Life360 Announces Pricing of Upsized Convertible Senior Notes Offering

June 3, 2025

SAN FRANCISCO, June 03, 2025 (GLOBE NEWSWIRE) -- Life360, Inc. (“Life360” or the “Company”) (NASDAQ: LIF, ASX: 360), today announced the pricing of its offering of $275.0 million aggregate principal amount of 0.00% convertible senior notes due 2030 (the “notes”) in a private offering to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”). The offering size was increased from the previously announced offering size of $250 million aggregate principal amount of notes. The issuance and sale of the notes are scheduled to settle on June 5, 2025, subject to customary closing conditions. Life360 also granted the initial purchasers of the notes an option to purchase, for settlement within a period of 13 days from, and including, the date the notes are first issued, up to an additional $45.0 million aggregate principal amount of notes.

The notes will be senior, unsecured obligations of Life360. The notes will not bear regular interest, and the principal amount of the notes will not accrete. The notes will mature on June 1, 2030, unless earlier repurchased, redeemed or converted. Before March 1, 2030, noteholders will have the right to convert their notes only upon the occurrence of certain events. From and after March 1, 2030, noteholders may convert their notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date. Life360 will settle conversions in cash or a combination of cash and shares of its common stock, at Life360’s election. The initial conversion rate is 12.3501 shares of common stock per $1,000 principal amount of notes, which represents an initial conversion price of approximately $80.97 per share of common stock. The initial conversion price represents a premium of approximately 32.5% over the last reported sale price of $61.11 per share of Life360’s common stock on June 2, 2025. The conversion rate and conversion price will be subject to adjustment upon the occurrence of certain events.

The notes will be redeemable, in whole or in part (subject to certain limitations), for cash at Life360’s option at any time, and from time to time, on or after June 5, 2028 and on or before the 40th scheduled trading day immediately before the maturity date, but only if the last reported sale price per share of Life360’s common stock exceeds 130% of the conversion price for a specified period of time and certain other conditions are satisfied. The redemption price will be equal to the principal amount of the notes to be redeemed, plus accrued and unpaid special and additional interest, if any, to, but excluding, the redemption date.

If a “fundamental change” (as defined in the indenture for the notes) occurs, then, subject to a limited exception, noteholders may require Life360 to repurchase their notes for cash. The repurchase price will be equal to the principal amount of the notes to be repurchased, plus accrued and unpaid special and additional interest, if any, to, but excluding, the applicable repurchase date.

Life360 estimates that the net proceeds to it from the offering will be approximately $265.2 million (or approximately $308.9 million if the initial purchasers exercise in full their option to purchase additional notes), after deducting the initial purchasers’ discounts and commissions and Life360’s estimated offering expenses. Life360 intends to use approximately $29.0 million (or approximately $33.7 million if the initial purchasers exercise in full their option to purchase additional notes) of the net proceeds from the offering to fund the cost of entering into the capped call transactions described below. Life360 intends to use the remainder of the net proceeds from the offering for general corporate purposes, which may include acquisitions or strategic investments in complementary businesses, products, services or technologies. If the initial purchasers exercise their option to purchase additional notes, then Life360 intends to use a portion of the additional net proceeds to fund the cost of entering into additional capped call transactions as described below.

In connection with the pricing of the notes, Life360 entered into privately negotiated capped call transactions with certain of the initial purchasers or their affiliates and certain other financial institutions (the “option counterparties”). The capped call transactions cover, subject to anti-dilution adjustments substantially similar to those applicable to the notes, the number of shares of Life360’s common stock that initially underlie the notes. If the initial purchasers exercise their option to purchase additional notes, then Life360 expects to enter into additional capped call transactions with the option counterparties. The cap price of the capped call transactions is initially $122.22 per share, which represents a premium of 100% over the last reported sale price of Life360’s common stock of $61.11 per share on June 2, 2025, and is subject to certain adjustments under the terms of the capped call transactions.

The capped call transactions are expected to generally reduce the potential dilution to Life360’s common stock upon any conversion of the notes and/or offset any potential cash payments Life360 is required to make in excess of the principal amount of converted notes, as the case may be. If, however, the market price per share of Life360’s common stock, as measured under the terms of the capped call transactions, exceeds the cap price of the capped call transactions, there would nevertheless be dilution and/or there would not be an offset of such potential cash payments, in each case, to the extent that such market price exceeds the cap price of the capped call transactions.

In connection with establishing their initial hedges of the capped call transactions, the option counterparties or their respective affiliates expect to enter into various derivative transactions with respect to Life360's common stock and/or purchase shares of Life360's common stock concurrently with or shortly after the pricing of the notes. This activity could increase (or reduce the size of any decrease in) the market price of Life360's common stock or the market value of the notes at that time.

In addition, the option counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to Life360's common stock and/or purchasing or selling Life360's common stock or other securities of Life360 in secondary market transactions following the pricing of the notes and prior to the maturity of the notes (and (x) are likely to do so during any observation period related to a conversion of notes or following any repurchase of the notes by Life360 in connection with any redemption or fundamental change and (y) are likely to do so following any repurchase of the notes by Life360 other than in connection with any redemption or fundamental change if Life360 elects to unwind a corresponding portion of the capped call transactions in connection with such repurchase). This activity could also cause or avoid an increase or decrease in the market price of Life360's common stock or the notes, which could affect noteholders' ability to convert the notes and, to the extent the activity occurs during any observation period related to a conversion of notes, it could affect the amount and value of the consideration that noteholders will receive upon conversion of the notes.

The offer and sale of the notes and any shares of common stock issuable upon conversion of the notes have not been, and will not be, registered under the Securities Act or any other securities laws, and the notes and any such shares cannot be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, the notes or any shares of common stock issuable upon conversion of the notes, nor will there be any sale of the notes or any such shares, in any state or other jurisdiction in which such offer, sale or solicitation would be unlawful.

Authorization

Chris Hulls, Director, Co-Founder and Chief Executive Officer of Life360 authorized this announcement being given to ASX.

About Life360

Life360, a family connection and safety company, keeps people close to the ones they love. The category-leading mobile app and Tile tracking devices empower members to stay connected to the people, pets, and things they care about most, with a range of services, including location sharing, safe driver reports, and crash detection with emergency dispatch. Life360 delivers peace of mind and enhances everyday family life in all the moments that matter, big and small.

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Forward-looking statements

This announcement contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Life360 intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include, but are not limited to, statements regarding the completion of the offering, the initial purchasers' option to purchase additional notes, the expected amount and intended use of the net proceeds and the effects of entering into the capped call transactions. The words "anticipate", "believe", "expect", "potential", "project", "predict", "will", "forecast", "estimate", "likely", "intend", "outlook", "should", "could", "may", "target", "plan", variations of these terms or the negative of these terms and other similar expressions can generally be used to identify forward-looking statements. Investors and prospective investors are cautioned not to place undue reliance on these forward-looking statements as they involve inherent risk and uncertainty (both general and specific) and should note that they are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. There is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. Subject to any continuing obligations under applicable law, Life360 does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement, to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statements are based.

Although Life360 believes that the expectations reflected in the forward-looking statements and the assumptions upon which they

are based are reasonable, Life360 can give no assurance that such expectations and assumptions will prove to be correct and, actual results may vary in a materially positive or negative manner. Forward-looking statements are subject to known and unknown risks, uncertainty, assumptions and contingencies, many of which are outside Life360's control, and are based on estimates and assumptions that are subject to change and may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements. Factors that could cause actual results to differ materially from those implied by the forward-looking statements include market conditions, the satisfaction of the closing conditions related to the offering and risks relating to Life360's business, including those described in greater detail under the heading "Risk Factors" in Life360's Australian Securities Exchange ("ASX") and United States Securities and Exchange Commission ("SEC") filings, including its Annual Report on Form 10-K filed with the SEC on February 27, 2025, Quarterly Reports on Form 10-Q, and other reports filed with the SEC. To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise is disclaimed. This announcement should not be relied upon as a recommendation or forecast by Life360. Life360 may not consummate the offering described in this announcement and, if the offering is consummated, cannot provide any assurances regarding its ability to effectively apply the net proceeds as described above. Nothing contained in this document nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Life360.



Source: Life360, Inc.