

Stanley Black & Decker to Sell Security Business for \$3.2 Billion to Securitas

December 8, 2021

Announces \$4 Billion Share Repurchase Plan Expected to be Executed in 2022 Sale Sharpens Stanley Black & Decker's Strategic Focus on its Core Businesses

NEW BRITAIN, Conn., Dec. 8, 2021 /PRNewswire/ -- **Stanley Black & Decker (NYSE: SWK)** today announced it has signed a definitive agreement for the sale of most of its Security assets to Securitas AB (STO: SECU B) for \$3.2 billion in cash. The proposed transaction includes Stanley Black & Decker's Commercial Electronic and Healthcare Security business lines ("Security"). The businesses carry 2021 forecasted revenues of approximately \$1.7 billion with an adjusted EBITDA margin in the low double-digits, implying a purchase price multiple of approximately 16 trailing adjusted EBITDA.

Net proceeds from the sale are expected to be used to fund, in part, an approximately \$4 billion share repurchase which is planned to be completed in 2022. The transaction does not include Stanley Access Technologies, which is a leader in the industry with state-of-the-art automatic door solutions.

James M. Loree, Stanley Black & Decker's CEO, stated, "The sale of Security is consistent with our commitment to generating substantial shareholder value and allows us to sharpen our strategic focus on growing our core businesses while also returning capital to investors through a significant share buyback. This transaction is a result of our active approach to portfolio management, and the attractive valuation we received reflects the investments we made in transforming our Security business over the last several years. The business is well positioned for ongoing growth within Securitas, a global leader in the security industry. On behalf of the entire Stanley Black & Decker organization, I want to thank our Security team members for their valuable contributions over the years."

Magnus Ahlqvist, Securitas AB President & CEO, said, "We are incredibly excited to join forces with Stanley Security and are confident that we will form a winning team. Together, we will be perfectly placed to deliver outstanding expertise and potential for innovation which will create extraordinary opportunities not only for our shareholders, but for our colleagues and our hundreds of thousands of customers around the world."

Donald Allan, Jr., Stanley Black & Decker's President & Chief Financial Officer commented, "Three years ago we initiated a digital transformation in Security with investments in people, new partnerships and innovative commercial solutions to establish these businesses as leaders with a strong growth trajectory in their respective markets. The team has made incredible progress and the new combination with Securitas will provide them the best platform for the next stage of success. I want to personally thank my colleagues from Stanley Security on the outstanding amount of energy and passion they put into this transformation to make this phase a success."

"Our use of approaching \$3 billion of net proceeds towards a planned \$4 billion share repurchase program that we expect to complete in 2022 is consistent with our long-term capital allocation strategy focused on value maximization. Overall, this transaction will allow us to simultaneously strengthen Stanley Black & Decker's core market position while returning significant value to our shareholders."

The transaction has been approved by the Boards of Directors of Stanley Black & Decker and Securitas and is expected to close in the first half of 2022, but timing is contingent upon receiving regulatory approvals and other customary closing conditions.

The approximately \$4 billion share repurchase program is expected to commence in 2022 with \$2.0 - \$2.5 billion expected to occur in the first quarter and the remainder the Company expects to complete in the summer of 2022. The Company's capital allocation strategy reflects its commitment to substantial capital return, strong investment grade credit ratings and opportunistic strategic value-creating M&A.

The Company is reaffirming its full-year 2021 EPS guidance of \$9.70 - \$10.05 on a GAAP basis and \$10.70 - \$10.90 on a non-GAAP adjusted basis.

About STANLEY Commercial Electronic Security & Healthcare

STANLEY Commercial Electronic Security is a global provider of integrated security, health, and safety solutions and services. STANLEY is trusted by customers across the globe for innovative technology; seamless installation and integration; reliable maintenance; 24/7 monitoring; and insightful analytics. STANLEY is guided by its vision of building safer, healthier, and more efficient environments, with a purpose of helping the world progress. Learn more at stanleysecurity.com.

STANLEY Healthcare's mission is to empower caregivers – all those who make the world more caring. By connecting caregivers to essential information and to those in their care networks, STANLEY Healthcare helps organizations to deliver connected, productive and safe care. Our solutions are some of the most trusted in the industry, relied on by thousands of healthcare organizations worldwide. We live our mission through active involvement in our communities and through healthcare advocacy.

About Securitas

Securitas is a leading intelligent security solutions partner. Our guarding, electronic security, fire and safety, and risk management solutions enable more than 150 000 clients to see a different world. We are present in 48 markets, and our innovative, data-driven approach makes us a trusted partner to many of the world's best-known companies. Our 355,000 employees live our values of integrity, vigilance and helpfulness, and our purpose is to help make your world a safer place.

About Stanley Black & Decker

Headquartered in New Britain, Connecticut, Stanley Black & Decker, an S&P 500 company, is a leading \$14.5 billion global diversified industrial with 56,000 employees in more than 60 countries who make the tools, products and solutions to deliver on its Purpose, For Those Who Make The World. The Company operates the world's largest tools business featuring iconic brands such as DEWALT, STANLEY, BLACK+DECKER and CRAFTSMAN; the world's second largest commercial electronic security company; and is a global industrial leader of highly engineered solutions within its

engineered fastening and infrastructure businesses. Learn more at www.stanleyblackanddecker.com

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Cautionary Note Regarding Forward-Looking Statements

Cautionary Note Regarding Forward-Looking Statements Stanley Black & Decker makes forward-looking statements in this press release which represent its expectations or beliefs about future events and financial performance. Forward-looking statements are identifiable by words such as "believe," "anticipate," "expect," "intend," "plan," "will," "may" and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. Forward-looking statements made in this press release, include, but are not limited to, statements concerning: consummation of the Security sale transaction; certain forward-looking guidance of earnings per share and projections of the anticipated impact of the transaction; expected 2021 revenues of the Security business; opportunities for future growth; and the Company's capital allocation strategy and share repurchase program and the amount, timing and results in terms of shareholder value therefrom.

You are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are not guarantees of future events and involve risks, uncertainties and other known and unknown factors that may cause actual results and performance to be materially different from any future results or performance expressed or implied by such forward-looking statements, including, but not limited to, the failure to consummate, or a delay in the consummation of, the Security sale transaction for various reasons; (including but not limited to failure to receive, or delay in receiving, required regulatory approvals and meet customary closing conditions); the failure to undertake or complete, or a delay in the timing of, the share repurchase program; and failure to realize the expected benefits of the Company's capital allocation strategy and share repurchase program.

Forward-looking statements made herein are also subject to risks and uncertainties, described in: Stanley Black & Decker's 2020 Annual Report on Form 10-K, its subsequently filed Quarterly Reports on Form 10-Q; and other filings Stanley Black & Decker makes with the Securities and Exchange Commission. In addition, actual results could differ materially from those suggested by the forward-looking statements, and therefore you should not place undue reliance on the forward-looking statements. Stanley Black & Decker makes no commitment to revise or update any forward-looking statements to reflect events or circumstances occurring or existing after the date of any forward-looking statement.

The logo for Stanley Black & Decker, featuring the company name in a bold, black, sans-serif font. The text is set against a yellow background that is shaped like a diagonal banner or ribbon, pointing towards the bottom right.

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