



**PROSEGUR**

# Condensed interim consolidated financial statements for the six- month period ended 30 June 2024

(Free translation for the original in Spanish. In the event of discrepancy, the Spanish-language version prevails).

Prosegur Compañía de Seguridad, S.A. and Subsidiaries

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**I. CONSOLIDATED INCOME STATEMENT – EXPENSE BY FUNCTION**

(In thousands of Euros)	Note	Six month period ended 30 June	
		2024	2023
Revenue	5	2,347,540	2,196,014
Cost of sales	6, 7	(1,783,996)	(1,676,319)
<b>Gross profit/loss</b>		<b>563,544</b>	<b>519,695</b>
Other income	8	39,517	8,444
Administration and sales expenses	6, 7	(444,589)	(384,443)
Other expenses	8	(20,751)	(6,771)
Equity accounted for using the equity method	13	(8,385)	(3,600)
<b>Operating profit/loss (EBIT)</b>		<b>129,336</b>	<b>133,325</b>
Finance income	9	15,169	16,773
Finance expenses	9	(75,330)	(56,324)
Net finance expenses		(60,161)	(39,551)
<b>Profit/loss before tax</b>		<b>69,175</b>	<b>93,774</b>
Income tax	19	(33,403)	(50,538)
<b>Post-tax profit of ongoing operations</b>		<b>35,772</b>	<b>43,236</b>
<b>Consolidated profit/loss for the period</b>		<b>35,772</b>	<b>43,236</b>
Attributable to:			
Owners of the parent		27,618	35,490
Non-controlling interests		8,154	7,746
<b>Proceeds per share from ongoing operations attributable to the owners of the parent company (Euros per share)</b>			
- Basic	16	0.05	0.07
- Diluted	16	0.05	0.07

Notes on pages 10 to 50 form an integral part of these condensed interim consolidated financial statements.

**II. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(In thousands of Euros)	Six month period ended 30 June	
	2024	2023
<b>Profit/loss for the period</b>	<b>35,772</b>	<b>43,236</b>
<b>Other comprehensive income:</b>		
<b>Items that are not going to be reclassified to profit/loss</b>		
Changes in the fair value of equity instruments	19,237	16,350
	<b>19,237</b>	<b>16,350</b>
<b>Items that are going to be reclassified to profit/loss</b>		
Translation differences for foreign operations	120,174	23,410
<b>Total comprehensive income for the period, net of tax</b>	<b>175,183</b>	<b>82,996</b>
Attributable to:		
- Owners of the parent	159,499	71,767
- Non-controlling interests	15,684	11,229
	<b>175,183</b>	<b>82,996</b>

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**III. CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(In thousands of Euros)	Note	30 June 2024	31 December 2023
<b>ASSETS</b>			
Property, plant and equipment	11	684,709	634,396
Right-of-use	11	159,172	128,996
Goodwill	11	730,501	672,588
Other intangible assets	11	453,675	414,206
Property investments	11	61,300	37,549
Investments accounted for using the equity method	13	285,968	303,133
Non-current financial assets	12	234,413	229,344
Deferred tax assets		146,927	150,266
<b>Non-current assets</b>		<b>2,756,665</b>	<b>2,570,478</b>
Inventories	15	84,064	71,880
Clients and other receivables		1,062,348	894,901
Current tax assets		60,791	61,785
Other financial assets		21,314	4,998
Cash and cash equivalents	14	402,829	440,449
<b>Current assets</b>		<b>1,631,346</b>	<b>1,474,013</b>
<b>Total assets</b>		<b>4,388,011</b>	<b>4,044,491</b>
<b>EQUITY</b>			
Share capital	16	32,702	32,702
Share premium	16	25,472	25,472
Own shares	16	(27,882)	(29,681)
Translation differences		(661,556)	(772,827)
Retained earnings and other reserves		1,393,934	1,425,797
<b>Equity attributed to holders of equity instruments of the parent company</b>		<b>762,670</b>	<b>681,463</b>
Non-controlling interests		79,437	36,078
<b>Total equity</b>		<b>842,107</b>	<b>717,541</b>
<b>LIABILITIES</b>			
Financial liabilities	18	1,556,803	1,555,739
Lease liabilities	11	104,498	91,503
Deferred tax liabilities		100,003	99,215
Provisions	17	211,227	212,840
Other non-current liabilities		34,845	35,671
<b>Non-current liabilities</b>		<b>2,007,376</b>	<b>1,994,968</b>
Suppliers and other payables		923,236	768,803
Current tax liabilities		110,745	129,517
Financial liabilities	18	372,957	313,863
Lease liabilities	11	51,449	46,768
Provisions	17	4,324	13,907
Other current liabilities		75,817	59,124
<b>Current liabilities</b>		<b>1,538,528</b>	<b>1,331,982</b>
<b>Total liabilities</b>		<b>3,545,904</b>	<b>3,326,950</b>
<b>Total equity and liabilities</b>		<b>4,388,011</b>	<b>4,044,491</b>

Notes on pages 10 to 50 form an integral part of these condensed interim consolidated financial statements.

#### IV. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

##### PERIOD ENDED 30 JUNE 2024

(In thousands of Euros)

	Equity attributed to holders of equity instruments of the parent company					Total	Non-controlling interests	Total equity
	Capital (Note 16)	Share premium (Note 16)	Own shares (Note 16)	Translation differences (Note 16)	Retained earnings and other reserves			
<b>Balance at 1 January 2024</b>	<b>32,702</b>	<b>25,472</b>	<b>(29,681)</b>	<b>(772,827)</b>	<b>1,425,797</b>	<b>681,463</b>	<b>36,078</b>	<b>717,541</b>
Total comprehensive income for the period ended 30 June 2024	–	–	–	111,271	48,228	159,499	15,684	<b>175,183</b>
Ordinary dividend charged to reserves	–	–	–	–	(83,008)	(83,008)	–	<b>(83,008)</b>
Prosegur Cash, S.A. dividend	–	–	–	–	–	–	(11,128)	<b>(11,128)</b>
Exercise of share incentives to employees	–	–	1,799	–	(398)	1,401	–	<b>1,401</b>
Other changes	–	–	–	–	3,315	3,315	38,803	<b>42,118</b>
<b>Balance at 30 June 2024</b>	<b>32,702</b>	<b>25,472</b>	<b>(27,882)</b>	<b>(661,556)</b>	<b>1,393,934</b>	<b>762,670</b>	<b>79,437</b>	<b>842,107</b>

Notes on pages 10 to 50 form an integral part of these condensed interim consolidated financial statements.

**PERIOD ENDED 30 JUNE 2023**

(In thousands of Euros)

	Equity attributed to holders of equity instruments of the parent company					Total	Non-controlling interests	Total equity
	Capital (Note 16)	Share premium (Note 16)	Own shares (Note 16)	Translation differences (Note 16)	Retained earnings and other reserves			
<b>Balance at 1 January 2023</b>	<b>32,702</b>	<b>25,472</b>	<b>(30,196)</b>	<b>(673,965)</b>	<b>1,402,096</b>	<b>756,109</b>	<b>34,213</b>	<b>790,322</b>
Total comprehensive income for the period ended 30 June 2023	–	–	–	19,927	51,840	71,767	11,229	<b>82,996</b>
Exercise of share incentives to employees	–	–	515	–	–	515	–	<b>515</b>
Other changes	–	–	–	–	(4,116)	(4,116)	(861)	<b>(4,977)</b>
<b>Balance at 30 June 2023</b>	<b>32,702</b>	<b>25,472</b>	<b>(29,681)</b>	<b>(654,038)</b>	<b>1,449,820</b>	<b>824,275</b>	<b>44,581</b>	<b>868,856</b>

Notes on pages 10 to 50 form an integral part of these condensed interim consolidated financial statements.



**V. CONSOLIDATED STATEMENT OF CASH FLOWS**

(In thousands of Euros)

Six month period ended 30 June

	Note	2024	2023
<b>Cash flows from operating activities</b>			
Profit/Loss of the period		35,772	43,236
Adjustments for:			
Depreciation and amortisation	6, 11	126,300	110,377
Other income and expenses	6.8	(33,846)	(4,461)
Impairment losses on trade receivables and inventories	8, 16	3,845	3,084
Loss for impairment of non-current assets	8	12,470	(38)
Investments accounted for using the equity method	13	8,385	3,600
Changes in provisions	18	12,167	13,967
Finance income	9	(15,169)	(16,773)
Finance expenses	9	71,395	59,843
Profit/loss from disposals and sales of fixed assets		1,936	2,946
Income tax	20	33,403	50,538
<b>Changes in working capital, excluding the effect of acquisitions and translation differences</b>			
Inventories	15	(13,732)	(24,532)
Clients and other receivables		(180,201)	(118,419)
Suppliers and other payables		91,257	10,021
Payments of provisions	18	(18,954)	(9,635)
Other current liabilities		17,430	17,165
<b>Cash generated from operations</b>			
Interest payments		(33,459)	(35,108)
Income tax paid		(58,100)	(49,178)
<b>Net cash generated from operating activities</b>		<b>60,899</b>	<b>56,633</b>
<b>Cash flows from investing activities</b>			
Proceeds from the sale of subsidiaries, net of cash and cash equivalents		(7,695)	–
Proceeds from the sale of property investments/property, plant and equipment		2,552	10,282
Interest received		5,260	14,598
Proceeds from the sale of financial assets	14	1,900	3,100
Investments accounted for using the equity method		11,992	(2,208)
Payments for the purchase of property, plant and equipment	11	(67,117)	(68,477)
Payments for the purchase of intangible assets	11	(21,842)	(18,436)
Payments for the purchase of non-controlling interests		–	–
Payments for the purchase of financial assets	12	(5,934)	(1,500)
Dividend collection		7,479	7,432
<b>Net cash generated from investing activities</b>		<b>(73,405)</b>	<b>(55,209)</b>
<b>Cash flows from financing activities</b>			
Payments from the purchase of own equity instruments	17	–	(5,500)
Proceeds from debentures and other negotiable securities	19	–	–
Payments from debentures and other negotiable securities	19	–	(700,000)
Proceeds from bank borrowings	19	304,826	236,192
Payments from bank borrowings	19	(247,287)	(169,419)
Payments from lease liabilities	11	(33,515)	(26,588)
Payments from other financial liabilities		(35,021)	(24,275)
Paid dividends	17	(5,197)	(5,786)
<b>Net cash generated from financing activities</b>		<b>(16,194)</b>	<b>(695,376)</b>
Net increase (decrease) in cash and cash equivalents		(28,700)	(693,952)
Cash and cash equivalents at the beginning of the year		440,449	1,235,133
Effect of exchange differences on cash		(8,920)	(24,568)
<b>Cash and equivalents at the end of the year</b>		<b>402,829</b>	<b>516,613</b>
includes:			
- Cash and cash equivalents at the end of the period of ongoing operations		402,829	478,796
- Cash and cash equivalents at the end of the period of Non-current assets held for sale		–	37,817

Notes on pages 10 to 50 form an integral part of these condensed interim consolidated financial statements.

## VI. EXPLANATORY NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. General information

Prosegur is a business group made up of Prosegur Compañía de Seguridad, S.A. (hereinafter “the Company”) and its subsidiaries (together, Prosegur) which provides private securities logistics in the following countries: Austria, Argentina, Australia, Brazil, Chile, China, Colombia, Costa Rica, Cyprus, Czech Republic, Denmark, Ecuador, El Salvador, Finland, France, Germany, Guatemala, Honduras, Iceland, India, Indonesia, Italy, Luxembourg, Mexico, Nicaragua, Paraguay, Peru, the Philippines, Portugal, Singapore, South Africa, Spain, Sweden, United Kingdom, Uruguay and the United States.

Prosegur is organised into the following segments:

- Security.
- Cash.
- Alarms.
- Cybersecurity.
- AVOS (added-value outsourcing services).

Prosegur is controlled by Gubel, S.L., which was incorporated in Madrid, and holds 65.09% of the shares of Prosegur Compañía de Seguridad, S.A., which consolidates Prosegur’s financial statements.

Prosegur Compañía de Seguridad, S.A. is a public limited company that is listed on the Stock Exchanges of Madrid and Barcelona whose shares are traded on the Spanish Stock Exchange Interconnection System (SIBE). The Company was incorporated in Madrid on 14 May 1976 and is entered in the Companies Registry of Madrid. The registered offices of Prosegur Compañía de Seguridad, S.A. are at Calle Pajaritos, 24, Madrid (Spain).

The corporate purpose is described in Article 2 of its Articles of Association. The main services and activities provided by the Company by means of its subsidiaries are as follows:

- Guarding and protection of premises, goods and individuals.
- The transportation, storage, safekeeping, counting and classification of coins and bank notes, deeds, securities and other items that require special protection due to their economic value or associated risk.
- The installation and maintenance of security equipment, devices and systems.

The individual and consolidated annual accounts of Prosegur Compañía de Seguridad, S.A. for 2023 were approved by the Shareholders General Meeting held on 25 April 2024.

## **Structure of Prosegur**

Prosegur Compañía de Seguridad, S.A. is the parent company of a Group made up of subsidiaries, listed in Appendix I of the Notes to the Consolidated Annual Accounts at 31 December 2023. Likewise, Prosegur has Joint Arrangements in place (Notes 16, 17 and Appendix II of the Notes to the Consolidated Annual Accounts at 31 December 2023).

Prosegur holds interests of less than 20% in the share capital of other entities. It does not exert significant influence over these entities (Note 18 of the Consolidated Annual Accounts at 31 December 2023).

Details of the principles applied to prepare the Prosegur Consolidated Annual Accounts and define the consolidation scope are provided in Note 36.2 and Note 2 to the Consolidated Annual Accounts at 31 December 2023, respectively.

## **2. Basis for presentation, estimates made and accounting policies**

These condensed interim consolidated financial statements of Prosegur, for the six-month period ended 30 June 2024, have been prepared in accordance with IAS 34 “Interim Financial Reporting”.

In accordance with the provisions of IAS 34, interim financial reporting is prepared solely with the intention of updating the content of the latest Consolidated Annual Accounts prepared by Prosegur, emphasising the new activities, events and circumstances that occurred during the six-month period ended 30 June 2024, and not duplicating the information previously published in the Consolidated Annual Accounts for 2023.

Therefore, and for a proper understanding of the information included in these condensed interim consolidated financial statements, they should be read together with Prosegur Consolidated Annual Accounts for the year ended 31 December 2023, which were prepared in accordance with International Financial Reporting Standards, adopted for use in the European Union and approved by the current European Commission Regulations and other applicable financial reporting regulations (IFRS-EU).

### **Significant changes in accounting policies**

Except for the new standards effective as of 1 January 2024, described in Appendix I, the accounting policies applied in these condensed interim consolidated financial statements at 30 June 2024, are consistent with those applied in the preparation of Prosegur Consolidated Annual Accounts at 31 December 2023, the detail of which is included in Note 36 of said Consolidated Annual Accounts.

### **Estimates, assumptions and relevant judgements**

The preparation of the condensed interim consolidated financial statements has required the application of relevant accounting estimates and the making of judgements, estimates and assumptions in the process of application of Prosegur accounting policies and valuation of the assets, liabilities and profit and loss. The estimates are the same as indicated in the Notes to the Consolidated Annual Accounts for 2023.

Corporate Income Tax for the six-month period ended 30 June 2024 is calculated based on the best estimate of the effective tax rate that the Group expects for the annual period, and the recoverability of the deferred tax assets recognized.

### **Comparative information**

For comparative purposes and for each item in the consolidated statement of financial position, in the consolidated income statement, in the consolidated statement of comprehensive income, in the consolidated statement of cash flows, in the consolidated statement of changes in equity and in the notes to the condensed interim consolidated financial statements, in addition to the consolidated figures for the six-month period ended 30 June 2024, the condensed interim financial statements show those for the same period of the previous year, except for the consolidated statement of financial position which shows the consolidated figures for the twelve-month period ended 31 December 2023.

### **3. Changes to the Group's structure**

In Appendix I to the Consolidated Annual Accounts for the year ended 31 December 2023, relevant information is provided on the Group companies that were consolidated at that date.

The following companies were incorporated during the first half of 2024:

- In March 2024, Shanghai Prosegur Labor Dispatch Co Ltd. was incorporated in China.

The following companies were wound up during the first half of 2024:

- In March 2024, Shanghai Pitco Information Technology Co Ltd. was wound up in China.
- In April 2024, 353 Oxford Street Limited was wound up in the United Kingdom.
- In April 2024, CGX Accesories was wound up in the United Kingdom.
- In May 2024, Prosegur Consumer Finance Perú S.A.C. was wound up in Peru.

#### Sale of 100% of the company Pitco Reinsurance, S.A.

On 14 May 2024, Prosegur sold 100% of the Luxembourgish company Pitco Reinsurance SA. for EUR 49,513 thousand.

The entity's cash and cash equivalents at the transaction date amounted to EUR 57,207 thousand.

#### Modification of the Indian Companies Partnership Agreement

The Indian companies which until 31 March 2024 were consolidated using the equity method (Note 15 of the Consolidated Annual Accounts of December 2023), have begun to be fully consolidated as from April 2024, as a result of the modification of the partnership agreement between Prosegur Cash and the external partner of these companies, Security and Intelligence Services (India) Limited (hereinafter, SIS Limited).

On 4 April 2024 Prosegur Cash and its partner SIS Limited reached an agreement to amend the existing partnership agreement between them on the Indian companies SIS Cash Services Private Limited, SIS Prosegur Holdings Private Limited and SIS Prosegur Cash Logistics Private Limited.

The amendment of the agreement consisted of clarifying and defining certain clauses, whereby it is determined that the Cash Group has the capacity to direct the relevant activities that affect the companies' returns through the voting rights on the Business Committee, among others:

- Approval of budgets and strategic plans;
- Approval of expenditure and investment policies;
- Approval of financing and debt policies;

In this regard, it has been concluded that the conditions for the Group to fully integrate these companies in accordance with the IAS 3 requirements are met. As a consequence of this change in the consolidation method, the net assets of these companies have been measured at fair value (Note 11), and a gain has been recognised in the consolidated income statement (Note 8).

Had the Indian companies been acquired on 1 January 2024, consolidated income statement revenues for 2024 would have been EUR 18,775 thousand higher and consolidated profit/loss for the year would have been increased by EUR 1,587 thousand.

#### **4. Events occurred since the end of 2023**

In addition to what is reflected in Note 3 on the changes to the structure of the Group, the most relevant transactions and events that occurred during the first half of 2024 are detailed below:

##### **Macroeconomic risks**

###### Currency risk

The political and economic instability that Argentina has been experiencing in recent years, and more severely in 2023, has resulted in large fluctuations in the growth rate each year, currency devaluation and hyperinflation.

The change of government in November 2023 brought with it an adjustment plan to start correcting the strong macroeconomic distortions, which, among other measures, includes a significant reduction of the fiscal deficit and a strict exchange rate depreciation.

During 2024, the impacts on the condensed interim consolidated financial statements of the Prosegur Group arising from the economic situation in Argentina have been as follows:

- Exchange rate changes: The Group's total turnover for the first six months of 2024 amounted to EUR 2,347,540 thousand (EUR 2,196,014 thousand for the first six months of 2023). Turnover, translated into euros, generated in countries with a functional currency other than the euro, and therefore exposed to exchange rate fluctuations, amounted to EUR 1,449,178 thousand during the first six months of 2024 (EUR 1,373,933 thousand during the first six months of 2023).
- Hyperinflation and devaluation: Hyperinflation reached 80.84% in the first six months of 2024, while the devaluation of the Argentine peso against the euro was approximately 9.44%.

### Active conflicts

The instability of the international geopolitical situation brought about by the Russian Federation's military invasion of Ukraine in February 2022 triggered inflationary pressures on the economy, with a significant increase in salaries, energy prices and significant fluctuations in currency exchange rates. In light of this, central banks withdrew the majority of monetary stimuli and increased interest rates during the second half of 2022.

The October 2023 conflict in the Middle East, and its subsequent escalation in the region, has contributed to further delaying expectations of normalisation of inflation and interest rates. The evolution over the last months has been positive, as there has been a decrease in interest rates in Europe.

Despite this background of instability, the impact on the Prosegur Group's condensed interim consolidated financial statements has been rather insignificant, due to:

- The Prosegur Group has no direct exposure in the geographical areas of conflict described, as it does not operate in these territories. Furthermore, the Group's purchases from the Asian continent are residual.
- Although inflationary impacts have begun to show signs of easing, the Prosegur Group continues to focus its efforts to ensure that these impacts are offset by the trade flow, passing on the increase in the cost of labour to customers on a more recurring basis.
- The impacts of past rising interest rates are being partially mitigated by the Prosegur Group's financing structure, which includes fixed-rate debt due to the Group's issuance of uncovered bonds in April 2022 and December 2017 (the latter issued by Prosegur Cash). At 30 June 2024, fixed-rate debt as a proportion of total bank debt is 69% and variable-rate debt 31% (73% and 27% at year-end 2023, respectively).

Although the behaviour of Argentina's main indicators are beginning to change their trend compared to recent years, it is difficult to predict how the country's economic situation will evolve. Furthermore, in relation to existing conflicts, there is increasing international pressure to force the parties involved to negotiate, but it is not known to what extent and for how long the various conflicts will remain active. For this reason, the Group continues to constantly monitor the macroeconomic and business variables that give it the best estimate of the potential associated impacts.

### **Sustainability**

These condensed interim consolidated financial statements have been prepared taking into account the provisions of the informative documents issued by the International Accounting Standards Board (IASB) in November 2020 and in July 2023, which include information requirements in relation to climate change.

In this regard, the Prosegur Group continues to make progress in its efforts to integrate ESG (environmental, social and governance) criteria —three interrelated elements— into its corporate culture.

In line with its commitments and the evolution of its business model, the Prosegur Group has equipped itself with a renewed internal structure.

At the top, as the highest decision-making body, except in matters of exclusive competence of the Shareholders General Meeting, is the Board of Directors. The Sustainability, Governance, Naming and Retributions Commission is the responsible for developing the sustainability strategies, policies and goals, as well as for measuring the goals achievement. In addition, the Audit Committee analyse whether the policies and the sustainability regulations have been correctly implemented within the Group and review the clarity, coherence and integrity of the sustainability information, among other responsibilities.

The structure is completed by the Sustainability Committee and the Global Sustainability Department.

The actions implemented by the Prosegur Group over the last five years in these areas have focused, primarily, on strengthening the environmental responsibility of the Group's services, creating decent and stable employment, training its workers, the health and safety of its professional teams, respect for human rights, and rigorous compliance with regulations and good governance.

The Prosegur Group's main lines of action are detailed below:

- Approval by the Board of Directors of several policies, including a Sustainability Policy, 28 October 2021. Also, among others, an Environmental Policy, 28 April 2021; a Diversity Policy, 26 July 2021; a Working Conditions, Social Dialogue and Modern Slavery Policy, 27 July 2023; a Human Rights Policy, 28 October 2020; an Occupational Health and Safety Policy, 26 October 2021; and a Corporate Governance Policy, 27 July 2023.
- Approval by the Board of Directors of Sustainability Master Plans, which include specific objectives and actions in four areas: Environment, People, Safe Work and Ethics, Transparency and Governance. In 2024, a new framework will be approved, with goals and initiatives updated to the challenges that the company will face during the period of its new Strategic Plan.
- Preparation for compliance with the requirements included in the new European sustainability framework. In particular, the Corporate Sustainability Disclosure Directive (CSDD) and the Corporate Sustainability Due Diligence Directive (CS3D).

In terms of the environment, the Prosegur Group is committed to reducing its emissions in both the medium and long term. Nevertheless, this is the fact that, as the Prosegur Group's activities are focused primarily on the provision of services and not on transformation or manufacturing, they do not have a significant impact on the environment, nor do they act as an accelerator of climate change or a threat to biodiversity.

In accordance with the regulatory obligations set out in the so-called "European Green Taxonomy", the Prosegur Group is obligated to comply with said Taxonomy and to report the specific Key Performance Indicators on the eligibility and alignment of its activities. The percentages of eligibility, non-eligibility, alignment and non-alignment in accordance with Regulation (EU) 2020/852 are published annually in the Group's Directors' Report. As included in point 8.1.2 of the Consolidated Directors' Report of 31 December 2023, the eligible economic activities that conform to the taxonomy of the European Union amounted to EUR 2,730 thousand in 2023.

Some of the Prosegur Group's main lines of action in terms of the environment are detailed below:

- Development of a specific project to analyse potential risks and opportunities arising from climate change and the adaptation plan for risks identified as material, and identification of the impact that these risks may have on the financial statements of the Prosegur Group.
- Development of Scope 1 emission reduction projects, mainly through a leaner and more environmentally efficient heavy and light fleet. In addition, Scope 2 emission reduction initiatives, especially linked to self-generation or the purchase of energy with a guarantee of renewable origin.



- Strategic penetration in the offer and development of new products, which do not require transportation and therefore reduce carbon dioxide emissions.
- Development of projects to offset carbon dioxide emissions.

Lastly, the Management believes that, as a consequence of the development of this commitment:

- The useful life of tangible fixed assets will not be affected, since their accelerated replacement is not necessary;
- No signs of impairment have been detected as a result of the aforementioned commitment;
- For all of the above, at the time of preparing these annual accounts, there is no obligation that could give rise to an environmental provision.

### **Result of the partial takeover bid for Prosegur Compañía de Seguridad S.A. submitted by Gubel S.L.**

The voluntary and partial takeover bid filed by Gubel S.L. for a maximum of 81,754,030 shares in Prosegur Compañía de Seguridad S.A., representing 15% of its share capital, was accepted for 71,128,791 shares on 18 March 2024, representing 13.23% of the share capital of Prosegur Compañía de Seguridad S.A.

Subsequently, Yirayira International, S.L. acquired an 8% of Prosegur Compañía de Seguridad S.A.'s share capital to Gubel S.L. during April 2024.

## **5. Revenue**

Details of revenue for the periods ended 30 June 2024 and 2023 are as follows:

	Thousands of Euros Period ended 30 June	
	<b>2024</b>	<b>2023</b>
Provision of services	2,245,565	2,099,347
Sale of goods	18,484	21,030
Proceeds from operating leases	83,491	75,637
<b>Total revenue</b>	<b>2,347,540</b>	<b>2,196,014</b>

Operating lease income are generated by alarm system rentals. When a client rents an alarm system, the Company receives an initial amount which is taken to the income statement over the average contract duration and a regular payment for the rental of the equipment and the service provided.

See Note 10 for further information on revenue by segment and geographical area.



## 6. Cost of sales and administration and sales expenses

The main cost of sales and administration and sales expenses in the income statement for the six-month periods ended 30 June 2024 and 2023 are as follows:

		Thousands of Euros	
		Period ended 30 June	
		<b>2024</b>	<b>2023</b>
Supplies		123,590	117,502
Employee benefits expenses	(Note 7)	1,326,244	1,239,676
Operating leases		15,124	14,744
Supplies and external services		174,387	166,949
Depreciation and amortisation		42,289	40,646
Other expenses		102,362	96,802
<b>Total cost of sales</b>		<b>1,783,996</b>	<b>1,676,319</b>
		<b>2024</b>	<b>2024</b>
Supplies		1,849	2,605
Employee benefits expenses	(Note 7)	202,319	180,764
Operating leases		24,616	18,066
Supplies and external services		88,041	83,032
Depreciation and amortisation		84,011	69,731
Other expenses		43,753	30,245
<b>Total administration and sales expenses</b>		<b>444,589</b>	<b>384,443</b>

Total supplies in the consolidated income statement for the six-month period ended 30 June 2024 amount to EUR 125,439 thousand (2023: EUR 120,107 thousand).

Other expenses included in the total cost of sales include insurance costs, freight and transport costs, costs for uniforms, travel, training and medical expenses of personnel, costs for taxes, costs for claims not covered by insurance as well as costs for the acquisition of small equipment and other minor items.

The heading on supplies and external services includes the costs for the repair of items of transport, bill-counting equipment, operating subcontracts with third parties and other advisors such as lawyers, auditors and consultants.

The costs for leases by right of use corresponding to contracts for a period equal to or less than one year and to lease contracts of low value assets for an amount equal to or less than USD 5 thousand are included under the heading on operating leases. The remaining contracts are included in the heading on right-of-use (Note 11.4).

## 7. Employee benefits expenses

Details of employee benefits expenses for the six-month periods ended 30 June 2024 and 2023 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	<u>2024</u>	<u>2023</u>
Wages and salaries	1,166,098	1,091,903
Social Security expenses	281,425	258,032
Other employee benefits expenses	56,285	50,586
Indemnities	24,755	19,919
<b>Total employee benefits expenses</b>	<b><u>1,528,563</u></b>	<b><u>1,420,440</u></b>

The accrual of the long-term incentive associated with the 2021-2023 Plan and the 2024-2025 Plan for the President, CEO and the Management of Prosegur have been included under the heading on wages and salaries (Note 17). At 30 June 2024, the total impact of long-term incentives on the income statement was a greater net expense of EUR 2,891 thousand (an expense of EUR 2,671 thousand in June 2023).

The heading on indemnities includes the provision for occupational risks (Note 17).

## 8. Other income and expenses

### Other expenses

Details of Other expenses in the income statement for the six-month periods ended 30 June 2024 and 2023 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	<u>2024</u>	<u>2023</u>
Loss/Reversals for impairment of receivables	(3,722)	(2,527)
Loss/Reversals for impairment of non-current assets	(12,470)	38
Net profit/loss on disposal of fixed assets/ANMV	(1,936)	(2,946)
Other expenses	(2,623)	(1,336)
<b>Total other expenses</b>	<b><u>(20,751)</u></b>	<b><u>(6,771)</u></b>

The section on impairment losses/reversals on non-current assets includes the impairment losses on intangible assets and property, plant and equipment during the first six months of 2024 recorded after checking the recoverable values of intangible assets and property, plant and equipment in relation to their net accounting value.

Other expenses in the first six months of 2024 mainly include losses arising from the recognition of additional deferred contingent consideration over and above that previously recognised in connection with the business combination in 2021 in Uruguay, whereby the company Nummi S.A - Findarin S.A. was acquired. The deferred contingent consideration was recognised on the basis of estimated business plans, which included estimated operating results that were lower than those finally obtained. As a result, Prosegur recorded a loss of EUR 1,735 thousand associated with the Nummi S.A - Findarin S.A. business combination.

### **Other income**

The heading on “Other income” for the first six months of 2024 primarily records the following income:

- Rental income generated from the property investments located in Argentina (Note 11.2). Income generated during the first six months of 2024 amounted to EUR 990 thousand.
- Results generated due to the sale of all of the net assets of the Luxembourg entity Pitco Reinsurance S.A. and the impact of recognising at fair value the interest held by the Prosegur Group in the net assets of the companies operating in India engaged in the Cash business, following the amendment of the partnership agreement signed with the local Indian partner, whereby these companies are now recognised using the full consolidation method instead of the equity method according to IAS 3. The impact registered in the Indian transaction was due to the differential between the book value of the net assets of the Indian companies and the fair value, based on the valuation conducted by an independent third party.
- Income generated by the sale of a property in Australia amounting to EUR 1,609 thousand.

The heading “Other income” for the first six months of 2023 primarily recorded the following income:

- Income generated from the property investments located in Argentina and France (Note 11.2). Income generated during the first six months of 2024 amounted to EUR 1,118 thousand.
- Income generated by the sale of several properties in France amounting to EUR 4,674 thousand.

## 9. Net finance expenses

Details of net finance expenses for the six-month periods ended 30 June 2024 and 2023 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	<b>2024</b>	<b>2023</b>
Borrowing costs	(25,992)	(18,767)
Interest received	5,791	9,341
Net (loss)/profit on foreign currency transactions	(3,015)	(14,077)
Net gains/(losses) on changes in fair value of financial instruments	1,899	–
Finance expenses for the update of lease liabilities (Note 11.4)	(4,777)	(3,619)
Net finance income/(loss) from the net monetary position	(25,621)	(3,167)
Dividend collection	7,479	7,432
Other expenses and net finance income	(15,925)	(16,694)
<b>Total net finance expenses</b>	<b>(60,161)</b>	<b>(39,551)</b>

The main change is associated with the application during the first six months of 2024 of IAS 29, which has generated a net finance expense amounting to EUR 5,621 thousand. That item reflects the exposure to the change in the purchasing power of the Argentine currency.

In addition, there has been an increase in interest expenses on bank loans due to higher interest rates charged by financial entities, as well as the volatility of currencies included under the heading net gains/losses on foreign currency transactions.

## 10. Segment reporting

The Board of Directors is ultimately responsible for making decisions on Prosegur's operations and, together with the Audit Committee, for reviewing Prosegur's internal financial information to assess performance and to allocate resources.

Business is the backbone of the organisation and is made up of the General Business Management Areas which are responsible for the design of security solutions for clients and cover the main business lines: Security, Cash, Alarms, Cybersecurity and AVOS (added-value outsourcing services) which correspond therefore to Prosegur's segments.

- Security: mainly includes the activities of guarding and protection of premises, goods and individuals and activities related to technological security solutions.
- Cash: mainly includes the transportation, storage, safekeeping, counting, and classification of coins and bank notes, deeds, securities, and other objects that require special protection due to their economic value or risk, and exchange and currency service activities (also including international payment services, online foreign currency, travel money home delivery and local cash services).
- Alarms: this includes the installation and maintenance of home alarm systems, as well as the alarm monitoring service by Alarm Reception Centre (ARC).

- Cybersecurity: includes managed detection and response services; managed security services; cyberintelligence services; readteam services; management, risk, compliance and integration of cybersecurity technology; and process automation for the early detection of cyber-attacks on enterprises through the autonomous detection, response and protection against potential threats with the xMDR solution.
- AVOS (added-value outsourcing services): includes business process outsourcing services to improve operational management through redesign, automation and digital transformation in financial and insurance companies.

The corporate functions are supervised by the Global Support Directorates which cover the Financial Department, Prosegur Assets Management, Risk Management and CEO's Office. From the geographical perspective, the following geographical areas are identified:

- Europe, which includes the following countries: Germany, Austria, Cyprus, Denmark, Spain, Finland, France, Iceland, Italy, Luxembourg, United Kingdom, Czech Republic, Portugal and Sweden.
- ROW, which includes the following countries: Australia, China, United States, the Philippines, India, Indonesia, Singapore and South Africa.
- LatAm, which includes the following countries: Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, Peru and Uruguay.

The Board of Directors uses earnings before interest and depreciations and tax to assess segment performance, since this indicator is considered to best reflect the results of the Group's different activities. Adjusted EBITA is calculated based on EBIT or Operating Profit/Loss and adjusting goodwill impairment losses, depreciation expenses and impairment of client portfolios, trademarks and other intangible assets.

Total assets allocated to segments do not include other current and non-current financial assets, non-current assets held for sale, property investments of cash and cash equivalents, as these are managed at Prosegur Group level.

The total liabilities allocated to segments exclude bank borrowings, as Prosegur jointly handles the financing and the liabilities associated with non-current assets held for sale, and they include lease liabilities.

Details of revenue by geographical areas for the six-month periods ended 30 June 2024 and 2023 are as follows:

	Europe		ROW		LatAm		Total	
	at 30 June 2024	at 30 June 2023	at 30 June 2024	at 30 June 2023	at 30 June 2024	at 30 June 2023	at 30 June 2024	at 30 June 2023
Thousands of Euros								
<b>Total Sales</b>	<b>944,401</b>	<b>856,550</b>	<b>244,638</b>	<b>252,369</b>	<b>1,158,501</b>	<b>1,087,095</b>	<b>2,347,540</b>	<b>2,196,014</b>
<i>% of total</i>	40%	39%	10%	11%	50%	50%	100%	100%

Details of sales and adjusted EBITA by business are as follows:

Thousands of Euros	Cash		Security		Alarms		Cybersecurity		AVOS		PGA and unallocated		Total	
	at 30 June 2024	at 30 June 2023	at 30 June 2024	at 30 June 2023	at 30 June 2024	at 30 June 2023	at 30 June 2024	at 30 June 2023	at 30 June 2024	at 30 June 2023	at 30 June 2024	at 30 June 2023	at 30 June 2024	at 30 June 2023
	Total sales	998,089	979,131	1,199,440	1,071,872	103,207	91,920	8,052	6,893	38,752	46,198	-	-	2,347,540
<b>Adjusted EBITA</b>	<b>112,973</b>	<b>128,776</b>	<b>33,892</b>	<b>25,736</b>	<b>1,138</b>	<b>2,898</b>	<b>(4,473)</b>	<b>(2,056)</b>	<b>679</b>	<b>3,240</b>	<b>2,644</b>	<b>(6,911)</b>	<b>146,853</b>	<b>151,683</b>

Unallocated results consist of the support costs of the Security, Alarms, Cybersecurity and AVOS (added-value outsourcing services and trademark) business, as well as any exceptional costs incurred during the year which are not considered as the outcome of any of the four business lines themselves.

A reconciliation of adjusted EBITA allocated to segments with net profit/loss for the year attributable to the owners of the parent is as follows:

	Thousands of Euros	
	at 30 June 2024	at 30 June 2023
Adjusted EBITA allocated to segments	144,209	158,595
Non-allocated adjusted EBITA	2,644	(6,911)
Adjusted EBITA for the period	146,853	151,684
Amortisation and depreciation in the year	(17,518)	(18,358)
Net finance expenses	(60,161)	(39,551)
Profit/loss before tax	69,175	93,774
Income tax	(33,403)	(50,538)
Post-tax profit of ongoing operations	35,772	43,236
Non-controlling interests	8,154	7,746
<b>Profit/loss of the period attributable to the owners of the parent company</b>	<b>27,618</b>	<b>35,490</b>

Details of assets allocated to segments and a reconciliation with total assets at 30 June 2024 and 31 December 2023 are as follows:

Thousands of Euros	Cash		Security		Alarms		Cybersecurity		AVOS		Not allocated to segments		Total	
	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023
	<b>Assets allocated to segments</b>	<b>1,811,578</b>	<b>1,623,702</b>	<b>1,014,699</b>	<b>916,524</b>	<b>450,253</b>	<b>415,799</b>	<b>37,064</b>	<b>37,645</b>	<b>60,222</b>	<b>67,176</b>	<b>294,339</b>	<b>271,305</b>	<b>3,668,155</b>
<b>Other non-allocated</b>	-	-	-	-	-	-	-	-	-	-	<b>719,856</b>	<b>712,340</b>	<b>719,856</b>	<b>712,340</b>
Other non-current financial	-	-	-	-	-	-	-	-	-	-	234,413	229,344	234,413	229,344
Property investments	-	-	-	-	-	-	-	-	-	-	61,300	37,549	61,300	37,549
Other current financial assets	-	-	-	-	-	-	-	-	-	-	21,314	4,998	21,314	4,998
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	402,829	440,449	402,829	440,449
	<b>1,811,578</b>	<b>1,623,702</b>	<b>1,014,699</b>	<b>916,524</b>	<b>450,253</b>	<b>415,799</b>	<b>37,064</b>	<b>37,645</b>	<b>60,222</b>	<b>67,176</b>	<b>1,014,195</b>	<b>983,645</b>	<b>4,388,011</b>	<b>4,044,491</b>

Details of liabilities allocated to segments and a reconciliation with total liabilities at 30 June 2024 and 31 December 2023 are as follows:

Thousands of Euros	Cash		Security		Alarms		Cybersecurity		AVOS		Not allocated to segments		Total	
	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023	at 30 June 2024	at 31 December 2023
	Liabilities allocated to segments	736,593	707,647	484,648	470,242	118,798	101,977	14,919	15,570	13,463	16,102	247,723	145,810	1,616,144
Other non-allocated liabilities	-	-	-	-	-	-	-	-	-	-	1,929,760	1,869,602	1,929,760	1,869,602
Bank borrowings	-	-	-	-	-	-	-	-	-	-	1,929,760	1,869,602	1,929,760	1,869,602
	<b>736,593</b>	<b>707,647</b>	<b>484,648</b>	<b>470,242</b>	<b>118,798</b>	<b>101,977</b>	<b>14,919</b>	<b>15,570</b>	<b>13,463</b>	<b>16,102</b>	<b>2,177,483</b>	<b>2,015,412</b>	<b>3,545,904</b>	<b>3,326,950</b>

## 11. Property, plant and equipment, goodwill and other intangible assets

### 11.1. Property, plant and equipment

Details of changes in property, plant and equipment for the six-month periods ended 30 June 2024 and 2023 are as follows:

	Thousands of Euros	
	2024	2023
<b>Cost</b>		
<b>Opening balances</b>	<b>1,529,081</b>	<b>1,552,039</b>
Translation differences	120,861	31,517
Additions	85,441	67,287
Write offs due to disposals or by other means	(13,151)	(12,672)
<b>Closing balances</b>	<b>1,722,232</b>	<b>1,638,171</b>
<b>Accumulated depreciation</b>		
<b>Opening balances</b>	<b>(894,685)</b>	<b>(896,205)</b>
Translation differences	(83,711)	(16,857)
Provision for impairment	(11,833)	38
Write offs due to disposals or by other means	10,245	9,236
Provisions charged against the income statement	(57,539)	(54,891)
<b>Closing balances</b>	<b>(1,037,523)</b>	<b>(958,679)</b>
<b>Net assets</b>		
<b>Opening balances</b>	<b>634,396</b>	<b>655,834</b>
<b>Closing balances</b>	<b>684,709</b>	<b>679,492</b>

During the first half of 2024, additions in property, plant and equipment came to EUR 85,441 thousand (at 30 June 2023: EUR 67,287 thousand). Additions include EUR 18,301 thousand of property, plant and equipment of the companies operating in India engaged in the Cash business, following the amendment of the partnership agreement signed with the local Indian partner, whereby the Prosegur Group has started to integrate them using the full consolidation method instead of the equity method.

The remaining additions of EUR 67,140 thousand relate to investments in cash automation equipment fitted in clients' premises, fitting-out work on bases and armoured vehicles in Argentina, Brazil, Chile, Colombia, Costa Rica, Germany, Peru, the Philippines, Portugal, Spain, the United Kingdom and Uruguay.

No assets are subject to restrictions on title or pledged as security for particular transactions at 30 June 2024.

## 11.2. Property investments

Details of changes in property investments for the first six-month period ended 30 June 2024 are as follows:

	Thousands of Euros Period ended 30 June	
	<u>2024</u>	<u>2023</u>
<b><u>Cost</u></b>		
<b>Opening balances</b>	45,002	80,930
Write offs due to disposals or by other means	–	(11,559)
Translation differences	29,302	1,024
<b>Closing balances</b>	<u><b>74,304</b></u>	<u><b>70,395</b></u>
<b><u>Accumulated depreciation</u></b>		
<b>Opening balances</b>	(7,453)	(16,170)
Write offs due to disposals or by other means	–	5,951
Provisions charged against the income statement	(698)	(693)
Translation differences	(4,853)	(85)
<b>Closing balances</b>	<u><b>(13,004)</b></u>	<u><b>(10,997)</b></u>
<b><u>Net assets</u></b>		
<b>Opening balances</b>	<b>37,549</b>	<b>64,760</b>
<b>Closing balances</b>	<b>61,300</b>	<b>59,398</b>

Disposals recorded at 30 June 2023 under the heading property investments related to the sale of various properties in France for EUR 10,282 thousand (the net carrying amount at the time of the sale was EUR 5,608 thousand), giving rise to income of EUR 4,674 thousand (Note 8).

## 11.3. Goodwill

Details of changes in goodwill for the six-month period ended 30 June 2024 are as follows:

	Thousands of Euros
	<u>2024</u>
<b>Net carrying amount at 31 December 2023</b>	<b>672,588</b>
Additions	44,218
Translation differences	13,695
<b>Net carrying amount at 30 June 2024</b>	<u><b>730,501</b></u>



Additions correspond to the goodwill resulting from recognising at fair value the interest in the net assets of the companies operating in India engaged in the Cash business, following the amendment of the partnership agreement signed with the local Indian partner, whereby the Prosegur Group has started to integrate them using the full consolidation method instead of the equity method, amounting to EUR 44,218 thousand.

	Thousands of Euros
	<b>2024</b>
SIS Cash Services Private Limited	44,218
	<b>44,218</b>

During the six-month period ended 30 June 2024, there were no additions to the scope or write offs from goodwill.

Calculations relating to business combinations are provisional and may be adjusted for up to a year from the acquisition date.

Prosegur tests goodwill for impairment at the end of each reporting period, or earlier if there are indications of impairment, in accordance with the accounting policy described in Note 36.10 of the Consolidated Annual Accounts at December 2023. As of 30 June 2024, there were no additional elements indicating impairment with respect to recognised goodwill.

Details of changes in goodwill for the six-month period ended 30 June 2023 were as follows:

	Thousands of Euros
	<b>2023</b>
<b>Net carrying amount at 31 December 2022</b>	<b>696,793</b>
Write offs	(3,566)
Translation differences	(5,055)
<b>Net carrying amount at 30 June 2023</b>	<b>688,172</b>

The write offs corresponded to the adjustments made in the value of the goodwill associated with the Change Group International Holding Ltd. business combination due to the re-estimation of the future deferred contingent payment and the fair values of the identifiable net assets.

	Thousands of Euros
	<b>2023</b>
Change Group International Holdings Ltd.	(3,566)
	<b>(3,566)</b>

#### 11.4. Right-of-use

Details of changes in right-of-use assets for the six-month periods ended 30 June 2024 and 30 June 2023 are as follows:

	Thousands of Euros Period ended 30 June	
	<b>2024</b>	<b>2023</b>
<b><u>Cost</u></b>		
<b>Opening balance</b>	<b>296,791</b>	<b>229,873</b>
Additions	51,110	27,040
Write offs and cancellations	–	(6,959)
Translation differences	15,040	9,444
<b>Closing balances</b>	<b>362,941</b>	<b>259,398</b>
<b><u>Accumulated amortisation</u></b>		
<b>Opening balances</b>	<b>(167,795)</b>	<b>(116,976)</b>
Provisions charged against the income statement	(33,504)	(22,834)
Translation differences	(2,470)	(3,359)
Disposals and transfers	–	–
<b>Closing balances</b>	<b>(203,769)</b>	<b>(143,169)</b>
<b><u>Net assets</u></b>		
<b>Opening balances</b>	<b>128,996</b>	<b>112,897</b>
<b>Closing balances</b>	<b>159,172</b>	<b>116,229</b>

Details of changes in lease liabilities for the six-month periods ended 30 June 2024 and 30 June 2023 are as follows:

	Thousands of Euros Period ended 30 June	
	<b>2024</b>	<b>2023</b>
<b><u>Cost</u></b>		
<b>Opening balance</b>	<b>(138,271)</b>	<b>(128,907)</b>
Additions	(47,917)	(23,970)
Write offs and cancellations	33,415	29,127
Finance expenses (Note 9)	(4,777)	(3,619)
Translation differences	1,603	(2,646)
<b>Closing balances</b>	<b>(155,947)</b>	<b>(130,015)</b>

The average discount rates for the main countries affected by this standard, used for calculating the current value of the operating lease liabilities, were as follows:

	<b>Average rate</b>		
	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>5 to 10 years</b>
Germany	5.33 %	4.82 %	4.69 %
Brazil	13.28 %	12.43 %	12.86 %
Peru	7.99 %	8.11 %	8.35 %
Argentina	103.56 %	84.85 %	56.78 %
Colombia	11.79 %	12.15 %	12.57 %
Chile	9.16 %	8.61 %	8.21 %
Spain	5.99 %	5.73 %	4.85 %

The rates have been calculated according to the life of the right of use.

Prosegur decided to not recognise in the balance sheet the lease liabilities and the right of use asset corresponding to short-term lease contracts (leases for one year or less) and lease contracts for low value assets (USD 5 thousand or less). Those exceptions have been recorded entirely under the heading on operating leases (Note 6).

### 11.5. Other intangible assets

Details of changes in intangible assets for the six-month periods ended 30 June 2024 and 2023 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	<b>2024</b>	<b>2023</b>
<b><u>Cost</u></b>		
<b>Opening balances</b>	<b>945,407</b>	<b>886,843</b>
Additions	57,721	21,123
Write offs due to disposals or by other means	(155)	(1,729)
Translation differences	19,474	30,216
<b>Closing balances</b>	<b>1,022,447</b>	<b>936,453</b>
<b><u>Accumulated amortisation</u></b>		
<b>Opening balances</b>	<b>(531,201)</b>	<b>(478,311)</b>
Write offs due to disposals or by other means	100	1,048
Provisions charged against the income statement	(34,559)	(31,959)
Translation differences	(2,475)	(20,713)
Provision for impairment losses recognised in profit/loss (Note 8)	(637)	–
<b>Closing balances</b>	<b>(568,772)</b>	<b>(529,935)</b>
<b><u>Net assets</u></b>		
<b>Opening balances</b>	<b>414,206</b>	<b>408,532</b>
<b>Closing balances</b>	<b>453,675</b>	<b>406,518</b>

During the first half of 2024, additions in other intangible assets came to EUR 57,721 thousand (at 30 June 2023: EUR 21,123 thousand). Additions include other intangible assets amounting to EUR 35,879 thousand of the companies operating in India engaged in the Cash business, following the amendment of the partnership agreement signed with the local Indian partner, whereby the Prosegur Group has started to integrate them using the full consolidation method instead of the equity method.

The intangible assets acquired comprise client relationships (EUR 16,641 thousand) with a useful life of 10 years, trademarks (EUR 17,751 thousand) with a useful indefinite life, other intangible assets (EUR 1,443 thousand) and computer software (EUR 44 thousand).

The remaining additions for EUR 21,842 thousand (at 30 June 2023: EUR 21,123 thousand) relate to additions to computer software.

Prosegur tests intangible assets for impairment at the end of each reporting period, or earlier if there are indications of impairment. As of 30 June 2024, there were no additional elements indicating impairment with respect to recognised other intangible assets.

## 12. Non-current financial assets

The composition of the non-current financial assets at 30 June 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	30 June 2024	31 December
Equity instrument	213,612	193,418
Deposits and guarantees	8,461	22,125
Other non-current financial assets	12,340	13,801
<b>Total non-current financial assets</b>	<b>234,413</b>	<b>229,344</b>

As described in Note 18 to the Consolidated Annual Accounts for the year ended 31 December 2023, the equity instruments item includes non-controlling financial interests in certain companies in which Prosegur has no management influence. These interests are recorded at fair value. At 30 June 2024, there were no indicators of impairment with respect to the financial interests.

The equity instrument heading mainly includes 49,545,262 Telefónica, S.A. shares. Telefónica, S.A. shares have been classified in the category of equity instruments at fair value with changes in other comprehensive income, because they are not held for mere trading purposes. As a consequence, only the associated dividends are recognised in profit/loss, and in their sale, the amounts recognised to date in equity will not be reclassified to profit/loss. They have also been classified in Level 1 of the levels of the fair value hierarchy since the valuation is performed by directly using the actual quotation price of the equity instrument, which can be observed and taken from independent sources, and referred to an active market.

At 30 June 2024, the share in Telefónica, S.A. was valued at EUR 196,199 thousand and represents a 0.87% interest in its share capital (31 December 2023: EUR 174,984 thousand).

Deposits and guarantees were recorded at amortised cost. Items that do not accrue interest explicitly are recorded at their nominal amount, provided that the effect of not financially updating the cash flows is not significant.

The heading on other non-current financial assets mainly includes the granting of loans to several external investors related to Prosegur subsidiaries in Indonesia and the Philippines, amounting to EUR 8,032 thousand.

During the first half of 2024, no significant purchases, sales, issues or settlements of non-current financial assets were made.

### 13. Investments accounted for using the equity method

#### Joint arrangements

Prosegur's main joint arrangements at 30 June 2024 correspond to 50% of Prosegur's alarm business in Spain and to companies that operate in Brazil whose main activity is the connection of physical and digital money environments through a fintech company which uses ATMRs and vaults linked to a digital account to anticipate cash deposited in real time. These Joint Arrangements are structured as separate vehicles and Prosegur has a share of their net assets. Consequently, Prosegur has classified these shareholdings as Joint Ventures.

In addition, the associated entities at 30 June 2024 are as follows:

- Companies operating in Australia:
  - Linfox Armaguard Pty Ltd 35% owned;
  - Prosegur Australia Pty Limited, Prosegur Hub Pty Limited, Armaguard Technology Solutions Pty Ltd, Point 2 Point Secure Pty Ltd, wholly owned by Linfox Armaguard Pty Ltd;
  - Integrated Technology Services Pty Ltd 42.9% owned by Linfox Armaguard Pty Ltd and,
  - Armaguard Robotics Pty Ltd wholly owned by Integrated Technology Services Pty Ltd.

The Prosegur Group is partially represented on the Board of Directors of these companies, and is involved in the operational management and financial planning and execution decisions, having significant influence but without the existence of control over them. Therefore, the Prosegur Group has classified these investments as associates. The equity method is applied pursuant to IAS 28 Investments in Associates and Joint Ventures.

Details of changes in the investments in joint ventures accounted for under the equity method for the six-month periods ended 30 June 2024 and 2023 were as follows:

	Thousands of Euros	
	<b>30 June 2024</b>	<b>30 June 2023</b>
<b>Opening balance</b>	<b>303,133</b>	<b>256,652</b>
Additions	152	1,808
Participation in profits/(losses)	(8,385)	(3,600)
Disposals/transfers	(8,996)	–
Translation differences	64	(562)
<b>Closing balance</b>	<b>285,968</b>	<b>254,298</b>

Details of the main figures of investments accounted for under the equity method at the end of 2023 are included in Appendix III of the Consolidated Annual Accounts for the year ended 31 December 2023.

Additions in the six-month period ended 30 June 2024 mainly relate to capitalisations made to the company Latam ATM Solutions S.L.

On 31 December 2023 Prosegur consolidated the Indian companies operating in India engaged in the Cash business using the equity method as a joint venture. In April 2024, the partnership agreement signed with the local Indian partner was amended, whereby the Prosegur Group acquires control thereof and the companies are now recognised using the full consolidation method instead of the equity method in accordance with IAS 3.

Additions in the six months ended 30 June 2023 mainly corresponded to capitalisations made to the company Dinero Gelt, S.L. During July 2023, Prosegur acquired an additional 16.4% holding in Dinero Gelt S.L., bringing the total holding to 89.78%. This additional percentage of 16.4% was acquired from the shareholder with which there was a contractual agreement to share control of the investee, so that through this acquisition Prosegur acquired control of the company, and began to consolidate it by the full integration method.

Prosegur has no significant contingent liability commitments in any of the joint ventures accounted for under the equity method.

#### 14. Cash and cash equivalents

Details of the heading Cash and cash equivalents at 30 June 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	<u>30 June 2024</u>	<u>31 December</u>
Cash in hand and at banks	341,516	362,571
Current bank deposits	61,313	77,878
	<u><b>402,829</b></u>	<u><b>440,449</b></u>

The effective interest rate on current bank deposits was 22.2% (at 31 December 2023: 25.97%) and the average term of the deposits held during the first half of 2024 was 10 days (at 31 December 2023: 16 days).

#### 15. Inventories

Details of inventory at 30 June 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	<u>30 June 2024</u>	<u>31 December</u>
Works and work in progress	15,407	11,701
Trade inventories, fuel and others	59,195	57,876
Operative material	9,211	5,894
Uniforms	6,245	4,655
Impairment of inventories	(5,994)	(8,246)
	<u><b>84,064</b></u>	<u><b>71,880</b></u>

No inventories have been pledged as securities for liabilities.

The changes in impairment loss adjustments for the six-month periods ended 30 June 2024 and 30 June 2023 are as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023
<b>Balance at 1 January</b>	(8,246)	(8,159)
Additions	(123)	(557)
Applications and others	2,690	46
Translation differences	(315)	(705)
<b>Balance at 30 June</b>	<b>(5,994)</b>	<b>(9,375)</b>

## 16. Equity

### 16.1. Share capital

Share capital consists of:

	Thousands	Thousands of Euros			
	Number of shares	Share capital	Share premium	Own shares	Total
1 January 2023	545,027	32,702	25,472	(30,196)	27,978
31 December 2023	545,027	32,702	25,472	(29,681)	28,493
30 June 2024	545,027	32,702	25,472	(27,882)	30,292

At 30 June 2024, the share capital of Prosegur Compañía de Seguridad, S.A. totals EUR 32,702 thousand and is represented by 545,026,866 shares with a par value of EUR 0.06 each, fully subscribed and paid. These shares are listed on the Madrid and Barcelona Stock Exchanges and traded via the Spanish Stock Exchange Interconnection System (SIBE).

### 16.2. Share premium

The share premium amounts to EUR 25,472 thousand, is freely distributable and did not change in 2023 or in the six-month period ended 30 June 2024.

### 16.3. Own shares

Details of changes in own shares for the six-month period ended at 30 June 2024 are as follows:

	Number of shares	Thousands of Euros
<b>Balance at 31 December 2023</b>	<b>13,480,234</b>	<b>29,681</b>
Other awards	(888,408)	(1,799)
<b>Balance at 30 June 2024</b>	<b>12,591,826</b>	<b>27,882</b>

On the Shareholders General Meeting held on 27 June 2011, the shareholders authorised to the Board of Directors the acquisition of own shares up to the legal maximum. All or part of these own shares may be granted or transferred to the directors or employees of Prosegur, either directly or as a result of a share option being exercised within remuneration schemes linked to the quoted share price.

During the first six months of 2024, no treasury stock was purchased.

#### Delivery of own shares for long term incentives

As a consequence of the first payment under the 21-23 Long Term Incentive Plan, 655,610 shares have been delivered to the CEO and other executive beneficiaries of the Plan in April 2024.

As a result of the long-term incentive plan called the Retention Plan, 30,803 shares were delivered in January 2023.

The rest of the shares delivered correspond to other remuneration not associated with long term Incentive Plans.

### 16.4. Cumulative translation difference

The change in the balance of the cumulative translation differences 30 June 2024 as compared to 31 December 2023 for EUR 111,271 thousand results mainly from the positive impact of hyperinflation in Argentina.

### 16.5. Dividends

On 25 April 2024, the Shareholders General Meeting approved the distribution of a gross dividend of EUR 0.1523 per share, charged to voluntary reserves, which gives a maximum total dividend of EUR 83,008 thousand. This dividend will be distributed to shareholders during the month of December 2024.

On 7 June 2023, the Shareholders General Meeting approved the distribution of a gross dividend of EUR 0.0661 per share, charged to voluntary reserves, which gave a maximum total dividend of EUR 36,026 thousand. Said dividend was paid to the shareholders on 21 December 2023.



## 16.6. Earnings per share

- **Basic**

Basic earnings per share are calculated by dividing the profit of the ongoing operations attributable to the owners of the parent by the weighted average number of ordinary shares outstanding during the year, excluding own shares acquired by the Company.

	Thousands of Euros	
	<u>30 June 2024</u>	<u>30 June 2023</u>
Year profit attributable to the owners of the parent company	27,618	35,490
Weighted average ordinary shares in circulation	531,943,444	531,454,804
<b>Basic earnings per share</b>	<u><b>0.05</b></u>	<u><b>0.07</b></u>

- **Diluted**

Diluted earnings per share are calculated by adjusting the profit for the year attributable to the owners of the parent and the weighted average number of ordinary shares outstanding for all the inherent diluting effects of potential ordinary shares.

The parent does not have different classes of partially diluted ordinary shares.

## 16.7. Non-controlling interests and other changes

Prosegur Cash, S.A. is a subsidiary of the Spanish company Prosegur Compañía de Seguridad, S.A., which currently holds 81.45% of the shares. The remaining 18.55% of the shares are in the hands of non-controlling interests as a result of its first listing on the stock market on 17 March 2017. Prosegur Cash shares started trading at EUR 2 per share on the Madrid, Barcelona, Valencia and Bilbao Stock Exchanges and they are traded through the Spanish Stock Exchange Interconnection System (Continuous Market) (SIBE).

The “other changes” item in the statement of changes in equity for the six months ended 30 June 2023 mainly included the negative impact associated with the purchase, sale and other awards of own shares by Prosegur Cash, S.A. amounting to EUR 4,531 thousand under Retained earnings and other reserves and EUR 1,174 thousand under Non-controlling interests.

### Purchase of own shares Prosegur Cash, S.A.

On 20 December 2021 the Board of Directors of Prosegur Cash decided to implement an own share buyback programme.

The programme was put into effect under the provisions of Regulation (EU) no. 596/2014 on market abuse and the Commission Delegated Regulation 2016/1052, making use of the authorisation granted by the Shareholders General Meeting held on 2 June 2021 for the purchase of own shares, for the purpose of redeeming them pursuant to a share capital reduction resolution which will be submitted for the approval of the next Shareholders General Meeting.

The Programme had the following features:

- Maximum amount allocated to the Programme: EUR 15,000 thousand.
- Maximum number of shares that can be acquired: up to 22,844,200 shares representing approximately 1.5% of the Company's share capital.
- Maximum price per share: shares will be purchased in compliance with the price and volume limits established in the Regulations. In particular, the Company could buy shares at a price higher than the highest of the following: (i) the price of the last independent trade; or (ii) that corresponding to the highest current independent bid on the trading venues where the purchase was carried out.
- Maximum volume per trading session: as far as volume is concerned, the Company could not purchase more than 25% of the average daily volume of the shares in any one day on the trading venues on which the purchase was carried out.
- Duration: the Programme had a maximum duration of one year. Notwithstanding the above, the Company reserved the right to conclude the Programme if, prior to the end of said maximum term of one year, it had acquired the maximum number of shares authorised by the Board of Directors, if it had reached the maximum monetary amount of the Programme or if any other circumstances that call for it had arisen.

On 26 October 2022, the Board of Directors resolved to modify given aspects of the Programme, relative to the following points:

- Increase of the maximum number of shares that the Programme affected, to increase this by 15,229,466 shares representing approximately 1% of the Company's current share capital (1,522,946,683 shares)
- Increase the maximum amount allocated to the Programme by EUR 10,000 thousand;
- Increase its term by one year, i.e., through 20 December 2023.

This Programme, known as the Extended Programme, had the following characteristics:

- Maximum amount allocated to the Programme: EUR 25,000 thousand.
- Maximum number of shares that can be acquired: up to 38,073,666 shares representing approximately 2.5% of the Company's share capital on the date of the agreement.
- Maximum price per share: shares will be purchased in compliance with the price and volume limits established in the Regulations. In particular, the Company could not buy shares at a price higher than the highest of the following: (i) the price of the last independent trade; or (ii) the highest current independent bid on the trading venues where the purchase was carried out.
- Term: the maximum term of the Extended Programme was through 20 December 2023. Notwithstanding the above, the Company reserved the right to conclude the Extended Programme if, prior to the end of said maximum term, it had acquired the maximum number of shares authorised by the Board of Directors, if it had reached the maximum monetary amount of the Programme or if any other circumstances that call for it had arisen.

The main manager of the Extended Programme is an investment company or a credit institution that takes its decisions in relation to the timing of the purchase of the Company's shares irrespective of the Company.

In accordance with the terms and conditions of the Programme, the maximum duration of the Programme expired on 20 December 2023 and the Programme is therefore terminated. Prosegur Cash, from the start of the Programme until its completion on 20 December 2023, acquired a total of 38,033,196 shares (accounting for approximately 2.4973% of the Company's share capital) under the Programme.

In accordance with the objectives of the Programme, on 7 February 2024, the deed of capital reduction of Prosegur Cash, S.A. was registered at the Companies Registry of Madrid, regarding the capital reduction through the redemption of 38,033,196 own shares of the Company, equivalent to EUR 760,664, so that the share capital of this company resulting from the reduction through the redemption of said shares is set at EUR 29,698,269, corresponding to 1,484,913,487 shares with a par value of two euro cents each, based on the document signed on 9 January 2024 by Mr Christian Gut Revoredo.

As a result of the termination of the Programme and the cause that led to the suspension of the liquidity contract signed between Prosegur Cash, as issuer, and JB Capital Markets, Sociedad de Valores, S.A.U., as financial intermediary on 7 July 2017 having therefore disappeared, Prosegur Cash proceeded to terminate the Liquidity Contract with effect from 20 December 2023.

At 30 June 2024, the treasury stock held by Prosegur Cash, S.A. is composed of 10,979,164 shares.

At 30 June 2023, the treasury stock held by Prosegur Cash, S.A. was composed of 44,615,174 shares.

## 17. Provisions

Details of the balance and changes under this heading for the six-month period ended 30 June 2024 are as follows:

Thousands of Euros	Occupational risks	Legal risks	Employee benefits	Tax risks	Other risks	Total
<b>Balance at 1 January 2024</b>	<b>48,327</b>	<b>26,481</b>	<b>24,989</b>	<b>106,525</b>	<b>20,425</b>	<b>226,747</b>
Provisions charged against the income statement	8,008	1,804	–	1,984	7,078	<b>18,874</b>
Reversals credited to the income statement	(1,842)	(451)	–	(227)	(4,187)	<b>(6,707)</b>
Applications	(6,056)	(788)	–	(1,174)	(10,936)	<b>(18,954)</b>
Financial effect of discounting	5,197	462	–	1,068	115	<b>6,842</b>
Additions to the scope (Note 3)	1,141	–	–	–	–	<b>1,141</b>
Translation differences	(2,966)	(1,571)	(937)	(6,445)	(473)	<b>(12,392)</b>
<b>Balance at 30 June 2024</b>	<b>51,809</b>	<b>25,937</b>	<b>24,052</b>	<b>101,731</b>	<b>12,022</b>	<b>215,551</b>
Non-Current 2024	51,809	25,937	24,052	101,695	7,734	211,227
Current 2024	–	–	–	36	4,288	4,324

### a) Occupational risks

The provisions for occupational risks, which amount to EUR 51,809 thousand (at 31 December 2023: EUR 48,327 thousand), are calculated individually based on the estimated probability of success or failure. In addition, an internal review is carried out of the probabilities of reaching agreements in each of the cases, depending on the past experience of Prosegur, in order to arrive at the final provision to be recorded.

The provision for occupational risks is composed mainly of labour legal cases in Brazil and Argentina. In the remaining countries, they correspond to provisions for individually insignificant amounts.

In the case of Brazil, claims made by former employees and employees of Prosegur are included. The characteristics of labour legislation in that country and the regulatory requirements of the business activities result in such processes becoming drawn out, and has led to a provision in 2024 of EUR 27,448 thousand (31 December 2023: EUR 28,524 thousand).

In the case of Argentina, claims made by former employees and employees of Prosegur amounting to EUR 7,957 thousand (EUR 4,191 thousand as of 31 December 2023) are also included.

Provisions charged to and reversals credited to the income statement are included under other expenses in cost of sales (Note 6), and the monetary adjustments associated to said provision are included under other finance expenses (Note 9).

### b) Legal risks

The provisions for legal risks, which amount to EUR 25,937 thousand (at 31 December 2023: EUR 26,481 thousand), correspond mainly to civil claims which are analysed on a case-by-case basis. The settlement of these provisions is highly probable, but both the value of the final settlement as well as the moment are uncertain and depend upon the outcome of the processes under way. There are no individually significant legal risks.

The provision for legal risks is composed mainly of legal cases in Brazil, Chile and Spain. In the remaining countries, they correspond to provisions for individually insignificant amounts.

In the case of Brazil, the provisioned amount corresponds to irrelevant individual amounts and amounts to EUR 8,886 thousand (31 December 2023: EUR 9,416 thousand).

Regarding Chile, in 2018 the National Economic Prosecutor (FNE) began an investigation into potential anti-competitive practices due to agreed actions and the exchange of sensitive commercial information between competitors between 2017 and 2018. On 7 October 2021, the FNE filed a request with the Chilean Court for Competition Defence (TDLC) for sanctions, including a fine of approximately EUR 22,000 thousand on a subsidiary of the Prosegur Group in Chile (as maximum penalty). The Prosegur Group filed its defence before the TDLC on 22 November 2022 and at the date of preparation of these interim condensed consolidated financial statements, the legal proceedings are still in progress, having been ordered on 18 March 2024, with the case to be heard as evidence, and the proceedings are pending the development of this phase and the subsequent ruling by the TDLC.

As a result of the formal requirement received on 7 October 2021, the Prosegur Group reviewed the arguments that previously led it to classify the risk as possible and in 2021 it recorded the provisions that it deemed necessary to make for hedging the likely risk of sanctions being imposed, as identified by our specialist advisors. As of 30 June 2024, the recorded amount associated with this risk in provisions for legal risks amounts to EUR 10,433 thousand (31 December 2023: EUR 10,942 thousand) (Note 20).

### **c) Employee benefits**

As indicated in Note 5.2 of the Consolidated Annual Accounts for the year ended 31 December 2023, Prosegur maintains defined benefit schemes in Brazil, El Salvador, Ecuador, Germany, Honduras, Mexico, and Nicaragua. The actuarial valuation, carried out by qualified actuaries, of the value of the benefits to which the Company is committed is updated every year. The last update occurred at the end of 2022 applicable to the current period.

The defined benefit schemes of Germany and Ecuador consist of Pension and retirement schemes, while the defined benefit scheme for Mexico consists of a seniority scheme.

Prosegur has a defined benefit scheme comprising post-employment healthcare offered to employees in Brazil compliant with local legislation (Act 9656).

The defined benefit schemes that Prosegur maintains for Honduras, Nicaragua and El Salvador by law have obligations under defined benefit schemes arising from the termination of employment contracts by dismissal or following a mutual agreement.

### **d) Tax risks**

The provisions for tax risks amount to EUR 101,731 thousand (31 December 2023: EUR 106,525 thousand) and mainly refer to tax risks in Brazil and Spain amounting to EUR 87,569 thousand (31 December 2023: EUR 91,932 thousand). In this regard, during the 2024 financial year provisions were made against results for EUR 1,686 thousand and reversals for EUR 227 thousand. In all other countries, the provisions relate to amounts which are individually insignificant.

The tax risks associated with Brazil are related to several items, mainly to claims for direct and indirect local and State taxes, as well as provisions coming from the business combination of Transpev. In Spain and Argentina they are related in a significant proportion to municipal, provincial and other taxes. The most representative risks arise as a result of the disparity in criteria between Prosegur and Tax Administration.

Prosegur uses “the most likely outcome” as the valuation basis for evaluating uncertain tax positions. Tax risks are classified as material on the basis of opinions in external studies according to the analysis of case law in the matter of reference. In addition, internal analyses are conducted based on similar cases that have occurred in the past at Prosegur or at other companies.

At each close of quarter, a detailed analysis of each of the tax contingencies is made. This analysis refers to quantification, qualification and the level of provision associated with the risk. An annual letter with the respective analysis and assessment by an independent expert is used to determine these parameters in the most significant risks. On the basis of this, the level of provision is adjusted.

Provisions charged against and reversals credited to the income statement are included under other expenses in Note 6 and 9.

#### **e) Other risks**

The provisions for other risks, which amount to EUR 12,022 thousand (at 31 December 2023: EUR 20,425 thousand), includes various items.

The settlement of these provisions is probable, but both the value of the final settlement as well as the moment are uncertain and depend upon the outcome of the processes under way.

We list the most significant ones below: In the remaining, they correspond to risk for individually insignificant amounts.

#### **Accruals with personnel**

At 30 June 2024, the amount recorded for this item amounted to EUR 10,604 thousand (31 December 2023: EUR 18,648 thousand).

These provisions include the accrued incentive in the 21-23 and 24-25 long-term incentive plan for the Executive President, CEO and Management of Prosegur. In 2023 the accruals of the 18-20 and 21-23 Plan were collected.

During the year, provisions to profit/loss were made for EUR 7,078 thousand as well as reversal amounting to EUR 4,187 thousand (30 June 2023: a provision of EUR 3,597 thousand and a reversal of EUR 927 thousand). Expenses are included under the heading on wages and salaries in Note 6.

During the first half of 2024, a total amount of EUR 10,936 thousand associated with the first payment of the 21-23 Plan was settled.

During the first half of 2023, a total amount of EUR 636 thousand associated with the last payment of the 18-20 Plan was paid.

As detailed in Note 36.20 of the Consolidated Annual Accounts for the year ended 31 December 2023, the 2018-2020 Plan has been generally linked to the creation of value during the 2018-2020 period and envisaged the payment of cash incentives, calculated for certain beneficiaries based on the share price. In the vast majority of cases, the Plan has measured target achievement from 1 January 2018 until 31 December 2020 and length of service from 1 January 2018 until 31 May 2023.

The 21-23 Plan is generally linked to the creation of value in the 2021-2023 period and envisages the payment of cash incentives, calculated for certain beneficiaries based on the share price. In the vast majority of cases, the Plan measures target achievement from 1 January 2021 until 31 December 2023 and length of service from 1 January 2021 until 31 May 2026.

The 24-25 Plan is generally linked to the creation of value in the 2024-2025 period and envisages the payment of cash incentives, calculated for certain beneficiaries based on the share price. In the vast majority of cases, the Plan measures target achievement from 1 January 2024 until 31 December 2025 and length of service from 1 January 2024 until 31 May 2027.

In both plans, for the purpose of determining the value in cash of each share to which the beneficiary is entitled, the average quotation price of the Prosegur shares on the Stock Exchange will be taken as reference during the last fifteen trading sessions of the month prior to the one in which the shares are awarded.

Quantification of the total incentive will depend on the degree of achievement of the targets established in line with the strategic plan.

## 18. Financial liabilities

Details of the balances of this heading under the consolidated statement of financial position at 30 June 2024 and 31 December 2023 are as follows:

Thousands of Euros	30 June 2024		31 December 2023	
	Non-current	Current	Non-current	Current
Debentures and other negotiable securities	1,091,212	9,602	1,091,158	19,146
Bank loans	388,086	216,182	395,301	110,332
Credit accounts	–	58,031	–	67,904
Other payables	77,505	89,142	69,280	116,481
	<b>1,556,803</b>	<b>372,957</b>	<b>1,555,739</b>	<b>313,863</b>

The most significant items that make up the balance at 31 December 2023 are detailed in Note 25 of the Consolidated Annual Accounts for the year ended on that date.

During the six-month period ended 30 June 2024, there has been no default or non-compliance with an agreement regarding the loans and credit facilities granted to Prosegur.

### Syndicated credit facility (Spain)

#### Syndicated credit facility of EUR 200,000 thousand

On 10 February 2017 Prosegur arranged a new five-year syndicated credit financing facility of EUR 200,000 thousand to provide the company with long-term liquidity. On 7 February 2019 this syndicated credit facility was renewed, and its maturity extended by another five years. In February 2020 the maturity was extended until February 2025. Additionally, in February 2021, the maturity was extended again until February 2026. At 30 June 2024, the balance drawn down from this credit amounted to EUR 55,000 thousand (at 31 December 2023: EUR 65,000 thousand).

The interest rate of the drawdowns under the syndicated credit facility is equal to Euribor plus an adjustable spread based on the Company's rating.



### **Syndicated credit facility of EUR 300,000 thousand**

On 10 February 2017, Prosegur's subsidiary, Prosegur Cash, S.A., arranged a new five-year syndicated credit financing facility of EUR 300,000 thousand to provide the Company with long-term liquidity. On 7 February 2019 this syndicated credit facility was renewed, and its maturity extended by another five years. In February 2020 the maturity was extended until February 2025. Additionally, in February 2021, the maturity was extended again until February 2026. At 30 June 2024, the balance drawn down from this credit amounts to EUR 115,000 thousand (at 31 December 2023 the balance drawn down from this credit was EUR 125,000 thousand).

The interest rate of the drawdowns under the syndicated credit facility is equal to Euribor plus an adjustable spread based on the Company's rating.

### **Debentures and other negotiable securities**

On 8 February 2023 Prosegur Compañía de Seguridad cancelled and repaid uncovered bonds amounting to EUR 700,000 thousand of principal, which matured on that date. The bonds traded in the secondary market, in the Irish Stock Exchange, and accrued an annual coupon of 1.00%, payable at the end of each year.

On 6 April 2022 an issue of uncovered bonds with a nominal value of EUR 500,000 thousand, maturing on 6 April 2029, was made. The bonds are traded on the secondary market, on the Irish Stock Exchange. They accrue an annual coupon of 2.50% payable at the end of each year.

On 4 December 2017 Prosegur, through its subsidiary Prosegur Cash, S.A. made an issue of uncovered bonds with a nominal value of EUR 600,000 thousand, maturing on 4 February 2026. The issue was made in the Euromarket as part of the Euro Medium Term Note Programme. This issue will enable the deferment of maturities of part of the debt of Prosegur Cash and the diversification of funding sources. The bonds are traded on the secondary market, on the Irish Stock Exchange. They accrue an annual coupon of 1.38% payable at the end of each year.

### **Loan in Peru**

On 2 June 2021, Prosegur, via its subsidiary in Peru Compañía de Seguridad Prosegur, S.A., arranged a credit financing facility for PEN 300,000 thousand (equivalent at 30 June 2024 to: EUR 73,071 thousand) with maturity at five years. At 30 June 2024, the drawn down capital was 120,000 thousand Peruvian sol (equivalent at 30 June 2024 to: EUR 29,228 thousand). At 31 December 2023, the drawn down capital amounted to PEN 150,000 thousand (at 31 December 2023 equivalent to: EUR 36,675 thousand).

### **Loan with European Investment Bank (EIB)**

On 27 October 2021, Prosegur Compañía de Seguridad contracted a financing operation with the European Investment Bank (EIB) with the aim of promoting investment in innovation, digital transformation and sustainability. The financing amounts to EUR 50,000 thousand with a maturity date of 6 years. At 30 June 2024, the balance drawn down amounts to EUR 50,000 thousand (at 31 December 2023: EUR 50,000 thousand).

### **Loan in Spain**

On 30 May 2022, Prosegur arranged a credit financing facility for EUR 100,000 thousand for a three-year term. At 30 June 2024, the balance drawn down amounts to EUR 100,000 thousand (at 31 December 2023: EUR 100,000 thousand).



On 30 May 2024 and 25 June 2024 Prosegur, via its subsidiary Prosegur Cash, arranged two loans amounting to EUR 30,000 thousand and EUR 75,000 thousand, respectively, for a four-year term. Both loans accrue a market interest rate.

### Promissory note issuance programmes

In June 2024, the Prosegur Group formalised a promissory note programme called the Prosegur Cash 2024 AIAF Promissory Note Programme, for a maximum amount of up to EUR four hundred million at any given time (hereinafter, the Programme).

The notes have a unit face value of Euro 100 thousand and have maturities of a minimum of three business days and a maximum of three hundred and sixty-four calendar days.

The formalisation of this Programme has been carried out as a complement to the traditional financing channels that the Group has been using in recent years, in order to diversify its sources of financing.

On 26 June 2024, two issues were completed with the following characteristics:

- EUR 20,000 thousand, settlement on 1 July 2024, maturing on 1 October 2024, with an interest rate of 4%;
- EUR 20,000 thousand, settlement on 1 July 2024, maturing on 2 December 2024, with an interest rate of 3.98%;

Although the Promissory Note Programme has been formalised as of 30 June 2024, settlements have been made on 1 July 2024, and as a consequence there was no debt recorded in the consolidated financial statements for this item.

### Other payables

The most significant items that make up the balance at 31 December 2023 are detailed in Note 25 of the Consolidated Annual Accounts for the year ended on that date.

Other payables mainly relate to pending payments of business combinations.

## 19. Taxation

Corporate Income Tax for the six-month period ended 30 June 2024 is calculated based on the best estimate of the effective tax rate that the Group expects for the annual period, and the recoverability of the deferred tax assets recognized. The amounts calculated for the tax expense, in this interim accounting period, may need adjustments in subsequent periods provided that the estimates of the effective annual rate have changed by then.

	Thousands of Euros Period ended 30 June	
	<b>2024</b>	<b>2023</b>
Current tax	29,276	60,557
Deferred tax	4,127	(10,019)
<b>Total</b>	<b>33,403</b>	<b>50,538</b>

	Thousands of Euros	
	Period ended 30 June	
	<b>2024</b>	<b>2023</b>
Expense from income tax	33,403	50,538
Profit/loss before tax	69,175	93,774
<b>Effective tax rate</b>	<b>48.29 %</b>	<b>53.89 %</b>

The effective tax rate was 48.29% in the first half of 2024, compared to 53.89% in the same period the previous year, a decrease of 5.61 percentage points.

### **Prosegur's tax audits and litigation in Spain**

On 6 June 2018, the Technical Office of the Spanish Tax Administration issued a Resolution for rectifying the settlement proposal contained in the record of non-acceptance for the 2011-2014 period for Corporate Income Tax, establishing the debt at the amount of EUR 1,344 thousand, of which EUR 1,195 thousand correspond to principal and EUR 159 thousand to late-payment interest. The Company has lodged a claim against that Resolution with the Central Court for Economic-Administrative Issues, which was overturned on 13 October 2020. On 10 December 2020, the Company filed a contentious-administrative appeal before the National Court, which is pending resolution.

On 10 July 2020, the general inspection procedure was opened in Spain for the companies Prosegur Servicios de Efectivo de España, S.A., Juncadella Prosegur Internacional, S.A., Prosegur Global CIT, S.A., Prosegur Compañía de Seguridad, S.A. and Prosegur Servicios Integrales de Seguridad, S.A. for the years 2015 to 2018 for corporate income tax and for the years 2016 to 2018 for the remaining tax items.

Regarding corporate tax, acts of disconformity were signed on 11 May 2022 by the company Prosegur Compañía de Seguridad, S.A., as it is the parent company of the consolidation group. Following an initial phase of arguments, settlement agreements were notified to the Company on 4 October 2022. The amount of the first settlement agreement, relative to transfer pricing, amounted to EUR 6,221 thousand (tax liability of EUR 5,527 thousand, late-payment interests of EUR 694 thousand). The amount of the second settlement agreement, mainly relative to the deductibility of corporate income tax withholdings at source and the deduction for technological innovation, amounted to EUR 6,450 thousand (tax charge EUR 5,606 thousand, late-payment interest EUR 844 thousand).

Both settlement agreements were the subject of an economic-administrative appeal filed before the Central Economic Administrative Court and which is still pending.

In relation to the rest of the tax items, VAT and personal income tax, the inspected companies signed agreed assessments on 28 January 2022 and 18 April 2022 respectively, without any significant adjustments. The signing of the assessment agreements terminate the tax years under audit.

On 11 May 2023, notification was received of the opening of a partial verification and investigation procedure for the companies Prosegur Compañía de Seguridad, S.A., Prosegur Cash, S.A. (as successor to Prosegur Global CIT, S.L.), Prosegur Global SIS, S.L. and Prosegur Global Alarmas, S.L., financial years 2019 to 2021, in relation to the deductibility of withholdings at source for corporate income tax purposes.

On 17 July 2023, Prosegur Compañía de Seguridad, S.A., as the parent company of the consolidated tax group, signed a non-conformity report proposing an adjustment of EUR 9,810 thousand (tax liability EUR 9,167 thousand, late-payment interest of EUR 643 thousand). On 31 July 2023, Prosegur Compañía de Seguridad, S.A. submitted a first written statement of allegations to the minutes. Subsequently, on 18 October 2023, the technical office of the tax administration ordered the reopening of the file and the reopening of the proceedings by the inspection body.

Finally, on 18 January 2024, notification was received of the extension of inspections of the companies Prosegur Compañía de Seguridad, S.A., Prosegur Cash, S.A. (as successor to Prosegur Global CIT, S.L.) and Prosegur Global SIS, S.L. And Prosegur Alarmas, S.L. Likewise, the opening of the procedure in the company Prosegur Soluciones Integrales de Seguridad España, S.L. was reported. The inspection procedure is of a general nature and covers the years 2019 to 2022 for corporate income tax and the years 2020 to 2022 for the rest of the tax items. The verification procedures are still ongoing. The Group has not recorded a provision in its condensed interim consolidated annual accounts because the inspection is in the process of documentation exchange with the Spanish Administration.

### **Prosegur's tax audits and litigation in Brazil**

On 4 April 2019 the Brazilian Tax Authority notified Prosegur Brasil S.A. Transportadora de Valores e Segurança of a tax settlement decision regarding Corporate Income Tax, Social Security and withholdings at source in relation to the corporate cost incurred from 2014 to 2016. The amount under the notice was BRL 255,677 thousand (tax liability BRL 102,938 thousand, penalties BRL 81,049 thousand and interest BRL 71,690 thousand), equivalent to EUR 43,398 thousand. After a first phase of defence in administrative proceedings, the amount was reduced to BRL 200,456 thousand (tax liability BRL 76,607 thousand, penalties BRL 54,571 thousand and interest BRL 69,277 thousand), equivalent to EUR 34,024 thousand. The new agreement is pending resolution at a later administrative stage. The Group has not recorded a provision in its condensed interim consolidated annual accounts because it expects a favourable outcome of the dispute.

In January 2022 the Brazilian Tax Authority notified Prosegur Brasil S.A. Transportadora de Valores e Segurança of the start of an inspection regarding Personal Income Tax, Social Security and withholdings at source in relation to the 2018 financial year. The inspection phase was completed in December 2023. In a first analysis, the inspection body raised a contingency amounting to 49,390 thousand reais (equivalent to EUR 8,383 thousand), mainly due to various interpretations in the calculation of withholdings associated with IRPJ and CSLL. The entity will proceed to initiate a first phase of defence in administrative proceedings. The Group has not recorded a provision in its condensed interim consolidated annual accounts because it expects a favourable outcome of the dispute.

Nevertheless, due to the different interpretations that could be made of the fiscal legislation in force, additional tax liabilities could arise in the event of inspections by the tax authority. In any event, the Directors of the Company do not consider that any such liabilities that could arise would have a significant effect on the Consolidated Annual Accounts.

### **EU Directive 2022/2523 (Pillar 2 OECD)**

On 22 December 2022, the EU Council published "Directive 2022/2523 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union", based on the OECD Pillar Two Model Rules. With its entry into force, it is intended to guarantee a minimum taxation of 15% in each of the jurisdictions in which those groups of companies with a turnover of more than EUR 750 million operate.

In Spain, on 14 June 2024, the Government approved the Bill establishing a Supplementary Tax to guarantee an overall minimum level of taxation for multinational groups and large domestic groups, thus initiating its parliamentary procedure, which is expected to be concluded before 31 December 2024.

According to a first reasonable estimate, Prosegur is not present in any jurisdiction whose effective taxation is below the limits established in the Directive; it therefore considers that its publication will not result in any significant impact in tax terms.

## **20. Contingencies**

Note 29 of the Consolidated Annual Accounts for the year ended 31 December 2023 provides information on contingent assets and liabilities at that date.

### **Processes in course**

Prosegur has defined a procedure of internal response and investigation of the existence of potential suspicions or signs of non-compliance with the applicable internal legislation and regulations, including the incidents received through its report channel, whether these suspicions or signs arise in the framework of a legal or judicial procedure, or they are discovered at any previous time.

Certain investigation processes are currently being conducted by regulatory bodies, judicial bodies, and internal investigations in some of the countries in which Prosegur operates, and which are pending a legal ruling, mainly in regard to competition.

At 30 June 2024, Prosegur updated its assessment on legal risks, and potential fines and sanctions that could arise from these situations, on the basis of the considerations of its internal and external legal and forensic specialists, and on the information available in each case.

Likewise, Prosegur believes there are certain situations pending judicial resolution that could result in the payment of fines and penalties as well as the recognition of other liabilities. The most significant ones are listed below:

### **Chilean National Economic Prosecutor**

In 2018, the Chilean National Economic Prosecutor (FNE) began an investigation into potential anti-competitive practices due to agreed actions and the exchange of sensitive commercial information between competitors between 2017 and 2018. On 7 October 2021, the FNE filed a request with the Chilean Court for Competition Defence (TDLC) for sanctions, including a fine of approximately EUR 22,000 thousand on a subsidiary of the Prosegur Group in Chile (as maximum penalty). The Prosegur Group filed its defence before the TDLC on 22 November 2022 and at the date of preparation of these condensed interim consolidated financial statements, the legal proceedings are still in progress, having been ordered on 18 March 2024, with the case to be heard as evidence, and the proceedings are pending the development of this phase and the subsequent ruling by the TDLC.

As a result of the formal requirement received on 7 October 2021, the Prosegur Group reviewed the arguments that previously led it to classify the risk as possible and in 2021 it recorded the provisions that it deemed necessary to make for hedging the likely risk of sanctions being imposed, as identified by our specialist advisors. As of 30 June 2024, the recorded amount associated with this risk in provisions for legal risks amounts to EUR 10,942 thousand (31 December 2023: EUR 10,942 thousand) (Note 17).

## Portuguese Competition Authority

On 16 July 2021, the Portuguese Competition Authority (AdC) decided to investigate ("Nota de Illicitude") several surveillance and security companies due to the alleged existence of possible market sharing and market fixing agreements in the field of public procurement. On 13 July 2022, the AdC informed of its decision ("Decisão") to penalise Prosegur – Companhia de Segurança, Lda., imposing a fine of EUR 8.1 million. The decision of the AdC was appealed against by the Company before the Competition, Regulation and Supervision Tribunal (TCRS) on 24 August 2022, as the Company's management, with the support of its legal advisors, did not agree with the content of the decision and considered that there were more than sufficient and evident elements to counter it.

In May 2023, the AdC ruled to suspend the enforceability of the fine by requiring the company to provide a bank guarantee of 40% of its amount. The bank guarantee was provided before the deadline of 15 June 2023. In the remainder of 2023 and during the first six months of 2024, there have been no relevant changes in the process and as of this date of filing of these interim financial statements, the legal proceedings are pending judgement by the TCRS.

As a consequence, the Group has not recorded any provision in its interim financial statements.

## 21. Business combinations

Details of changes in goodwill during the first half of 2024 are presented in Note 11.3.

### 21.1. Goodwill added in 2024

No business combinations have taken place during the first half of 2024.

### 21.2. Goodwill added in 2023 whose valuation is being reviewed in 2024

There was no goodwill added in 2023 whose valuation is being reviewed in the first half of 2024.

### 21.3. Goodwill added in 2023 not reviewed in 2024

Details of the net assets acquired and goodwill recognised on business combinations during 2023 whose valuation has not been reviewed in the first half of 2024 are as follows:

Thousands of Euros	Cash payment	Deferred at fair value	Total purchase price	Fair value of identifiable net assets	Goodwill
WSN Holding Verwaltungsgesellschaft GmbH	2,386	2,198	<b>4,584</b>	3,827	<b>757</b>
Dinero Gelt S.L.	25	2,038	<b>2,063</b>	874	<b>1,189</b>
	<b>2,411</b>	<b>4,236</b>	<b>6,647</b>	<b>4,701</b>	<b>1,946</b>

Goodwill is not tax deductible.

The cash outflow incurred to purchase these business, net of cash acquired, is as follows:

Thousands of Euros	Cash payment	Cash and cash equivalents acquired	Cash outflow in acquisition
WSN Holding Verwaltungsgesellschaft GmbH	2,386	(649)	1,737
Dinero Gelt S.L.	25	(71)	(46)
	<u>2,411</u>	<u>(720)</u>	<u>1,691</u>

### WSN Holding Verwaltungsgesellschaft GmbH

On 31 July 2023, Prosegur acquired 100% of the German companies WSN Holding Verwaltungsgesellschaft GmbH and WSN Sicherheit und Service GmbH, related to securities logistics and cash management services. The total purchase price was EUR 4,584 thousand, comprising a cash payment of EUR 2,386 thousand, and a deferred payment of EUR 2,198 thousand maturing in 2023 and 2024.

The assets and liabilities that arose from this acquisition are as follows:

(Thousands of Euros)	Carrying amount of the business acquired	Fair value
Cash and cash equivalents	649	649
Property, plant and equipment	556	556
Inventories	74	74
Clients and other receivables	3,827	3,827
Suppliers and other payables	(2,845)	(2,845)
Current tax assets	881	881
Provisions	(243)	(243)
Non-current financial assets	476	476
Other intangible assets	192	423
Current tax liabilities	(16)	(16)
Deferred tax liabilities	–	(70)
Deferred tax asset	115	115
<b>Identifiable net assets acquired</b>	<u><b>3,666</b></u>	<u><b>3,827</b></u>

The goodwill on this acquisition was allocated to the Cash segment and to the Europe geographical area and mainly reflects the profitability of the business and major synergies expected to arise as a result of the acquisition by Prosegur. The intangible assets acquired comprise client relationships (EUR 116 thousand) with a useful life of 16 years, and a trademark (EUR 115 thousand) with a useful life of 2 years (Note 11.5).

### Dinero Gelt S.L.

On 24 July 2023, Prosegur acquired 16.4% of the company Dinero Gelt, S.L. in Spain, related to cashback services, thus acquiring control of the company, which until the date of the business combination was consolidated using the equity method.

The total purchase price was EUR 2,063 thousand, comprising a cash payment of EUR 25 thousand, and a deferred payment of EUR 2,038 thousand maturing in 2024.



The assets and liabilities that arose from this acquisition are as follows:

(Thousands of Euros)	<b>Carrying amount of the business acquired</b>	<b>Fair value</b>
Cash and cash equivalents	71	71
Property, plant and equipment	5	5
Deferred tax assets	261	261
Clients and other receivables	229	229
Suppliers and other payables	(222)	(222)
Other financial assets	1	1
Long-term financial liabilities	(32)	(32)
Non-current financial assets	1	1
Other intangible assets	141	933
Short-term financial liabilities	(175)	(175)
Deferred tax liabilities	–	(198)
<b>Identifiable net assets acquired</b>	<b>280</b>	<b>874</b>

The goodwill on this acquisition was allocated to the Cash segment and to the Europe geographical area and mainly reflects the profitability of the business and sizeable synergies expected to arise as a result of the acquisition by Prosegur. Intangible assets are supported by client relationships (EUR 353 thousand) with useful lives ranging from 19 to 22 years and a brand name (EUR 440 thousand) with an indefinite useful life (note 11.5).

## 22. Related parties

Prosegur is controlled by Gubel, S.L., which was incorporated in Madrid and holds 65.09% of the Company's shares. The remaining 34.91% is held by various shareholders, including Yirayira International, S.L. with 8.00% and AS Inversiones, S.L. with 6.033%.

### Procurement of goods and services

During the first half of 2024, Proactinmo, S.L.U. (controlled by Gubel, S.L.) invoiced Prosegur for the rental of four properties located in Madrid for EUR 2,740 thousand (at 30 June 2023: EUR 2,636 thousand). The four leases are at market prices.

During the first half of 2024, the Euroforum Group (controlled by Gubel, S.L.) invoiced Prosegur for hotel services amounting to EUR 74 thousand (at 30 June 2023: EUR 31 thousand).

### Provision of services

During the first half of 2024, Prosegur provided services to Gubel, S.L. amounting to EUR 7 thousand (at 30 June 2023: EUR 51 thousand).

During the first half of 2024, Prosegur provided security services to Proactinmo, S.L.U. (controlled by Gubel, S.L.) for EUR 34 thousand (at 30 June 2023: EUR 17 thousand) and to Proactinmo Viviendas, S. L. (controlled by Gubel S.L.) for EUR 11 thousand (at 30 June 2023: EUR 11 thousand).

During the first half of 2024, Prosegur provided security services to the Euroforum Group (controlled by Gubel, S.L.) amounting to EUR 72 thousand (at 30 June 2023: EUR 87 thousand).

## Remuneration of members of the Board of Directors and key senior management personnel

### 1. Remuneration of members of the Board of Directors

Details of the remuneration accrued by members of the Board of Directors for all items during the six-month periods ended 30 June 2024 and 2023 are as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023
Fixed remuneration	520	500
Variable remuneration	649	518
Life insurance premiums	49	43
Other benefits	12	10
Remuneration for membership of the Board and Committee	475	476
Per diems	110	108
	<b>1,815</b>	<b>1,655</b>

### 2. Remuneration of Senior Management personnel

Senior Management personnel are understood to be Prosegur employees who hold, de facto or de jure, Senior Management positions reporting directly to the Board of Directors, executive committees or CEO, including those holding a power of attorney which relates to the corporate object and is not restricted to specific areas or matters.

The remuneration accrued by all the Senior Management personnel of Prosegur for the six-month periods ended 30 June 2024 and 2023 is as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023
Total remuneration accrued by Senior Management	1,763	1,724

The total commitment acquired by the Company at 30 June 2024 related to the 2021-2023 Plan and the 2024-2025 Plan incentives is recorded in liabilities for a total amount of EUR 10,578 thousand (June 2023: EUR 16,245 thousand) (Note 17).

## Loans to related parties

At 30 June 2024 there were no loans to related companies except for:

- A loan for EUR 334 thousand granted by Prosegur to the company Brasil Aeroseg Brasil Desenvolvimento e Operacoes de Veiculos nao Tripulados LTDA. at 30 June 2024, consolidated using the equity method.
- Granting of a loan for EUR 847 thousand at 30 June 2024 from Prosegur to the United Arab Emirates company Prosegur Technological Security Solutions LLC, consolidated using the equity method.
- Granting of several loans of EUR 6,855 thousand granted between 2022 and 2024 from Prosegur to the Brazilian company Harapay Holding S.A. consolidated using the equity method. As mentioned in Note 16 of the Consolidated Annual Accounts of December 2023, the company's operating profit was significantly lower than expected. As a consequence, the Group has impaired the carrying amount of these receivables by EUR 1,954 thousand in 2024. At 31 December 2023, the Group impaired EUR 2,948 thousand and the book value of these credits amounts to EUR 2,453 thousand (December 2023: EUR 0 thousand).



At 30 June 2023 there were no loans to related companies except for:

- A loan for EUR 1,200 thousand granted by Prosegur to the company Brasil Aeroseg Brasil Desenvolvimento e Operacoes de Veiculos nao Tripulados LTDA, consolidated using the equity method (Note 13).
- A loan for EUR 3,083 thousand signed in December 2022 granted by the Prosegur to the Brazilian company Harapay Holding S.A., consolidated using the equity method (Note 13).
- Loan granted for a total amount of 242,187 thousand Indian rupees (equivalent to EUR 2,715 thousand at 30 June 2023 from Prosegur to the Indian company SIS Cash Services Private, Ltd., consolidated using the equity method (Note 13). The loan matures in 2024 and 2026 and bears interest at market rates.

### **Information required by article 229 of the Spanish Companies Act**

As required by articles 228, 229 and 230 of the Revised Text of the Spanish Companies Act, approved by Royal Legislative Decree 1/2010 of 2 July 2010 and amended by Act 31/2014 concerning improvements to corporate governance, the members of the Board of Directors and their related parties declare that they have not been involved in any direct or indirect conflicts of interest with the Company during the first half of 2024.

Recurrently, and for many years before the appointment of Fernando Vives as a director of the Company, the law firm J&A Garrigues, S.L.P. has provided Prosegur with legal counsel and tax advice, within the ordinary course of business and in market terms. Prosegur does not work solely with J&A Garrigues, S.L.P., but also receives legal counsel and tax advice from other firms. The fees received by J&A Garrigues, S.L.P. from Prosegur are not material for the firm and neither do they represent a significant amount on the accounts of Prosegur. At 30 June 2024, the fees amounted to EUR 311 thousand, representing less than 0.5% of Prosegur's total administration and sales expenses (Note 6) (at 30 June 2023 the amount was EUR 207 thousand).

In addition, in the six-month period ended 30 June 2024 Prosegur provided surveillance services to the law firm J&A Garrigues, S.L.P. The surveillance services invoiced to J&A Garrigues, S.L.P. at 30 June 2024 stood at EUR 484 thousand, accounting for less than 0.5% of Prosegur's sales (at 30 June 2023 it was EUR 512 thousand).

Furthermore, these services are provided through partners from the firm other than Fernando Vives, whose remuneration as a partner of J&A Garrigues, S.L.P. is entirely independent and in no way linked to the amount invoiced by the firm to Prosegur. Accordingly, the Board of Directors considers that the business relationship between the law firm J&A Garrigues, S.L.P. and Prosegur, due to its recurrent, non-exclusive nature in the ordinary course of business, and its scant significance in the terms outlined, in no way affects the independence of Fernando Vives to discharge the duties of independent director of Prosegur.

### 23. Average headcount

Details of the average headcount of Prosegur for the six-month periods ended 30 June 2024 and 30 June 2023 are as follows:

	30 June 2024	30 June 2023
Men	126,329	124,743
Women	35,087	32,443
	<b>161,416</b>	<b>157,186</b>

### 24. Events after the reporting date

In accordance with the AIAF Commercial paper notes program formalized in June 2024, on 16 and 17 July 2024, Prosegur has completed four issues with the following characteristics:

- EUR 15,000 thousand, settlement on 19 July 2024, maturing on 4 November 2024, with an interest rate of 3.92%;
- EUR 5,200 thousand, settlement on 19 July 2024, maturing on 3 February 2025, with an interest rate of 3.88%;
- EUR 15,000 thousand, settlement on 22 July 2024, maturing on 1 October 2024, with an interest rate of 3.93%;
- EUR 15,000 thousand, settlement on 22 July 2024, maturing on 2 December 2024, with an interest rate of 3.90%.

## APPENDIX I. – Summary of the main accounting policies

The accounting policies used to prepare these condensed interim consolidated financial statements are the same as those applied in the consolidated annual accounts for the year ended 31 December 2023, except for the entry into force of new standards and interpretations in 2024.

- Modifications to IAS 1 Presentation of financial statements, regarding the Classification of liabilities as current or non – current. These modifications clarify the requirements that must be applied in the classification of liabilities as current or non-current. Specifically, these modifications clarify the following concepts:
  - Right to defer settlement. If an entity’s right to defer settlement depends on future covenants, the entity has the right to defer payment even if it does not comply with those future covenants at the closing date.
  - Expected deferrals. The classification of a liability is unchanged by the probability that the entity will exercise its right to defer payment for at least 12 months after the year-end.
  - Settlement through own equity instruments. There is an exception to the requirements to settle liabilities through own equity instruments because it impacts the classification of the liability.

The standard has not a significant impact on the Condensed Interim Consolidated Financial Statements.

- Modification to IAS 7, supplier financing agreements. They clarify the characteristics of financing arrangements and introduce new disclosures with the objective of helping users of financial statements understand the effects of these arrangements on liabilities, cash flows and exposures to liquidity risk. The standard has not had a significant impact on the condensed interim consolidated financial statement.
- Amendments to IFRS 16 Leases: the IASB has published an amendment to IFRS 16 which details the accounting for sale and leaseback transactions. According to the amendment to the standard, the seller-lessee must calculate the value of the lease liability in such a way that it does not recognise any gain or loss related to the retained right of use. The amendment entered into force on 1 January 2024. The standard has not had a significant impact on the Condensed Interim Consolidated Financial Statements.

In addition, the Standards published at the time that these condensed interim consolidated financial statements were being drawn up and that are not mandatory are as follows:

- Modifications to IFRS 9 Classification and measurement of financial instruments: clarify that financial liabilities are derecognized on the settlements date. However, they introduce an accounting policy option to write off liabilities, which are settled through an electronic payment system, before the settlement date provided certain conditions are met. Likewise, they clarify, through additional guides, the classification of financial assets with characteristics linked to ESG. This rule will apply from January 1, 2026.
- IFRS 18 Presentation and disclosure in financial statements: IFRS 18 introduces, among other changes, three new requirements to improve companies’ information on their financial performance and offer investor a better basis for analysing and purchasing companies:

- Improves the comparability of the financial statement performance by introducing three new categories: operating, investment and financing; as well as new subtotals: operating result and result before financing and income tax.
- Provides greater transparency of performance measurements defined by Management by introducing new guidelines and breakdowns.
- Provides guidance to provide more useful grouping of information in financial statements.

This rule will apply from January 1, 2027.

- Amendment to IFRS 21 The Effects of Changes in Foreign Exchange Rates: on 15 August 2023 the IASB issued a number of amendments to IAS 21 - The effect of changes in foreign exchange rates. The standard aims, firstly, to provide guidance on when one currency is convertible into another and, secondly, to determine the exchange rate to be used in accounting when it is concluded that such convertibility does not exist. Regarding the first objective, one currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay, and through markets or exchange mechanisms in which an exchange transaction creates enforceable rights and obligations.

If the entity determines that there is no convertibility between the currencies it must estimate an exchange rate. The standard does not establish a specific estimation technique for them, but establishes guidelines for their determination, allowing the use of an unadjusted observable rate or using an estimation technique.

The amendment to the standard will enter into force on 1 January 2025, with early application permitted.



# Director's interim consolidated report for the six-month period ended 30 June 2024

Prosegur Compañía de Seguridad, S.A. and Subsidiaries

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## Directors' interim consolidated report for the six-month period ended 30 June 2024

### 1. Events occurred since the end of 2023

In addition to what is reflected in Note 3 on the changes to the structure of the Group, the most relevant transactions and events that occurred during the first half of 2024 are detailed below:

#### Macroeconomic risks

##### Currency risk

The political and economic instability that Argentina has been experiencing in recent years, and more severely in 2023, has resulted in large fluctuations in the growth rate each year, currency devaluation and hyperinflation.

The change of government in November 2023 brought with it an adjustment plan to start correcting the strong macroeconomic distortions, which, among other measures, includes a significant reduction of the fiscal deficit and a strict exchange rate depreciation.

During 2024, the impacts on the condensed interim consolidated financial statements of the Prosegur Group arising from the economic situation in Argentina have been as follows:

- Exchange rate changes: The Group's total turnover for the first six months of 2024 amounted to EUR 2,347,540 thousand (EUR 2,196,014 thousand for the first six months of 2023). Turnover, translated into euros, generated in countries with a functional currency other than the euro, and therefore exposed to exchange rate fluctuations, amounted to EUR 1,449,178 thousand during the first six months of 2024 (EUR 1,373,933 thousand during the first six months of 2023).
- Hyperinflation and devaluation: Hyperinflation reached 80.84% in the first six months of 2024, while the devaluation of the Argentine peso against the euro was approximately 9.44%.

##### Active conflicts

The instability of the international geopolitical situation brought about by the Russian Federation's military invasion of Ukraine in February 2022 triggered inflationary pressures on the economy, with a significant increase in salaries, energy prices and significant fluctuations in currency exchange rates. In light of this, central banks withdrew the majority of monetary stimuli and increased interest rates during the second half of 2022.

The October 2023 conflict in the Middle East, and its subsequent escalation in the region, has contributed to further delaying expectations of normalisation of inflation and interest rates. The evolution over the last months has been positive, as there has been a decrease in interest rates in Europe.

Despite this background of instability, the impact on the Prosegur Group's condensed interim consolidated financial statements has been rather insignificant, due to:

- The Prosegur Group has no direct exposure in the geographical areas of conflict described, as it does not operate in these territories. Furthermore, the Group's purchases from the Asian continent are residual.
- Although inflationary impacts have begun to show signs of easing, the Prosegur Group continues to focus its efforts to ensure that these impacts are offset by the trade flow, passing on the increase in the cost of labour to customers on a more recurring basis.
- The impacts of past rising interest rates are being partially mitigated by the Prosegur Group's financing structure, which includes fixed-rate debt due to the Group's issuance of uncovered bonds in April 2022 and December 2017 (the latter issued by Prosegur Cash). At 30 June 2024, fixed-rate debt as a proportion of total bank debt is 69% and variable-rate debt 31% (73% and 27% at year-end 2023, respectively).

Although the behaviour of Argentina's main indicators are beginning to change their trend compared to recent years, it is difficult to predict how the country's economic situation will evolve. Furthermore, in relation to existing conflicts, there is increasing international pressure to force the parties involved to negotiate, but it is not known to what extent and for how long the various conflicts will remain active. For this reason, the Cash Group continues to constantly monitor the macroeconomic and business variables that give it the best estimate of the potential associated impacts.

## Sustainability

These condensed interim consolidated financial statements have been prepared taking into account the provisions of the informative documents issued by the International Accounting Standards Board (IASB) in November 2020 and in July 2023, which include information requirements in relation to climate change.

In this regard, the Prosegur Group continues to make progress in its efforts to integrate ESG (environmental, social and governance) criteria —three interrelated elements— into its corporate culture.

In line with its commitments and the evolution of its business model, the Prosegur Group has equipped itself with a renewed internal structure. At the top, as the highest decision-making body, except in matters of exclusive competence of the Shareholders General Meeting, is the Board of Directors. The Sustainability, Governance, Naming and Retributions Commission is the responsible for developing the sustainability strategies, policies and goals, as well as for measuring the goals achievement. In addition, the Audit Committee analyse whether the policies and the sustainability regulations have been correctly implemented within the Group and review the clarity, coherence and integrity of the sustainability information, among other responsibilities.

The structure is completed by the Sustainability Committee and the Global Sustainability Department.

The actions implemented by the Prosegur Group over the last five years in these areas have focused, primarily, on strengthening the environmental responsibility of the Group's services, creating decent and stable employment, training its workers, the health and safety of its professional teams, respect for human rights, and rigorous compliance with regulations and good governance.



The Prosegur Group's main lines of action are detailed below:

- Approval by the Board of Directors of several policies, including a Sustainability Policy, 28 October 2021. Also, among others, an Environmental Policy, 28 April 2021; a Diversity Policy, 26 July 2021; a Working Conditions, Social Dialogue and Modern Slavery Policy, 27 July 2023; a Human Rights Policy, 28 October 2020; an Occupational Health and Safety Policy, 26 October 2021; and a Corporate Governance Policy, 27 July 2023.
- Approval by the Board of Directors of Sustainability Master Plans, which include specific objectives and actions in four areas: Environment, People, Safe Work and Ethics, Transparency and Governance. In 2024, a new framework will be approved, with goals and initiatives updated to the challenges that the company will face during the period of its new Strategic Plan.
- Preparation for compliance with the requirements included in the new European sustainability framework. In particular, the Corporate Sustainability Disclosure Directive (CSDD) and the Corporate Sustainability Due Diligence Directive (CS3D).

In terms of the environment, the Prosegur Group is committed to reducing its emissions in both the medium and long term. Nevertheless, this is the fact that, as the Prosegur Group's activities are focused primarily on the provision of services and not on transformation or manufacturing, they do not have a significant impact on the environment, nor do they act as an accelerator of climate change or a threat to biodiversity.

In accordance with the regulatory obligations set out in the so-called "European Green Taxonomy", the Prosegur Group is obligated to comply with said Taxonomy and to report the specific Key Performance Indicators on the eligibility and alignment of its activities. The percentages of eligibility, non-eligibility, alignment and non-alignment in accordance with Regulation (EU) 2020/852 are published annually in the Group's Directors' Report. As included in point 8.1.2 of the Consolidated Directors' Report of 31 December 2023, the eligible economic activities that conform to the taxonomy of the European Union amounted to EUR 2,730 thousand in 2023.

Some of the Prosegur Group's main lines of action in terms of the environment are detailed below:

- Development of a specific project to analyse potential risks and opportunities arising from climate change and the adaptation plan for risks identified as material, and identification of the impact that these risks may have on the financial statements of the Prosegur Group.
- Development of Scope 1 emission reduction projects, mainly through a leaner and more environmentally efficient heavy and light fleet. In addition, Scope 2 emission reduction initiatives, especially linked to self-generation or the purchase of energy with a guarantee of renewable origin.
- Strategic penetration in the offer and development of new products, which do not require transportation and therefore reduce carbon dioxide emissions.
- Development of projects to offset carbon dioxide emissions.

Lastly, the Management believes that, as a consequence of the development of this commitment:

- The useful life of tangible fixed assets will not be affected, since their accelerated replacement is not necessary;
- No signs of impairment have been detected as a result of the aforementioned commitment;
- For all of the above, at the time of preparing these annual accounts, there is no obligation that could give rise to an environmental provision.

## Result of the partial takeover bid for Prosegur Compañía de Seguridad S.A. submitted by Gubel S.L.

The voluntary and partial takeover bid filed by Gubel S.L. for a maximum of 81,754,030 shares in Prosegur Compañía de Seguridad S.A., representing 15% of its share capital, was accepted for 71,128,791 shares on 18 March 2024, representing 13.23% of the share capital of Prosegur Compañía de Seguridad S.A.

Subsequently, Yirayira International, S.L. acquired an 8% of Prosegur Compañía de Seguridad S.A.'s share capital to Gubel S.L. during April 2024.

## 2. Performance of the business

### 2.1. Sales by geographical area

Prosegur consolidated sales for the first half of 2024 amounted to EUR 2,347.5 million (at 30 June 2023: EUR 2,196.0 million). This implies an increase of 6.9%, corresponding to a 44.1% jump in pure organic growth, a 0.7% decrease in overall inorganic growth due to the acquisitions and divestments made by Prosegur in 2023, while the joint effect of the exchange rate and the result of applying IAS 29 and IAS 21.42 resulted in a decrease of 36.5%.

Inorganic growth is mainly related to the acquisitions in Germany and Spain in 2023 as well as the consolidation of India from April 2024 (Note 3). All acquisitions begun to form part of the consolidation scope as of the same month of their acquisition.

The divestments made by Prosegur in 2023 are related to the transaction in Australia in which the Prosegur Group merged its Cash business in that country with Armaguard Group, the Group's main competitor. As from September 2023, Prosegur holds 35% of the net assets of the new separate vehicle resulting from the merger of Prosegur's and Armaguard's businesses. Accordingly, sales of the 35% of the Cash business in Australia owned by Prosegur were now recorded under investments in associates.

Consolidated sales are distributed by geographical area as follows:

(Millions of Euros)	June 2023	June 2024	Growth
Europe	856.6	944.4	10.2%
ROW	252.4	244.6	(3.1%)
LatAm	1,087.1	1,158.5	6.6%
<b>Total Prosegur</b>	<b>2,196.0</b>	<b>2,347.5</b>	<b>6.9%</b>

## 2.2. Sales by business area

Consolidated sales are distributed by business areas as follows:

(Millions of Euros)	June 2023	June 2024
Security	1,071.9	1,199.4
<i>% of total</i>	48.8 %	51.1 %
Cash	979.1	998.1
<i>% of total</i>	44.6 %	42.5 %
Alarms	91.9	103.2
<i>% of total</i>	4.2 %	4.4 %
AVOS	46.2	38.8
<i>% of total</i>	2.1 %	1.7 %
Cybersecurity	6.9	8.1
<i>% of total</i>	0.3 %	0.3 %
<b>Total Prosegur</b>	<b>2,196.0</b>	<b>2,347.6</b>

In regard to the distribution of sales by business line, during the period from January to March 2024, Security sales have reached EUR 1,199.4 million with an increase of 11.9% over the same period the previous year. This growth was driven by the increased commercial production in most of the geographical areas where Prosegur operates, coupled with an optimal price pass-through policy.

Cybersecurity sales increased by 16.8% to EUR 8.1 million.

Cash's sales have increased by 1.9%, to EUR 998.1 million, growing at a very healthy pace in local currency, showing resilience to volatile monetary policies and the inflationary pressures unleashed by armed conflicts in Europe and the Middle East. This is due to the following factors:

- It has no direct exposure to the geographic areas of conflict, given that it does not operate in these territories.
- Inflationary impacts continue to be offset by trade flow, passing on the increase in labour costs to clients on a more recurring basis; additionally, cash in circulation remains robust.
- Sustained good acceptance of the commercial and operational proposals that it is offering its clients.

Alarm sales increased by 12.3%, reaching EUR 103.2 million.

AVOS sales have decreased by 16.1% to EUR 38.8 million.

### 2.3. Margins

EBITA for the first half of 2024 was EUR 146.9 million (at 30 June 2023: EUR 151.7 million). The adjusted EBITA margin at the end of the first half of 2024 was 6.3% (at 30 June 2023: 6.9% ).

The adjusted EBITA margin is as follows:

(Millions of Euros)	June 2023	June 2024
Sales	2,196.0	2,347.5
Adjusted EBITA	151.7	146.9
Adjusted EBITA margin	6.9 %	6.3 %

### 2.4. Outlook for the second half of 2024

During the first half of the year 2024, Prosegur has shown a significant increase in turnover in the order of almost 7 percentage points compared to the same period the previous year.

The main business lines showed organic growth in virtually all geographical areas, demonstrating solid operational performance.

Worth highlighting is the performance of the Security business, which had a sales growth of around 12%, reaching EUR 1,199 million with an adjusted EBITA of EUR 34 million. As a result, an adjusted EBITA margin on sales of 2.8% was achieved, 400 basis points higher than last year. This figure highlights the adequate business strategy that has been implemented with a focus on cost reduction, increased sales volume and hybridisation of our customers.

The Cash business also showed solid organic sales growth in all geographical areas. In terms of profitability, the negative currency impact in LatAm coupled with the investments made in the Forex business and the restructuring costs of the Australian operation (merged with ArmaGuard, Australia's leading cash-in-transit operator) did not indicate the solid operational performance. At the same time, it is important to take into account the strong seasonality of the Forex business, where trading activity is concentrated in the second half of the year.

Looking ahead to the second half of the year, the same growth trends continue, with a positive outlook in terms of volumes, profitability and cash flow generation.

Indeed, the Security business is expected to continue its sustainable growth strategy, gaining scalability and further growth potential with the new Hybrid Security. Likewise, during the second half of the year, the repricing of the entire portfolio will be completed, thus contributing to better results.

The North American market continues to be a priority for the Security business, given the enormous potential it offers and where we see high demand for our hybrid security solutions from large global customers.

As for the Cash business, profitability is expected to be higher in line with our commercial policy of price review, coupled with a continued cost reduction strategy. At the same time, macroeconomic normalisation in certain geographical areas where we operate should contribute positively.

The success of our diversification strategy through our “Transformation Products” must not be forgotten. So far this year, we have achieved a turnover of EUR 600 million, resulting in very good profitability while making the business more sustainable.

Prosegur Alarms, for its part, is experiencing a marked acceleration in the volume of new alarm contracts in Latin America and Portugal. Meanwhile, Alarms increased its monthly recurring revenue per client (ARPU) through a very efficient tariff update, while the customer churn rate was maintained and even reduced sequentially.

On the other hand, in the Spanish market, Movistar Prosegur Alarmas has maintained a growth policy this year focused on greater client retention and an increase in ARPU, as well as a reduction in the churn rate in exchange for a slight reduction in terms of growth rate.

To conclude, the second half of the year is expected to maintain positive growth dynamics, similar to those observed in the first half, with a sustained improvement in profitability and a rise in turnover volumes beyond the inflationary increases in the respective geographical areas.

### 3. Average headcount

Details of the average headcount of Prosegur for the six-month periods ended 30 June 2024 and 2023 are as follows:

	30 June 2023	30 June 2024
Men	124,743	126,329
Women	32,443	35,087
	<b>157,186</b>	<b>161,416</b>

### 4. Investments

All of Prosegur’s investments are always analysed by the corresponding technical and operating areas and the management control department, which estimate and examine the strategic importance, return period and yields of the investments before these are approved. Subsequently these are submitted to the Investment Committee for a final decision on whether to proceed with the investment.

During the first half of 2024, investments in property, plant and equipment were approved for EUR 84.2 million (at 30 June 2023: EUR 73.4 million).

## 5. Financial management

Prosegur calculates net financial debt as follows: total current and non-current borrowings (excluding other non-bank payables) plus net derivative financial instruments, minus cash and cash equivalents, minus equity instruments in listed companies (included under the heading non-current financial assets), and minus other current financial assets.

At 30 June 2024 net financial debt totals EUR 1,164.1 million (at 31 December 2023: EUR 1,068.5 million) (its calculation is detailed in Note 8 of the Directors' Report).

The net financial debt ratio (including equity instruments in listed entities and current and non-current lease liabilities) over own resources as of 30 June 2024 stood at 1.56 (31 December 2023: 1.67). Meanwhile, the ratio of net financial debt to EBITDA at 30 June 2024 was 2.79 (at 31 December 2023: 2.61).

## 6. Own shares

Details of changes in own shares during the first half of 2024 are as follows:

	Number of shares	Millions of Euros
<b>Balance at 31 December 2023</b>	<b>13,480,234</b>	<b>29.68</b>
Other awards	(888,408)	(1.80)
<b>Balance at 30 June 2024</b>	<b>12,591,826</b>	<b>27.88</b>

## 7. Innovation

Prosegur is a company that believes in the transformative power of technology. This is why it has made a firm commitment to the accelerated and systematic transformation of its entire corporate structure, business lines, processes, teams, products and services, which necessarily implies a profound and parallel cultural transformation. The Company is investing heavily in the development of disruptive technologies. In the period from 2021 to 2023, the company earmarked the EUR 57.5 million loan funds from the EIB (European Investment Bank) for innovation, digitisation and sustainability projects (Note 18).

The projects to which the financial support has been allocated are those included in the Innovation and Digital Transformation Plan, which aims to optimise flexibility, processes and operational efficiency. Significant investment has also been made in plans to enhance energy efficiency and emissions reduction in order to comply with the company's Sustainability Master Plan.

Additionally, Prosegur worked on the development and putting into practice five digital transformation programmes with around 60 world-wide applied technological innovation projects. This involved a total investment of EUR 21 million. All these projects have been based on the specific knowledge of the security sector, the creativity and technological competence of the company's teams and the exploitation of the data at its disposal. These combined qualities enabled the Company to build a unique proposal for solutions. Alone, in close collaboration with start-ups or in the framework of corporate partnerships, Prosegur has become a specialist in technological fields such as Artificial Intelligence (AI), Data Science, Internet of Things, Digital Twins or Blockchain. The following are some of the main initiatives that emerged from this effort in the past year.

### **A steadily growing network of global operations**

Prosegur continues the development of the network of interconnected security centres (iSOCs), an essential element in the growth strategy associated with innovation to which the company is committed.

### **A new digital archive safekeeping bunker**

In November 2023, Prosegur Crypto, Prosegur Cash's institutional digital file custody service, announced that the creation of a digital bunker in Brazil is already under way. As a result of this initiative, 50% of Crypto's global operations will be managed in Brazil, which is a clear proof of the importance that this market is acquiring in Prosegur's global strategy.

### **A cutting-edge video platform**

Prosegur Alarms this year continued promoting the implementation of GenzAI VMS, an innovative video platform developed in-house that includes intelligent recognition technologies for people or pets, as well as the detection and identification of acoustic signals. This platform continues to be installed with optimal results in more the IP cameras of clients of both the Movistar Prosegur Alarms (MPA) network and the international division Prosegur Global Alarms RoW.

### **A new licensing model for the insurance sector**

SISnet 360, AVOS Tech's software engineering company specialising in technological solutions for the insurance sector, launched a new licensing model in 2023, based on a cloud-based subscription system. This new model incorporates the latest technological innovations and enhances the security and overall performance of the system, and continues its expansion in the current year.

### **A revolutionary cyber security solution**

Cipher continues this year with the empowerment of its extended Manager Detection and Response (xMDR) platform, a system for the detection and intelligent processing of cybersecurity alerts that can identify real incidents with a very high degree of accuracy and eliminate false alarms. Its screening engine monitors the client's existing protection technology both reactively and proactively, detecting vulnerabilities and continuously refining rules and response patterns.

### **Prosegur Tech Ventures**

As a complement to this open innovation program, Prosegur is the only private security company to have a corporate venture capital (CVC) fund, known as Prosegur Tech Ventures. Funded with EUR 30 million, this project contributes to the financing of new external development trends and technologies which could have a disruptive impact on the private security sector.



## 8. Alternative Performance Measures

In order to comply with ESMA Guidelines on APMs, Prosegur presents this additional information to aid the comparability, reliability and understanding of its financial information. The Company presents its profit/loss in accordance with International Financial Reporting Standards (IFRS). However, Management considers that certain alternative performance measures provide additional useful financial information that should be taken into consideration when assessing its performance. Management also uses these APMs to make financial, operating and planning decisions, as well as to assess the Company's performance. Prosegur provides those APMs it deems appropriate and useful for users to make decisions and those it is convinced represent a true and fair view of its financial information.

APM	Definition and calculation	Purpose
Working capital	This is a finance measure that represents operational liquidity available for the company. Working capital is calculated as current assets less current liabilities (excluding the short-term lease liabilities) plus deferred tax assets less deferred tax liabilities less long-term provisions.	Positive working capital is necessary to ensure that the Company can continue its operations and has sufficient funds to cover matured short-term debt as well as upcoming operating expenses. Working capital management consists of the management of inventories, payables and receivables and cash.
Organic Growth	Organic growth is calculated as an increase or decrease of income between two periods adjusted by acquisitions and disinvestments and the exchange rate effect.	Organic growth provides the comparison between years of the growth of the revenue excluding the currency effect.
Inorganic Growth	The Company calculates inorganic growth for a period as the sum of the revenue of the companies acquired minus disinvestments. The income from these companies is considered inorganic for 12 months following their acquisition date.	Inorganic growth provides the growth of the company by means of new acquisitions or disinvestments.
Exchange rate effect	The Company calculates the exchange rate effect as the difference between the revenue for the current year less the revenue for the current year using the exchange rate of the previous year.	The exchange rate effect provides the impact of currencies on the revenue of the company.
Cash flow conversion rate	The Company calculates the cash flow conversion rate as the difference between EBITDA less the CAPEX on EBITDA.	The cash flow conversion rate provides the cash generation of the Company.
Gross Financial Debt	The Company calculates gross financial debt as all financial liabilities minus other non-bank debts corresponding to deferred payments for M&A acquisitions.	Gross financial debt reflects gross financial debt without including other non-bank debt corresponding to deferred payments for M&A acquisitions
Cash availability	The Company calculates cash availability as the sum of cash and other cash equivalents, other short-term financial assets, and any short- and long-term undrawn credit facilities.	Cash availability reflects available cash as well as potential cash available through undrawn credit facilities.
Net Financial Debt	The Company calculates financial debt as the sum of the current and non-current financial liabilities (including other payables corresponding to deferred M&A payments and financial liabilities with Group companies) minus cash and cash equivalents, minus current investments in group companies, minus equity instruments in listed companies (included under the non-current financial assets heading) and minus other current financial assets.	The net debt provides the gross debt less cash in absolute terms of a company.
Adjusted EBITA	Adjusted EBITDA is calculated on the basis of the consolidated profit/loss for the period without including the profit/loss after taxes from discontinued operations, income taxes, finance income or expenses, or amortisation and impairment of intangible assets, but including the amortisation and impairment of computer software.	The adjusted EBITA provides an analysis of earnings before interest, taxes and amortisation, and impairment of intangible assets (except computer software).



EBITDA	EBITDA is calculated on the basis of the consolidated profit/loss for the period for a company, excluding earnings after taxes from discontinued operations, income taxes, finance income or expenses, and cost of repayment or impairment of fixed assets, but including impairment of property, plant and equipment.	The purpose of the EBITDA is to obtain a fair view of what the company is earning or losing in the business itself. The EBITDA excludes variables not related to cash that may vary significantly from one company to another depending upon the accounting policies applied. Amortisation is a non-monetary variable and therefore of limited interest for investors.
Adjusted EBITA margin	The adjusted EBITA margin is calculated by dividing the operating profit/loss of the company by the total figure of revenue.	The adjusted EBITA Margin provides the profitability obtained prior to depreciation and impairment of intangible assets (except computer software) of the total revenue accrued.
Leverage ratio	The company calculates the leverage ratio as net financial debt divided by total capital. Net financial debt is calculated as detailed above. Total capital is the sum of equity plus net financial debt.	The leverage ratio provides the weight of the net financial debt over all of the Company's own and third-party financing, shedding light on its financing structure.
Ratio of net financial debt to equity	The Company calculates the ratio of net financial debt to shareholder equity by dividing the net financial debt to shareholder equity as they appear in the Statement of Financial Position.	The ratio of net financial debt to shareholder equity offers the ratio of the Company's net financial debt to its equity.
Ratio of financial debt to EBITDA	The Company calculates the ratio of net financial debt to equity by dividing the net financial debt by Last Twelve Months EBITDA.	The ratio of net financial debt to EBITDA offers the ratio of the Company's net financial debt to its EBITDA, thus reflecting its payment capacity.

<b>Working capital (in millions of Euros)</b>	<b>Note</b>	<b>31/12/2023</b>	<b>30/06/2024</b>
Inventories	15	71.9	84.1
Clients and other receivables		894.9	1,062.3
Current tax assets		61.8	60.8
Cash and cash equivalents	14	440.4	402.8
Other current financial assets		5.0	21.3
Deferred tax asset		150.3	146.9
Suppliers and other payables		(768.8)	(923.2)
Current tax liabilities		(129.5)	(110.7)
Current financial liabilities	18	(313.9)	(373.0)
Other current liabilities		(59.1)	(75.8)
Deferred tax liabilities		(99.2)	(100.0)
Provisions	17	(226.7)	(215.6)
<b>Total Working Capital</b>		<b>27.1</b>	<b>(20.1)</b>

<b>Organic growth (in millions of Euros)</b>	<b>Note</b>	<b>30/06/2023</b>	<b>30/06/2024</b>
Revenue current year	5	2,196.0	2,347.5
Less: revenue previous year	5	2,001.9	2,196.0
Less: inorganic growth		42.4	(14.8)
Exchange rate effect		(384.1)	(801.3)
<b>Total Organic Growth</b>	<b>2.1 Directors' report</b>	<b>535.8</b>	<b>967.5</b>

<b>Inorganic growth (in millions of Euros)</b>	<b>Note</b>	<b>30/06/2023</b>	<b>30/06/2024</b>
Cash LatAm		1.2	–
Cash Europe		40.7	7.7
Cash ROW		0.5	19.5
Disinvestments		–	(42.1)
<b>Total Inorganic Growth</b>	<b>2.1 Directors' report</b>	<b>42.4</b>	<b>(18.8)</b>

<b>Exchange rate effect (in millions of Euros)</b>	<b>Note</b>	<b>30/06/2023</b>	<b>30/06/2024</b>
Revenue current year	5	2,196.0	2,347.5
Less: revenue from the year underway at the exchange rate of the previous year		2,580.1	3,148.8
<b>Exchange rate effect</b>	<b>2.1 Directors' report</b>	<b>(384.1)</b>	<b>(801.3)</b>

<b>Cash Flow Conversion Rate (in millions of Euros)</b>	<b>Note</b>	<b>30/06/2023</b>	<b>30/06/2024</b>
EBITDA		243.7	255.6
CAPEX		86.0	88.6
<b>Cash flow conversion rate (EBITDA - CAPEX / EBITDA)</b>		<b>65 %</b>	<b>65 %</b>

<b>Gross financial debt (in millions of Euros)</b>	<b>Note</b>	<b>31/12/2023</b>	<b>30/06/2024</b>
Debentures and other negotiable securities	18	1,110.3	1,100.8
Bank loans	18	505.6	604.3
Credit accounts	18	67.9	58.0
<b>Gross financial debt</b>	<b>5 Directors' report</b>	<b>1,683.8</b>	<b>1,763.1</b>
<b>Cash availability (in millions of Euros)</b>	<b>Note</b>	<b>31/12/2023</b>	<b>30/06/2024</b>
Cash and cash equivalents	14	440.4	402.8
Other current financial assets		5.0	21.3
Long-term credit availability	18	311.5	380.0
Short-term undrawn credit facilities	18	222.3	240.5
<b>Cash availability</b>		<b>979.2</b>	<b>1,044.6</b>
<b>Net financial debt (in millions of Euros)</b>	<b>Note</b>	<b>31/12/2023</b>	<b>30/06/2024</b>
Financial liabilities	18	1,869.6	1,929.8
Plus: Finance lease liabilities excluding subleasing	11.4	131.0	150.6
<i>Adjusted financial liabilities (A)</i>		<i>2,000.6</i>	<i>2,080.4</i>
Cash and cash equivalents	14	(440.4)	(402.8)
Less: adjusted cash and cash equivalents (B)		(440.4)	(402.8)
<b>Total Net Financial Debt (A+B)</b>		<b>1,560.2</b>	<b>1,677.6</b>
Less: other non-bank borrowings (C)	18	(185.8)	(166.7)
Less: Finance lease liabilities excluding subleasing (D)	11.4	(131.0)	(150.6)
<b>Total Net Financial Debt (excluding other non-bank borrowings referring to deferred M&amp;A and financial debt from lease payments) (A+B+C+D)</b>		<b>1,243.4</b>	<b>1,360.3</b>
Minus: equity instruments of listed companies (E)	12	(174.9)	(196.2)
<b>Total Net Financial Debt (excluding other non-bank borrowings referring to deferred M&amp;A payments, financial debt from lease payments and including the value of equity instruments of listed companies) (A+B+C+D+E)</b>	<b>5 Directors' report</b>	<b>1,068.5</b>	<b>1,164.1</b>
<b>Adjusted EBITA (in millions of Euros)</b>	<b>Note</b>	<b>30/06/2023</b>	<b>30/06/2024</b>
Consolidated profit/loss for the year	2 Directors' report	35.5	27.6
Non-controlling interests	2 Directors' report	7.7	8.2
Income taxes	2 Directors' report	50.5	33.4
Net finance expenses	2 Directors' report	39.6	60.2
PPE depreciation and impairment (excluding computer software)	2 Directors' report	18.4	17.5
<b>Adjusted EBITA</b>	<b>2 Directors' report</b>	<b>151.7</b>	<b>146.9</b>

<b>EBITDA (in millions of Euros)</b>	<b>Note</b>	<b>30/06/2023</b>	<b>30/06/2024</b>
Consolidated profit/loss for the year	2 Directors' report	35.5	27.6
Non-controlling interests	2 Directors' report	7.7	8.2
Income taxes	2 Directors' report	50.5	33.4
Net finance expenses	2 Directors' report	39.6	60.2
Total repayments and impairment (excluding impairment of plant, property and equipment)	2 Directors' report	110.4	126.3
<b>EBITDA</b>	<b>2 Directors' report</b>	<b>243.7</b>	<b>255.6</b>

<b>Adjusted EBITA margin (in millions of Euros)</b>	<b>Note</b>	<b>30/06/2023</b>	<b>30/06/2024</b>
Adjusted EBITA	2 Directors' report	151.7	146.9
Revenue	2 Directors' report	2,196.0	2,347.5
<b>Adjusted EBITA margin</b>	<b>2 Directors' report</b>	<b>6.9 %</b>	<b>6.3 %</b>

<b>Leverage ratio (in millions of Euros)</b>	<b>Note</b>	<b>31/12/2023</b>	<b>30/06/2024</b>
Net financial debt (A)		1,068.5	1,164.1
Plus: Lease liabilities (B)	11.4	131.0	150.6
<b>Total Net Financial Debt including lease liabilities (C=A+B)</b>		<b>1,199.5</b>	<b>1,314.7</b>
Equity (D)	16	717.5	842.1
<b>Total capital (E=C+D)</b>		<b>1,917.0</b>	<b>2,156.8</b>
<b>Leverage ratio (C/E)</b>	<b>5 Directors' report</b>	<b>62.6 %</b>	<b>61.0 %</b>

<b>Ratio of net financial debt to equity (in millions of Euros)</b>	<b>Note</b>	<b>31/12/2023</b>	<b>30/06/2024</b>
Equity (A)	16	717.5	842.1
Net financial debt including lease liabilities (B)		1,199.5	1,314.7
<b>Ratio of net financial debt to shareholder equity (B/A)</b>	<b>5 Directors' report</b>	<b>1.67</b>	<b>1.56</b>

<b>Ratio of net financial debt to EBITDA (in millions of Euros)</b>	<b>Note</b>	<b>31/12/2023</b>	<b>30/06/2024</b>
Last Twelve Months EBITDA (A)		458.9	470.8
Net financial debt including lease liabilities (B)		1,199.5	1,314.7
<b>Ratio of net financial debt to EBITDA (S/A)</b>	<b>5 Directors' report</b>	<b>2.61</b>	<b>2.79</b>

## 9. Subsequent events

In accordance with the AIAF Commercial paper notes program formalized in June 2024, on 16 and 17 July 2024, Prosegur has completed four issues with the following characteristics:

- EUR 15,000 thousand, settlement on 19 July 2024, maturing on 4 November 2024, with an interest rate of 3.92%;
- EUR 5,200 thousand, settlement on 19 July 2024, maturing on 3 February 2025, with an interest rate of 3.88%;
- EUR 15,000 thousand, settlement on 22 July 2024, maturing on 1 October 2024, with an interest rate of 3.93%;
- EUR 15,000 thousand, settlement on 22 July 2024, maturing on 2 December 2024, with an interest rate of 3.90%.

## STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL REPORT OF THE FIRST HALF OF 2024

The members of the Board of Directors of Prosegur Compañía de Seguridad, S.A. state, to the best of their knowledge, that the financial information selected from Prosegur Compañía de Seguridad, S.A., as well as the condensed interim consolidated financial statements of Prosegur Compañía de Seguridad, S.A. and its subsidiaries, for the first half of 2024, drawn up by the Board of Directors, at its meeting of 24 July 2024, and prepared in accordance with the applicable accounting principles, provide a true and fair view of the assets, financial position and the profit/loss of Prosegur Compañía de Seguridad, S.A., as well as of the subsidiaries included in the consolidation scope, taken as a whole, and that the respective directors' interim reports include a reliable analysis of the information required.

Madrid, 24 July 2024

Ms Helena Revoredo Delvecchio  
President

Mr Rodrigo Zulueta Galilea  
Director

Mr Christian Gut Revoredo  
Vice President and CEO

Ms Isela Costantini  
Director

Ms Chantal Gut Revoredo  
Director

Ms Natalia Gamero del Castillo Calleja  
Director

Mr Fernando Vives Ruiz  
Director

Mr Pedro Guerrero Guerrero  
Director

Mr Fernando D'Ornellas Silva  
Director

Proceeding to record that the Board of Directors of Prosegur Compañía de Seguridad, S.A. in the meeting held in Madrid on 24 July 2024 has drawn up the Half-Yearly Financial Report for the first half of 2024, consisting of the following documents: the individual financial information selected, the consolidated financial information selected, the condensed interim consolidated financial statements and the Directors' interim report of Prosegur Compañía de Seguridad, S.A. and its subsidiaries, and the statement of responsibility of the Directors, all corresponding to the first half of 2024, documentation which has been drawn up unanimously (by all the attending directors) by the Board of Directors of the Company, in accordance with the provisions of article 35 of Act 24/1988, of 29 July, on the Securities Market, in the meeting held on this date.

The aforementioned documents, which are presented in a single body, are transcribed in the preceding pages numbered consecutively, written only on their front and all signed purely for identification purposes by the Secretary of the Board of Directors, with the Company's seal.

The statements of responsibility on its content have been signed by the directors of Prosegur Compañía de Seguridad, S.A.

And all of which as secretary of the Board of Directors, I attest to, in Madrid on 24 July 2024.

Signed: Mr Antonio Rubio Merino

(Non-Director Secretary)

