

VERISURE MIDHOLDING AB

Interim report 2025

JANUARY-MARCH




verisure

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Key Operating and Financial Highlights

Verisure Midholding Group, (“the Group”), is the leading provider of professionally installed and monitored security services in Europe and Latin America. We Deter, Detect, Verify and Intervene to protect our residential and small business customers against intrusion, burglary, fires, physical attack, home occupation, theft from a business, life-threatening emergencies and other hazards such as water damage. We protect a portfolio of over 5.7 million customers across 17 countries. In 13 of our 17 geographies, we lead the category in terms of customers served. And we continue to gain market share. We have a strong track record of profitable growth, primarily delivered organically by our codified and industrialised business model with high share of recurring revenues (approximately 90%) and industry leading retention.

In the first quarter of 2025, the Group continued to deliver excellent operating and financial performance with strong growth in both absolute profitability and margins year on year. Our customer portfolio continued to grow and is now over 5.7 million subscribers, representing an annual growth rate of +8.3% compared to the same period last year.

Throughout this period, we have continued to provide peace of mind to our customers and have protected them against intrusions, fires, attacks, thefts, life-threatening emergencies, and other hazards without interruption. In parallel, the Group has continued to invest in industry leading product and service innovations to support our premium positioning and extend our leadership position.

Financial summary of the quarter ending March 31, 2025

We added 217,114 new subscribers to our portfolio in the quarter, representing a growth of +3.3% compared to the same period last year. We remain disciplined and focused on high-quality customer intake. At the end of the quarter our customer portfolio totalled 5,722,472 subscribers, an increase of 440,397 subscribers or +8.3% year-on-year. LTM attrition rate was 7.4% as of the end of the first quarter of 2025, down from 7.6% last year. Q1 2025 quarterly attrition was 7.5%.

Total revenue reached EUR 919.9 million in the first quarter of 2025, an increase of +10.2% from EUR 834.4 million in the same period last year. In constant currency, total revenue grew +10.5% in the quarter. Portfolio services revenue, representing 86.6% of total revenue in the quarter, grew 11.2% to EUR 797.0 million. In constant currency, portfolio services revenue grew +11.4% in the quarter.

Adjusted EBITDA increased to EUR 418.6 million in the first quarter of 2025 compared to EUR 374.6 million in the same period last year, an increase of +11.7%. In constant currency, total adjusted EBITDA increased +11.9% in the quarter.

Adjusted EBITDA margin increased to 45.5% in the period, compared to 44.9% in the same period last year.

Portfolio services adjusted EBITDA increased to EUR 583.8 million in the first quarter of the year compared to EUR 518.7 million in the same period last year, representing an increase of +12.5%. In constant currency, portfolio services adjusted EBITDA increased +12.8% in the quarter. Portfolio services adjusted EBITDA margin increased to 73.3% in the period, compared to 72.4% in the same period last year.

Adjusted EBIT increased to EUR 230.5 million in the first quarter of 2025 compared to EUR 203.8 million in the same period last year, an increase of +13.1% compared to the same period last year. In constant currency, adjusted EBIT increased +12.9% in the quarter. Adjusted EBIT margin increased to 25.1% in the period, compared to 24.4% in the same period last year.

In the first quarter of 2025, CPA was EUR 1,469, an increase of +4.6% compared to the same period last year (+5.1% in constant currency).

ARPU reached EUR 47.0 in the quarter, an increase of +2.6% compared to the same period last year (+2.8% in constant currency).

EPC increased to EUR 34.4 in the quarter, an increase of +3.9% compared to last year (+4.1% in constant currency).

We remain optimistic about the future. We consider that our growth prospects remain strong as penetration of monitored security in our existing geographies still has significant room to grow. We also demonstrate resilience because we provide an important service that is highly valued by our customers. We will continue to innovate and enrich our proposition to protect our customers better.

Key Figures

EUR thousand (if not otherwise stated)	Jan-Mar 2025	Jan-Mar 2024
Consolidated		
Non-IFRS and IFRS financial data		
Revenue ¹	919,897	834,430
Revenue growth, %	10.2%	10.1%
Adjusted EBITDA	418,619	374,643
Adjusted EBITDA margin, %	45.5%	44.9%
Adjusted EBITDA incl. SDIs	409,602	368,842
Adjusted EBITDA margin incl. SDIs, %	44.5%	44.2%
Adjusted EBIT	230,499	203,790
Adjusted EBIT margin, %	25.1%	24.4%
Operating profit ¹	211,312	187,763
Capital expenditures	239,286	219,183
Net debt per SFA	7,680,098	7,425,026
Unaudited operating data		
Acquisition multiple, ratio	3.6	3.5
Portfolio services segment		
Non-IFRS and IFRS financial data		
Portfolio services revenue ¹	796,973	716,698
Portfolio services adjusted EBITDA	583,803	518,710
Portfolio services adjusted EBITDA margin, %	73.3%	72.4%
Unaudited operating data		
Total subscribers (end of period), units	5,722,472	5,282,075
Cancellation, units	106,327	101,101
LTM attrition rate, %	7.4%	7.6%
Quarterly attrition rate (annualised), %	7.5%	7.7%
Net subscriber growth, units	110,787	109,043
Subscriber growth rate, net, %	8.3%	8.7%
Monthly average number of subscribers during the period, units	5,656,131	5,220,295
Monthly average revenue per user (ARPU), EUR	47.0	45.8
Monthly adjusted EBITDA per customer (EPC), EUR	34.4	33.1
Customer acquisition segment		
Non-IFRS and IFRS financial data		
Customer acquisition revenue ¹	98,252	95,545
Customer acquisition adjusted EBITDA	(171,392)	(148,200)
Customer acquisition capital expenditures	147,532	146,926
Unaudited operating data		
New subscribers added (gross), units	217,114	210,144
Cash acquisition cost per new subscriber (CPA), EUR	1,469	1,404
Adjacencies segment		
Non-IFRS and IFRS financial data		
Adjacencies revenue ¹	24,673	22,187
Adjacencies adjusted EBITDA	6,208	4,134

1) IFRS financial data.

Management's Discussion and Analysis

The information presented and discussed in this report includes several measures that are not defined or recognised under IFRS including CPA, ARPU, EPC and Adjusted EBITDA. These are considered by Management to be key measures of the Group's financial performance and as such have been included to enhance comparability and usefulness. The key measures are further described under the sections Definitions of Key Operating Metrics and Non-IFRS measures. CPA is the net investment to acquire a new customer. ARPU and EPC reflect the monthly revenues and adjusted EBITDA per customer in the portfolio segment. Adjusted EBITDA, being earnings before interest, taxes, write offs, depreciation and amortisation, excluding separately disclosed items (SDIs), is

considered by Management to give a fairer view of the year-on-year comparison of financial performance. SDIs are costs or income recognised in the Consolidated Income Statement and which Management assesses, due to their nature or size, should be disclosed separately to give a more comparable view of the year-on-year financial performance. All SDIs are further explained later in this section. All figures are presented in actual currency rates, unless otherwise stated. As a result of rounding, numbers presented in this interim report may in some cases not add up to the total. Percentages presented are always calculated taking the exact underlying value, and therefore deviations may occur if percentages are calculated taking the rounded figures presented in the tables.

Three Months Ending March 31, 2025 and, 2024

Results Excluding SDIs

EUR million	Jan-Mar 2025	Jan-Mar 2024	% Change Actual Currency	% Change Constant Currency
Revenue	919.9	834.4	+10.2%	+10.5%
Operating expenses	(502.4)	(460.9)	+9.0%	+9.3%
Other income	1.1	1.1	+1.7%	(0.1%)
Adjusted EBITDA	418.6	374.6	+11.7%	+11.9%
Adjusted EBITDA margin, %	45.5%	44.9%	-	-
Depreciation and amortisation	(156.1)	(141.5)	+10.4%	+10.7%
Retirement of assets	(32.0)	(29.4)	+8.9%	+9.6%
Adjusted EBIT	230.5	203.8	+13.1%	+13.1%
Adjusted EBIT margin, %	25.1%	24.4%	-	-
Interest income and expenses	(107.6)	(117.2)	(8.2%)	(8.2%)
Other financial items	(4.7)	5.4	(187.0%)	(186.6%)
Profit before tax	118.2	91.9	+28.6%	+28.5%

Revenue by Segment

EUR million	Jan-Mar 2025	Jan-Mar 2024	% Change Actual Currency	% Change Constant Currency
Portfolio services	797.0	716.7	+11.2%	+11.4%
Customer acquisition	98.3	95.5	+2.8%	+3.5%
Adjacencies	24.7	22.2	+11.2%	+11.2%
Total	919.9	834.4	+10.2%	+10.5%

Revenue

Total revenue increased +10.2% in the first quarter of 2025, or EUR 85.5 million, to 919.9 million, up from EUR 834.4 million in the same period last year. In constant currency, total revenue increased +10.5%. Revenue increase was primarily driven by the growing customer base, which increased by +8.3%, from 5,282,075 on March 31, 2024, to 5,722,472 on March 31, 2025.

Portfolio services revenue increased by +11.2% in the first quarter of 2025, or EUR 80.3 million, to EUR 797.0 million, up from EUR 716.7 million in the same period last year. The increase was primarily driven by the higher number of customers in the portfolio as well as increased monthly average revenue per user (ARPU) of +2.6% compared to the same quarter last year.

Customer acquisition revenue increased by +2.8% in the first quarter of 2025, or EUR 2.7 million, to EUR 98.3 million, up from EUR 95.5 in the same period last year. The increase was mainly due to higher customer intake compared to the same period last year.

Operating expenses

Operating expenses increased +9.0% in the first quarter of 2025, or EUR 41.5 million, to EUR 502.4 million, from EUR 460.9 million in the same period last year. The increase was mainly driven by portfolio growth.

Adjusted EBITDA

Adjusted EBITDA increased +11.7% in the quarter ending March 31, 2025, or EUR 44.0 million, to EUR 418.6 million, from

EUR 374.6 million in the same period last year. The increase was mainly driven by growth in the portfolio, as well as a higher monthly adjusted EBITDA per customer (EPC) and increased operational efficiency.

Depreciation and amortisation

Depreciation and amortisation increased to EUR 156.1 million in the three months ending March 31, 2025, up from EUR 141.5 million in the same period last year, mainly due to growth in the portfolio. Depreciation and amortisation is primarily related to the alarm equipment installed at our customers' premises and the capitalised direct costs incurred to obtain new customers.

Retirement of assets

Retirements of assets increased to EUR 32.0 million in the first quarter of 2025, from EUR 29.4 million in the same period last year. The cost corresponds mainly to the remaining balance of capitalised material, at the time customers leave the portfolio or upgrade to our new platform. The increase in retirement of assets in the first quarter of 2025 was driven by the increase in cancellations compared to the same period last year. The cancellations in relation to the average portfolio during the period was 1.9%, which is in line with the same period last year.

Adjusted EBIT

Adjusted EBIT increased by +13.1% to EUR 230.5 million in the first quarter of 2025. The margin increased from 24.4% in Q1 2024 to 25.1% in the same period of 2025. The increase was mainly driven by growth in the portfolio and increased operational efficiency.

Interest income and expenses

Interest income was EUR 0.3 million in the three months ending March 31, 2025, compared to EUR 0.6 million in the same period last year. Interest expenses reached EUR 107.9 million in the three months ending March 31, 2025, compared to EUR 117.8 million in the same period last year.

Other financial items

Other financial items mainly include commitment fees for our Revolving Credit Facility and Ancillary Facilities, other bank charges and net changes in the fair value from derivatives held for trading (interest rate swaps and cross currency swaps). In the first quarter of 2025, other financial items amounted to a cost of EUR 4.7 million compared to an income of EUR 5.4 million in the same period last year.

Reported Consolidated Income Statement

EUR million	Jan-Mar 2025			Jan-Mar 2024		
	Result Excl. SDIs	SDIs	Reported	Result Excl. SDIs	SDIs	Reported
Revenue	919.9	-	919.9	834.4	-	834.4
Operating expenses	(502.4)	(9.0)	(511.4)	(460.9)	(5.8)	(466.7)
Other income	1.1	-	1.1	1.1	-	1.1
Adjusted EBITDA	418.6	(9.0)	409.6	374.6	(5.8)	368.8
Depreciation and amortisation	(156.1)	(10.2)	(166.3)	(141.5)	(10.2)	(151.7)
Retirement of assets	(32.0)	-	(32.0)	(29.4)	-	(29.4)
Operating profit	230.5	(19.2)	211.3	203.8	(16.0)	187.8
Interest income and expenses	(107.6)	-	(107.6)	(117.2)	-	(117.2)
Other financial items	(4.7)	(18.7)	(23.4)	5.4	16.6	22.0
Profit before tax	118.2	(37.9)	80.4	91.9	0.6	92.5
Income tax expense			(39.4)			(28.5)
Net profit for the period			41.0			64.0

Separately disclosed items (SDIs)

SDIs affecting operating expenses

In the first quarter of 2025, total SDIs affecting operating expenses reached EUR 9.0 million, compared to EUR 5.8 million in the same period last year. SDIs affecting operating expenses include one-off costs related to various transition projects within the Group.

SDIs affecting depreciation and amortisation

In the first quarter of 2025, SDIs affecting depreciation and amortisation from acquisition-related intangible assets reached EUR 10.2 million, compared to EUR 10.2 million in the same period last year.

SDIs affecting other financial items

SDIs affecting other financial items totalled a cost of EUR 18.7 million in the first quarter of 2025, compared to an income of EUR 16.6 million in the same period last year. In the three months ending March 31, 2025, other financial items included negative non-cash FX revaluations of debt items and

unrealised derivatives of EUR 14.8 million and amortisation of prepaid financing fees of EUR 3.9 million. In the three months ending March 31, 2024, other financial items included positive non-cash FX revaluations of debt items and unrealised derivatives of EUR 21.5 million, partially offset by amortisation of prepaid financing fees of EUR 3.9 million, a negative IFRS 9 adjustment related to the modification of loan agreements of EUR 0.9 million, and a negative impact from realised derivatives of EUR 0.2 million.

Income tax expense

In the three months ending March 31, 2025, income tax represented a charge of EUR 39.4 million, compared to a charge of EUR 28.5 million in the same period last year. In the first quarter of the year, current tax totalled an expense of EUR 33.3 million, compared to EUR 27.7 million in the same period last year, and deferred tax totalled an expense of EUR 6.1 million compared to EUR 0.8 million in the same period last year.

Cash Flow

Cash Flow for the Three Months Ending March 31, 2025, and 2024

EUR million	Jan-Mar 2025	Jan-Mar 2024
Cash flow from operating activities before change in working capital	391.5	364.0
Change in working capital ¹	(57.7)	9.9
Cash flow from operating activities²	333.8	373.9
Cash flow from investing activities	(239.4)	(219.5)
Cash flow from financing activities ^{1,3}	(96.0)	(130.3)
Cash flow for the period	(1.6)	24.0
Cash and cash equivalents at beginning of period	29.8	21.3
Effects of exchange rate changes on cash and cash equivalents	(0.4)	(0.1)
Cash and cash equivalents at end of period	27.9	45.2

1) Refer to Note 1 Accounting policies.

2) Cash flow from financing activities includes paid interest.

3) Cash flow from operating activities is calculated after giving effect to income tax paid.

Cash flow from operating activities

Cash flow from operating activities reached EUR 333.8 million and EUR 373.9 million in the three months ending March 31, 2025, and 2024, respectively. Cash flow from operating activities before change in working capital increased from EUR 364.0 million in the first quarter of 2024, to EUR 391.5 million in the first quarter of 2025, mainly driven by higher operating profit. Change in working capital had a negative impact on cash flow generation of EUR 57.7 million in the first quarter of 2025, compared to a positive impact of EUR 9.9 million in the same period last year. Year on year development mainly relates to the negative effect on cash flow generation from trade receivables, other receivables and other payables.

Cash flow from investing activities

Cash flow from investing activities totalled an outflow of EUR 239.4 million and EUR 219.5 million in the three months ending March 31, 2025, and 2024, respectively. Our investing activities are primarily related to Customer acquisition capital expenditures. The increase in cash outflow is mainly driven by increased investments in our growing customer base, higher upselling activity to existing customers and higher investment in R&D, product and service innovation, and software engineering.

Cash flow from financing activities

Cash flow from financing activities totalled an outflow of EUR 96.0 million and EUR 130.3 million in the three months ending March 31, 2025, and 2024, respectively. Key components in the three months ending March 31, 2025, include net interest payments of EUR 132.9 million and other financial items of EUR 2.0 million partially offset by a positive net change in borrowings of EUR 38.9 million. Compared to the same period last year, net interest payments increased by EUR 15.0 million, from EUR 147.9 million, mainly due to increases in the amount of gross debt and increases in the cost of debt.

Capital Expenditures

The Group's capital expenditures primarily consist of (i) Customer acquisition capital expenditures, which include purchases of equipment for new customers and incremental direct costs related to the acquisition of customer contracts; (ii) Portfolio services capital expenditures, which relate to new equipment and related direct costs for existing customers; (iii) Adjacencies capital expenditures, which include incremental direct costs related to the acquisition of customer contracts

within our Adjacencies segment; and (iv) other capital expenditures related to investments in R&D, IT and premises. The costs of the alarm equipment installed in connection with newly acquired subscribers are capitalised as tangible fixed assets to the extent we retain ownership of the equipment. The Group also capitalises the incremental direct costs to obtain new customer contracts as intangible fixed assets.

Capital Expenditures for the Three Months Ending March 31, 2025, and 2024

EUR million	Jan-Mar 2025	Jan-Mar 2024
Customer acquisition, material	82.3	86.2
Customer acquisition, incremental direct costs	65.2	60.7
Portfolio services	47.6	34.5
Adjacencies	1.5	4.6
Capital expenditures, other	42.7	33.1
Total	239.3	219.2

Capital expenditures reached EUR 239.3 million in the three months ending March 31, 2025, compared to EUR 219.2 million in the same period last year. The increase was mainly driven by increased investments in our growing customer base, higher upselling activity to existing customers and higher investment in R&D, product and service innovation, and software engineering. The reduction in capital expenditures from material is driven by lower material costs.

Liquidity, Liabilities and Financing Agreements

Our primary sources of liquidity are cash flow from operations, as well as borrowings under our EUR 700 million Revolving Credit Facility. Our primary liquidity requirements are funding of our Customer acquisition operations, servicing of our debt, and other general corporate expenditure.

Available Funds as of March 31, 2025, and 2024

EUR million	Mar 2025	Mar 2024	Dec 2024
Revolving credit facility	700.0	700.0	700.0
Cash and cash equivalents	27.9	45.2	29.8
Drawn facility amount	(292.6)	(230.0)	(200.0)
Utilised letters of credit	(20.9)	(21.0)	(21.0)
Total available funds	414.3	494.3	508.8

Financial Indebtedness as of March 31, 2025, and 2024

EUR million	Mar 2025	Mar 2024	Dec 2024
Revolving credit facility	292.6	230.0	200.0
Term loan B	2,525.0	2,800.0	2,525.0
Senior secured notes	3,325.0	2,900.0	3,325.0
Senior unsecured notes	1,313.3	1,305.2	1,305.9
Other liabilities	58.2	54.2	70.7
Lease liabilities	193.9	180.9	191.0
Total indebtedness	7,708.0	7,470.3	7,617.6

Risks and Uncertainties

A detailed presentation of risks and a sensitivity analysis can be found in the Financial Risk Management section (note 22) and in the Risks and Uncertainties section of the 2024 Verisure Midholding AB's annual report.

Events During the Reporting Period

On March 1st, 2025, Graeme Pitkethly joined our Board (the Board of Directors of Verisure Group Topholding AB) to serve as independent chair of our Audit Committee. Graeme brings very significant experience to our company at this important stage of our development. He had a highly successful 22-year career at Unilever. Graeme was Group CFO for over 8 years, and prior to his appointment as CFO, he was responsible for their UK and Ireland business. Graeme served on the Unilever board until December 2023.

Events After the Reporting Period

There have been no significant events after the reporting period.

Unaudited Consolidated Financial Statements

Consolidated Income Statement

EUR thousand	Note	Jan-Mar 2025	Jan-Mar 2024
Revenue	3	919,897	834,430
Cost of sales		(498,033)	(448,977)
Gross profit		421,864	385,454
Selling expenses		(103,258)	(98,307)
Administrative expenses		(108,411)	(100,483)
Other income		1,117	1,098
Operating profit		211,312	187,763
Financial income		281	30,237
Financial expenses		(131,223)	(125,486)
Profit before tax		80,370	92,514
Income tax expense		(39,397)	(28,478)
Net profit for the period		40,973	64,036

Consolidated Statement of Comprehensive Income

EUR thousand	Note	Jan-Mar 2025	Jan-Mar 2024
Net profit for the period		40,973	64,036
Items that may be reclassified to the consolidated income statement			
Change in hedging reserve		(10,475)	5,745
Currency translation differences on foreign operations		24,478	(16,658)
Income tax related to these items		2,158	(1,183)
Items that may be reclassified to the consolidated income statement		16,161	(12,096)
Other comprehensive income		16,161	(12,096)
Total comprehensive income for the period		57,134	51,940

Consolidated Statement of Financial Position

EUR thousand	Note	Mar 2025	Mar 2024	Dec 2024
Assets				
Non-current assets				
Property, plant and equipment		1,617,272	1,481,313	1,574,056
Right-of-use assets		193,347	178,204	190,600
Goodwill		766,223	756,315	753,093
Customer portfolio		1,204,993	1,115,919	1,176,155
Other intangible assets		348,883	336,744	343,410
Deferred tax assets		133,952	110,823	136,921
Derivatives	4	-	12,744	-
Trade and other receivables ¹	4	180,816	227,787	139,926
Total non-current assets		4,445,486	4,219,849	4,314,161
Current assets				
Inventories		336,742	324,919	316,233
Trade receivables ¹	4	282,703	166,210	316,340
Current tax assets		16,591	12,085	24,506
Derivatives	4	1,582	2,247	21,689
Prepayments and accrued income ¹		119,639	91,196	94,128
Other current receivables	4	105,539	58,317	79,601
Cash and cash equivalents	4	27,880	45,248	29,829
Total current assets		890,676	700,222	882,326
Total assets		5,336,161	4,920,071	5,196,487

1) Refer to Note 1 Accounting policies.

Consolidated Statement of Financial Position

EUR thousand	Note	Mar 2025	Mar 2024	Dec 2024
Equity and liabilities				
Equity				
Share capital		56	56	56
Other paid in capital		630,742	629,105	630,339
Translation reserve		(72,597)	(81,609)	(97,075)
Hedging reserve		(1,069)	1,325	7,248
Retained earnings		(4,625,063)	(4,745,971)	(4,666,036)
Total equity		(4,067,931)	(4,197,094)	(4,125,468)
Non-current liabilities				
Long-term borrowings ¹	4, 5	7,687,174	7,536,702	7,579,974
Derivatives	4	23,273	10,976	24,877
Other non-current liabilities ¹	4	110,325	105,655	137,031
Deferred tax liabilities		226,274	211,851	222,815
Other provisions		40,281	36,673	42,100
Total non-current liabilities		8,087,326	7,901,858	8,006,797
Current liabilities				
Trade payables	4	192,819	166,411	176,008
Current tax liabilities		111,807	111,109	104,158
Short-term borrowings ¹	4, 5	294,283	236,365	357,517
Derivatives	4	5,221	604	30
Accrued expenses and deferred income ¹	4	617,276	608,317	576,743
Other current liabilities	4	95,359	92,503	100,704
Total current liabilities		1,316,766	1,215,307	1,315,159
Total liabilities		9,404,092	9,117,165	9,321,955
Total equity and liabilities		5,336,161	4,920,071	5,196,487

1) Refer to Note 1 Accounting policies.

Consolidated Statement of Changes in Equity

EUR thousand	Attributable to equity holders of the parent company					
	Share capital	Other paid in capital	Translation reserve	Hedging reserve	Retained earnings	Total
Balance as of January 1, 2025	56	630,339	(97,075)	7,248	(4,666,036)	(4,125,468)
Net profit for the period	-	-	-	-	40,973	40,973
Other comprehensive income	-	-	24,478	(8,317)	-	16,161
<i>Total comprehensive income</i>	-	-	24,478	(8,317)	40,973	57,134
Transactions with owners						
Shareholder's contribution	-	403	-	-	-	403
<i>Total transactions with owners</i>	-	403	-	-	-	403
Balance as of March 31, 2025	56	630,742	(72,597)	(1,069)	(4,625,063)	(4,067,931)

EUR thousand	Attributable to equity holders of the parent company					
	Share capital	Other paid in capital	Translation reserve	Hedging reserve	Retained earnings	Total
Balance as of January 1, 2024	56	628,641	(64,951)	(3,237)	(4,789,746)	(4,229,237)
Net profit for the period	-	-	-	-	64,036	64,036
Other comprehensive income	-	-	(16,658)	4,562	-	(12,096)
<i>Total comprehensive income</i>	-	-	(16,658)	4,562	64,036	51,940
Transactions with owners						
Dividend	-	-	-	-	(20,491)	(20,491)
Group contribution	-	-	-	-	230	230
Shareholder's contribution	-	464	-	-	-	464
<i>Total transaction with owners</i>	-	464	-	-	(20,261)	(19,797)
Balance as of March 31, 2024	56	629,105	(81,609)	1,325	(4,745,971)	(4,197,094)

EUR thousand	Attributable to equity holders of the parent company					
	Share capital	Other paid in capital	Translation reserve	Hedging reserve	Retained earnings	Total
Balance as of January 1, 2024	56	628,641	(64,951)	(3,237)	(4,789,746)	(4,229,237)
Net profit for the period	-	-	-	-	144,497	144,497
Other comprehensive income	-	-	(32,124)	10,485	(458)	(22,097)
<i>Total comprehensive income</i>	-	-	(32,124)	10,485	144,039	122,400
Transactions with owners						
Dividend	-	-	-	-	(20,491)	(20,491)
Group contribution	-	-	-	-	162	162
Shareholder's contribution	-	1,698	-	-	-	1,698
<i>Total transactions with owners</i>	-	1,698	-	-	(20,329)	(18,631)
Balance as of December 31, 2024	56	630,339	(97,075)	7,248	(4,666,036)	(4,125,468)

Consolidated Statement of Cash Flows

EUR thousand	Jan-Mar 2025	Jan-Mar 2024
Operating activities		
Operating profit	211,312	187,762
Adjustment of depreciation and amortisation	166,284	151,687
Adjustment for other non-cash items	31,944	29,763
Paid taxes	(18,054)	(5,191)
Cash flow from operating activities before change in working capital	391,486	364,022
Change in working capital		
Change in inventories	(19,830)	(27,693)
Change in trade receivables ¹	(3,505)	6,241
Change in other receivables	(49,841)	(27,381)
Change in trade payables	13,795	(4,008)
Change in other payables ¹	1,659	62,721
<i>Cash flow from change in working capital</i>	<i>(57,722)</i>	<i>9,879</i>
Cash flow from operating activities	333,764	373,901
Investing activities		
Net investments in intangible and financial assets	(114,834)	(101,026)
Net investments in property, plant and equipment	(124,536)	(118,513)
Cash flow from investing activities	(239,370)	(219,540)
Financing activities		
Change in borrowings ¹	38,938	18,436
Interest received	288	579
Interest paid	(133,233)	(148,512)
Other financial items	(1,960)	(844)
Cash flow from financing activities	(95,967)	(130,340)
Cash flow for the period	(1,573)	24,022
Cash and cash equivalents at start of period	29,829	21,319
Effects of exchange rate changes on cash and cash equivalents	(377)	(92)
Cash and cash equivalents at end of period	27,880	45,248

1) Refer to Note 1 Accounting policies.

Notes to the Unaudited Consolidated Financial Statements

Note 1 Accounting Policies

Basis of presentation and accounting periods

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The report includes both the financial statements of the Group and separate financial statements for the parent company.

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union. The most important accounting principles under IFRS, which is the basis for the preparation of this interim report, can be found in note 2 in the annual report for 2024. The accounting policies are unchanged compared with those applied in 2024.

These consolidated financial statements should be read in conjunction with the annual report 2024. The consolidated interim financial statements have not been audited.

Update of comparative financial statements

The Group has restated the consolidated statement of financial position and consolidated statement of cash flows in the first three quarters of 2024, to correctly reflect under IFRS 9 a pre-existing factoring agreement with a financial institution, where a contractual term changed in 2020. There is no impact on the consolidated income statement or on shareholder's equity.

Previously reported figures in the consolidated statements of financial position as per Mar 2024 were as follows: Trade and other receivables EUR 100,599 thousand, Trade receivables EUR 193,920 thousand, Prepayments and accrued income EUR 104,473 thousand, Long-term borrowings EUR 7,314,536 thousand, Other non-current liabilities EUR 200,633 thousand, Short-term borrowings EUR 146,950 thousand, Accrued expenses and deferred income EUR 738,719 thousand.

Previously reported figures in the consolidated statements of cash flows, for the quarter ended March 2024: Change in trade receivables EUR (4,633) thousand, Change in other payables EUR 79,262 thousand, Change in borrowings EUR 12,769 thousand.

Note 2 Critical Accounting Estimates and Judgments

When applying the Group's accounting policies, Management makes assumptions and estimates concerning the future that affect the carrying amounts of assets and liabilities at the balance sheet date, the disclosure of contingencies that existed at the balance sheet date and the amounts of revenue and expenses recognised during the accounting period. Such assumptions and estimates are based on factors such as historical experience, the observance of trends in the industries in which the Group operates and information available from the Group's customers and other outside sources.

Due to the inherent uncertainty involved in making assumptions and estimates, actual outcomes could differ from those assumptions and estimates. An analysis of key areas of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of the Group's assets and liabilities within the next financial year is described in note 3 in the annual report for 2024. There have been no significant changes compared to what is described in the annual report.

Note 3 Segment Reporting

The Group's operating segments are identified by grouping together the business by revenue stream, as this is the basis on which information is provided to the chief operating decision maker (CODM) for the purposes of allocating resources within the Group and assessing the performance of the Group's businesses. The Group has identified the Management team as its CODM. The segments identified based on the Group's operating activities are Customer acquisition,

Portfolio services and Adjacencies. The Customer acquisition segment develops, sources, purchases, provides and installs alarm systems for new customers in return for an installation fee. The Portfolio services segment provides monitoring and maintenance services to existing customers for a monthly subscription fee. The Adjacencies segment captures the sale of remote monitoring services for senior citizens and the sale of internet connected cameras under the Arlo brand.

EUR thousands	Jan-Mar 2025					
	Customer Acquisition	Portfolio Services	Adjacencies	Total Group –Excl. SDIs	SDIs	Group Total
Revenue	98,252	796,973	24,673	919,897	-	919,897
Adjusted EBITDA	(171,392)	583,803	6,208	418,619	(9,018)	409,602
Depreciation and amortisation	-	-	-	(156,116)	(10,169)	(166,285)
Retirements of assets	-	-	-	(32,004)	-	(32,004)
Financial items	-	-	-	(112,272)	(18,671)	(130,943)
Profit before tax	-	-	-	118,228	(37,858)	80,370

EUR thousands	Jan-Mar 2024					
	Customer Acquisition	Portfolio Services	Adjacencies	Total Group –Excl. SDIs	SDIs	Group Total
Revenue	95,545	716,698	22,187	834,430	-	834,430
Adjusted EBITDA	(148,200)	518,710	4,134	374,643	(5,801)	368,842
Depreciation and amortisation	-	-	-	(141,459)	(10,226)	(151,685)
Retirements of assets	-	-	-	(29,395)	-	(29,395)
Financial items	-	-	-	(111,854)	16,605	(95,249)
Profit before tax	-	-	-	91,935	578	92,514

Note 4 Financial Risk Management

Financial Instruments by Category and Valuation Level

EUR thousand	Mar 2025		Mar 2024		Dec 2024	
	Financial Asset	Financial Liability	Financial Asset	Financial Liability	Financial Asset	Financial Liability
Hedge accounting						
FX forwards ¹	1,577	2,924	2,222	554	9,127	-
Fair value						
FX swaps ¹	6	129	25	50	-	30
Cross currency swaps ¹	-	2,168	12,744	-	12,561	-
Interest rate swaps ¹	-	23,273	-	10,976	-	24,877
Trade and other receivables ²	11,400	-	11,400	-	11,400	-
Amortised cost						
Trade and other receivables, non-current ³	164,094	-	211,824	-	124,756	-
Trade receivables, current ^{3,4}	282,703	-	166,210	-	316,340	-
Other current receivables ⁴	44,176	-	24,712	-	27,887	-
Cash and cash equivalent	27,880	-	45,248	-	29,829	-
Long-term borrowings ^{3,5}	-	7,552,174	-	7,409,922	-	7,445,719
Other non-current liabilities ⁵	-	1,188	-	2,382	-	1,129
Trade payables, current ⁴	-	192,819	-	166,411	-	176,008
Accrued expenses, current ⁴	-	205,892	-	230,042	-	188,966
Short-term borrowings ^{3,4,5}	-	235,374	-	182,258	-	300,793
Other current liabilities ⁴	-	30,366	-	37,263	-	45,729

1) All derivatives measured at fair value are classified as level 2. All significant inputs are observable.

2) These trade and other receivables measured at fair value are classified as level 3. Significant inputs are unobservable.

3) Refer to Note 1 Accounting policies.

4) Due to the short-term nature of trade receivables, other current receivables, trade payables, accrued expenses, short-term borrowings and other current liabilities, their carrying amount is assumed to be the same as their fair value.

5) Details of borrowings are presented in note 5.

Note 5 Borrowings

EUR thousand	Mar 2025			Mar 2024			Dec 2024		
	Principal amount	Adjustment amortised costs	Carrying amount	Principal amount	Adjustment amortised costs	Carrying amount	Principal amount	Adjustment amortised costs	Carrying amount
Non-current liabilities									
Secured									
Senior Secured Notes	3,325,000	(17,176)	3,307,824	2,900,000	(18,931)	2,881,069	3,325,000	(18,816)	3,306,184
Term Loan B ¹	2,525,000	(18,406)	2,506,594	2,800,000	(30,729)	2,769,271	2,525,000	(19,657)	2,505,343
Revolving Credit Facility	292,636	(5,408)	287,228	230,000	(7,417)	222,583	200,030	(5,923)	194,108
Unsecured									
Senior Unsecured Notes	1,313,262	(8,897)	1,304,364	1,305,152	(10,882)	1,294,270	1,305,901	(9,404)	1,296,497
Liabilities to other creditors ²	146,163	-	146,163	242,728	-	242,728	143,587	-	143,587
Lease liabilities	135,000	-	135,000	126,781	-	126,781	134,255	-	134,255
Long-term borrowings	7,737,061	(49,887)	7,687,174	7,604,660	(67,958)	7,536,702	7,633,774	(53,800)	7,579,974
Current liabilities									
Accrued interest expenses	58,801	-	58,801	59,170	-	59,170	84,234	-	84,234
Other liabilities ²	176,573	-	176,573	123,089	-	123,089	216,559	-	216,559
Lease liabilities	58,910	-	58,910	54,107	-	54,107	56,724	-	56,724
Short-term borrowings	294,283	-	294,283	236,365	-	236,365	357,517	-	357,517
Total	8,031,344	(49,887)	7,981,457	7,841,025	(67,958)	7,773,067	7,991,290	(53,800)	7,937,491

1) Included in adjustment amortised cost as per March 31, 2024 is a non-cash adjustment of EUR (8,659) thousand derived from the modification of loan terms during the loan contract period, calculated according to IFRS 9. As a consequence of the refinancing conducted in Q2 2024 no such adjustment existed at March 31, 2025 or December 31, 2024.

2) Refer to Note 1 Accounting policies.

Net Debt and Leverage per Senior Facilities Agreement (SFA)

EUR thousand	Mar 2025	Mar 2024	Dec 2024
Total principal amount (as above)	8,031,344	7,841,025	7,991,290
Less qualified receivables financing	(264,567)	(311,581)	(289,449)
Less accrued interest	(58,801)	(59,170)	(84,234)
Total indebtedness	7,707,977	7,470,275	7,617,608
Less cash and cash equivalents	(27,880)	(45,248)	(29,829)
Net debt	7,680,098	7,425,026	7,587,779
Secured net debt	6,114,757	5,884,752	6,020,202
L2QA Adjusted EBITDA	1,620,958	1,450,563	1,576,514
Total net leverage	4.7x	5.1x	4.8x
Total secured net leverage	3.8x	4.1x	3.8x

Note 6 Pledged Assets and Contingent Liabilities

Pledged Assets

EUR thousand	Mar 2025	Mar 2024	Dec 2024
Shares in subsidiaries	2,806,684	2,498,237	2,649,401
Bank accounts	6,158	15,210	6,229
Accounts receivables	366,797	171,822	363,398
Inventories	2,390	1,007	1,073
Other operating assets	69,158	62,340	65,795
Trademark	32,087	42,803	34,766
Endowment insurance	517	526	500

Contingent Liabilities

EUR thousand	Mar 2025	Mar 2024	Dec 2024
Guarantees	41,273	40,998	41,280

The pledged assets are collateral for bank borrowings. Guarantees relate primarily to warranties provided to suppliers.

Unaudited Parent Company Financial Statements

Parent Company Income Statement

EUR thousand	Note	Jan-Mar 2025	Jan-Mar 2024
Revenue		183	146
Administrative expenses		(2)	(2)
Operating profit		180	144
Dividend		-	20,491
Financial income	2	16,010	11,876
Financial expenses	2	(20,327)	(20,745)
Profit before tax		(4,137)	11,766
Income tax expense		(897)	-
Net profit for the period		(5,034)	11,766

Parent Company Statement of Financial Position

EUR thousand	Note	Mar 2025	Mar 2024	Dec 2024
Assets				
Non-current assets				
Investments in subsidiaries		1,232,538	1,232,538	1,232,538
Receivables from Group companies		657,960	647,413	649,470
Total non-current assets		1,890,498	1,879,951	1,882,008
Current assets				
Receivables from Group companies		65,807	6,148	73,131
Other current receivables		3	-	-
Cash and cash equivalents		983	114	519
Total current assets		66,792	6,263	73,649
Total assets		1,957,290	1,886,214	1,955,658

EUR thousand	Note	Mar 2025	Mar 2024	Dec 2024
Equity and liabilities				
Equity				
Share capital		56	56	56
Other paid in capital		575,227	573,590	574,823
Retained earnings		(87,244)	(106,389)	(82,210)
Total equity		488,039	467,257	492,669
Non-current liabilities				
Long-term borrowings	3	1,304,365	1,294,270	1,296,497
Liabilities to Group companies		152,563	113,438	128,073
Total non-current liabilities		1,456,928	1,407,708	1,424,571
Current liabilities				
Current tax liabilities		455	-	8,228
Liabilities to Group companies		2,812	1,925	5,631
Accrued expenses and deferred income	3	9,056	9,323	24,559
Total current liabilities		12,324	11,249	38,419
Total liabilities		1,469,251	1,418,957	1,462,989
Total equity and liabilities		1,957,290	1,886,214	1,955,658

Parent Company Statement of Changes in Equity

EUR thousand	Attributable to equity holders of the parent company			
	Share capital	Other paid in capital	Retained earnings	Total
Balance as of January 1, 2025	56	574,823	(82,210)	492,669
Net profit for the period	-	-	(5,034)	(5,034)
Shareholder's contribution	-	404	-	404
Balance as of March 31, 2025	56	575,227	(87,244)	488,039

EUR thousand	Attributable to equity holders of the parent company			
	Share capital	Other paid in capital	Retained earnings	Total
Balance as of January 1, 2024	56	573,125	(97,663)	475,518
Net profit for the period	-	-	11,766	11,766
Dividend	-	-	(20,491)	(20,491)
Shareholder's contribution	-	465	-	465
Balance as of March 31, 2024	56	573,590	(106,389)	467,257

EUR thousand	Attributable to equity holders of the parent company			
	Share capital	Other paid in capital	Retained earnings	Total
Balance as of January 1, 2024	56	573,125	(97,663)	475,518
Net profit for the period	-	-	35,944	35,944
Dividend	-	-	(20,491)	(20,491)
Shareholder's contribution	-	1,698	-	1,698
Balance as of December 31, 2024	56	574,823	(82,210)	492,669

Parent Company Statement of Cash Flows

EUR thousand	Jan-Mar 2025	Jan-Mar 2024
Operating activities		
Operating profit	180	144
Paid taxes	(8,670)	-
Cash flow from operating activities before change in working capital	(8,489)	144
Change in working capital		
Change in other receivables	(90)	(350)
Change in other payables	471	(49)
<i>Cash flow from change in working capital</i>	381	(399)
Cash flow from operating activities	(8,108)	(255)
Investing activities		
Cash flow from investing activities	-	-
Financing activities		
New loans from Group companies	24,441	15,640
Other financial items	266	(98)
Interest received	22,438	21,819
Interest paid	(38,572)	(37,735)
Cash flow from financing activities	8,572	(373)
Cash flow for the period	464	(628)
Cash and cash equivalents at start of period	519	743
Cash and cash equivalents at end of period	983	114

Notes to the Unaudited Parent Company Financial Statements

Note 1 Accounting Policies

The parent company Verisure Midholding AB (publ) applies the Swedish Financial Reporting Board's recommendation "RFR 2". The accounting policies are unchanged compared with those applied in 2024. These financial statements should be read in conjunction with the annual report 2024.

Note 2 Financial Income and Expenses

EUR thousand	Jan-Mar 2025	Jan-Mar 2024
Interest income	9	7
Interest income from Group companies	11,834	11,869
Other financial income	4,166	-
Financial income	16,010	11,876
Interest expense	(18,327)	(18,665)
Interest expense to Group companies	(1,407)	(1,074)
Other financial expenses	(594)	(1,007)
Financial expenses	(20,327)	(20,745)

Note 3 Borrowings

EUR thousand	Mar 2025			Mar 2024		
	Current liabilities	Non-current liabilities	Total	Current liabilities	Non-current liabilities	Total
Unsecured						
Senior Unsecured Notes	9,044	1,304,365	1,313,409	9,311	1,294,270	1,303,581
Total (carrying amount)	9,044	1,304,365	1,313,409	9,311	1,294,270	1,303,581

EUR thousand	Dec 2024		
	Current liabilities	Non-current liabilities	Total
Unsecured			
Senior Unsecured Notes	24,549	1,296,497	1,321,047
Total (carrying amount)	24,549	1,296,497	1,321,047

Quarterly Summary

Key Figures

EUR thousand (unless otherwise stated)	Jan-Mar 2025	Oct-Dec 2024	Jul-Sep 2024	Apr-Jun 2024	Jan-Mar 2024
Consolidated					
Non-IFRS and IFRS financial data					
Revenue ¹	919,897	870,230	854,269	849,089	834,430
Revenue growth, %	10.2%	10.8%	9.4%	10.9%	10.1%
Adjusted EBITDA	418,619	381,860	396,397	381,097	374,643
Adjusted EBITDA margin, %	45.5%	43.9%	46.4%	44.9%	44.9%
Adjusted EBITDA incl. SDIs	409,602	370,800	388,578	373,628	368,842
Adjusted EBITDA margin incl. SDIs, %	44.5%	42.6%	45.5%	44.0%	44.2%
Adjusted EBIT	230,499	195,646	212,534	207,057	203,790
Adjusted EBIT margin, %	25.1%	22.5%	24.9%	24.4%	24.4%
Operating profit ¹	211,312	174,592	194,662	185,581	187,763
Capital expenditures	239,286	263,622	214,170	222,803	219,183
Net debt per SFA	7,680,098	7,587,779	7,497,301	7,463,808	7,425,026
Unaudited operating data					
Acquisition multiple, ratio	3.6	3.9	3.6	3.5	3.5
Portfolio services segment					
Non-IFRS and IFRS financial data					
Portfolio services revenue ¹	796,973	754,822	744,731	731,558	716,698
Portfolio services adjusted EBITDA	583,803	549,104	543,360	530,698	518,710
Portfolio services adjusted EBITDA margin, %	73.3%	72.7%	73.0%	72.5%	72.4%
Unaudited operating data					
Total subscribers (end of period), units	5,722,472	5,611,685	5,501,761	5,395,406	5,282,075
Cancellation, units	106,327	101,451	97,493	101,049	101,101
LTM attrition rate, %	7.4%	7.4%	7.5%	7.6%	7.6%
Quarterly attrition rate (annualised), %	7.5%	7.3%	7.1%	7.6%	7.7%
Net subscriber growth, units	110,787	109,924	106,355	113,331	109,043
Subscriber growth rate, net, %	8.3%	8.5%	8.5%	8.6%	8.7%
Monthly average number of subscribers during the period, units	5,656,131	5,560,522	5,456,924	5,328,889	5,220,295
Average monthly revenue per user (ARPU), EUR	47.0	45.2	45.5	45.8	45.8
Monthly adjusted EBITDA per customer (EPC), EUR	34.4	32.9	33.2	33.2	33.1
Customer acquisition segment					
Non-IFRS and IFRS financial data					
Customer acquisition revenue ¹	98,252	90,658	86,456	94,709	95,545
Customer acquisition adjusted EBITDA	(171,392)	(172,780)	(152,015)	(154,474)	(148,200)
Customer acquisition capital expenditures	147,532	149,162	140,413	143,951	146,926
Unaudited operating data					
New subscribers added (gross), units	217,114	211,375	203,848	214,379	210,144
Cash acquisition cost per new subscriber (CPA), EUR	1,469	1,523	1,435	1,392	1,404
Adjacencies segment					
Non-IFRS and IFRS financial data					
Adjacencies revenue ¹	24,673	24,749	23,082	22,822	22,187
Adjacencies adjusted EBITDA	6,208	5,536	5,052	4,873	4,134

1) IFRS financial data.

Non-IFRS measures

The Group uses financial measures to assess the business which are not defined by IFRS. These measures are included in this report and are not to be considered a substitute for the Group's financial statements but instead important complementary measures of the operating performance of the Group.

Adjusted EBITDA

Adjusted EBITDA is earnings before interests, taxes, depreciation and amortisation, write offs and SDIs.

Calculation of Adjusted EBITDA

EUR thousands	Jan-Mar 2025	Jan-Mar 2024
Operating profit according to consolidated income statement	211,312	187,763
Depreciation and amortisation add-back	166,285	151,685
Retirement of assets add-back	32,004	29,395
Separately disclosed items add-back	9,018	5,801
Adjusted EBITDA	418,619	374,643
Whereof adjusted EBITDA customer acquisition	(171,392)	(148,200)
Whereof adjusted EBITDA portfolio services	583,803	518,710
Whereof adjusted EBITDA adjacencies	6,208	4,134

Adjusted EBIT

Adjusted EBIT is earnings before interest, taxes and SDIs.

Calculation of Adjusted EBIT

EUR thousands	Jan-Mar 2025	Jan-Mar 2024
Operating profit according to consolidated income statement	211,312	187,763
Separately disclosed items add-back	19,187	16,027
Adjusted EBIT	230,499	203,790

Monthly average revenue per user

Monthly average revenue per user ("ARPU") is our Portfolio services segment revenue, consisting of monthly average subscription fees and sales of additional products and services, divided by the average monthly number of subscribers during the relevant period.

Calculation of ARPU

EUR thousands	Jan-Mar 2025	Jan-Mar 2024
Portfolio services segment revenue	796,973	716,698
Monthly average portfolio services segment revenue	265,658	238,899
Monthly average number of subscribers during the period, units	5,656,131	5,220,295
Monthly average portfolio services segment revenue divided by monthly average number of subscribers during the period – ARPU (EUR)	47.0	45.8

Monthly adjusted EBITDA per customer

Monthly adjusted EBITDA per customer ("EPC") is calculated by dividing the total monthly adjusted EBITDA from managing our existing subscriber portfolio (which is our portfolio services adjusted EBITDA) by the average number of subscribers.

Calculation of EPC

EUR thousands	Jan-Mar 2025	Jan-Mar 2024
Portfolio services segment adjusted EBITDA	583,803	518,710
Monthly average portfolio services segment adjusted EBITDA	194,601	172,903
Monthly average number of subscribers during the period, units	5,656,131	5,220,295
Monthly average portfolio services segment adjusted EBITDA divided by monthly average number of subscribers during the period – EPC (EUR)	34.4	33.1

Cash acquisition cost per new subscriber

Cash acquisition cost per new subscriber ("CPA") is the net investment required to acquire a new subscriber, including costs related to the marketing and sales process, installation of the alarm system, costs of alarm system products and overhead expenses for the Customer acquisition process. The metric is calculated net of any revenues from installation fees charged to the new subscriber and represents the sum of adjusted EBITDA plus capital expenditures in our Customer acquisition segment on average for every subscriber acquired.

Calculation of CPA

EUR thousands	Jan-Mar 2025	Jan-Mar 2024
Customer acquisition adjusted EBITDA	(171,392)	(148,200)
Customer acquisition capital expenditure	(147,532)	(146,926)
Customer acquisition cost	(318,924)	(295,126)
New subscribers added, units	217,114	210,144
Customer acquisition cost divided by new subscribers added (gross) - CPA (EUR)	1,469	1,404

Acquisition multiple

Acquisition multiple represents the ratio between the initial capital investment made to acquire a new customer ("CPA"), and the annualised adjusted EBITDA per subscriber ("EPC"). It is calculated as CPA divided by EPC, divided by 12.

Calculation of Acquisition multiple

EUR thousands	Jan-Mar 2025	Jan-Mar 2024
Cash acquisition cost per new subscriber ("CPA")	1,469	1,404
Monthly adjusted EBITDA per subscriber ("EPC")	34.4	33.1
CPA divided by EPC divided by 12	3.6	3.5

Definitions of Key Operating Metrics

The Group Management uses a number of key operating metrics, in addition to IFRS financial measures, to evaluate, monitor and manage our business. The non-IFRS operational and statistical information related to the Group's operations included in this section is unaudited and has been derived from internal reporting systems. Although none of these metrics are measures of financial performance under IFRS, Management consider that these metrics provide important insight into the operations and strength of the Group's business and enable users of the financial statements to assess business performance. These metrics may not be comparable to similar terms used by competitors or other companies, and from time to time the Group may change our definitions of these metrics. These metrics include the following:

Adjusted EBITDA

Earnings before interests, taxes, depreciation, and amortisation, write offs and separately disclosed items.

Adjusted EBIT

Earnings before interests, taxes and separately disclosed items.

LTM attrition rate

The LTM attrition rate is the number of terminated subscriptions to our monitoring service in the last 12 months, divided by the average number of subscribers for the last 12 months.

Quarterly attrition rate (annualised)

The quarterly attrition rate is the number of terminated subscriptions to our monitoring service in the quarter, annualised and divided by the average number of subscribers in the quarter.

Monthly average revenue per user

Monthly average revenue per user ("ARPU") is our Portfolio services segment revenue, consisting of monthly average subscription fees and sales of additional products and services, divided by the average number of subscribers during the relevant period.

Cancellations

Total number of cancelled subscriptions during the period including cancellations on acquired portfolios.

Cash acquisition cost per new subscriber

Cash acquisition cost per new subscriber ("CPA") is the net investment required to acquire a subscriber, including costs related to the marketing and sales process, installation of the alarm system, costs of alarm system products and overhead expenses for the Customer acquisition process. The metric is calculated net of any revenues from installation fees charged to the subscriber and represents the sum of adjusted EBITDA plus capital expenditures in our Customer acquisition segment on average for every subscriber acquired.

Monthly adjusted EBITDA per subscriber

Monthly adjusted EBITDA per subscriber ("EPC") is calculated by dividing the total monthly adjusted EBITDA from managing our existing subscriber portfolio (which is our adjusted EBITDA from portfolio services) by the average number of subscribers.

Net debt

The sum of financial indebtedness, defined as interest bearing debt from external counterparties, excluding accrued interest less the sum of available cash and financial receivables.

New subscribers added (gross)

Total number of new subscribers added.

Acquisition multiple

Acquisition multiple represents the ratio between the initial capital investment made to acquire a new customer ("CPA"), and the annualised adjusted EBITDA per subscriber ("EPC").

Retirement of assets

The residual values of an asset that will no longer be used in the operations are recognised as a cost in the income statement.

Separately disclosed items

Separately disclosed items (SDIs) are income and costs that have been recognised in the income statement which Management assesses, due to their nature or size, should be disclosed separately to give a more comparable view of the year-on-year financial performance. Such items could be projects related to organisation effectiveness, M&A, transformational and capital structure.

Subscriber growth rate

Number of subscribers at end of period divided by number of subscribers 12 months ago.

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