

Full-Year Report January – December 2022

Record year and strong quarter

Comments on full-year 2022 and quarter 4

- Revenue for the full-year 2022 was SEK 25,315 million (19,723). Real growth was 15.9 percent (9.9) of which organic growth was 14.4 percent (5.6). Net income full-year 2022, was SEK 1,602 million (1,104).
- Revenue for the fourth quarter was SEK 6,731 million (5,325). Real growth was 12.1 percent (14.9) of which organic growth was 11.8 percent (10.5).
- Operating income (EBITA) for the quarter was SEK 754 million (594) and operating margin (EBITA) was 11.2 percent (11.2).
- Operating income (EBIT) before items affecting comparability for the quarter was SEK 745 million (547) and operating margin (EBIT) before items affecting comparability was 11.1 percent (10.3).
- Income before taxes for the quarter was SEK 619 million (500) and net income was SEK 508 million (359).
- Earnings per share before dilution for the quarter were SEK 7.05 (4.82) and after dilution 7.04 (4.82).
- Cash flow from operating activities amounted to SEK 584 million (433) in the quarter, equivalent to 80 percent (75) of operating income (EBITA).
- Loomis AB repurchased 661,000 own shares during the fourth quarter. The Board of Directors has resolved to continue to repurchase own shares during the first quarter 2023.
- The Board of Directors proposes a dividend, for 2022, of SEK 12.00 per share (8.50).

KEY RATIOS

SEK m	2022			2021		
	Quarter 4	Quarter 4	Change (%)	Twelve months	Twelve months	Change (%)
Revenue	6,731	5,325	26.4	25,315	19,723	28.4
Of which:						
Organic growth	627	474	11.8	2,847	1,045	14.4
Acquisitions and divestments	16	204	0.3	285	815	1.4
Exchange rate effects	762	111	14.3	2,460	-950	12.5
Total growth	1,406	788	26.4	5,592	909	28.4
Operating income (EBITA)	754	594		2,735	1,961	
<i>Operating margin (EBITA), %</i>	<i>11.2</i>	<i>11.2</i>		<i>10.8</i>	<i>9.9</i>	
Operating income (EBIT) before items affecting comparability	745	547		2,555	1,790	
<i>Operating margin (EBIT) before items affecting comparability, %</i>	<i>11.1</i>	<i>10.3</i>		<i>10.1</i>	<i>9.1</i>	
Income before tax	619	500		2,172	1,545	
Profit for the period	508	359		1,602	1,104	
Earnings per share before dilution, SEK	7.05	4.82		21.93	14.74	
<i>Tax rate, %</i>	<i>18</i>	<i>28</i>		<i>26</i>	<i>28</i>	
Cash flow from operating activities	584	433		2,316	1,620	
<i>Cash flow from operating activities as % of operating income (EBITA)</i>	<i>80</i>	<i>75</i>		<i>87</i>	<i>85</i>	

Explanation and reconciliation of alternative performance measures can be found on pages 22–23 of this report and under Definitions on page 24.

This is a translation of the Swedish original report. In the event of differences between the English translation and the Swedish original report, the Swedish original report shall prevail.

Strong end to a record year



Loomis delivered another strong quarter which resulted in the full year 2022 achieving the highest revenue and operating result ever. The record revenue has been supported by continued strong organic growth across all segments. The Group's organic growth increased to 11.8 percent (10.5) in the quarter and 14.4 percent (5.6) for the full year.

The operating margin (EBITA%) amounted to 11.2 percent (11.2) in the quarter and 10.8 percent (9.9) for the full year. The margin was impacted positively by increased volumes but negatively by challenges in the labor market as well as the inflationary pressure on the cost base.

Solid revenues across segments

Segment USA continued to grow at a strong rate during the quarter, with an organic growth of 14.3 percent (13.2). Revenues within all offerings increased with high growth for SafePoint in particular. The operating margin amounted to 15.0 percent (14.2).

Segment Europe and Latin America delivered a quarter with high organic growth. The higher activity in shops and restaurants compared to the previous year has been positive for Loomis' business and the foreign exchange business continued to grow more than 100 percent in the quarter. The margin was, however, impacted by the inflationary pressure and the increased cost level, which has not yet been fully passed on to customers.

We achieved an organic growth of 9.7 percent (8.3) and an operating margin of 10.3 percent (11.9).

It is positive to see that the Loomis Pay transaction volumes increased in the quarter compared to the previous year, as we have seen in prior quarters. The product offer was launched in Spain towards the end of the quarter as planned, and customer interactions confirm the potential of the solution on the Spanish market.

Continued success for SafePoint

Our SafePoint solutions, which automate the back office and cash management of our retail customers, has been a great success in the US over recent years and the business line achieved yet another quarter with over 20 percent organic growth. We believe that our offer continues to take market share. I am pleased to share that we are now at the run-rate of SafePoint installations that we projected five years ago.

At Loomis we continuously adapt our solutions to the changing market conditions and innovate to better solve our customers' challenges. Within our automated solutions, we do not only provide back office solutions with SafePoints and recyclers, we also offer front office solutions. By simplifying our customers' processes, we allow them to focus on their own customer and by doing so we become an important partner.

Decreasing our carbon footprint

During the year we have taken measures to minimize the impact that our business has on the environment, and I am pleased to share that while our sales have surpassed the levels of 2019, we have successfully decreased our carbon emissions from transportation and energy compared to our 2019 baseline. Our Annual and Sustainability report for 2022 will include an update on the progress of our sustainability targets and additional datapoints. While we are proud of this result, we know there is more to be done. We will continue to take actions to decrease our carbon footprint while continuing to grow our business.

+12%

Organic growth Q4

+46%

EPS growth Q4

Looking forward to 2023

Loomis plays an important role in society providing a critical infrastructure. Equal access to payments is an increasingly important issue globally and we see more discussions around the world regarding the importance of granting accessibility to all types of payments, including the ability to pay with cash. By running our business and combining our core, adjacent and digital solutions, we ensure that the flows of payments in society are both efficient and safe, but also inclusive and open to all. I am proud of the role that we play at the centre of the payment ecosystem.

We have a strong financial position and are well positioned to capitalize on the consolidation, outsourcing and innovation in our industry. Although there are macro economic and geopolitical uncertainties, we have a history of navigating such situations well, and I am confident that we will be successful going forward.

I would like to thank our customers, employees, and suppliers and other partners for our collaboration during the year. I look forward to what we will achieve together in 2023.

Stockholm, 2 February 2023

Aritz Larrea
President and CEO

Revenue and income – Group

Quarter 4 2022

Revenue for the quarter amounted to SEK 6,731 million (5,325). Real growth was 12.1 percent (14.9), of which organic growth was 11.8 percent (10.5). Revenue was positively affected by higher sales in both Europe and Latin America, and the USA. Societies have opened after the pandemic leading to strong growth in cash volumes including foreign exchange for tourists. Revenues increased across all business lines with notable continued growth for SafePoint volumes as well as the foreign exchange (FXGS) business. The FXGS business line grew a reported 114 percent in the quarter.

Recurring revenue increased in the quarter. Revenue from SafePoint and ATM amounted to 34 percent (34) of the Group's total revenue, of which revenues from SafePoint were 13 percent (13) of the total revenue and the corresponding proportion for ATMs was 21 percent (21).

The operating income (EBITA) amounted to SEK 754 million (594) and the operating margin was 11.2 percent (11.2). The exchange rate effect on operating income during the quarter was approximately SEK 93 million (20).

For segment information, see pages 4–7.

The operating income (EBIT) for the quarter amounted to SEK 745 million (547), which includes amortization of acquisition related intangible assets of SEK –9 million (–31) and acquisition-related costs of SEK 0 million (–15). The decrease in amortizations in the quarter is due to a retroactive adjustment.

Net financial expenses were SEK –127 million (–47) in the quarter and were negatively affected by higher interest rates as well as a one-time adjustment on interest expenses, and a loss on monetary net assets. Income before tax amounted to SEK 619 million (500).

The tax expense for the quarter was SEK –112 million (–141).

Earnings per share before dilution amounted to 7.05 (4.82) and after dilution to SEK 7.04 (4.82).

Full year 2022

Revenue for the full year amounted to SEK 25,315 million (19,723). Real growth was 15.9 percent (9.9), of which organic growth was 14.4 percent (5.6). Revenue was positively affected by higher sales in both Europe and Latin America as well as the USA, and by the acquisitions of Swiss Post in Switzerland and ATM Response in USA. Societies have gradually opened after the pandemic leading to strong growth in cash volumes including foreign exchange for tourists. Revenues increased from all business lines but above all revenues increased for SafePoint and FXGS. The FXGS business grew a reported 103 percent for the full year.

Recurring revenue increased for the full year. Revenue from SafePoint and ATM amounted to 34 percent (34) of the Group's total revenues, of which revenues from SafePoint amounted to 13 percent (12) of total revenue and the corresponding proportion for ATMs was 21 percent (22).

The operating income (EBITA) amounted to SEK 2,735 million (1,961) and the operating margin was 10.8 percent (9.9). The exchange rate effect on operating income was approximately SEK 329 million (–115).

For segment information, see pages 4–7.

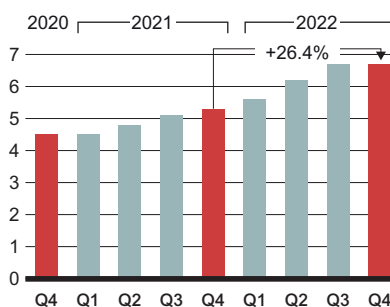
The operating income (EBIT) for the full year amounted to SEK 2,532 million (1,738), which includes amortization of acquisition related intangible assets of SEK –113 million (–126) and acquisition-related costs of SEK –67 million (–45). The operating income included an item affecting comparability in Q2 amounting to SEK –23 million from additional remuneration cost in connection with the change of CEO.

Income before tax was SEK 2,172 million (1,545) and includes a net financial expense, including a loss on monetary net assets, of SEK –360 million (–193).

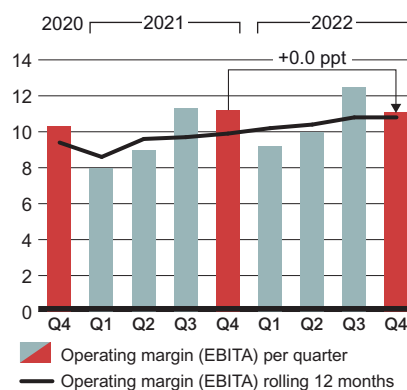
The tax expense for the full year was SEK –570 million (–440), which represents a tax rate of 26 percent (28).

Earnings per share before dilution amounted to SEK 21.93 (14.74) and after dilution to SEK 21.92 (14.73).

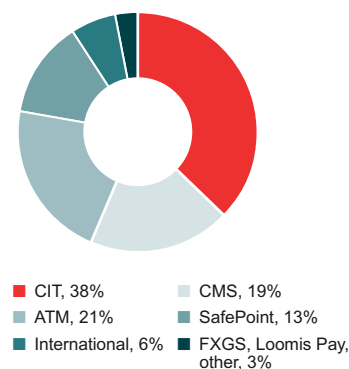
Revenue, SEK billion



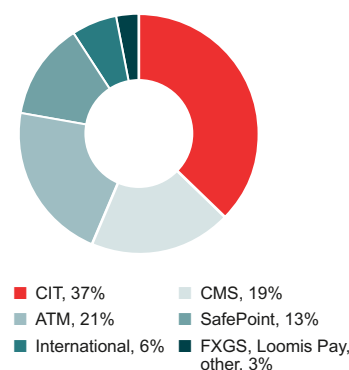
Operating margin (EBITA), %



Revenue by business line, Q4



Revenue by business line, R12



The segments

Revenue, operating income and number of full-time employees

EUROPE AND LATIN AMERICA

	2022	2021	2022	2021
SEK m	Quarter 4	Quarter 4	Full year	Full year
Revenue	3,207	2,766	12,255	10,178
Sales growth, %	16.0	16.8	20.4	3.9
-of which organic growth, %	9.7	8.3	14.3	-0.5
-of which acquisitions / divestments, %	0.0	8.5	2.0	8.0
-of which exchange rate effects, %	6.3	0.0	4.1	-3.6
Real growth, %	9.7	16.8	16.3	7.5
Operating income (EBITA)	330	330	1,317	846
Operating margin, %	10.3	11.9	10.7	8.3
Number of full-time employees	14,300	14,000	14,300	13,900

USA

	2022	2021	2022	2021
SEK m	Quarter 4	Quarter 4	Full year	Full year
Revenue	3,561	2,587	13,211	9,643
Sales growth, %	37.6	18.5	37.0	6.0
-of which organic growth, %	14.3	13.2	15.0	12.3
-of which acquisitions / divestments, %	0.6	0.1	0.9	0.3
-of which exchange rate effects, %	22.7	5.1	21.1	-6.6
Real growth, %	14.9	13.4	15.9	12.6
Operating income (EBITA)	534	367	1,822	1,452
Operating margin, %	15.0	14.2	13.8	15.1
Number of full-time employees	10,600	10,200	10,500	9,300

LOOMIS PAY

	2022	2021	2022	2021
SEK m	Quarter 4	Quarter 4	Full year	Full year
Revenue	6	5	21	11
Transaction volume	650	429	2,322	1,279
Sales growth, %	32.3	26.6	92.4	65.8
-of which organic growth, %	26.4	27.3	86.2	23.4
-of which acquisitions / divestments, %	-	-	-	44.0
-of which exchange rate effects, %	5.9	-0.8	6.1	-1.5
Real growth, %	26.4	27.3	86.2	67.3
Operating income (EBITA)	-41	-48	-178	-149
Operating margin, %	n/a	n/a	n/a	n/a

Revenue and income – Europe and Latin America

Quarter 4 2022

Revenue for the quarter amounted to SEK 3,207 million (2,766). Real growth, was 9.7 percent (16.8). Organic growth was 9.7 percent (8.3). Overall, there were no restrictions in Europe and Latin America unlike the fourth quarter 2021 and societies have opened after the pandemic, leading to strong growth in cash volumes including a significant growth for the foreign exchange business. However, continued restrictions in Asia during the beginning of the quarter had a slight impact on the international business in the region as well as less tourism.

Recurring revenue increased in the quarter. Revenue from SafePoint and ATM amounted to 24 percent (26) of the segment's total revenue, of which revenue from SafePoint amounted to 6 percent (7) of the revenue. The corresponding proportion for ATMs was 18 percent (19).

The operating income (EBITA) amounted to SEK 330 million (330) and the operating margin was 10.3 percent (11.9). The impact of inflation pressure and the increased cost level has not yet been fully compensated.

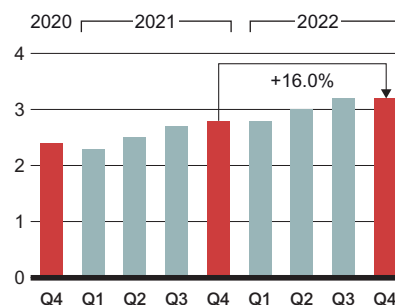
Full year 2022

Revenue for the full year amounted to SEK 12,255 million (10,178). Real growth, which was 16.3 percent (7.5), was positively affected by revenue attributable to the acquisition of the cash handling operations of Swiss Post in May 2021. Organic growth was 14.3 percent (-0.5). The start of the year was challenging, with covid-19 impacting many of Loomis markets. The situation improved gradually and with the opening of societies and the return of consumers to shops and restaurants, volumes returned and came back to pre-pandemic levels. However, imposed restrictions in Asia had a slight impact on the international business as well as less Asian tourism during the year.

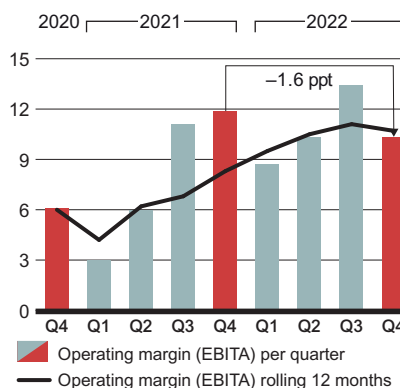
Recurring revenue increased for the full year. Revenue from SafePoint and ATM amounted to 25 percent (26) of the segment's total revenue, of which revenue from SafePoint amounted to 7 percent (7) of the segment's total revenue. The corresponding proportion for ATMs was 18 percent (19).

The operating income (EBITA) amounted to SEK 1,317 million (846) and the operating margin was 10,7 percent (8.3). Increased revenue in combination with the steps that Loomis took early on to compensate for the temporarily lower volumes after the pandemic broke out provided clear results. The impact of inflation and issues with supply chain have not yet been fully compensated. The operations acquired in Switzerland in 2021 are being integrated according to plan and providing synergies.

Revenue, SEK billion



Operating margin (EBITA), %



Revenue by business line, Q4



Revenue by business line, R12



Revenue and income – USA

Quarter 4 2022

Revenue amounted to SEK 3,561 million (2,587) and real growth was 14.9 percent (13.4). Organic growth amounted to 14.3 percent (13.2). Similar to previous quarters, the operations in USA continued to show good growth. Revenue from all offerings grew with high growth for SafePoint in particular.

Recurring revenue increased in the quarter. Revenue from SafePoint and ATM amounted to 43 percent (43) of the segment's total revenue, of which revenue from SafePoint accounted for 20 percent (19) of the segment's revenue, and ATMs accounted for 23 percent (24).

The operating income (EBITA) amounted to SEK 534 million (367) and the operating margin was 15.0 percent (14.2). The margin was positively affected by the increased volumes, and the margin increased both compared to the previous year and to the previous quarter. In order to maintain both a high growth rate and a high level of service, cost for overtime have continued to be high during the quarter.

Cost for fuel amounted to 4 percent (3) of revenue.

Full year 2022

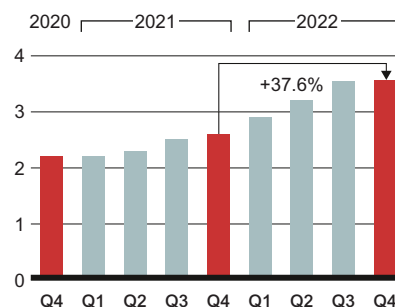
Revenue amounted to SEK 13,211 million (9,643). Real growth, which was 15.9 percent (12.6), was positively affected by revenue attributable to the acquisition of ATM Response at the end of 2021. Organic growth amounted to 15.0 percent (12.3). Revenue from all offerings grew and SafePoint in particular saw increased volumes.

Recurring revenue increased for the full year. Revenue from SafePoint and ATM amounted to 43 percent (43) of the segment's total revenue, of which revenue from SafePoint accounted 19 percent (18) of the segment's revenue, and ATMs accounted for around 24 percent (25).

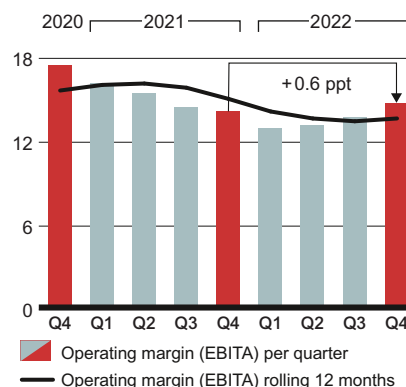
The operating income (EBITA) amounted to SEK 1,822 million (1,452) and the operating margin was 13.8 percent (15.1). The lower operating margin is primarily due to the current challenges in the labor market and issues with the supply chain. In order to maintain both a high growth rate and a high level of service, overtime cost have temporarily been high. The turnover of employees has been high during 2022. The situation gradually improved throughout the year where the US operations have hired and are training new employees.

Cost for fuel amounted to 4 percent (3) of revenue.

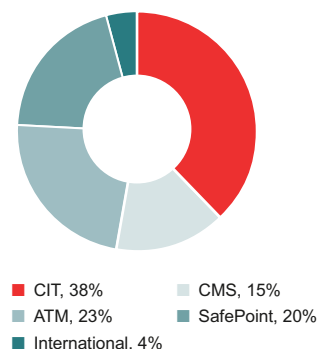
Revenue, SEK billion



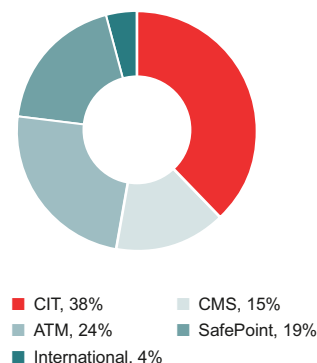
Operating margin (EBITA), %



Revenue by business line, Q4



Revenue by business line, R12



Revenue and income – Loomis Pay

Quarter 4 2022

Revenue amounted to SEK 6 million (5) and transaction volumes grew 52 percent in the quarter.

Loomis Pay launched in Spain towards the end of the fourth quarter. There is a local sales team in place, marketing has begun and there are transacting customers on the platform. Interacting with customers, building up the local sales organizations in Sweden, Denmark and Spain as well as continued development of the service offering are prioritized areas.

The segment’s operating income (EBITA) amounted to SEK –41 million (–48).

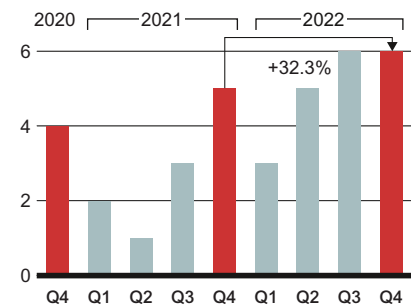
Full year 2022

Revenue amounted to SEK 21 million (11). The transaction volumes grew 82 percent during the year.

The business has gradually grown during the year, and by the end of the fourth quarter Loomis Pay had doubled the number of customers compared to the first quarter. Focus during the year has been on further developing the Loomis Pay product, both to have a platform that can be passported to additional markets, but also local adaptations to the product for individual markets. The most recent adaptation has been for the launch in the Spanish market.

The segment’s operating income (EBITA) amounted to SEK (–178) million (–149).

Revenue, SEK m



+82%
Transaction
Volumes in 2022

Sustainability

Sustainability is an integrated part of Loomis’ business. The sustainability agenda rests on three focus areas: environment, social, and governance - with the short-term focus foremost on reducing the carbon footprint, work-related injuries and being an inclusive company and responsible business partner.

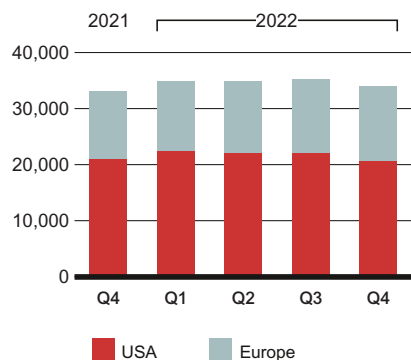
While the focus areas and their respective global key initiatives and activities

have been developed on a group-level, the implementation is often local within Loomis’ decentralized organization. The conditions for each of Loomis’ markets are different and there is not one solution that is optimal for all. It is up to each country management team to find the best solutions and actions within each area without compromising the safety of employees and the quality of operations.

Loomis Norway is an example of a country that has succeeded in finding this balance. 60% of the new vehicles added to the fleet in 2022 were electric vehicles. When the vehicles ordered for 2023 are on the road, 25% of the vehicle fleet in Norway will be fully electric.

During the quarter, Loomis continued to invest in lighter vehicles with higher security features in the US. In January, 2023 Loomis signed an agreement for the delivery of 150 electric armored vehicles for the US market. These vehicles will be delivered and entered into operations gradually from the second half of 2023.

Carbon emissions, tCO₂e Scope 1



Through implemented activities throughout the organization, from the installation of solar panels in branches to switching to lighter and safer vehicles, Loomis has taken steps closer to reaching the targets for the end of the strategic period in 2024. The status of these targets at the end of the year and more datapoints will be presented in the Annual and Sustainability Report 2022.



Cash flow and investments

Full year 2022

Cash flow from operating activities, excluding the IFRS 16 effects, amounted to SEK 2,316 million (1,620), equivalent to 87 percent (85) of operating income (EBITA).

Net investments in fixed assets for the period amounted to SEK –1,365 million (–1,156), which can be compared with depreciation (excluding the effect of IFRS 16) of SEK 1,359 million (1,240). Investments made during the period were mainly in buildings, vehicles, machinery and equipment. Investments in relation to depreciation (including IFRS 16) for the period amounted to 0.6 (0.6).

Capital employed and financial position

Capital employed

The total capital employed as of December 31, 2022 amounted to SEK 19,948 million (17,070 as of December 31, 2021), which is equivalent to approximately 79 percent (87) of revenue. Return on capital employed amounted to 13.7 percent (11.5).

Shareholders' equity and financing

Shareholders' equity increased during the year by SEK 2,402 million, amounting to SEK 12,465 million as of December 31, 2022 (10,063 as of December 31, 2021). The increase is largely explained by translation differences of SEK 2,004 million, net profit for the period of SEK 1,602 million and actuarial gains of SEK 189 million less dividend of SEK 628 million and share repurchase of SEK 600 million. The return on shareholders' equity was 12.9 percent (11.0) and the equity ratio was 39.2 percent (37.0).

Net debt amounted to SEK 7,484 million as of December 31, 2022 (7,007 as of December 31, 2021) and net debt/EBITDA amounted to 1.5 (1.8 as of December 31, 2021).

As of December 31, 2022 the long-term loan facilities totaled SEK 8.2 billion and the short-term loan facilities totaled SEK 2.0 billion. Unutilized loan facilities amounted to SEK 4.9 billion, of which SEK 0.8 billion are used as back-up for outstanding commercial papers. Available liquid funds amounted to around SEK 2.3 billion (see Note 6).

Other events

Significant events during the period

On February 9 it was announced that Patrik Andersson, the President and CEO of Loomis at the time, would conclude his operational career and leave his role at Loomis.

On March 19 the Board of Directors of Loomis AB appointed Aritz Larrea as new President and CEO of the company. Aritz took up his position on May 23.

On March 23 Loomis held a virtual Capital Markets Day at which new financial and sustainability targets for the 2022–2024 strategic period were presented. For a more detailed description of the targets, please refer to the press release from March 23 and the presentations, which are available on the Loomis website, www.loomis.com.

At the beginning of 2022, Loomis made a change to the organizational structure whereby the mergers and acquisition (M&A) function was placed under the Chief Financial Officer for the Group. In connection with this change, Johannes Bäckman, who was previously Head of M&A and a member of Group Management, left Loomis.

On April 12 it was announced that Loomis AB had issued an additional SEK 300 million of sustainability-linked bonds (SLBs). The interest on the bonds is variable and based on three months' Stibor plus a credit margin of 1.48 percentage points. The proceeds are to be used for operating activities and to refinance loans. This new issue involved an increase in the existing SLB program which matures on November 30, 2026. As with the SLBs issued previously, the new bonds were listed on Nasdaq Stockholm Sustainable Bond List.

On May 4 Loomis AB held its Annual General Meeting. The Meeting resolved in accordance with the proposals presented by the Board and Nomination Committee, respectively. For information on the decisions made by the Annual General Meeting please refer to the press release published on the same day, which is available on Loomis' website, www.loomis.com.

On May 4 it was announced that Björn Züger has been appointed as new President and CEO for Loomis USA. Björn took up his position during the third quarter.

On June 28 it was announced that Loomis AB issued a sustainability-linked bond loan to Svensk Exportkredit (SEK) of SEK 300 million. The bond loan has a term of 4 years maturing in June 2026 and a floating interest rate. The proceeds will be used for general corporate purposes.

On September 7 it was announced that Loomis AB has signed a SEK 600 million loan agreement with the Nordic Investment Bank. The loan has an eight-year term with a linear amortization

starting four years after disbursement. Loomis will use the proceeds from the loan to finance investments, in the period up to 2025, supporting its ongoing digital transformation, including for example investments in IT infrastructure and further enhancing Loomis' customer offering.

The Board of Directors resolved on three occasions, as communicated on May 5, July 21 and October 27, to use the authorization granted by the 2022 Annual General Meeting to repurchase own shares. A total of 2,189,000 shares were repurchased during the year for approximately SEK 600 million. The company's total holding of own shares thereby amounts to 3,622,782, which corresponds to 4.81% of the outstanding shares. The total number of shares in the company, including the company's own shares, amounts to 75,279,829.

Other events

As disclosed in the interim report for the second quarter, a Spanish court rendered in June this year a decision to fully uphold Loomis' appeal and annulled the Spanish national competition authority's decision from 2016 to impose fines on Loomis amounting to approx. EUR 7 million for alleged market sharing. Loomis recovered the amount of the fines plus interest during the fourth quarter.

Events after the end of the period

On 9 January 2023, Erik Zingmark assumed the position as Head of Loomis Pay, succeeding Kristoffer Labuc who has decided to leave Loomis and pursue his career outside the group. Erik brings extensive experience from the financial industry, most recently from the position as Head of Transaction Banking at Nordea.

In January 2023 Loomis signed an agreement to acquire AIB Express Logistics, a third-party shipping provider of valuables. The company, which is primarily based in the US, had a total revenue of more than SEK 100 million in 2021 and approximately 20 employees. Closing is expected during Q1 subject to certain conditions being fulfilled. The acquired business will be a part of the Segment USA.

On January 27, 2023 it was announced that Loomis AB has signed a three year agreement for a syndicated, revolving credit facility for the amount of EUR 150 million. The facility replaces an existing revolving credit facility maturing in January 2024 and can be extended for an additional one plus one year. The facility can be used for financing of working capital, investments and other general corporate purposes.

On February 1, 2023 it was announced that Loomis signed an agreement with Xos, Inc for the delivery of 150 electric armored vehicles for the US market. The ordered vehicles will be delivered and entered into operations gradually during the year from the second half of 2023.

On February 1, 2023 it was announced that the Board of Directors of Loomis AB resolved to continue to repurchase own shares. The repurchase may commence on February 3, 2023 end not later than March 31, 2023 and comprise an amount up to a maximum of SEK 200 million.

Financial reports

CONSOLIDATED INCOME STATEMENT

SEK m	Note	2022	2021	2022	2021
		Quarter 4	Quarter 4	Full year	Full year
Revenue	3,4	6,731	5,325	25,315	19,723
Production expenses		-4,910	-3,831	-18,540	-14,492
Gross income		1,821	1,494	6,775	5,231
Selling and administration expenses		-1,075	-931	-4,152	-3,396
Other income and expenses		-0	-15	-67	-45
Items affecting comparability	5	-	-	-23	-52
Operating income (EBIT)		745	547	2,532	1,738
Financial income		38	23	137	71
Financial expenses		-136	-53	-351	-209
Loss on monetary net assets/liabilities		-29	-18	-146	-56
Income before taxes		619	500	2,172	1,545
Income tax		-112	-141	-570	-440
Net income for the period¹⁾		508	359	1,602	1,104
Other comprehensive income					
Items that will not be reclassified to the statement of income					
Actuarial gains and losses, net of tax		-461	-19	189	87
Items that may be reclassified to the statement of income					
Translation differences		-657	373	2,004	981
Revaluation of participation in associated companies		-1	-	11	-
Hedging of net investments, net of tax		9	-35	-189	-90
Other comprehensive income and expenses for the period, net after tax		-1,110	320	2,015	978
Total comprehensive income and expenses for the period²⁾		-602	678	3,617	2,083
Earnings per share, SEK					
Earnings per share before dilution		7.05	4.82	21.93	14.74
Earnings per share after dilution		7.04	4.82	21.92	14.73
Number of shares					
Number of outstanding shares (million)		71.7	73.8	71.7	73.8
Average number of outstanding shares before dilution (million)		72.1	74.3	73.0	74.9
Average number of outstanding shares after dilution (million)		72.1	74.4	73.1	75.0

1) Net income for the period is entirely attributable to the owners of the Parent company.

2) Comprehensive income is entirely attributable to the owners of the Parent company.

In connection with the introduction of the change in the format of presentation, SEK 31 million relating to amortization of intangible assets has been moved from sales and administration costs to production costs and thereby reduced gross profit by the corresponding amount in quarter 4 2021. For the full year 2021, the reclassification is SEK 126 million.

CONSOLIDATED BALANCE SHEET

SEK m	Note	2022	2021
		Dec 31	Dec 31
ASSETS			
Fixed assets			
Goodwill		8,075	7,185
Intangible assets		1,021	1,147
Buildings and land		1,139	970
Machinery and equipment		5,018	4,463
Right-of-use assets		3,763	3,008
Contract assets		254	164
Deferred tax assets		388	449
Pension plan assets		245	225
Interest-bearing financial fixed assets		557	466
Other long-term receivables		327	273
Total fixed assets		20,788	18,349
Current assets			
Accounts receivable		3,311	2,686
Other current receivables		309	236
Current tax assets		303	263
Prepaid expenses and accrued income		851	527
Interest-bearing financial current assets		14	13
Liquid funds	6	6,203	5,156
Total current assets		10,992	8,880
TOTAL ASSETS		31,780	27,228
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
	8		
Share capital		376	376
Other capital contributed		4,594	4,594
Other reserves		2,122	894
Retained earnings including net income for the year		5,372	4,199
Total shareholders' equity		12,465	10,063
Long-term liabilities			
Interest-bearing non-current lease liabilities		2,987	2,348
Loans payable		4,270	5,636
Deferred tax liabilities		487	436
Provisions for claims reserves		472	451
Provisions for pensions and similar commitments		560	724
Other provisions		144	118
Other long-term liabilities		162	126
Total long-term liabilities		9,082	9,839
Current liabilities			
Interest-bearing current lease liabilities		879	701
Loans payable		1,867	311
Accounts payable		859	687
Provisions for claims reserves		327	231
Current tax liabilities		212	274
Liabilities, cash processing operations		3,453	2,818
Accrued expenses and prepaid income		1,906	1,689
Other provisions		53	45
Other current liabilities		676	569
Total current liabilities		10,233	7,326
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		31,780	27,228

CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY

SEK m	2022	2021
	Full year	Full year
Opening balance	10,063	8,773
Actuarial gains and losses after tax	189	87
Exchange rate differences	2,004	981
Revaluation of participation in associated companies	11	–
Hedging of net investments, net of tax	–189	–90
Total other comprehensive income	2,015	978
Net income for the period	1,602	1,104
Total comprehensive income¹⁾	3,617	2,083
Dividend paid to Parent Company's shareholders	–628	–451
Share-related remuneration	12	9
Acquisition of own shares	–600	–350
Non-controlling interest	–	–1
Closing balance	12,465	10,063

1) Total comprehensive income is entirely attributable to the owners of the Parent company.

CONSOLIDATED STATEMENT OF CASH FLOWS

SEK m	Note	2022	2021	2022	2021
		Quarter 4	Quarter 4	Full year	Full year
Operations					
Income before taxes		619	500	2,172	1,545
Depreciation and amortization		599	521	2,361	2,027
Other items not affecting cash flow		113	52	352	141
Financial items received		30	9	84	29
Financial items paid		–137	–58	–379	–223
Income tax paid		–83	–39	–592	–375
Change in accounts receivable		25	17	–319	–341
Change in other operating capital employed and other items		–71	–67	–34	–45
Cash flow from operations		1,095	933	3,645	2,758
Investing activities					
Investments in fixed assets		–410	–455	–1,426	–1,162
Disposals of fixed assets		3	1	54	6
Acquisitions of operations		–	–68	–	–230
Cash flow from investing activities		–407	–522	–1,372	–1,386
Financing activities					
Dividend paid		–	–	–628	–451
Acquisition of own shares		–200	–208	–600	–350
Issuance of bonds		0	1,200	600	1,200
Issuance of commercial papers and other long-term borrowing		707	–	4,867	4,489
Redemption of commercial papers and other long-term borrowing		–893	–1,477	–5,388	–5,758
Change in other interest-bearing net debt		–181	–84	–1,004	–619
Cash flow from financing activities		–567	–570	–2,153	–1,489
Cash flow for the period		121	–159	121	–117
Liquid fund at beginning of the period¹⁾		2,187	2,143	2,009	2,056
Translation differences in liquid funds		–44	25	134	71
Liquid funds at end of period¹⁾		2,264	2,009	2,264	2,009

1) Excluding liquid funds within cash processing operations. See also Note 6 Liquid funds.

CONSOLIDATED STATEMENT OF CASH FLOWS EXCLUDING THE IFRS 16 IMPACT, ADDITIONAL INFORMATION

SEK m	2022	2021	2022	2021
	Quarter 4	Quarter 4	Full year	Full year
Operating income (EBITA) ¹⁾	729	577	2,648	1,896
Depreciation ¹⁾	343	325	1,359	1,240
Change in accounts receivable	25	17	-319	-341
Change in other operating capital employed and other items ¹⁾	-111	-32	-7	-19
Cash flow from operating activities before investments	985	887	3,681	2,776
Investments in fixed assets, net	-401	-454	-1,365	-1,156
Cash flow from operating activities	584	433	2,316	1,620
Financial items paid and received ¹⁾	-77	-27	-183	-104
Income tax paid	-83	-39	-592	-375
Free cash flow	425	366	1,541	1,141
Cash flow effect of items affecting comparability	-8	-3	-13	-76
Acquisition of operations	-	-68	-	-230
Acquisition-related costs and revenue, paid and received ²⁾	-6	-8	-86	-73
Dividend paid	-	-	-628	-451
Acquisition of own shares	-200	-208	-600	-350
Issuance of bonds	-	1,200	600	1,200
Issuance of commercial papers and other long-term borrowing	707	1,036	4,867	3,714
Redemption of commercial papers and other long-term borrowing	-893	-2,513	-5,388	-4,783
Change in other interest-bearing net debt ¹⁾	96	40	-173	-209
Cash flow for the period	121	-159	121	-117

1) Excluding the IFRS 16 impact.

2) Refers to the cash flow effect of acquisition-related transaction-, restructuring and integration costs.

Notes

NOTE 1 – ACCOUNTING PRINCIPLES

The Group's financial reports are prepared in accordance with the International Financial Reporting Standards (IAS/IFRS, as adopted by the European Union) issued by the International Accounting Standards Board, and statements issued by the IFRS Interpretations Committee (IFRIC).

This interim report has been prepared according to IAS 34 Interim Financial Reporting. The most important accounting principles according to IFRS, which are the accounting standards used in the preparation of this interim report, are described in the 2021 Annual Report.

New or changed standards and interpretations that entered into force on January 1, 2022 are not expected to have any material effect on the Group's financial statements.

As of April 1, 2022 Loomis has implemented IAS 29 Financial Reporting in Hyperinflationary Economies, for the operations in Turkey. The financial statements for the subsidiary in Turkey have therefore been adjusted for inflation to reflect the changes in purchasing power. The inflation adjustments have been made with the Turkish consumer price index with a base period of 2003=100. The consumer price index was 1,128.5 as of December 31, 2022 and 686.9 as of December 31, 2021. Since the Loomis Group's reporting currency is SEK and thus not a currency in a hyperinflationary economy, the comparative figures have not been adjusted.

In connection with the preparation of the interim report for the 'first quarter, the presentation format for the consolidated income statement has been changed as an adjustment for expected future amendments to IAS 1. The following amendments have been made: i) The partial summary with EBITDA has been removed but can, as previously, be found in the section Alternative performance measures ii) Amortization of acquisition-related intangible assets and Acquisition-related costs and revenue are now included in the relevant functional lines (mainly production costs for the amortization). iii) A new line for Other income and expense is introduced where now the acquisition-related expenses are included. The item Other income and expense may also include capital gains / losses on the sale of fixed assets, or the like, that are not related to the period's regular sales operations. iv) The format has been changed so that Other comprehensive income is now stated directly in the statement of total comprehensive income (which Loomis calls "Income statement") and not in a separate statement as previously. The effect of the recalculation on gross income is stated in a note in connection with the income statement.

Following the IFRIC agenda decision addressing cloud computing arrangement, the group has reclassified previously capitalized costs for such arrangements to prepaid cost to be expensed over the term of the contract.

Critical estimates and assessments

For critical estimates and assessments as well as contingent liabilities, please refer to pages 99–100 and 130 of the 2021 Annual Report. There have been no other significant changes compared to what is described in the Annual Report.

Parent Company – Loomis AB

The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities.

NOTE 2 – RISKS AND UNCERTAINTIES

Risks

Loomis' operations, which include cash in transit, cash management services, international valuables logistics, FX and the payment platform Loomis Pay, involve Loomis assuming the customer's risks associated with managing, transporting and storing cash, precious metals and valuables. Loomis has established routines and processes to identify, take action to mitigate and monitor risks. Risks are assessed based on two criteria: the likelihood that an event will occur and the severity of the consequences for the business if the event should occur. There are risks both in terms of circumstances pertaining to Loomis itself and the industry as a whole, as well as risks that are more general in nature. Certain risks are outside of Loomis' control.

Below is a description of some of the most significant risks and uncertainties that may have a negative impact on Loomis' operations, financial position and results, and that should therefore be taken into account when making assessments based on full-year or interim information. The risks described below are not in any particular order of significance.

Operational risks: Operational risks are risks associated with the day-to-day operations and the services offered by the Company to its customers. Some of the most significant risks Loomis has identified are:

- IT-related risks, such as operational disruptions and extended stoppages of systems linked to operating activities, as well as risks linked to installation of new systems.
- Risk of worsened customer behavioral patterns relating to purchases and payments.
- Customer-related risks, such as the risk of loss of certain customers as well as significant changes in the banking sector.
- Process risk: the risk that processes or routines fail, are no longer relevant or are not followed.
- Competition risk, such as Loomis' ability to develop competitive offerings.
- Employee risk, such as unhappiness and low motivation increasing the risk for underperformance and human error.
- Risk of robbery and other criminal activity.
- Risk of internal theft and/or failing cash reconciliation routines at cash centers.
- Risk associated with the implementation of acquisitions, such as difficulties integrating new operations and employees, as well as the anticipated benefits of a certain acquisition not being realized or being only partially realized.

Financial risks: In its operations, Loomis is exposed to risk associated with financial instruments such as liquid funds, accounts receivable, accounts payable and loans. The risks relating to these instruments are mainly:

- Interest rate risk associated with liquid funds and loans.

- Exchange rate risk associated with transactions and translation of shareholder's equity.
 - Credit risk pertaining to financial and commercial activities.
 - Financing risk relating to the company's financing needs.
 - Liquidity risk associated with short-term solvency.
 - Capital risk pertaining to the capital structure.
 - Price risk regarding changes in raw material prices (mainly fuel).
- The financial risks are described in more detail in Note 22 in the 2021 Annual Report.

Legal risks: Through its operations Loomis is exposed to legal risks such as:

- Risk of disputes and legal action.
- Risk associated with the application of existing laws, other regulations and changes in legislation.

Factors of uncertainty

The covid-19 pandemic that broke out in early 2020 had a negative effect on the world economy during 2020 and 2021. The post-pandemic economic recovery during 2022 coupled with geopolitical uncertainties have led to higher inflation and interest rates in many markets where Loomis operates. The exact impact that the changing macroeconomic situation will have is unforeseeable, but it cannot be ruled out that it may have a negative effect on Loomis' earnings and financial position.

Changes in general economic conditions and market trends have various effects on demand for cash handling services. These include the ratio of cash purchases to credit card purchases, changes in consumption levels, the risk of robbery and bad debt losses, and the staff turnover rate.

The preparation of financial reports requires the Board of Directors and Group Management to make estimates and assessments. Estimates and assessments affect both the income statement and the balance sheet as well as the information disclosed on things like contingent liabilities. Actual outcomes may deviate from these estimates and assessments depending on other circumstances or other conditions.

In 2022 the actual financial results of certain previously reported items affecting comparability, provisions and contingent liabilities, as described in the 2021 Annual report and where applicable under the heading "Critical estimates and assessments" in Note 1 of this report, may deviate from the financial assessments and provisions made by management. This may impact the Group's profitability and financial position.

Seasonal variations

Loomis' earnings fluctuate across the seasons and this should be taken into consideration when making assessments based on interim financial information. The primary reason for these seasonal variations is that the need for cash handling services increases during the vacation periods and in connection with public holidays.

NOTE 3 – REVENUE BY BUSINESS LINE

SEK m	Europe and Latin America	USA	Loomis Pay	Group-wide functions and eliminations	Total	Europe and Latin America	USA	Loomis Pay	Group-wide functions and eliminations	Total
	Quarter 4 2022					Quarter 4 2021				
Cash in transit (CIT)	1,170	1,360	–	–	2,530	1,062	918	–	–	1,980
Cash management services (CMS)	754	528	–	–	1,283	659	428	–	–	1,087
ATM	590	825	–	–	1,415	516	629	–	–	1,145
SafePoint	207	701	–	–	908	190	482	–	–	672
International	269	112	–	–	381	217	107	–	–	324
FXGS	160	–	–	–	160	75	–	–	–	75
Loomis Pay	–	–	6	–	6	–	–	5	–	5
Revenue, other and internal	57	35	–	–44	48	47	23	–	–33	37
Total revenue	3,207	3,561	6	–44	6,731	2,766	2,587	5	–33	5,325

Timing of revenue recognition, external

At a point in time	676	121	2	–	799	532	97	2	–	631
Over time	2,509	3,419	4	–	5,931	2,213	2,479	3	–	4,694
Total external revenue	3,185	3,540	6	–	6,731	2,744	2,576	5	–	5,325

SEK m	Europe and Latin America	USA	Loomis Pay	Group-wide functions and eliminations	Total	Europe and Latin America	USA	Loomis Pay	Group-wide functions and eliminations	Total
	Full year 2022					Full year 2021				
Cash in transit (CIT)	4,487	4,986	–	–	9,473	3,895	3,445	–	–	7,341
Cash management services (CMS)	2,815	2,030	–	–	4,845	2,391	1,593	–	–	3,984
ATM	2,255	3,107	–	–	5,363	1,942	2,405	–	–	4,347
SafePoint	838	2,521	–	–	3,359	672	1,752	–	–	2,424
International	1,099	439	–	–	1,539	843	356	–	–	1,199
FXGS	515	–	–	–	515	254	–	–	–	254
Loomis Pay	–	–	21	–	21	–	–	11	–	11
Revenue, other and internal	245	128	–	–173	200	181	90	–	–109	163
Total revenue	12,255	13,211	21	–173	25,315	10,178	9,643	11	–109	19,723

Timing of revenue recognition, external

At a point in time	2,578	473	8	–	3,059	1,969	334	4	–	2,307
Over time	9,579	12,664	13	–	22,256	8,143	9,266	7	–	17,415
Total external revenue	12,156	13,137	21	–	25,315	10,112	9,600	11	–	19,723

REVENUE PER SIGNIFICANT GEOGRAPHICAL MARKET

SEK m	2022	2021	2022	2021
	Quarter 4	Quarter 4	Full year	Full year
USA	3,561	2,587	13,211	9,643
France	909	729	3,348	2,737
Switzerland	445	404	1,715	1,320
Spain	417	359	1,553	1,345
UK	291	260	1,166	941
Sweden	188	173	768	676
Other countries and eliminations	919	813	3,553	3,061
Total revenue	6,731	5,325	25,315	19,723

NOTE 4 – SEGMENT OVERVIEW

Loomis has operations in a number of countries, with country presidents being responsible for each country. Segment presidents supervise operations in a number of countries and also support the respective country president. The Loomis Pay payment platform was introduced in autumn 2020 and will be rolled out country by country, but the Pay segment is monitored centrally by a segment president. Operating segments are reported in accordance with the internal Loomis reporting, submitted to Loomis' CEO who has been identified as the most senior

executive decision-maker within Loomis. Loomis has the following segments: Europe and Latin America, USA, Loomis Pay and Group-wide functions. Presidents for the segments are responsible for following up the segments' operating income before amortization of acquisition-related intangible assets, acquisition-related costs and revenue and items affecting comparability (EBITA), according to the manner in which Loomis reports its consolidated statement of income. This then forms the basis for how the CEO monitors development, allocates resources etc. Loomis has therefore chosen this structure for its segment reporting.

REVENUE

SEK m	2021					2022				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Europe and Latin America	2,268	2,456	2,688	2,766	10,178	2,796	3,007	3,244	3,207	12,255
USA	2,234	2,348	2,473	2,587	9,643	2,862	3,246	3,542	3,561	13,211
Loomis Pay	2	1	3	5	11	3	5	6	6	21
Group-wide functions	–	–	–	–	–	–	–	–	–	–
Eliminations	–21	–25	–29	–33	–109	–34	–42	–53	–44	–173
Total revenue	4,483	4,779	5,135	5,325	19,723	5,627	6,217	6,739	6,731	25,315

OPERATING INCOME (EBITA)

SEK m	2021					2022				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Europe and Latin America	69	148	300	330	846	242	309	435	330	1,317
USA	363	363	359	367	1,452	371	429	488	534	1,822
Loomis Pay	–32	–33	–36	–48	–149	–49	–52	–36	–41	–178
Group-wide functions	–42	–51	–42	–55	–189	–49	–66	–42	–69	–226
Operating income (EBITA)	358	428	581	594	1,961	516	620	845	754	2,735

OPERATING INCOME (EBIT)

SEK m	2021					2022				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Europe and Latin America	39	114	258	288	698	195	240	408	330	1,173
USA	357	360	357	365	1,439	366	423	482	530	1,800
Loomis Pay	–33	–33	–36	–48	–150	–49	–52	–36	–41	–178
Group-wide functions	–49	–54	–38	–57	–198	–49	–71	–47	–73	–240
Operating income (EBIT) before items affecting comparability	315	388	541	547	1,790	463	539	808	745	2,555
Items affecting comparability	–	–	–52	–	–52	–	–23	–	–	–23
Operating income (EBIT)	315	388	489	547	1,738	463	516	808	745	2,532

SEGMENT OVERVIEW STATEMENT OF INCOME

	Europe and Latin America	USA	Loomis Pay	Group-wide functions	Eliminations	Total
SEK m	Full year 2022					
Revenue	12,052	13,129	21	–	–173	25,030
Revenue, acquisitions	203	82	–	–	–	285
Total revenue	12,255	13,211	21	–	–173	25,315
Production expenses	–9,052	–9,582	–69	–10	173	–18,540
Gross income	3,203	3,630	–48	–10	–	6,775
Selling and administrative expenses	–1,969	–1,825	–131	–227	–	–4,152
Other income and expenses	–60	–4	–	–3	–	–67
Items affecting comparability	–	–	–	–23	–	–23
Operating income (EBIT)	1,173	1,800	–178	–263	–	2,532
Net financial items	–	–	–	–214	–	–214
Loss on monetary net assets/liabilities	–	–	–	–146	–	–146
Income before taxes	1,173	1,800	–178	–623	–	2,172

SEGMENT OVERVIEW STATEMENT OF INCOME

	Europe and Latin America	USA	Loomis Pay	Group-wide functions	Eliminations	Total
SEK m	Full year 2021					
Revenue	9,392	9,617	8	–	–109	18,908
Revenue, acquisitions	786	26	3	–	–	815
Total revenue	10,178	9,643	11	–	–109	19,723
Production expenses	–7,810	–6,735	–49	–5	109	–14,492
Gross income	2,367	2,907	–38	–5	–	5,231
Selling and administrative expenses	–1,635	–1,466	–111	–184	–	–3,396
Other income and expenses	–35	–2	–	–8	–	–45
Items affecting comparability	–52	–	–	–	–	–52
Operating income (EBIT)	646	1,439	–150	–198	–	1,738
Net financial items	–	–	–	–138	–	–138
Loss on monetary net assets/liabilities	–	–	–	–56	–	–56
Income before taxes	646	1,439	–150	–391	–	1,545

SEGMENT OVERVIEW BALANCE SHEET

	2022	2021
SEK m	Dec 31	Dec 31
Europe and Latin America		
Assets	15,809	13,915
Liabilities	6,513	5,621
USA		
Assets	13,814	10,943
Liabilities	1,894	1,654
Other¹⁾		
Assets	2,156	2,371
Liabilities	10,908	9,890
Shareholders' equity	12,465	10,063
Group total		
Assets	31,780	27,228
Liabilities	19,315	17,165
Shareholders' equity	12,465	10,063

1) Segment Other includes of Group-wide functions and Loomis Pay.

NOTE 5 – ITEMS AFFECTING COMPARABILITY

SEK m	2022	2021	2022	2021
	Quarter 4	Quarter 4	Full year	Full year
Provision for remuneration cost in connection with change of CEO	–	–	–23	–
Goodwill impairment within the European segment	–	–	–	–52
Total items affecting comparability	–	–	–23	–52

NOTE 6 – LIQUID FUNDS

SEK m	2022	2021
	Dec 31	Dec 31
Liquid funds	6,203	5,156
Adjusted for inventory of cash at the cash processing operations	–2,956	–2,537
Adjusted for prepayments from customers	–984	–609
Liquid funds excluding funds for cash processing activities	2,264	2,009

NOTE 7 – TRANSACTIONS WITH RELATED PARTIES

Transactions between Loomis and related parties are described in Note 30 of the 2021 Annual Report. There have been no transactions with related parties during the period that have materially impacted the Company's earnings and financial position.

NOTE 8 – NUMBER OF SHARES AS OF DECEMBER 31, 2022

	No. of shares	No. of votes	Quota value	SEK m
Shares	75,279,829	75,279,829	5	376
Total no. of shares	75,279,829	75,279,829		376
Total treasury shares ¹⁾	–3,622,782	–3,622,782		
Total no. of outstanding shares	71,657,047	71,657,047		

1) During the period 661,000 shares was added to the treasury shares.

NOTE 9 – CONTINGENT LIABILITIES, GROUP

SEK m	2022	2021
	Dec 31	Dec 31
Guarantees and other commitments	2,602	2,411

KEY RATIOS

	2022	2021	2022	2021
	Quarter 4	Quarter 4	Full year	Full year
<i>Real growth, %</i>	12.1	14.9	15.9	9.9
<i>Organic growth, %</i>	11.8	10.5	14.4	5.6
<i>Total growth, %</i>	26.4	17.4	28.4	4.8
<i>Gross margin, %</i>	27.0	28.1	26.8	26.5
<i>Selling and administration expenses in % of total revenue</i>	-16.0	-17.5	-16.4	-17.2
<i>Operating margin (EBITA), %</i>	11.2	11.2	10.8	9.9
<i>Tax rate, %</i>	18.0	28.2	26.2	28.5
<i>Net margin, %</i>	7.5	6.7	6.3	5.6
<i>Return on shareholders' equity, %</i>	12.9	11.0	12.9	11.0
<i>Return on capital employed, %</i>	13.7	11.5	13.7	11.5
<i>Equity ratio, %</i>	39.2	37.0	39.2	37.0
Liquid funds excluding funds within cash processing operations (SEK m)	2,264	2,009	2,264	2,009
Net debt (SEK m)	7,484	7,007	7,484	7,007
Net debt/EBITDA	1.50	1.81	1.50	1.81
<i>Cash flow from operating activities as % of operating income (EBITA)¹⁾</i>	80	75	87	85
Investments in relation to depreciation	0.7	0.9	0.6	0.6
<i>Investments as a % of total revenue</i>	6.1	8.5	5.4	5.9
Earnings per share before dilution, SEK	7.05	4.82	21.93	14.74
Shareholders' equity per share before dilution, SEK	172.98	135.35	172.98	135.35
Cash flow from operating activities per share before dilution, SEK	15.20	12.55	49.88	36.79
Dividend per share, SEK	–	–	8.50	6.00
Number of outstanding shares (millions)	71.7	73.8	71.7	73.8
Average number of outstanding shares before dilution (millions)	72.1	74.3	73.0	74.9

1) Excluding the IFRS 16 impact.

Parent Company

PARENT COMPANY SUMMARY STATEMENT OF INCOME

	2022	2021
SEK m	Full year	Full year
Revenue	812	574
Operating income (EBIT)	339	281
Income after financial items	1,855	25
Net income for the period	1,868	64

The Parent Company's revenue consists mainly of revenue from subsidiaries in the form of management, trademark and IT fees. The increase in result in 2022 is mainly due to increased revenues and higher dividends from subsidiaries.

PARENT COMPANY SUMMARY BALANCE SHEET

	2022	2021
SEK m	Dec 31	Dec 31
Fixed assets	11,994	12,634
Current assets	3,169	1,554
Total assets	15,163	14,188
Shareholders' equity	5,126	4,459
Untaxed reserves	6	15
Long-term liabilities	4,302	5,630
Short-term liabilities	5,729	4,084
Total shareholders' equity and liabilities	15,163	14,188

The Parent Company's fixed assets consist mainly of shares in subsidiaries and loan receivables from subsidiaries. The liabilities are mainly external liabilities and liabilities to subsidiaries. During the second quarter the parent company paid a dividend to shareholders and during second, third and fourth quarter buy-back share programs were carried through.

CONTINGENT LIABILITIES, PARENT COMPANY

	2022	2021
SEK m	Dec 31	Dec 31
Guarantees and other commitments	6,942	5,610

Alternative performance measures

Use of alternative performance measures

To support Group Management and other stakeholders to analyze the Group's financial performance, Loomis reports certain performance measures that are not defined by IFRS. Group Management believes that this information facilitates analysis of the Group's performance. The Loomis Group primarily uses the following alternative performance measures (see also Definitions on page 24 for a full list of measures):

- Real growth and Organic growth in sales
- Operating income (EBITA) and Operating margin (EBITA), %
- Cash flow from operating activities as % of operating income (EBITA)
- Net debt and Net debt/EBITDA
- Equity ratio, %
- Capital employed and Return on capital employed
- Return on shareholders' equity

Cash flow from operating activities as % of operating income (EBITA)

Loomis' main measure of cash flow (cash flow from operating activities) focuses on the current cash flow from operating activities based on EBITA adding back amortization/depreciation and the effect of changes in accounts receivable, as well as changes in other working capital and other items. Cash flow from operating activities reflects the cash flow that the operating activities generate before payments of financial items, income tax, items affecting comparability, acquisitions and divestments, as well as dividends and changes in the Group's net debt. Cash flow from operating activities as a percentage of operating income (EBITA) illustrates the cash conversion that Loomis has, i.e. how recognized earnings have resulted in cash flow.

Loomis provides an alternative presentation of cash flow which includes cash flow from operating activities adjusted for the impact of IFRS 16 Leases. This is presented on page 12 of this report.

Real growth and Organic growth in sales

Since Loomis generates most of its revenue in currencies other than the reporting currency (i.e. Swedish kronor, SEK) and exchange rates have historically proved to be relatively volatile, and since the Group has made a number of acquisitions, sales growth is presented both as exchange rate adjusted and adjusted for both exchange rate fluctuations and effects from acquisitions. This makes it possible to analyze and explain growth excluding exchange rate effects and acquisitions.

SEK m	2022	2021		Growth	Growth, %
	Quarter 4	Quarter 4			
Recognized revenue	6,731	5,325	1,406		26.4
Organic growth			627		11.8
Revenue, acquisitions			16		0.3
Real growth			644		12.1
Exchange rate effects			762		14.3

SEK m	2022	2021		Growth	Growth, %
	Full year	Full year			
Recognized revenue	25,315	19,723	5,592		28.4
Organic growth			2,847		14.4
Revenue, acquisitions			285		1.4
Real growth			3,132		15.9
Exchange rate effects			2,460		12.5

Operating income (EBIT) before items affecting comparability, Operating income (EBITA) and Operating margin (EBITA), %

Loomis' internal control of operating activities is focused on the operating income that is created within and can be

impacted by local operating activities. For this reason Loomis has chosen to focus on earnings and margins before interest, taxes, amortization of acquisition-related intangible fixed assets, acquisition-related costs and revenue, and items affecting comparability.

SEK m	2022	2021	2022	2021
	Quarter 4	Quarter 4	Full year	Full year
Operating income (EBIT)	745	547	2,532	1,738
Adding back items affecting comparability	–	–	23	52
Operating income (EBIT) before items affecting comparability	745	547	2,555	1,790
Adding back acquisition-related costs	0	15	67	45
Adding back amortization of acquisition-related intangible assets	9	31	113	126
Operating income (EBITA)	754	594	2,735	1,961
Calculation of operating margin (EBITA), %				
EBITA	754	594	2,735	1,961
Total revenue	6,731	5,325	25,315	19,723
EBITA/Total revenue, %	11.2	11.2	10.8	9.9

Net debt and Net debt/EBITDA

Net debt is an important concept to understand a company's financing structure and leverage. Net debt is the net of interest-bearing liabilities and assets, and is used together with shareholders' equity to finance the Group's capital employed. Loomis excludes funds within cash processing operations and financing of funds within cash processing operations (so-called stock funding) from the definition of net debt. The financial leverage is measured by calculating net debt as percentage of operating income after adding back amortization and depreciation, i.e. net debt/EBITDA.

Reconciliation of Net debt and calculation of Net debt/EBITDA

SEK m	2022	2021
	Dec 31	Dec 31
Short-term loans	1,867	311
Long-term loans	4,270	5,636
Total loans payable	6,137	5,947
Liquid funds excluding funds in cash processing operations	-2,264	-2,009
Other interest-bearing assets	-571	-479
Financial net debt	3,302	3,458
Lease liabilities	3,866	3,049
Pension net, assets (-) liabilities (+)	315	499
Net debt	7,484	7,007

SEK m	2022	2021
	Full year	Full year
Operating income (EBITA), R12	2,735	1,961
Adding back depreciation/amortization, R12	2,249	1,901
EBITDA, R12	4,984	3,862
Net debt/EBITDA (number of times)	1.50	1.81

Equity ratio, %

The equity ratio is a measure that show the ratio of equity financing in relation to the company's total assets. The measure is used as an indication of financial strength and resilience to losses.

Reconciliation equity ratio, %

SEK m	2022	2021
	Dec 31	Dec 31
Shareholders' equity	12,465	10,063
Total assets	31,780	27,228
Equity ratio, %	39.2	37.0

Capital employed and Return on capital employed, %

Capital employed is a measure of how much capital is tied up in operating activities and that is therefore expected to generate returns in the form of operating income. Capital employed is equivalent to the sum of all financing in the form of net debt and shareholders' equity. Loomis includes funds within cash processing operations and financing of funds within cash processing operations (so-called stock funding) in the definition of capital employed.

Reconciliation of capital employed and return on capital employed, %

SEK m	2022	2021
	Dec 31	Dec 31
Fixed assets		
Goodwill	8,075	7,185
Acquisition-related intangible assets	678	734
Other intangible assets	343	413
Buildings and land	1,139	970
Machinery and equipment	5,018	4,463
Right-of-use assets	3,763	3,008
Other operating fixed assets ¹⁾	970	885
Current assets		
Accounts receivable	3,311	2,686
Other operating current assets ²⁾	1,463	1,025
Funds in cash processing operations	3,940	3,146
Long-term liabilities		
Deferred tax liability	-487	-436
Provisions for claims reserves	-472	-451
Other provisions	-144	-118
Other long-term liabilities	-162	-126
Current liabilities		
Accounts payable	-859	-687
Liabilities in cash processing operations	-3,453	-2,818
Accrued expenses and prepaid income	-1,906	-1,689
Other operating current liabilities ³⁾	-1,269	-1,119
Capital employed	19,948	17,070
Operating income (EBITA), R12	2,735	1,961
Return on capital employed, %	13.7	11.5

- 1) Includes the items Contract assets, Deferred tax assets and Other long-term receivables.
- 2) Includes the items Other current receivables, Current tax assets, and Prepaid expenses and accrued income.
- 3) Includes the items Provisions for claims reserves, Current tax liabilities, Other provisions and Other current liabilities.

Return on shareholders' equity

Return on shareholders' equity is an important concept to understand a company's return on the capital that the shareholders have injected and earned. The return is calculated as earnings for the period (rolling 12 months) as a percent of the closing balance for shareholders' equity.

SEK m	2022	2021
	Full year	Full year
Net income for the period, R12	1,602	1,104
Shareholders' equity	12,465	10,063
Return on equity, %	12.9	11.0

Definitions

Gross margin, %	Gross income as a percentage of total revenue.
Operating income (EBITA)	Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.
Operating margin (EBITA), %	Earnings Before Interest, Taxes, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability, as a percentage of revenue.
Operating income (EBITDA)	Earnings Before Interest, Taxes, Depreciation, Amortization of acquisition-related intangible fixed assets, Acquisition-related costs and revenue and Items affecting comparability.
Operating income (EBIT)	Earnings Before Interest and Tax.
Operating income (EBIT before items affecting comparability)	Earnings before interest, tax and items affecting comparability.
Items affecting comparability	Items affecting comparability are reported events and transactions whose impact are important to note when the period's results are compared with previous periods, such as capital gains and capital losses from divestments of significant cash generating units, material write-downs or other significant items affecting comparability.
Real growth, %	Increase in revenue for the period, adjusted for changes in exchange rates, as a percentage of the previous year's revenue.
Organic growth, %	Increase in revenue for the period, adjusted for acquisition/divestitures and changes in exchange rates, as a percentage of the previous year's revenue adjusted for divestitures.
Total growth, %	Increase in revenue for the period as a percentage of the previous year's revenue.
Net margin, %	Net income for the period after tax as a percentage of total revenue.
Earnings per share before dilution	Net income for the period in relation to the average number of outstanding shares during the period.
Earnings per share after dilution	Net income for the period in relation to the average number of outstanding shares after dilution during the period.
Cash flow from operations per share	Cash flow for the period from operations in relation to the number of shares after dilution.
Investments in relation to depreciation	Investments in fixed assets, net, for the period, in relation to depreciation, excluding the IFRS 16 impact.
Investments as a % of total revenue	Investments in fixed assets, net, for the period, as a percentage of total revenue.
Shareholders' equity per share	Shareholders' equity in relation to the number of shares before and after dilution.
Cash flow from operating activities as % of operating income (EBITA)	Operating income, EBITA, (excluding IFRS 16), adjusted for depreciation (excluding IFRS 16), change in accounts receivable and other items (excluding IFRS 16) as well as net investments in fixed assets as a percentage of operating income, EBITA.
Return on equity, %	Net income for the period (rolling 12 months) as a percentage of the closing balance of shareholders' equity.
Return on capital employed, %	Operating income (EBITA) (rolling 12 months) as a percentage of the closing balance of capital employed.
Equity ratio, %	Shareholders' equity as a percentage of total assets.
Capital employed	Shareholders' equity with the addition of net debt.
Net debt	Interest-bearing liabilities less interest-bearing assets and liquid funds excluding funds for cash processing activities.
Net debt/EBITDA	Net debt as percentage of operating income after reversal of depreciations and amortizations.
R12	Rolling 12 months.
Scope 1	Green House Gas (GHG) emissions from sources that an organization own or controls directly.
Scope 2	Green House Gas (GHG) emissions that an organization causes indirectly when the energy it purchases, and uses is produced.
n/a	Not applicable.
Other	Amounts in tables and other combined amounts have been rounded off on an individual basis. Minor differences due to this rounding-off, may, therefore, appear in the totals.

Stockholm, February 2, 2023

Aritz Larrea
President and CEO

Review Report

Introduction

We have reviewed the interim report for Loomis AB (publ) for the period January 1 – December 31, 2022. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, February 2, 2023

Deloitte AB

Peter Ekberg
Authorized Public Accountant

Loomis in brief

Vision

Managing cash in society.

Financial targets 2022–2024

- Revenue: Average currency-adjusted growth of 5–8 percent per year
- Operating margin EBITA: 12–14 percent for 2024

Sustainability targets 2022–2024

- Reduce carbon emissions by 15 percent compared to 2019. Refers to scope 1&2 in total
- Reduction of the occupational injury frequency by 15 percent compared to 2021

Dividend policy

- 40–60 percent of the result for the year

Operations

Loomis offers secure and effective comprehensive solutions for managing payments, including the distribution, handling, storage and recycling of cash and other valuables. Loomis' customers are mainly financial institutions and retailers.

Loomis operates through an international network of around 400 branches in more than 20 countries. Loomis employed around 25,000 people at the end of 2022 and had revenue in 2022 of more than SEK 25 billion. Loomis is listed on Nasdaq Stockholm Large-Cap list.

Telephone conference and audio cast

A telephone conference will be held on February 2, 2023 at 09:00 a.m. (CET).

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

United Kingdom: +44 (0) 121 2818 004

USA: +1 (0) 718 705 8796

Sweden: +46 (0)8 505 100 30

International: +39 02 802 09 11

The audio cast can be followed at our website www.loomis.com (follow "Financial presentation").

A recorded version of the audio cast will be available at www.loomis.com (follow "Financial presentation") after the telephone conference.

Future reporting

Interim Report	January – March 2023	May 4, 2023
Interim Report	January – June 2023	July 21, 2023
Interim Report	January – September 2023	October 26, 2023

Loomis' Annual and Sustainability Report for 2022 will be available on www.loomis.com in April 2023.

Loomis' Annual General meeting will be held on May 4, 2023 in Stockholm.

For further information

Jenny Boström, Head of Investor Relations +46 8 522 920 12, e-mail: jenny.bostrom@loomis.com

Refer also to the Loomis website: www.loomis.com

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 person set out above, at 8.00 a.m. (CET) on February 2, 2023.

