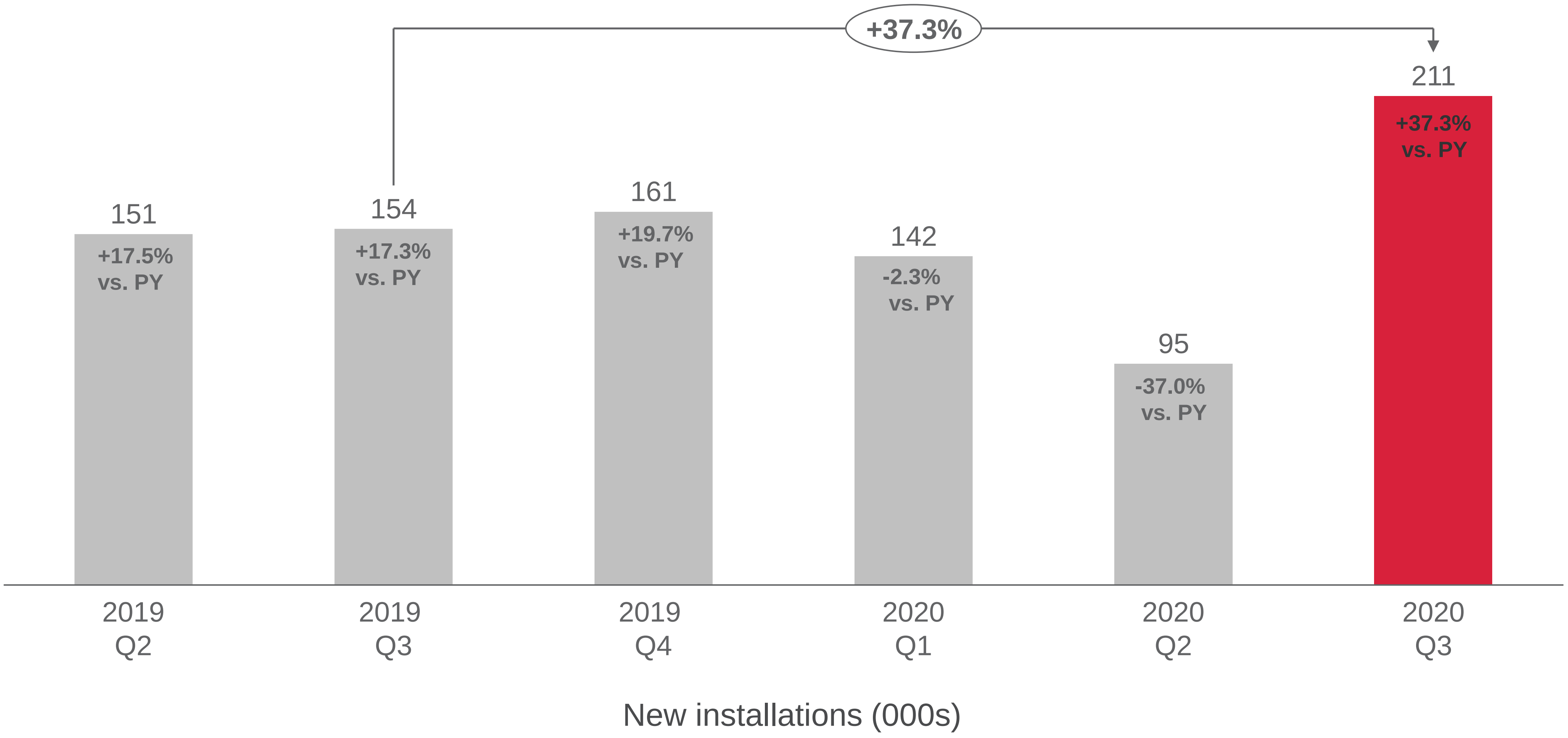
Net Portfolio Growth (NPG)

	vs Q3 2019
NPG (000s)	+387
NPG (% of portfolio)	+12.0%
NPG Acceleration*	+47.3%

(*) Q3 2020 NPG growth vs. Q3 2019.

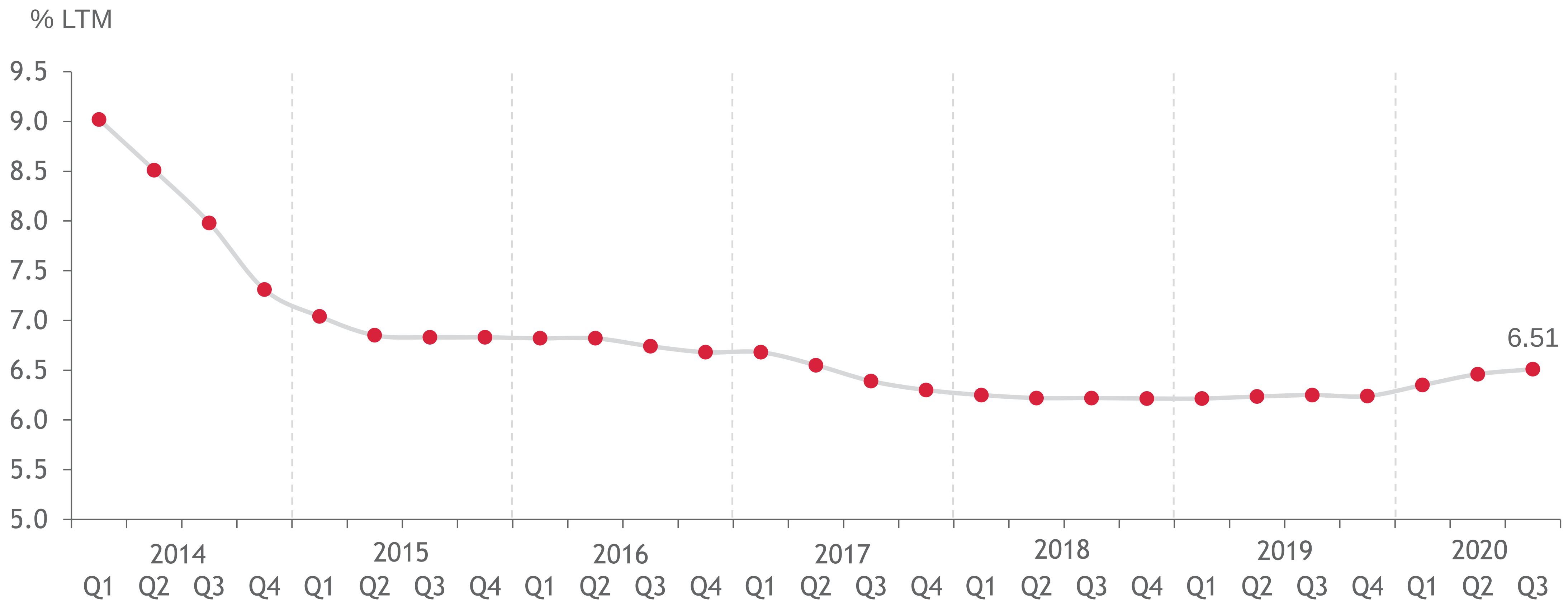
PY=Prior Year (2019)
k=thousands

Added 211k new customers in Q3 2020, up +37% vs. 2019



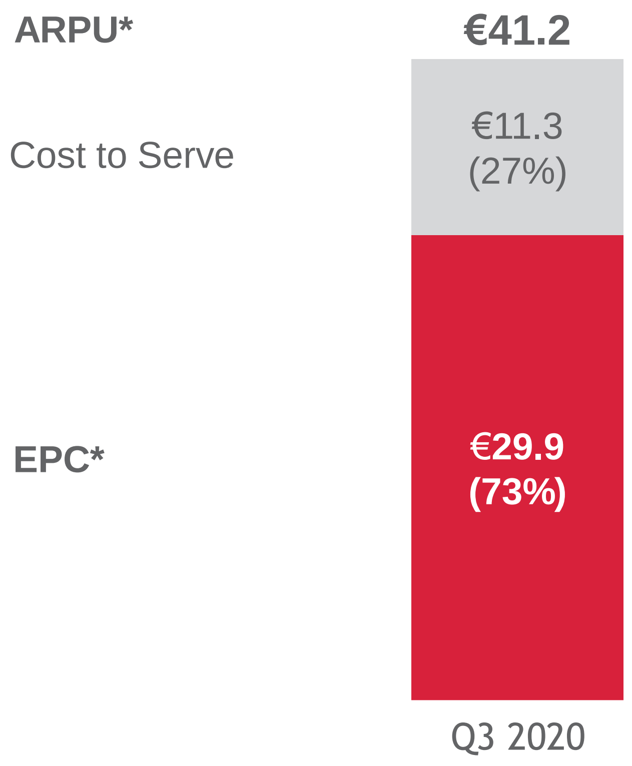
PY=Prior Year (2019)
k=thousands

Maintaining low attrition



LTM attrition rate (%)

Continued strong growth in customer profitability



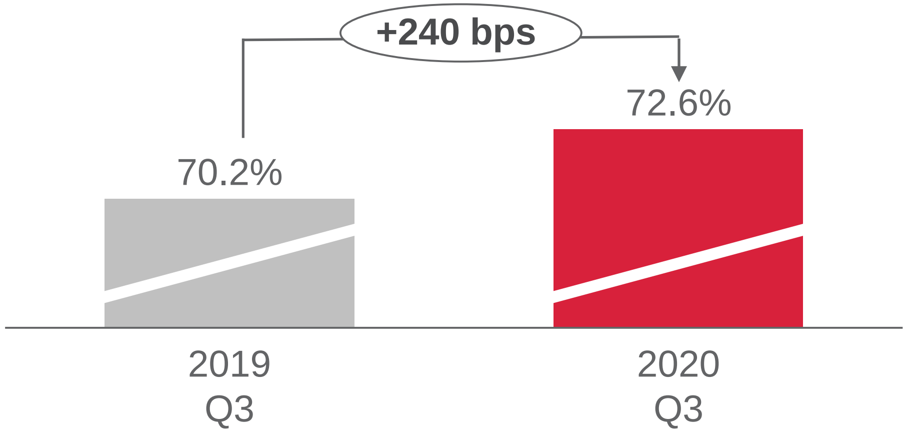
	Q3 2020	*Constant currency growth**	*Reported currency growth**
ARPU	**€41.2**	**+2.1%**	*+0.6%*
EPC	**€29.9**	**+5.7%**	*+4.1%*

(*) Growth vs. Q3 2020

(*) ARPU: Average Revenue Per User per month
(*) EPC: Portfolio EBITDA Per Customer per month

Key Financial Metrics – Q3 2020

(€m)	2019 Q3	**2020 Q3**	% vs. PY
Revenue	477	557	+17%
Portfolio Services, Adjusted EBITDA*	**275**	**319**	**+16%**
Total Adjusted EBITDA*	197	225	+15%
Cash Flows from Operating Activities	200	311	+55%
CapEx, total	142	178	+25%
Net Debt	4,977	5,046	+1%
Cash and unutilised credit facilities	319	446	+40%



Portfolio Services Adj. EBITDA margin (%)

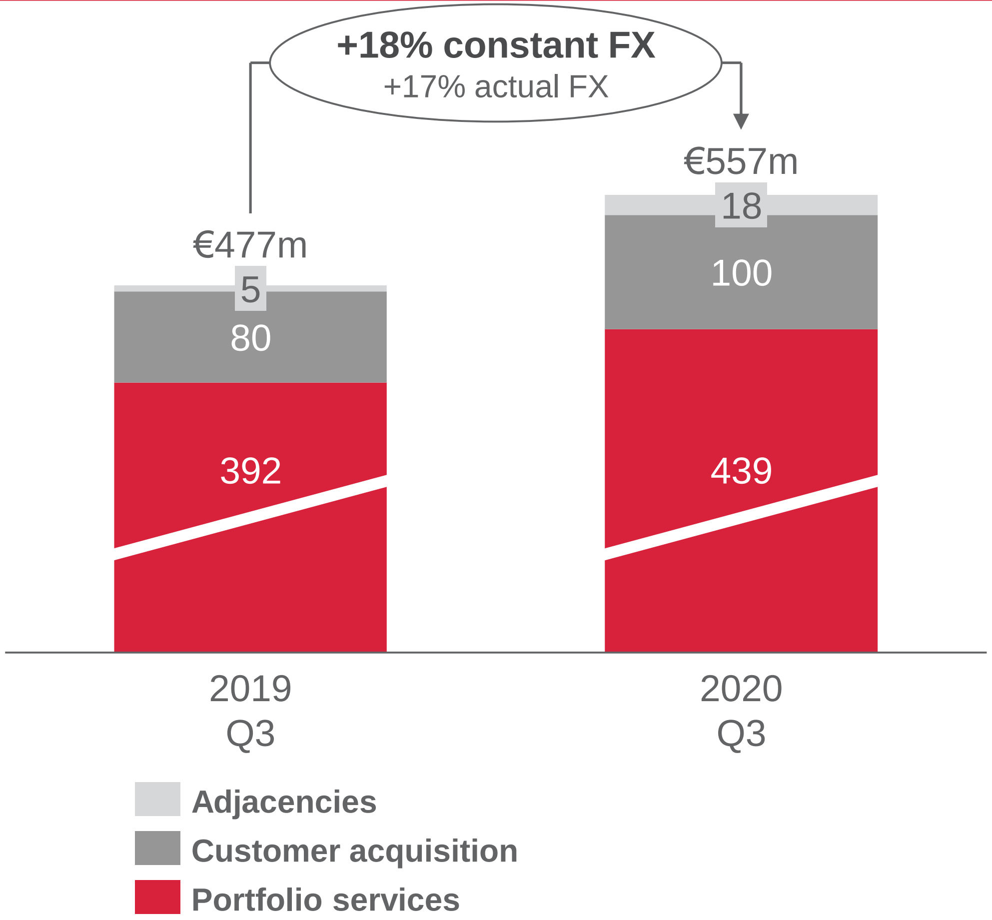
(*) Figures excl. Separately Disclosed Items

Net Debt: Net Debt including IFRS 16 (€139m for Q3-2020 and €127 million for Q3-2019). Excluding impact of IFRS 16, Net Debt was €4.907 million per September 2020 and €4.850 million per September 2019).
PY=Prior Year (2019)

Income Statement – Q3 2020

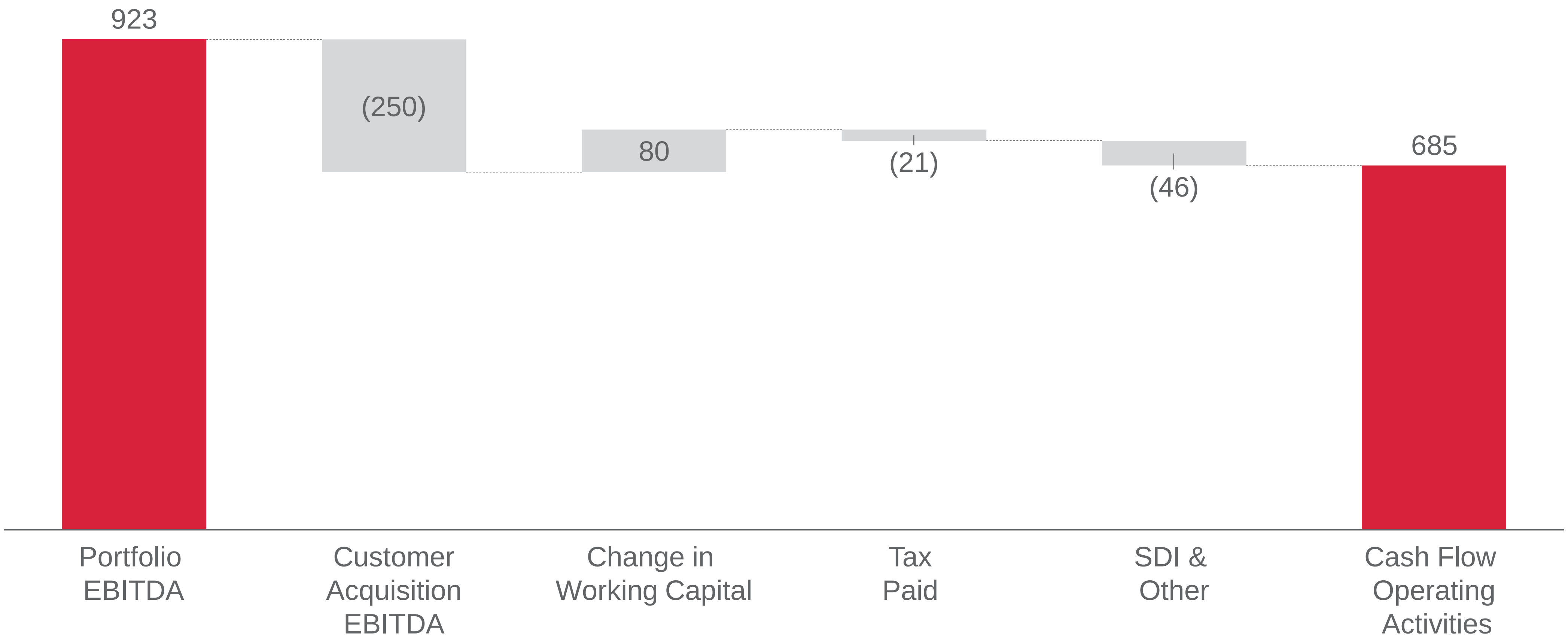
(€m)	**Reported excl. SDI**	SDI*	Reported
Revenue	557		557
Net operating expenses	(332)	(16)	(348)
Adjusted EBITDA	225	(16)	209
Depreciation and amortisation	(70)	(40)	(110)
Retirement of assets	(23)	-	(23)
Operating profit	132	(56)	76
Interest income & cost	(59)		(59)
Other financial items	(1)	(43)	(44)
Result before tax	72	(99)	(27)
Income tax			(6)
Result for the period			(33)

(*) SDI – Separately Disclosed Items



Revenue (€m)

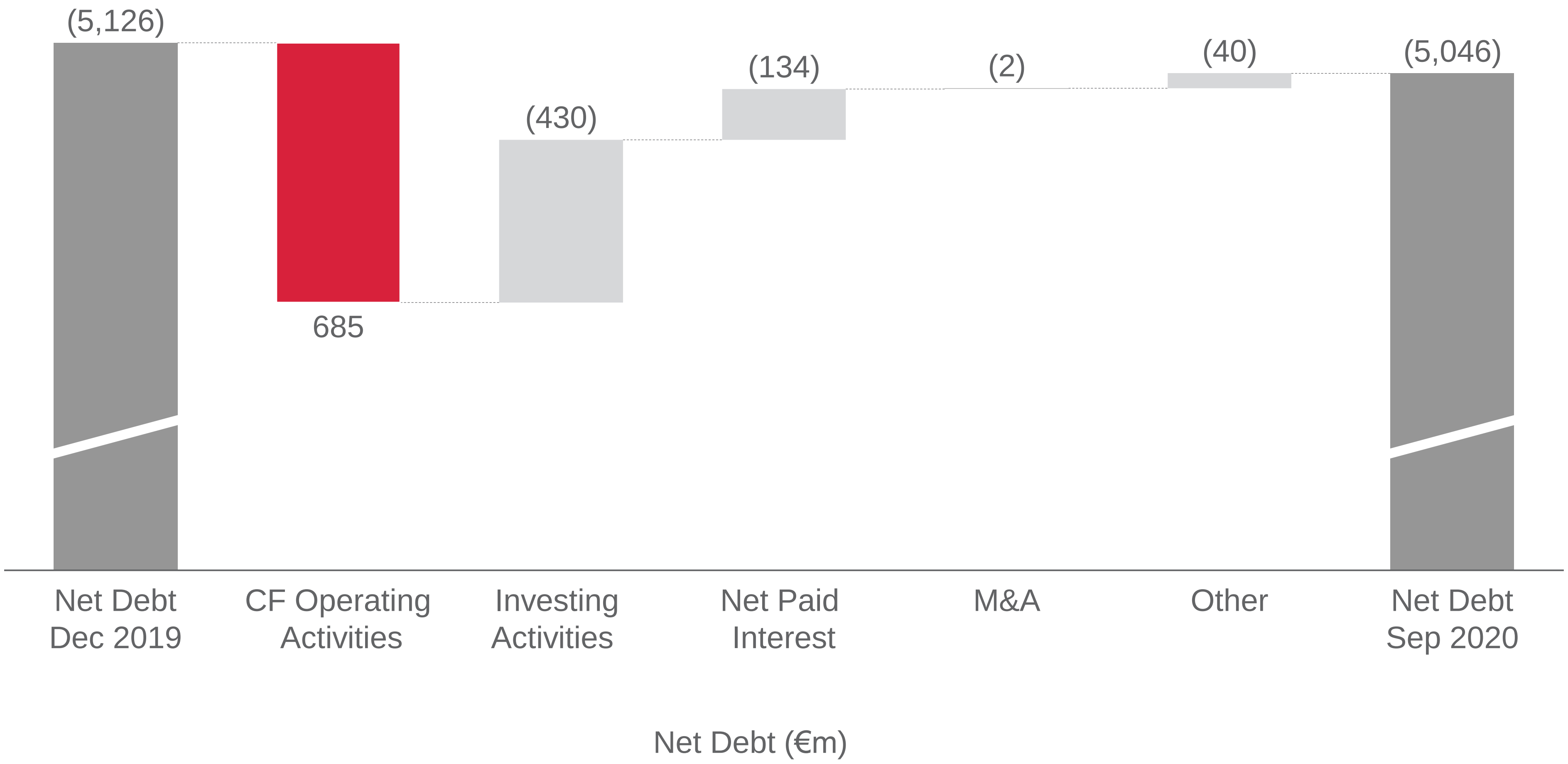
Strong operating cash flow of €685m YTD September, up +29% vs. PY



Cash Flow from Operating Activities (€m)

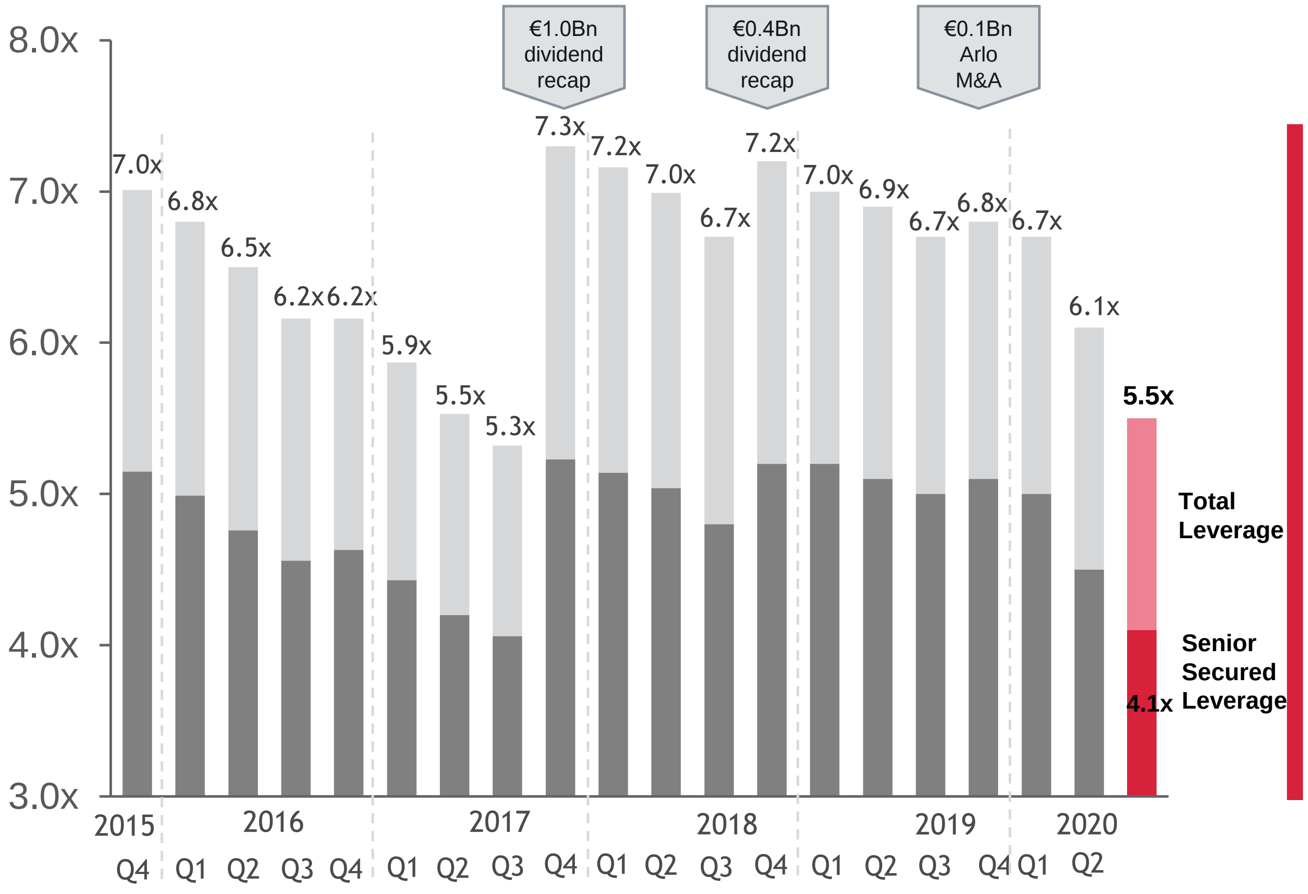
PY=Prior Year (2019)
YTD=Year To Date

Net debt bridge – Net debt YTD September 2020 down vs. Dec 2019



Note: Net Debt including IFRS 16 (€139m and €134m as of September 2020 and December 2019, respectively). Excluding impact of IFRS 16, Net Debt was EUR 4.907 million per September 2020 and 4.992 million per December 2019.

Leverage Overview

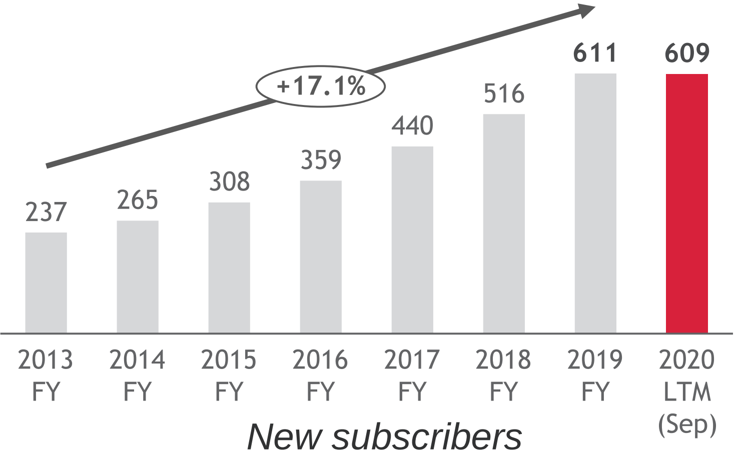


Evolution of L2QA* Leverage

	2019				2020		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
SFA Net Debt (€m)*	4,808	4,859	4,851	4,994	4,974	5,002	4,909
SFA Adjusted EBITDA annualized (€m)*	682	705	720	734	741	824	891
Senior Secured Leverage*	5.2x	5.1x	4.9x	5.1x	5.0x	4.5x	4.1x
Leverage (Total)*	7.0x	6.9x	6.7x	6.8x	6.7x	6.1x	5.5x

(*) Leverage, net debt and adjusted EBITDA per lender documentation

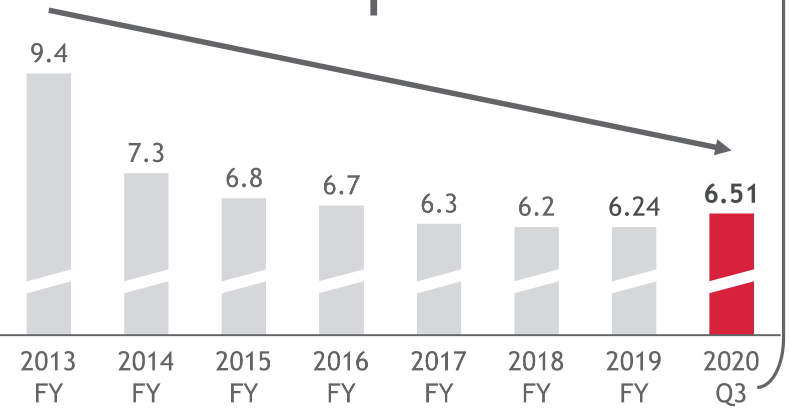
Resilient high quality growth



New subscribers

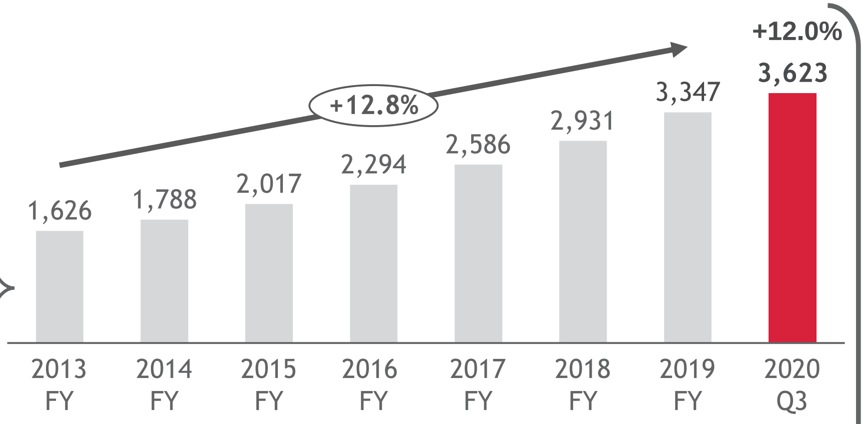
(New installations 000s)

+



Low attrition

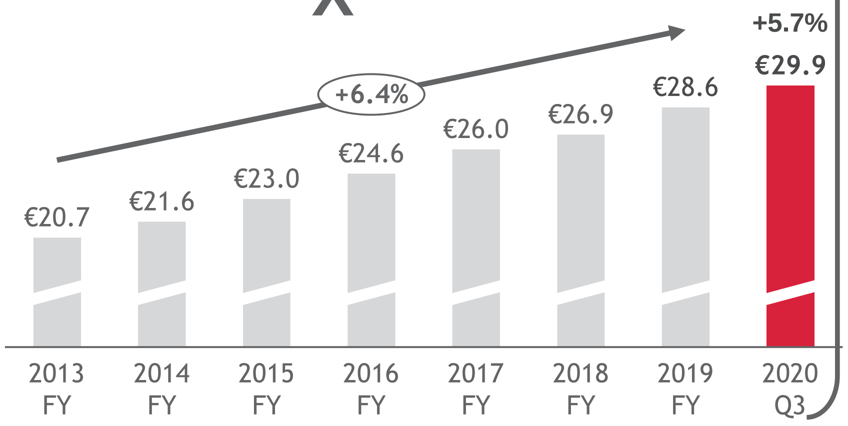
(Attrition %, LTM)



Strong portfolio growth

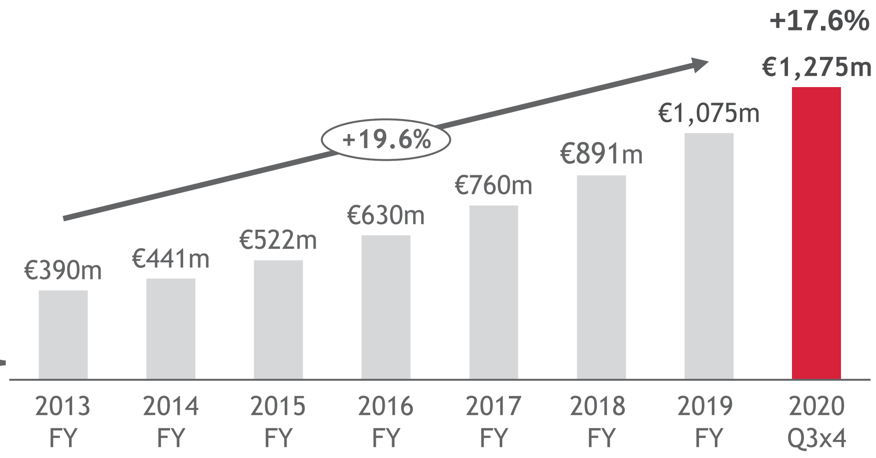
(Total customer portfolio 000s)

X



Improving unit economics

(EPC €)



Quality Portfolio EBITDA growth

Notes:
Absolute numbers over the bars are in actual reported currency.
Growth rates (CAGR's 2013-2019) are in constant currencies.
Q3x4=Q3 2020 annualized. Growth rate for Q3 2020 is vs. Q3 2019 (constant currency).

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Q&A

Thank you