Loomis Investments US Limited

Annual report and financial statements

for the year ended 31 December 2023

Registration number 07834707

Loomis Investments US Limited **Registration number 07834707**

Contents

Directors, secretary and professional advisers

Directors
T Gibbs
E Aslund
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Independent Auditor
Deloitte LLP
Statutory Auditor
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Strategic report
for the year ended 31 December 2023

The directors present their strategic report for the company for the year ended 31 December 2023.

Principal activity

The principal activity of the company is a holding company for a group which provides cash handling services.

The benefits of the company structure that Loomis Investments US Limited is part of have diminished over recent years. Due to this reason the decision has been taken to settle the remaining tranches of the series of intercompany funding loans during 2023.

The remaining two loan tranches totalling $352,000,000 and associated interest costs have been settled during September 2023. The repayment of the $352,000,000 loan tranches and associated interest costs was funded by dividends received from Loomis Investments US Limited's trading subsidiaries.

Results and dividends

There was a profit of $441,963,000 for the year ended 31 December 2023 (31 December 2022: profit of $123,533,000). The increase in profit year on year was due to the receipt of income in the form of a dividend of $454,318,000 from group undertakings.

Dividends of $90,000,000 ($3.60 per share) were declared and paid during 2023. $30,000,000 on 26 April 2023, $30,000,000 on 16 August 2023 and $30,000,000 on 13 December 2023 (2022: No dividend was paid during the year). Further dividends of $30,000,000 ($1.20 per share) have since been declared and paid on 24 April 2024 and a further $30,000,000 ($1.20 per share) declared and paid on 28 August 2024.

Business review

The company has performed in line with the directors' expectations. The finance costs incurred were reduced compared to prior year due to the redemption of the first of the three loan tranches during September 2023. The entity is a holding company to other companies within the Loomis AB Group.

Future outlook

The principal activity of the company is a holding company; therefore, the performance of the underlying subsidiaries going forward drives the future outlook for the company. Due to the repayment of the financing loans during 2023, it is anticipated that the company will ultimately become dormant. The directors will continue to manage and monitor the business going forward to ensure the goals of the ultimate parent are reached.

Principal risks and uncertainties

The key risks primarily relate to the profitability of the US Group as a whole and relate more to the trading portion of the group. A deterioration in trading conditions by its US subsidiaries which adversely impacts their profitability, would have the potential to impair the Company's investment holding value. The Directors regularly perform a risk assessment process to identify the key risks which could materially impact the Company's strategy, reputation, business, assets and profitability. The key risks identified are listed below:

Changes in market environment
Loomis Investment US Limited's primary function is that of a holding company in the US segment of the Loomis group. So, whereas changes in the US market environment will not directly impact the company, they will impact the profitability of the trading subsidiaries. Changes to the trading subsidiaries profitability will have an impact of the investment held by Loomis Investments US Limited in its subsidiaries.

Changes in cash usage trends within the US market through the development of new technology, changes in consumer behaviour and high street retail trends could impact the Company's strategy and profitability. The Loomis group as a whole mitigates these risks by investing in new product lines that embrace the changes in technology, such as Loomis Pay.

Loomis US had stable volume growth in 2023 and revenue increased in all product areas. SafePoint showed particularly strong, double-digit organic growth and we expect Loomis to continue to take market share for this solution. Operating income also increased thanks to structured efforts to raise operational efficiency.

Despite the fact that the US economy was characterized by inflation as well as rising interest rates and fuel costs, Loomis delivered a strong performance in 2023 which resulted in record revenues. The US market continued to see strong sales in 2023 with a 13.4% increase on 2022's revenue. Revenue from all offerings saw growth, with high growth for SafePoint revenue (23.8% increase) and Loomis International offerings (26.2% increase).. The mitigation measures put in place during 2022 in order to preserve margins continued to pay dividends during 2023 with a 17.1% increase in operating result to $198.5m.

Strategic report
for the year ended 31 December 2023 (continued)

Principal risks and uncertainties (continued)
The US business continued to receive no financial assistance from the Government. During 2023 it settled the remaining 50% of the 2020 deferred $17,900,000 payroll taxes.

Changes in legislation
Unexpected changes in legislation in relation to the Company's business activities could have a material impact on the Company's strategy, business and profitability. Loomis Investments US Limited attempts to mitigate these risks by keeping abreast constantly of potential changes which may impact the company to enable as much lead time as possible to make compensatory changes to operations and strategy.

IT systems
The Company relies on key IT systems and processes in order to provide services and key reporting to customers whilst maintaining compliance with relevant legislation. Key system failures, and a failure of key business continuity and disaster recovery processes, could materially impact the Company's reputation, business and profitability.
The Company has attempted to mitigate those risks by investing in another data centre in order to provide further contingencies.

Criminal attacks and robberies
Due to the nature of the Company's activities, a significant increase in criminal attacks and robberies against the Company's employees, customer property/employees and members of the public could have a material impact on the Company's reputation, business, assets and profitability.
The Company attempts to minimise these risks by conducting thorough staff training on risk management procedures and undertaking comprehensive risk assessments.

Employee relations
As a holding company Loomis Investments US Limited has no direct employees. However, the state of employee relations will impact the profitability of its trading subsidiaries in the US business segment. Changes to the trading subsidiaries profitability will have an impact of the investment held by Loomis investments US Limited in its subsidiaries.
As a service provider, the Company's relationship with our employees is crucial to the successful customer services delivery. A significant deterioration in labour relations could have a material impact on the Company's reputation, business and profitability.
The US business experienced staffing shortages during 2022, but have since stabilised at a more normal level during 2023. High staff turnover does play a part in an increased cost structure due the cost of hiring and training new employees.

Inflationary pressures
Despite the fact that the US economy was characterised by inflation as well as rising interest rates and fuel costs, Loomis delivered a strong performance in 2023 which resulted in record revenues. With historically low unemployment, consumer demand remains high and labour markets eased in second half of 2023.
The combination of a continued outsourcing trend and Loomis' strong brand is creating good potential for sustained growth in the core business and for services such as ATMs and SafePoint.
Rising inflation has been a factor affecting the core US business. Hourly wage increases have been put in place over the past 2 years. Some of these increases are able to be offset somewhat with a Living Wage Surcharge that can be charged in some areas of higher mandated salaries. The majority of the US business vendor contracts are 3-year agreements, which means the US business will begin to see the impact of inflation as those contracts renew.
Increasing fuel costs, has meant the US business has been subject higher prices, which has been mitigated by a fuel surcharge matrix incorporated into customer contracts which is based on market diesel prices. This has enabled them to cover the fuel increase accordingly.
As a holding company, Loomis Investments US Limited does not face any direct inflationary pressures.

Key performance indicators ("KPIs")

Given the straightforward nature of the businesses within the group, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Section 172 Statement

It is the duty of the Directors to protect the sustainability of the Company, as well as, the best interests of its various stakeholders. These stakeholders include:

Strategic report
for the year ended 31 December 2023 (continued)

Section 172 Statement (continued)

- Customers
- Suppliers
- Employees
- Regulators and other Government agencies
- Community and the Environment
- The ultimate shareholder, Loomis AB

Therefore, in making key decisions the Directors and Management review and challenge the potential impact of recommended actions to reach an agreed executable plan designed to balance the interests of all impacted parties.

In order to achieve this objective, the Directors have had regard to the matters set out in Section 172(1) (a) to (f) of the Companies Act 2006 by taking the following interests into consideration where applicable:

- **Customers -** as the principal activity of the Company is that of a holding company, the entity has no direct customers itself. Relationships with customers are through the Company's subsidiaries Loomis Services US LLC, Loomis International (US) Limited, Loomis Armored US LLC and Loomis Puerto Rico Inc. These companies strive to deliver exceptional quality and innovative solutions that add value. Exceeding customer expectations is a service aim for the Company and is integrated within one of the core values of the Loomis Model. Further details of the Loomis Group core values can be found on page 29 of the Loomis AB 2023 Annual Report.
- **Suppliers –** the Company has a very limited number of external suppliers due to its nature as a holding company, however it is committed to maintaining a good relationship with those it has. Typical payment terms of 30 days exist with suppliers, which the company strives to meet.
- **Employees –** the company has no direct employees. The company's subsidiaries are the entities through which employment contracts are issued. As stated in the Loomis AB 2023 Annual Report on page 40, inclusion within our workplaces has been identified as a key success factor at Loomis. It facilitates growth and development for all within the Company.
  The subsidiaries actively seek input from their employees and take into consideration the views and opinions expressed. There are several ways in which this is achieved:
  - Conducting employee surveys. The subsidiaries issue employee surveys on a periodic basis in order to gain feedback from all employees on an anonymous basis so as to gain insight into
  - employee opinion on culture, leadership, information dissemination and treatment of employees. The results are collated at department manager level and relayed to managers anonymously;
  - Conducting exit interviews for employees leaving the Company and sharing this feedback with Management;
  - Ensuring that all employees complete the training programmes in the Code of Conduct. Every new recruit goes through an introduction program. To ensure a high and consistent level of safety, employees are trained and educated on an ongoing basis. There is also a focus on recruiting the right people with the right values.
  - Fostering a culture of openness and ensuring that all employees are offered a safe workplace and a sound and open working environment. The Group's Code of Conduct contains the fundamental values and codes that clearly establish, among other things, a zero tolerance approach for all forms of discrimination, and that each individual must be treated with respect. If employees do not feel safe in expressing an opinion, there is an anonymous whistle-blower system called the Loomis Integrity Line.
- **Regulators and other Government agencies** – ensuring long-term sustainability of the Company through the adherence to proper stand-alone governance practices and conduct rules. The Company intends to maintain and promote business methods with the highest ethical standards. There is a zero-tolerance policy for unethical behaviour.
  All cases of unethical behaviour that are reported are followed up, investigated and appropriate actions taken.
- **Community and the Environment –** ensuring that the Company acts as a good corporate citizen in the communities it serves. As a non-trading holding company, Loomis Investments US Limited has a minimal impact itself on the environment. It's trading subsidiary companies have a larger footprint on the environment and communities in which it operates. The subsidiaries have embraced the Group's targets for 2024.

Strategic report
for the year ended 31 December 2023 (continued)

Section 172 Statement (continued)

Loomis AB, the company's ultimate parent, has issued Sustainability-linked bonds since 2021 under its Sustainability-Linked Finance Framework. By integrating sustainability into the business and in the financing of the company, Loomis aims to create value not only for shareholders but also for customers, employees, partners, and society at large. The bonds are linked to the target of a 20 percent reduction in Loomis' absolute carbon emissions by the end of 2025, compared with the 2019 level.

The companies recognise they have an environmental responsibility and have taken steps towards reaching their targets.

In 2023, Loomis has continued to introduce lighter single-driver vehicles in the USA, thereby reducing both carbon emissions and fuel usage while maintaining a high-quality service. Loomis USA has significantly invested in the electrification of the fleet, with an order of 150 new electric armored vehicles to be used in US operations. At the end of 2023 Loomis USA had more than 20 electric vehicles on the road around the country, with continued roll-out planned in 2024

- **Ultimate Shareholder** – the aim of the Company is to provide a long-term stable operating environment through which it can contribute towards the overall growth of the Loomis Group. As a holding company it relies on the overall performance of its underlying subsidiaries to achieve this goal. The company's operational subsidiaries have recognised the reduced demand for cash services due to trends towards digital payment methods and on-line shopping. Although the change in trends have not been as significant as in the UK market, the US operational entities have reacted accordingly by restructuring their operational activities to maximise the efficiency of their resources, thereby enabling Loomis Investments US Limited to maintain its returns to its ultimate shareholder Loomis AB.

Approved by the board and signed on its behalf by:

Tim Gibbs

T Gibbs
Director
26 September 2024

Directors' report
for the year ended 31 December 2023

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2023.

Future developments

These are included within the strategic report on page 2.

Results and dividends

The results for the year are set out on page 12.

Dividends of $90,000,000 ($3.60 per share) were declared and paid during 2023. $30,000,000 on 26 April 2023, $30,000,000 on 16 August 2023 and $30,000,000 on 13 December 2023 (2022: $0.00 was paid during the year).

A dividend in specie of $364,317,608 was received on 19 September 2023. Further dividend payments, each of $30,000,000, were received on 25 April 2023, 15 August 2023 and 12 December 2023.

Further dividends of $30,000,000 ($1.20 per share) have since been declared and paid on 24 April 2024 and a further $30,000,000 ($1.20 per share) declared and paid on 28 August 2024.

Business relationships

Business relationships are discussed within the section 172(1) statement of the directors' report.

Post balance sheet events

No post balance sheet events to report.

Streamlined Energy and Carbon Reporting

As the principal activity of the Company is to act as a holding company for other entities in the Loomis Group, the Company has had no commercial business, employees or premises, and as such has consumed less than 40,000kWh of energy during the year and therefore information on SECR is not disclosed.

Financial risk management

The company is exposed to liquidity risk. The company has committed banking facilities through a cash pooling and loan agreement with other companies within the Loomis AB Group. The directors regularly monitor available cash balances and available facilities to ensure that the company has sufficient funds to meet its obligations.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

T Gibbs
E Aslund
S Kazes
N Högberg (resigned 31st March 2023)

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they

Directors' report
for the year ended 31 December 2023 (continued)

Directors' responsibilities statement (continued)

are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Directors' indemnities

The ultimate parent company Loomis AB maintains liability insurance for the company's directors and officers. Following shareholder approval, the company has also provided an indemnity for the benefit of its directors and the secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force as at the date of this report.

Going concern

Revenue for the underlying US business continued to show good growth. The segment finished the year with revenue growth amounting to 13.4%. Operating margins remained healthy at 14.1% (2022: 13.6%). Challenges in the labour market eased during 2023. The fuel surcharge levied to customers was increased in 2023 to offset some of the increased operational expenses. In order to maintain a high growth rate and a high level of service, overtime cost have temporarily been high. The situation gradually improved throughout the year. The US business continues to have a strong year during 2024, recording organic growth of 5.8% in Q1 2024.

The negative impacts of the pandemic have impacted the US business less than the UK and part of Europe due to the structure of their customer portfolio's, with a larger share of the revenue not being volume dependent. The underlying US business benefits from a larger element of fixed revenue from SafePoint contracts and financial institutions.

Due to the non-trading nature of Loomis Investments US Limited's activities as a holding company, there has been no direct impact to the Company.

The company has minimal day-to-day cash requirements, though if required it has access to Loomis group cash reserves.

Directors’ report
for the year ended 31 December 2023 (continued)

Going concern (continued)

The two tranches of loans repaid during 2023 were non-cash settled through a series of dividend declarations passed through the funding structure. A dividend in Specie was received from Loomis Services US, LLC for the value of the loans payable and its accrued interest. The dividend was used to fund the repayment of the loan tranche to Loomis Holdings US, Inc.

With the settlement of the intercompany loan tranches, the activities of the company have reduced to a minimum, with minimal costs surrounding audit, corporation tax return and company secretarial fees remaining.

After making enquiries, the directors have a reasonable expectation that the timing of the cash flows of these items of income and expense will enable the company to operate within its available resources for the foreseeable future. The directors therefore confirm that it remains appropriate for the accounts to be prepared under the Going Concern basis.

In addition, the directors have received a letter of support from Loomis AB, which will ensure any necessary financial support is provided within twelve months from the date of these financial statements. The directors have satisfied themselves that Loomis AB has the necessary financial resources to provide this support during this period, should it be required. Therefore, the directors have a reasonable expectation that the company has adequate resources internally and through its association with Loomis AB, to continue in operational existence for the foreseeable future and as such, the going concern basis has been adopted in preparing the annual report and financial statements.

Independent auditors

The auditors, Deloitte LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the annual general meeting.

Approved by the board and signed on its behalf by:

Tim Gibbs

T Gibbs
Director
26 September 2024

Independent auditor's report to the members of Loomis Investments US Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Loomis Investments US Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor’s report to the members of Loomis Investments US Limited (continued)

Responsibilities of directors

As explained more fully in the directors’ responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company’s industry and its control environment, and reviewed the company’s documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company’s business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These] included the UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company’s ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Independent auditor's report to the members of Loomis Investments US Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Doerr

Mark Doerr ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
26 September 2024

Statement of comprehensive income for the year ended 31 December 2023

	Note	**2023**	2022
		$'000	$'000
Administrative expenses		**(51)**	(33)
Operating loss		**(51)**	(33)
Dividend Income		**454,318**	143,424
Finance costs (net)	5	**(12,304)**	(19,858)
Profit before taxation	6	**441,963**	123,533
Tax on profit	7	**-**	-
Profit for the financial year		**441,963**	123,533
Total comprehensive income for the year		**441,963**	123,533

All amounts above relate solely to continuing operations.

Statement of financial position
as at 31 December 2023

	Note	2023 $'000	2022 $'000
Fixed assets			
Investments	8	**587,259**	587,259
Current assets			
Debtors: amounts falling due within one year	9	**3**	-
Cash at bank and in hand		**178**	227
		181	227
Creditors: amounts falling due within one year	10	**(39)**	(125,048)
Net current assets		**142**	(124,821)
Total assets less current liabilities		**587,401**	462,438
Creditors: amounts falling due after more than one year	11	**-**	(227,000)
Net assets		**587,401**	235,438
Capital and reserves			
Called up share capital	13	**25,000**	25,000
Share premium account		**110,259**	110,259
Profit and loss account		**452,142**	100,179
Total shareholders' funds		**587,401**	235,438

The financial statements on pages 12 to 23 were approved by the board of directors on 26 September 2024 and were signed on their behalf by:

Tim Gibbs

T Gibbs
Director

Statement of changes in equity for the year ended 31 December 2023

	Called up share capital $'000	Share premium account $'000	Profit and loss account $'000	Total Shareholders' funds $'000
Balance as at 1 January 2022	25,000	110,259	(23,354)	111,905
Profit for the financial year	-	-	123,533	123,533
Total comprehensive Income for the year	-	-	123,533	123,533
Balance as at 31 December 2022	25,000	110,259	100,179	235,438
Profit for the financial year	-	-	441,963	441,963
Total comprehensive income for the year	-	-	441,963	441,963
Transactions with owners, recognised directly in equity				
Dividends ($3.60 per share)	-	-	(90,000)	(90,000)
Balance as at 31 December 2023	25,000	110,259	452,142	587,401

Called up share capital account represents consideration received for shares at their nominal value ($1 per share). The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

Share premium account represents consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss account represents accumulated comprehensive income for the year and prior years less distributions to owners.

Notes to the financial statements for the year ended 31 December 2023

1 General information

Loomis Investments US Limited ("the company") is a holding company for a group which provides cash handling services, including cash in transit, cash processing and ATM services.

The company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of its registered office for inspection of registers is 6th floor Regus, East West Building 2, Tollhouse Hill, Nottingham, NG1 5FS.

2 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Loomis AB which are available to the public and can be obtained as set out in note 14.

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, certain disclosure in respect of revenue from contracts with customers, impairment of assets, certain related party transactions, certain disclosure requirements in respect of leases, and certain disclosures in respect of Pillar Two income taxes.

Where relevant, equivalent disclosures have been given in the group accounts of Loomis AB.

Impact of initial application of other amendments to IFRS Standards and Interpretations

The following new or amended standards were applicable as of January 1, 2023: IFRS 17 Insurance contracts: Insurance contracts (endorsed by EU on November 19, 2021), IAS 1 Presentation of Financial Statements: Disclosure of accounting policies (endorsed by EU on March 2, 2022), IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of accounting estimates (endorsed by EU on March 2, 2022), IAS 12 Income taxes: Deferred tax relating to assets and liabilities arising from a single transaction (endorsed by EU on August 11, 2022), IFRS 17 Insurance contracts: Initial application of IFRS 17 and IFRS 9 – comparative information (endorsed by EU on September 8, 2022), IAS 12 Income taxes: International tax reform – Pillar two Model rules. . The new or amended standards have not had any material impact on the company's financial statements.

New or amended accounting standards to be applied after 2023

The following new or changed reporting standards have been published but are not mandatory for 2023, and have not been early adopted by Loomis: IFRS 16 Leases: Lease liability in a sale and lease-back, IAS 1 Presentation of Financial Statements: Classification of liabilities as current and non-current, IAS 1 Presentation of Financial Statements: Non-current liabilities with covenants, IAS 17 and IFRS7; Supplier finance arrangements, IAS 21 The effect of changes in foreign exchange rates: Lack of exchangeability. These new, amended or improved standards have not yet been adopted unless specifically stated above and they are not expected to have any material impact on Loomis Investments US Limited's financial statements.

Monetary amounts in these financial statements are rounded to the nearest whole $1,000, except where otherwise indicated.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

2 Summary of significant accounting policies (continued)

Going concern

Revenue for the underlying US business continued to show good growth. The segment finished the year with revenue growth amounting to 13.4%. Operating margins remained healthy at 14.1% (2022: 13.6%). Challenges in the labour market eased during 2023. The fuel surcharge levied to customers was increased in 2023 to offset some of the increased operational expenses. In order to maintain a high growth rate and a high level of service, overtime cost have temporarily been high. The situation gradually improved throughout the year. The US business continues to have a strong year during 2024, recording organic growth of 5.8% in Q1 2024..

The negative impacts of the pandemic have impacted the US business less than the UK and part of Europe due to the structure of their customer portfolio's, with a larger share of the revenue not being volume dependent. The underlying US business benefits from a larger element of fixed revenue from SafePoint contracts and financial institutions.

Due to the non-trading nature of Loomis Investments US Limited's activities as a holding company, there has been no direct impact to the Company.

The company has minimal day-to-day cash requirements, though if required it has access to Loomis group cash reserves.

The two tranches of loans repaid during 2023 were non-cash settled through a series of dividend declarations passed through the funding structure. A dividend in Specie was received from Loomis Services US, LLC for the value of the loans payable and its accrued interest. The dividend was used to fund the repayment of the loan tranche to Loomis Holdings US, Inc.

With the settlement of the intercompany loan tranches, the activities of the company have reduced to a minimum, with minimal costs surrounding audit, corporation tax return and company secretarial fees remaining.

After making enquiries, the directors have a reasonable expectation that the timing of the cash flows of these items of income and expense will enable the company to operate within its available resources for the foreseeable future. The directors therefore confirm that it remains appropriate for the accounts to be prepared under the Going Concern basis.

In addition, the directors have received a letter of support from Loomis AB, which will ensure any necessary financial support is provided within twelve months from the date of these financial statements. The directors have satisfied themselves that Loomis AB has the necessary financial resources to provide this support during this period, should it be required. Therefore, the directors have a reasonable expectation that the company has adequate resources internally and through its association with Loomis AB, to continue in operational existence for the foreseeable future and as such, the going concern basis has been adopted in preparing the annual report and financial statements.

Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'US Dollars' ($), which is also the company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges.

2 Summary of significant accounting policies (continued)

Financial assets

Classification

The company classifies its financial assets in the following categories: at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market.

They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The company's loans and receivables comprise receivables, cash and commercial paper in the statement of financial position.

Recognition and measurement

Financial assets are initially measured at fair value plus or minus associated transaction costs.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Investment in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition.

Trade and other receivables

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2 Summary of significant accounting policies (continued)

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowing using the effective interest method.

Current tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Finance costs

Finance costs are recognised using the effective interest method. Interest-bearing bank overdrafts and loans are recognised as laid out under the Borrowings section above. Finance costs, including premiums payable on settlement or redemption and direct issue costs, are recognised in the income statement on an accrual basis using the effective interest method.

Finance income

Finance income is recognised using the effective interest method. When a loan receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

Dividend income

Dividend income is recognised when the right to receive payment is established.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1 above, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

There are no critical judgements that the directors have made in the process of applying the company's accounting policies.

Notes to the financial statements for the year ended 31 December 2023 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

There were no key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 Employee information

The directors who have served during the current and prior years are also directors of other undertakings within the group and do not receive any remuneration in respect of their services to the company. Their remuneration is included in the financial statements of these other undertakings.

Other than the statutory directors, the company does not have any employees (2022: nil). Management services are provided to the company by Loomis UK Limited and a management charge of $8,695 (2022: $12,841) was made.

5 Finance costs (net)

	2023	2022
	$'000	$'000
Interest receivable on group loans	**14**	12
Interest payable on group loans	**(12,318)**	(19,870)
Finance costs (net)	**(12,304)**	(19,858)

6 Profit before taxation

	2023	2022
	$'000	$'000
Profit before tax is stated after charging:		
Exchange loss on foreign currency transactions	**-**	-
Services provided by the company's auditor		
- Fees payable for the audit of the financial statements	**29**	16
Other administrative expenses	**22**	17

There were no non-audit services provided to the company by the company's auditor in the current or prior period.

7 Tax on profit

	2023	**2022**
	$'000	**$'000**
Current tax		
UK corporation tax	**-**	-

The tax credit assessed for the year is higher than the standard effective rate of corporation tax in the UK for the year ended 31 December 2023 of 23.5% (2022: 19%). The differences are explained below:

	2023	2022
	$'000	$'000
Profit/(loss) before taxation	**441,963**	123,533
Profit multiplied by standard effective rate of corporation tax in the UK for the year of 23.5% (2022: 19%)	**103,861**	23,471
Effects of:		
Non-taxable dividend income	**(106,765)**	(27,250)
Permanent non-relievable trading losses	**2,904**	3,779
Tax charge for the year	**-**	-

Factors affecting current and future tax charges

The future tax charge will be affected by losses available for group relief.

Corporation tax is recorded at 23.5% (2022: 19%). Legislation was introduced in the Finance Bill 2021 to set the main rate for Corporation Tax at 25% for the financial year beginning 1 April 2023. Since the proposal to increase the rate to 25% has been substantively enacted at the balance sheet date, its effects are including in these financial statements.

The Finance Bill 2023 introduced legislation which offers 100% first-year relief to companies on qualifying new main rate plant and machinery investments from 1 April 2023 until 31 March 2026. It also introduced a 50% first-year allowance (FYA) for expenditure by companies on new special rate (including long life) assets until 31 March 2026.

The enactment of the Finance Act 2023 has not impacted the company at all.

There is no deferred tax asset to recognise. Due to the implementation of the anti-hybrid tax rules effective from 1 January 2017 the Company is no longer able to utilise its trading losses for the purpose of group relief within the UK structure of entities as the losses are driven by hybrid financial instruments which are permanently disallowable for tax purposes.

The value of the permanent non-relievable trading losses for the year is $2,904,000 (2022: $3,779,000).

Notes to the financial statements for the year ended 31 December 2023 (continued)

8 Investments

	Shares in group undertakings $'000
At 1 January and 31 December 2023	**587,259**

The group undertakings are as follows:

Subsidiary undertakings	**Principal activity**	**Percentage of ordinary shares held**
Loomis Services US LLC*	Holding company	100%
Loomis Armored US LLC	Provision cash handling services	100%
Loomis Puerto Rico Inc	Provision cash handling services	100%
Loomis Oregon Holdings LLC	Provision cash handling services	100%
Loomis International (US) Inc	Transportation and storage of valuables	100%

* directly held

The subsidiaries are all registered in the USA at the address: 2500 City West Boulevard. Suite 2300, Houston, TX 77042, and all have a 31 December year end.

9 Debtors: amounts falling due within one year

	2023 $'000	2022 $'000
Other receivables	**3**	-
	3	-

Other receivables include an amount due to be refunded in respect of VAT.

10 Creditors: amounts falling due within one year

	2023 $'000	2022 $'000
Amounts owed to parent company (note 12)	**-**	125,000
Accruals and deferred income	**39**	48
	39	125,048

The 2022 closing amounts owed to parent company of $125,000,000 comprised of one of two loan tranches, with this tranche being repayable on 17 November 2023 and attracting an average interest rate of 4.55%.

There were two tranches of loans repayable in total, tranche 2 of $125,000,000 was repayable on 17 November 2023 and tranche 1 for $227,000,000 was repayable on 17 November 2026. Both tranches were early settled on the 20 September 2023. The tranche 1 loan is included in Note 11 amounts falling due after more than one year.

Notes to the financial statements for the year ended 31 December 2023 (continued)

11 Creditors: amounts falling due after more than one year

	2023 $'000	2022 $'000
Amounts owed to parent company (note 12)	**-**	227,000

The 2022 closing amounts owed to parent company of $227,000,000 comprised of one of two loan tranches, with this tranche being repayable on 17 November 2026 and attracting an average interest rate of 4.65%.

There were two tranches of loans repayable in total, tranche 2 of $125,000,000 was repayable on 17 November 2023 and tranche 1 for $227,000,000 was repayable on 17 November 2026. Both tranches were early settled on the 20 September 2023. The tranche 2 loan is included in Note 10 amounts falling due within one year.

12 Loans and other borrowings

	2023 $'000	2022 $'000
Amounts owed to parent company	**-**	352,000

The 2022 closing amounts owed to parent company were unsecured and accrue interest at an average rate of 4.55% (2022: 4.55%). There were two tranches of loans repayable in total, tranche 2 of $125,000,000 was repayable on 17 November 2023 and tranche 1 for $227,000,000 was repayable on 17 November 2026. Both tranches were early settled on the 20 September 2023. The tranche 1 loan is included in Note 11, amounts falling due after more than 1 year and the tranche 2 loan is included in Note 10, amounts falling due within one year.

13 Called up share capital

	2023 $'000	2022 $'000
Allotted and fully paid		
25,000,101 (2022: 25,000,101 of $1 each) ordinary shares of $1 each	**25,000**	25,000

Ordinary share rights

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

The number of shares authorised for issue is 25,000,101 (2022: 25,000,101).

All shares rank pari passu in all respects.

14 Ultimate parent undertaking and controlling party

The immediate parent company is Loomis Holding US Inc a company incorporated in the USA and the ultimate parent undertaking is Loomis AB, a company registered in Sweden. Loomis AB is the ultimate controlling party of the company.

The largest and smallest group in which the financial statements of the company are consolidated is Loomis AB, the registered office of which is disclosed below.

Copies of Loomis AB consolidated financial statements may be obtained from:

Loomis AB
P.O. Box 702
SE-101 33 Stockholm
Sweden.

15 Post balance sheet events

No post balance sheet events to report.