



Press release

Loomis launches "Loomis Pay", a complete payment solution for cash, cards and other digital payments

Loomis continues to execute on its strategy and now takes a major step in the ambition to expand its presence across the value chain by launching Loomis Pay.

Loomis Pay is a complete end-to-end payment platform for merchants and manages all types of payments, including cash, card and other digital alternatives, both in store and online. The core of Loomis current operations, cash in transit (CIT) and cash management services (CMS) will continue to be core business and Loomis Pay will complement the existing business and increase the addressable market for Loomis.

Loomis Pay will initially be marketed to small and midsize merchants, leveraging Loomis existing market leading position and long-term relationships. Loomis has presently CIT and CMS service agreements with approximately 85,000 merchants in the Nordic markets alone. The ambition, in the first initial stage, is to achieve revenue, within 5 years, exceeding SEK 3 billion generating an attractive operating margin. Loomis Pay is expected to generate a positive operating result (EBITA¹⁾) during 2023.

During 2020-2022, investments will be made in product development and other activities for Loomis Pay. Loomis expects approximately SEK 100 million per year will be recorded as net costs in the income statement. Loomis Pay is currently reported in segment "other".

The solution will bring numerous benefits for Loomis's customers by reducing the number of required payment suppliers and improve simplicity. For example, improved cash flow as the customers will have the opportunity to have the value deposited on the bank account the business day following the transaction. These lead-times can currently be long and expensive. Additionally the merchant today needs to sign agreements with several suppliers to execute different types of payments, which Loomis Pay aims to solve with one contract for all payments. The merchant will also have better access to data, which increases visibility and will enable further growth opportunities for the merchant.

Loomis intends to launch Loomis Pay to merchant customers in Denmark during the autumn of this year. The service will be offered to customers in the Swedish market at the beginning of 2021 followed by rollouts in additional markets. Considering the total costs a merchant today pays for digital payments, payment systems, CIT and CMS, Loomis Pay will be a cost efficient alternative.

Loomis has evaluated the ideal technical solutions for Loomis Pay and as a complement to in-house developments, Loomis has acquired the Danish technology company GoAppified. GoAppified provides complete software and hardware for a merchant's payment applications. The purchase price for GoAppified was approximately SEK 60 million.

Kristoffer Labuc will be Managing Director for Loomis Pay. More information about Kristoffer Labuc can be found in Loomis' press release dated June 12, 2020.

¹⁾ Earnings before interest, taxes and amortizations

Loomis offers safe and effective comprehensive solutions for the distribution, handling, storage and recycling of cash and other valuables. Loomis customers are banks, merchants and other operators. Loomis operates through an international network of more than 400 branches in more than 20 countries. Loomis employs around 25,000 people and had revenue in 2019 of SEK 21.0 billion. Loomis is listed on Nasdaq Stockholm Large-Cap list.

This information is information that Loomis AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons below, at 8.45 a.m. CEST on September 9th, 2020.

“The launch of new digital payment solutions is a big and important step for Loomis. We will expand our service offerings to our customers and become a comprehensive supplier of all forms of payments. The market, which now opens up, is significant and we will have great use of the large network we already have when it comes to reaching out to our existing and future customers to launch Loomis Pay”, says Patrik Andersson, President and CEO of Loomis.

Presentation today at 10:00 AM (CEST)

Analysts and media are invited to participate in a telephone conference today, September 9th at 10:00 AM (CEST), where Loomis President & CEO Patrik Andersson, CFO Kristian Aceby, CIO Anders Haker and CMO Loomis Pay Kristoffer Wadman, will present Loomis Pay and answer questions.

The telephone conference will also be audio casted live via Loomis’ website.

Conference call

To follow the conference call via telephone and participate in Q&A session please call;

United Kingdom: +44 3333 009 270

USA: +1 833 24 984 03

Sweden: +46 8 505 583 56

Audio Cast

To follow the audio cast, please follow this [link](#). The link is also available at our website, www.loomis.com (follow “Presentation Loomis Pay Sept 9”).

Presentation slides

Presentation slides will be available from 9:45 AM (CEST).

Go to www.loomis.com and follow “Presentation Loomis Pay Sept 9”.

Recorded version

A recorded version of the audio cast will be published at www.loomis.com (follow “Presentation Loomis Pay Sept 9”).

September 9, 2020

Patrik Andersson
President and CEO

Mobile: +46 76 111 34 00
E-mail: patrik.andersson@loomis.com

Anders Haker
Chief Investor Relations Officer

Mobile: +46 70 810 85 59
E-mail: anders.haker@loomis.com

Kristian Aceby
CFO

Mobile: +46 70 569 69 98
E-mail: kristian.aceby@loomis.com