



StrongPoint focuses on retail technology strategy and divests Cash Security business

18.12.2020 07:59:52 CET | StrongPoint | Additional regulated information required to be disclosed under the laws of a member state

(Rælingen, Norway, December 18, 2020) StrongPoint ASA ("StrongPoint", OSE: STRO) has today entered into a definite agreement to divest the Cash Security business to Cennox NV ("Cennox"). The transaction includes the Swedish company StrongPoint Cash Security AB and its subsidiaries StrongPoint BVBA in Belgium, StrongPoint Sarl in France and StrongPoint OOO in Russia. The transaction follows StrongPoint's 2025 growth strategy to focus on retail technology. The completion of the transaction is subject to certain customary completion conditions and is expected to occur either shortly before Christmas or in early January.

"We are now optimizing and streamlining our portfolio to enable us to focus on the retail technology segment, in particular in-store technologies and ecommerce solutions where we see long-term growth opportunities," said Jacob Tveraabak, CEO of StrongPoint.

"The diversity of our service offering gives Cennox the competitive edge when engaging with customers. We believe our acquisition of the StrongPoint Cash Security business will enable us to connect our customers to a level of service which isn't available anywhere else," said Clive Nation, Group CEO of Cennox.

"The Cash Security business is quite different to StrongPoint's core and so we believed its business model would be better suited under the leadership of a company that is taking a stronger overall position in the cash security industry," added Tveraabak.

The purchase price for the Cash Security business is EUR 7.3 million to be settled with approximately EUR 2.6 million paid in cash at closing and the remaining in an earn-out arrangement tied to Cennox' sales of cash security products in 2021 through 2023. In case of certain overperformance targets being reached, StrongPoint will also be entitled to certain further bonus payments. The transaction will result in a posted financial gain of approximately EUR 4.6 million and will be booked in the fourth quarter 2020.

The purchase price is final and agreed on the basis of the Cash Security group's accounts per 30 September 2020, and the business segment will no longer be part of StrongPoint's financial reporting from that date. StrongPoint will report the Cash Security business as discontinued operations from and including the fourth quarter 2020.

StrongPoint's Cash Security business provides secure cash logistics and employees around 60 people in offices in Sweden, Norway, Belgium, France and Russia. The business was established in 1995 and was acquired by StrongPoint in 2008. Recent financial results related to the Cash Securities business is included in StrongPoint's third quarter 2020 report.

There will be an investor webcast on Friday 18th December at 12:00 CET. Link to the webcast can be found at www.strongpoint.com/investor. Questions can be emailed to investor@strongpoint.com up to the time of the webcast.

About Cennox

Cennox delivers strategic solutions for customers worldwide and across many sectors. From consultative planning to service implementation, Cennox is the go-to partner for the world's leading brands. Delivering innovation through technology, ease through installation, safety through security to brand transformation. Cennox embraces the diversity of different industries, challenge the status quo and help customers drive change through their business.

Disclaimer

This information is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act.

Contacts

- Hilde Horn Gilen, CFO StrongPoint ASA, +47 920 60 158, hilde.gilen@strongpoint.com
- Jacob Tveraabak, CEO StrongPoint ASA, +47 908 21 370, jacob.tveraabak@strongpoint.com

About StrongPoint

StrongPoint is driving productivity for European retailers by providing innovative, integrated technology solutions for multi-channel retailing based on long-standing relationships with customers and partners. StrongPoint is also a leader in IBNS solutions for Cash-In-Transit (Cash Security), and Labels for customers in Norway and Sweden. StrongPoint offers best-in-class service and consultancy expertise through its team of 521 employees in Norway, Sweden, the Baltics, France, Belgium, Spain and Russia. StrongPoint is headquartered in Rælingen, Norway, and listed on the Oslo Stock Exchange (ticker: STRONG).

Attachments

- [Download announcement as PDF.pdf](#)