Audit Report on Annual Accounts
issued by an Independent Auditor

PROSEGUR CASH, S.A.
Annual Accounts and Director' Report
for the year ended
December 31, 2023

Building a better
working world

Ernst & Young, S.L.
Calle de Raimundo Fernández Villaverde, 65
28003 Madrid

Tel: 902 365 456
Fax: 915 727 238
ey.com

AUDIT REPORT ON ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and annual accounts originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of PROSEGUR CASH, S.A.:

Report on the annual accounts

Opinion

We have audited the annual accounts of PROSEGUR CASH, S.A. (the Company), which comprise the balance sheet as at December 31, 2023, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Company as at December 31, 2023 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2 to the accompanying annual accounts) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the annual accounts in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of long-term investments in group and associated companies

Description	As at December 31, 2023, the Company has recognized in non-current assets, investments in group companies and associates amounting to 1,587 million euros, representing 93% of total assets. The Company assess, at least once a year, the existence of impairment indicators and performs the necessary valuation adjustments whenever there is objective evidence that the carrying amount of an investment will not be recoverable, being the amount of the adjustment, the difference between its carrying amount and the recoverable amount determined considering the value in use. The determination of the recoverable amount requires complex estimations, which entails the application of judgements in establishing the assumptions considered by Company Management in relation to those estimates. We have considered this a key audit matter due to the significance of the amounts involved, and the inherent complexity of the estimation process in determining the recoverable amount of these investments. Disclosures for the recognition and valuation criteria as well as the main assumptions used by Company Management in determining the impairment losses on long-term investments in group companies and associates, is included in Notes 9 and 27.3 of the accompanying annual accounts.
Our Response	In relation to this area, our audit procedures included, among others, the following: ▶ Understand the process established by Company Management to determine impairment of the losses on long-term investments in group companies and associates and assessment of the design and implementation of relevant controls established in the process. ▶ Assessment of the analysis of impairment indicators of the long-term investments in group companies and associates carried out by Company's Management. ▶ Review of the models used by Company's Management, in collaboration with our valuation specialists, encompassing its mathematical coherence, reasonableness of the projected cash flows, discount and long-term growth rates, as well as the consistency of these models with the business plans approved by the Company's governing bodies. Throughout the performance of our work, we held interviews with those responsible for the preparation of the models and using renowned external sources and other available information to contrast the data. ▶ Review of the sensitivity analysis performed by Company's Management regarding the estimates performed in determining the recoverable amount in the event of changes in the relevant assumptions considered. ▶ Review disclosures included in the annual accounts in accordance with the applicable financial reporting framework.

Other information: director's report

Other information refers exclusively to the 2023 directors' report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the directors' report. Our responsibility for the directors' report, in conformity with prevailing audit regulations in Spain, entails:

a. Checking only that the non-financial information, certain information included in the Annual Corporate Governance Report and the Annual Report on Remuneration of Directors, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.

b. Assessing and reporting on the consistency of the remaining information included in the directors' report with the annual accounts, based on the knowledge of the entity obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the directors' report is consistent with that provided in the 2023 annual accounts and its content and presentation are in conformity with applicable regulations.

Responsibilities of the directors and the audit committee for the annual accounts

The directors are responsible for the preparation of the accompanying annual accounts so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, identified in Note 2.a) to the accompanying annual accounts, and for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

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

The audit committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the Company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee of the Company, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital file of the European single electronic format (ESEF) of PROSEGUR CASH, S.A. for the 2023 financial year, consisting of an XHTML file containing the annual accounts for the year, which will form part of the annual financial report.

The directors of PROSEGUR CASH, S.A. are responsible for submitting the annual financial report for the 2022 financial year, in accordance with the formatting requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this regard, the Annual Corporate Governance Report and the Annual Report on Remuneration of Directors have been included by reference in the directors' report.

Our responsibility consists of examining the digital file prepared by the directors of the Company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the annual accounts included in the aforementioned digital file correspond in their entirety to those of the annual accounts that we have audited, and whether the annual accounts and the aforementioned file have been formatted, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital file examined corresponds in its entirety to the audited annual accounts, which are presented, in all material respects, in accordance with the ESEF Regulation.

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee of the company on February 28, 2024.

Term of engagement

The ordinary general shareholders' meeting held on June 6, 2023, appointed us as auditors for four years, commencing on December 31, 2023.

Previously, we were appointed as auditors by the shareholders for three years and we have been carrying out the audit of the financial statements continuously since December 31, 2020.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under Nº S0530)

(Signed on the original version in Spanish)

____
David Ruiz-Roso Moyano
(Registered in the Official Register of
Auditors under Nº 18336)

February 28, 2024

PROSEGUR CASH

Annual Accounts and Directors' Report at 31 December 2023

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

Prosegur Cash, S.A.

Table of contents

I. PROFIT AND LOSS ACCOUNT FOR THE YEARS ENDED AT 31 DECEMBER 2023 AND 2022

(Expressed in thousands of EUR)

	Note	2023	2022
Net turnover	**3**	**90,383**	**70,052**
Dividend received		74,429	58,068
Loan interest income		3,875	1,936
Provision of services		12,079	10,048
Works carried out by the Company for assets		**334**	**—**
Supplies		**(2)**	**(2)**
Consumption of raw materials and other consumables		(2)	(2)
Other operating income		**125**	**405**
Non-core and other operating revenues		125	405
Personnel Expenses	**3**	**(10,730)**	**(10,295)**
Wages, salaries and similar charges		(9,353)	(9,272)
Social security obligations		(1,377)	(1,023)
Other operating expenses		**(16,999)**	**(16,262)**
External services	**3**	(14,315)	(13,255)
Taxes		(357)	(940)
Other ordinary expenses	**3**	(2,327)	(2,067)
Fixed assets deterioration	**7 and 8**	**(2,574)**	**(3,101)**
Impairment and profit/loss for disposal of fixed assets		**(70)**	**(87)**
Profit/(losses) on disposals and other operations	**7**	(70)	(87)
Impairment and profit/(losses) on disposal of financial instruments	**9**	**(27,468)**	**(51,393)**
Impairments and Losses		(27,777)	(51,384)
Profit/(losses) on disposals and other operations		309	(9)
Other profit/loss	**3**	**(8,300)**	**442**
OPERATING PROFIT/LOSS		**24,699**	**(10,241)**
Financial income	**4**	**60**	**99**
Negotiable securities and other financial instruments		60	99
Financial expense	**4**	**(47,069)**	**(22,744)**
From payables to Group companies and associates		(20,905)	(5,767)
From payables to third parties		(26,164)	(16,977)
Exchange differences	**4**	**(1,118)**	**(12,450)**
FINANCE PROFIT/LOSS		**(48,127)**	**(35,095)**
PROFIT/LOSS BEFORE TAX		**(23,428)**	**(45,336)**
Income tax	**16**	13,655	9,847
PROFIT/LOSS FOR THE YEAR	**5**	**(9,773)**	**(35,489)**

The accompanying notes form an integral part of the Annual Accounts for 2023.

II. BALANCE SHEET AT 31 DECEMBER 2023 AND 2022

(Expressed in thousands of EUR)

ASSETS	Note	2023	2022
NON-CURRENT ASSETS		**1,600,879**	**1,580,264**
Intangible assets	**7**	**10,833**	**8,592**
Patents, licences, trademarks and others		176	152
Computer software		8,540	4,633
Other intangible assets		2,117	3,807
Property, plant and equipment	**8**	**1,763**	**1,878**
Technical facilities and other property, plant and equipment		1,758	1,874
Work in progress and advances		5	4
Long-term investments in Group companies and associates		**1,586,701**	**1,567,872**
Equity instrument	**9**	1,584,701	1,567,872
Loans to companies	**10 and 19**	2,000	—
Long-term financial investments	**10**	**86**	**687**
Loans to third parties		—	601
Other financial assets		86	86
Deferred tax assets	**16**	**1,496**	**1,235**
CURRENT ASSETS		**111,560**	**170,286**
Trade and other receivables		**36,564**	**42,049**
Clients, Group companies and associates	**10 and 19**	25,773	33,796
Miscellaneous receivables	**10**	305	627
Public entities, other receivables	**16**	10,486	7,626
Short-term investments in Group companies and associates		**68,414**	**115,769**
Loans to companies	**10 and 19**	42,234	69,985
Other financial assets	**10 and 19**	26,180	45,784
Short-term financial investments	**10**	**1,143**	**—**
Loans to third parties		1,143	—
Short-term deferrals		**830**	**660**
Cash and cash equivalents	**12**	**4,609**	**11,808**
Cash and other cash equivalents		4,609	11,808
TOTAL ASSETS		**1,712,439**	**1,750,550**

The accompanying notes form an integral part of the Annual Accounts for 2023.

NET EQUITY AND LIABILITIES	Note	2023	2022
EQUITY		**276,755**	**295,506**
Shareholders' equity		**276,755**	**295,506**
Subscribed capital	**13**	**30,459**	**30,459**
Registered capital		30,459	30,459
Share premium	**13**	**33,134**	**33,134**
Reserves	**13**	**294,396**	**293,276**
Legal and statutory reserves		6,178	6,178
Other reserves		288,218	287,098
(Own shares and equity holdings)	**13**	**(35,972)**	**(25,874)**
Previous years' profit/loss		**(35,489)**	**—**
(Previous years' losses)		(35,489)	—
Profit/loss for the year	**5**	**(9,773)**	**(35,489)**
NON-CURRENT LIABILITIES		**1,054,413**	**1,096,556**
Non-current provisions	**20**	**3,875**	**3,221**
Obligations for long-term personnel benefits		3,507	2,521
Other provisions		368	700
Long-term debts	**14**	**763,997**	**757,177**
Debentures and other negotiable securities		597,023	597,023
Bank borrowings		125,000	100,000
Other financial liabilities		41,974	60,154
Long-term payables to Group companies and associates	**14 and 19**	**283,826**	**333,658**
Deferred tax liabilities	**16**	**2,715**	**2,500**
CURRENT LIABILITIES		**381,271**	**358,488**
Short-term debts	**14**	**163,920**	**115,411**
Debentures and other negotiable securities		8,629	7,760
Bank borrowings		83,449	71,070
Other financial liabilities		71,842	36,581
Short-term payables to Group companies and associates	**14 and 19**	**182,898**	**221,407**
Trade and other payables		**34,453**	**21,670**
Suppliers	**14**	8	24
Suppliers, Group companies and associates	**14 and 19**	27,137	12,161
Sundry accounts payable	**14**	4,643	6,535
Personnel (salaries payable)	**14**	1,894	1,539
Public entities, other payables	**16**	771	1,411
TOTAL EQUITY AND LIABILITIES		**1,712,439**	**1,750,550**

The accompanying notes form an integral part of the Annual Accounts for 2023.

III. STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

A) STATEMENT OF RECOGNISED INCOME AND EXPENSE

(Expressed in thousands of EUR)

	Note	2023	2022
Profit/(losses) in the income statement	5	(9,773)	(35,489)
Total comprehensive income and expenses		**(9,773)**	**(35,489)**

The accompanying notes form an integral part of the Annual Accounts for 2023.

B) STATEMENT OF TOTAL CHANGES IN EQUITY

(Expressed in thousands of EUR)

	Share capital Subscribed (Note 13)	Share premium (Note 13)	Reserves (Note 13)	(Own shares and equity holdings) (Note 13)	Loss carryforwards from previous years (Note 13)	Profit/loss for the year (Note 5)	(Interim dividend) (Note 5)	Other net equity instruments (Note 13)	TOTAL
BALANCE AT YEAR END 2021	**30,459**	**33,134**	**270,792**	**(14,282)**	**—**	**33,600**	**(30,002)**	**1,743**	**325,444**
Total comprehensive income and expenses	**—**	**—**	**—**	**—**	**—**	**(35,489)**	**—**	**—**	**(35,489)**
Operations with partners or owners	**—**	**—**	**21,200**	**(13,824)**	**—**	**(33,600)**	**30,002**	**—**	**3,778**
(-) Dividend distribution	—	—	(40,053)	—	—	—	—	—	(40,053)
Operations with own stocks or shares (net)	—	—	—	(13,824)	—	—	—	—	(13,824)
Distribution of profit	—	—	3,598	—	—	(33,600)	30,002	—	—
Increase (decrease) of equity resulting from a business combination (Note 6)	—	—	57,655	—	—	—	—	—	57,655
Other changes in equity.	**—**	—	**1,284**	**2,232**	**—**	**—**	**—**	**(1,743)**	**1,773**
Other changes	—	—	671	—	—	—	—	—	671
Employee share incentives	—	—	613	2,232	—	—	—	(1,743)	1,102
BALANCE AT YEAR END 2022	**30,459**	**33,134**	**293,276**	**(25,874)**	**—**	**(35,489)**	**—**	**—**	**295,506**
Total comprehensive income and expenses	**—**	**—**	**—**	**—**	**—**	**(9,773)**	**—**	**—**	**(9,773)**
Operations with partners or owners	**—**	**—**	**—**	**(10,172)**	**(35,489)**	**35,489**	**—**	**—**	**(10,172)**
Operations with own stocks or shares (net)	—	—	—	(10,172)	—	—	—	—	(10,172)
Distribution of profit	—	—	—	—	(35,489)	35,489	—	—	—
Other changes in equity	**—**	**—**	**1,120**	**74**	**—**	**—**	**—**	**—**	**1,194**
Other changes	—	—	1,120	74	—	—	—	—	1,194
BALANCE AT YEAR END 2023	**30,459**	**33,134**	**294,396**	**(35,972)**	**(35,489)**	**(9,773)**	**—**	**—**	**276,755**

The accompanying notes form an integral part of the Annual Accounts for 2023.

IV. STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Pre-tax financial year profit		**(23,428)**	**(45,336)**
Adjustments made to profit/loss		**13.073**	**31.723**
Fixed assets depreciation (+)	7	2.574	3.101
Change in provisions (+/-)		963	115
Results from fixed asset disposals and sale	7	70	87
Results from disposal and sale of financial instruments (+/-)	9	24.359	51.393
Financial income (-)	4	(60)	(99)
Dividend received (-)	3	(74.429)	(58.068)
Financial expenses (+)	4	47.069	22.744
Exchange differences (+/-)	4	1.118	12.450
Other income and expenses (-/+)	3	11.409	—
Changes in current capital		**71.288**	**189.903**
Clients and other receivables (+/-)		9.543	(41.893)
Other current assets (+/-)		46.611	217.777
Trade and other payables (+/-)		14.023	12.729
Other non-current assets and liabilities (+/-)		1.112	1.290
Other cash flows from operating activities		**78.369**	**55.547**
Interest payments (-)		(5.733)	(1.574)
Dividend collection (+)	3	74.429	57.208
Interest received (+)		18	71
Income tax received/(paid) (+/-)		9.655	—
Other payments (receipts) (+/-)		—	(158)
Cash flows from operating activities		**139,303**	**231,837**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for investments (-)		**(41.598)**	**(128.307)**
Group companies and associates		(36.624)	(124.120)
Intangible assets	7	(4.745)	(4.029)
Property, plant and equipment	8	(229)	(158)
Collections from disposal of investments (+)		**10.760**	**3.884**
Group companies and associates		10.556	—
Intangible assets	7	204	—
Other financial assets		—	3.884
Cash flows from investing activities		**(30,838)**	**(124,423)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Collections and payments for equity instruments	13	**(10.098)**	**(11.592)**
Purchases of equity instruments (-)		(10,098)	(11,592)
Collections and payments for liability instruments		**(66,658)**	**(65,618)**
Issue		**24.822**	**182.602**
Debentures and similar securities (+)		—	868
Bank borrowings (+)		24.822	122.257
Other payables (+)		—	59.477
Repayment and amortisation of		**(91.480)**	**(248.220)**
Debentures and similar securities (-)		(8.250)	—
Loans to Group companies and associates (-)		(69.353)	(248.220)
Other payables (-)		(13.877)	—
Dividends payable and remunerations from other equity instruments		**(38,908)**	**(29,391)**
Dividends (-)		(38.908)	(29.391)
Cash flows from financing activities		**(115,664)**	**(106,601)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(7,199)**	**813**
Cash and equivalents at the beginning of the year	12	11,808	9,973
Additions for business combinations (+)	6	—	1,022
Cash and equivalents at the end of the year	12	4.609	11.808

The accompanying notes form an integral part of the Annual Accounts for 2023.

V. NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

Prosegur Cash, S.A., (hereinafter, the Company or Prosegur Cash) is a company belonging to the Prosegur Group. It is the parent Company of a Group of companies in accordance with current legislation (hereinafter the Prosegur Cash Group). The registered offices of Prosegur Cash, S.A. are at Calle Santa Sabina number 8, Madrid (Spain). It was incorporated on 22 February 2016 and is registered in the Mercantile Register of Madrid, in volume 34,442, page 34, section 8, page number M-619528, entry 1.

The Company is a subsidiary controlled by the Spanish company Prosegur Compañía de Seguridad, S.A. (hereinafter, Prosegur), which at 31 December 2023, owns 79.42% of its shares, consolidating both the Company and its subsidiaries in its financial statements (hereinafter, Prosegur Group). On 4 May 2022, Prosegur Assets Management, S.L. dissolved and wound up, transferring 21.98% of the shares held by the Company to the Sole Shareholder (Prosegur).

On 17 March 2017, the Company shares began trading at EUR 2 per share in the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia via the Spanish Stock Exchange Interconnection System (SIBE). On 7 April 2017, the Green Shoe period of the stock market flotation ended, and the free float attained 27.50% of the share capital of the Company.

The corporate purpose is described in Article 2 of its Articles of Association and is the following:

Provision of securities logistics and cash management services, including the following activities:

1. National and international transport services (by land, sea and air) of funds and other valuables (including jewellery, artworks, precious metals, electronic devices, voting ballots, legal evidence), including collection, transport, custody and deposit services;

2. Processing and automation of cash (including counting, processing and packaging, as well as coin recycling, cash flow control and monitoring systems);

3. Comprehensive ATM solutions (including planning, loading, monitoring, first- and second-tier maintenance and balancing);

4. Cash planning and forecasting for financial institutions;

5. Self-service cash machines – smart cash (including cash deposits, recycling services and dispensing of bank notes and coins, and payment of invoices); and

The activities comprising the corporate purpose can also be performed indirectly by the Company, by means of the shareholding in other companies of an identical or similar corporate purpose. The main activity of the Company in 2023 corresponds to that of the group company holding, with its income coming from group companies, mainly relating to dividends and services.

The Company's statutory activity does not include activities expressly restricted by law to entities that comply with special requirements not met by the Company, particularly financial brokerage activities that are restricted by financial legislation governing collective investment undertakings and the securities market law and supplementary provisions applicable to collective investment undertakings.

In accordance with generally accepted accounting standards, consolidated Annual Accounts must be prepared to present fairly the financial position of the Group Prosegur Cash, the results of operations and changes in its equity and cash flows.

The Directors prepare the Consolidated Annual Accounts of the Group Prosegur Cash, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and approved by the European Commission Regulations in force at 31 December 2023. The consolidated Annual Accounts were drawn up by the Board of Directors, together with these Individual Annual Accounts, on 26 February 2024 and are pending approval by the shareholders at their general meeting, after which they will be filed at the Companies Register of Madrid.

The Consolidated Annual Accounts of Prosegur Cash, S.A. and its subsidiaries for 2023 present consolidated profit of EUR 62,835 thousand (EUR 94,197 thousand in 2022) and consolidated equity of EUR 154,142 thousand (EUR 148,124 thousand in 2022).

2. Basis for Presentation

a) Fair image

The annual accounts were prepared on the basis of the Company's accounting records and are submitted in accordance with commercial regulations in force and the Spanish General Chart of Accounts, approved by Spanish Royal Decree 1514/2007, of 16 November, which has been the subject of several amendments, the last of which was Spanish Royal Decree 1/2021, of 12 January, and its implementing legislation, together with all other commercial regulations in force.

b) Comparative information

For comparative purposes and for each item in the balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the Annual Accounts, in addition to the figures for financial year 2023, the Annual Accounts show those pertaining to the previous year, those of 2022, approved by the Shareholders General Meeting at 6 June 2023.

c) Functional currency

The figures disclosed in the Annual Accounts are expressed in thousands of EUR, the Company's functional and presentation currency.

d) Going concern

As of 31 December 2023, the Company has a negative working capital of EUR 269,711 thousand (EUR 188,202 thousand negative working capital at 31 December 2022). As indicated in Note 1, the Company is the parent of the Prosegur Cash Group and has the capacity to generate future cash flows via the management of its subsidiaries' dividends. Additionally, as of 31 December 2023, the Group presents a consolidated result attributable to Prosegur Cash, S.A. as Parent Company of EUR 62,933 thousand (EUR 94,389 thousand at 31 December 2022). Finally, as indicated in Notes 20 and 23 of the Consolidated Annual Accounts of the Prosegur Cash Group, at 31 December 2023, the Group companies had available treasury of EUR 248,801 thousand and had been granted undrawn additional financing of EUR 293,690 thousand (EUR 315,648 thousand and EUR 331,998 thousand as of 31 December 2022, respectively).

Taking these facts into consideration, the Company's Directors have prepared these Annual Accounts on the ongoing management principle.

e) Critical issues regarding the valuation and estimation of relevant uncertainties

Preparation of the Annual Accounts requires the Company to make certain estimates and judgements concerning the future. These are evaluated constantly and based on historical experience and other factors, including expectations of future events that are considered reasonable under certain circumstances.

Although estimates are calculated by the Company's Directors based on the best information available at year end, future events may require changes to these estimates in subsequent years. Any effect on the balance sheet of adjustments to be made in subsequent years would be recognised prospectively.

The estimates and judgements that present significant risk of a material adjustment to the carrying amounts of assets and liabilities in the subsequent reporting period are as follows:

Investments in Group companies

The Company carries out impairment testing on investments made in subsidiaries if there is any proof of value impairment. The calculation of impairment involves the comparison of the carrying amount of the investment with its recovery value, this being understood as the higher fair value less cost of sale and value in use. The Company generally uses cash flow discounting methods to calculate these values. Discounted cash flow calculations are based on four-year projections of the budgets approved by Management. The cash flows take into account past experience and represent Management's best estimate of future market performance. Cash flows as of four years are extrapolated using individual growth rates. The key assumptions to determine the fair value less cost of sale and value in use include growth rates, average weighted rate of capital and tax rates.

The amount recoverable from shareholdings in companies of the Group is determined on the basis of the type of activity to which the Group's investee company belongs.

The amount recoverable from the companies belonging to the Cash business is calculated by its value in use.

Value in use as a method for calculation:

The key operating assumptions used to calculate value in use for the companies belonging to the rest of the activities are based on Prosegur Cash Group budgets for the following year and on the strategic plan for subsequent years. Both the budget and the plan are approved by Management and calculated on the basis of past years' experience, adjusting for any deviations in previous years. The current Strategic Plan covers 2024 to 2033 period. Projections of both gross profit/loss and sales, on which the calculation of value in use are based, are drawn up on the basis of each country's macroeconomic growth, as well as on profitability, geographical diversification and business plans, and the implementation of sustainable strategies, to optimise profit/loss and cash flows. Cash flows are discounted using a discount rate based on the weighted average cost of capital (WACC). The residual value of each company is generally calculated as perpetual income.

The years following the strategic plan have been estimated based on the trend of each CGU in recent years, the macroeconomic situation of each country and the efficiency plans implemented.

In 2023, all the geographies where Prosegur Cash conducts its operations have experienced solid growth in local currency terms in each country, mainly due to an inflationary macroeconomic situation that favours the cash management business, as well as to the continued strong pace of consumption and the good acceptance of the commercial and operational proposals offered by Prosegur Cash to its customers. This growth was also helped by positive developments in new products and the pass-through in trade flows of the impact of inflationary pressures.

Details are given below for the items proposed for calculating the value in use and the key assumptions considered:

- Revenue: revenue is estimated on the basis of growth by volume and price. Generally, growth by volume is based on the country's GDP and growth by price on inflation. For the years after the strategic plan, growth rates are estimated that range mainly between 1.86% and 10.13%, based on the price increase rate for each of the countries and each of the years and an estimated volume increase, except for those countries such as Argentina where the estimated price increase rate is around 300% for the 2024 and 49% for the rest of the years.

- Gross Profit/Loss: based on growth strategies with new products, on business diversification strategies and efficiency plans defined by the Cash Group, and on an optimisation of customer portfolios, applying a profitability analysis methodology aimed at establishing threshold margins, under which it is not considered to be viable to establish a commercial relationship with those clients. The Gross Margin is calculated as Prosegur Cash's total sales revenue less cost of sales, divided by total sales revenue, expressed as a percentage.

- EBITDA: based on the average optimisation costs obtained in the past. It is calculated using the net profit, before deducting interest, tax, depreciation and amortisation.

- CAPEX: based primarily on plans to renew the fleet in accordance with its age, and its fortified offices, as well as the acquisition of cash automation machines and other elements that will boost the new products business.

- Working capital: based on optimising DSO or average collection period for receivables. The projection is based on sales growth, in accordance with the DSO determined.

- Tax: Tax estimates are calculated in accordance with the effective tax rate in each country and the expected profit/l(loss) therein.

The macroeconomic estimates used are obtained from external information sources.

Determination of fair values

Certain Prosegur Cash accounting policies and details require the determination of fair values for assets and liabilities, financial as well as non-financial.

In determining the fair value of an asset or liability, Prosegur Cash uses observable market data to the greatest extent possible. Fair values are classified into different levels of fair value on the basis of the input data used in the valuation techniques, as follows:

- Level 1: quoted price (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If such input data that are used to measure the fair value of an asset or liability may be classified into different levels of fair value, the fair value measurement is classified in its entirety into the same level of fair value, corresponding to the significant input data level for the complete measurement presented by the lower Level.

Prosegur Cash recognises transfers among levels of fair value at the end of the period in which the change has taken place.

Climate change, sustainability and the environment

These individual annual accounts have been prepared taking into account the provisions of the informative document issued by the International Accounting Standards Board (IASB) in November 2020 and July 2023, which included information requirements in relation to climate change.

In this regard, the Company 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 Company 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 structure is completed by the Sustainability Committee and the Global Sustainability Department. The first, led by members of the Management Committee, defines objectives and action plans. And the second, reporting to the Senior Management, is a transversal department that coordinates and supervises the operation of all areas in environmental, social and corporate governance aspects.

The actions implemented over the last five years in these areas have focused, primarily, on strengthening the environmental responsibility of cash 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.

In terms of the environment, the Company is committed to reducing its emissions in both the medium and long term. This is despite the fact that, as Cash'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.

The Company has a commitment to reduce its emissions in the medium and long term, for which it has defined main lines of action set out below:

– Approval by the Board of Directors of a Sustainability Policy, 27 October 2021, and an Environmental Policy, 27 April 2021.

– Approval by the Board of Directors, at its meeting on 27 April 2021, of the 2021-2023 Sustainability Master Plan, which includes targets and specific actions for the transition to a circular economy, waste reduction and accelerated decarbonisation. In this sense, the Cash Group is increasing supplies of clean energy and energy optimisation, and is adapting its plant, property and equipment with others of low emissions.

- Development of a specific project to analyse potential risks and opportunities arising from climate change. This examination was made under the greenhouse gas emissions scenario and in different time periods, in accordance with the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosures).

- 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.

In accordance with the regulatory obligations set out in the so-called “European Green Taxonomy”, the Company 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.

Furthermore, the Management believes that, as a consequence of the development of this commitment, with the analysis carried out to date:

- 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.

Geopolitical uncertainties

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 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 to the Red Sea, has contributed to further delaying expectations of normalisation of inflation and interest rates and has created a volatile supply chain environment.

Despite this background of uncertainty, the impact on the Company’s financial statements has not been significant.

- The Company has no direct exposure to the geographical areas of conflict described, as it does not operate in these territories. Likewise, the acquisitions made by the Company on the Asian continent are not significant.

- Inflationary impacts continue to be offset by trade flow, passing on the increase in labour costs to clients on a more recurring basis.

– The impact of interest rate increases is being partially mitigated by the Company's financing structure, which includes fixed-rate debt due to the Company's issuance of uncovered bonds in December 2017.

Economic instability in Argentina

Argentina has a long history of political and economic instability, with 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 tax deficit and a strict exchange rate depreciation.

Against this background, annual inflation is expected to rise significantly over the coming months.

Considering the aforementioned constantly changing scenarios and the fact that it is difficult to predict to what extent and for how long the different conflicts will continue to be active and how the economic situation in Argentina will evolve, the Company continues to constantly monitor macroeconomic and business variables in order to have the best estimate of the potential associated impacts.

3. Income and Expenses

a) Net turnover

Details of net turnover by category of activity and geographical area are as follows:

	Thousands of Euros							
	National		**Rest of Europe**		**Rest of the world**		**Total**	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Group companies and associates								
- Dividends received	2,050	4,802	52,100	41,100	20,279	12,166	74,429	58,068
- Loan interest income	968	837	1,955	642	952	457	3,875	1,936
- Provision of services	—	—	1,746	—	10,333	10,048	12,079	10,048
Total	**3,018**	**5,639**	**55,801**	**41,742**	**31,564**	**22,671**	**90,383**	**70,052**

Dividend income and loan interest received were considered under this category, taking into account the condition of the holding company (Note 1).

In the provision of services, income and expenses corresponding to centralised services and trademark assignment services were considered.

b) Wages, salaries and similar charges

The breakdown of personnel expenses in 2023 and 2022 is as follows:

	Thousands of Euros	
	2023	2022
Wages and salaries	9,353	9,272
Social security obligations	1,377	1,023
Total	**10,730**	**10,295**

The accrual of the long-term incentive associated with the 18-20 Plan, 21-23 Plan (Note 20) and the Retention Plan for the Executive President, Managing Director and the Management of Cash Group (Notes 20 and 13) is included under the heading on wages and salaries.

During 2023, the total impact of the incentives on the income statement reached a greater expense of EUR 3,507 thousand (EUR 2,505 thousand in 2022).

The breakdown of Social security obligations in 2023 and 2022 are as follows:

	Thousands of Euros	
	2023	2022
Social Security payable by the Company	1,110	824
Other employee benefits expenses	267	199
Total	**1,377**	**1,023**

c) External services

The breakdown of external services in 2023 and 2022 is as follows:

	Thousands of Euros	
	2023	2022
Leases and levies	484	540
Repairs and conservation	2,399	1,655
Independent professional services	9,849	10,329
Banking and similar services	491	62
Advertising, publicity and public relations	71	127
Supplies and others	394	278
Other services	627	264
Total	**14,315**	**13,255**

The maintenance expense of the Company's software is included under Other repairs and conservation.

The category of Independent professional services mainly includes the expenses for services of identification and capture of business opportunities, as well as IT technical assistance for the implementation of the new enterprise resource planning (ERP) platform.

d) Other ordinary expenses

At 31 December 2023, the amount recorded under “Other current operating expenses” is EUR 2,327 thousand (EUR 2,067 thousand at 31 December 2022), which mainly correspond to contributions made to Foundations and other ordinary expenses.

e) Impairment and profit/loss for disposal of fixed assets

In 2023, disposals took place under 'other intangible fixed assets' that involved a loss of EUR 70 thousand (Note 7) (EUR 87 thousand in 2022 in the technical facilities and other property, plant and equipment).

f) Other profit/loss

In 2023, the heading "Other profit/loss" includes the losses from the recognition of deferred payments, corresponding to the business combination carried out in 2021 in Uruguay, whereby the company Nummi, S.A. was acquired.

The contingent consideration was recorded on the basis of estimated business plans, which included estimated operating results that were lower than those ultimately attained. As a result, the Company recorded a loss of EUR 11,409 thousand and a liability recognised under Other financial liabilities (Note 14).

In addition, the Company recorded the reversal of the impairment recognised in prior years in respect of the investee Cash Centroamérica DOS, S.L., based on the impairment indicators (Note 9), in an amount of EUR 3,109 thousand.

4. Net Finance profit/loss

The breakdown of financial income and expenses in 2023 and 2022 is as follows:

	Thousands of Euros	
	2023	**2022**
Financial income	**60**	**99**
Third parties	60	99
Financial expense	**(47,069)**	**(22,744)**
From payables to Group companies and associates (Note 19)	(20,905)	(5,767)
From payables to third parties	(26,164)	(16,977)
Exchange differences	**(1,118)**	**(12,450)**
Net Finance profit/loss	**(48,127)**	**(35,095)**

The item from which the exchange difference comes is as follows:

	Thousands of Euros	
	2023	**2022**
Loans to Group companies and associates	(1,118)	(12,450)
	(1,118)	**(12,450)**

- **Exchange differences**

The main exchange differences items are the following:

	Currency	Thousands of Euros 2023	Thousands of Euros 2022
Current accounts	US Dollar	(565)	(15)
Current accounts with Group companies	US Dollar	15,509	(1)
Other financial liabilities	US Dollar	(15,585)	127
Loans to Group company	US Dollar	—	138
Suppliers	US Dollar	(28)	(44)
Group company acquisition	US Dollar	—	(20)
Dividends	US Dollar	51	
Current accounts	Peruvian Sol	—	17
Current accounts with Group companies	Peruvian Sol	4,124	—
Loans to Group company	Peruvian Sol	(4,069)	(6,882)
Suppliers	Peruvian Sol	(62)	(8)
Group suppliers	Peruvian Sol	—	(66)
Current accounts	Australian Dollar	(1)	(305)
Current accounts with Group companies	Australian Dollar	338	(409)
Other financial liabilities	Australian Dollar	(634)	159
Loans to Group company	Australian Dollar	1	—
Suppliers	Australian Dollar	(8)	(24)
Current accounts with Group companies	Colombian Peso	13	(1)
Other financial liabilities	Colombian Peso	(159)	92
Suppliers	Colombian Peso	(1)	2
Dividends	Colombian Peso	5	—
Loans to Group company	Philippine Peso	7	15
Suppliers	Philippine Peso	(18)	(5)
Current accounts	Argentine Peso	2	3
Current accounts with Group companies	Argentine Peso	264	133
Merger E64	Argentine Peso		62
Other financial liabilities	Argentine Peso	(120)	10
Suppliers	Argentine Peso	19	(102)
Group suppliers	Argentine Peso	(23)	(121)
Current accounts	Pound	—	(806)
Current accounts with Group companies	Pound	515	(385)
Other financial liabilities	Pound	(1,094)	2,877
Loans to Group company	Pound	(62)	166
Suppliers	Pound	—	—
Dividends	Uruguayan Peso	(23)	(16)
Other financial liabilities	Uruguayan Peso	(1,950)	(6,623)
Current accounts with Group companies	Uruguayan Peso	2,464	—
Suppliers	Brazilian Real	—	(137)
Dividends	Chilean Peso	—	(225)
Current accounts with Group companies	Guatemalan Quetzal	81	(56)
Other financial liabilities	Guatemalan Quetzal	(109)	—
		(1,118)	**(12,450)**

5. Profit/loss for the year

a) Distribution of profit proposal

On the date these annual accounts are authorised for issue, the Boards of Directors will propose to the Shareholders General Meeting that profit/loss for the year be distributed as follows:

	Thousands of Euros	
	2023	**2022**
Basis of allocation		
Profit and losses	(9,773)	(35,489)
Total	**(9,773)**	**(35,489)**
Distribution (Application)		
To loss carryforwards from previous years	(9,773)	(35,489)
Total	**(9,773)**	**(35,489)**

In 2023 no distribution of dividends took place.

The Extraordinary General Shareholders Meeting held on 07 December 2022, and announced on 4 November 2022 by the various channels as indicated by law, resolved to distribute an ordinary dividend on account of unrestricted profits that the Company held at that date, at the price of EUR 0,0263 gross per share, which entails a maximum total dividend of EUR 40,053 thousand (considering that the Company's share capital at the date of this resolution was divided into 1,523 million shares). This dividend has been distributed to shareholders as four payments, in January, April, July and October 2023. Each payment is calculated as EUR 0.006575 per outstanding share at the payment date.

At 31 December 2022, there was an outstanding debt for dividends payable in 2022 in an amount of EUR 40,053 thousand, which is recorded under current liabilities in short-term payables in an amount of EUR 8,243 thousand and under payables to group companies and associates in an amount of EUR 31,810 thousand.

The maximum amount represented by own shares at each payment date, and therefore not distributed, will be transferred to voluntary reserves.

Nevertheless, if the number of shares changes , between two payment dates as a result of a share capital increase or reduction, the total maximum amount of the dividend at each payment date (EUR 10,013 thousand) should be divided by the new number of outstanding shares that corresponds following the aforementioned increase or reduction.

Since the distribution of dividends against unrestricted reserves is for 2022, the legal requirements for the Board to disclose the existence of liquidity to cover that distribution is not applicable.

b) Dividend distribution restrictions

Reserves and profit for the year are freely distributable except for the restrictions described in Note 13.

6. Business combination

No business combination took place in the year 2023.

On 21 April 2022 the merger resolution passed by the Board of Directors of the absorbing company was notarised, which was resolved on 19 April 2022 by the Board of Directors of Prosegur Cash, S.A. (absorbing company) and Prosegur Global CIT, S.L.U. (absorbed company) resolving the takeover merger by Prosegur Cash, S.A. by decision of the Board of Directors in the exercise of the powers of the General Meeting, with the transfer en bloc to the absorbing company of all assets and liabilities retroactively from 1 January 2022 for accounting and tax purposes, acquiring all rights and obligations of these by universal succession.

The absorbing Company was the 100% direct owner of the share capital of the absorbed company.

Under the provisions of Spanish Act 27/2014, of 27 November, on Corporate Income Tax in Chapter VII of Title VII, the aforementioned merger transaction was implemented under the tax deferral of the “Special tax regime for mergers, de-mergers, asset contributions, security exchanges and change of registered office of one European Company or European Cooperative Society from one member State of the European Union to another”.

The carrying and tax value of the absorbed assets and liabilities retroactive from 1 January 2022 for accounting and tax purposes were as follows:

		Thousands of Euros
Assets		**2022**
	Non-current assets	**1,080,271**
	Intangible assets	78
	Investments in Group companies	1,080,130
	Deferred tax assets	63
	Current assets	**30,684**
	Trade and other receivables	16,010
	Investments in Group companies	13,620
	Accruals	32
	Cash and cash equivalents	1,022
	Total assets	**1,110,955**
Liabilities		
	Non-current liabilities	**2,482**
	Non-current provisions	196
	Deferred tax liabilities	2,286
	Current liabilities	**118,243**
	Short-term debts	1,598
	Debts with Group companies	109,245
	Trade and other payables	7,400
	Total liability	**120,725**
	Total net assets	**990,230**

The Company held an investment in the absorbed company prior to formalisation of the merger project in an amount of EUR 932,575 thousand, which represented a shareholding of 100%. As a result of the merger transaction, the Company recognised a merger reserve in the Statement of Total Changes in Equity in an amount of EUR 57,655 thousand (Note 9).

No assets were incorporated to accounting for a value different than the one appearing in the accounts of the transferring company prior to the transaction.

7. Intangible assets

The composition and movements in the accounts of intangible fixed assets were as follows:

	Thousands of Euros			
	Licences	**Computer software**	**Other intangible assets**	**Total**
Cost				
Balance at 1 January 2022	**2,563**	**15,555**	**5,668**	**23,786**
Additions	60	1,134	2,835	4,029
Write offs	—	—	(87)	(87)
Transfers	—	3,172	(3,172)	—
Balance at 31 December 2022	**2,623**	**19,861**	**5,244**	**27,728**
Additions	110	3,852	783	4,745
Write offs	—	—	(274)	(274)
Transfers	—	2,028	(2,028)	—
Balance at 31 December 2023	**2,733**	**25,741**	**3,725**	**32,199**
Depreciation and amortisation				
Balance at 1 January 2022	**(2,350)**	**(12,774)**	**(1,188)**	**(16,312)**
Depreciation and amortisation for the year	(121)	(2,454)	(171)	(2,746)
Transfers	—	—	(78)	(78)
Balance at 31 December 2022	**(2,471)**	**(15,228)**	**(1,437)**	**(19,136)**
Depreciation and amortisation for the year	(86)	(1,973)	(171)	(2,230)
Balance at 31 December 2023	**(2,557)**	**(17,201)**	**(1,608)**	**(21,366)**
Carrying amount				
At 31 December 2022	**152**	**4,633**	**3,807**	**8,592**
At 31 December 2023	**176**	**8,540**	**2,117**	**10,833**

a) Description of the main movements

The most significant additions and transfers of intangible assets in 2023 were mainly with:

- Computer software: The most significant additions and transfers correspond to computer applications such as Proyecto Evolutivo-22-SWITCHING-FECHA VALOR for EUR 700 thousand, Proyecto Evolutivo 22 Integración Dispositivos CASH for EUR 285 thousand, Desarrollo Evolutivo y Mantenimiento del CRM Comercial for EUR 478 thousand, Proyecto Evolutivo-22-GAP for EUR 190 thousand, Proyecto Evolutivo-22-QA CASH Innovación for EUR 178 thousand, Proyecto Evolutivo-22-Flujos de Negocio para la plataforma Innovación for EUR 134 thousand, Proyecto Evolutivo-22-APPS Móviles CASH for EUR 114 thousand, Proyecto - Miagenda-22 for EUR 141 thousand, Proyecto Newton Cash 2023 for EUR 106 thousand, Desarrollo Plataforma Global Cash Today Fase 2 for EUR 414 thousand, MS Dynamics Integración con sistemas Operacionales 2023 for EUR 261 thousand, Soporte Legado de España SIP2000 LVGE for EUR 260 thousand, Proyecto CASH 360 for EUR 480 thousand, Servicios Gianluigi Architect Oracle BRM H1 2023 for EUR 249 thousand, Proyecto Plataforma Mulesoft España 2023 for EUR 315 thousand, Proyecto Oficina de migración especial de contratos CASH Q123 for EUR 131 thousand; all others correspond to additions and adjustments on Application Developments or Projects and their implementation for EUR 1,444 thousand, together with software licence registrations for an amount of EUR 110 thousand.

- Other intangible assets: include intangible fixed assets in progress, mainly related to computer software and IT development projects among which we can mention the Implementation of the FOREX software in the amount of EUR 57 thousand, Migration of Sip2000 for EUR 16 thousand, Proyecto BRM-Global Template CASH for EUR 95 thousand, Desarrollo plataforma global Cash Today for EUR 15 thousand, Proyecto Mulesoft-Migración TIBCO for EUR 185 thousand, PRY-TSU-SOL and GENESIS-Interfases for EUR 37 thousand, Proyecto Activación META4 for EUR 84 thousand. All other additions and adjustments in progress correspond to Application Developments or Projects and their implementation in an amount of EUR 294 thousand.

The most significant additions and transfers of intangible assets in 2022 were mainly:

- Computer software: IT application additions and developments such as Proyecto Evolutivo-21-SWITCHING-FECHA VALOR in an amount of EUR 443 thousand, Proyecto Evolutivo 21 Integración Dispositivos CASH for EUR 434 thousand, Microsoft Dynamics CRM for EUR 425 thousand, Proyecto Evolutivo-21-GAP for EUR 372 thousand, Proyecto Evolutivo-21-QA CASH Innovación for EUR 287 thousand, Proyecto Evolutivo-21-Flujos de Negocio para la plataforma Innovación for EUR 242 thousand, Proyecto Evolutivo-21-APPS Móviles CASH for EUR 231 thousand, Proyecto-Miagencia-21 for EUR 205 thousand, Proyecto-Evol-21-Centros de Efectivo for EUR 183 thousand, PROY.CRM para Central de Atención a Cliente for EUR 170 thousand, Proyecto-Evol-21-DEVICE MANAGER for EUR 157 thousand. The rest of the additions correspond to the development of applications or projects and their implementations in an amount of EUR 1,152 thousand.

- Other intangible assets include intangible fixed assets in progress, mainly related to: IT applications and DTI development projects among which we can mention Proyecto-EVOL-22-SWITCHING-FECHA VAOR for EUR 377 thousand, FOREX implementation application for Exchange P.CASH for EUR 209 thousand, Proyecto Evolutivo-22-Integración Dispositivos CASH for EUR 285 thousand, Proyecto-MULESOFT-Migración TIBCO Procesos Innovación ATMs CASH for EUR 172 thousand, Proyecto-EVOL-22-GAP for EUR 186 thousand. The rest of the additions correspond to additions and adjustments to Developments of applications or Projects and their implementation for EUR 1,807 thousand.

In 2023, the most significant disposals of intangible assets correspond to disposals of cancelled Projects in progress for an amount of EUR 274 thousand (EUR 87 thousand in 2022).

b) Licences

Details of licences at year end are as follows:

Description and operation	Expiry date	Amortisation period	Depreciation and amortisation for the year	Cost	Accumulated amortisation	Carrying amount
			Thousands of Euros 2023			
Licences - Software	2017	1 years	—	172	172	—
Licences - Software	2021	4 years	—	1,670	1,670	—
Licences - Software	2022	4 years	—	410	410	—
Licences - Software	2023	4 years	38	193	193	—
Licences - Software	2024	4 years	30	118	94	24
Licences - Software	2026	4 years	15	60	15	45
Licences - Software	2027	4 years	3	110	3	107
			86	**2,733**	**2,557**	**176**

Description and operation	Expiry date	Amortisation period	Depreciation and amortisation for the year	Cost	Accumulated amortisation	Carrying amount
			Thousands of Euros 2022			
Licences - Software	2017	1 years	—	172	172	—
Licences - Software	2021	4 years	—	1,670	1,670	—
Licences - Software	2022	4 years	43	410	410	—
Licences - Software	2023	4 years	48	193	155	38
Licences - Software	2024	4 years	30	118	64	54
Licences - Software	2025	3 years	—	60	—	60
			121	**2,623**	**2,471**	**152**

c) Fully amortised intangible assets

The intangible assets fully amortised as of 31 December 2023 and 2022 are the following:

	Thousands of Euros 2023	2022
Computer software	15,419	12,565
Licences	2,446	2,252
Other intangible assets	491	491
	18,356	**15,308**

d) Other information

There were no purchases of intangible assets from Group companies in 2023 or 2022.

At 31 December 2023 and 2022 the Company has no intangible fixed assets subject to title restrictions or pledged as security for liabilities.

8. Property, plant and equipment

The composition and movements of the accounts of property, plant and equipment were as follows:

	Thousands of Euros				
	Technical installations and machinery	Other install., equipment and furniture	Other property, plant and equipment	Work in progress and advances	Total
Cost					
Balance at 1 January 2022	**106**	**2,130**	**988**	**4**	**3,228**
Additions	—	133	25		158
Balance at 31 December 2022	**106**	**2,263**	**1,013**	**4**	**3,386**
Additions	—	—	228	1	229
Balance at 31 December 2023	**106**	**2,263**	**1,241**	**5**	**3,615**
Depreciation and amortisation					
Balance at 1 January 2022	**(50)**	**(387)**	**(716)**	**—**	**(1,153)**
Depreciation and amortisation	(12)	(220)	(123)	—	(355)
Balance at 31 December 2022	**(62)**	**(607)**	**(839)**	**—**	**(1,508)**
Depreciation and amortisation	(12)	(227)	(105)	—	(344)
Balance at 31 December 2023	**(74)**	**(834)**	**(944)**	**—**	**(1,852)**
Carrying amount					
At 31 December 2022	**44**	**1,656**	**174**	**4**	**1,878**
At 31 December 2023	**32**	**1,429**	**297**	**5**	**1,763**

a) Description of the main movements

The mostsignificant additions of property, plant and equipment in 2023 correspond to information processing equipment such as laptops, monitors and servers amounting to EUR 228 thousand.

The most significant additions to property, plant and equipment in 2022 corresponded to additions to facilities and renovation of the Calle San Máximo Building for EUR 133 thousand, additions to information processing equipment such as computers, screens and servers for EUR 20 thousand and additions of telephony for EUR 5 thousand.

The most significant addition of property, plant and equipment in 2023 corresponded to the building of the Prosegur 3D Visits Showroom for EUR 1 thousand.

There were no additions to property, plant and equipment in 2022.

No disposals in PPE were recorded in 2023 nor in 2022.

b) Fully depreciated property, plant and equipment

The items of property, plant and equipment fully depreciated at 31 December 2023 and 2022 are as follows:

	Thousands of Euros	
	2023	**2022**
Technical installations and machinery	4	4
Other property, plant and equipment	611	531
	615	**535**

c) Other information

There were no purchases of property, plant and equipment from Group companies in 2023 nor in 2022.

At 31 December 2023 and 2022 the Company has no property, plant and equipment subject to restrictions on title or pledged as security for liabilities.

The Company has taken out insurance policies to cover the risk of damage to its property, plant and equipment. The coverage of these policies is considered sufficient.

d) Assets under operating lease

Lessee

The Company rents offices and office equipment under non-cancellable operating leases.

Operating lease payments have been recognised as an expense under other operating expenses, external services as follows (Note 3):

	Thousands of Euros	
	2023	**2022**
Lease expenses	484	540
	484	**540**

Future minimum payments under non-cancellable operating leases are shown in Note 18.

9. Long-term investments in Group companies, Jointly controlled companies and associates

Details of the movements in investments in Group companies, jointly controlled companies and associates are as follows:

	Thousands of Euros	
Balance at 1 January	**2023**	**2022**
Investments	**1,567,872**	**1,271,582**
Additions	52,053	1,280,274
Write offs	(10,556)	(932,600)
Impairment allowances	(27,777)	(51,384)
Impairment reversals	3,109	—
Balance at 31 December	**1,584,701**	**1,567,872**

At 31 December 2023 and 2022, the Company has no property, plant and equipment subject to restrictions on title or pledged as security for liabilities.

Company	Thousands of Euros 2023	2022
Prosegur Global CIT ROW, S.L.U.	343,841	317,841
Corresponsales Colombia SAS	15,325	15,325
Transportadora Ecuatoriana de Valores TEVCOL Cia Ltda.	40,238	40,238
Nummi, S.A.	61,853	61,853
Prosegur Cash Servicios, S.A.C.	178	178
Juncadella Prosegur Internacional, S.A.	22,103	22,103
Prosegur Intenational CIT 1, S.L.U.	683	2,747
Prosegur Intenational CIT 2, S.L.U.	5,593	5,593
Prosegur Colombia 1, S.L.U.	10,828	10,828
Prosegur Colombia 2, S.L.U.	10,703	10,703
Cash Centroamérica Uno, S.A.	15,468	7,468
Cash Centroamérica Tres, S.A.	134	134
Latam ATM Solutions, S.L.	188	139
The Change Group International (holdings) Limited	91,742	74,313
Prosegur Change Denmark APS	116	—
Prosegur Holding CIT Argentina, S.A.	9	9
Grupo N, S.A.	7,664	10,989
VN Global BPO, S.A.	1,767	8,961
Cía Transportadora de Valores Prosegur Colombia, S.A.	—	25,750
Servicios Prosegur Ltda.	44,211	44,211
Malcoff Holding, B.V.	610,658	610,658
TSR Participações Societárias, S.A. (Prosegur Holding e Paraticipações, S.A.)	289,008	289,008
Corporación Allium, S.A.	4	4
CASH Centroamerica Dos, S.L.	5,034	1,925
MiDinero Ecuador S.A.	459	—
Representaciones Ordoñez y Negrete, S.A.	6,894	6,894
	1,584,701	**1,567,872**

The following operations were carried out:

a) Additions

During 2022 and 2023, the operations were as follows:

		Thousands of Euros	
		2023	2022
Nummi, S.A.	(1)	—	3,510
Prosegur Cash Servicios, S.A.C.	(2)	—	136
Juncadella Prosegur Internacional, S.A. (*)		—	22,103
Prosegur Intenational CIT 1, S.L.U. (*)		—	4,270
Prosegur Intenational CIT 2, S.L.U. (*)		—	5,593
Prosegur Global CIT ROW, S.L.U.	(4)	26,000	94,000
Prosegur Colombia 1, S.L.U. (*)	(5)	—	10,828
Prosegur Colombia 2, S.L.U. (*)	(6)	—	10,703
Alpha3 Cashlabs, S.L.	(7)	—	9,187
Cash Centroamérica Uno, S.A. (*)	(10)	8,000	7,468
Cash Centroamérica Tres, S.A. (*)		—	134
Latam ATM Solutions, S.L.	(3)	49	138
The Change Group International (holdings) Limited	(8)	17,429	74,313
Prosegur Change Denmark APS	(11)	116	—
Prosegur Holding CIT Argentina, S.A. (*)		—	9
Grupo N, S.A. (*)		—	12,770
VN Global BPO, S.A. (*)		—	11,728
Cía Transportadora de Valores Prosegur Colombia, S.A. (*)		—	56,660
Servicios Prosegur Ltda. (*)		—	44,211
Malcoff Holding, B.V. (*)		—	610,658
TSR Participações Societárias, S.A. (Prosegur Holding e Paraticipações, S.A.) (*)		—	289,008
Corporación Allium, S.A. (*)		—	4
CASH Centroamerica Dos, S.L. (*)		—	1,925
Transportadora Ecuatoriana de Valores TEVCOL Cia, Ltda. (*)		—	4,024
MiDinero Ecuador S.A.	(12)	459	—
Representaciones Ordoñez y Negrete, S.A.	(9)	—	6,894
Total		**52,053**	**1,280,274**

On 29 July 2022, the Company executed the deed for the takeover merger of Prosegur Global CIT, S.L.U., effective for accounting purposes from 1 January 2022, of which it was direct holder of 100% of the shares. Therefore, the shares that absorbed company Prosegur Global CIT, S.L.U. held came to form part of the assets of the absorbing company Prosegur Cash, S.A. as of 31 December 2022 (Note 6).

(1) Nummi, S.A.

- On 30 June 2022, the Company subscribed the capital increase of the company Nummi, S.A. by partial depreciation of credit rights for an amount of EUR 3,510 thousand.

(2) Prosegur Cash Servicios, S.A.C.

- On 26 April 2022, the Company subscribed the capital increase of the company Prosegur Cash Servicios, S.A.C. by the depreciation of credit rights for an amount of EUR 136 thousand.

(3) Latam ATM Solutions, S.L.

- On 11 July 2023, the Company made a monetary contribution to the shareholders' equity of Latam ATM Solutions, S.L. via a bank transfer in an amount of EUR 49 thousand.

- On 31 December 2022, the Company made a monetary contribution to the shareholders' equity of Latam ATM Solutions, S.L. in an amount of EUR 138 thousand.

(4) Prosegur Global CIT ROW, S.L.U.

- On 26 December 2023, the Company made a monetary contribution to the shareholders' equity of Prosegur Global CIT ROW, S.L.U. by bank transfer in a total amount of EUR 26,000 thousand.

- On 3 January 2022 and 3 October 2022, the Company made two contributions to the shareholders' equity of Prosegur Global CIT ROW, S.L.U. by the partial depreciation of loan rights in an amount of EUR 82,000 thousand followed by a bank transfer in the amount of EUR 12,000 thousand.

(5) Prosegur Colombia 1, S.L.U.

- On 3 October 2022, the Company subscribed the capital increase of the company Prosegur Colombia 1, S.L.U. by the partial depreciation of credit rights for an amount of EUR 6,000 thousand.

- On 29 July 2022, the Company formalised the takeover merger of Prosegur Global CIT, S.L.U. That company held an investment in Prosegur Colombia 1, S.L.U. in a total amount of EUR 4,828 thousand.

(6) Prosegur Colombia 2, S.L.U.

- On 3 October 2022, the Company subscribed the capital increase of the company Prosegur Colombia 2, S.L.U. by the partial depreciation of credit rights for an amount of EUR 5,970 thousand.

- On 29 July 2022, the Company formalised the takeover merger of Prosegur Global CIT, S.L.U. That company held an investment in Prosegur Colombia 2, S.L.U. in a total amount of EUR 4,733 thousand.

(7) Prosegur Alpha3 Cashlabs, S.L.

- On 31 July 2022, the Company subscribed the capital increase of the company Prosegur Alpha3 Cashlabs, S.L. by partial depreciation of credit rights for an amount of EUR 9,197 thousand.

(8) The Change Group International (holdings) Limited

- During 2023, the value of the shareholding increased by EUR 17,429 thousand, owing to the re-estimation performed by the Company based on the preparation of new business plans with changes in sales and cash flow increases. Since calculations relating to business combinations are provisional and may be adjusted for up to one year from their acquisition date, the Company recognises a greater book value of the investment for that amount.

- On 29 July 2022, the Company purchased shares of a British holding company, The Change Group International (holdings) Limited, whose valuation came to EUR 74,313 thousand by means of a monetary contribution of EUR 13,514 thousand and deferred payment of the remaining amount of EUR 60,154 thousand. The deferred amount will be paid in 4 instalments:

the first of these on 30 April 2024 for 45% of the outstanding amount, the second on 30 April 2025 for 15% of the outstanding amount, the third on 30 April 2026 for 18% of the outstanding amount and the fourth and final payment will take place on 30 April 2029 for the remaining 22%. This deferral will accrue interest per annum from the 2022 financial year through the final date of payment.

- At the date of the transaction, the Cash Group acquired 45,500 shares in Change Group Holding Ltd. (hereinafter the Change Group), representing 65% of the total shareholdings. The remaining 35%, namely 24,500 shares, will be acquired in the following years 2025, 2026 and 2029 pursuant to the schedule of future deferred contingent consideration (Note 15).

(9) Representaciones Ordoñez y Negrete S.A.

- On 30 August 2022, the Company increased the share capital of Representaciones Ordoñez y Negrete, S.A. by EUR 1,870 thousand by monetary contribution.
- On 25 February 2022, the Company made two contributions to the shareholders' equity of Representaciones Ordoñez y Negrete, S.A. in the amounts of EUR 944 thousand and EUR 4,079 thousand, by capitalising credit rights for a total of EUR 5,024 thousand.

(10) Cash Centroamérica Uno, S.A.

- On 20 April 2023, the Company made a contribution to the shareholders' equity of Cash Centroamérica Uno, S.A. by bank transfer in an amount of EUR 8,000 thousand.

(11) Prosegur Change Denmark ApS

- On 27 September 2023, Prosegur Change Denmark ApS increased the share capital and the Company made a cash contribution of EUR 116 thousand.

(12) Midinero Ecuador, S.A.

- On 1 December 2023, the Company made a monetary contribution to the shareholders' equity of Midinero Ecuador, S.A in an amount of EUR 459 thousand.

b) Write offs

During 2022 and 2023, the operations were as follows:

		Thousands of Euros	
		2023	**2022**
Prosegur Global CIT, S.L.U. (Note 6)	(13)	—	(932,575)
Prosegur Spike GmbH	(14)	—	(25)
Cía Transportadora de Valores Prosegur Colombia, S.A.	(15)	(10,556)	—
Total		**(10,556)**	**(932,600)**

(13) Prosegur Global CIT, S.L.U.

- On 29 July 2022, the Company executed the deed for the takeover merger of Prosegur Global CIT, S.L.U., effective for accounting purposes from 1 January 2022, of which it was direct holder of 100% of the shares. Therefore, the shares that absorbed company Prosegur Global CIT, S.L.U. held came to form part of the assets of the absorbing company Prosegur Cash, S.A. (Note 6).

- The Company held an investment in the absorbed company in an amount of EUR 932,575 thousand, which represents a shareholding of 100%.

(14) Prosegur Spike GmbH

- On 19 January 2022, the Company sold 100% of the shares it held in Prosegur Spike GmbH.

(15) Cía Transportadora de Valores de Prosegur Colombia, S.A.:

- On 15 March 2021, Cía Transportadora de Valores de Prosegur Colombia, S.A. agreed to reduce its share premium by means of a cash consideration of EUR 10,556 thousand. This transaction was suspended by the Colombian authorities until January 2023, when the Company recorded the derecognition.

c) Impairment

In 2023, the Company recorded an impairment loss adjustment on the shareholding of Cía. Transportadora de Valores Prosegur Colombia, S.A., Prosegur Internacional CIT 1, S.L.U., VN Global BPO, S.A. and Grupo N, S.A. for an amount of EUR 15,194, 2,064, 7,194 and 3,325 thousand respectively, and a reversed impairment in the shareholding of Cash Centroamérica Dos, S.L. for an amount of EUR 3,109 thousand (Cía. Transportadora de Valores Prosegur Colombia, S.A., Prosegur Internacional CIT 1, S.L.U., VN Global BPO, S.A., Grupo N, S.A. and Alpha3 Cashlabs, S.L. in an amount of EUR 30,910, 1,523, 2,767, 1,781, and 14,403 thousand, respectively in 2022).

The impairment losses recorded on the balance sheet correspond to investments in the following Group companies, jointly controlled companies and associates at the end of the year:

	Thousands of Euros	
	2023	**2022**
Alpha3 Cashlabs, S.L.	—	(14,403)
Grupo N, S.A.	(3,325)	(1,781)
VN Global BPO, S.A.	(7,194)	(2,767)
Prosegur International CIT 1, S.L.U.	(2,064)	(1,523)
Cía Transportadora de Valores Prosegur Colombia, S.A.	(15,194)	(30,910)
CASH Centroamerica Dos, S.L .	3,109	—
Total	**(24,668)**	**(51,384)**

The Company annually evaluates the existence of indicators of impairment of the stakes in Group companies and estimates the recoverable value at the closing date of those entities for which there are signs of impairment. The impairment indicator was calculated by comparing the net carrying amount of the stake with the equity of the investee and the recoverable value of the entities with an impairment indicator was determined considering its value in use. On the basis of the analysis performed, in 2023 the Company recorded an impairment loss adjustment on the shareholding of Cía. Transportadora de Valores Prosegur Colombia, S.A., Prosegur Internacional CIT 1, S.L.U., VN Global BPO, S.A. and Grupo N, S.A. and a reversed impairment of shareholdings in Cash Centroamérica Dos, S.L. In 2022, it recorded an impairment loss adjustment of shareholding in Cía. Transportadora de Valores Prosegur Colombia, S.A., Prosegur Internacional CIT, 1 S.L.U., VN Global BPO, S.A., Grupo N, S.A., and Alpha3 Cashlabs, S.L.

d) Investments in Group companies

Below is the information relating to shares held in Group companies as of 31 December 2023 and 2022:

2023

Name	Registered office	Activity	Shareholding
Juncadella Prosegur Internacional, S.L.	Calle Pajaritos, 24, Madrid - Spain -	Activity linked to the Cash business line	4 %
Prosegur International CIT 1, S.L.U.	Pajaritos 24 - 28007 Madrid - Spain	Activity linked to the Cash business line	100 %
Inversiones CIT 2, S.L.U.	Pajaritos 24 - 28007 Madrid - Spain	Activity linked to the Cash business line	100 %
Prosegur Global CIT ROW, S.L.U.	Pajaritos 24 - 28007 Madrid - Spain	Activity linked to the Cash business line	100 %
Prosegur Colombia 1, S.L.U.	Pajaritos 24 - 28007 Madrid - Spain	Activity linked to the Cash business line	100 %
Prosegur Colombia 2, S.L.U.	Pajaritos 24 - 28007 Madrid - Spain	Activity linked to the Cash business line	100 %
Alpha3 Cashlabs, S.L.	Pajaritos 24 - 28007 Madrid - Spain	Activity linked to the Cash business line	95 %
CASH Centroamerica Uno, S.L.	Pajaritos 24 - 28007 Madrid - Spain	Activity linked to the Cash business line	100 %
CASH Centroamerica Tres, S.L.	Pajaritos 24 - 28007 Madrid - Spain	Activity linked to the Cash business line	100 %
LATAM ATM Solutions, S.L.	Calle Santa Sabina 8 - 28007 Madrid -Spain	Activity linked to the Cash business line	49 %
Cash Centroamerica Dos, S.L.	Calle Pajaritos, 24, Madrid - Spain -	Activity linked to the Cash business line	100 %
Prosegur Holding CIT ARG, S.A.	Tres Arroyos 2835 (c1416DDU) Ciudad de Buenos Aires, Argentina	Activity linked to the Cash business line	95 %
Grupo N, S.A.	calle La Rioja N° 441, oficinas D, E y F de la Ciudad de Córdoba - Argentina	Activity linked to the Cash business line	90 %
VN Global BPO, S.A.	calle La Rioja N° 441, oficinas D, E y F de la Ciudad de Córdoba - Argentina	Activity linked to the Cash business line	90 %
Prosegur Serviços e Participações Societarias, S.A.	Av. Ermano Marchetti, nº 1.435, 8º andar, Sala 2, Lapa, Capital de Sao Paulo - SP - Brazil: CEP: 05038-001	Activity linked to the Cash business line	60 %
Capacitaciones Ocupacionales Sociedad Ltda	Los Gobelinos 2567 Of 203, Renca, Santiago	Activity linked to the Cash business line	86 %
Servicios Prosegur Ltda.	Los Gobelinos 2567 Of. 203, Renca, Santiago	Activity linked to the Cash business line	100 %
Corresponsales Colombia SAS	Calle 11 No. 31-89 Oficina 501 Medellín - Colombia	Activity linked to the Cash business line	100 %
Cía Transportadora de Valores Prosegur Colombia, S.A.	CL 19 68 B 76 Bogota - Colombia	Activity linked to the Cash business line	95 %
Consultoría de Negocios CCR Consulting Costa Rica, S.A.	San Jose, Costa Rica	Activity linked to the Cash business line	70 %
Prosegur Change Denmark APS	C/O GALST Advokatanpartsselskab Gammel Strand 44, Copenhagen, Denmark	Activity linked to the Cash business line	100 %
Transportadora Ecuatoriana de Valores TEVCOL Cia Ltda.	Av. The press along with FAE N. 3558 Quito - Ecuador	Activity linked to the Cash business line	100 %

Recaudacion, Pagos y Servicios Facilito, S.A.	Avenida 9 de Octubre No. 1011, Guayaquil, Ecuador	Activity linked to the Cash business line	100 %
MiDinero Ecuador S.A.	Avenida 9 de Octubre No 1011, Guayaquil, Ecuador	Activity linked to the Cash business line	100 %
Prosegur CASH Today USA LLC	251 Little Falls Drive, Wilmington, 19808 New Castle	Activity linked to the Cash business line	100 %
Corporación Allium, S.A.	15 Avenida "A" 3-67 Oficina No 5 Zona 13 - Guatemala, Guatemala	Activity linked to the Cash business line	90 %
Malcoff Holding, B.V.	Olympia 2, 1213NT Hilversum, The Netherlands	Activity linked to the Cash business line	100 %
VN Global Paraguay S.A.	Avda. Artigas Esq. Maria Concepción. Leyes de Chavez-Asunción	Activity linked to the Cash business line	90 %
Prosegur Cash Servicios, S.A.C.	Av. Morro Solar 1086 - Surco - Lima - Peru	Activity linked to the Cash business line	90 %
Prosegur Change UK Limited	353 Oxford Street, W1C 2JG, London, UK	Activity linked to the Cash business line	51 %
The Change Group International (holdings) Limited	353 Oxford Street, W1C 2JG, London, UK	Activity linked to the Cash business line	65 %
Nummi, S.A.	Avda. Gral. Fructuoso Rivera 2452 – Montevideo - Uruguay	Activity linked to the Cash business line	100 %
Findarin, S.A.	Avda. Gral. Fructuoso Rivera 2452 – Montevideo - Uruguay	Activity linked to the Cash business line	100 %
Costumbres del SUR, S.A.	Colonia 981 Apto: 305 (Montevideo)	Activity linked to the Cash business line	100 %
Grafobel S.A.	Avda. Gral. Fructuoso Rivera 2452 – Montevideo - Uruguay	Activity linked to the Cash business line	100 %
Blindados SRL	Guarani 1531 (Montevideo)	Activity linked to the Cash business line	1 %

2022

Name	Registered office	Activity	Sharehol ding
Prosegur Global CIT ROW, S.L.U.	C/ Pajaritos, 24, Madrid - Spain	Activity linked to the Cash business line	100 %
Alpha3 Cashlabs, S.L.	C/ Pajaritos, 24, Madrid - Spain	Activity linked to the Cash business line	95 %
Corresponsales Colombia SAS	Calle 11 No. 31-89 Oficina 501 Medellín - Colombia	Activity linked to the Cash business line	100 %
Transportadora Ecuatoriana de Valores TEVCOL Cia Ltda.	Av. The press along with FAE N. 3558 Quito - Ecuador	Activity linked to the Cash business line	100 %
Nummi, S.A.	Avda. Gral. Fructuoso Rivera 2452 – Montevideo - Uruguay	Activity linked to the Cash business line	100 %
Prosegur Cash Servicios, S.A.C.	Av. Morro Solar 1086 - Surco - Lima - Peru	Activity linked to the Cash business line	90 %
Latam ATM Solutions, S.L.	Paseo de la Castellana, 53, 1ª planta, puerta B, 28046, Madrid - Spain	Activity linked to the Cash business line	49 %
Juncadella Prosegur Internacional, S.A.	Calle Pajaritos, 24, Madrid - Spain -	Activity linked to the Cash business line	4 %
Prosegur Intenational CIT 1, S.L.U.	Calle Pajaritos, 24, Madrid - Spain -	Activity linked to the Cash business line	100 %
Prosegur CIT 2, S.L.U.	Calle Pajaritos, 24, Madrid - Spain -	Activity linked to the Cash business line	100 %
Prosegur Colombia 1, S.L.U.	Calle Pajaritos, 24, Madrid - Spain -	Activity linked to the Cash business line	100 %

Prosegur Colombia 2, S.L.U.	Calle Pajaritos, 24, Madrid - Spain -	Activity linked to the Cash business line	100 %
Cash Centroamérica Uno, S.L.U.	Calle Pajaritos, 24, Madrid - Spain -	Activity linked to the Cash business line	100 %
Cash Centroamérica Tres, S.L.U.	Calle Pajaritos, 24, Madrid - Spain -	Activity linked to the Cash business line	100 %
The Change Group International (holdings) Limited	353 Oxford Street, W1C 2JG, London, UK	Activity linked to the Cash business line	65 %
Prosegur Holding CIT Argentina, S.A.	Tres Arroyos 2835 (c1416DDU) Ciudad de Buenos Aires, Argentina	Activity linked to the Cash business line	95 %
Grupo N, S.A.	calle La Rioja N° 441, 4 piso, oficinas D, E y F de la Ciudad de Córdoba - Argentina	Activity linked to the Cash business line	90 %
VN Global BPO, S.A.	Calle La Rioja N° 441, 4 piso, oficinas D, E y F de la Ciudad de Córdoba - Argentina	Activity linked to the Cash business line	90 %
Cía Transportadora de Valores Prosegur Colombia, S.A.	CL 19 68 B 76 Bogota - Colombia	Activity linked to the Cash business line	95 %
Servicios Prosegur Ltda.	Los Gobelinos 2567 Of. 203, Renca, Santiago	Activity linked to the Cash business line	100 %
Malcoff Holding, B.V.	Olympia 2, 1213NT Hilversum, The Netherlands	Activity linked to the Cash business line	100 %
Prosegur Serviços e Participações Societarias, S.A.	Av. Ermano Marchetti, nº 1.435, 8º andar, Sala 2, Lapa, Capital de Sao Paulo - SP - Brazil: CEP: 05038-001	Activity linked to the Cash business line	60 %
Corporación Allium, S.A.	15 Avenida "A" 3-67 Oficina No 5 Zona 13 - Guatemala, Guatemala	Activity linked to the Cash business line	90 %
CASH Centroamerica Dos, S.L.	Calle Pajaritos, 24, Madrid - Spain -	Activity linked to the Cash business line	100 %
Representaciones Ordoñez y Negrete, S.A.	Avenida 9 de Octubre No. 1011, Guayaquil, Ecuador	Activity linked to the Cash business line	100 %
Capacitaciones Ocupacionales Sociedad Ltda	Los Gobelinos 2567 Of 203, Renca, Santiago	Activity linked to the Cash business line	86 %
Consultoría de Negocios CCR Consulting Costa Rica, S.A.	San Jose, Costa Rica	Activity linked to the Cash business line	70 %
Prosegur Change UK Limited	353 Oxford Street, W1C 2JG, London, UK	Activity linked to the Cash business line	51 %
Findarin, S.A.	Avda Gral Fructuoso Rivera 2452 – Montevideo - Uruguay	Activity linked to the Cash business line	100 %
Costumbres del SUR, S.A.	Guarani 1531 (Montevideo) - Uruguay	Activity linked to the Cash business line	100 %

The breakdown of the shareholders' equity as of 31 December 2023 of the investments in Group companies in which the Company holds investments of the share capital is as follows:

(Expressed in thousands of EUR)	Share capital	Shareholders' Contributions	Share premium	Reserves	Previous years' profit/loss	Profit/loss for the year	Dividend
Juncadella Prosegur Internacional, S.L.	43,208	—	64,957	340,895	63,391	58,805	(55,000)
Prosegur International CIT 1, S.L.U.	3	2,267	2,012	72	(167)	(25)	—
Inversiones CIT 2, S.L.U.	3	5,050	540	—	(43)	(58)	—
Prosegur Global CIT ROW, S.L.U.	3	167,200	180,002	(2,659)	(170,270)	15,280	—
Prosegur Colombia 1, S.L.U.	3	10,725	100	—	(106)	(4)	—
Prosegur Colombia 2, S.L.U.	3	10,600	100	—	(106)	(1)	—
Alpha3 Cashlabs, S.L.	899	—	13,900	(434)	(1,437)	1,894	—
CASH Centroamerica Uno, S.L.	3	8,000	4,764	278	—	2,063	—
CASH Centroamerica Tres, S.L.	3	50	2	74	—	28	—
LATAM ATM Solutions, S.L.	3	383	—	—	77	(168)	—
Cash Centroamerica Dos, S.L.	3	3,089	—	185	—	1,373	—
Prosegur Holding CIT ARG, S.A.	5	—	—	99	(100)	111	—
Grupo N, S.A.	5	—	—	884	45	716	—
VN Global BPO, S.A.	237	—	1,082	1,194	1,303	(2,987)	—
Prosegur Serviços e Participações Societarias, S.A.	113,156	—	51,739	83,056	—	3,866	—
Capacitaciones Ocupacionales Sociedad Ltda	1,373	—	—	35	(1,321)	(43)	—
Servicios Prosegur Ltda.	1,047	—	—	30,018	(10,757)	5,232	—
Corresponsales Colombia SAS	501	—	154	140	1,182	1,493	—
Cía Transportadora de Valores Prosegur Colombia, S.A.	6,850	—	13,794	3,701	(10,655)	2,707	—
Consultoría de Negocios CCR Consulting Costa Rica, S.A.	—	—	—	—	7	10	—
Prosegur Change Denmark APS	6	—	109	—	(59)	(102)	—
Transportadora Ecuatoriana de Valores TEVCOL Cia Ltda.	7,538	—	—	1,698	—	4,437	—
Representaciones Ordoñez y Negrete, S.A.	450	—	—	229	467	747	—
MiDinero Ecuador S.A.	452	—	—	(64)	—	—	—
Corporación Allium, S.A.	1	—	—	(158)	(2,020)	(779)	—
Malcoff Holding, B.V.	18	—	154,583	—	402	(47,077)	(47,149)
Prosegur Cash Servicios, S.A.C.	198	—	—	—	(106)	27	—
Prosegur Change UK Limited	—	—	—	—	727	(675)	—
The Change Group International (holdings) Limited	81	—	52	495	916	(328)	—
Nummi, S.A.	573	—	—	2,870	6,390	8,120	—
Findarin, S.A.	526	—	—	1,307	2,055	4,952	—
Costumbres del SUR, S.A.	2	—	—	—	(83)	27	—

The breakdown of the shareholders' equity as of 31 December 2022 of the investments in Group companies in which the Company holds investments of the share capital is as follows:

(Expressed in thousands of EUR)	Share capital	Shareholders' Contributions	Share premium	Reserves	Previous years' profit/loss	Profit/loss for the year	Dividend
Prosegur Global CIT ROW, S.L.U.	3	141,200	180,002	1	(100,799)	(1,535)	
Alpha3 Cashlabs, S.L.	899	—	13,900	—	(904)	(533)	—
Corresponsales Colombia SAS	415	—	127	79	1,142	838	—
Transportadora Ecuatoriana de Valores TEVCOL Cía. Ltda.	7,809	—	—	6,330	—	3,481	—
Nummi, S.A.	582	—	—	2,916	1,101	7,936	—
Prosegur Cash Servicios, S.A.C.	199	—	—	—	(121)	14	—
Latam ATM Solutions, S.L.	3	283	—	—	—	(76)	—
Juncadella Prosegur Internacional, S.A.	43,207	—	64,957	404,275	—	43,957	—
Prosegur Intenational CIT 1, S.L.U.	3	2,267	2,012	72	(150)	(17)	—
Prosegur CIT 2, S.L.U.	3	5,050	540	—	(34)	(9)	—
Prosegur Colombia 1, S.L.U.	3	10,725	100	—	(80)	(26)	—
Prosegur Colombia 2, S.L.U.	3	10,600	100	—	(81)	(26)	
Cash Centroamérica Uno, S.L.U.	3	—	4,764	46	—	2,098	—
Cash Centroamérica Tres, S.L.U.	3	50	2	—	(4)	78	—
The Change Group International (holdings) Limited	79	—	51	485	3,291	87	(2,480)
Prosegur Holding CIT Argentina, S.A.	8	—	—	150	(307)	154	—
Grupo N, S.A.	7	—	—	1,341	(37)	106	—
VN Global BPO, S.A.	359	—	1,641	1,812	1,385	592	—
Cía Transportadora de Valores Prosegur Colombia, S.A.	5,665	—	22,171	3,060	(10,086)	1,275	—
Servicios Prosegur Ltda.	1,110	—	—	31,848	(12,192)	6,533	—
Malcoff Holding, B.V.	20	—	170,814	—	455	41,090	(41,100)
Prosegur Serviços e Participações Societarias, S.A.	107,602	—	49,199	72,701	—	6,282	—
Corporación Allium, S.A.	1,579	—	—	82	(702)	(189)	—
CASH Centroamerica Dos, S.L.	3	3,089	—	1	—	1,462	—
Representaciones Ordoñez y Negrete, S.A.	466	—	—	222	(138)	622	—
Capacitaciones Ocupacionales Sociedad Ltda	1,456	—	—	37	(1,326)	(75)	—
Consultoría de Negocios CCR Consulting Costa Rica, S.A.	—	—	—	—	(29)	35	—
Prosegur Change UK Limited	—	—	—	—	—	722	—
Costumbres del SUR, S.A.	2	—	—	—	(4)	(80)	—

10. Financial assets

Thousands of Euros	2023			
	Credits and other	Trade and other receivables	Financial Investments	Total
Non-currents				
Financial assets at amortised cost	2,000	—	—	2,000
Financial assets at cost	—	—	86	86
	2,000	—	86	2,086
Current				
Financial assets at amortised cost	43,377	26,078	26,180	95,635
	43,377	26,078	26,180	95,635
Total	**45,377**	**26,078**	**26,266**	**97,721**

Thousands of Euros	2022			
	Credits and other	Trade and other receivables	Financial Investments	Total
Non-currents				
Financial assets at amortised cost	601	—	—	601
Financial assets at cost	—	—	86	86
	601	—	86	687
Current				
Financial assets at amortised cost	69,985	34,423	45,784	150,192
	69,985	34,423	45,784	150,192
Total	**70,586**	**34,423**	**45,870**	**150,879**

The carrying amount of the financial assets valued at cost or at amortised cost is close to their fair value, given the non-significant effect of the discount.

In 2023, a credit to Group companies was recorded by the Company in the amount of EUR 2,000 thousand; this credit will mature in 2025 by means of a single payment, accruing interest to date at a rate of 7.25% (Nota 11). Interest accrued during the financial year 2023 amounted to EUR 24 thousand.

On the other hand, “Current financial assets at amortised cost” recorded third-party loans in an amount of EUR 512 thousand in 2023, accruing interest at 5.00%. During the year 2022 a third party credit was recorded in an amount of EUR 601 thousand. This credit matures in July 2024 in the form of a single payment, and the interest rate accruing to date is 5.00%. At 31 December 2023, the credit is in the current tranche under financial assets at amortised cost.

At 31 December 2023, the amount of EUR 86 thousand under “Financial Investments” measured at cost corresponds to long-term guarantees (EUR 86 thousand in 2022).

a) Classification of the financial assets by categories

	Thousands of Euros	
	31 December 2023	**31 December 2022**
Financial assets at cost - non-current		
- Other financial assets	86	86
Financial assets at amortised cost - non-current		
- Loans to Group companies (Notes 11 and 19)	2,000	—
- Loans to third parties	—	601
	2,086	**687**
Financial assets at amortised cost - current		
- Clients' receivables for sales and services	—	—
- Loans to Group companies (Notes 11 and 19)	42,234	69,985
- Other financial assets with Group companies (Note 11 and 19)	26,180	45,784
- Clients, Group companies and associates (Note 19)	25,773	33,796
- Sundry Debtors	305	627
- Loans to companies	1,143	—
	95,635	**150,192**
Total	**97,721**	**150,879**

b) Classification by maturities

The classification of financial assets by maturities at 31 December 2023 is as follows:

	Thousands of Euros				
	2023				
	2024	**2025**	**2026**	**Subsequent years**	**Total**
Financial Investments					
Loans to third parties	1,143	—	—	—	1,143
Other financial assets	—	—	—	86	86
	1,143	**—**	**—**	**86**	**1,229**
Investments in Group companies and associates					
Loans to companies (Notes 11 and 19)	42,234	2,000	—	—	44,234
Other financial assets (Notes 11 and 19)	26,180	—	—	—	26,180
	68,414	**2,000**	**—**	**—**	**70,414**
Trade and other receivables					
Clients, Group companies and associates (Note 19)	25,773	—	—	—	25,773
Miscellaneous receivables	305	—	—	—	305
	26,078	**—**	**—**	**—**	**27,221**
Total	**95,635**	**2,000**	**—**	**86**	**97,721**

The classification of financial assets by maturities at 31 December 2022 is as follows:

	Thousands of Euros				
	2022				
	2023	2024	2025	Subsequent years	Total
Financial Investments					
Loans to third parties	—	601	—	—	601
Other financial assets	—	—	—	86	86
	—	**601**	**—**	**86**	**687**
Investments in Group companies and associates					
Loans to companies (Notes 11 and 19)	69.985	—	—	—	69.985
Other financial assets (Notes 11 and 19)	45.784	—	—	—	45.784
	115.769	**—**	**—**		**115.769**
Trade and other receivables					
Clients, Group companies and associates (Note 19)	33,796	—	—	—	33,796
Miscellaneous receivables	627	—	—	—	627
	34.423	**—**	**—**	**—**	**34.423**
Total	**150,192**	**601**	**—**	**86**	**150,879**

11. Financial investments and trade receivables

Loans to Group companies and associates

Details of loans at 31 December 2023 are as follows:

Type	Currency	Interest rate	Maturity date	Par value (Thousands of Euros)
Short-term loans to Group companies and associates				
Prosegur International CIT 1, S.L.	EUR	4.25 %	31 December 2024	412
Inversiones CIT 2, S.L.U.	EUR	4.25 %	31 December 2024	1,802
Prosegur Global CIT ROW, S.L.U.	EUR	4.25 %	31 December 2024	74
Prosegur Colombia 1, S.L.U.	EUR	4.25 %	31 December 2024	101
Prosegur Colombia 2, S.L.U.	EUR	4.25 %	31 December 2024	10
Prosegur Servicios de Pago EP, S.L.U.	EUR	4.25 %	31 December 2024	736
Alpha3 Cashlabs, S.L.	EUR	3.50 %	31 December 2024	6,868
Gelt Cash Transfer, S.L.U.	EUR	4.25 %	31 December 2024	579
The Change Group Spain, S.A.	EUR	4.25 %	31 December 2024	1,511
Compañía Colombiana de Seguridad Transbank Ltda.	EUR	7.25 %	31 December 2024	24
Prosegur Foreign Exchange Pty Limited	Australian Dollar	4.00 %	31 December 2024	2,971
Prosegur Change UK Limited	GBP	5.25 %	31 December 2024	5,736
The Change Group International PLC	GBP	5.25 %	31 December 2024	4,606
The Change Group Corporation Limited	GBP	5.25 %	31 December 2024	5,804
The Change Group London Limited	GBP	5.25-7%	31 December 2024	5,950
Corporacion Allium, S.A.	Quetzal	8.25 %	31 December 2024	5,050
Total				**42,234**
Long-term credits with Group companies and associates				
Compañía Colombiana de Seguridad Transbank Ltda.	EUR	7.25 %	31 December 2025	2,000
Total				**2,000**

Details of loans at 31 December 2022 are as follows:

Type	Currency	Interest rate	Maturity date	Thousands of Euros Par value
Short-term loans to Group companies and associates				
Prosegur Cash International, S.A.U.	EUR	0.75 %	31 December 2023	1,084
Prosegur Smart Cash Solutions, S.L.	EUR	0.75 %	31 December 2023	1,025
Prosegur International CIT 1, S.L.	EUR	0.75 %	31 December 2023	951
Inversiones CIT 2, S.L.U.	EUR	0.75 %	31 December 2023	1,792
Prosegur Global CIT ROW, S.L.U.	EUR	0.75 %	31 December 2023	4,806
Prosegur Colombia 1, S.L.U.	EUR	0.75 %	31 December 2023	70
Prosegur Servicios de Pago EP, S.L.U.	EUR	0.75 %	31 December 2023	577
Alpha3 Cashlabs, S.L.	EUR	0.75 %	31 December 2023	478
Prosegur Cash Services Germany GmbH	EUR	0.75 %	31 December 2023	23,029
Prosegur Australia Investments PTY Limited	Australian Dollar	2.35 %	31 December 2023	7,096
Prosegur Foreign Exchange Pty Limited	Australian Dollar	2.90 %	31 December 2023	3,074
Prosegur Brasil S/A Transportadora de Valores e Seguranca	Reals	3.75 %	31 December 2023	1,533
Prosegur Change UK Limited	GBP	3.50 %	31 December 2023	4,994
The Change Group International PLC	GBP	3.50 %	31 December 2023	4,465
The Change Group Corporation Limited	GBP	3.50 %	31 December 2023	5,799
The Change Group London Limited	GBP	3.50 %	31 December 2023	4,204
Corporacion Allium, S.A.	Quetzal	3.25 %	31 December 2023	5,008
Total				**69,985**

This balance includes credits generated by other equity instruments (Note 13).

Other financial assets with Group companies

Under this heading are the balances for the current accounts held with the different Group companies that include the payments and collections of the amounts to be paid/charged for the different services received/provided or other operations performed.

12. Cash and cash equivalents

Details of cash and cash equivalents at 31 December 2023 and 2022, are as follows:

	Thousands of Euros	
	2023	**2022**
Cash and other cash equivalents	4,609	11,808
Total	**4,609**	**11,808**

Cash in hand and at banks essentially reflects cash at banks at each year end.

13. Equity

a) Share capital

At 31 December 2023, the share capital of the Company totals EUR 30,459 thousand (EUR 30,459 thousand in 2022) and is represented by 1,522,946,683 shares with a par value of EUR 0.02 each (1,522,946,683 shares in 2022), fully subscribed and paid. These shares are listed on the Madrid, Barcelona, Valencia and Bilbao Stock Markets and are traded via the Spanish Stock-Exchange Interconnection System (electronic trading system) (SIBE).

On 4 May 2022, Prosegur Assets Management, S.L. dissolved and wound up, transferring 21.98% of the shares held by the Company to the Sole Shareholder (Prosegur).

These shares are freely transferable.

At 31 December 2023 and 2022, the amount of the share premium totals EUR 33,134 thousand.

The composition of the voting rights is as follows:

	Number of shares	
Shareholders	**31 December 2023**	%
Ms Helena Revoredo Delvecchio (1)	1,209,524,256	79.42 %
Non-Controlling	313,422,427	20.58 %
Total	**1,522,946,683**	**100.00 %**

(1) Investment through Prosegur Compañía de Seguridad, S.A.

b) Own shares and equity holdings

<u>Buyback programme of 20 December 2021</u>

On 20 December 2021, the Board of Directors decided to implement an own share buyback programme in the terms of Regulation (EU) no. 596/2014 on market abuse and the Commission Delegated Regulation 2016/1052 (the Regulations), 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 has the following features:

a. Maximum amount allocated to the Programme: EUR 15,000 thousand.

b. Maximum number of shares that can be acquired: up to 22,844,200 shares representing approximately 1.5% of the Company's share capital on the date of the agreement.

c. Maximum price per share: shares will be purchased in compliance with the price and volume limits established in the Regulations. In particular, the Company cannot 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 is carried out.

d. Duration: the Programme has a maximum duration of one year. Notwithstanding the above, the Company reserves 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 arise that call for it.

In addition, the majority shareholder of the Company, the entity Prosegur Compañía de Seguridad, S.A., holder of 79.42% of the share capital at the end of the programme, expressed its intention to not sell shares in Prosegur Cash during the coming months. However, on 4 May 2022 Prosegur Assets Management, S.L. was wound up.

As a result of the implementation of the Programme, the operation of the liquidity contract which came into force on 11 July 2017 and that was signed by the Company was suspended.

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 will affect the Programme, 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 30 December 2023.

This Programme, known as the Extended Programme, has 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 cannot 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 is carried out.

- Term: the maximum term of the Extended Programme will be through 20 December 2023. Notwithstanding the above, the Company reserved the right to conclude the 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 arise that call for it.

The Company's majority shareholder, Prosegur Compañía de Seguridad, S.A., holder of 79.42% of the share capital, stated its intention not to sell Prosegur Cash shares within the scope of the Extended Programme.

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.

As of 31 December 2023, a total of 38,033,196 shares were acquired under the Buy-back Programme, below the maximum target of the Buy-back Programme set at a total of 38,073,666 shares.

As a result of the conclusion of the Extended Programme, and resulting disappearance of the cause for suspension of the liquidity agreement entered into by the Company on 7 July 2017, effective 20 December 2023, the Company has proceeded to terminate the Liquidity Agreement.

In this regard, and considering the resource constraints associated with the Liquidity Agreement established in National Securities Market Commission Circular 1/2017, of 26 April, on liquidity agreements to apply to operations under the Liquidity Agreement because the Company's shares had no liquid market since 1 April 2023, the Company does not currently consider it useful to have a Liquidity Agreement.

<u>Delivery of own shares for long term incentives</u>

As a result of the long term incentive plan known as the Retention Plan, during 2022 a total of 3,075,828 shares were delivered to the Executive President and Group Management. In addition, the remaining 56,293 shares associated with the Retention Plan were delivered in January 2023.

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

At 2023 year end, the treasury stock held by Prosegur Cash, S.A. is composed of 52,213,748 shares (36,304,785 shares in 2022).

Details of changes in own shares during the year are as follows:

	Number of shares	Thousands of Euros
Balance at 31 December 2021	**18,198,819**	**14,282**
Purchase of own shares	21,228,591	13,824
Delivery of own shares	(3,122,625)	(2,232)
Balance at 31 December 2022	**36,304,785**	**25,874**
Purchase of own shares	16,011,835	10,172
Delivery of own shares	(102,872)	(74)
Balance at 31 December 2023	**52,213,748**	**35,972**

Prosegur Cash holds 3.43% (2022: 2.38%) of Treasury stock.

c) Dividends

Dividends distributed to Company shareholders are recognised as a liability in the Company's annual accounts in the year in which the dividends are approved by the Company's Shareholders General Meeting. Interim dividends will also be revealed as a liability in the Company's annual accounts in the year in which the interim payment is approved by the Board of Directors.

d) Other net equity instruments

The Retention Plan, which is linked to ensuring adequate talent retention and promoting the digital transformation of the Prosegur Cash Group for 2021-2023, was approved in 2021. The plan envisages the payment of share incentives. The period of measurement covered for most cases from 1 January 2021 to 31 December 2023. While the Plan's approval provided that the first payment in shares would be in October 2022, the second payment in October 2023 and the final payment in October 2024, the General Shareholders Meeting of 7 December 2022 has resolved to deliver all of the shares during the 2022 financial year to each employee with the right to these for having attained the objectives associated with that Plan. The Prosegur Cash Group recognises a straight-line expense in the income statement during the length of service of the Plan, as well as the corresponding increase in equity, based on the fair value of the shares committed when the Plan was granted. The fair value of the shares at the moment of the granting was EUR 0.695 per share.

At 31 December 2023, there is no positive impact on the Statement of Changes in Equity (positive impact of EUR 1,424 thousand at 31 December 2022).

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

14. Financial liabilities

	Thousands of Euros					
	2023					
	Debentures and other negotiable securities	**Bank borrowings**	**Debts with Group companies**	**Trade and other payables**	**Other financial liabilities**	**Total**
Non-currents						
Financial liabilities at amortised cost (Note 15)	597,023	125,000	283,826	—	41,974	1,047,823
	597,023	**125,000**	**283,826**	**—**	**41,974**	**1,047,823**
Current						
Financial liabilities at amortised cost (Note 15)	8,629	83,449	182,898	33,682	71,842	380,500
	8,629	**83,449**	**182,898**	**33,682**	**71,842**	**380,500**
Total	**605,652**	**208,449**	**466,724**	**33,682**	**113,816**	**1,428,323**

	Thousands of Euros					
	2022					
	Debentures and other negotiable securities	**Bank borrowings**	**Debts with Group companies**	**Trade and other payables**	**Other financial liabilities**	**Total**
Non-currents						
Financial liabilities at amortised cost (Note 15)	597,023	100,000	333,658	—	60,154	1,090,835
	597,023	**100,000**	**333,658**	**—**	**60,154**	**1,090,835**
Current						
Financial liabilities at amortised cost (Note 15)	7,760	71,070	221,407	20,259	36,581	357,077
	7,760	**71,070**	**221,407**	**20,259**	**36,581**	**357,077**
Total	**604,783**	**171,070**	**555,065**	**20,259**	**96,735**	**1,447,912**

Debentures and other negotiable securities

On 4 December 2017, Prosegur Cash, S.A. issued uncovered bonds with a nominal amount 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.

The carrying amount of the financial liabilities valued at cost or at amortised cost is close to their fair value, given the non-significant effect of the discount.

a) Classification of financial liabilities by category

The classification of financial liabilities at cost or amortised cost per category and class is as follows:

	Thousands of Euros	
	2023	**2022**
Non-current		
- Debentures and other negotiable securities	597,023	597,023
- Bank borrowings	125,000	100,000
- Payables to Group companies (Notes 15 and 19)	283,826	333,658
- Other financial liabilities	41,974	60,154
Total	**1,047,283**	**1,090,835**
Current		
- Debentures and other negotiable securities	8,629	7,760
- Bank borrowings	83,449	71,070
- Payables to Group companies (Notes 15 and 19)	182,898	221,407
- Other financial liabilities with Group companies (Note 15)	8	24
- Sundry creditors (Note 15)	33,674	20,235
- Other payables	71,842	36,581
Total	**380,500**	**357,077**

b) Classification by maturities

The classification of financial liabilities by maturities at 31 December 2023 is as follows:

	Thousands of Euros					
	2023					
	Financial liabilities					
	2024	2025	2026	2027	Subsequent years	Total
Bank borrowings	83,449	—	125,000	—	—	**208,449**
Debentures and other negotiable securities	8,629	—	597,023	—	—	**605,652**
Other financial liabilities (Note 15)	71,842	16,416	16,252	—	9,306	**113,816**
Payables to Group companies and associates (Note 19)	182,898	282,826	—	1,000	—	**466,724**
Trade and other payables	8	—	—	—	—	**8**
Suppliers, Group companies and associates (Note 19)	27,137	—	—	—	—	**27,137**
Sundry accounts payable	4,643	—	—	—	—	**4,643**
Personnel (salaries payable)	1,894	—	—	—	—	**1,894**
Total	**380,500**	**299,242**	**738,275**	**1,000**	**9,306**	**1,428,323**

The classification of financial liabilities by maturities at 31 December 2022 is as follows:

	Thousands of Euros					
	2022					
	Financial liabilities					
	2023	2024	2025	2026	Subsequent years	Total
Bank borrowings	71,070	100,000	—	—	—	**171,070**
Debentures and other negotiable securities	7,760	—	—	597,023	—	**604,783**
Other financial liabilities (Note 15)	36,581	32,388	9,101	9,836	8,829	**96,735**
Payables to Group companies and associates (Note 19)	221,407	49,832	282,826	—	1,000	**555,065**
Suppliers	24	—	—	—	—	**24**
Suppliers, Group companies and associates (Note 19)	12,161	—	—	—	—	**12,161**
Sundry accounts payable	6,535	—	—	—	—	**6,535**
Personnel (salaries payable)	1,539	—	—	—	—	**1,539**
Total	**357,077**	**182,220**	**291,927**	**606,859**	**9,829**	**1,447,912**

15. Financial debts and commercial creditors

a) Bank borrowings

The current and non-current bank borrowings at 31 December 2023 are the following:

Thousands of Euros

2023				
Type	**Interest rate**	**Maturity**	**Par value**	**Outstanding debt at 31/12/2023**
Bank borrowings	Eur+margin	24 March 2024	15,000	15,000
Bank borrowings	Eur+margin	22 March 2024	10,000	10,000
Bank borrowings	Eur+margin	10 March 2024	15,000	10,000
Bank borrowings	Eur+margin	14 February 2026	300,000	125,000
Credit facility	Eur+margin	13 October 2024	10,000	6,649
Credit facility	Eur+margin	28 June 2024	5,000	2,157
Credit facility	Eur+margin	4 November 2024	15,000	11,161
Credit facility	Eur+margin	11 July 2024	10,000	118
Credit facility	Eur+margin	30 April 2024	15,000	11,663
Credit facility	Eur+margin	1 June 2024	10,000	5,454
Credit facility	Eur+margin	9 June 2024	11,275	11,247
Total				**208,449**

At 31 December 2023, the Company has credit facilities with a drawn balance of EUR 48,449 thousand (EUR 27,248 thousand in 2022).

The current and non-current bank borrowings at 31 December 2022 are the following:

Thousands of Euros

2022				
Type	**Interest rate**	**Maturity**	**Par value**	**Outstanding debt at 31/12/2022**
Bank borrowings	Eur+margin	24 March 2023	15,000	15,000
Bank borrowings	Eur+margin	22 March 2023	10,000	10,000
Bank borrowings	Eur+margin	10 March 2023	15,000	10,000
Bank borrowings	Eur+margin	20 July 2023	50,000	8,822
Bank borrowings	Eur+margin	14 February 2026	100,000	100,000
Credit facility	Eur+margin	30 April 2023	15,000	17,328
Credit facility	Eur+margin	9 June 2023	11,275	9,920
Total				**171,070**

Syndicated credit financing facility

On 10 February 2017, Prosegur Cash, S.A. arranged a five-year syndicated credit financing facility of EUR 300,000 thousand for a five-year term to afford the Company long-term liquidity. On 7 February 2019 this syndicated credit facility in the form of a loan was novated, and its maturity was extended by another 5 years. At 31 December 2023, a balance of EUR 125,000 thousand as been drawn against this facility (EUR 100,000 thousand in 2022).

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

In addition, this financing has the guarantees granted by the following subsidiaries of Prosegur Cash, S.A.: Prosegur Brasil, S.A. Transportadora de Valores e Segurança (Brazil), Transportadora de Caudales Juncadella, S.A. (Argentina) and Compañía de Seguridad Prosegur, S.A. (Peru). This contract has the following obligatory covenant ratios:

- The net financial debt/EBITDA ratio should be less than 3.5.
- The EBITDA/financial Expense ratio should be higher than 5.

At the close of the year 2023 and 2022, the Company is in compliance with the aforementioned ratios.

b) Debts with Group companies

The breakdown of the debts as of 31 December 2023 is as follows (Note 19):

Thousands of Euros

Type	Currency	Interest rate	Maturity	Par value	Current
Loans with group companies					
Prosegur Brasil SA Transportadora de Valores e Segurança (*)	EUR	4.25%	31 December 2024		47,774
Prosegur Cash International, S.A.U.	EUR	4.25%	31 December 2024		794
Prosegur Servicios de Efectivo España, S.L.U. (*)	EUR	4.25%	31 December 2024		923
Prosegur Smart Cash Solutions, S.L.U.	EUR	4.25%	31 December 2024		1,662
Juncadella Prosegur Internacional, S.A. (*)	EUR	4.25%	31 December 2024		14,069
Prosegur Global CIT ROW, S.L.U.	EUR	4.25%	31 December 2024		1,368
CASH Centroamerica Uno, S.L.U.	EUR	4.25%	31 December 2024		2,264
CASH Centroamerica Tres, S.L.U.	EUR	4.25%	31 December 2024		148
Cash Centroamérica Dos S.L.	EUR	4.25%	31 December 2024		1,538
Pitco Reinsurance, S.A.	EUR	4.25%	31 December 2024		54,564
Cash RE S.A.	EUR	4.25%	31 December 2024		4,100
Compañia de Seguridad Prosegur, S.A.	EUR	3.50%	31 December 2024		198
Transportadora de Caudales Juncadella, S.A.	EUR	4.25%	31 December 2024		294
Compañia de Seguridad Prosegur, S.A.	EUR	3.50%	2 June 2024		46,944

				176,640
Other financial liabilities				
Transportadora de Caudales Juncadella, S.A. (**)	EUR			3
Grupo N, S.A. (**)	EUR			1
Prosegur, S.A. (**)	EUR			3
Servicios Prosegur, Ltda. (**)	EUR			527
Cía Transportadora de Valores Prosegur de Colombia S.A. (**)	EUR			32
Transportadora Ecuatoriana de Valores TEVCOL Cia Ltda. (**)	EUR			33
Prosegur Cash International SAU (**)	EUR			1
Prosegur Global CIT ROW, S.L.U. (**)	EUR			13
Contesta Teleservicios SAU (**)	EUR			1
LATAM ATM Solutions, S.L. (**)	EUR			2
Compañia de Seguridad Prosegur S.A. (**)	EUR			5
				621
Short-term payables to Group companies and associates				
Transportadora de Caudales Juncadella, S.A.	EUR			36
Prosegur Brasil S/A Transportadora de Valores e Segurança	EUR			2,466
Prosegur Cash International, S.A.U.	EUR			3
Prosegur Servicios de Efectivo España, S.L.U.	EUR			5
Juncadella Prosegur Internacional, S.A.	EUR			1,137
CASH Centroamerica Uno, S.L.U.	EUR			7
CASH Centroamerica Tres, S.L.U.	EUR			1
Cash Centroamérica Dos S.L.	EUR			5
Pitco Reinsurance, S.A.	EUR			190
Cash RE S.A.	EUR			40
Compañia de Seguridad Prosegur, S.A.	EUR			1,734
Prosegur Logistica e Tratamento de Valores Portugal S.A.	EUR			7
Prosegur Smart Cash Solutions, S.L.U.	EUR			6
				5,637
Long-term payables to Group companies and associates				
Juncadella Prosegur Internacional, S.A.	EUR	4.25%	31 December 2025	282,826
Prosegur Logistica e Tratamento de Valores Portugal S.A.	EUR	4.00%	22 June 2027	1,000
				283,826
Total				**466,724**

(*) These balances are a consequence of the daily sweeping of cash-pooling accounts (Note 25)

(**) Balance corresponding to the current account held with the Company

The breakdown of the debts as of 31 December 2022 is as follows (Note 19):

				Thousands of Euros	
Type	**Currency**	**Interest rate**	**Maturity**	**Par value**	**Current**
Loans with group companies					

Prosegur Brasil SA Transportadora de Valores e Segurança (*)	EUR	0.75%	31 December 2023	47,774
UTE PCS SSG La Finca (*)	EUR	0.75%	31 December 2023	22
Prosegur Servicios de Efectivo España, S.L.U. (*)	EUR	0.75%	31 December 2023	26,238
Juncadella Prosegur Internacional, S.A. (*)	EUR	0.75%	31 December 2023	66,036
CASH Centroamerica Uno, S.L.U.	EUR	0.75%	31 December 2023	147
CASH Centroamerica Tres, S.L.U.	EUR	0.75%	31 December 2023	116
Gelt Cash Transfer, S.L.U.	EUR	0.75%	31 December 2023	20
Pitco Reinsurance, S.A.	EUR	0.75%	31 December 2023	26,000
				166,353
Other financial liabilities				
Transportadora de Caudales Juncadella, S.A. (**)	EUR			3
Prosegur Holding CIT ARG, S.A. (**)	EUR			1
Grupo N, S.A. (**)	EUR			31
VN Global BPO, S.A. (**)	EUR			27
Prosegur, S.A. (**)	EUR			3
Servicios Prosegur, Ltda. (**)	EUR			527
Cia Transportadora de Valores Prosegur de Colombia S.A. (**)	EUR			32
Transportadora Ecuatoriana de Valores TEVCOL Cia Ltda. (**)	EUR			34
Prosegur Soluciones, S.A.U. (**)	EUR			1
Prosegur AVOS España, S.L.U. (**)	EUR			2
Prosegur Compañía de Seguridad, S.A. (**)	EUR			10
				671
Short-term payables to Group companies and associates				
Prosegur Compañía de Seguridad, S.A.	EUR			53,598
Prosegur Holding CIT ARG, S.A.	EUR			14
Prosegur Brasil S/A Transportadora de Valores e Segurança	EUR			436
Prosegur Servicios de Efectivo España, S.L.U.	EUR			21
Juncadella Prosegur Internacional, S.A.	EUR			52
Pitco Reinsurance, S.A.	EUR			262
				54,383
Long-term payables to Group companies and associates				
Compañia de Seguridad Prosegur, S.A.	EUR	3.50%	2 June 2024	49,832
Juncadella Prosegur Internacional, S.A.	EUR	0.50%	31 December 2025	282,826
Prosegur Logistica e Tratamento de Valores Portugal S.A.	EUR	4.00%	22 June 2027	1,000
				333,658
Total				**555,065**

(*) These balances are a consequence of the daily sweeping of cash-pooling accounts (Note 25)

(**) Balance corresponding to the current account held with the Company

Likewise, the heading "short-term payables to Group companies and associates" recognises the amounts due for dividends.

c) Other financial liabilities

At 31 December 2023, other current and non-current financial liabilities mainly include deferred payments arising from the acquisition of Nummi, S.A. and The Change Group International (holding) Limited in the amount of EUR 31,391 thousand and EUR 79,763 thousand, respectively (EUR 26,030 thousand and EUR 59,094 thousand, respectively in 2022).

On 29 July 2022, the Company acquired 45,500 shares in Change Group Holding Ltd. (hereinafter the Change Group), representing 65% of the total shareholdings. The remaining 35%, i.e., 24,500 units (hereinafter "remaining units"), will be acquired in three different tranches over the following years, 2025, 2026, 2027-2039, pursuant to the schedule of future deferred contingent consideration set out between the parties.

These future acquisitions are instrumented in a cross option agreement entered into between the parties in a separate agreement to the purchase and sale agreement.

The abovementioned options may be exercised by the parties based on the conditions laid down in the agreement, which are set out below:

Sales option:

The seller may require the buyer to purchase the remaining shares on the following terms:

- Tranche one: put option exercisable from 30 April to 15 May 2025, corresponding to 33% of the remaining shares.
- Tranche two: put option exercisable from 30 April to 15 May 2026, corresponding to 50% of the remaining shares.
- Tranche three: put option exercisable from 1 April 2029 to 31 March 2039, corresponding to the remainder of the remaining units.

Call option:

The purchaser may acquire the remaining units on the following terms:

- Tranche one: call option exercisable from 16 May to 31 May 2025, corresponding to 33% of the remaining units.
- Tranche two: call option exercisable from 16 May to 31 May 2026, corresponding to 50% of the remaining shares.
- Tranche three: call option exercisable from 1 April 2029 to 31 March 2039, corresponding to the remainder of the remaining units.

The put and call option will be exercisable at the higher of the option price in each tranche as described in Note 9 or GBP 1 per unit.

Given that, under the terms of the cross option agreement, if the seller does not exercise the put option, it will be the Company that exercises the call option (depending solely on its will), under both scenarios the Company would own the remaining 35% of Change Group's share capital.

In that regard, the agreements reached lead to the conclusion that the transfer of the risks and rewards associated with the ownership of the remaining shares will occur at a certain time during the life of the abovementioned options. For this reason, the purchase of the remaining 35% is guaranteed, and the Company must register the purchase of 100% of the Change Group shares and the deferred debt from the date of the transaction.

Furthermore, on the basis of the above, the cross option agreement is classified for accounting purposes as a hybrid contract, which combines a non-derivative main contract (financial liability) and an embedded financial derivative (exercise price of the options).

On the basis of Note 27.7, the embedded financial derivative cannot be measured separately and, therefore, the Company has classified the hybrid contract as a whole as a financial liability, measuring the embedded derivative as part of the contingent consideration. In that regard, the agreements reached lead to the conclusion that the transfer of the risks and rewards associated with the ownership of the remaining shares will occur at a certain time during the life of the abovementioned options. For this reason, the purchase of the remaining 35% is guaranteed, and the Company must register the purchase of 100% of the Change Group shares and the deferred debt from the date of the transaction.

d) Trade payables

The breakdown of balances with commercial creditors is as follows:

	Thousands of Euros	
	2023	**2022**
Current		
Suppliers, Group companies and associates (Note 19)	27,137	12,161
Sundry accounts payable	4,643	6,535
Personnel (salaries payable)	1,894	1,539
Suppliers	8	24
Total	**33,682**	**20,259**

The suppliers section contains the outstanding trademark billing.

The fair value of the incentives referred to the share quotation price was estimated on the basis of Prosegur Cash’s share quotation price at the close of the period or at the payment time.

e) Deferred payments to suppliers. Third additional provision. "Reporting Requirement", of Act 15/2010 of 5 July

The information required by the "Reporting Requirement", third additional provision of Act 15/2010 of 5 July (modified through the Final Provision Two of Act 31/2014, of 3 December) prepared in accordance with the ICAC Resolution of 29 January 2016, on the information to be included in the annual accounts report in relation to the average period of payment to suppliers in commercial operations is detailed below.

Lastly, in keeping with the breakdowns required in section 9 of Act 18/2022, of 28 September, on business creation and growth, the monetary volume and number of invoices paid in a period below the maximum established was EUR 7,270 thousand and 556 invoices, respectively; furthermore, the percentage that these invoices comprise out of the total number of invoices and the monetary total of payments to their suppliers represented 43% of the total number of invoices and 46% of the monetary total.

	2023	2022
	Days	
Average payment period to suppliers	82	56
Ratio of transactions paid	86	60
Ratio of transactions pending payment	53	38
	Amount	
	Thousands of Euros	
Total payments made	15,918	14,867
Total payments pending	1,920	3,545
Number of invoices paid under 60 days	556	699
Volume (EUR thousand)	7.270	6.902
% of the total number of transactions	46%	46%

For the exclusive purposes of providing the disclosures envisaged in this Resolution, suppliers are deemed as commercial creditors holding debts for the supply of goods or services, included under "Suppliers and other payables" of current liabilities of the balance sheet.

"Average payment period to suppliers" is understood as the period between the delivery of the goods or the rendering of the services by the supplier and the material payment of the transaction.

The maximum legal term of payment applicable to the companies in 2023 and 2022, according to Act 11/2013, of 26 July, is of 30 days (unless the conditions set forth in the Act allowing the maximum payment period to be raised to 60 days are fulfilled).

During 2024, the Company will perform the appropriate actions to decrease its average payment period to suppliers in keeping with current legislation.

16. Taxation

Details of balances with public entities are as follows:

	Thousands of Euros			
	2023		2022	
	Non-Current	Current	Non-Current	Current
Assets				
Deferred tax assets	1,496	—	1,235	—
Value added tax and similar liabilities	—	10,486	—	7,626
	1,496	**10,486**	**1,235**	**7,626**
Liabilities				
Deferred tax liabilities	2,715	—	2,500	—
Social Security	—	146	—	114
Withholdings	—	625	—	1,297
	2,715	**771**	**2,500**	**1,411**

Prosegur Compañía de Seguridad, S.A. is the parent of a group that files Corporate Income Tax returns in Spain under the special tax consolidation regime in Spain. This Tax Consolidation Group, with number 0020/01, includes Prosegur Compañía de Seguridad, S.A. as its parent, and Spanish subsidiaries of the Prosegur Group that meet the requirements set out in Corporate Income Tax legislation governing the special tax consolidation regime.

Pursuant to tax legislation in force, the Company's tax loss carryforwards may only be offset up to a maximum of 70% of taxable income prior to offset. Financial and non-financial goodwill may only be amortised up to one twentieth of its amount per year.

<u>Audit and investigation proceedings.</u>

On 11 May 2023, the Company received notification of the opening of a partial verification and investigation procedure for Prosegur Cash, S.A. (as successor to Prosegur Global CIT, S.L.), financial years 2019 to 2021, regarding the deductibility of withholdings at source in corporate income tax.

On 17 July 2023, Prosegur Compañía de Seguridad, S.A., as the parent company of the tax consolidation group, signed a dissenting report proposing an adjustment with a potential impact on Prosegur Cash, S.A. amounting to EUR 2,340 thousand (tax liability of EUR 2,187 thousand, late-payment interest of EUR 153 thousand). On 31 July 2023, Prosegur Compañía de Seguridad, S.A., as the parent company, filed an initial statement of objections to the tax assessment. Subsequently, on 18 October 2023, the technical office ordered the reopening of the file and the performance of complementary actions, which are still in progress, and which could lead to modifications to the previous conclusions.

Income tax

The reconciliation of the accounting result and the corporate income tax carry forward is as follows:

	Thousands of Euros	
	2023	**2022**
Account financial income before tax	**(23,428)**	**(45,336)**
Permanent differences	(48,084)	(5,131)
Timing differences:	(238)	(2,484)
- Originating in the current period	2,891	2,015
- Arising in previous years	(3,129)	(4,499)
Taxable base for tax consolidation	**(71,750)**	**(52,951)**
Tax rate	25 %	25 %
Resulting tax payable	**(17,938)**	**(13,238)**
Deductions:	(4,737)	(2,061)
- Double taxation	(4,247)	(1,552)
- Contributions made to Foundations	(490)	(509)
Tax payable	**(22,675)**	**(15,299)**

The permanent differences of the accounting profit for the year 2023 mainly correspond to items that do not have a tax deductible expense or taxable revenue, which are mainly: the exemption of dividends received from its subsidiaries for a negative amount of EUR 70,707 thousand (2022: EUR 55,275 thousand by the subsidiaries), negative amount of EUR 3,191 thousand correspond to taxes paid abroad, which cannot benefit from the deduction for international double taxation (2022: EUR 2,732 thousand) contributions to foundations for a positive amount of EUR 1,400 thousand (2022: EUR 1,455 thousand) and the impairment of shareholdings in group companies for a positive amount of EUR 27,777 thousand (EUR 51,384 thousand in 2022).

The main temporary difference adjustments to accounting profit originating in the year that are deductible in subsequent years are as follows:

1. Positive:
   - Provision for personnel expenses, amounting to EUR 3,507 thousand (2022: EUR 2,521 thousand).
   - Other adjustments amounting to EUR 242 thousand corresponding to depreciations and provisions (2022: EUR 351 thousand).

2. Negative:
   - Tax depreciation of intangible assets for an amount of EUR 857 thousand. In 2022 the adjustment amounted to EUR 857 thousand.

The main temporary difference adjustments to accounting profit originating in previous years are as follows:

1. Positive:
   - There were no positive adjustments in 2023 or 2022.

2. Negative:
   - Reversal of provisions from previous years amounting to EUR 3,129 thousand (EUR 4,499 thousand in 2022).

In 2023, the deductions correspond to the deduction for international double taxation in respect of taxes paid abroad for miscellaneous services amounting to EUR 4,247 thousand (EUR 1,552 thousand in 2022), deduction for donations to non-profit entities amounting to EUR 490 thousand (deduction in technological innovation for EUR [sic] thousand and the deduction for donations to non-profit companies for EUR 509 thousand in 2022).

The breakdown of the income tax expense of the income statement is as follows:

	Thousands of Euros	
	2023	**2022**
Account financial income before tax	**(23,428)**	**(45,336)**
Permanent differences	(48,084)	(4,723)
Elimination of own shares transactions	9	(408)
Taxable base	**(71,503)**	**(50,467)**
Tax rate	25 %	25 %
Resulting tax payable	**(17,876)**	**(12,617)**
Deductions:	(4,737)	(2,061)
- Double taxation	(4,247)	(1,552)
- Contributions made to Foundations	(490)	(509)
Expense (income) tax on profit	**(22,613)**	**(14,678)**
Withholdings at source and other	8,958	4,729
Other adjustments	—	102
Final expense (income) tax on profit	**(13,655)**	**(9,847)**

The corporate income tax expense is as follows:

	Thousands of Euros	
	2023	**2022**
Current tax	(22,675)	(15,299)
Elimination of own shares transactions	3	102
Deferred tax	59	621
Adjustments from previous years	8,958	4,729
	(13,655)	**(9,847)**

On 28 November 2016, by agreement of the sole shareholder of the company Prosegur Cash, S.A., the company's admission was approved to the special regime of the Entities for the Holding of Foreign Securities provided for in Act 27/2014, of 27 November, on Corporate Income Tax. This was duly communicated to the Administration in a timely manner.

There were no restructuring operations during 2023. During 2022 a takeover merger took place by Prosegur Cash, S.A. (the absorbing company) of Prosegur Global CIT, S.L.U. (absorbed company). The aforementioned transaction was covered by the special regime pursuant to the provisions of Chapter VII, Title VII of Spanish Corporate Income Tax Act 27/2014 of 27 November. (Note 6).

<u>Deferred taxes</u>

Tax assets and tax liabilities are offset when the Company currently has the legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Movement in deferred tax is as follows:

2023	Thousands of Euros				
Deferred tax assets	**Opening balance**	**Other adjustments**	**Write offs**	**Additions**	**Closing balance**
Amortisation of intangible assets	213	21	—	19	253
Other provisions	1,022	85	(783)	919	1,243
	1,235	**106**	**(783)**	**938**	**1,496**

2022	Thousands of Euros				
Deferred tax assets	**Opening balance**	**Other adjustments**	**Write offs**	**Additions**	**Closing balance**
Amortisation of intangible assets	165	28	—	20	213
Other provisions	1,205	244	(1,125)	698	1,022
	1,370	**272**	**(1,125)**	**718**	**1,235**

2023	Thousands of Euros				
Deferred tax liabilities	**Opening balance**	**Other adjustments**	**Write offs**	**Additions**	**Closing balance**
Goodwill for tax purposes	(2,500)	—	—	(215)	(2,715)
	(2,500)	**—**	**—**	**(215)**	**(2,715)**

2022	Thousands of Euros				
Deferred tax liabilities	**Opening balance**	**Other adjustments**	**Write offs**	**Additions**	**Closing balance**
Goodwill for tax purposes	—	(2,286)	—	(214)	(2,500)
	—	**(2,286)**	**—**	**(214)**	**(2,500)**

17. Contingencies

a) Contingent liabilities

The Company has contingent liabilities from litigation arising in the ordinary course of business which are not expected to give rise to significant liabilities.

The Company has contingent liabilities for bank and other guarantees related with its normal business operations that are not expected to give rise to any significant liabilities.

Guarantees provided by the Company to third parties at year end are as follows:

	Thousands of Euros	
	2023	**2022**
Commercial guarantees	12,336	1,966
Financial guarantees	12,298	4,051
	24,634	**6,017**

Financial guarantees essentially include those relating to litigations in process.

b) Contingent assets

At 31 December 2023 and 2022 there are no contingent assets.

18. Commitments

a) Purchase commitments for fixed assets

At 31 December 2023 it has no fixed asset purchase commitments. The amount at 31 December 2022 is EUR 9 thousand corresponding mainly to the purchase of hardware and software development.

b) Operating lease commitments

In both 2023 and 2022, the Company has no commitments that correspond mainly to the rental of vehicles under non-cancellable operating leases.

19. Balances and transactions with related parties

a) Related Party Balances

The breakdown of the balances by categories is the following:

	Thousands of Euros				
	2023				
	Financial assets			Financial liabilities	
	Current			Current	
	Credits (Note 10)	Debtors (Note 10)	Other financial assets (Note 10)	Debts (Note 14)	Suppliers (Note 14)
Group companies and associates					
Prosegur SIS España, S.L.	—	—	—	—	(20)
Prosegur Compañia de Seguridad, S.A.	—	972	24,053	—	—
Prosegur Gestión de Activos, S.L.U.	—	12	—	—	(5,885)
Prosegur Cash International, S.A.U.	—	—	—	(798)	(9)
Prosegur Ciberseguridad	—	—	—	—	(90)
Prosegur Servicios de Efectivo España, S.L.U.	—	137	—	(928)	(228)
Prosegur Smart Cash Solutions, S.L.	—	44	—	(1,667)	—
Prosegur Avos España, S.L.U.	—	38	—	—	(12)
Juncadella Prosegur Internacional, S.A.	—		—	(15,207)	(13,900)
Prosegur International CIT 1, S.L.	412	25	—	—	—
Prosegur International CIT 2, S.L.U.	1,802	72	—	—	—
Prosegur Global CIT ROW, S.L.U.	74	328	26	(1,382)	(12)
ESC Servicios Generales, S.L.U.	—	—	—	—	(5)
Contesta Teleservicios	—	14	—	(1)	(3)
Contesta Servicios Auxiliares	—	—	—	—	—
Prosegur Colombia 1, S.L.U.	101	4	—	—	—
Prosegur Colombia 2, S.L.U.	10	—	—	—	—
Prosegur Global Cyber Security, S.L.U.	—	—	—	—	(37)
Prosegur Servicios de Pago EP, S.L.U.	736	36	1	—	—
Risk Management Solutions, S.L.U.	—	8	—	—	—
Prosegur Alpha3 Cashlab	6,868	135	200	—	—
CASH Centroamerica Uno, S.L.U.	—	—	—	(2,271)	(47)
CASH Centroamerica Tres, S.L.U.	—	—	5	(148)	(5)
Gelt Cash Transfer, S.L.U.	579	9	—		—
LATAM ATM Solutions, S.L.	—	—	—	(3)	—
The Change Group Spain, S.A.	1,511	150	—	—	—
Cash Centroamérica Dos S.L.	—	—	—	(1,543)	—
Movistar Prosegur Alarmas, S.L.	—	—	—	—	(2)
Transportadora de Caudales Juncadella, S.A.	—	1,817	1	(333)	(1,940)
Prosegur Holding CIT ARG, S.A.	—	—	—	—	—
VN Global BPO, S.A.	—	479	13	—	—
Grupo N, S.A.	—	351	—	(1)	—
Prosegur, S.A.	—	—	—	(3)	—
Prosegur Brasil S/A Transportadora de Valores e Segurança	—	3,465	2	(50,241)	(156)
Prosegur Serviços e Participações Societarias, S.A.	—	223	—	—	—
Prosegur Logistica e Armazenamento Ltda.	—	10	—	—	—
Log Cred Tecnologia Comercio e Serviços Ltda.	—	79	—	—	(3)
Prosegur Pay Consultoria em Tecnologia da Informação Ltda.	—	27	—	—	—
Compañia Transportadora de Valores Prosegur de Colombia, S.A.	—	736	43	(32)	(81)
Procesos Técnicos de Seguridad y Valores, S.A.S.	—	1,307	—	—	—
Compañía Colombiana de Seguridad Transbank Ltda.	24	4,337	3	—	(1,495)
Corresponsales Colombia SAS	—	107	—	—	—
Prosegur Procesos SAS	—	442	—	—	—
Compañía de Seguridad Prosegur, S.A.	—	707	5	(48,881)	(796)
Prosegur Cajeros, S.A.	—	72	—	—	—
Prosegur Cash Services Germany GmbH	—	—	98	—	—
SIS Cash Services Private Ltd.	—	18	—	—	—
Servicios Prosegur Ltda.	—	703	—	(527)	—
Capacitaciones Ocupacionales Sociedad Ltda	—	6	—	—	—
Empresa de Transportes Cia de Seguridad Chile Ltda.	—	1,225	—	—	—
Nummi, S.A.	—	50	—	—	—
Prosegur Transportadora de Caudales, S.A.	—	65	24	—	(339)

The Change Group Wechselstuben GmbH	—	7	—	—	—
Prosegur Change UK Limited	5,736	539	386	—	—
The Change Group International PLC	4,606	—	—	—	—
The Change Group Corporation Limited	5,804	396	181	—	—
The Change Group London Limited	5,950	511	—	—	—
Change Group ATMs Limited	—	93	—	—	—
The Change Group Denmark APS	—	1	—	—	—
Prosegur Change Denmark APS	—	46	—	—	—
The Change Group Helsinki OY	—	1	—	—	—
The Change Group France, S.A.S.	—	138	—	—	—
Change Group Sweden AB	—	1	—	—	—
The Change Group New York Inc	—	16	—	—	—
Corporacion Allium, S.A.	5,050	1,939	869	—	—
Protección de Valores, S.A.	—	585	—	—	—
Protección de Valores, S.A.	—	11	—	—	—
Armored Transport Plus Incorporated	—	104	—	—	—
Proteccion de Valores S.A. de CV	—	197	—	—	—
Singpai Pte. Ltd.	—	—	—	—	(76)
Grupo Proval CR, S.A.	—	—	—	—	(193)
Consultoria de Negocios CCR Consulting Costa Rica	—	1,183	—	—	—
Transportadora Ecuatoriana de Valores TEVCOL Cia	—	329	—	(33)	—
Tevlogistic, S.A.	—	3	—	—	—
Transportadora Ecuatoriana de Productos Valorados	—	3	—	—	—
Prosegur Paraguay, S.A.	—	1,336	270	—	(34)
Prosegur Logistica e Tratamento de Valores Portugal	—	—	—	(5)	—
Pitco Reinsurance, S.A.	—	—	—	(54,754)	(1,769)
Cash RE S.A.	—	—	—	(4,140)	—
Prosegur Australia Holdings PTY Limited	—	—	—	—	—
Prosegur Australia Pty Limited	—	—	—	—	—
Prosegur Foreign Exchange Pty Limited	2,971	124	—	—	—
Total	**42,234**	**25,773**	**26,180**	**(182,898)**	**(27,137)**

	Thousands of Euros				
	2023				
	Financial assets			Financial liabilities	
	Non-current			Non-current	
	Credits (Note 10)	Debtors (Note 10)	Other financial assets (Note 10)	Debts (Note 14)	Suppliers (Note 14)
Long-term group companies					
Compañía Colombiana de Seguridad Transbank Ltda.	2,000	—	—	—	—
Total	**2,000**	**—**	**—**	**—**	**—**

Thousands of Euros				
2022				
Financial assets			Financial liabilities	
Current			Current	
Credits (Note 10)	Debtors (Note 10)	Other financial assets (Note 10)	Debts (Note 14)	Suppliers (Note 14)

Group companies and associates					
Prosegur SIS España, S.L.	—	—	—	—	(6)
Prosegur Compañia de Seguridad, S.A.	—	—	40,808	(53,607)	(647)
Prosegur Gestión de Activos, S.L.U.	—	—	—	—	(5,666)
Prosegur Cash International, S.A.U.	1,084	6	16	—	—
Prosegur Soluciones, S.A.U.	—	—	1	(1)	—
Prosegur Global SIS, S.L.U.	—	—	—	—	(1)
Prosegur Servicios de Efectivo España, S.L.U.	—	144	30	(26,259)	(135)
Prosegur Smart Cash Solutions, S.L.	1,025	7	—	—	—
Prosegur Avos España, S.L.U.	—	38	39	(2)	—
Juncadella Prosegur Internacional, S.A.	—	643	—	(66,088)	(3,021)
Prosegur International CIT 1, S.L.	951	7	—	—	—
Prosegur International CIT 2, S.L.U.	1,792	14	—	—	—
Prosegur Global CIT ROW, S.L.U.	4,806	2,464	97	—	(13)
ESC Servicios Generales, S.L.U.	—	—	—	—	(2)
Contesta Teleservicios	—	14	—	—	—
Prosegur Colombia 1, S.L.U.	70	38	—	—	—
Prosegur Colombia 2, S.L.U.	—	38	—	(22)	—
Prosegur Servicios de Pago EP, S.L.U.	577	5	1	—	—
Prosegur Alpha3 Cashlab	478	28	846	—	—
Gelt Cash Transfer, S.L.U.	—	—	50	(20)	—
CASH Centroamerica Uno, S.L.U.	—	—	—	(147)	(1)
CASH Centroamerica Tres, S.L.U.	—	—	—	(116)	—
LATAM ATM Solutions, S.L.	—	—	2	—	—
The Change Group Spain, S.A.	—	—	1,500	—	—
Prosegur Smart Cash Solutions, S.L.U. (EP Mexico)	—	109	—	—	—
Movistar Prosegur Alarmas, S.L.	—	—	—	—	(2)
Transportadora de Caudales Juncadella, S.A.	—	12,522	1	(17)	(1,566)
Prosegur Holding CIT ARG, S.A.	—	—	93	(1)	—
VN Global BPO, S.A.	—	355	—	(27)	—
Grupo N, S.A.	—	250	—	(31)	—
Prosegur, S.A.	—	—	—	(3)	—
Log Cred Tecnologia Comercio e Serviços Ltda.	—	76	—	—	(17)
Prosegur Brasil S/A Transportadora de Valores e Segurança	—	4,221	2	(48,210)	(455)
Prosegur Serviços e Participações Societarias, S.A.	1,533	279	—	—	—
Prosegur Logistica e Armazenamento Ltda.	—	9	—	—	—
Prosegur Pay Consultoria em Tecnologia da Informação Ltda.	—	17	—	—	—
Compañia Transportadora	—	393	43	(32)	(77)
Procesos Técnicos de Seguridad y Valores, S.A.S.	—	963	—	—	—
Compañía Colombiana de Seguridad Transbank Ltda.	—	2,385	3	—	—
Corresponsales Colombia SAS	—	110	—	—	—
Prosegur Procesos SAS	—	721	—	—	—
Compañía de Seguridad Prosegur, S.A.	—	643	5	—	—
Prosegur Cajeros, S.A.	—	187	—	—	—
Grupo Proval CR, S.A.	—	193	—	—	—
Prosegur Cash Services Germany GmbH	23,029	127	85	—	—
SIS Cash Services Private Ltd	—	41	—	—	—
Servicios Prosegur Ltda	—	1,633	—	(527)	(29)
Capacitaciones Ocupacionales Sociedad Ltda	—	3	—	—	—
Empresa de Transportes Cia de Seguridad Chile Ltda	—	360	—	—	—
Nummi AS	—	63	—	—	—
Findarin SA	—	14	—	—	—
Prosegur Transportadora de Caudales SA	—	216	25	—	(94)
Prosegur Change UK Limited	5,249	—	395	—	—
The Change Group International PLC	4,372	—	188	—	—
The Change Group Corporation Limited	5,636	—	—	—	—
The Change Group London Limited	4,204	—	896	—	—
Corporacion Allium SA	5,009	1,304	—	—	—

Proteccion de Valores SA	—	583	—	—	—
Proteccion de Valores SA	—	19	—	—	—
Armored Transport Plus Incorporated	—	12	—	—	—
Proteccion de Valores SA de CV	—	199	—	—	—
Singpai Pte Ltd	—	—	—	—	(238)
Consultoría de Negocios CCR Consulting Costa Rica, S.A.	—	691	—	—	—
Transportadora Ecuatoriana de Valores TEVCOL Cia Ltda.	—	132	—	(34)	—
Tevlogistic, S.A.	—	15	—	—	—
Transportadora Ecuatoriana de Productos Valorados Setaproval, S.A.	—	4	—	—	—
Representaciones Ordoñez y Negrete, S.A. REPORNE	—	18	—	—	—
Prosegur Paraguay, S.A.	—	1,365	270	—	(108)
Prosegur Logistica e Tratamento de Valores Portugal S.A.	—	—	8	(1)	—
Pitco Reinsurance, S.A.	—	—	380	(26,262)	—
Prosegur Australia Holdings PTY Limited	7,097	—	—	—	—
Prosegur Australia Pty Limited	—	—	—	—	(83)
Prosegur Foreign Exchange Pty Limited	3,073	18	—	—	—
Total	**69,985**	**33,796**	**45,784**	**(221,407)**	**(12,161)**

Receivables and suppliers mostly reflect the outstanding balances relating to invoices for centralised services issued to and received from, respectively, the various Group companies.

Financial assets - credits correspond, on the one hand, to short-term credits to Group companies within the framework of centralised treasury management. These are denominated in Euros and accrue annual interest at a rate of 4.25% in Spain (0.75% in 2022). We also found short-term loans granted to subsidiaries in Australia in AUD and in Guatemala in EUR, accruing annual interest 4.00 % in Australia (2.90% in 2022) and 8.25 % in Guatemala (3.25% in 2022). Interest accrued amounted to EUR 3,875 thousand in 2023 (EUR 1,918 thousand in 2022).

In 2023 non-current financial assets with group companies correspond to an extendable loan maturing in 2025 and accruing interest at a rate of 7.25%.

Financial liabilities – the debts correspond, on the one hand, to short-term loans received from Group companies within the framework of the centralised treasury management. They are denominated mainly in EUR, accruing annual interest of 4.25% in Luxembourg (0.75% in 2022). On the other hand we have short-term loans granted by subsidiaries in Brazil accruing an interest rate of 4.25% (0,75% in 2022). Interest accrued amounted to EUR 20,905 thousand in 2023 (EUR 5,767 thousand in 2022).

b) Related Party Transactions

The amounts of the Company's transactions with related parties are the following:

	Thousands of Euros				
	2023				
	Revenue from dividends (Note 3)	**Financial income (Note 3)**	**Provision of services (Note 3)**	**Expenses from interest (Note 4)**	**Services rendered**
Prosegur Soluciones Integrales de Seguridad España, S.L.U.	—	—	—	—	(70)
Prosegur Compañia de Seguridad, S.A.	—	—	—	—	(21,519)
Prosegur Gestión de Activos, S.L.U.	—	—	—	—	(31,914)
Prosegur Cash International, S.A.U.	—	—	79	(13)	—
Prosegur Servicios de Efectivo España, S.L.U.	—	—	4,613	(212)	(51)
Prosegur Smart Cash Solutions, S.L.U.	—	38	—	—	—

Prosegur Avos España, S.L.U.	—	—	—	—	(10)
Juncadella Prosegur Internacional, S.A.	2,050	—	—	(14,985)	—
Prosegur International CIT 1, S.L.	—	26	—	—	—
Prosegur International	—	78	—	—	—
Prosegur Global CIT ROW, S.L.U.	—	546	13,673	—	—
ESC Servicios Generales, S.L.U.	—	—	—	—	(13)
Contesta Teleservicios, S.A.U.	—	—	—	—	(7)
Prosegur Colombia 1, S.L.U.	—	4	—	—	—
Prosegur Servicios de Pago EP, S.L.U.	—	39	—	—	—
Risk Management Solutions, S.L.U.	—	—	—	—	(1)
Prosegur Alpha3 Cashlabs, S.L.	—	159	—	(8)	—
CASH Centroamerica Uno, S.L.U.	—	—	—	(53)	—
CASH Centroamerica Tres, S.L.U.	—	—	—	(5)	—
Gelt Cash Transfer, S.L.U.	—	11	—	—	—
Prosegur Custodia de Activos Digitales S.L.U.	—	—	—	—	(1)
LATAM ATM Solutions S.L.	—	—	10	—	—
The Change Group Spain, S.A.	—	66	87	—	—
CASH Centroamerica Dos, S.L.	—	—	—	(5)	—
Prosegur Smart Cash Solutions, S.L.U. (EP Mexico)	—	—	650	—	—
Transportadora de Caudales Juncadella, S.A.	—	—	18,166	(37)	—
Grupo N, S.A.	—	—	97	—	—
VN Global BPO, S.A.	—	—	124	—	—
The Change Group Wechselstuben GmbH	—	—	57	—	—
Prosegur Australia Holdings PTY Limited	—	—	—	(21)	—
Prosegur Australia Pty Limited	—	—	—	—	(285)
Prosegur Foreign Exchange Pty Limited	—	121	178	—	(26)
Prosegur Serviços e Participações Societarias, S.A.	—	151	247	—	—
Prosegur Logistica e Armazenamento Ltda.	—	—	13	—	—
Log Cred Tecnologia Comercio e Serviços Ltda.	—	—	144	—	0
Prosegur Pay Consultoria em Tecnologia da Informação Ltda.	—	—	40		—
Prosegur Brasil S/A Transportadora de Valores e Segurança	—	—	7,316	(2,030)	—
Capacitaciones Ocupacionales Sociedad Ltda	—	—	9	—	—
Servicios Prosegur Ltda.	5,765	—	2,531	—	—
Empresa de Transportes Cia de Seguridad Chile Ltda.	—	—	1,571	—	—
Procesos Técnicos de Seguridad y Valores, S.A.S.	—	—	318	—	—
Compañía Colombiana de Seguridad Transbank Ltda.	—	209	2,312	—	—
Corresponsales Colombia SAS	1,145	—	225	—	—
Compañia Transportadora de Valores Prosegur de Colombia,	—	60	1,194	—	—
Prosegur Procesos SAS	—	—	450	—	—
Consultoría de Negocios CCR Consulting Costa Rica, S.A.	—	—	568	—	—
Prosegur Cash Services Germany GmbH	—	466	—	—	—
The Change Group Denmark APS	—	—	20	—	—
Prosegur Change Denmark APS	—	6	40	—	—
Transportadora Ecuatoriana de Valores TEVCOL Cia Ltda.	8,346	—	786	—	—
Tevlogistic, S.A.	—	—	17	—	—
Transportadora Ecuatoriana de Productos Valorados Setaproval, S.A.	—	—	14	—	—
Representaciones Ordoñez y Negrete, S.A. REPORNE	—	—	73	—	—
The Change Group Helsinki OY	—	—	15	—	—
The Change Group France, S.A.S.	—	9	128	—	—
Prosegur Change UK Limited	—	543	383	—	—
The Change Group International PLC	—	146	—	—	—
The Change Group Corporation Limited	—	389	124	—	(82)
The Change Group London Limited	—	390	405	—	—
Change Group ATMs Limited	—	—	220	—	—
Corporacion Allium, S.A.	—	412	458	—	—
Protección de Valores, S.A.	—	—	1,107	—	—
SIS Cash Services Private Ltd.	—	—	22	—	—
Pitco Reinsurance, S.A.	—	—	—	(1,697)	—
Cash RE S.A.	—	—	—	(40)	—
Protección de Valores, S.A.	—	—	94	—	—

Malcoff Holdings BV	52,100	—	—	—	—
Prosegur Cash Servicios, S.A.C.	—	—	1	—	—
Compañia de Seguridad Prosegur, S.A.	—	—	3,682	(1,759)	—
Prosegur Cajeros, S.A.	—	—	143	—	—
Prosegur Logistica e Tratamento de Valores Portugal S.A.	—	—	281	(40)	—
Prosegur Paraguay, S.A.	—	—	1,488	—	—
Change Group Sweden AB	—	6	114	—	—
Singpai Pte. Ltd.	—	—	—	—	(838)
Proteccion de Valores S.A. de CV	—	—	372	—	—
The Change Group New York Inc	—	—	16	—	—
Nummi, S.A.	2,510	—	905	—	—
Findarin, S.A.	2,513	—	88	—	—
Prosegur Transportadora de Caudales, S.A.	—	—	239	—	—
Beagle Control (Pty) Ltd.	—	—	26	—	(37)
Total	**74,429**	**3,875**	**65,933**	**(20,905)**	**(54,854)**

	Thousands of Euros				
	2022				
	Revenue from dividends (Note 3)	Financial income (Note 3)	Provision of services (Note 3)	Expenses from interest (Note 4)	Services rendered
Prosegur Soluciones Integrales de Seguridad España, S.L.U.	—	—	1	—	(123)
Prosegur Compañia de Seguridad, S.A.	—	—	10	(2,040)	(22,496)
Prosegur Gestión de Activos, S.L.U.	—	—	68	—	(46,157)
Prosegur Cash International, S.A.U.	—	6	54	—	—
Prosegur Servicios de Efectivo España, S.L.U.	—	—	4,255	(137)	(86)
Prosegur Ciberseguridad, S.L.U.	—	—	—	—	(133)
Prosegur Smart Cash Solutions, S.L.U.	—	6	—	—	—
Prosegur Avos España, S.L.U.	—	—	19	—	—
Juncadella Prosegur Internacional, S.A.	1,658	643	—	(2,949)	—
Prosegur International CIT 1, S.L.	—	7	—	—	—
Prosegur International	—	14	—	—	—
Prosegur Global CIT ROW, S.L.U.	—	45	18,355	—	—
ESC Servicios Generales, S.L.U.	—	—	—	—	(30)
Movistar Prosegur Alarmas, S.L.	—	—	1	—	—
Prosegur Colombia 1, S.L.U.	—	35	—	—	—
Prosegur Colombia 2, S.L.U.	—	34	—	—	—
Contesta Teleservicios, S.A.U.	—	—	19	—	—
CASH Centroamerica Uno, S.L.U.	1,866	—	—	(1)	—
CASH Centroamerica Dos, S.L.	1,278	—	—	—	—
Prosegur Servicios de Pago EP, S.L.U.	—	5	—	—	—
Risk Management Solutions, S.L.U.	—	—	7	—	—
Prosegur Alpha3 Cashlabs, S.L.	—	41	—	—	—
Malcoff Holdings BV	41,100	—	—	—	—
Nummi, S.A.	2,016	—	312	—	—
Findarin, S.A.	—	—	41	—	—
Prosegur Transportadora de Caudales, S.A.	—	—	872	—	—
Transportadora de Caudales Juncadella, S.A.	—	—	—	(14)	—
Prosegur Serviços e Participações Societarias, S.A.	2,193	19	—	—	—
Log Cred Tecnologia Com	—	—	—	—	—
Prosegur Brasil S/A Transportadora de Valores e Segurança	—	—	—	(366)	(1,104)
Compañia Transportadora de Valores Prosegur de Colombia,	—	—	—	—	(292)
Prosegur Smart Cash Solutions, S.L.U. (EP Mexico)	—	—	482	—	—
Protección de Valores, S.A.	—	—	1,147	—	—
Beagle Control (Pty) Ltd.	—	—	27	—	—
Prosegur Internationale Handels GmbH	—	—	—	(13)	—
Prosegur Cash Services Germany GmbH	—	148	—	—	—
Corporacion Allium, S.A.	—	265	799	—	—
Prosegur Change UK Limited	—	255	—	—	—

The Change Group International PLC	—	205	—	—	—
The Change Group London Limited	—	33	—	—	—
Servicios Prosegur Ltda.	7,957	—	—	—	—
Pitco Reinsurance, S.A.	—	—	—	(245)	—
Luxpai CIT S.A.R.L.	—	1	—	—	—
Prosegur Logistica e Tratamento de Valores Portugal S.A.	—	—	—	(2)	—
Armored Transport Plus Incorporated	—	13	—	—	—
Singpai Pte. Ltd.	—	—	—	—	(981)
Prosegur Transportadora de Caudales, S.A.	—	—	—	—	(326)
Prosegur Paraguay, S.A.	—	—	—	—	(391)
Prosegur Australia Holdings PTY Limited	—	104	—	—	—
Prosegur Foreign Exchange Pty Limited	—	57	—	—	—
Prosegur Australia Pty Limited	—	—	—	—	(617)
Protección de Valores, S.A.	—	—	116	—	—
Prosegur Cash Servicios, S.A.C.	—	—	2	—	—
Compañia de Seguridad Prosegur, S.A.	—	—	7,378	—	—
Prosegur Cajeros, S.A.	—	—	339	—	—
Prosegur Paraguay, S.A.	—	—	2,535	—	—
Proteccion de Valores S.A. de CV	—	—	397	—	—
Total	**58,068**	**1,936**	**37,236**	**(5,767)**	**(72,736)**

The most relevant transactions with related parties during the 2023 and 2022 are as follows:

- Invoicing related to centralised services, with related companies Prosegur Global CIT ROW, S.L.U. and Transportadora de Caudales Juncadella, S.A., by virtue of which a service provision of EUR 31,839 thousand is recorded in 2023 (EUR 18,355 thousand in 2022). Likewise for centralised services, an amount of EUR 53,433 thousand is recorded for services received in 2023 with related companies Prosegur Gestión de Activos, S.L.U. and Prosegur Compañia de Seguridad, S.A. (EUR 68,653 thousand in 2022).

- Billing for trademark assignment, with different related companies across the world, under which EUR 16,883 thousand are billed in 2023 (EUR 18,092 thousand in 2022). Likewise, billing received for trademark assignment of EUR 21,519 thousand in 2023 (EUR 3,709 thousand in 2022) was recorded.

Interest income and borrowing costs reflect the amounts accrued on the aforementioned current loans extended to and by Group companies (Note 15).

20. Non-current provisions

Details of provisions and movement are as follows:

	Thousands of Euros		
	Accruals with personnel	**Other provisions**	**TOTAL**
Balance at 1 January 2022	**1,163**	**1,943**	**3,106**
Provisions	1,358	700	2,058
Reversals	—	(1,943)	(1,943)
Balance at 1 January 2023	**2,521**	**700**	**3,221**
Provisions	1,044	9	1,053
Reversals	(58)	(341)	(399)
Balance at 31 December 2023	**3,507**	**368**	**3,875**

Provisions for accruals with staff include the accrued incentive that corresponds to the 18-20 Plan and the 21-23 Plan. During the period, provisions were made against profit/loss for EUR 1,044 thousand and a reversal amounting to EUR 58 thousand (provision against profit/loss for the year amounting to EUR 1,358 thousand in 2022).

The 18-20 Plan is generally linked to the creation of value in the 2018-2020 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 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.

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 Cash Group shares on the Stock Exchange will be taken as a reference during the last fifteen trading sessions of the month prior to the one in which the shares are awarded.

The Retention Plan, which is linked to ensuring adequate talent retention and promoting the digital transformation of the Group for 2021-2023, was also approved in 2021. The plan envisages the payment of share incentives. The period of measurement covered for most cases from 1 January 2021 to 31 December 2023. While the Plan's approval provided that the first payment in shares would be in October 2022, the second payment in October 2023 and the final payment in October 2024, the General Shareholders Meeting of 7 December 2022 has resolved to deliver all of the shares during the 2022 financial year to each employee with the right to these for having attained the objectives associated with that Plan.

The Company recognises a straight-line expense in the income statement during the length of service of the Plan, as well as the corresponding increase in equity, based on the fair value of the shares committed when the Plan was granted. The fair value of the shares at the moment of the granting was EUR 0.695 per share.

The Plan provides for a total delivery of 3,132,121 shares, of which 3,075,828 were delivered at 31 December 2022, and 56,293 were delivered in 2023. The delivery of the shares took place at a price of EUR 0.584 per share.

21. Remuneration to the Board of Directors

a) Remuneration of members of the board of directors

The Board of Directors is understood to be the management group of the Company and is made up of persons elected by the Shareholders General Meeting to carry out the management, control, representation and management functions of the same.

The members of the Board of Directors have received the following remuneration from the Company:

	Thousands of Euros	
	2023	**2022**
Fixed remuneration	1,450	1,394
Variable remuneration	611	533
Remuneration for membership of the Board	187	180
Per diems	191	195
Total	**2,439**	**2,302**

b) Remuneration of Senior Management personnel

Senior management personnel are Company employees who hold, *de facto* or *de jure*, senior management positions reporting directly to the Board of Directors, executive committees or Executive directors on the Board, including those with power of attorney not limited to the Company's statutory activity or specific areas or matters.

The members of Senior Management have received the following remunerations from the Company:

	Thousands of Euros	
	2023	**2022**
Fixed remuneration	947	646
Variable remuneration	579	340
Life insurance premiums and other remuneration in kind	36	25
Total	**1,562**	**1,011**

These provisions include the accrued cash incentive corresponding to the 18, 20, 21-23 Plans and the Retention Plan (Notes 3 and 27.9).

The fair value of the incentives referred to the share quotation price was estimated on the basis of Prosegur Cash's share quotation price at the close of the period or at the payment time.

There has been no accrued expense for Senior Management civil liability insurance in 2023 and 2022.

c) 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 declare that they have not been involved in any direct or indirect conflicts of interest with the company in 2023.

During 2023, Euroforum Escorial, S.A. (controlled by Gubel, S.L.) invoiced Prosegur Cash EUR 62 thousand for hotel services (EUR 119 thousand for hotel services at 31 December 2022).

Prosegur is controlled by Gubel, S.L., which was incorporated in Madrid, and holds 59.76% of the shares of Prosegur, which consolidates Prosegur Cash in its consolidated financial statements.

During 2023, Proactinmo, S.L. (controlled by Gubel, S.L.) invoiced Prosegur Cash for leasing services for property on Calle San Máximo in the amount of EUR 262 thousand (at 31 December 2022 leasing services were invoiced in an amount of EUR 246 thousand).

Moreover, Mr Christian Gut Revoredo and Mr Antonio Rubio Merino respectively hold the posts of Managing Director of Prosegur and Executive President of Prosegur Cash and Chief Financial Officer of Prosegur and Proprietary Director (representing Prosegur) at Prosegur Cash. Ms Chantal Gut Revoredo is a Proprietary Director at Prosegur and Prosegur Cash. The Board of Directors considers that their respective posts at Prosegur in no way affect their independence when discharging their duties at Prosegur Cash.

22. Employee Information

The average headcount of the Company in these years, distributed by category, is as follows.

	2023	2022
Indirect personnel	69	54
Total	**69**	**54**

The distribution of the Company's personnel at the end of the year by gender and category is as follows:

	2023		2022	
	Women	**Men**	**Women**	**Men**
Indirect personnel	21	48	14	42
Total	**21**	**48**	**14**	**42**

There are no employees in the Company with a disability rating of 33% or more.

The distribution by gender of the Board of Directors and Senior Management at the end of the year is as follows:

	2023		2022	
	Women	**Men**	**Women**	**Men**
Directors	3	6	3	6
Senior Management	1	9	6	—
Total	**4**	**15**	**9**	**6**

23. Audit Fees

Ernst & Young, S.L., the auditors of the Annual Accounts of the Company in 2023 and 2022, invoiced the following fees and expenses for professional services:

	Thousands of Euros	
	2023	2022
Audit services	191	188
Other audit-related services	21	22
Other services	18	19
Total	**230**	**229**

Audit services detailed in the above table include the total fees for services rendered in 2023 and 2022, irrespective of the date of invoice.

Additionally, other EY International affiliates have invoiced the Company the following fees for professional services during the year:

In financial year 2023, Ernst & Young, S.L. provided other audit-related services for EUR 21 thousand (EUR 19 thousand in 2022).

24. Environmental information

At 31 December 2023 and 2022, the Company has no environment-related contingencies, legal claims or income and expenses relating to the environment.

25. Financial risk management

Financial risk factors

The Company's activities are exposed to various financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's risk management programme focuses on uncertainty in the financial markets and aims to minimise potential adverse effects on the Company's business.

(i) Currency risk

The Company mainly operates on a national basis. Likewise, the Prosegur Cash Group, of which the Company is the parent, operates internationally. As a result, the Company is exposed to currency risk when operating with its subsidiaries in foreign currencies and through the assets and liabilities contracted in foreign currencies from third parties. Currency risk is associated with recognised assets and liabilities denominated in foreign currency.

Management has a currency risk management policy to control the risk arising from the exchange of foreign currencies to its functional currency risk to minimise the Company's exposure. Currency risk arises when future transactions or recognised assets and liabilities are presented in a currency other than the parent's functional currency.

When so required by its policies and market expectations, the Company uses forward contracts approved and contracted by the Treasury Department in the corresponding market to control currency risk arising on trade transactions and recognised assets and liabilities. The Treasury Department is responsible for managing the net position of each foreign currency by entering into external or local forward currency contracts, depending on their competitiveness and appropriateness.

Since the Company, as parent of the Prosegur Cash Group, intends to remain in the foreign markets in which it is present in the long term or permanently, it does not hedge the currency risk related to equity investments in those markets.

The value of the financial assets and liabilities attributable to the Company at 31 December, by type of currency, is as follows:

	Thousands of Euros			
	2023		2022	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Euros	70,376	1,264,447	119,656	1,496,000
Argentine Peso	—	1,263	—	1,566
US Dollar	228	88,839	104	—
Australian Dollar	3,078	(3,327)	10,170	1,020
Peruvian Sol	—	49,586	—	52,046
Colombian Peso	56	(589)	—	—
Pound Sterling	22,971	54,476	20,052	2,715,000
Danish Krone	46	—	—	—
Quetzal Guatemala	869	—	—	—
Philippine Peso	98	—	—	—
Uruguayan Peso	—	(26,360)	—	—
Other currencies	—	(11)	897	28,039
Total	**97,722**	**1,428,324**	**150,879**	**4,293,671**

(ii) <u>Interest rate, cash flow and fair value risks</u>

As the Company does not have a significant amount of assets remunerated at floating interest rate, income and cash flows from operating activities are not basically by fluctuations in market interest rates.

Interest rate risk mainly arises from non-current borrowings. Borrowings at variable interest rates expose the Company to cash flow interest rate risks. Fixed-interest borrowings expose the Company to fair value interest rate risks. In 2023 the Company's borrowings at floating interest rates were denominated in EUR.

The Company analyses its interest rate risk exposure dynamically. A simulation of various scenarios, considering refinancing, the renewal of current positions, alternative financing and hedges is performed. Based on these scenarios, the Company calculates the effect of a certain variation in interest rates on profit and loss. These scenarios are only analysed for the liabilities that represent the most significant positions in which a floating interest rate is paid.

Details of loans and borrowings, indicating the portion considered to be hedged, at a fixed rate, are as follows:

	Thousands of Euros		
	2023		
	Total debt	**Hedged debt**	**Debt exposure**
Non-current (Note 14)	763,997	763,997	—
Current (Note 14)	92,078	92,078	—
Total debt	**856,075**	**856,075**	**—**

	Thousands of Euros		
	2022		
	Total debt	**Hedged debt**	**Debt exposure**
Non-current (Note 14)	757,177	757,177	—
Current (Note 14)	78,830	71,070	—
Total debt	**836,007**	**828,247**	**—**

(iii) Credit risk

The Company has no significant credit risk concentrations given that the main activity of the Company corresponds to group companies.

(iv) Liquidity risk

The Company applies a prudent policy to cover its liquidity risks, based on having sufficient cash and marketable securities as well as sufficient financing through credit facilities to settle market positions. Given the dynamic nature of its underlying business, the Company's Treasury Department aims to be flexible with regard to financing.

Management monitors the Company's liquidity reserve forecasts, which comprise credit drawdowns and available cash, and are forecast based on expected cash flows.

The table below presents an analysis of the financial liabilities that will be settled for the net amount, grouped by maturities based on the period remaining from the balance sheet date until contractual maturity dates. The amounts presented in this table reflect the cash flows stipulated in the contract.

	Thousands of Euros				
	Less than 1 year	**1 to 2 years**	**2 to 5 years**	**More than 5 years**	**Total**
31 December 2023	92,078	—	763,997	—	856,075

	Thousands of Euros				
	Less than 1 year	**1 to 2 years**	**2 to 5 years**	**More than 5 years**	**Total**
31 December 2022	78,830	—	757,177	—	836,007

Finally, systematic forecasts are prepared for cash generation and requirements, allowing the Company to determine and monitor its liquidity position on an ongoing basis.

26. Events after the reporting date

On 7 February 2024, the deed of capital reduction of Prosegur Cash was registered at the Commercial 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 the Company resulting from the reduction through the redemption of said shares is set at EUR 29,698,270, 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.

On 18 January 2024 notice was received on the extension of audit and investigation proceedings for Prosegur Cash, S.A. (as successor of Prosegur Global CIT, S.L.). The ongoing inspection proceedings cover Corporate Income Tax for the years 2019 through 2022, and Value Added Tax and Personal Income Tax for the years 2020 through 2022. The opening of this inspection proceeding encompasses and extends to the partial inspection proceeding that began in 2023 and is pending conclusion. At the date of publication of this document, the inspection proceeding is still ongoing.

Finally, the Board of the National Securities Market Commission adopted the following resolution on 20 February 2024: “To authorise the partial voluntary public offer for the acquisition of shares in Prosegur Compañía de Seguridad, S.A. presented by Gubel, S.L. on 12 December 2023 and admitted for processing on 21 December 2023, given that its terms are deemed to comply with current regulations and the content of the explanatory prospectus presented is considered sufficient, following the latest modifications registered on 12 February 2024. The partial offer extends to the acquisition of a maximum number of 81,754,030 shares of Prosegur Compañía de Seguridad, S.A. They represent 15% of its share capital, which comprises 545,026,866 shares, admitted to trading on the Madrid and Barcelona Stock Exchanges and included in the Stock Exchange Interconnection System, and are addressed to all holders of shares except the offeror, direct and indirect holder of 326,468,224 shares of Prosegur Compañía de Seguridad, S.A., representing 59.90% of the capital, which are immobilised. The offer price is EUR 1.83 per share and will be paid in cash. This price has been freely set by the offeror, pursuant to articles 13.5 and 14 of Royal Decree 1066/2007, of 27 July, on the rules governing takeover bids, and has not been submitted for consideration as an equitable price for the purposes of articles 110 of Law 6/2023, of 17 March, on Securities Markets and Investment Services, and 9 of the abovementioned Royal Decree". The CNMV will report on the offer acceptance period when the offeror publishes the first of the announcements provided for in article 22 of Royal Decree 1066/2007.

27. Accounting principles

These Annual Accounts have been prepared using the same accounting principles as used by the Prosegur Cash Group to prepare the Annual Accounts for the previous year.

27.1.Intangible assets

The assets in intangible assets are posted at purchase price or production cost. The capitalisation of production cost appears under “Self constructed assets” in the income statement. Intangible fixed assets are shown in the balance sheet at cost value less the amount of accumulated depreciation and impairment.

The costs incurred in carrying out activities that contribute to the development of the value of the Company’s business as a whole, such as goodwill, trademarks and similar items generated internally, as well as the establishment expenses are recorded as expenses in the income statement as they are incurred.

a) Computer software:

Computer software licences purchased from third parties are capitalised at the cost of acquisition or cost of preparation of the specific software for use. Such costs are amortised over the estimated useful lives of the applications, at 5 years.

Computer software maintenance costs are charged as expenses when incurred.

b) Patents, licences, trademarks and others

Licences have finite useful lives and are recognised at cost less accumulated amortisation and impairment. Licences are amortised on a straight-line basis to allocate the cost over their estimated useful lives of between one and 10 years.

In 2020, the Company re-estimated the useful life of the licences, considering the digital transformation project in which it is involved, with a 4-year depreciation period and having adjusted the income statement prospectively.

c) Other intangible assets:

Other intangible assets mainly comprise the set of knowledge and technical resources of the personnel acquired from Prosegur Compañía de Seguridad, S.A. (Note 7). They are amortised on a straight-line basis over their estimated useful life of between 2 and 10 years.

27.2.Property, plant and equipment

Property, plant and equipment are recognised at cost of acquisition or production, less accumulated depreciation and any accumulated impairment.

Costs incurred to extend, modernise or improve property, plant and equipment are only recorded as an increase in the value of the asset when the capacity, productivity or useful life of the asset is increased and it is possible to ascertain or estimate the carrying amount of the assets that have been replaced in inventories.

The cost of major repairs is capitalised and depreciated over their estimated useful life, while recurring maintenance costs are charged to the income statement during the year in which they are incurred.

Depreciation of property, plant and equipment is calculated systematically on a straight-line basis over the estimated useful lives of the assets based on the actual decline in value and use.

The Company uses the following depreciation rates:

	Depreciation rate
Other Installations	10%
Furniture	10%
Data processing equipment	25%
Other Property, Plant and Equipment	10% to 20%

The residual values and useful lives of assets are reviewed and adjusted, if necessary, at each balance sheet date.

When an asset's carrying amount exceeds its estimated recoverable amount, the carrying amount is written down immediately to the recoverable amount.

Profit and losses on the sale of property, plant and equipment are calculated as the difference between the consideration received and the carrying amount, and are recognised in the income statement.

27.3.Impairment losses on non-financial assets

Assets subject to amortisation or depreciation are tested for impairment whenever an event or change in circumstances indicates that their carrying amount might not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value in use.

For impairment testing purposes, assets are grouped at the lowest level for which separate identifiable cash flows can be identified (cash-generating unit, CGU).

Non-financial assets for which impairment losses have been recognised, are tested at each balance sheet date in case the loss has reversed.

27.4.Financial assets

A financial instrument is a contract that gives rise to a financial asset in one company and, at the same time, to a financial liability or an equity instrument in another company.

The Company will recognise a financial instrument on its balance sheet when it becomes a party to the contract or legal transaction in accordance with the provisions thereof, either as issuer or as holder or acquirer.

The Company determines the classification of its financial assets at the time of their initial recognition and, when allowed and appropriate, it reassesses that classification at each balance sheet date.

A financial asset is any asset that is: cash, an equity instrument from another company or involves a contractual right to receive cash or another financial asset (a debt instrument) or to exchange financial assets or liabilities with third parties in potentially favourable conditions.

The financial assets used by the Company are classified for valuation purposes under the following categories:

a) Financial assets at fair value through profit and loss

Financial assets included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid. Transaction costs directly attributable are recognised in the income statement of the financial year.

After initial recognition the company measures the financial assets contained in this category at fair value through profit or loss.

b) Financial assets at amortised cost

A financial asset will be included in this category even when it is admitted for trading on an organised market, if the company maintains the investment with the aim of receiving the cash flows resulting from the performance of the contract, and the contractual conditions of the financial asset, on specific dates, lead to cash flows which are solely the collection of principal and interest on the outstanding amount of principal.

The assets are classified as current unless they mature in more than 12 months after the balance sheet date, in which case they are classified as non-current.

Financial assets at amortised cost are included in “Long-term financial investments”, “Loans to Group companies” and “Loans to third parties” in the non-currents assets of the balance sheet, and in “Trade and other receivables” in the current assets of the balance sheet.

Contractual cash flows that are solely collections of principal and interest on the outstanding amount of principal are inherent to an ordinary or common agreement, notwithstanding that the terms of the operation establish zero interest or below-market interest rates.

This category generally includes loans for commercial and non-commercial operations:

a) Loans for commercial operations: financial assets arising from the sale of goods or the rendering of services in the ordinary course of the Company's business with deferred payment, and

b) Loans for non-commercial operations: financial assets which, while not being of commercial origin, are not equity instruments or derivatives, have fixed or determinable payments and arise from loan or credit facilities granted by the company.

Financial assets classified in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid, plus any transaction costs directly attributable to them.

However, loans from commercial operations with a maturity of no more than one year and which do not have a contractual interest rate, as well as advances and loans to staff, dividends collectable and disbursements required on equity instruments, the amount of which is expected to be received in the short term, can be valued at their par value if the effect of not adjusting the cash flows is not significant.

The financial assets included in this category are subsequently measured at amortised cost. Accrued interest is recognised in the income statement using the effective interest rate method.

However, loans with a maturity of no more than one year which, according to the previous sub-section, are initially measured at their par value, will continue being measured at that amount, unless they are impaired.

If the contractual cash flows of a financial asset change because of financial difficulties of the issuer, the company will assess whether it should book an impairment loss.

The necessary value adjustments should be made whenever there is objective evidence that the value of a financial asset or group of financial assets with similar risk features when valued collectively, has depreciated as a result of one or more events having occurred after initial recognition and causing a reduction or delay in estimated future cash flows, which may be due to debtor insolvency.

The impairment loss on those financial assets will be the difference between their carrying amount and the current value of estimated future cash flows including, where appropriate, those arising from the enforcement of security or personal guarantees that are expected to be generated, discounted at the effective interest rate calculated at the time of initial recognition. For financial assets at floating interest rate, the effective interest rate on the date of closing the annual accounts is used, according to the contractual conditions. The calculation for impairment losses of a group of financial assets can use models based on statistical formulae or methods.

Impairment valuation adjustments, and their reversal if the amount of that loss is reduced for reasons related to a subsequent event are recognised as revenue or expense, respectively, on the income statement. Reversal of impairment is limited to the carrying amount of the asset that would have been recognised on the date of reversal if the value impairment had not been recorded.

However, to replace the current value of the cash flows, the market value of the instrument can be used provided that it is sufficiently reliable so as to be considered as representative of the value that could be recovered by the company.

The recognition of interest in financial assets with credit impairment will follow the general rules, notwithstanding that at the same time the company must assess whether that amount will be recovered and, where appropriate, the corresponding impairment loss will be booked.

c) Financial assets at fair value with changes in equity

Financial assets included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid, plus any transaction costs directly attributable to them.

The amount for preferential subscription rights and similar, if, any, that may have been acquired is part of the initial valuation.

These assets will be subsequently measured at fair value, without deducting any transaction costs that are incurred in the sale. Any changes arising in fair value are recognised directly in equity until the asset is disposed of or written off, at which time the amount thus recognised will be allocated to the income statement.

However, any impairment loss adjustments and any losses and gains resulting from exchange differences on monetary financial assets expressed in foreign currency, in accordance with the regulations on this latter case, are taken to the income statement.

The amount of interest calculated using the effective interest rate method and any dividends payable will also be recorded in the income statement.

When a value has to be allocated to these assets due to being removed from the balance sheet or for another reason, the average weighted price method for homogeneous groups will be used.

d) Financial assets at cost

Financial assets at cost are included in “Investments in equity instruments of group companies” and “Other short-term financial assets” in the non-current assets of the balance sheet, and in “Other short-term financial assets” in the current assets of the balance sheet.

The investments included in this category are initially measured at cost, equivalent to the fair value of the consideration paid plus any transaction expenses that are directly attributable to them.

The equity instruments included in this category are measured for their cost less, if the case, the accumulated amount for impairment value adjustments.

When a value has to be allocated to these assets due to being removed from the balance sheet or for another reason, the average weighted price method for homogeneous groups will be used, these being taken as values having the same rights.

In the case of the sale of preferential subscription rights and similar or the segregation of those rights for exercising them, the cost amount of the right will reduce the carrying amount of the respective assets. That cost will be determined by applying any generally accepted measurement formula.

Any contributions made as a result of a joint venture or similar agreement are valued at cost, increased or decreased by the gain or loss, respectively, corresponding to the company as a passive investor and, where appropriate, less accumulated amount for impairment loss adjustments.

This same principle will be used in participating loans with contingent interest either because it is arranged at a fixed or floating interest rate subject to the borrower achieving a milestone such as obtaining profits, or because they were calculated exclusively by reference to the financial performance of the borrower. If in addition to a contingent interest, an irrevocably fixed interest rate is arranged, the latter will be booked as financial income on an accrual basis. Any transaction costs will be taken to profit or loss on a straight-line basis during the life of the participating loan.

At least at year end, the necessary impairment losses are recognised when there is objective evidence that all the amounts receivable will not be collected.

The impairment loss is calculated as the difference between the carrying amount of the asset and the current value of the estimated future cash flows, discounted at the effective interest rate upon initial recognition. Impairment losses are recognised and reversed in the income statement.

a) Disposals of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received, net of transaction costs, including any new assets obtained less any new liabilities assumed and any cumulative profit or loss deferred in recognised income and expense, is recorded in equity.

b) Offsetting principles

A financial asset is offset only when the Company currently has the legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset simultaneously.

27.5.Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits at banks and financial instruments that are convertible to cash and have a maturity of three months or less from the date of acquisition, provided that there is no significant risk of changes in value and that they form part of the Company's usual cash management policy.

27.6.Equity

The acquisition by the Group of equity instruments of the Parent Company is presented at acquisition cost separately as a reduction in net equity in the consolidated statement financial position, regardless of the reason for the acquisition. No profit/loss was recognised in transactions with own equity instruments.

The subsequent amortisation of the parent's equity instruments leads to a capital reduction in the nominal amount of said shares and the positive or negative difference between the purchase price and the nominal share price is charged or credited to reserves.

The transaction costs relating to own equity instruments are recognised as a reduction in net equity once any tax effect has been taken into account.

27.7.Financial liabilities

The whole or any part of the financial instruments issued, committed or assumed are classified as financial liabilities provided that their economic reality entails a direct or indirect contractual obligation for the company to hand over cash or another financial asset, or to exchange financial assets or liabilities with third parties in potentially unfavourable conditions.

The financial liabilities used by the Company, are classified for valuation purposes under the following categories:

a. Financial liabilities at amortised cost

The company classifies all financial liabilities in this category except where they are to be measured at fair value through profit and loss.

This category generally includes payables from commercial operations and from non-commercial transactions:

a) Payables from commercial operations are financial liabilities arising from the purchase of goods and services in the ordinary course of the Company's business with deferred payment, and

b) Payables from non-commercial operations are financial liabilities which, while not being equity instruments or derivatives, are not of commercial origin but originate from loan arrangements or credit facilities received by the company. Participating loans with the features of an ordinary or regular loan are also included in this category notwithstanding that the operation may be arranged at a zero or below-market interest rate.

Financial liabilities included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration received, adjusted by any transaction costs directly attributable.

However, payables from commercial operations with a maturity of no more than one year and which do not have a contractual interest rate, as well as disbursements demanded by third parties on holdings, the amount of which is expected to be paid short term, can be measured, both initially and later, at their nominal value if the effect of not adjusting the cash flows is not significant.

The financial liabilities included in this category are measured at amortised cost. Accrued interest is recognised in the income statement using the effective interest rate method.

However, loans with a maturity of no more than one year which are initially measured at their par value, will continue being measured at that amount.

b. Financial liabilities at fair value through profit or loss

Financial liabilities meeting any of the following conditions are included in this category:

a) They are liabilities held for trading.

b) Upon initial recognition, they were designated by the entity as at fair value through profit or loss.

Financial liabilities included in this category are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration received. Transaction costs directly attributable are recognised in the income statement of the financial year.

After initial recognition the company will measure the financial liabilities contained in this category at fair value through profit or loss.

c. Hybrid financial instruments

Hybrid financial instruments are those that combine a non-derivative host contract and a financial derivative, known as an embedded derivative, which cannot be independently transferred, with the effect that some of the cash flows of the hybrid instrument vary in a manner similar to the cash flows of the derivative on a stand-alone basis.

The Company has elected to designate hybrid contracts that are financial liabilities at fair value through profit or loss. The Company also classifies hybrid contracts as financial liabilities at fair value through profit or loss when it cannot reliably measure the embedded derivative.

d. Derecognition of financial liabilities

The company will derecognise a financial liability, or part thereof, when the obligation has been discharged, i.e. when it has been paid, cancelled or has expired. It will also derecognise any financial liabilities that it acquires for itself, even if it intends to replace them in the future.

When an exchange of debt instruments takes place between a lender and borrower, as long as these have substantially different conditions, the Company accounts for the retirement of the original financial liability and recognises the new one that arises. The same applies to registration of a substantial modification of the current conditions of a financial liability.

The difference between the carrying amount of the financial liability or the part thereof that has been derecognised, and the consideration paid, including the costs or commissions involved, and which includes any asset assigned other than the cash amount or liability assumed, is reported in the income statement of the financial year when it arises.

d. Own equity instruments

An equity instrument is any contract that evidences, or reflects, a residual interest in the assets of an entity after deducting all of its liabilities.

If the company carries out any type of transaction with its own equity instruments, the amount of those instruments is recorded in equity, as a change in shareholders' equity and in no event can they be recognised as financial assets of the company, nor shall any profit or loss be recognised on the income statement.

Any expenses arising from these transactions, including any issuance expenses, such as lawyers fees, notary and registry fees, printing of reports, official gazettes and certificates; taxes, publications; commissions and other placement costs are charged directly under equity as a reduction of reserves.

The expenses arising from an equity transaction that is relinquished or abandoned are recognised as an expense on the income statement.

e. Guarantee bonds given and received

In guarantee bonds given and received under operating leases or for the provision of services, any difference between their fair value and the amount paid (for example due to the fact of the bond being long term and non-remunerated) will be treated as a prepaid lease collection or payment which will be allocated to profit or loss over the term of the lease or during the period in which the service is provided, in accordance with the rule on revenue from sales and services rendered.

For estimating the fair value of bonds, the remaining period is taken to be the minimum period to which they are committed under contract, during which their amount cannot be repaid, without considering the statistical pattern of the refund.

If the bond is short term, there is no need to discount the cash flows if the effect is not significant.

27.8. Current and deferred taxes

The income tax expense (income) for the year comprises current tax and deferred tax.

The current and deferred tax expense (income) is recognised in the income statement. However, the tax effect of items recognised directly in equity is recorded in equity.

Current tax assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax laws that have been enacted or substantially enacted at the balance sheet date.

Deferred tax assets and liabilities are calculated using the liability method on the basis of the temporary differences that arise between the tax base of assets and liabilities and their carrying amount. However, if deferred tax assets or liabilities arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affect neither accounting profit nor taxable income, they are not recognised. Deferred tax assets or liabilities are measured using the tax rates that have been enacted or substantially enacted at the balance sheet date and are expected to be applicable when the corresponding deferred tax asset is realised or deferred tax liability is settled.

Deferred tax assets are recognised provided that it is likely that sufficient taxable income will be generated against which the temporary differences can be offset.

Deferred tax assets arising from deductible temporary differences are recognised provided future tax gains are likely to exist for offset thereof that will reverse within ten years. Assets arising from the initial recognition of assets and liabilities in a transaction which is not a business combination and which does not affect either the carrying profit or the taxable base on transaction date, are not subject to recognition. Assets which will reverse in a period exceeding ten years are recognised over the years, provided there is a likelihood of future tax gains.

Tax planning opportunities are only considered when assessing the recovery of deferred tax assets, if the Company intends to use them or is likely to do so.

The Company recognises the reversal of a deferred tax asset in an account receivable with the Tax Administration when it is enforceable in accordance with tax legislation in force. Likewise, the Company recognises the exchange of a deferred tax asset for Public Debt Securities when ownership thereof is acquired.

27.9. Employee benefits

Compensations based on the quoted share price of Prosegur Cash shares – 18-20 and 2021-2023 Plans.

The 2018-2020 Plan and the 2021-2023 Plan are generally linked to value creation and envisage the payment of share-based and/or cash incentives to the Executive President, the Managing Director and the Senior Management of the Company.

The fair value of the incentives referred to the share quotation price was estimated on the basis of Prosegur's share quotation price at the close of the period or at the payment time.

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

Compensations based on Prosegur Cash shares for the Retention Plan

The Retention Plan is linked to the creation of value through digital transformation and envisages the payment of share incentives to the Executive President, Managing Director and Senior Management of the Company. The Company recognises a straight-line expense in the income statement during the length of service of the Plan, as well as the corresponding increase in equity, based on the fair value of the shares committed when the Plan was granted. The fair value of the shares at the moment of the granting was EUR 0.695 per share.

Quantification of the total incentive will depend on the degree of achievement of the targets established.

The accrual of the long-term incentive associated with the 18-20 Plan, 21-23 Plan and the Retention Plan for the Executive President, Managing Director and the Management of Group is included under the heading on wages and salaries (Notes 3 and 21).

During 2023 the total impact of incentives on the income statement was a greater expense of EUR 3,507 thousand. (Note 3).

a) Termination benefits

Termination benefits are paid to employees as a result of the Company's decision to terminate employment before the normal retirement age or when the employee accepts voluntary redundancy in exchange for these benefits. The Company recognises these benefits when it has demonstrably committed to terminating the employment of employees, in accordance with a detailed formal plan with no possibility of withdrawal, or to granting termination benefits in an offer of voluntary redundancy.

27.10. Provisions and Contingent Liabilities

Provisions for possible restructuring costs and/or litigation are recognised when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the current value of the estimated expenditure required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Any adjustments made to update the provision are recognised as a financial expense when accrued.

Provisions expiring in one year or less, the financial effect of which is immaterial, are not discounted.

Reimbursements from third parties of the expenditure required to settle a provision are recognised as a separate asset provided that it is virtually certain that the reimbursement will be received.

Possible obligations arising from past events, the materialisation of which is contingent on one or more future events beyond the control of the Company, are considered contingent liabilities. These contingent liabilities are not recognised in the Annual Accounts but are disclosed in the notes (Note 17).

27.11. Revenue recognition

On 1 January 2021, and for the first time, the Company applied Royal Decree 1/2021, of 12 January, mainly relative to the standards for revenue accounting and recognition, with no impact on that date.

The Company will recognise the revenue from the ordinary course of its business when control over the goods or services has been transferred in the undertakings with its clients. At that moment, the company measures the revenue for the amount that reflects the consideration that it expects to receive in exchange for those goods or services.

To apply this key principle for accounting for revenue, the company will follow an entire process consisting of the following sequential steps:

a) Identify the contract(s) with the client, understood as an agreement between two (or more) parties which creates rights and obligations to which all are subject.

b) Identify the obligation or obligations to be fulfilled in the contract, representing the commitments to transfer goods or provide services to a client.

c) Establish the transaction price or the consideration under the contract which the company expects to receive in exchange for transferring the goods or providing the services undertaken with the client.

d) Assign the transaction price to the obligations to be performed, which must be carried out on the basis of the individual sales prices of each different item of goods or service committed under the contract or, where appropriate, following an estimated selling price when this cannot be observed separately.

e) Recognise revenue from regular business when (as) the company fulfils an obligation commitment by transferring goods or providing a service; this fulfilment takes place once the client obtains control of those goods or service, in such a way that the amount of revenue recognised from regular business will be the amount assigned to the contractual obligation that has been satisfied.

The company will recognise the income arising from a contract when (as) control over the goods or services committed is transferred to the client (that is, the obligation or obligations to be fulfilled).

Control over the goods or services (assets) refers to the capacity of having full decision over the use of those assets and to substantially obtain all of its remaining benefits. Control includes the capacity to prevent other entities from deciding on the use of the asset and obtaining its benefits.

For each obligation to be fulfilled (delivery of goods or rendering of services) that has been identified, the company will determine at the inception of the contract whether the commitment assumed will be fulfilled over time or at a specific moment.

The income arising from the commitments (generally provision of services) fulfilled over time are recognised in accordance with the level of progress toward the complete performance of the contractual obligations provided that the company gives reliable information for measuring the degree of progress.

Ordinary revenue from the sale of goods and the provision of services is measured as a monetary amount, or where appropriate, the fair value of the consideration received or expected to be received, which unless there is evidence to the contrary, is the price agreed for the assets to be transferred to the client after deducting the amount of any discounts, price reductions or other similar allowances that the company may grant, and interest added to the face value of the loans.

Work in progress is measured according to the best estimate at year-end based on the percentage of completion of the project, calculating the costs incurred and also those yet to be incurred until completion, and the margin expected in each of the contracts according to available information. Until the work is billed it remains under the heading of Clients' Receivables for Sales and Services.

As an exception to this general rule, variable consideration related to license assignment agreements, in the form of participation in the sale or use of those assets, will only be recognised when (or as) the second of the following situations occurs:

a) The sale or subsequent use takes place; or

b) The obligation assumed by the company under the contract, and to which some or all of the variable consideration has been fulfilled (or partially fulfilled).

In accordance with the Resolution of the Institute of Accounting and Auditing (I.C.A.C.) 79/2009 Consultation 2, regarding the classification in individual annual accounts of income and expenses of a holding company, whose main activity is the holding of shares and the financing of transactions carried out by its investees, income from dividends and accrued interests from funding granted to investees are classified as "Net turnover" in the income statement. An item has been added within the operating margin to reflect impairment losses in equity instruments associated with its activity.

Initial estimates of revenues are reviewed where circumstances so require. These reviews may result in an increase or reduction in the estimated revenues and costs, and are recognised in the income statement for the period in which the circumstances giving rise to the review become known to Management.

a) Provision of services

These primarily consist of brand assignment services and general services provided by the Group parent company such as management and administrative support, marketing services, information technology, legal and tax advice provided by the Company to its subsidiaries.

b) Interest received

Interest income is recognised using the effective interest method. When a receivable is impaired, the Company writes the carrying amount down to the recoverable amount, discounting estimated future cash flows at the original effective interest rate of the instrument, and carries the discount as a reduction in interest received. Interest received on impaired loans is recognised using the effective interest method.

c) Dividend received

Dividends received are recognised in the income statement when the right to receive payment is established.

27.12. Foreign currency transactions

Foreign currency transactions are recorded at their equivalent euro value at the exchange rates prevailing at the transaction date

At the close of each financial year, the monetary items are measured using the average spot exchange rate at that date. Any exchange differences arising from this process, and any generated when settling those asset items, is recognised on the income statement for the year when it arises.

Any non-monetary items valued at historical cost continue to be measured by applying the exchange rate on the transaction date. The valuation thus obtained cannot, at year-end, exceed the amount recoverable at that time and if necessary the closing exchange rate will be applied to that amount; that is to say, the date referred to in the annual accounts.

At each closing date, any non-monetary items valued at fair value are measured by applying the exchange rate on the date of the transaction i.e. at year-end.

27.13. Related party transactions

Transactions between Group companies, except those related to mergers, spin-offs and non-monetary contributions, are initially recognised at the fair value of the consideration given or received. If the agreed price differs from the fair value, the difference is recognised based on the economic substance of the transaction. Transactions are subsequently measured in accordance with applicable standards.

In the non-monetary contributions to a Group company, the contributor will value their investment at the carrying amount of the delivered equity items in the Consolidated Annual Accounts on the date on which the transaction is made, according to the Standards for the Preparation of Consolidated Annual Accounts. The acquiring company will recognise them for the same amount.

In the merger and spin-off transactions between companies of the group in which the parent company of the group or the parent company of a subgroup and its subsidiary directly or indirectly intervene, the acquired equity items are valued for the amount that would correspond to them after the operation in the consolidated annual accounts of the group or subgroup according to the aforementioned Standards for the Preparation of Consolidated Annual Accounts. The difference that could be shown in the accounting entry by the application of the above criteria will be recorded in a reserves item.

27.14 Leases and Rentals

Operating leases - lessee

Leases in which the lessor retains substantially all the risks and rewards incidental to ownership are classified as operating leases. Lease payments under an operating lease (net of any incentive received) are recognised in the income statement as an expense on a straight-line basis over the lease term.

27.15 Business combinations

In accordance with the third transitional provision of Royal Decree 1514/2007, the Company has only recognised business combinations that occurred on or after 1 January 2008, the date of transition to the Spanish General Chart of Accounts, using the acquisition method. Business combinations that occurred prior to that date were recognised in accordance with accounting standards prevailing at that time, taking into account the necessary corrections and adjustments at the transition date.

Business combinations carried out since 1 January 2010 are recognised by applying the acquisition method established in Recognition and Valuation Standard 19 of the Spanish General Chart of Accounts amended by article 4 of Royal Decree 1159/2010, which approves the standards for the preparation of consolidated annual accounts and amends the Spanish General Chart of Accounts.

The Company applies the acquisition method for business combinations, except for mergers, spin-offs and non-monetary contributions of a business between Group entities.

Mergers, spin-offs and non-monetary contributions between Group companies are recognised using the criteria applicable to related party transactions.

Business combinations arising as a result of the acquisition of shares or equity holdings in a company are recognised using the criteria applicable to investments in group companies, jointly controlled companies and associates.

The acquisition date is the date on which the Company obtains control of the acquiree.

PROSEGUR
CASH

Directors' Report for 2023

Prosegur Cash, S.A.

Table of contents

Directors' Report for 2023

This Directors' report has been prepared in accordance with the recommendations contained in the Guidelines for the preparation of the Directors' reports of listed companies, published by the National Securities Market Commission (CNMV).

1. The Company's situation

Prosegur Cash was incorporated as a single person limited company in accordance with Spanish law on 22 February 2016, and subsequently transformed into a public limited company on 21 September 2016.

The Prosegur Cash Group was the result of a spin-off of the Cash business unit of the Prosegur Group, performed by means of a non-monetary contribution of entities under the shared control of the Prosegur Group.

Shares in Prosegur Cash were listed on 17 March 2017 at a price of 2 Euros each, in the stock exchanges of Madrid, Barcelona, Bilbao and Valencia and are traded on the Spanish Stock Exchange Interconnection System (SIBE).

At 7 April 2017, the Green Shoe period of the stock market flotation ended, and the free float attained 27.5% of the share capital of Prosegur Cash.

The Prosegur Cash group is present in the following countries: Spain, Luxembourg, Germany, United Kingdom, Sweden, Finland, Iceland, Denmark, France, Austria, Italy, Czech Republic, Cyprus, Portugal, Netherlands, Australia, United States, Indonesia, Singapore, New Zealand, India, Philippines, Argentina, Brazil, Ecuador, Chile, Colombia, Mexico, Paraguay, Peru, Uruguay, Guatemala, Nicaragua, Costa Rica, El Salvador and Honduras.

1.1. Business Model

Prosegur Cash is a company providing comprehensive cash management solutions. Our activity focuses on transporting high value merchandise, integrated cash cycle management, solutions aimed at automating payments in retail establishments and integral ATM management. Essentially, we offer those services to financial institutions, retail establishments, government agencies and central banks, mints and jewellery stores.

We currently operate in the following 36 countries in four different continents: Spain, Luxembourg, Germany, United Kingdom, Sweden, Finland, Iceland, Denmark, France, Austria, Italy, Czech Republic, Cyprus, Portugal, Netherlands, Australia, United States, Indonesia, Singapore, New Zealand, India, Philippines, Argentina, Brazil, Ecuador, Chile, Colombia, Mexico, Paraguay, Peru, Uruguay, Guatemala, Nicaragua, Costa Rica, El Salvador and Honduras. At present it has a workforce of **approximately 50,000 employees, 575 branch offices and a fleet of more than 9,000** armoured and light vehicles.

As specialist company in the design and implementation of solutions to ensure the secure and efficient management of cash, Prosegur Cash has developed the following basic lines of business:

LOGÍSTICS

Local and international transport services, via land, sea and air, of funds and other valuable goods, such as jewellery, works of art, precious metals, electronic devices, pharmaceutical products, voting ballots and legal evidence, among others. These services include collection, transport, custody, delivery and deposit in vaults.

CASH MANAGEMENT

Comprises **counting, processing, equipment, custody,** packaging and delivery of cash in bank notes and coins, and the loading of ATMs.

NEW PRODUCTS

It includes the automation of payments in retail establishment via Cash Today, including, among others, devices for paying in cash, recycling or dispensing bank notes and coins. ATM services, a line that includes, among others, planning, supervision and first- and second-tier maintenance. Correspondent banking activities (Corban), that cover collection and payment management and invoice payment services. And finally, foreign currency exchange services.

1.2 Vision and Values

Prosegur Cash's fundamental purpose is to facilitate business in all the territories in which we operate.

This commitment derives from a strong determination to promote the security and efficiency of business relations in an innovative way, by means of a continuous process of optimisation and digitisation of the services offered to the company's clients, particularly in areas relating to finance and distribution.

At Prosegur Cash, we have built on the solid experience of the Group, which has established itself as a proven market leader in the private security sector over more than 45 years. This tradition and strong corporate culture of a job well done has been successfully transferred to our specific sphere of operation.

Today, after just over five years on the market as an independent business line, the company is the leader in cash management activities in the markets in which we operate.

Responsible leadership

Over the last three years, Prosegur Cash has consolidated a series of fundamental values shared with the group to which it belongs. This set of principles, deeply rooted in the company's culture, is at the core of all its actions and decisions:

1. People are important to us

We protect society through foresight, prevention and collaboration.

2. We think positively

Building on our business experience, we remain committed to a continuous learning process that allows us to learn from our mistakes and to face crises by strengthening the confidence of our teams.

3. We are unstoppable

A concise way to underline our determination to continue growing and improving, with a vision based on the commitment to contribute to a better future and continue to apply technological progress to our daily activities.

Sustainability is a key value

In line with the evolution of our corporate culture, since last spring both the Prosegur Group and Prosegur Cash have had since 2021 a Sustainability Master Plan approved by the Board of Directors of the company. It outlines the guiding principles that shape the company's commitment to the environment.

The document is based on an unwavering commitment to the 17 Sustainable Development Goals (SDGs) launched in 2015 by the United Nations, which have become an integral part of Group's business strategy and governance system. The development of this programme is supervised by a newly created Sustainability Committee, led by the Group's Management Committee, and it is applied to and in full force in the specific field of Prosegur Cash.

Independent recognition

This process of continuous improvement of our global ethical perspective and the responsibility and sustainability of our business model yielded tangible results over the last years.

For example, in November 2021, Prosegur Cash received a further accolade when it became the first company, along with Prosegur, to obtain the AENOR Good Corporate Governance certification. During 2022, Prosegur and Prosegur Cash became the leading companies worldwide in the private security sector to obtain and publish their S&P Global Ratings standards on environmental, social and governance standards (ESG). This independent indicator evaluates the strategy of a company and its ability to address possible risks and future opportunities. In 2023, both companies obtained the maximum G++ rating, in recognition of their accountability and transparency in governance and stakeholder relations protocols.

Ethical commitments and new partnerships

In addition to this independent recognition for responsibility and excellence in business practices, 2023 also saw Prosegur Cash undertaking noteworthy major ethical commitments.

Prosegur Cash signed up to this initiative promoted by the Spanish Data Protection Agency (AEPD). This commits the company to implement the principles and recommendations contained in the Pact and to inform employees and stakeholders about the Agency's Priority Channel, through which any individual can request the removal of sexual, violent or sensitive content published on the Internet.

The principles of the Digital Pact include: greater transparency to ensure citizens are fully aware of the nature of the data collected; promotion of gender equality; protection of vulnerable people and children; implementation of technologies that avoid perpetuating bias or heightening existing inequalities.

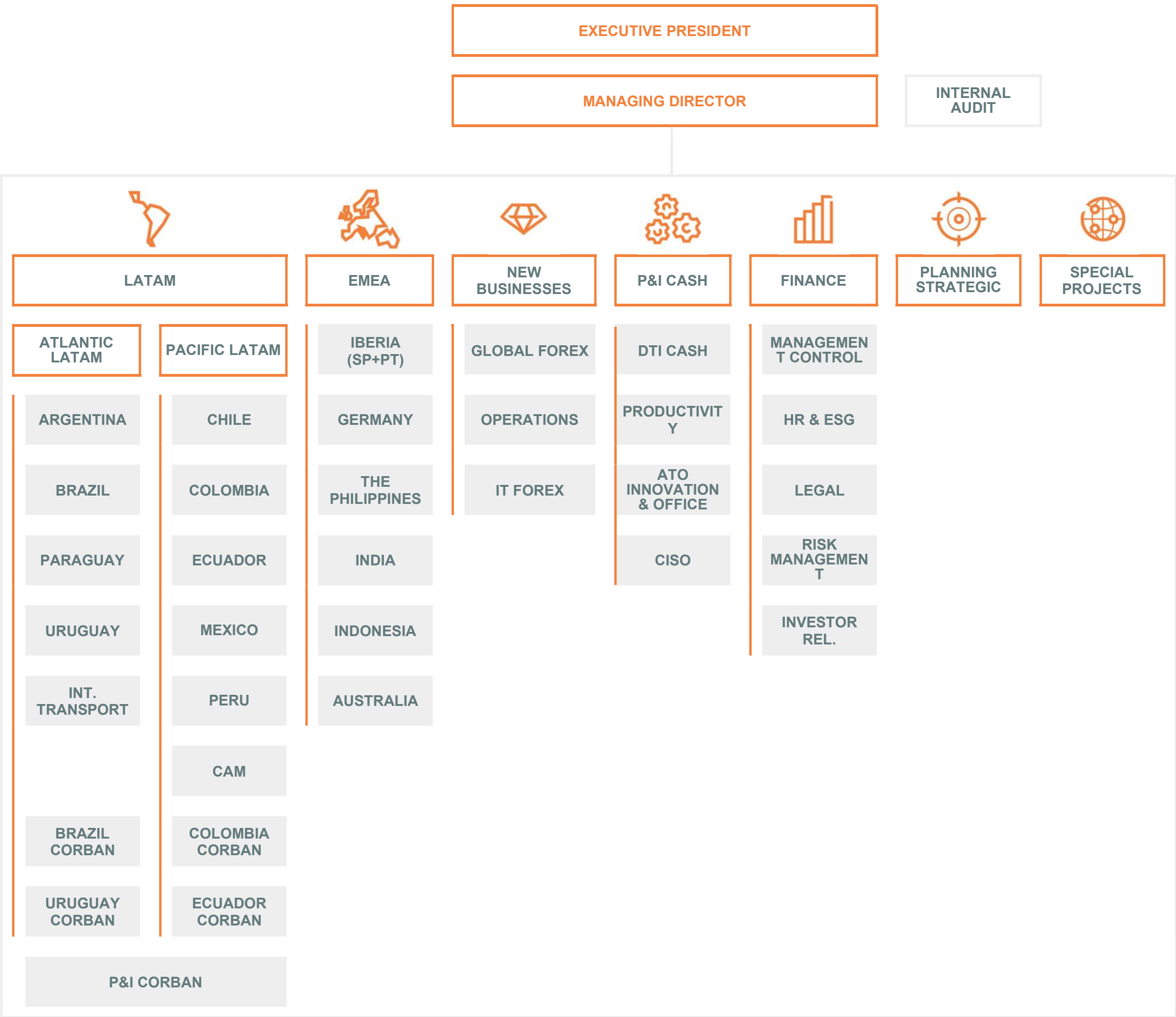
On 2 November 2022, the Group approved a new version of its Code of Ethics and Conduct, a document whose guiding principles and scope are detailed in chapters 4 and 6 of the Consolidated Directors' Report. These new commitments join those already subscribed in previous years, such as the environmental Climate Pledge initiative, resulting in a complete corporate decarbonisation and emissions offsetting project, or the adherence to Forética, a benchmark organisation in the field of sustainability and corporate social responsibility in Spain.

1.3. Organisational structure and governance

Our organisational structure is designed with the intention of improving business processes and flexibility, which facilitates adaptation to the changing environment and the evolution of services, aimed at generating value for clients. The Business Areas are divided into three geographical segments: LatAm, Europe, Australia, and Asia.

There is also a Division for Innovation and Productivity, a New Business Division and a Global Optimum Division. The corporate functions are supervised by the Global Support Divisions for Finance Support and Strategic Planning.

The organisation of Prosegur Cash is shown in the table below:



Changes to the Group's structure

The changes in the composition of the Prosegur Cash Group during 2023 were mainly due to the following acquisitions through business combinations:

– On 31 July 2023, Prosegur Cash acquired 100% of the companies WSN Holding Verwaltungsgesellschaft GmbH and WSN Sicherheit und Service GmbH in Germany, related to securities logistics and cash management services.

– On 31 July 2023, the Prosegur Group acquired 16.4% of the company Dinero Gelt S.L., related to cash back services, in Spain, thus acquiring control of the company, which until the date of the business combination had been consolidated using the equity method.

Additionally, the following companies were incorporated or wound up in 2023:

– In April 2023, Change Group Estonia OU was wound up in Estonia.

– In April 2023, Forex Prosegur Change Limited was wound up in the United Kingdom.

- In May 2023, Cash Re, S.A. was incorporated in Luxembourg.
- In July 2023, the company Change Group Czech Republic SRO was incorporated in the Czech Republic.
- In September 2023, the company Changegroup Italy SRL was incorporated in Italy.
- In September 2023, the company Prosegur Change SG Pte Ltd. was incorporated in Singapore.
- In September 2023, the company VN Global Paraguay SA was incorporated in Paraguay.
- In September 2023, the company The Change Group International Cyprus (Ltd) was incorporated in Cyprus.
- In December 2023, MiDinero Ecuador, S.A. was wound up in Ecuador.

Governance of Prosegur Cash

The main body representing the share capital of Prosegur Cash is the General Shareholders' Meeting, which exercises the functions granted by law and the Articles of Association. In 2022, the Ordinary General Meeting was held on 6 June. Several issues were addressed: approval of the Company's Financial Statements, approval of the Company's Statement of Non-Financial Information, validation of the Profit/Loss for the year 2022, approval of the Board's management of that year and the re-election of directors and auditors for the following 3 years.

The Board of Directors is the body responsible for the representation, administration, direction, management and control of the Company. The Board is divided into two committees: the Audit Committee and the Sustainability, Corporate Governance, Appointments and Remuneration Committee. The organisation and functioning of both are regulated in the Articles of Association, the Regulations for Management, the Regulations for the Audit Committee and the Regulations for the Sustainability, Corporate Governance, Appointments and Remuneration Committee (detailed information is available on www.prosegurcash.com/en).

The responsibilities of the Audit Committee, mainly composed by independent directors which make up 66% of the total, include: proposing the appointment of the auditor; reviewing the Prosegur Cash accounts; ensuring compliance with legal requirements and the application of generally accepted accounting principles. Although its functions do not end here. It also supervises and assesses the process for the preparation and integrity of financial and non-financial information, and supervises the strategy for communication and shareholder and investor relations.

For its part, the duty of the Sustainability, Corporate Governance, Appointments and Remuneration Committee is to establish and review the criteria for the composition and remuneration of the Board of Directors, and of the members of the Prosegur Cash management team. It also periodically reviews payment programmes. It also has the power to provide information, advice and proposals on environmental, social and corporate governance matters. While not forgetting the company's commitment to achieving the United Nations Sustainable Development Goals (SDGs).

Prosegur Cash's Corporate Governance is a very broad structure, reinforced by additional internal programmes. It can be seen as a succession of complementary layers. The Regulatory Compliance Programme is one of the most comprehensive. It consists of pre-established procedures, behaviour manuals and training activities, as well as a continuous process of critical evaluation with regards to the prevention of money laundering, defence of competition, unfair competition and other matters.

In practical terms, it complements and develops the Prosegur Cash Code of Ethics and Conduct. An entire geometry is created from this line. Standardised procedures are in place for all the policies analysed, as well as collegiate, internal, permanent and multidisciplinary supervision and control bodies, such as the Risk and Regulatory Compliance Committees. These bodies ensure the implementation, adoption and execution of the Company's best practices, policies and commitments.

In 2023, Prosegur Cash renewed the Aenor Good Corporate Governance Index with a rating of G++, an improvement over last year's rating. This achievement represents recognition of the company in its work to ensure responsible and transparent corporate governance and relationship protocols.

Annual Corporate Governance Report

The Annual Corporate Governance Report of Prosegur Cash for 2022 forms part of the Directors' Report, and is presented as a separate document in the corresponding format. It is therefore available on the National Securities Market Comission and the Prosegur Cash websites from the date of publication of the Annual Accounts.

Directors' Remuneration Report

The Prosegur Cash Annual Report on Director Remuneration for 2022 forms part of the Directors' Report, and is presented in a separate document in corresponding. It is therefore available on the National Securities Market Comission and the Prosegur Cash websites from the date of publication of the Annual Accounts.

1.4. Strategic performance

Over the last three years, Prosegur Cash has adhered to a business roadmap set out in the Strategic Plan for the period 2024-2033. This series of master lines of action were based on the goal of consolidating and expanding the company's sector leadership. For Prosegur Cash, it has been the equivalent of a fulcrum to transform its corporate culture and business models in depth.

Perform & Transform are the two key concepts driving the Group's commitment to the immediate future:

1. Perform because we want to continuously improve the way we do things. We strive to achieve continuous improvement of processes, the generation of operational efficiencies and the requisite flexibility to operate in the post-pandemic context. We set measurable goals and demand specific results in the short and medium term.

2. Transform because essential focus on immediate performance needs to be compatible with a medium and long-term vision that requires us to adapt to change and offer new responses to the various challenges raised by our clients. In short, it means innovation, optimisation and continuous growth.

Perform, an operational principle

"Perform" reflects our insistence on a job well done, our determination to retain and enhance the qualities that have enabled us to maintain our level of excellence for decades. Almost two years of pandemic have demonstrated just how resilient and solid our company really is. For the immediate future, continuous growth means expanding on these strengths and focusing on three priority lines of action:

- Flexible adaptation of our traditional business model to the new reality arising from the healthcare crisis.
- Increased efficiency by optimising the cost of our operations and focusing on profitability.
- Improved cash flow by optimising the management of our investments and seeking out new sources of financing.

Transform, adapting to changes

"Transform" means building the future by providing our company with a solid technological and innovation structure that consolidates our leadership in the sector. This process is based on four closely connected pillars:

- The transformation of our practices and business model must be based on solid technological foundations.
- Starting from technology, we create and underpin a new operating model.
- The result is an innovation model.
- Finally, these transformations must be translated into a far-reaching corporate culture of innovation and technological excellence, permeating our entire structure, and reflected in all our day-to-day activities and our relationships with clients.

Both concepts, which are common to all Prosegur Group business lines, have been adapted to the specific circumstances of the cash management sector, and form a fundamental part of our basic line of action, the pillars of Prosegur Cash.

That explains why we always ensure our ecosystem of business activities is open to ground-breaking innovation via a process of accelerated transformation operating simultaneously in three different time frames:

- The first is the consolidation of the activities that constitute the company's core business: cash transportation and custody, cash management services and conventional ATM management.
- The second encompasses business lines experiencing rapid growth, such as New Products for comprehensive and advanced ATM management, and initiatives like Cash Today and Corban.
- The third consists of innovation and development of new services and products of a more disruptive nature, but always aimed at generating high added value.

1.5 Innovation and Digital Transformation

Prosegur Cash 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. The Prosegur Group considers this an area of utmost importance, in which no resources are spared. In the 2021-2023 period, the Prosegur Group earmarked EUR 57.5 million in loan funds from the EIB (European Investment Bank) for innovation, digitalisation and sustainability projects.

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.

1.5.1 Thus do we innovate

Cash management and in transit is currently at an encouraging technological crossroad. The major advances introduced in the sector in recent years have created a scenario in which a radical transformation of our business is both possible and necessary. We cannot afford to wait.

For this reason, in the last financial year we have focused on exponentially strengthening our capacity for innovation, while designing a working methodology focused on the development of new products and services.

In practice, this involves listening to clients, identifying their problems and understanding their expectations and necessities. Only through this process of active listening and thorough understanding can we launch products that respond to the real demands of the market. Of course, the product is confirmed with the client and if the result is satisfactory, an action plan is designed that can be implemented on a massive scale.

Innovation is allowing us to develop new proposals that add value to our clients and makes us stand out from our competitors. On this point, properly protecting this knowledge forms an intrinsic part of the innovation processes.

To this end, the Prosegur Group has a Corporate Policy as a cornerstone of its Intellectual and Industrial Property. The Intellectual Property Committee is responsible for supervising this Corporate Policy and makes decisions on management and marketing strategy. The Committee is made up of representatives of the Innovation, Strategy and Development; Media Management; Human Resources; Tax, Institutional Relations; Marketing and Legal Divisions.

1.5.1.1 Emblematic projects

During 2023, Prosegur Group 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.

The basis of all these projects has been our specific knowledge of the security sector, the creativity and technological skills of our equipment and the use of the data available to us. These combined qualities enable us to build a unique proposal for solutions.

Alone, in close collaboration with start-ups or in the framework of corporate partnerships, we have become specialists in technological fields such as Artificial Intelligence (AI), Data Science, Internet of Things or blockchain.

As an independent business line and listed subsidiary of the Group, Prosegur Cash remains highly focused on its transformation projects, which are progressively gaining importance in the company's activity. In 2022, we expect further consolidation of initiatives such as Prosegur Crypto or Cash Today, as well as our correspondent banking services and our ATM network.

1.5.1.2 Initiatives for collaboration and open innovation

Canvassing and cooperation with start-ups

The Prosegur the only private security conglomerate 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 our sector.

The Prosegur Group has an internal Observatory of technological innovation where highly qualified professionals closely observe the changes and trends that are taking place, and work to identify new opportunities for each of our lines of business.

In the field of higher education, we cooperate actively with the Connected Industry Department at the Escuela Técnica Superior de Tecnología (ICAI) at the Comillas Pontificia University in Madrid, where we are developing various courses of action. These include the organisation of hackathons and the development of projects with students and researchers from the Prosegur Chair.

1.5.2 This is how we transform

The Prosegur Group has a digital transformation plan for all of its activities, which has named the **Global Optimum** program. These are the main achievements resulting from the implementation of this programme in 2023:

- Conclusion of the roll-out of Global Optimum in Spain and Portugal and start in LatAm, with its launch in Argentina.
- Reduction of infrastructure obsolescence. With the changes made, 40% of critical applications reside on non-obsolete infrastructures.
- Improvement of cybersecurity KPIs. BitSight is at advanced level.
- Start making use of generative artificial intelligence in the workplace.

In the medium term, the main objectives of the Plan are as follows:

- To reduce the IT box and continue business transformation efforts at all levels.
- To enhance flexibility and investments differentiated by business. The IT operation is being aligned to the strategy of each business and the direct allocation of IT cost to the different lines continues to increase.

During the period covered by the Plan, around EUR 69 million have been invested in this task of digitisation and in-depth renewal of the operating model. The deployment of this plan is being carried out country by country: it began with Portugal in 2021 and by 2023 it was extended to a number of countries that together account for two thirds of Prosegur's global revenue.

2. Business performance and profit/loss

2.1. Main financial and non-financial indicators

(Thousands of Euros)		2023	2022	Variation
Sales		**90,383**	**70,052**	**29.02 %**
EBITDA		**27,273**	**(7,140)**	**(482.00)%**
	Margin	30 %	(10) %	
PPE depreciation and computer software		(2,317)	(2,809)	
Adjusted EBITA		**24,956**	**(9,949)**	**(350.84)%**
	Margin	28 %	(14) %	
Amortisation of other intangible assets		(257)	(292)	
EBIT		**24,699**	**(10,241)**	**(341.18)%**
	Margin	27 %	(15) %	
Finance profit/loss		(48,127)	(35,095)	
Profit/loss before tax		**(23,428)**	**(45,336)**	**(48.32)%**
	Margin	(26) %	(65) %	
Taxes		13,655	9,847	
	Tax rate	(58) %	(22) %	
Net profit/loss from ongoing operations		**(9,773)**	**(35,489)**	**(72.46)%**
Net result		**(9,773)**	**(35,489)**	**(72.46)%**

The sales are mainly determined by the dividends received from the investees.

2.2. Investments

All of the Prosegur Cash Group's investments are 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. Investments in excess of EUR 600 thousand are submitted to Prosegur Cash's Management for approval.

Amortisation and depreciation charges totalled EUR 2,574 thousand in 2023 (2022: EUR 3,101 thousand). Property, plant and equipment accounts for EUR 344 thousand (2022: EUR 355 thousand) to computer software EUR 1,973 thousand (2022: EUR 2,454 thousand) and other intangible fixed assets EUR 257 million (2022: EUR 292 thousand).

EUR 229 thousand was invested in property, plant and equipment in 2023 (2022: EUR 158 thousand). Investment of EUR 3,852 thousand was also made in computer software (2022: EUR 1,134 thousand).

2.3. Personnel

The company's personnel as of 31 December 2023 was 69 employees (63 in 2022).

2.4. Environmental issues

At the end of 2023, the Company has no environment-related contingencies, legal claims or income and expenses relating to the environment.

3. Liquidity and capital resources

3.1. Liquidity

Prosegur Cash keeps a reasonable level of liquid reserves and a great financing capacity available to ensure flexibility and rapidity in meeting the requirements of working capital, of investing capital or inorganic growth.

The efficiency measures of internal administrative processes implemented in recent financial years have helped to substantially improve business cash flow. The maturity profile of the Prosegur Cash debt is in line with its capacity to generate cash flow to pay it.

3.2. Capital resources

The structure of the Company's long term financial debt, excluding debts with Group companies, is determined by the following contracts:

- On 4 December 2017, Prosegur Cash, S.A. issued uncovered bonds with a nominal amount 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.

- On 10 February 2017, Prosegur Cash, S.A. arranged a new five-year syndicated credit financing facility of EUR 300,000 thousand for a five-year term to afford the Company long-term liquidity. On 7 February 2019 this syndicated credit facility was renewed, and its maturity extended by another 5 years. In February 2020 the maturity was extended until February 2025. Additionally, in February 2021, the maturity was extended again until February 2026.

  At 31 December 2023 the balance drawn from this facility amounted to EUR 125,000 thousand (EUR 100,000 thousand at 31 December 2022).

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

  Prosegur Cash is compliant with applicable covenants relative to the syndicated financial transaction at 2023 year end.

In 2023 financial debt had an average cost of 2.22% (2022: 1.61%).The Company's net financial debt (excluding other non-bank borrowings corresponding to deferred payments for M&A) at 2023 year-end amounts to EUR 809,492 thousand (2022: EUR 764,045 million).

No significant changes are expected in 2023 in regard to the structure of own funds and capital or in regard to the relative cost of capital resources in relation to the financial year ended 31 December 2022.

3.3. Analysis of contractual obligations and off balance sheet obligations

Note 18 of the Annual Accounts included the amounts of future minimum payments arising from operating lease contracts by maturity tranches.

4. Risk management

Prosegur Cash is a complex, diversified organisation operating in 35 countries on four continents, and as such it is exposed to numerous risk factors associated with the nature of each of those markets, including financial risks. Note 3 of the Consolidated Directors' Report includes a more detailed breakdown of the Group's risk management.

Financial risk management is handled by the Financial Department with the back-up of other company departments. These financial risks can be broken down into the following specific categories:

Interest rate

Related to monetary assets and liabilities on the balance sheet of Prosegur Cash. To monitor them we carry out a dynamic analysis of our exposure to fluctuating rates and simulation of scenarios which take into, consideration refinancing, the renewal of current positions at any given time, alternative financing and hedging. On the basis of each scenario, we calculate the effect on the profit/loss of a specific variation of the interest rate.

The different simulations use the same variation in the interest rate for all currencies and they are only performed on liabilities that represent the most significant positions subject to variable interest. Note 14 of the Prosegur Cash Individual Annual Accounts contains a breakdown of the different financial liabilities at floating interest rates.

Exchange rate risk

The natural coverage made by Prosegur Cash is based on the capital expenditure requirements being in line with the operating cash flow generated and the feasibility of regulating the pace of investment made in each country based on operating requirements.

Foreign currency operations - which are inherent to our international expansion - expose us to this type of risk associated to future trade transactions, equity investments, profit/loss from operating activities and financial positions when these factors are denominated in a foreign currency other than the functional currency of each of the Prosegur Cash companies.

To control exchange rate risk as far as possible, we use instruments that balance and neutralise the risks associated with the monetary in- and outflows of assets and liabilities, taking market expectations into consideration. We also use the strategy of not hedging the equity investments in those countries, in this way assuming the risk relating to the translation to Euros of the assets and liabilities denominated in those foreign currencies.

Note 25 of the Prosegur Cash's Individual Annual Accounts reflects the value of financial liabilities by currency.

Credit risk

In our business we are not significantly exposed to credit risk and the percentage of defaults in payment is of no great relevance. If clients have been classified individually, those ratings are used; otherwise, our credit control department assesses the client's credit rating on the basis of its financial position, past experience or the impairment for credit risk based on the expected loss, amongst other factors. The individual credit limits are in line with those established by the Financial Department and consistent with internal and external ratings.

We also use methods for detecting objective evidence of impairment on trade receivables and, as a result, to identify any delays in payment deadlines and establish the impairment loss based on the individualised analysis for each business area.

Liquidity risk

To ensure prudent management of this risk we hold a certain amount of cash and marketable securities, as well as sufficient short-, medium- and long-term financing through credit facilities to assure our business targets. The Financial Department supervises the company's liquidity reserve forecasts, which comprise credit drawdowns and available cash and cash equivalents, based on expected cash flows.

Capital risk

Our management strategy against this key factor is to safeguard our ability to generate a return to shareholders and profits for other holders of equity instruments, in addition to maintaining and adjusting an optimum capital structure and reducing the costs of this. In this latter aspect, Prosegur Cash can adjust the amount of dividends payable, reimburse capital to shareholders, issue new shares or dispose of assets to reduce debt.

In line with habitual practice in the sector, we keep track of capital in accordance with the leverage ratio - net financial debt divided by total capital - with the aim of streamlining our financial structure.

Prosegur calculates net financial debt with the total current and non-current financial liabilities (excluding other non-bank payables) plus/minus net derivative financial instruments, minus cash and cash equivalents, and minus other current financial assets. And the formula for calculating total capital is equity plus net financial debt.

Counterparty risk limits

Financial investments and other operations are carried out with defined rating entities and financial transaction framework agreements are entered into (CMOF or ISDA). The counterparty risk limits are clearly defined in the corporate policies of the Financial Department and updated credit limits and levels are periodically published.

5. Average payment period to suppliers

The average payment period to suppliers in 2023 was 97 days (2022: 56 days).

6. Important circumstances after the reporting period

Note 26 to financial year 2023 provides a breakdown of the post-closing events that could have a material impact on the presentation of the Financial Statements.

7. Acquisition and disposal of own shares

Buyback programme of 20 December 2021

On 20 December 2021, the Board of Directors decided to implement an own share buyback programme in the terms of Regulation (EU) no. 596/2014 on market abuse and the Commission Delegated Regulation 2016/1052 (the Regulations), 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 has the following features:

a. Maximum amount allocated to the Programme: EUR 15,000 thousand.

b. Maximum number of shares that can be acquired: up to 22,844,200 shares representing approximately 1.5% of the Company's share capital on the date of the agreement.

c. Maximum price per share: shares will be purchased in compliance with the price and volume limits established in the Regulations. In particular, the Company cannot 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 is carried out.

d. Duration: the Programme has a maximum duration of one year. Notwithstanding the above, the Company reserves 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 arise that call for it.

In addition, the majority shareholder of the Company, the entity Prosegur Compañía de Seguridad, S.A., holder of 79.42% of the share capital at the end of the programme, expressed its intention to not sell shares in Prosegur Cash during the coming months.

As a result of the implementation of the Programme, the operation of the liquidity contract which came into force on 11 July 2017 and that was signed by the Company was suspended.

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 will affect the Programme, 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, has 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 cannot 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 is carried out.

- Term: the maximum term of the Extended Programme will be through 20 December 2023. Notwithstanding the above, the Company reserved the right to conclude the 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 arise that call for it.

The Company's majority shareholder, Prosegur Compañía de Seguridad, S.A., holder of 79.42% of the share capital, stated its intention not to sell Prosegur Cash shares within the scope of the Extended Programme.

The operation of the liquidity contract signed by the Company continues to be suspended.

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.

As a result of the conclusion of the Extended Programme, and resulting disappearance of the cause for suspension of the liquidity agreement entered into by the Company on 7 July 2017, effective 20 December 2023, the Company has proceeded to terminate the Liquidity Agreement.

In this regard, and considering the resource constraints associated with the Liquidity Agreement established in National Securities Market Commission Circular 1/2017, of 26 April, on liquidity agreements to apply to operations under the Liquidity Agreement because the Company's shares had no liquid market since 1 April 2023, the Company does not currently consider it useful to have a Liquidity Agreement.

Delivery of own shares for long term incentives

As a result of the long term incentive plan known as the Retention Plan described in Notes 5 and 22, during 2022 a total of 3,075,828 shares were delivered to the Cash Group Executive President and Group Management. In addition, the remaining 56,293 shares associated with the Retention Plan were delivered during 2023.

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

Redemption of own shares (reduction of share capital) in 2021

On 6 July 2021, a capital reduction took place through the redemption of 21,589,296 own shares of the Company, with a par value of EUR 0.02 each.

At 31 December 2023, the liquidity agreement that took effect on 11 July 2017 was suspended in its entirety; whereby there is no treasury stock linked to that agreement. In 2022 these came to 1,141,392 shares.

At 2023 year end, the treasury stock held by Prosegur Cash, S.A. is composed of 52.213.748 shares (36,304,785 shares in 2022).

8. Alternative Performance Measures

In order to meet ESMA guidelines on Alternative Performance Measures (hereinafter, APMs), the Prosegur Cash Group presents this additional information to enhance the comparability, reliability and understanding of its financial reporting. The company presents its profit/loss in accordance with International Financial Reporting Standards (IFRS-EU). 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. The Prosegur Cash Group 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.

In this regard, it should be noted that during 2023, the APMs of Ratio of Net Financial Debt to Equity and Ratio of Net Financial Debt to EBITDA were modified with respect to 2022. More specifically, for the purposes of this ratio net debt excluding other non-bank debts relating to deferred M&A payments and financial leasing debt has been considered, and the comparative information was modified.

APM	Definition and calculation	Purpose
Working capital	This is a finance measure that represents operational liquidity available for the Cash Group. 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 non-current 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.
Capex	Capex (Capital Expenditure), is the expense that the Cash Group incurs in capital goods and that creates benefits for the company, whether through the acquisition of new fixed assets or by means of an increase in the value of fixed assets already in existence. CAPEX includes additions of property, plant and equipment as well as additions of computer software of the intangible assets.	CAPEX is an important indicator of the life cycle of a company at any given time. When the company grows rapidly, the CAPEX will be greater than fixed asset depreciations, which means that the value of the capital goods is increasing rapidly. On the other hand, when the CAPEX is similar to the depreciations or even less, it is a clear sign that the company is decapitalising and may be a symptom of its clear decline.
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 Cash Group 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 Cash Group 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 translation rate	The Cash Group calculates the cash translation 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 Cash Group 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 Cash Group calculates cash availability as the sum of cash and cash equivalents and any short and long term unused credit facilities.	Cash availability reflects available cash as well as potential cash available through undrawn credit facilities.
Net Financial Debt	The Cash Group 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 and minus other current financial	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, financial income or costs, or depreciation and impairment of intangible assets, but including the depreciation and impairment of computer software.	The adjusted EBITA provides an analysis of earnings before interest, taxes and depreciation, and impairment of intangible assets (except computer software).
EBITDA	EBITDA is calculated on the basis of the consolidated profit/loss for the period for the Cash Group, excluding earnings after taxes from discontinued operations, income taxes, financial income or costs, 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 adjusted EBITA of the company by the total revenue figure.	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 Cash Group calculates the leverage ratio as net financial debt divided by total capital. Net financial debt is calculated as described above and including debt associated with non-current assets held for sale. 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 equity by dividing the net financial debt (excluding other non-bank borrowings relating to deferred M&A payments and financial debt from lease payments) by 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 (excluding other non-bank borrowings relating to deferred M&A payments and financial debt from lease payments) 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.
Generated economic value	The Cash Group calculates the generated economic value as the sum of client collections received during the year, dividend collections, collections from disinvestments and other income.	The generated economic value reflects the creation of value during the year from collections from clients, dividends, divestments and other income.
Distributed economic value	The Cash Group calculates the distributed economic value as the sum of the payments made during the year to suppliers, employees, public administrations, investment in CAPEX, in business combinations, capital providers, contributions to the Prosegur Foundation and the purchase of treasury stock. .	This APM reflects how the previously generated economic value is distributed among the different Group stakeholders

The reconciliation of Alternative Performance Measures is as follows:

CAPEX (in thousands of Euros)	Note	31.12.2023	31.12.2022
Technical installations and machinery	8	—	—
Other installations and furniture	8	—	133
Other property, plant and equipment	8	228	25
Work in progress and advances	8	1	
Additions of property, plant and equipment		229	158
Additions of computer software	7	3,852	1,134
Total CAPEX		**4,081**	**1,292**

Adjusted EBITA margin (in thousands of Euros)	Note	31.12.2023	31.12.2022
Adjusted EBITA	2 Directors' report	24,956	(9,949)
Revenue	3	90,383	70,052
Adjusted EBITA margin	2 Directors' report	**27.6 %**	**-14.2 %**

Net financial debt (in thousands of Euros)	Note	31.12.2023	31.12.2022
Financial liabilities (A)	14	927,917	872,588
Less: Cash and cash equivalents (B)	12	4,609	11,808
Less: other current financial assets (C)	10	—	—
Total Net Financial Debt (A-B-C)		923,308	860,780
Less: Other non-bank borrowings (D)	14	113,816	96,735
Total Net Financial Debt (excluding other non-bank borrowings referring to deferred M&A payments (A-B-C-D)	3 Directors' report	**809,492**	**764,045**

Adjusted EBITA (In thousands of Euros)	Note	31.12.2023	31.12.2022
Profit/loss for the year		(9,773)	(35,489)
Income tax		(13,655)	(9,847)
Net financial expenses		48,127	35,095
Depreciation of intangible assets except computer software		257	292
Adjusted EBITA	2 Directors' report	**24,956**	**(9,949)**

EBITDA (In thousands of euros)	Note	31.12.2023	31.12.2022
Profit/loss for the year		(9,773)	(35,489)
Income tax		(13,655)	(9,847)
Net financial expenses		48,127	35,095
Total depreciation and amortisation		2,574	3,101
EBITDA	2 Directors' report	**27,273**	**(7,140)**

9. Stock market information

Share evolution

If there was one defining characteristic of financial markets last year, it was their high volatility. This is evidenced by the numbers. On 31 December 2023, the Prosegur Cash share price closed at 0.53 EUR. 10% below the previous year. In practice, this represents a greater decline than the one recorded (4%) during 2022. Nevertheless, for the first nine months of the year, the share price remained at a value close to EUR 0.60.

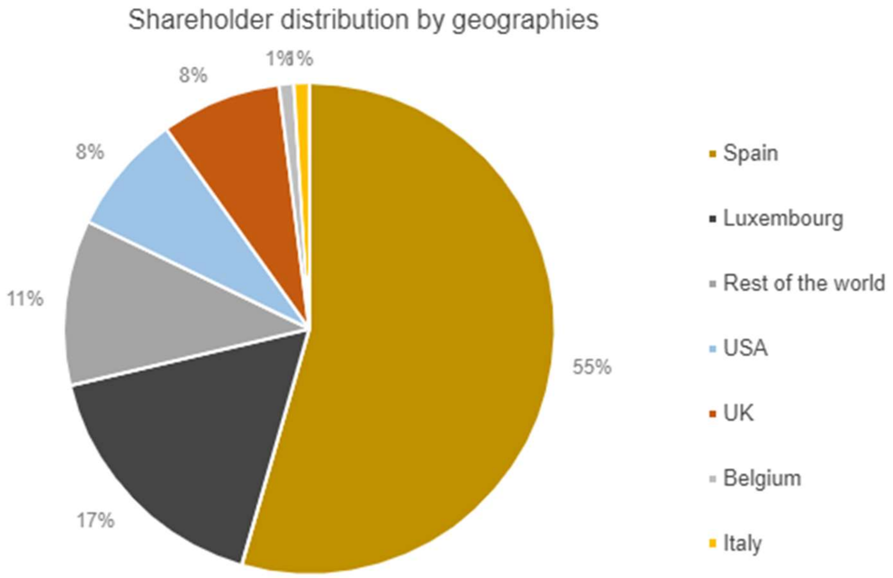
Like most of the market, the share performance was affected in the final quarter by the turbulent geopolitical environment (war in Ukraine, confrontation between Israel and Hamas, risk of destabilisation in the Middle East), as well as growing macroeconomic uncertainty (inflation) in some regions in which the company is present.

This inflationary context, for example, is positive for the future of the business, but has led to a generalised increase of interest rates by the monetary authorities in order to curb rising prices. Moreover, the possibility of an economic recession has not contributed to the strong performance of equity.

Looking ahead, Prosegur Cash expects this unfavourable context to be temporary. The company believes that the investment community will positively value the strength of its business performance, its growth and the degree of transformation. In fact, the geographic expansion of its activities and the solid cash flow generation place the company in a privileged position for the future. It is certainly a sign of the resilience of the business.

Geographical distribution of free float

Prosegur Cash has free float capital (excluding the capital controlled by the Prosegur Group and treasury stock) that reveals a diversified presence of foreign investors. Spain, United States, Luxembourg and the United Kingdom are the countries in which the investors with greatest presence are located, in that order.



Relationship with investors

Prosegur Cash has a well-defined strategy focused on creating value for its shareholders, developing a sustainable business model and improving its results, always with transparency and rigour.

The Company's corporate website features the policy that governs its relationship with shareholders and investors, as approved by its Board of Directors. Our unwavering commitment: to promote open, effective communication with all shareholders. But most especially, at all times, clarity and coherence of the information we provide. The intention is to maintain transparency and regular contact with its shareholders. Because this is the way to nurture the mutual understanding of both parties.

Transparency is a priority. Prosegur Cash considers that it must be the identifying feature of all strategic and financial communications. An open, coherent space. Wherever possible, endorsing language that is easy to understand and which, in turn, provides a true, balanced and comprehensible view of the company's situation and prospects.

As part of this proposal, the company would like to receive comments and suggestions that contribute to its improvement. The path is clearly mapped out. Investors can address the company using the specific channels available on the web site and/or the facility known as the "investor communication policy".

Prosegur Cash presents its quarterly results via webcast hosted on its website. This is one of the ways for keeping the investment community properly informed. These presentations of profit/loss are led by the Chief Financial Officer, the Director of Investor Relations and, when an analysis of the year-end balance sheet is necessary, by the Managing Director.

On ESG (environmental, social and governance), a core issue these days, Prosegur Cash continuously provides detailed information to any shareholders, private and institutional investors, stock market analysts and proxy advisors (voting advisors in shareholder meetings) that so request it. The road map has been drawn up following face-to-face meetings or by telephone.

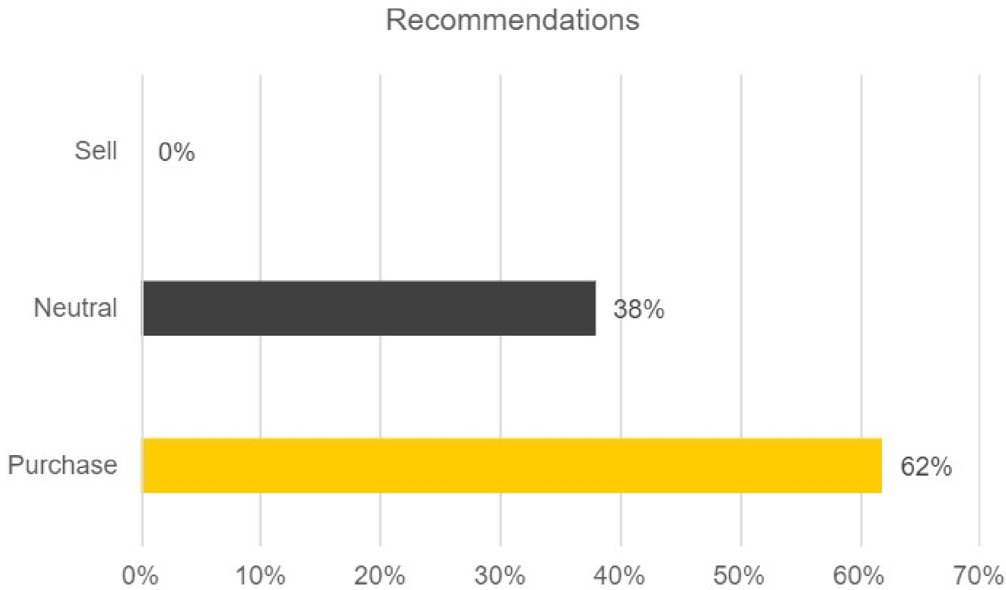
In fact, the company has responded to questions related to its Sustainability Policy, its commitment to the environment, labour relations and respect of human rights. So much so that Prosegur Cash has participated in the procedures required by the main ESG ratings for the elaboration of its reports.

Since 2019, our company forms part of the FTSE4Good IBEX index. This indicator independently assesses and classifies the companies that best manage sustainability and meet Standards of Good Practice and Corporate Social Responsibility.

Coverage of analysts and recommendations

The number of analysts covering and reporting on the company's activities (with EU countries) has clearly decreased in the last 12 months. Especially in the Spanish market, which has seen its liquidity drastically reduced. For this reason, many *brokers* have chosen to restructure their portfolios, removing hedges from companies with low liquidity.

Of those companies that measured the value of the Prosegur Cash share in 2023, 58% recommended its purchase, 33% remained neutral and only 8% recommended selling it.



Main shareholders

The shareholding structure of Prosegur Cash reflects its solidity and stability. At 31 December 2022, 79.42% of the company capital belonged directly or indirectly to Prosegur, 3.43% were own shares and the remaining (17.15%) was free float.

This distribution allows the Board of Directors to be the body that defines the broad strategic lines and makes decisions in the interest of all shareholders. A solid and stable shareholder base is a highly notable advantage, since being composed to a large extent by significant shareholders and traditional investors creates optimum conditions for our company to develop its project and attain its objectives.

10. Statement of Non-financial Information

The Statement of Non-financial Information of Prosegur Cash, S.A. is described in the Consolidated Directors' Report of Prosegur Cash.

STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT OF 2023

The members of the Board of Directors of Prosegur Cash, S.A. hereby confirm that, to the best of its knowledge, the Individual Annual Accounts for 2023, authorised for issue by the Board of Directors at the meeting held on 26 February 2024 and prepared in accordance with applicable accounting principles and the European Unique Electronic Format, present fairly the equity, financial position and profit/loss of Prosegur Cash, S.A., and that the respective individual Directors' Reports provides a reliable analysis of the Company's performance and results and the position of Prosegur Cash, S.A., together with the main risks and uncertainties facing the Company.

Madrid, 26 February 2024.

Mr Christian Gut Revoredo
Executive President

Mr Pedro Guerrero Guerrero
Vice-president

Mr José Antonio Lasanta Luri
Managing Director

Ms Chantal Gut Revoredo
Director

Mr Antonio Rubio Merino
Director

Mr Claudio Aguirre Pemán
Director

Ms María Benjumea Cabeza de Vaca
Director

Ms Ana Inés Sainz de Vicuña Bemberg
Director

Mr Daniel Guillermo Entrecanales Domecq
Director

DIRECTORS' RESPONSIBILITY OVER THE ANNUAL ACCOUNTS

The Annual Accounts of Prosegur Cash, S.A. are the responsibility of the Directors of the Company, and have been prepared in accordance with General Accounting Plan endorsed by Spain.

The Directors are responsible for the completeness and objectivity of the Annual Accounts, including the estimates and judgements included therein. They fulfil their responsibility mainly by establishing and maintaining accounting systems and other regulations, supporting them adequately using internal accounting controls. These controls have been designed to provide reasonable assurance that the Company's assets are protected, that transactions are performed in accordance with the authorisations and regulations laid down by Management and that accounting records are reliable for the purposes of drawing up the Annual Accounts. The automatic correction and control mechanisms are also a relevant part of the control environment, insofar as corrective action is taken when weaknesses are observed. Nevertheless, an effective internal control system, irrespective of how perfect its design may be, has inherent limitations, including the possibility of circumventing or invalidating controls, and can therefore provide only reasonable assurance in relation with preparation of the Annual Accounts and the protection of assets. However, the effectiveness of internal control systems may vary over time due to changing conditions.

The Company evaluated its internal control system at 31 December 2023. Based on this evaluation, the Directors believe that existing internal accounting controls provide reasonable assurance that the Company's assets are protected, that transactions are performed in accordance with the authorisations laid down by Management, and that the financial records are reliable for the purposes of drawing up the Annual Accounts.

Independent auditors are appointed by the shareholders at their Shareholders General Meeting to audit the Annual Accounts, in accordance with the technical standards governing the audit profession. Their report, with an unqualified opinion, is attached separately. Their audit and the work performed by the Company's internal services include a review of internal accounting controls and selective testing of the transactions. The Company's management teams hold regular meetings with the independent auditors and with the internal services in order to review matters pertaining to financial reporting, internal accounting controls and other relevant audit-related issues.

Mr Javier Hergueta Vázquez
Chief Financial Officer

PROSEGUR
CASH

www.prosegurcash.com