

VERISURE MIDHOLDING AB

Interim report 2025

JANUARY-JUNE



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 that may risk the safety, wellbeing or condition of our customers and their properties. We protect a portfolio of over 5.8 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 and resilient 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 second 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 5.8 million, representing an annual growth rate of +8.1% 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. Investment in innovation increases usage by existing customers, supports volume growth and our premium positioning – while also reducing costs to improve margins over time.

Financial summary of the quarter and the six months ending June 30, 2025

We added 217,285 new customers to our portfolio in the quarter and 434,399 customers during the first six months of the year, representing an increase of +1.4% and +2.3%, respectively. We remain disciplined and focused on high-quality customer intake. At the end of the quarter our customer portfolio totalled 5,831,402 subscribers, an increase of 435,996 subscribers or +8.1% year-on-year. LTM attrition rate was 7.4% as of the end of the quarter, down from 7.6% last year.

Total revenue reached EUR 927.9 million in the second quarter of the year, an increase of +9.3% from EUR 849.1 million in the same period last year (+9.6% in constant currency). Portfolio services revenue, representing 86.9% of total revenue in the quarter, increased +10.3% to EUR 806.6 million (+10.5% in constant currency). During the first six months of the year, total revenue increased to EUR 1,847.7 million compared to EUR 1,683.5 million in the same period last year, representing an increase of +9.8% (+10.1% in constant currency). Portfolio services revenue grew +10.7% to EUR 1,603.6 million in the first six months of the year (+11.0% in constant currency).

Adjusted EBITDA increased to EUR 425.9 million in the second quarter of the year, compared to EUR 381.1 million in the same

period last year, an increase of +11.8% (+11.9% in constant currency). Adjusted EBITDA margin was 45.9% in the quarter, compared to 44.9% in the same period last year. For the first six months of the year, adjusted EBITDA increased +11.8% (+11.9% in constant currency). Adjusted EBITDA margin for the six months of 2025 was 45.7%, compared to 44.9% in the same period last year.

Portfolio services adjusted EBITDA increased to EUR 595.3 million in the quarter compared to EUR 530.7 million the same period last year, representing an increase of +12.2% (+12.5% in constant currency). Portfolio services adjusted EBITDA margin was 73.8% in the quarter, compared to 72.5% in the same period last year. In the six months of 2025, portfolio services adjusted EBITDA reached EUR 1,179.1 million, representing an increase of +12.4% (+12.7% in constant currency).

Adjusted EBIT increased to EUR 235.9 million in the quarter compared to EUR 207.1 million in the same period last year, an increase of +13.9% (+13.7% in constant currency). Adjusted EBIT margin increased to 25.4% in the quarter, compared to 24.4% in the same quarter last year. For the first six months of 2025, adjusted EBIT increased +13.5% (+13.4% in constant currency). The adjusted EBIT margin for the six months of 2025 was 25.2%, compared to 24.4% in the same period last year.

ARPU reached EUR 46.6 in the quarter, an increase of +1.9% compared to the same period last year (+2.1% in constant currency). In the first six months of the year, ARPU increased +2.2% compared to last year (+2.5% in constant currency).

EPC increased to EUR 34.4 in the quarter, an increase of +3.6% compared to last year (+4.0% in constant currency). In the first six months of the year, EPC increased +3.8% compared to the same period in 2024 (+4.0% 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 improve value and best protect our customers.

Key figures

EUR thousand (if not otherwise stated)	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Consolidated				
Non-IFRS and IFRS financial data				
Revenue ¹	927,852	849,089	1,847,749	1,683,519
Revenue growth, %	9.3%	10.9%	9.8%	10.5%
Annualised recurring revenue (ARR)	3,262,006	2,962,757	3,274,220	2,962,856
Annualised recurring revenue growth, %	10.1%	12.1%	10.5%	11.7%
Adjusted EBITDA	425,935	381,097	844,554	755,740
Adjusted EBITDA margin, %	45.9%	44.9%	45.7%	44.9%
Adjusted EBITDA incl. SDIs	408,082	373,628	817,684	742,470
Adjusted EBITDA margin incl. SDIs, %	44.0%	44.0%	44.3%	44.1%
Adjusted EBIT	235,891	207,057	466,390	410,847
Adjusted EBIT margin, %	25.4%	24.4%	25.2%	24.4%
Operating profit ¹	208,071	185,581	419,383	373,343
Capital expenditures	238,929	222,803	478,215	441,986
Net debt per SFA	7,732,486	7,463,808	7,732,486	7,463,808
Unaudited operating data				
Acquisition multiple, ratio	3.6	3.5	3.6	3.5
Portfolio services segment				
Non-IFRS and IFRS financial data				
Portfolio services revenue ¹	806,591	731,558	1,603,563	1,448,256
Portfolio services adjusted EBITDA	595,329	530,698	1,179,132	1,049,408
Portfolio services adjusted EBITDA margin, %	73.8%	72.5%	73.5%	72.5%
Unaudited operating data				
Total subscribers (end of period), units	5,831,402	5,395,406	5,831,402	5,395,406
Cancellation, units	108,355	101,049	214,682	202,150
LTM attrition rate, %	7.4%	7.6%	7.4%	7.6%
Quarterly attrition rate (annualised), %	7.5%	7.6%	7.5%	7.6%
Net subscriber growth, units	108,930	113,331	219,717	222,374
Subscriber growth rate, net, %	8.1%	8.6%	8.1%	8.6%
Monthly average number of subscribers during the period, units	5,767,682	5,328,889	5,711,907	5,274,592
Monthly average revenue per user (ARPU), EUR	46.6	45.8	46.8	45.8
Monthly adjusted EBITDA per customer (EPC), EUR	34.4	33.2	34.4	33.2
Customer acquisition segment				
Non-IFRS and IFRS financial data				
Customer acquisition revenue ¹	90,729	94,709	188,980	190,254
Customer acquisition adjusted EBITDA	(174,539)	(154,474)	(345,932)	(302,674)
Customer acquisition capital expenditures	145,718	143,951	293,250	290,877
Unaudited operating data				
New subscribers added (gross), units	217,285	214,379	434,399	424,523
Cost per acquisition (CPA), EUR	1,474	1,392	1,471	1,398
Adjacencies segment				
Non-IFRS and IFRS financial data				
Adjacencies revenue ¹	30,533	22,822	55,206	45,010
Adjacencies adjusted EBITDA	5,146	4,873	11,354	9,006

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 ARR, CPA, ARPU, EPC, adjusted EBITDA and adjusted EBIT. 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. ARR reflects subscription revenues from the Group's customer portfolio. 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 services segment. Adjusted EBITDA, being operating profit excluding depreciation and amortisation, write-offs, and separately disclosed items (SDIs) and adjusted EBIT,

which is operating profit excluding SDIs, are considered by Management to give a fairer view of the year-on-year comparison of financial performance. SDIs are income or costs recognised in the Consolidated Income Statement and which Management assesses, due to their nature, collective size or incident, 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 June 30, 2025, and 2024

Consolidated income statement excluding SDIs

EUR million	Apr-Jun 2025	Apr-Jun 2024	% Change Actual Currency	% Change Constant Currency
Revenue	927.9	849.1	+9.3%	+9.6%
Operating expenses	(503.1)	(469.1)	+7.2%	+7.7%
Other income	1.1	1.1	+0.8%	(3.4%)
Adjusted EBITDA	425.9	381.1	+11.8%	+11.9%
Adjusted EBITDA margin, %	45.9%	44.9%	+102 bps	+95 bps
Depreciation and amortisation	(158.9)	(145.0)	+9.6%	+10.1%
Retirement of assets	(31.2)	(29.0)	+7.3%	+8.6%
Adjusted EBIT	235.9	207.1	+13.9%	+13.7%
Adjusted EBIT margin, %	25.4%	24.4%	+104 bps	+91 bps
Interest income and expenses	(103.7)	(119.6)	(13.3%)	(13.3%)
Other financial items	(3.2)	5.6	(157.3%)	(151.5%)
Profit before tax	129.0	93.1	+38.5%	+37.0%

Revenue by segment

EUR million	Apr-Jun 2025	Apr-Jun 2024	% Change Actual Currency	% Change Constant Currency
Portfolio services	806.6	731.6	+10.3%	+10.5%
Customer acquisition	90.7	94.7	(4.2%)	(3.3%)
Adjacencies	30.5	22.8	+33.8%	+33.8%
Total	927.9	849.1	+9.3%	+9.6%

Revenue

Total revenue increased by +9.3% in the second quarter of 2025, or EUR 78.8 million, to 927.9 million, up from EUR 849.1 million in the same period last year. In constant currency, total revenue increased +9.6%. Revenue increase was primarily driven by the growing customer base, which increased by +8.1%, from 5,395,406 on June 30, 2024, to 5,831,402 on June 30, 2025.

Portfolio services revenue increased by +10.3% in the second quarter of 2025, or EUR 75.0 million, to EUR 806.6 million, up from EUR 731.6 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 +1.9% compared to the same quarter last year. Customer acquisition revenue decreased by -4.2% in the second quarter of 2025, or EUR 4.0 million, to EUR 90.7 million, down from EUR 94.7 in the same period last year. The change between periods is mainly driven by geography and product segmentation.

Operating expenses

Operating expenses increased by +7.2% in the second quarter of 2025, or EUR 33.9 million, to EUR 503.1 million, from EUR 469.1 million in the same period last year. The increase was mainly driven by portfolio growth, although the increase in operating expenses was lower than the growth in portfolio services revenue.

Adjusted EBITDA

Adjusted EBITDA increased by +11.8% in the quarter ending June 30, 2025, or EUR 44.8 million, to EUR 425.9 million, from EUR 381.1 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).

Depreciation and amortisation

Depreciation and amortisation amounted to EUR 158.9 million in the three months ending June 30, 2025, compared to EUR 145.0 million in the same period last year. The increase was 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 amounted to EUR 31.2 million in the second quarter of 2025, compared to EUR 29.0 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 second quarter of 2025 was driven by the increase in cancellations compared to the same period last year. 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 +13.9% to EUR 235.9 million in the second quarter of 2025. Adjusted EBIT margin increased from 24.4% in the second quarter of 2024 to 25.4% in the same period in 2025. The increase was mainly driven by portfolio growth.

Interest income and expenses

Interest income was EUR 0.5 million in the three months ending June 30, 2025, compared to EUR 0.2 million in the same period last year. Interest expenses reached EUR 104.2 million in the three months ending June 30, 2025, compared to EUR 119.9 million in the same period last year. The decrease in interest expense is driven by lower weighted average cost of debt, mainly explained by lower Euribor rates, partially offset by higher gross debt.

Other financial items

Other financial items mainly include commitment fees for our Revolving Credit Facility and Ancillary Facilities, other bank charges, hyperinflation adjustment, and net changes in the fair value from derivatives held for trading (interest rate swaps and cross currency swaps). In the second quarter of 2025, other financial items amounted to a charge of EUR 3.2 million compared to an income of EUR 5.6 million in the same period last year. The difference between the quarters is mainly related to the hyperinflation adjustment, which is negative in the quarter compared to a positive impact in the same quarter last year, as well as a negative development in the fair value of the derivatives held for trading.

Consolidated income statement

EUR million	Apr-Jun 2025			Apr-Jun 2024		
	Result Excl. SDIs	SDIs	Reported	Result Excl. SDIs	SDIs	Reported
Revenue	927.9	-	927.9	849.1	-	849.1
Operating expenses	(503.1)	(17.9)	(520.9)	(469.1)	(7.5)	(476.6)
Other income	1.1	-	1.1	1.1	-	1.1
Adjusted EBITDA	425.9	(17.9)	408.1	381.1	(7.5)	373.6
Depreciation and amortisation	(158.9)	(10.0)	(168.8)	(145.0)	(10.0)	(155.0)
Retirement of assets	(31.2)	-	(31.2)	(29.0)	(4.0)	(33.1)
Operating profit	235.9	(27.8)	208.1	207.1	(21.5)	185.6
Interest income and expenses	(103.7)	-	(103.7)	(119.6)	-	(119.6)
Other financial items	(3.2)	(18.9)	(22.1)	5.6	(12.9)	(7.3)
Profit before tax	129.0	(46.7)	82.2	93.1	(34.4)	58.7
Income tax expense			(40.5)			(39.0)
Net profit for the period			41.8			19.7

Separately disclosed items (SDIs)

SDIs affecting operating expenses

In the second quarter of 2025, total SDIs affecting operating expenses reached EUR 17.9 million, compared to EUR 7.5 million in the same period last year. SDIs affecting operating expenses include one-off costs related to various transition projects, acquisitions and strategic initiatives within the Group.

SDIs affecting depreciation and amortisation

In the second quarter of 2025, SDIs affecting depreciation and amortisation from acquisition-related intangible assets reached EUR 10.0 million, in line with EUR 10.0 million in the same period last year.

SDIs affecting other financial items

SDIs affecting other financial items totalled a cost of EUR 18.9 million in the second quarter of 2025, compared to a cost of EUR 12.9 million in the same period last year. In the three months ending June 30, 2025, other financial items included negative non-cash FX revaluations of debt items and unrealised derivatives of EUR 15.4 million and amortisation of prepaid financing fees of EUR 4.0 million partly offset by realised FX revaluations of derivatives of EUR 0.4 million.

Income tax expense

In the three months ending June 30, 2025, income tax expense increased to EUR 40.5 million, from EUR 39.0 million in the same period last year. Current tax expense accounted for EUR 33.3 million of the charge, compared to EUR 26.0 million in the same period last year, and deferred taxes totalled EUR 7.2 million compared to EUR 12.9 million in the same period last year. The effective tax rate for the period was 49.3%, compared to 66.4% in the same period last year.

Six months ending June 30, 2025, and 2024

Consolidated income statement excluding SDIs

EUR million	Jan-Jun 2025	Jan-Jun 2024	% Change Actual Currency	% Change Constant Currency
Revenue	1,847.7	1,683.5	+9.8%	+10.1%
Operating expenses	(1,005.5)	(930.0)	+8.1%	+8.5%
Other income	2.3	2.2	+1.2%	(1.8%)
Adjusted EBITDA	844.6	755.7	+11.8%	+11.9%
Adjusted EBITDA margin, %	45.7%	44.9%	+82 bps	+77 bps
Depreciation and amortisation	(315.0)	(286.5)	+10.0%	+10.4%
Retirement of assets	(63.2)	(58.4)	+8.1%	+9.1%
Adjusted EBIT	466.4	410.8	+13.5%	+13.4%
Adjusted EBIT margin, %	25.2%	24.4%	+84 bps	+75 bps
Interest income and expenses	(211.3)	(236.8)	(10.8%)	(10.8%)
Other financial items	(7.9)	11.0	(171.8%)	(167.7%)
Profit before tax	247.2	185.0	+33.6%	+32.8%

Revenue by segment

EUR million	Jan-Jun 2025	Jan-Jun 2024	% Change Actual Currency	% Change Constant Currency
Portfolio services	1,603.6	1,448.3	+10.7%	+11.0%
Customer acquisition	189.0	190.3	(0.7%)	+0.1%
Adjacencies	55.2	45.0	+22.7%	+22.7%
Total	1,847.7	1,683.5	+9.8%	+10.1%

Revenue

Total revenue increased by +9.8% in the first six months of 2025, or EUR 164.2 million, to EUR 1,847.7 million, up from EUR 1,683.5 million in the prior period. In constant currency the increase in revenue was +10.1%, primarily due to the growing customer base, which increased by +8.1%, from 5,395,406 in June 30, 2024, to 5,831,402, in June 30, 2025.

Portfolio services revenue increased by +10.7% in the six months ending June 30, 2025, or EUR 155.3 million, to EUR 1,603.6 million, up from EUR 1,448.3 million 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 +2.2%. Customer acquisition revenue reached EUR 189.0 million in the six months ending June 30, 2025, representing a slight decrease of -0.7% compared to the same period last year.

Operating expenses

Operating expenses increased by +8.1% in the first six months of the year, or EUR 75.4 million, to EUR 1,005.5 million, from EUR 930.0 million in the same period last year. The increase was mainly driven by portfolio growth, although the increase in

operating expenses was lower than the growth in portfolio services revenue.

Adjusted EBITDA

Adjusted EBITDA increased by +11.8% in the six months ending June 30, 2025, or EUR 88.8 million, to EUR 844.6 million, from EUR 755.7 million in the same period last year. The increase is mainly driven by growth in the portfolio, as well as a higher monthly adjusted EBITDA per customer (EPC).

Depreciation and amortisation

Depreciation and amortisation amounted to EUR 315.0 million in the six months ending June 30, 2025, compared to EUR 286.5 million in the same period last year. The increase was 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 amounted to EUR 63.2 million in the six months ending June 30, 2025, compared to EUR 58.4 million in the same period last year. The cost corresponds mainly to the remaining book value of capitalised material, at the time customers leave the portfolio. The increase in retirement of assets during the six months of 2025 is 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 3.8%, which is in line with the same period last year.

Adjusted EBIT

Adjusted EBIT increased by +13.5% to EUR 466.4 million in the six months ending June 30, 2025. The margin increased from 24.4% in the first six months of 2024, to 25.2% in the same period in 2025. The increase was mainly driven by growth in the portfolio.

Interest income and expenses

Interest income reached EUR 0.8 million in the six months ending June 30, 2025, compared to EUR 0.8 million in the same

period last year. Interest expense was EUR 212.1 million in the six months ending June 30, 2025, compared to EUR 237.7 million in the same period last year. The decline in interest expense is driven by a lower weighted average cost of debt, mainly explained by lower Euribor rates, partially offset by higher gross debt.

Other financial items

Other financial items mainly include commitment fees for our Revolving Credit Facility and Ancillary Facilities, other bank charges, hyperinflation adjustment, and net changes in the fair value from derivatives held for trading (interest rate swaps and cross currency swaps). For the six months ending June 30, 2025, other financial items amounted to a charge of EUR 7.9 million, compared to an income of EUR 11.0 million last year. The difference between the years is mainly related to the hyperinflation adjustment, which is negative in the first six months of 2025, compared to a positive impact in the same period last year.

Consolidated income statement

EUR million	Jan-Jun 2025			Jan-Jun 2024		
	Result Excl. SDIs	SDIs	Reported	Result Excl. SDIs	SDIs	Reported
Revenue	1,847.7	-	1,847.7	1,683.5	-	1,683.5
Operating expenses	(1,005.5)	(26.9)	(1,032.3)	(930.0)	(13.3)	(943.3)
Other income	2.3	-	2.3	2.2	-	2.2
Adjusted EBITDA	844.6	(26.9)	817.7	755.7	(13.3)	742.5
Depreciation and amortisation	(315.0)	(20.1)	(335.1)	(286.5)	(20.2)	(306.7)
Retirement of assets	(63.2)	-	(63.2)	(58.4)	(4.0)	(62.5)
Operating profit	466.4	(47.0)	419.4	410.8	(37.5)	373.3
Interest income and expenses	(211.3)	-	(211.3)	(236.8)	-	(236.8)
Other financial items	(7.9)	(37.6)	(45.5)	11.0	3.7	14.7
Profit before tax	247.2	(84.6)	162.6	185.0	(33.8)	151.2
Income tax expense			(79.9)			(67.4)
Net profit for the period			82.7			83.8

Separately disclosed items (SDIs)

SDIs affecting operating expenses

For the six months ending June 30, 2025, total SDIs affecting operating expenses reached EUR 26.9 million, compared to EUR 13.3 million in the same period last year. SDIs affecting operating expenses include one-off costs related to various transition projects, acquisitions and strategic initiatives within the Group.

SDIs affecting depreciation and amortisation and retirement of assets

For the six months ending June 30, 2025, SDIs affecting depreciation and amortisation from acquisition-related intangible assets reached EUR 20.1 million, compared to EUR 20.2 million last year.

SDIs affecting interest income and expenses and other financial items

SDIs affecting interest income and expenses and other financial items totalled a cost of EUR 37.6 million in 2025, compared to an

income of EUR 3.7 million in the same period last year. For the six months ending June 30, 2025, other financial items include negative non-cash FX revaluations of debt items and unrealised derivatives of EUR 30.5 million and amortisation of prepaid financing fees of EUR 7.9 million partly offset by realised FX revaluations of derivatives of EUR 0.8 million.

Income tax expense

For the six months ending June 30, 2025, income tax expense increased to EUR 79.9 million, compared to EUR 67.4 million in the same period last year. Current tax expense accounted for EUR 66.6 million of the charge in the six months ending June 30, 2025, compared to EUR 53.7 million in the same period last year, and deferred taxes totalled EUR 13.3 million in the six months ending June 30, 2025, compared to EUR 13.7 million for the same period last year. The effective tax rate for the first half of the year was 49.1%, compared to 44.6% last year.

Cash Flow

Consolidated cash flow for the three months ending June 30, 2025, and 2024

EUR million	Apr-Jun 2025	Apr-Jun 2024
Cash flow from operating activities before change in working capital	380.9	348.0
Change in working capital ¹	(82.9)	(51.7)
Cash flow from operating activities²	298.0	296.3
Cash flow from investing activities	(239.6)	(222.5)
Cash flow from financing activities ^{1,3}	(63.9)	(87.3)
Cash flow for the period	(5.6)	(13.5)
Cash and cash equivalents at beginning of period	27.9	45.2
Effects of exchange rate changes on cash and cash equivalents	(1.2)	(0.5)
Cash and cash equivalents at end of period	21.1	31.2

1) Refer to Note 1 Accounting policies.

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

3) Cash flow from financing activities includes paid interest.

Cash flow from operating activities

Cash flow from operating activities was EUR 298.0 million and EUR 296.3 million in the three months ending June 30, 2025, and 2024, respectively. Cash flow from operating activities before change in working capital increased from EUR 348.0 million in the second quarter of 2024, to EUR 380.9 million in the second quarter of 2025, mainly driven by higher operating profit. Change in working capital had a negative impact on cash flow generation of EUR 82.9 million in the second quarter of 2025, compared to a negative impact of EUR 51.7 million in the same period last year. Year on year development mainly relates to the negative effect on cash flow generation from trade payables and other payables, partially offset mainly by the positive cash flow generation from trade receivables.

Cash flow from investing activities

Cash flow from investing activities totalled an outflow of EUR 239.6 million and EUR 222.5 million in the three months ending June 30, 2025, and 2024, respectively. Our investing activities are primarily related to customer acquisition capital expenditures. The increase in cash outflow is mainly driven by higher upselling activity to existing customers as well as higher investment in R&D, product and service innovation, and software engineering. See further details presented under the Capital expenditures section below.

Cash flow from financing activities

Cash flow from financing activities totalled an outflow of EUR 63.9 million and EUR 87.3 million in the three months ending June 30, 2025, and 2024, respectively. Key components in the three months ending June 30, 2025, include net interest payments of EUR 80.0 million and other financial items of EUR 2.9 million partially offset by a positive net change in borrowings, excluding the impact from lease liabilities, of EUR 35.5 million. The change in borrowings is mainly related to additional drawings under our revolving credit facility as well as increases in other debt. Compared to the same period last year, net interest payments decreased by EUR 10.4 million, from EUR 90.4 million, mainly driven by decreases in interest rates.

Consolidated cash flow for the six months ending June 30, 2025, and 2024

EUR million	Jan-Jun 2025	Jan-Jun 2024
Cash flow from operating activities before change in working capital	772.4	712.0
Change in working capital ¹	(140.7)	(41.8)
Cash flow from operating activities²	631.7	670.2
Cash flow from investing activities	(479.0)	(442.0)
Cash flow from financing activities ^{1,3}	(159.9)	(217.7)
Cash flow for the period	(7.2)	10.5
Cash and cash equivalents at beginning of period	29.8	21.3
Effects of exchange rate changes on cash and cash equivalents	(1.5)	(0.6)
Cash and cash equivalents at end of period	21.1	31.2

1) Refer to Note 1 Accounting policies.

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

3) Cash flow from financing activities includes paid interest.

Cash flow from operating activities

Cash flow from operating activities amounted to EUR 631.7 million and EUR 670.2 million for the six months ending June 30, 2025, and 2024, respectively. Cash flow from operating activities before change in working capital increased from EUR 712.0 million in the six months ending June 30, 2024, to EUR 772.4 million in 2025, mainly driven by higher operating profit. Change in working capital had a negative impact on cash flow generation of EUR 140.7 million in the six months ending June 30, 2025, compared to a negative impact of EUR 41.8 million in the same period last year. Year on year development mainly relates to the negative effect on cash flow generation from other receivables and other payables, partially offset by positive movements in the cash flow generation from inventory and trade receivables.

Cash flow from investing activities

Cash flow from investing activities reached EUR 479.0 million and EUR 442.0 million for the six months ending June 30, 2025, and 2024, respectively. Our investing activities are primarily related to customer acquisition capital expenditures. The increase in cash outflow is mainly driven by higher upselling activity to existing customers and higher investment in R&D, product and service innovation, and software engineering. See further details presented under the Capital expenditures section below.

Cash flow from financing activities

Cash flow from financing activities totalled an outflow of EUR 159.9 million for the six months ending June 30, 2025, compared to EUR 217.7 million in the same period last year. Key components in 2025 include net interest payments of EUR 212.9 million, positive net changes in borrowings, excluding the impact from lease liabilities, of EUR 90.7 million and other financial items of EUR 4.9 million. The change in borrowings is mainly related to additional drawings under our revolving credit facility. Compared to the same period last year, net interest payments decreased by EUR 25.4 million, from EUR 238.3 million, mainly driven by decreases in interest rates.

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 June 30, 2025, and 2024

EUR million	Apr-Jun 2025	Apr-Jun 2024
Customer acquisition, material	81.2	80.6
Customer acquisition, incremental direct costs	64.5	63.3
Portfolio services	48.3	37.5
Adjacencies	1.4	4.8
Capital expenditures, other	43.5	36.6
Total	238.9	222.8

Capital expenditures were EUR 238.9 million in the three months ending June 30, 2025, compared to EUR 222.8 million in the same period last year. The increase was mainly driven by higher upselling activity to existing customers, including EUR 16.7 million 2G/3G sunset investment, compared to EUR 8.2 million in the same period last year. We also deployed higher investment in R&D, product and service innovation, and software engineering.

Capital expenditures for the six months ending June 30, 2025, and 2024

EUR million	Jan-Jun 2025	Jan-Jun 2024
Customer acquisition, material	163.6	166.8
Customer acquisition, incremental direct costs	129.7	124.0
Portfolio services	96.0	72.0
Adjacencies	2.9	9.4
Capital expenditures, other	86.1	69.7
Total	478.2	442.0

Capital expenditures were EUR 478.2 million in the six months ending June 30, 2025, compared to EUR 442.0 million in the same period last year. The increase is mainly driven by higher upselling activity to existing customers, including EUR 35.2 million 2G/3G sunset investment, compared to EUR 16.4 million in the same period last year. We also deployed 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 June 30, 2025, and 2024

EUR million	Jun 2025	Jun 2024	Dec 2024
Revolving credit facility	700.0	700.0	700.0
Cash and cash equivalents	21.1	31.2	29.8
Drawn facility amount	(313.3)	-	(200.0)
Utilised letters of credit	(21.4)	(21.0)	(21.0)
Total available funds	386.5	710.2	508.8

Financial indebtedness as of June 30, 2025, and 2024

EUR million	Jun 2025	Jun 2024	Dec 2024
Revolving credit facility	313.3	-	200.0
Term loan B	2,525.0	2,525.0	2,525.0
Senior secured notes	3,325.0	3,425.0	3,325.0
Senior unsecured notes	1,309.6	1,307.0	1,305.9
Other liabilities	76.4	55.1	70.7
Lease liabilities	204.4	182.8	191.0
Total financial indebtedness¹	7,753.6	7,495.0	7,617.6

1) Total financial indebtedness does not include qualified receivables financing. Refer to note 5 Borrowings for more details.

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 June 17th, 2025, Verisure announced the acquisition of all shares and voting rights of ADT Mexico from Johnson Controls. Mexico is a large and attractive geography for professionally monitored security services, presenting significant growth potential. ADT Mexico holds a leading position in Mexico, serving more than 125,000 residential and small business customers. With the acquisition, Verisure accelerates the planned entrance to the Mexican market and reinforces the commitment to bring innovative security services to more customers. Verisure plans to finance the acquisition through cash on hand and available funds under its existing credit facilities. The transaction is subject to customary closing conditions and receipt of regulatory approvals and is expected to close in the fourth quarter of 2025.

Events After the Reporting Period

On July 4th, 2025, Sara Öhrvall joined the Board of Directors of our parent company (Verisure Group Topholding AB). Sara Öhrvall has held several senior leadership roles, including Chief Operating Officer and Senior Adviser at Axel Johnson Group AB, Chief Digital Officer at SEB where she led digital and sustainability initiatives and Senior Vice President of R&D at Bonnier AB where she spearheaded digital innovation. Sara currently serves as a non-executive board member at Investor AB, Axfood, and Bonnier Books. She is also the Vice-Chair of A. Ahlström Supervisory Board and the Chair of SSE Ventures.

Unaudited Consolidated Financial Statements

Consolidated Income Statement

EUR thousand	Note	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Revenue	3	927,852	849,089	1,847,749	1,683,519
Cost of sales		(492,715)	(460,874)	(990,748)	(909,851)
Gross profit		435,137	388,215	857,002	773,669
Selling expenses		(107,665)	(98,653)	(210,923)	(196,960)
Administrative expenses		(120,549)	(105,120)	(228,960)	(205,602)
Other income		1,147	1,139	2,264	2,237
Operating profit		208,071	185,581	419,383	373,343
Financial income		4,891	11,043	778	41,280
Financial expenses		(130,714)	(137,944)	(257,544)	(263,430)
Profit or loss before tax		82,247	58,680	162,618	151,194
Income tax expense		(40,474)	(38,958)	(79,871)	(67,436)
Net profit or loss for the period		41,773	19,722	82,746	83,758

Consolidated Statement of Comprehensive Income

EUR thousand	Note	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Net profit or loss for the period		41,773	19,722	82,746	83,758
Items that may be reclassified to the consolidated income statement					
Change in hedging reserve		(11,927)	1,008	(22,402)	6,753
Currency translation differences on foreign operations		(16,996)	(1,301)	7,482	(17,959)
Income tax related to these items		2,457	(208)	4,615	(1,391)
Items that may be reclassified to the consolidated income statement		(26,466)	(501)	(10,305)	(12,597)
Other comprehensive income		(26,466)	(501)	(10,305)	(12,597)
Total comprehensive income for the period		15,307	19,221	72,441	71,161

Consolidated Statement of Financial Position

EUR thousand	Note	Jun 2025	Jun 2024	Dec 2024
Assets				
Non-current assets				
Property, plant and equipment		1,631,763	1,510,424	1,574,056
Right-of-use assets		203,151	181,194	190,600
Goodwill		755,313	761,799	753,093
Customer portfolio		1,215,626	1,138,828	1,176,155
Other intangible assets		356,192	336,251	343,410
Deferred tax assets		130,130	107,155	136,921
Derivatives	4	-	9,153	-
Trade and other receivables ¹	4	170,303	191,398	139,926
Total non-current assets		4,462,478	4,236,201	4,314,161
Current assets				
Inventories		338,531	336,116	316,233
Trade receivables ¹	4	312,700	253,837	316,340
Current tax assets		12,428	13,939	24,506
Derivatives	4	6,009	3,113	21,689
Prepayments and accrued income ¹		120,972	102,033	94,128
Other current receivables	4	108,906	56,520	79,601
Cash and cash equivalents	4	21,127	31,185	29,829
Total current assets		920,674	796,742	882,326
Total assets		5,383,152	5,032,943	5,196,487

1) Refer to Note 1 Accounting policies.

Consolidated Statement of Financial Position

EUR thousand	Note	Jun 2025	Jun 2024	Dec 2024
Equity and liabilities				
Equity				
Share capital		56	56	56
Other paid in capital		631,202	629,515	630,339
Translation reserve		(89,593)	(82,910)	(97,075)
Hedging reserve		(10,539)	2,125	7,248
Retained earnings		(4,583,290)	(4,726,169)	(4,666,036)
Total equity		(4,052,164)	(4,177,383)	(4,125,468)
Non-current liabilities				
Long-term borrowings ¹	4, 5	7,721,481	7,542,336	7,579,974
Derivatives	4	26,263	4,306	24,877
Other non-current liabilities ¹	4	104,940	113,822	137,031
Deferred tax liabilities		229,213	222,457	222,815
Other provisions		38,408	29,650	42,100
Total non-current liabilities		8,120,303	7,912,571	8,006,797
Current liabilities				
Trade payables	4	177,676	175,532	176,008
Current tax liabilities		115,497	112,714	104,158
Short-term borrowings ¹	4, 5	329,945	304,299	357,517
Derivatives	4	13,413	566	30
Accrued expenses and deferred income ¹	4	591,296	610,136	576,743
Other current liabilities	4	87,186	94,508	100,704
Total current liabilities		1,315,013	1,297,755	1,315,159
Total liabilities		9,435,316	9,210,326	9,321,955
Total equity and liabilities		5,383,152	5,032,943	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	-	-	-	-	82,746	82,746
Other comprehensive income	-	-	7,482	(17,787)	-	(10,305)
<i>Total comprehensive income</i>	-	-	7,482	(17,787)	82,746	72,441
Transactions with owners						
Shareholder's contribution	-	863	-	-	-	863
<i>Total transactions with owners</i>	-	863	-	-	-	863
Balance as of June 30, 2025	56	631,202	(89,593)	(10,539)	(4,583,290)	(4,052,164)

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	-	-	-	-	83,758	83,758
Other comprehensive income	-	-	(17,959)	5,362	-	(12,597)
<i>Total comprehensive income</i>	-	-	(17,959)	5,362	83,758	71,161
Transactions with owners						
Dividend	-	-	-	-	(20,491)	(20,491)
Group contribution	-	-	-	-	310	310
Shareholder's contribution	-	874	-	-	-	874
<i>Total transaction with owners</i>	-	874	-	-	(20,181)	(19,307)
Balance as of June 30, 2024	56	629,515	(82,910)	2,125	(4,726,169)	(4,177,383)

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	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Operating activities				
Operating profit	208,072	185,582	419,384	373,344
Adjustment of depreciation and amortisation	168,842	154,988	335,125	306,675
Adjustment for other non-cash items	30,838	33,594	62,782	63,357
Paid taxes	(26,850)	(26,147)	(44,904)	(31,338)
Cash flow from operating activities before change in working capital	380,902	348,017	772,388	712,039
Change in working capital				
Change in inventories	(6,095)	(9,473)	(25,925)	(37,166)
Change in trade receivables ¹	(22,508)	(45,383)	(26,013)	(39,142)
Change in other receivables	(8,548)	(11,349)	(58,389)	(38,730)
Change in trade payables	(11,649)	9,262	2,146	5,253
Change in other payables ¹	(34,141)	5,234	(32,481)	67,954
<i>Cash flow from change in working capital</i>	<i>(82,941)</i>	<i>(51,710)</i>	<i>(140,663)</i>	<i>(41,830)</i>
Cash flow from operating activities	297,960	296,307	631,725	670,208
Investing activities				
Investments in intangible and financial assets	(117,587)	(108,625)	(232,421)	(209,651)
Investments in property, plant and equipment	(122,034)	(113,880)	(246,570)	(232,394)
Cash flow from investing activities	(239,620)	(222,505)	(478,990)	(442,045)
Financing activities				
New financing	-	1,050,000	-	1,050,000
Repayment of financing	-	(930,000)	-	(930,000)
Change in revolving credit facility	20,620	(99,932)	113,226	(69,499)
Repayment of lease liability	(16,499)	(16,457)	(32,757)	(31,453)
Change in other borrowings	14,881	7,888	(22,529)	10,887
Interest received	273	248	562	827
Interest paid	(80,275)	(90,664)	(213,508)	(239,176)
Paid bank and advisory fees	-	(10,978)	-	(10,978)
Other financial items	(2,931)	2,247	(4,891)	1,404
Received group contribution	-	310	-	310
Cash flow from financing activities	(63,931)	(87,338)	(159,898)	(217,679)
Cash flow for the period	(5,591)	(13,537)	(7,163)	10,485
Cash and cash equivalents at start of period	27,880	45,248	29,829	21,319
Effects of exchange rate changes on cash and cash equivalents	(1,162)	(526)	(1,539)	(619)
Cash and cash equivalents at end of period	21,127	31,185	21,127	31,185

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 June 2024 were as follows: Trade and other receivables EUR 103,414 thousand, Trade receivables EUR 242,734 thousand, Prepayments and accrued income EUR 114,242 thousand, Long-term borrowings EUR 7,354,626 thousand, Other non-current liabilities EUR 213,548 thousand, Short-term borrowings EUR 169,692 thousand, Accrued expenses and deferred income EUR 745,849 thousand.

Previously reported figures in the consolidated statements of cash flows, April-June 2024: Change in trade receivables EUR (48,376) thousand, Change in other payables EUR 15,293 thousand, Change in borrowings EUR (115,566) thousand.

Previously reported figures in the consolidated statements of cash flows, January-June 2024: Change in trade receivables EUR (53,010) thousand, Change in other payables EUR 94,554 thousand, Change in borrowings EUR (102,797) 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 and Disaggregation of Revenue

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 purpose 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. Separate disclosed items (SDIs), depreciation and amortisation, retirement of assets, financial items and taxes are not reported per segment. SDIs that affect adjusted EBITDA typically includes one-time costs related to various projects within the group.

Portfolio services

The portfolio services segment provides a full security service to our customers for a monthly subscription fee. We typically enter into self-renewing monitoring agreements with customers at the time of installation and the majority of customers pay via direct debit. Our service includes 24/7 monitoring, expert verification and response, customer care, maintenance, and professional technical support to existing customers.

Customer acquisition

This segment develops, sources, purchases, provides and installs alarm systems for new customers in return for an upfront sales or installation fee.

Sales and installations can be performed both by our own employees as by external partners. Each new customer generates installation income that is recognised once the installation of the alarm equipment has been completed. The Group's costs for materials, installation, administration and marketing generally exceed the non-recurring income, resulting in negative cash flow for the segment.

Adjacencies

The adjacencies segment contains remote monitoring and assistance, services for senior citizens as well as the sale of Arlo cameras, video surveillance services in retail and online channels across Europe. Because these sales are not considered as part of our core alarm business, the revenue is categorised as adjacencies.

Apr-Jun 2025						
EUR thousands	Customer acquisition	Portfolio services	Adjacencies	Group total –excl. SDIs	SDIs	Group total
Revenue	90,729	806,591	30,533	927,852	-	927,852
Adjusted EBITDA	(174,539)	595,329	5,146	425,935	(17,852)	408,082
Depreciation and amortisation	-	-	-	(158,873)	(9,968)	(168,841)
Retirements of assets	-	-	-	(31,171)	-	(31,171)
Financial items	-	-	-	(106,931)	(18,893)	(125,824)
Profit before tax	-	-	-	128,960	(46,713)	82,247

Apr-Jun 2024						
EUR thousands	Customer acquisition	Portfolio services	Adjacencies	Group total –excl. SDIs	SDIs	Group total
Revenue	94,709	731,558	22,822	849,089	-	849,089
Adjusted EBITDA	(154,474)	530,698	4,873	381,097	(7,469)	373,628
Depreciation and amortisation	-	-	-	(144,995)	(9,996)	(154,991)
Retirements of assets	-	-	-	(29,044)	(4,011)	(33,055)
Financial items	-	-	-	(113,970)	(12,931)	(126,901)
Profit before tax	-	-	-	93,087	(34,407)	58,679

Jan-Jun 2025						
EUR thousands	Customer acquisition	Portfolio services	Adjacencies	Group total –excl. SDIs	SDIs	Group total
Revenue	188,980	1,603,563	55,206	1,847,749	-	1,847,749
Adjusted EBITDA	(345,932)	1,179,132	11,354	844,554	(26,870)	817,684
Depreciation and amortisation	-	-	-	(314,989)	(20,137)	(335,126)
Retirements of assets	-	-	-	(63,175)	-	(63,175)
Financial items	-	-	-	(219,202)	(37,564)	(256,766)
Profit before tax	-	-	-	247,188	(84,571)	162,618

EUR thousands	Jan-Jun 2024					Group total
	Customer acquisition	Portfolio services	Adjacencies	Group total –excl. SDIs	SDIs	
Revenue	190,254	1,448,256	45,010	1,683,519	-	1,683,519
Adjusted EBITDA	(302,674)	1,049,408	9,006	755,740	(13,270)	742,470
Depreciation and amortisation	-	-	-	(286,454)	(20,222)	(306,676)
Retirements of assets	-	-	-	(58,439)	(4,011)	(62,450)
Financial items	-	-	-	(225,824)	3,674	(222,150)
Profit before tax	-	-	-	185,021	(33,829)	151,193

Geographical distribution of revenue

EUR million	Apr-Jun 2025	Apr-Jun 2025	Jan-Jun 2025	Jan-Jun 2024
Iberia and Nordics	506,525	465,555	999,906	926,299
Other Europe	340,954	307,629	683,627	609,110
Latin America	80,374	75,905	164,216	148,110
Adjusted EBITDA	927,853	849,089	1,847,749	1,683,519

Note 4 Financial Instruments

Financial instruments by category and valuation level

EUR thousand	Jun 2025		Jun 2024		Dec 2024	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Hedge accounting						
FX forwards ¹	-	13,275	3,105	429	9,127	-
Fair value						
FX swaps ¹	273	138	8	137	-	30
Cross currency swaps ¹	5,736	-	9,153	-	12,561	-
Interest rate swaps ¹	-	26,263	-	4,306	-	24,877
Trade and other receivables ²	11,400	-	11,400	-	11,400	-
Amortised cost						
Trade and other receivables, non-current ³	154,437	-	174,858	-	124,756	-
Trade receivables, current ^{3,4}	312,700	-	253,837	-	316,340	-
Other current receivables ⁴	45,925	-	22,621	-	27,887	-
Cash and cash equivalent	21,127	-	31,185	-	29,829	-
Long-term borrowings ^{3,5}	-	7,577,039	-	7,415,133	-	7,445,719
Other non-current liabilities ⁵	-	1,144	-	2,853	-	1,129
Trade payables, current ⁴	-	177,676	-	175,532	-	176,008
Accrued expenses, current ⁴	-	216,751	-	234,270	-	188,966
Short-term borrowings ^{3,4,5}	-	269,956	-	248,685	-	300,793
Other current liabilities ⁴	-	24,532	-	34,851	-	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	Jun 2025			Jun 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	(15,514)	3,309,486	3,425,000	(22,946)	3,402,054	3,325,000	(18,816)	3,306,184
Term Loan B	2,525,000	(17,140)	2,507,860	2,525,000	(22,121)	2,502,879	2,525,000	(19,657)	2,505,343
Revolving Credit Facility	313,256	(4,889)	308,367	-	-	-	200,030	(5,923)	194,108
Unsecured									
Senior Unsecured Notes	1,309,571	(8,384)	1,301,187	1,307,048	(10,395)	1,296,653	1,305,901	(9,404)	1,296,497
Liabilities to other creditors ¹	150,139	-	150,139	213,547	-	213,547	143,587	-	143,587
Lease liabilities	144,441	-	144,441	127,203	-	127,203	134,255	-	134,255
Long-term borrowings	7,767,408	(45,927)	7,721,481	7,597,798	(55,463)	7,542,336	7,633,774	(53,800)	7,579,974
Current liabilities									
Accrued interest expenses	82,477	-	82,477	84,788	-	84,788	84,234	-	84,234
Other liabilities ¹	187,479	-	187,479	163,896	-	163,896	216,559	-	216,559
Lease liabilities	59,989	-	59,989	55,614	-	55,614	56,724	-	56,724
Short-term borrowings	329,945	-	329,945	304,299	-	304,299	357,517	-	357,517
Total	8,097,353	(45,927)	8,051,426	7,902,097	(55,463)	7,846,635	7,991,290	(53,800)	7,937,491

1) Refer to Note 1 Accounting policies.

Net debt and leverage per Senior Facilities Agreement (SFA)

EUR thousand	Jun 2025	Jun 2024	Dec 2024
Total principal amount (as above)	8,097,353	7,902,097	7,991,290
Less qualified receivables financing	(261,263)	(322,317)	(289,449)
Less accrued interest	(82,477)	(84,788)	(84,234)
Total indebtedness	7,753,613	7,494,992	7,617,608
Less cash and cash equivalents	(21,127)	(31,185)	(29,829)
Net debt	7,732,486	7,463,808	7,587,779
Secured net debt	6,142,129	5,918,815	6,020,202
Adjusted EBITDA (L2QA)	1,709,107	1,536,480	1,576,514
Total net leverage	4.5x	4.9x	4.8x
Total secured net leverage	3.6x	3.9x	3.8x

Note 6 Pledged Assets and Contingent Liabilities

Pledged assets

EUR thousand	Jun 2025	Jun 2024	Dec 2024
Shares in subsidiaries	2,839,880	2,545,929	2,649,401
Bank accounts	5,793	12,936	6,229
Accounts receivables	385,205	220,414	363,398
Inventories	571	929	1,073
Other operating assets	67,843	64,443	65,795
Trademark	29,408	40,124	34,766
Endowment insurance	508	531	500

Contingent liabilities

EUR thousand	Jun 2025	Jun 2024	Dec 2024
Guarantees	41,858	41,256	41,280

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

Quarterly Summary

Key figures

EUR thousand (unless otherwise stated)	Apr-Jun 2025	Jan-Mar 2025	Oct-Dec 2024	Jul-Sep 2024	Apr-Jun 2024
Consolidated					
Non-IFRS and IFRS financial data					
Revenue ¹	927,852	919,897	870,230	854,269	849,089
Revenue growth, %	9.3%	10.2%	10.8%	9.4%	10.9%
Annualised recurring revenue (ARR)	3,262,006	3,225,281	3,047,070	3,003,399	2,962,757
Annualised recurring revenue growth, %	10.1%	11.2%	12.1%	11.8%	12.1%
Adjusted EBITDA	425,935	418,619	381,860	396,397	381,097
Adjusted EBITDA margin, %	45.9%	45.5%	43.9%	46.4%	44.9%
Adjusted EBITDA incl. SDIs	408,082	409,602	370,800	388,578	373,628
Adjusted EBITDA margin incl. SDIs, %	44.0%	44.5%	42.6%	45.5%	44.0%
Adjusted EBIT	235,891	230,499	195,646	212,534	207,057
Adjusted EBIT margin, %	25.4%	25.1%	22.5%	24.9%	24.4%
Operating profit ¹	208,071	211,312	174,592	194,662	185,581
Capital expenditures	238,929	239,286	263,622	214,170	222,803
Net debt per SFA	7,732,486	7,680,098	7,587,779	7,497,301	7,463,808
Unaudited operating data					
Acquisition multiple, ratio	3.6	3.6	3.9	3.6	3.5
Portfolio services segment					
Non-IFRS and IFRS financial data					
Portfolio services revenue ¹	806,591	796,973	754,822	744,731	731,558
Portfolio services adjusted EBITDA	595,329	583,803	549,104	543,360	530,698
Portfolio services adjusted EBITDA margin, %	73.8%	73.3%	72.7%	73.0%	72.5%
Unaudited operating data					
Total subscribers (end of period), units	5,831,402	5,722,472	5,611,685	5,501,761	5,395,406
Cancellation, units	108,355	106,327	101,451	97,493	101,049
LTM attrition rate, %	7.4%	7.4%	7.4%	7.5%	7.6%
Quarterly attrition rate (annualised), %	7.5%	7.5%	7.3%	7.1%	7.6%
Net subscriber growth, units	108,930	110,787	109,924	106,355	113,331
Subscriber growth rate, net, %	8.1%	8.3%	8.5%	8.5%	8.6%
Monthly average number of subscribers during the period, units	5,767,682	5,656,131	5,560,522	5,456,924	5,328,889
Average monthly revenue per user (ARPU), EUR	46.6	47.0	45.2	45.5	45.8
Monthly adjusted EBITDA per customer (EPC), EUR	34.4	34.4	32.9	33.2	33.2
Customer acquisition segment					
Non-IFRS and IFRS financial data					
Customer acquisition revenue ¹	90,729	98,252	90,658	86,456	94,709
Customer acquisition adjusted EBITDA	(174,539)	(171,392)	(172,780)	(152,015)	(154,474)
Customer acquisition capital expenditures	145,718	147,532	149,162	140,413	143,951
Unaudited operating data					
New subscribers added (gross), units	217,285	217,114	211,375	203,848	214,379
Cost per acquisition (CPA), EUR	1,474	1,469	1,523	1,435	1,392
Agencies segment					
Non-IFRS and IFRS financial data					
Agencies revenue ¹	30,533	24,673	24,749	23,082	22,822
Agencies adjusted EBITDA	5,146	6,208	5,536	5,052	4,873

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 operating profit, excluding depreciation and amortisation, write-offs and separately disclosed items.

Calculation of adjusted EBITDA

EUR thousands	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Operating profit according to consolidated income statement	208,071	185,581	419,383	373,343
Depreciation and amortisation add-back	168,841	154,991	335,126	306,676
Retirement of assets add-back	31,171	33,055	63,175	62,450
Separately disclosed items add-back	17,852	7,469	26,870	13,270
Adjusted EBITDA	425,935	381,097	844,554	755,740
Whereof adjusted EBITDA customer acquisition	(174,539)	(154,474)	(345,932)	(302,674)
Whereof adjusted EBITDA portfolio services	595,329	530,698	1,179,132	1,049,408
Whereof adjusted EBITDA adjacencies	5,146	4,873	11,354	9,006

Adjusted EBIT

Adjusted EBIT is operating profit, excluding separately disclosed items.

Calculation of adjusted EBIT

EUR thousands	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Operating profit according to consolidated income statement	208,071	185,581	419,383	373,343
Separately disclosed items add-back	27,820	21,476	47,007	37,503
Adjusted EBIT	235,891	207,057	466,390	410,847

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	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Cost per acquisition ("CPA")	1,474	1,392	1,471	1,398
Monthly adjusted EBITDA per subscriber ("EPC")	34.4	33.2	34.4	33.2
CPA divided by EPC divided by 12	3.6	3.5	3.6	3.5

Annualised recurring revenue

Annualised recurring revenue ("ARR") represents the total subscribers in our portfolio at the end of the period, multiplied by ARPU, multiplied by 12.

Calculation of ARR

EUR thousands	June 30, 2025	Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Total subscribers (end of period), units	5,831,402	5,395,406	5,831,402	5,395,406
Monthly average revenue per user ("ARPU")	46.6	45.8	46.8	45.8
Total subscribers multiplied by ARPU, multiplied by 12	3,262,006	2,962,757	3,274,220	2,962,856

Monthly average revenue per user

Monthly average revenue per user ("ARPU") is 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.

Calculation of ARPU

EUR thousands	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Portfolio services segment revenue	806,591	731,558	1,603,563	1,448,256
Monthly average portfolio services segment revenue	268,864	243,853	267,261	241,376
Monthly average number of subscribers during the period, units	5,767,682	5,328,889	5,711,907	5,274,592
Monthly average portfolio services segment revenue divided by monthly average number of subscribers during the period – ARPU (EUR)	46.6	45.8	46.8	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	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Portfolio services segment adjusted EBITDA	595,329	530,698	1,179,132	1,049,408
Monthly average portfolio services segment adjusted EBITDA	198,443	176,899	196,522	174,901
Monthly average number of subscribers during the period, units	5,767,682	5,328,889	5,711,907	5,274,592
Monthly average portfolio services segment adjusted EBITDA divided by monthly average number of subscribers during the period – EPC (EUR)	34.4	33.2	34.4	33.2

Cost per acquisition

Cost per acquisition ("CPA") is the net cash investment 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 revenue 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.

Calculation of CPA

EUR thousands	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Customer acquisition adjusted EBITDA	(174,539)	(154,474)	(345,932)	(302,674)
Customer acquisition capital expenditure	(145,718)	(143,951)	(293,250)	(290,877)
Customer acquisition cost	(320,257)	(298,425)	(639,181)	(593,551)
New subscribers added, units	217,285	214,379	434,399	424,523
Customer acquisition cost divided by new subscribers added (gross) - CPA (EUR)	1,474	1,392	1,471	1,398

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 believes that these metrics provide important insight into the operations and strength of the Group's business. 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:

Acquisition multiple

Initial investment made to acquire a new customer ("CPA", as defined below) divided by the annualised monthly adjusted EBITDA per subscriber ("EPC", as defined below).

Adjusted EBIT

Operating profit, excluding separately disclosed items.

Adjusted EBIT margin

Adjusted EBIT in relation to revenue.

Adjusted EBITDA

Operating profit, excluding depreciation and amortisation, write-offs and separately disclosed items.

Adjusted EBITDA for our segments

Revenue less operating expenses. Our calculation of adjusted EBITDA for our segments does not include the impact of depreciation and amortisation, retirement of assets, separately disclosed items, financial items or income tax expense because these items are allocated at the Group level.

Adjusted EBITDA incl. SDIs

Operating profit, excluding depreciation and amortisation, write-offs.

Adjusted EBITDA margin

Adjusted EBITDA in relation to revenue.

Adjusted EBITDA incl. SDIs margin

Adjusted EBITDA incl. SDIs in relation to revenue.

Annualised recurring revenue ("ARR")

Total number of subscribers in our portfolio at the end of the period, multiplied by the monthly average revenue per user ("ARPU" as defined below), multiplied by 12 months.

Cancellations

Number of cancelled subscriptions net of reinstates during the period, including cancellations on acquired portfolios.

Capital expenditures

Investments in our customer acquisition, portfolio services and adjacencies segment as well as other capital expenditures related to investments in R&D, IT and premises.

Cost per acquisition ("CPA")

Net cash investment 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 revenue 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.

Customer acquisition capex

Purchases of equipment for new customers and direct incremental costs related to the acquisition of customer contracts.

LTM attrition rate

Number of net cancellations to our monitoring service in the last 12 months, divided by the average number of subscribers during the last 12 months.

Monthly adjusted EBITDA per subscriber ("EPC")

Monthly adjusted EBITDA from our existing subscriber portfolio (portfolio services adjusted EBITDA) divided by the average number of subscribers.

Monthly average revenue per user ("ARPU")

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.

Net debt per SFA

Sum of financial indebtedness, pursuant to the terms of the SFA, defined as interest bearing debt from external counterparties, lease liabilities, excluding accrued interest, less qualified receivables financing and the sum of available cash and financial receivables.

Net subscriber growth

Number of subscribers at end of the period less the number of subscribers in the relevant prior period.

New subscribers added (gross)

Total number of new subscribers added.

Portfolio services adjusted EBITDA margin

Portfolio services adjusted EBITDA in relation to portfolio services revenue.

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.

Separately disclosed items

Separately disclosed items (SDIs) are income and costs that have been recognised in the consolidated income statement which management believes, due to their nature, collective size or incident, should be disclosed separately to give a more comparable view of the year-on-year financial performance.

Subscriber growth rate

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

Malmö, August 21, 2025

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