



Leader in Monitored Security Services

JANUARY 2025



Our Vision Sets our Destination, our Mission Drives us Forward

VISION

We believe it's a **human right to feel safe and secure. We bring peace of mind to families and small businesses.**

MISSION

We protect what matters most.

Verisure: Leader in Monitored Security Services

>5.5m
Alarm Subscribers¹

€3.0bn
ARR^{2,3}

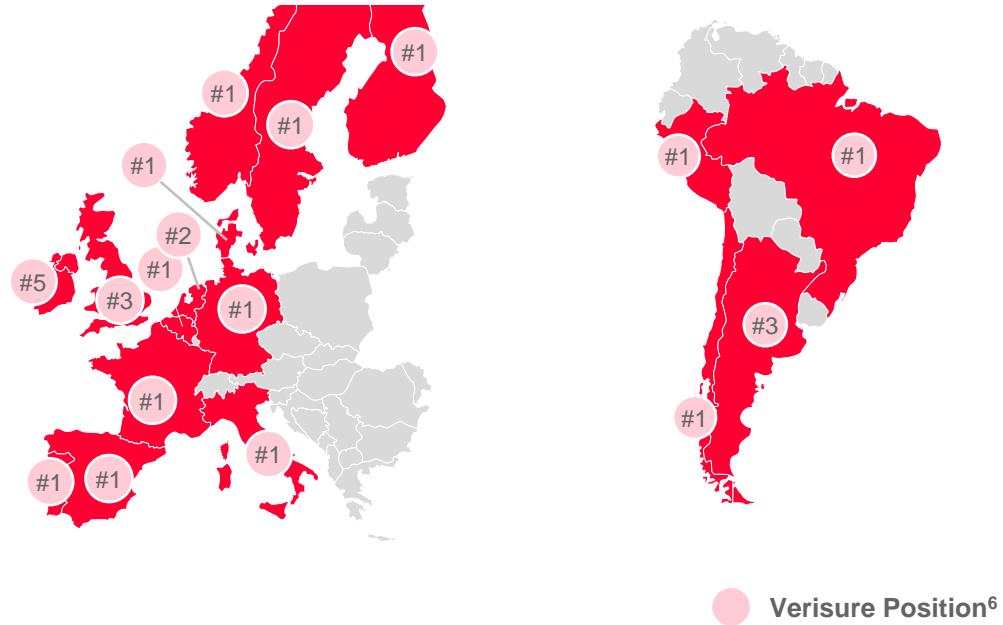
€0.8bn
Adj. EBIT² (~20% growth rate⁴)

24%
Adj. EBIT Margin²

Leaders in Europe & LatAm, >5x Larger Than #2 Player⁵

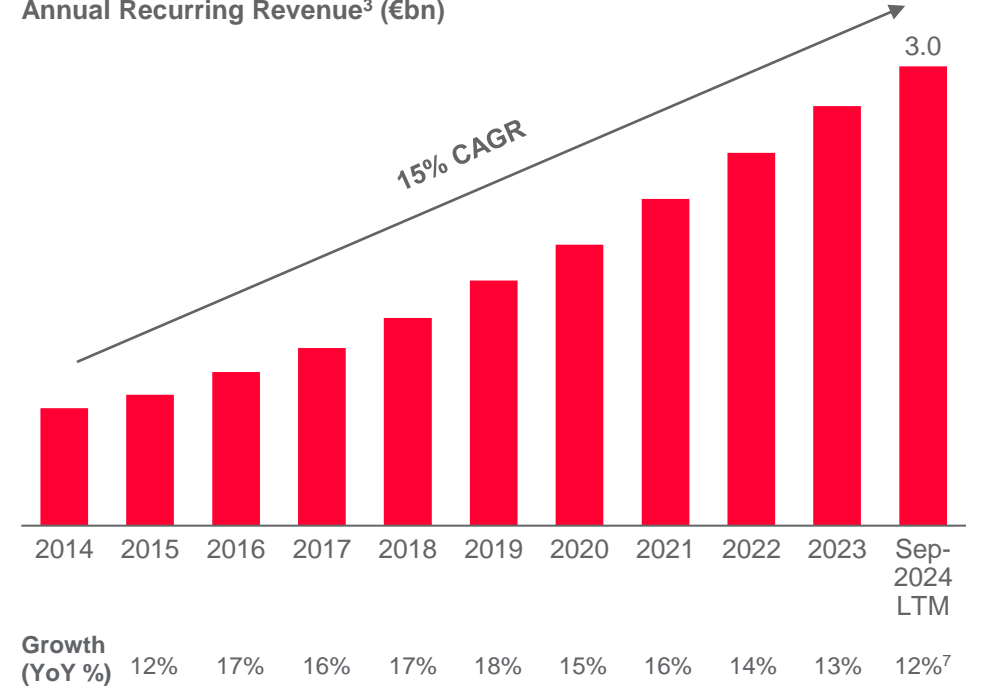
~90% Group Portfolio¹

~10% Group Portfolio¹



Track Record of Uninterrupted Double-Digit Growth

Annual Recurring Revenue³ (€bn)



Source: Verisure Financials & Reports. Notes: ¹ As of Sep-2024; ² Based on Sep-2024 LTM; ³ Annualised Recurring Revenue (ARR) = EoP Portfolio * ARPU * 12; ⁴ CAGR 2022-Sep-2024; ⁵ Based on portfolio size as of Dec-2023 across all Europe and LatAm in the professionally installed alarms segment across residential and prosumer, and based on publicly available sources and Verisure estimates; ⁶ Based on number of subscribers in each geography as of 2023; ⁷ Growth rate based on Sep-2024 vs. Sep-2023.

One of our Key Differentiation Factors is to Detect, Verify and Intervene

DETECT



When an alarm is triggered ...

- Clear objective to never miss a real incident
- Professional install / personalised security survey ensures system effectiveness, range & privacy compliance
- Multiple components protect all vulnerabilities and cover all angles:
 - Shock sensors detect intruders before entry
 - Smartlock protects front door
 - Connected video / photo detectors

VERIFY



... we take rapid action to Verify ...

- Ensure we only Intervene for genuine threat, avoid costly / unnecessary events
- 24/7 in-house monitoring centres in every country, fully connected with two-way audio
- 99.5% filtering of false alarms via image, audio, AI auto-verification and professional expertise
- Providing verification of fire and break-in as well as personal protection

INTERVENE



... and either reassure or Intervene

- Quality of verification supports intervention with confidence
- High levels of trust from third parties earned from decades of experience
- Direct link to first responders (Police, Fire, Ambulance) to send help
- Immediate intervention via “ZeroVision” to expel intruders

Highly Integrated Business Model with Full Control Over the Value Chain

Focus on The Most Attractive Segments

Where we play



Segments: Residential homes, small businesses and selected adjacencies



Propositions: Differentiated security services and products that justify recurring revenue

Where we don't play



Segments: Large enterprise or government installations / tenders



Propositions: Low price / low content / non-monitored systems without recurring revenue

Highly Integrated Model Along the Value Chain

Product and Service Innovation



Category-Creating Marketing



Sales and Installation Expertise



Monitoring and Verification



Customer Service and Support



Guard, Police, Health Emergency and Fire Response



In-House Third-Party



Our Attractive Economic Engine

Verisure grows by reinvesting its portfolio cash flows into the discretionary acquisition of new customers at high IRRs

New Subscribers Grow Size of Installed Base

Portfolio Services

Highly Profitable, Loyal Client Base

- Large customer base of 5.5m¹
- Recurring subscription-based business with best-in-class retention rate
- Customers on average pay ~€45 monthly¹
- Track record of growing revenues per customer every year by delivering better products and services

Customer Acquisition

Efficient Acquisition Platform

- Strong track record of attracting new customers
- Each customer costs approximately ~€1.4k¹ to acquire
- Attractive unit economics of acquired customers resulting in high return
- Focus on “high-quality” intake

5.5m

Subscribers¹

~7%

Customer
Attrition Rate²

~€45

Avg. Monthly
Customer Spend¹

~830k

Customers
Acquired³

3.8x

New Customer
Creation Multiple^{2,4}

~20%

Fully-Loaded IRR of
Acq. Customers

Portfolio Cash Flow Re-Invested in Customer Acquisition

Strong unit economics support both high revenue growth (10%) and high Adj. EBIT margins (24%)¹

Source: Verisure Financials & Reports. Notes: ¹ As of Sep-2024; ² Average of L3Y (2021-2023); ³ Customers acquired during the last 12 months (Oct-2023 - Sep-2024); ⁴ Creation multiple is defined as the ratio between the initial capital investment made to acquire a new subscriber, divided by the average annual EBITDA contribution of an existing subscriber (similar to an EBITDA acquisition multiple).

We Operate a Portfolio of Geographies at Different Stages of their Lifecycle

Proven Replicable Expansion Model

New Market Entry, Adaptation, Early Scaling



Revenue Growth

+++

EBIT Margins

-

Fast Scaling of Proven Unit Economics



Revenue Growth

++

EBIT Margins

++

Mature Value Creation



Revenue Growth

+

EBIT Margins

+++

Year 0

Year 25+

EBIT Margin
Portfolio Size

Exceptional Consumer Subscription Business

1 **Category Leader**

2 **Long Runway for Double-Digit Growth**

3 **Differentiated Customer Proposition**

4 **Continued Margin Expansion Trajectory**

5 **Proven Resilience Through the Cycle**



#1 in 9 of top 10 geographies¹



Monitored security is highly underpenetrated



Clear category leader in product innovation with vertically-integrated tech capabilities and best-in-class customer attrition of ~7%²



Economies of scale drive margin improvements



Successfully navigated multiple exogenous shocks



Underpinned by an Outstanding “Team Verisure”

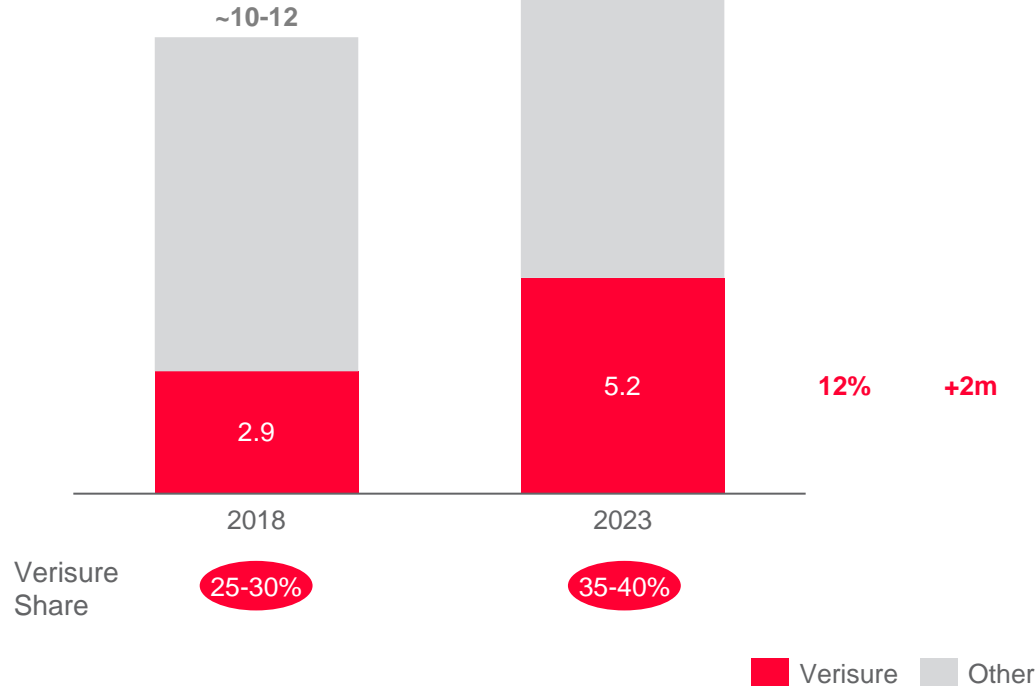
1 Category Leader in European and LatAm Monitored Security

Verisure Share of Installed Base¹

Installed Base in Verisure's Footprint¹
(m installations)

CAGR Increase

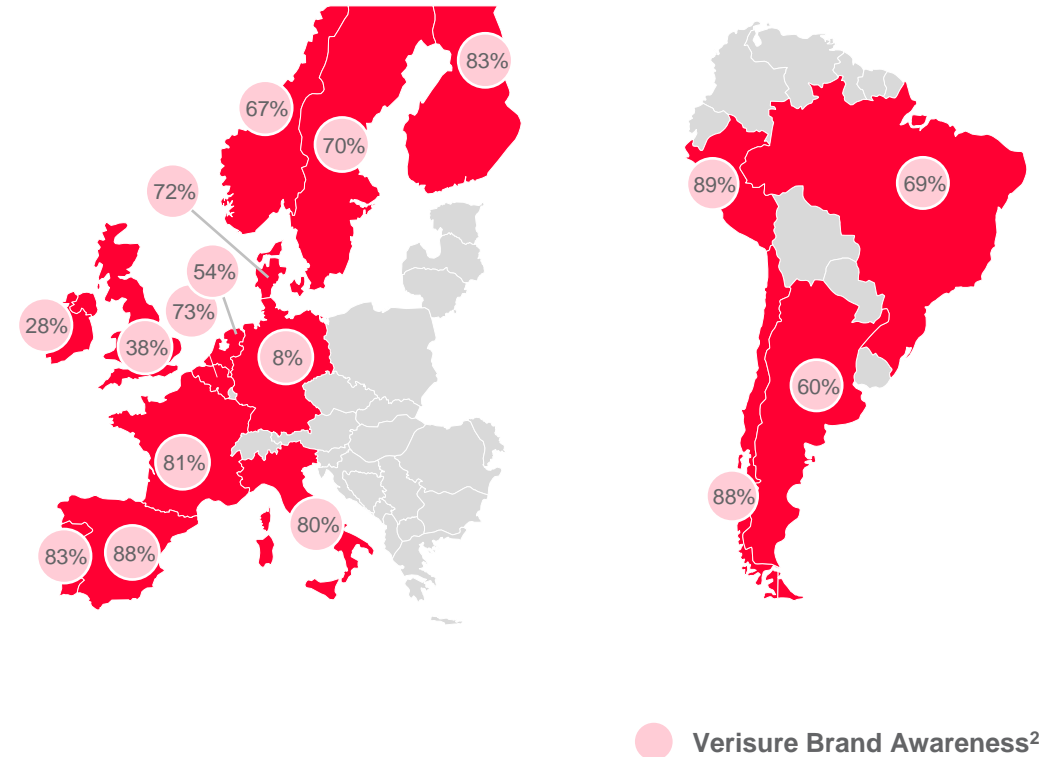
~4-6% +3m



Verisure Brand Awareness²

~90% Group Portfolio³

~10% Group Portfolio³

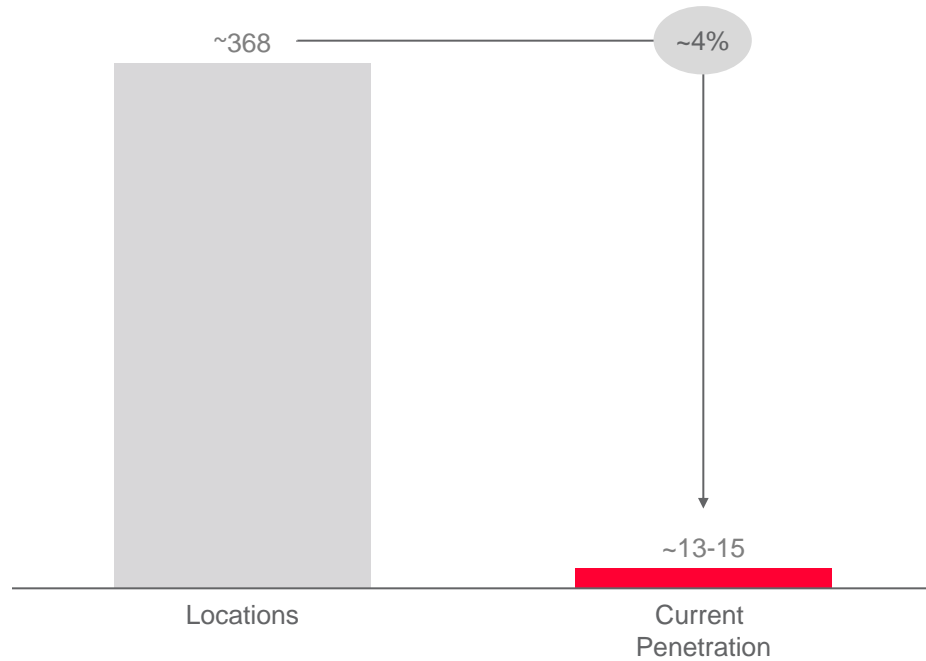


Notes: ¹ 2023 best estimate relative gross segment share of Professionally Installed Alarms across residential and prosumer in Verisure's current footprint; ² Based on prompted brand awareness for long list of Alarm brands (Source: Kantar consumer survey Oct-2024 (18,122 households across 17 countries). Prompted brand awareness survey in LatAm conducted in selected population segments, considered by management to be representative of the addressable segments where Verisure operates); ³ As of Sep-2024.

2 Long Runway for Double-Digit Growth with Significant Penetration Opportunity

Monitored Security Penetration in Verisure Footprint^{1,2}

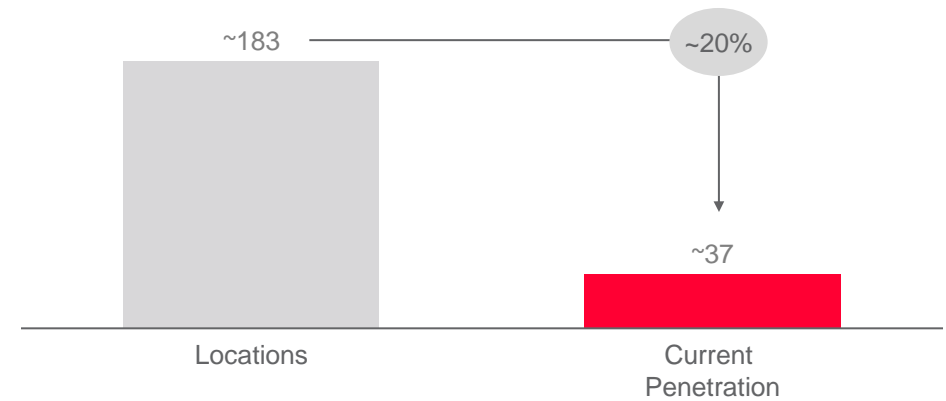
Total Residential Dwellings and Small Businesses (m)



~4% penetration in Verisure current footprint

Monitored Security Penetration in the United States²

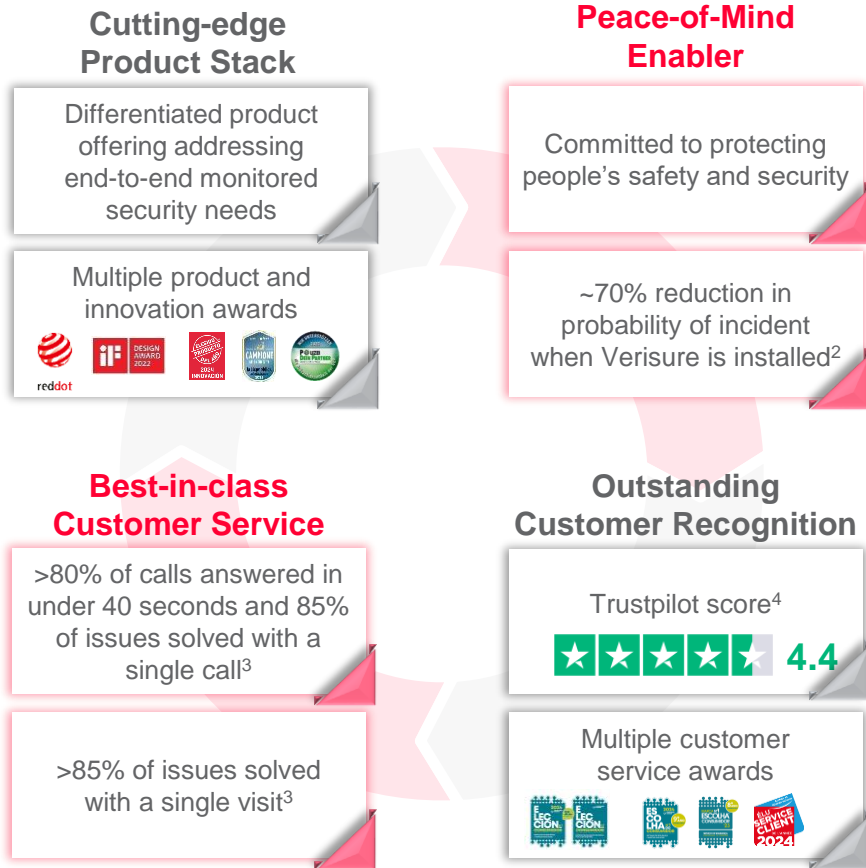
Total Residential Dwellings and Small Businesses (m)



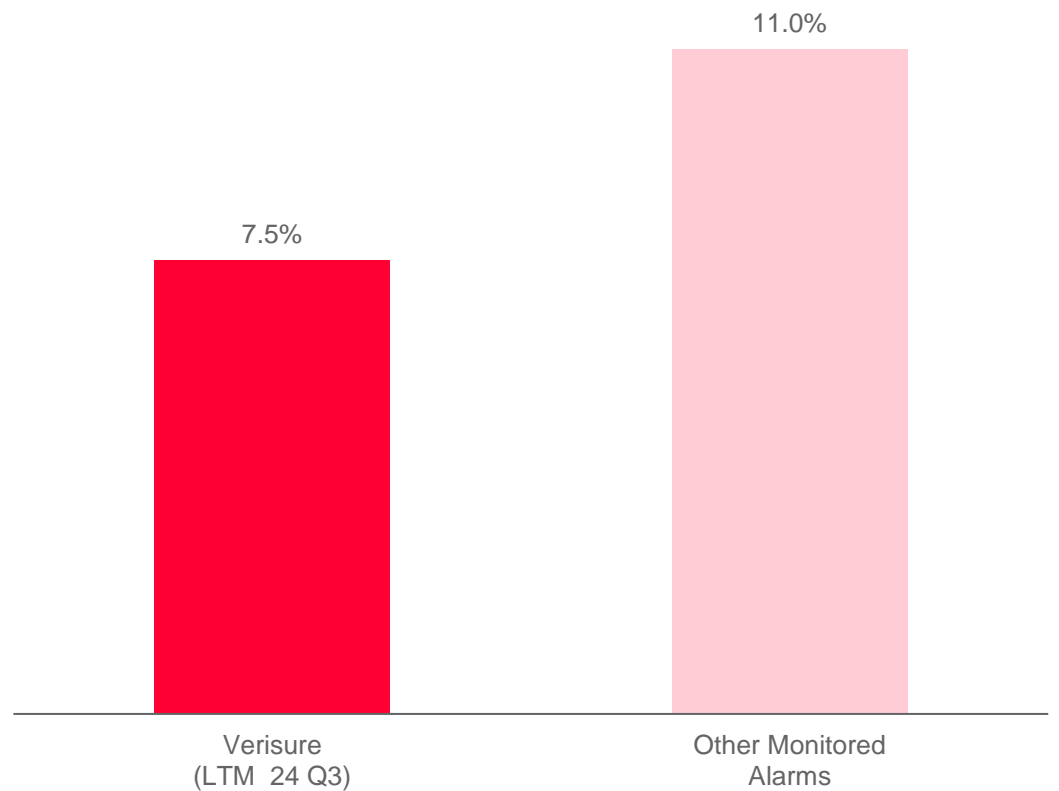
~20% penetration in the U.S.

3 Differentiated Customer Value Proposition Results in Best-in-Class Attrition

Superior Customer Value Proposition



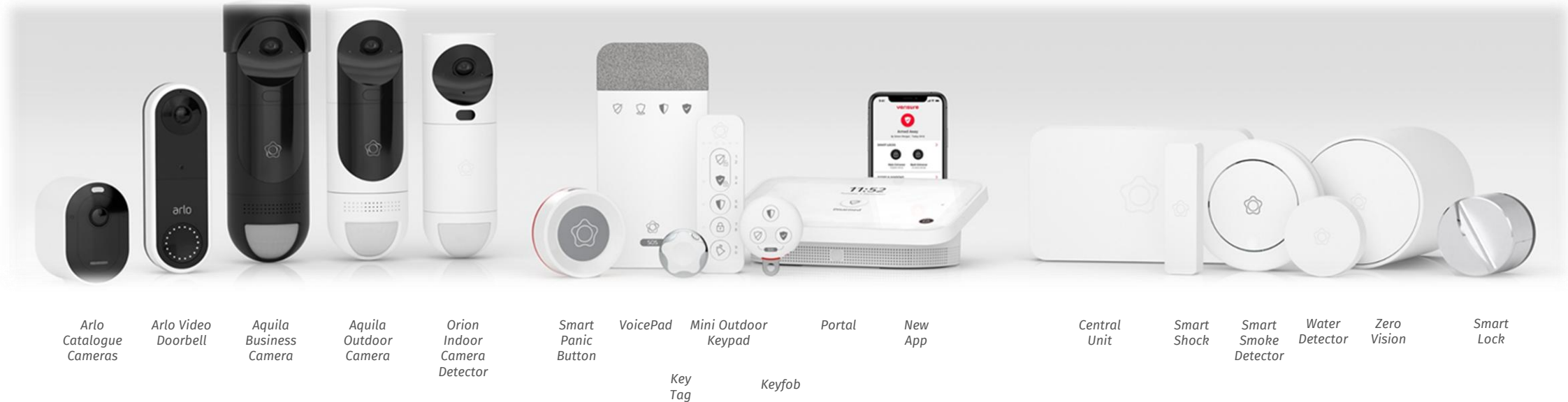
Best-in-Class Attrition¹ (%)



Source: Latest available company filings; ¹ Based on median of latest available attrition rates of selected Monitored Alarm companies; ² Verisure estimates, based on comparing burglary rates in the Verisure customer base vs the general population; ³ Based on 6M rolling average as of May 2024. ⁴ As of Nov-2024. Trustpilot score calculated as the weighted average by Portfolio size of Verisure footprint in Europe.

3 Vertically-Integrated Tech Stack with An Ever-Evolving Proposition

Verisure's award-winning product offering can service end-to-end monitored security needs



Underpinned by best-in-class product and technology development capabilities

Three in-house technology centres in Geneva, Malmö and Madrid

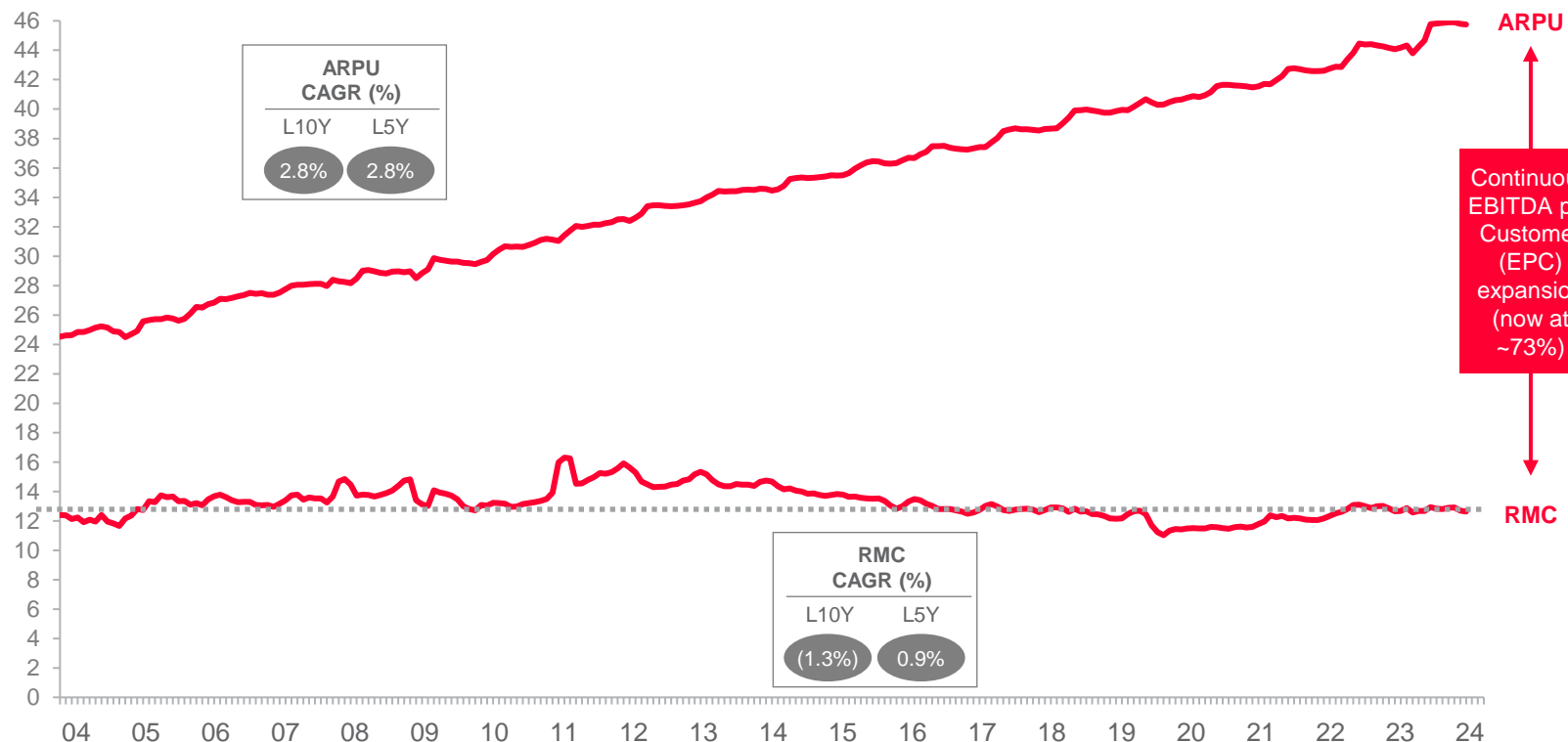
>1,800 engineers and IT professionals with full stack competences

World class proprietary monitoring centre software and technology platform

4 Continued Margin Expansion

Average Revenue per User (ARPU) | Recurring Monthly Cost (RMC) (€)

Portfolio Profitability¹



Proven record of significant portfolio margin expansion

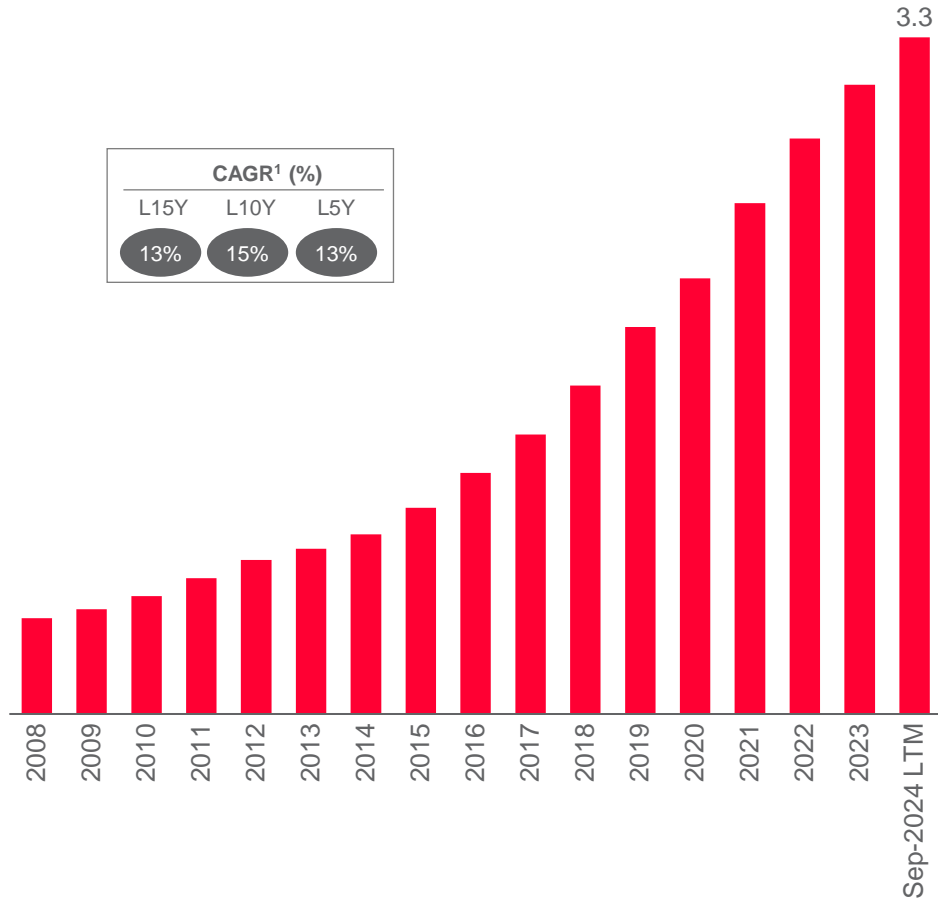
Building in-country scale key driver of margin expansion

Continued ARPU build: Driven by revenue optimisation (pricing, innovation, upselling)

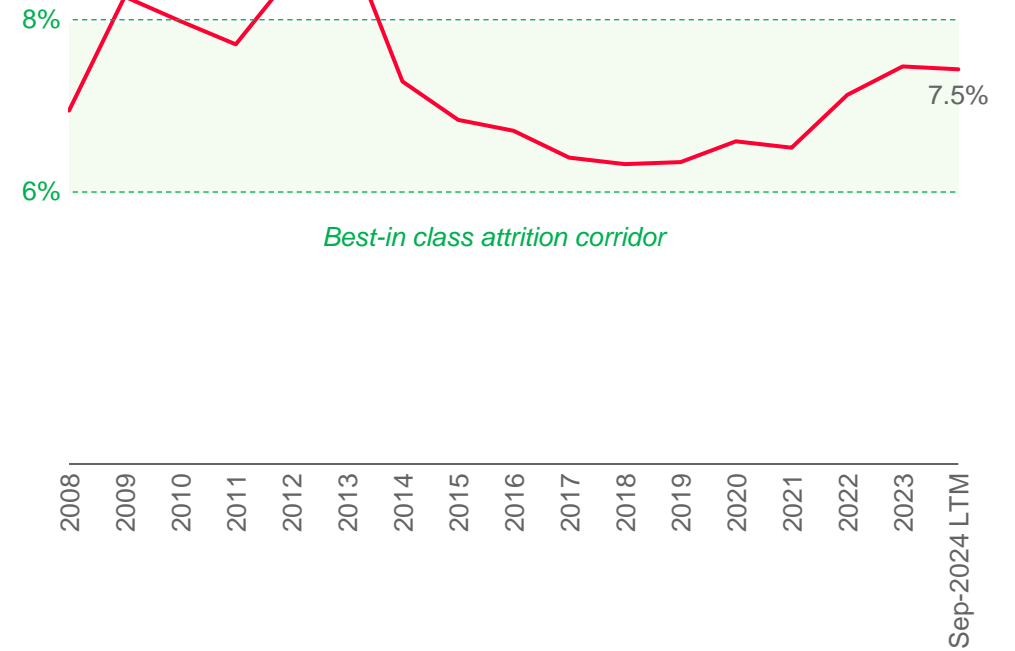
Excellent cost control a strategic advantage

5 Proven Resilience Through the Cycle (1/3)

Total Revenue (€bn)

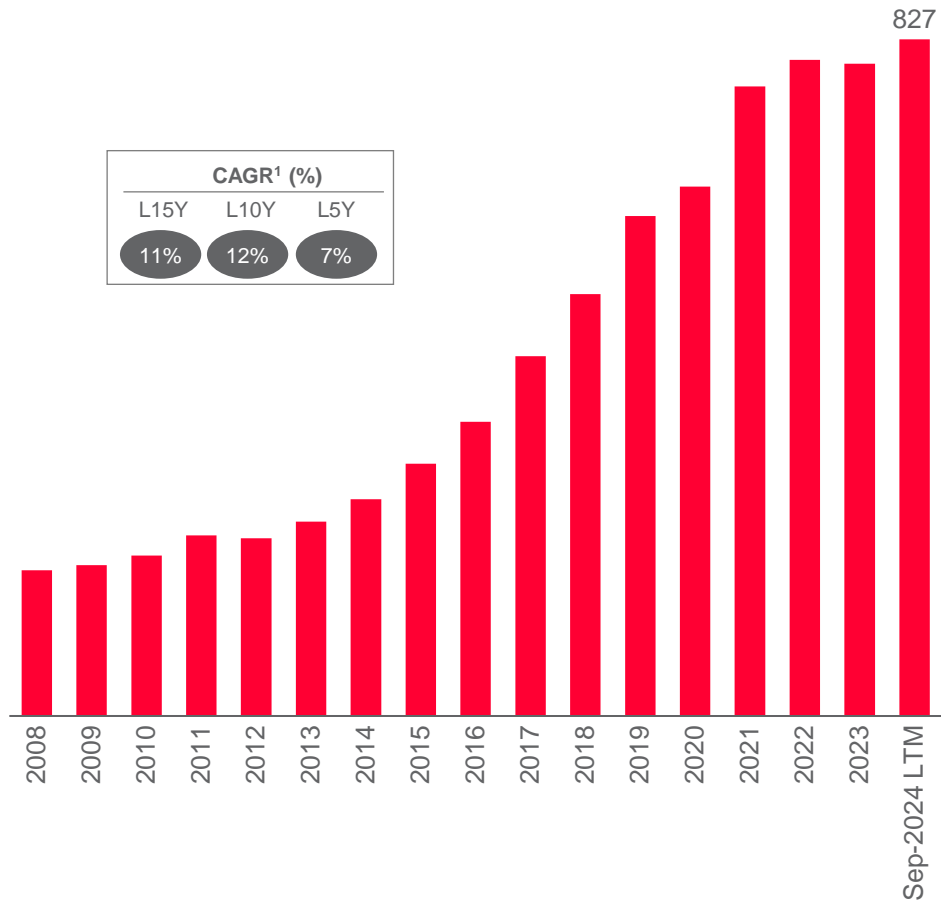


Customer Attrition (%)

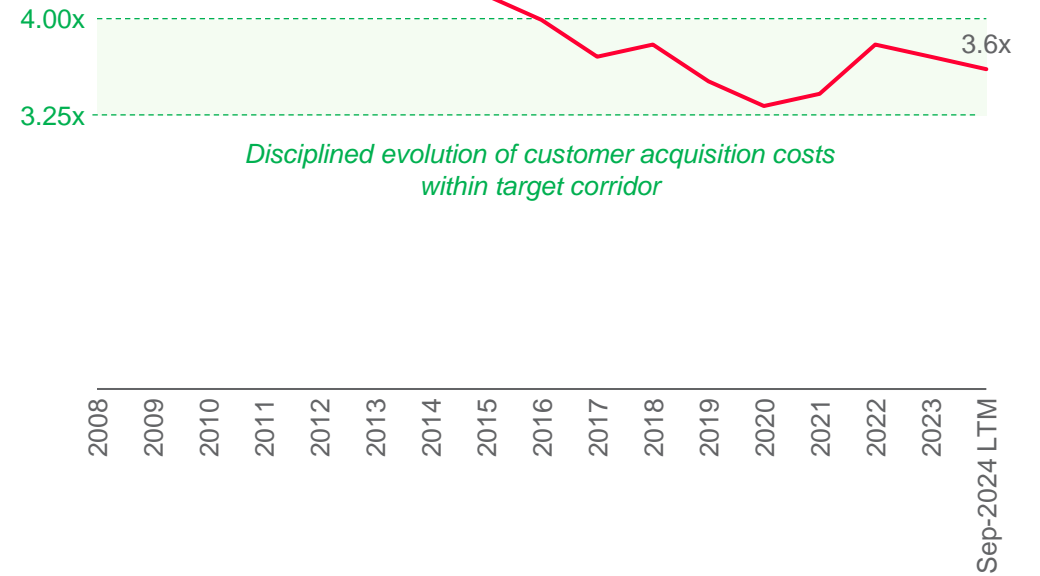


5 Proven Resilience Through the Cycle (2/3)

New Installations (k)



Creation Multiple² (x)



Source: Verisure Financials & Reports.

Notes: ¹ CAGRs based on annual figures calendarised to Sep-2024 LTM; ² Defined as the ratio between the initial capital investment made to acquire a new subscriber, divided by the average annual EBITDA contribution of an existing subscriber (similar to an EBITDA acquisition multiple).

5 Proven Resilience Through the Cycle (3/3)

Lower install growth in 2021-2023 (+2% CAGR) was a choice (2024 Q3 YTD +5% y/y as macro pressures ease)

Context: Combination of exceptional cost-of-living pressures (impacting demand) as well as rising cost of capital (impacting target ROIs)

Started

1. Tighter capital allocation between countries (i.e., increased focus towards countries with higher ROIs e.g., Italy, Spain, Portugal)
2. Tighter capital allocation within countries (i.e., more choiceful approach to marginal channels or marginal leads)
3. Go again on broad cost programs (i.e., FOG 3.0)


Actively Avoided

	<u>Business Impact (if we had taken these choices)</u>	<u>2021-2023 Evolution</u>
1. Lower upfront cash pricing	Lower quality intake Higher attrition propensity Higher bad debt risk Increased early churn	Low single-digit growth in cash upfront prices
2. Increase acquisition discounts (ARPU)	Lower quality intake Higher attrition propensity Future “back book > front book” pricing issues	Mid single-digit growth in entry recurring month revenue
3. Pushing even harder on media / marketing	Increased CPA Potential impact on quality intake	Slight decrease in marketing costs as % of CPA
4. M&A	Uncertain quality Tech integration distraction	No portfolio acquisition since 2017

Outstanding Leadership Team with Highly Experienced First Line of Managers



Verisure's leadership team brings significant category experience, with a lengthy team tenure


Group Functions

 **Austin Lally**
Group Chief Executive Officer

36 Years of Experience
10 Tenure at Verisure


Previous Experience:

 **Colin Smith**
Group Chief Financial Officer

27 Years of Experience
2 Tenure at Verisure

Previous Experience:




 **Cristina Rivas Saiz**
Group Chief Technology Officer

30 Years of Experience
8 Tenure at Verisure



Previous Experience:


 

 **Marta Panzano**
Group Chief HR, Comm. & ESG Officer

26 Years of Experience
10 Tenure at Verisure



Previous Experience:


 

 **Olivier Horps**
Group Chief Marketing Officer

30 Years of Experience
7 Tenure at Verisure



Previous Experience:

 **Nina Cronstedt**
Group Chief Legal Officer

26 Years of Experience
6 Tenure at Verisure

Previous Experience:


Cluster GMs

 **Antonio Anguita**
President of Iberia, Italy & Latin America

36 Years of Experience
11 Tenure at Verisure



Previous Experience:


 

 **Olivier Allender**
President, France, Belgium, UK, Ireland & Arlo

32 Years of Experience
12 Tenure at Verisure

Previous Experience:

 **Luis Gil**
President of Expansion, Acquisitions and Business Development

31 Years of Experience
31 Tenure at Verisure

Previous Experience:

Co-Founder of Verisure

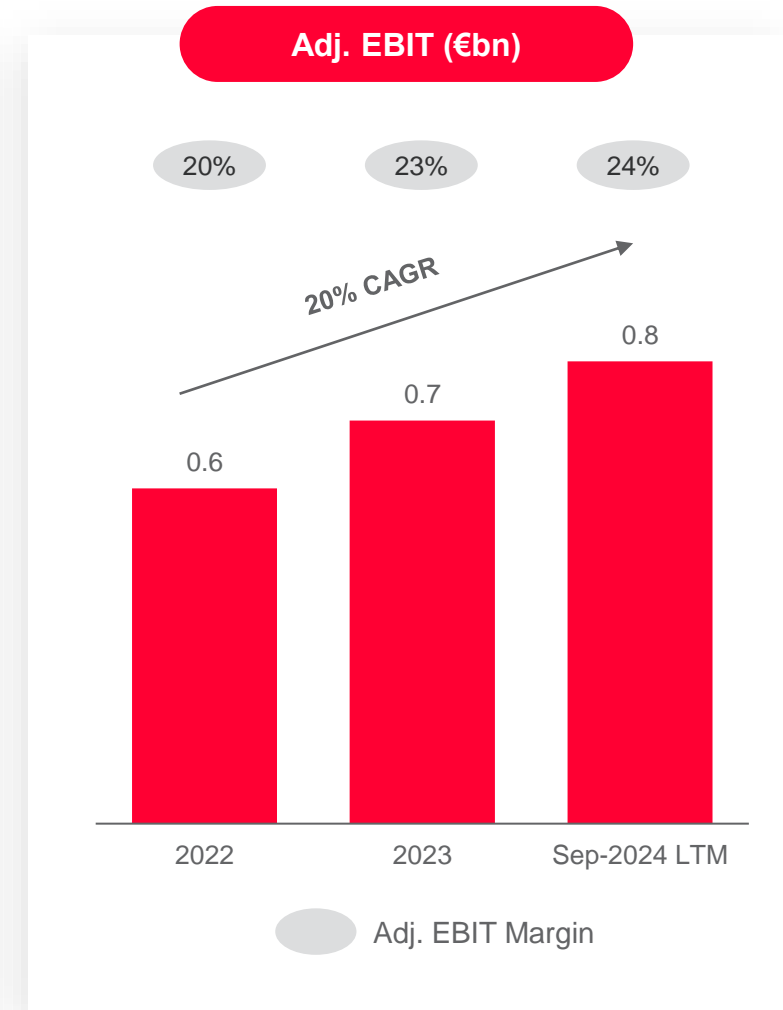
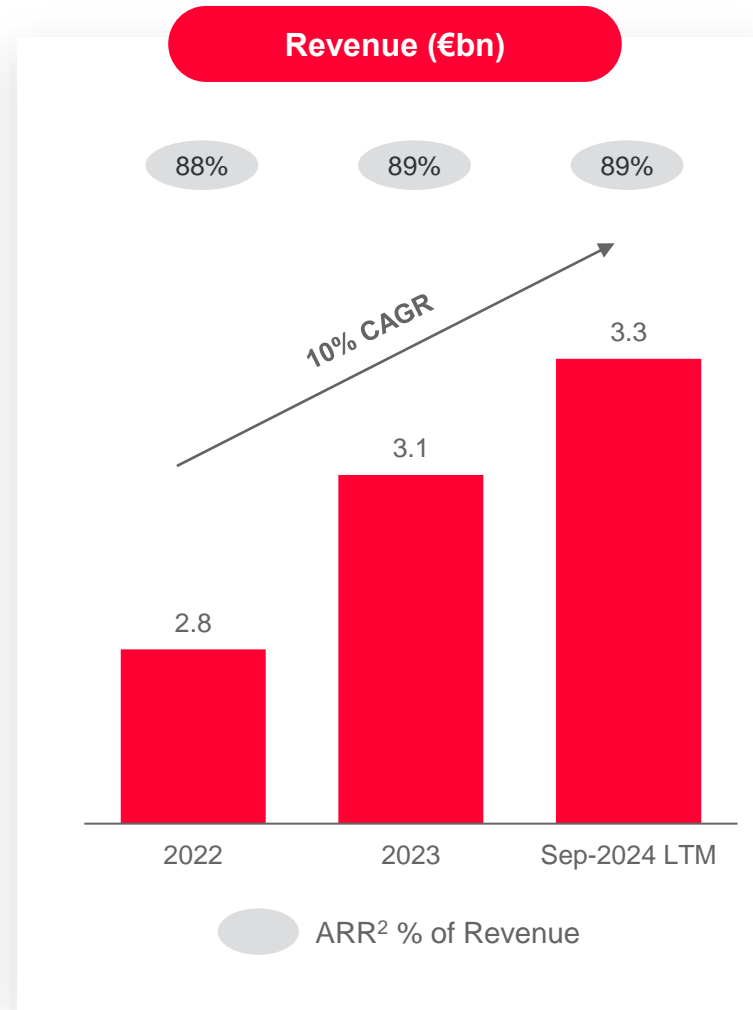
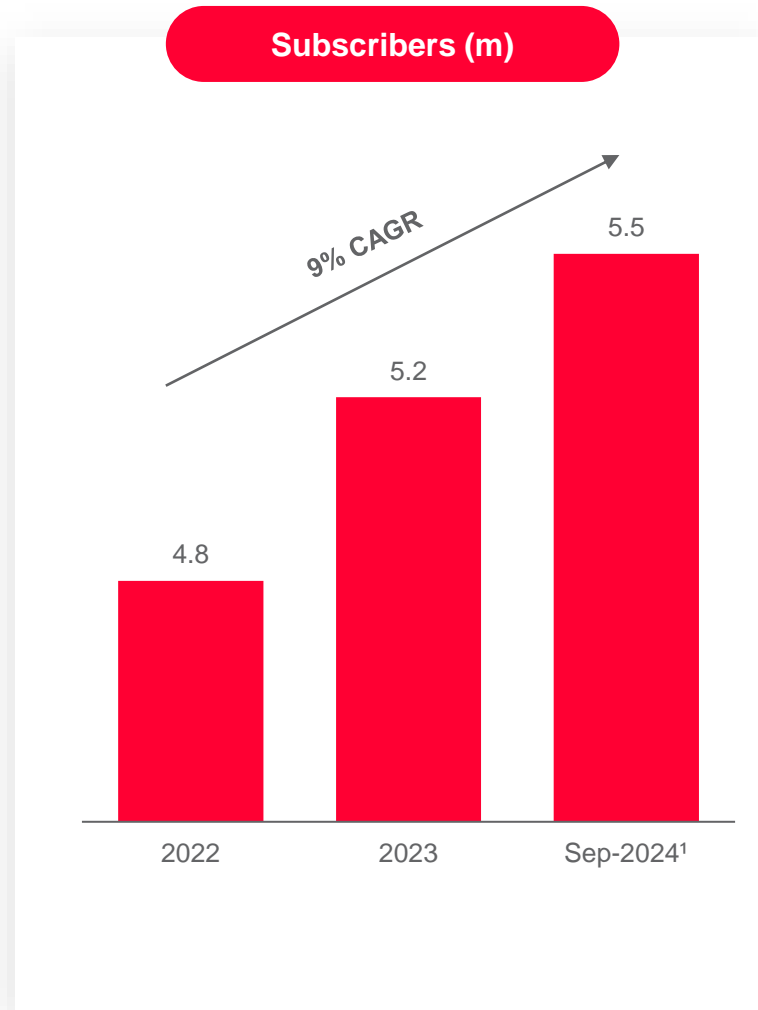
Our unique DNA defines who we are

2023 Sustainability Report
available on Verisure's IR
website



Unique Financial Profile Delivering Strong and Profitable Growth

Full set of historical financials dating back to 2015 available on Verisure's IR website



Source: Verisure Financials & Reports.
 Notes: ¹ As of Sep-2024; ² Annualised Recurring Revenue (ARR) = EoP Portfolio * ARPU * 12.

Key Takeaways

- 1 **Category Leader**
- 2 **Long Runway for Double-Digit Growth**
- 3 **Differentiated Customer Proposition**
- 4 **Continued Margin Expansion Trajectory**
- 5 **Proven Resilience Through the Cycle**

Underpinned by an Outstanding “Team Verisure”

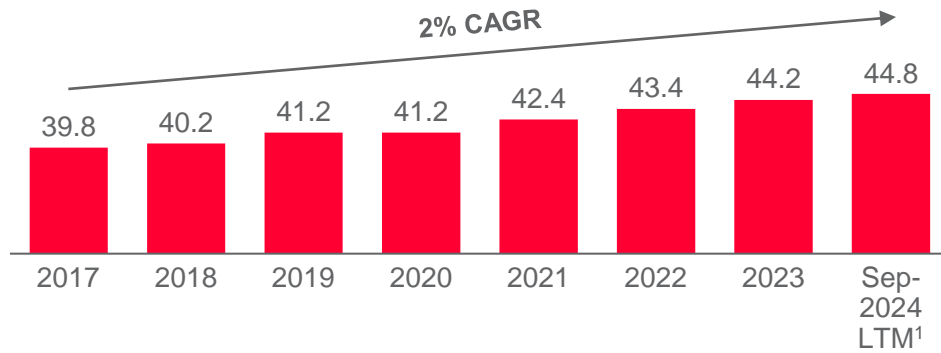


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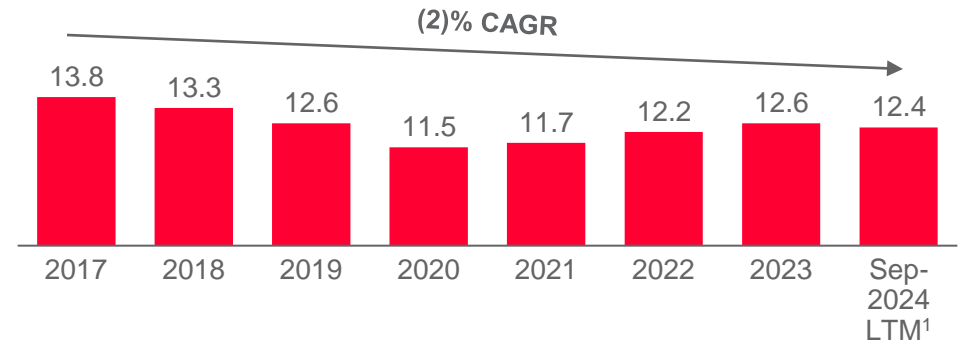
Appendix

Excellent Unit Economics

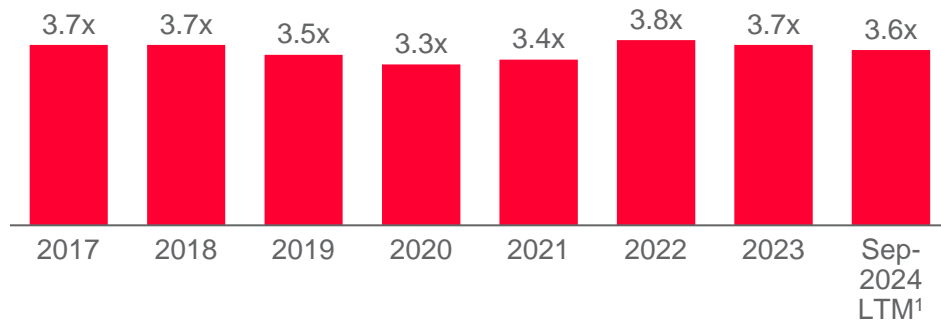
ARPU (€ / User)



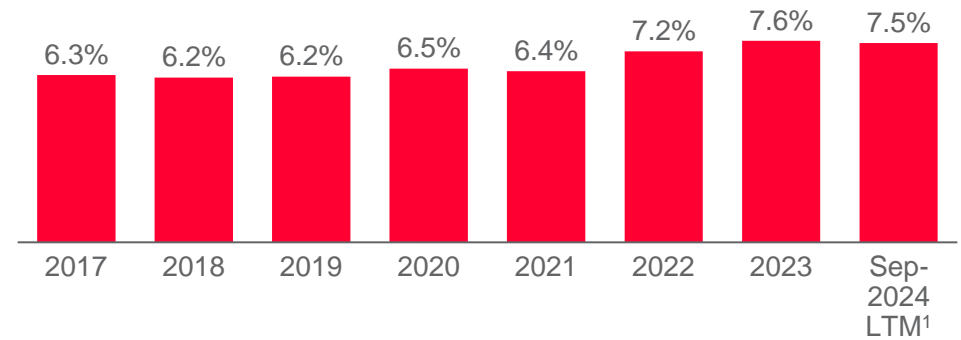
RMC (€ / User)



Creation Multiple² (x)



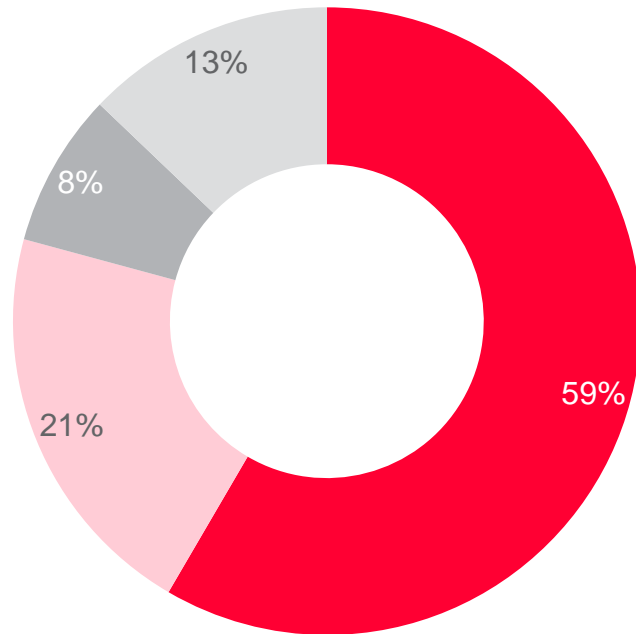
Attrition (%)



Source: Verisure Financials & Reports. Notes: ARPU = Average Monthly Revenue Per User, EPC = Monthly Adjusted EBITDA per Customer; ¹ Based on Sep-2024 LTM; ² Defined as the ratio between the initial capital investment made to acquire a new subscriber, divided by the average annual EBITDA contribution of an existing subscriber (similar to an EBITDA acquisition multiple).

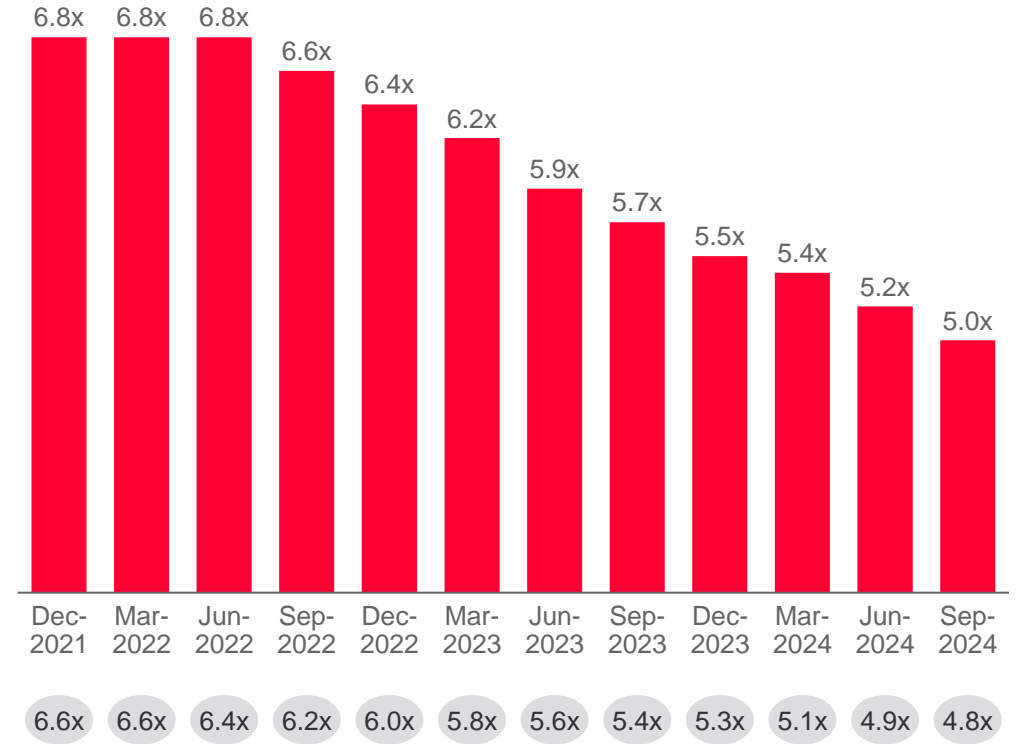
Current Ownership Structure and Quarterly Deleveraging

Ownership (%)



■ H&F Managed Funds ■ Alba
■ GIC ■ Others

LTM Net Leverage¹ (x)



● L2QA Net Leverage²

Source: Verisure Financials & Reports. Notes: ¹ Total net leverage ratio is calculated including IFRS 16 and using LTM EBITDA. ² Leverage based on Last 2 Quarters Annualised adjusted EBITDA as per Verisure's Senior Facility Agreement (SFA) definition.

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