



PROSEGUR
CASH

Condensed interim
consolidated
financial statements
for the six-month
period ended 30
June 2022

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

Prosegur Cash, S.A. and Subsidiaries

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I. CONSOLIDATED INCOME STATEMENT – EXPENSE BY FUNCTION

(In thousands of Euros)	Note	Six month period ended 30 June	
		2022	2021
Revenue	9	883,215	692,419
Cost of sales	5, 6	(584,087)	(478,116)
Gross profit/(loss)		299,128	214,303
Other income	7	1,611	24,905
Administration and sales expenses	5, 6	(190,478)	(155,947)
Other expenses	7	(1,426)	(1,800)
Equity accounted for using the equity method	11	(233)	(765)
Operating profit/(loss) (EBIT)		108,602	80,696
Financial income	8	12,875	6,788
Financial expense	8	(39,514)	(26,151)
Net financial expenses		(26,639)	(19,363)
Profit/(loss) before tax		81,963	61,333
Income tax	19	(38,487)	(30,857)
Post-tax profit of ongoing operations		43,476	30,476
Consolidated profit/(loss) for the period		43,476	30,476
Attributable to:			
Owners of the parent		43,744	30,560
Non-controlling interests		(268)	(84)
Proceeds per share from ongoing operations attributable to the owners of the parent company (Euros per share)			
- Basic	16	0.03	0.02
- Diluted	16	0.03	0.02

Notes on pages 10 to 44 form an integral part of these condensed interim consolidated financial statements.

II. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(In thousands of Euros)	Six month period ended 30 June	
	<u>2022</u>	<u>2021</u>
Profit/(loss) for the period	43,476	30,476
Other comprehensive income:		
Items that are going to be reclassified to profit/(loss)		
Translation differences for foreign operations	80,966	31,131
	<u>80,966</u>	<u>31,131</u>
Total comprehensive income for the period, net of tax	<u>124,442</u>	<u>61,607</u>
Attributable to:		
- Owners of the parent	124,710	61,691
- Non-controlling interests	(268)	(84)
	124,442	61,607

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III. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of Euros)	Note	30 June 2022	31 December 2021
ASSETS			
Property, plant and equipment	10	353,482	337,935
Goodwill	10	431,230	389,133
Rights of use	10	77,397	78,497
Other intangible assets	10	210,644	200,555
Investments accounted for using the equity method	11	13,738	6,485
Non-current financial assets		22,251	24,116
Deferred tax assets		54,375	52,030
Non-current assets		1,163,117	1,088,751
Inventories	14	19,758	14,138
Clients and other receivables		317,425	280,175
Receivables with Prosegur Group	22	61,490	47,839
Current tax assets		44,751	48,735
Other financial assets		9,413	1,314
Cash and cash equivalents	13	231,440	250,804
Non-current assets held for sale	15	92,008	—
Current assets		776,285	643,005
Total assets		1,939,402	1,731,756
EQUITY			
Share capital	16	30,459	30,459
Share premium	16	33,134	33,134
Own shares	16	(23,700)	(14,282)
Translation differences		(568,072)	(649,038)
Retained earnings and other reserves		720,593	676,928
Equity attributed to holders of equity instruments of the parent company		192,414	77,201
Non-controlling interests		(1,448)	(969)
Total equity		190,966	76,232
LIABILITIES			
Financial liabilities	18	754,895	716,402
Long-term lease liabilities	10	65,557	63,904
Deferred tax liabilities		52,807	59,000
Provisions	17	145,035	126,364
Non-current liabilities.		1,018,294	965,670
Suppliers and other payables		301,391	363,214
Current tax liabilities		89,556	87,165
Financial liabilities	18	172,487	133,523
Short-term lease liabilities	10	21,131	23,523
Payables with Prosegur Group	22	88,790	74,142
Provisions	17	571	624
Other current liabilities		5,186	7,663
Liabilities associated with non-current assets held for sale	15	51,030	—
Current liabilities		730,142	689,854
Total liabilities		1,748,436	1,655,524
Total equity and liabilities		1,939,402	1,731,756

Notes on pages 10 to 44 form an integral part of these condensed interim consolidated financial statements.

IV. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
PERIOD ENDED 30 JUNE 2022

(In thousands of Euros)

	Equity attributed to holders of equity instruments of the parent company					Total	Non- controlling interests	Total equity
	Capital (Note 16)	Share premium (Note 16)	Own shares (Note 16)	Translation differences	Retained earnings and other reserves			
Balance at 1 January 2022	30,459	33,134	(14,282)	(649,038)	676,928	77,201	(969)	76,232
Total comprehensive income for the period ended 30 June 2022	—	—	—	80,966	43,744	124,710	(268)	124,442
Accrued share-based incentives (Note 17)	—	—	35	—	274	309	—	309
Purchase of own shares	—	—	(9,453)	—	—	(9,453)	—	(9,453)
Other changes	—	—	—	—	(353)	(353)	(211)	(564)
Balance at 30 June 2022	30,459	33,134	(23,700)	(568,072)	720,593	192,414	(1,448)	190,966

Notes on pages 10 to 44 form an integral part of these condensed interim consolidated financial statements.

PERIOD ENDED 30 June 2021

(In thousands of Euros)

	Equity attributed to holders of equity instruments of the parent company					Total	Non- controlling interests	Total equity
	Capital (Note 16)	Share premium (Note 16)	Own shares (Note 16)	Translation differences	Retained earnings and other reserves			
Balance at 1 January 2021	30,891	33,134	(18,261)	(662,886)	698,087	80,965	(730)	80,235
Total comprehensive income for the period ended 30 June 2021	—	—	—	31,131	30,560	61,691	(84)	61,607
Accrued share-based incentives (Note 17)	—	—	14	—	897	911	—	911
Purchase of own shares	—	—	(11,409)	—	—	(11,409)	—	(11,409)
Other changes	—	—	—	—	(434)	(434)	960	526
Balance at 30 June 2021	30,891	33,134	(29,656)	(631,755)	729,110	131,724	146	131,870

Notes on pages 10 to 44 form an integral part of these condensed interim consolidated financial statements.

V. CONSOLIDATED STATEMENT OF CASH FLOWS

(In thousands of Euros)	Note	Six month period ended 30 June	
		2022	2021
Cash flows from operating activities			
Profit/(loss) of the period		43,476	30,476
Adjustments for:			
Depreciation and amortisation	5, 10	61,703	55,916
Impairment losses on trade receivables and inventories	7	(656)	192
Investments accounted for using the equity method		233	765
Changes in provisions	17	14,205	846
Financial income	8	(20,525)	(9,901)
Financial expense	8	39,514	26,151
Income tax	19	38,487	30,857
Other income		273	(14,847)
Changes in working capital, excluding the effect of acquisitions and translation differences			
Inventories		(6,594)	(1,057)
Clients and other receivables		(32,359)	(3,411)
Suppliers and other payables		(26,271)	(14,625)
Payments of provisions	17	(5,086)	(5,615)
Other liabilities		3,418	1,922
Cash generated from operations			
Interest payments		(10,571)	(10,711)
Income tax paid		(47,765)	(21,711)
Net cash generated from operating activities		51,482	65,247
Cash flows from investing activities			
Interest received		1,930	51
Purchase of subsidiaries, net of cash and cash equivalents		(5,810)	34,526
Payments for transactions with associates	11	(3,553)	(992)
Payments for the purchase of property, plant and equipment	10	(23,925)	(24,956)
Payments for the purchase of intangible assets	10	(3,580)	(4,032)
Payments for the purchase of financial assets		(2,368)	—
Proceeds from the sale of property, plant and equipment		—	1,963
Net cash generated from investing activities		(37,306)	6,560
Cash flows from financing activities			
Payments from the issue of own shares and equity instruments	16	(9,418)	(11,395)
Proceeds from debts with credit institutions		126,147	91,980
Payments from debts with credit institutions		(77,636)	(252,271)
Payments from other debts		(6,671)	(14,784)
Payments from lease liabilities		(18,868)	(17,000)
Paid dividends	4 and 16	(14,805)	(29,444)
Net cash generated from financing activities		(1,251)	(232,914)
Net increase (decrease) in cash and cash equivalents		12,925	(161,107)
Cash and cash equivalents at the beginning of the year		250,804	401,773
Effect of exchange differences on cash		7,704	1,112
Cash and equivalents at the end of the year		271,433	241,778
Cash and cash equivalents at the end of the period of ongoing operations		231,440	241,778
Cash and cash equivalents at the end of the period of ANMVs	15	39,993	—

Notes on pages 10 to 44 form an integral part of these condensed interim consolidated financial statements.

VI. EXPLANATORY NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Prosegur Cash is a business group made up of Prosegur Cash, S.A. (hereinafter “the Company”) and its subsidiaries (together, Prosegur Cash) which provides securities logistics, cash in transit and other value-added services in the following countries: Spain, Portugal, Germany, Luxembourg, United Kingdom, Argentina, Brazil, Chile, Peru, Uruguay, Paraguay, Colombia, Nicaragua, Honduras, El Salvador, Guatemala, Costa Rica, Ecuador, Mexico, The Philippines, Indonesia, India and Australia.

Prosegur Cash is organised into the following geographical areas:

- Europe.
- LatAm.
- Rest of the world (AOA).

The services provided by Prosegur Cash are distributed into the following business lines:

- Transport
- Cash management
- New products

Prosegur Cash, S.A. is a subsidiary controlled by the Spanish company Prosegur Compañía de Seguridad, S.A. (hereinafter, Prosegur or the Prosegur Group), which currently owns 79.42% of its shares. Accordingly, the Prosegur Group consolidates the Prosegur Cash Group in its financial statements. The registered offices of Prosegur Cash, S.A. are at Calle Santa Sabina, 8, Madrid (Spain).

Prosegur is controlled by Gubel S.L., which was incorporated in Madrid and holds 59.37% of the shares of Prosegur Compañía de Seguridad, S.A., which consolidates Prosegur in its consolidated financial statements.

The corporate purpose of Prosegur Cash is to provide the following services through companies focusing on the Cash business:

- (i) 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;
- (ii) processing and automation of cash (including counting, processing and packaging, as well as coin recycling, cash flow control and monitoring systems);
- (iii) comprehensive ATM and network management solutions (including planning, loading, monitoring, first- and second-tier maintenance and balancing services);
- (iv) cash planning and forecasting for financial institutions;
- (v) Cash-Today (including cash machines, cash deposit machines, recycling and coin and bill dispensing services);

(vi) Added-value outsourcing services (AVOS) in several countries for banks (including outsourcing of teller services, multi-agency services, cheque processing and related administrative services).

(vii) Correspondent banking activities (collection and payment management and payment of invoices, among others) and

(viii) Foreign exchange and currency services (also includes international payment services, online foreign money, home delivery services for travel money and local cash);

The individual and consolidated annual accounts of Prosegur Cash, S.A. for 2021 were approved by the Shareholders General Meeting of 1 June 2022.

Structure of Prosegur Cash

Prosegur Cash, S.A. is the parent company of a Group made up of subsidiaries, listed in Appendix I of the Notes to the Consolidated Annual Accounts at 31 December 2021. Likewise, Prosegur Cash has Joint Arrangements in place (Note 15 and Appendix II of the Notes to the Consolidated Annual Accounts at 31 December 2021).

Details of the principles applied to prepare the Prosegur Cash Consolidated Annual Accounts and define the consolidation scope are provided in Note 32.2 and Note 2 to the Consolidated Annual Accounts at 31 December 2021.

2. Basis for presentation, estimates made and accounting policies

These condensed interim consolidated financial statements of Prosegur Cash, for the six-month period ended 30 June 2022, have been prepared in accordance with IAS 34 “Interim Financial Reporting”.

In accordance with the provisions of IAS 34, interim financial reporting is prepared solely with the intention of updating the content of the latest Consolidated Annual Accounts prepared by Prosegur Cash, emphasising the new activities, events and circumstances that occurred during the six-month period ended 30 June 2022, and not duplicating the information previously published in the Consolidated Annual Accounts for 2021.

Therefore, and for a proper understanding of the information included in these condensed interim consolidated financial statements, they should be read together with Prosegur Cash Consolidated Annual Accounts for the year ended 31 December 2021, which were prepared in accordance with International Financial Reporting Standards (IFRS), adopted for use in the European Union and approved by the current European Commission Regulations and other applicable financial reporting regulations (IFRS-EU).

Significant changes in accounting policies

Except for the rest of the new standards and interpretations effective as of 1 January 2022, described in Appendix I, the accounting policies applied in these condensed interim consolidated financial statements at 30 June 2022, are consistent with those applied in the preparation of Prosegur Cash Consolidated Annual Accounts at 31 December 2021, the detail of which is included in Note 32 of said Consolidated Annual Accounts.

Additionally, Note 15 details the policies applied in relation to non-current assets and liabilities held for sale, which were not provided in the consolidated annual accounts of the previous year as the Cash Group did not have assets or liabilities of this nature as of 31 December 2021.

Estimates, assumptions and relevant judgements

The preparation of the condensed interim consolidated financial statements, in accordance with IFRS-EU requires the application of relevant accounting estimates and the undertaking of judgements, estimates and assumptions in the process for application of the Prosegur Cash accounting policies and valuation of the assets, liabilities and profit and loss.

Corporate Income Tax for the six-month period ended 30 June 2022 is calculated using the effective tax rate that is estimated to be applicable to the profit/(loss) for the year.

Comparative information

For comparative purposes and for each item in the consolidated statement of financial position, in the consolidated income statement, in the consolidated statement of comprehensive income, in the consolidated statement of cash flows, in the consolidated statement of changes in equity and in the notes to the condensed interim consolidated financial statements, in addition to the consolidated figures for the six-month period ended 30 June 2022, the condensed interim consolidated financial statements show those for the same period of the previous year, except for the consolidated statement of financial position which shows the consolidated figures for the twelve-month period ended 31 December 2021.

3. Changes to the Group's structure

In Appendix I to the Consolidated Annual Accounts for the year ended 31 December 2021, relevant information is provided on the Group companies that were consolidated at that date.

The following companies were incorporated during the first half of 2022:

- In February 2022 Forex Prosegur Exchange Limited was incorporated in the United Kingdom.
- In May 2022 Prosegur Change USA LLC was incorporated in the United States.

On 31 March 2021, Prosegur Cash sold to its parent company, Prosegur Compañía de Seguridad, certain areas of the added-value outsourcing services business (AVOS) for financial institutions and insurance companies, as well as the associated technology.

The transaction was in response to the strategic decision, independently taken by Prosegur Cash to better achieve its business goals, to crystallise the current value of the business sold, freeing up resources and investment capacity to focus on other priority growth opportunities.

The transaction consisted of the sale of Prosegur Cash to Prosegur of 100% of the share capital of the holding company of the aforementioned business in Spain, Prosegur AVOS España, S.L.U., for a price of EUR sixty seven million less the net financial debt. This business represented, approximately, 85% of the operating profit/(loss) of the global business of Prosegur Cash in certain areas of activity, with the parties having agreed to jointly and in good faith analyse and explore the possibility of Prosegur Cash selling to Prosegur the rest of that business that it carries out in other countries, without there being any agreement on this.

The net assets of the companies at the time of sale amounted to EUR 41,838 thousand and the sale entailed income for the Group of EUR 20,324 thousand (Note 7).

Additionally, other changes to the consolidation scope in the first half of 2022 are acquisitions of subsidiaries, details of which are provided in Note 21.

4. Events occurred since the end of 2021

In addition to what is reflected in Note 3 on the changes to the structure of the Group, the most relevant transactions and events that occurred during the first half of 2022 are detailed below:

UKRAINE WAR

The instability in the international geopolitical situation, caused by the military invasion of the Russian Federation in Ukraine in February 2022, is causing a significant increase in prices of raw materials, energy prices and currency exchange rates.

Despite the environment of uncertainty described, the Group estimates that the war in Ukraine does not have a significant impact on its interim consolidated financial statements, since it does not operate in the geographical area in which the conflict takes place, and its lines of activity and its income statement have not been affected by the instability and by the increase in the cost of energy.

COVID-19

During the first half of 2022, the business activity gradually recovered, close to the Cash Group's pre-pandemic volumes. Additionally, there were no significant impacts on the condensed interim consolidated financial statements related to COVID-19.

Classification of Cash business in Australia as non-current assets held for sale

At 30 June 2022, the assets and liabilities associated with the companies PTY Limited and Precinct Hub Pty Limited were classified as held for sale (Note 15).

Resolution of Spain's National Commission on Markets and Competition

Pursuant to Note 25 of the consolidated annual accounts of the Cash Group as of 31 December 2021, on 22 April 2015, Spain's National Commission on Markets and Competition (hereinafter, the CNMC) commenced disciplinary proceedings against Prosegur, Prosegur Servicios de Efectivo España, S.L.U. (currently a subsidiary of Prosegur Cash) and Loomis España, S.A. for alleged anticompetitive practices in accordance with European Union legislation. On 10 November 2016, the Competition Chamber of the CNMC ruled to fine Prosegur and its subsidiary EUR 39,420 thousand.

On 20 June 2022, the National Court upheld the appeal that Prosegur filed against the ruling given on 10 November 2016 by the Competition Chamber of the Council of the National Commission on Markets and Competition, declaring the aforementioned ruling and the fine imposed therein as null and void.

5. Cost of sales and administration and sales expenses

The main cost of sales and administration and sales expenses in the consolidated income statement for the six-month periods ended 30 June 2022 and 2021 are as follows:

		Thousands of Euros	
		Period ended 30 June	
		2022	2021
Supplies		29,176	18,476
Employee benefits expenses	(Note 6)	380,320	331,395
Operating leases		6,199	5,952
Supplies and external services		86,472	59,734
Depreciation and amortisation		25,105	21,665
Other expenses		56,815	40,894
Total cost of sales		584,087	478,116

		Thousands of Euros	
		Period ended 30 June	
		2022	2021
Supplies		705	660
Employee benefits expenses	(Note 6)	53,782	38,145
Operating leases		1,484	2,292
Supplies and external services		29,442	23,780
Depreciation and amortisation		36,598	34,251
Other expenses		68,467	56,819
Total administration and sales expenses		190,478	155,947

The general increase in most of the entries is due to the negative impact on the Cash Group's activity caused by the COVID-19 pandemic during the first six months of 2021, the cost containment policies that the Cash Group implemented to mitigate the impacts of the pandemic and the highest level of activity recorded in the first half of the year 2022 compared to the first half of the previous year.

Total supplies in the consolidated income statement for the six-month period ended 30 June 2022 amount to EUR 29,881 thousand (2021: EUR 19,136 thousand).

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

The costs for leases by right of use corresponding to contracts for a period equal to or less than one year and to lease contracts of low value assets for an amount equal to or less than USD 5 thousand are included under the heading on operating leases. The remaining contracts are included in the heading on rights of use (Note 10.3).

The heading on other expenses, under administration and sales, mainly includes expenses for management support services and trademark usage expenses for EUR 38,735 thousand and EUR 11,637 thousand, respectively (2021: EUR 37,115 thousand and EUR 8,968 thousand, respectively) (Note 22).

6. Employee benefits expenses

Details of employee benefits expenses for the six-month periods ended 30 June 2022 and 2021 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2022	2021
Wages and salaries	339,710	289,324
Social Security expenses	74,765	66,290
Other employee benefits expenses	14,193	10,728
Indemnities	5,434	3,198
Total employee benefits expenses	434,102	369,540

The general increase in most of the entries is due to the negative impact on the Cash Group's activity caused by the COVID-19 pandemic during the first six months of 2021, the cost containment policies that the Cash Group implemented to mitigate the impacts of the pandemic and the highest level of activity recorded in the first half of the year 2022 compared to the first half of the previous year.

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 Senior Management of Prosegur Cash is included under the heading on wages and salaries (Note 17).

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

7. Other income and expenses

Details of Other income and expenses in the consolidated income statement for the six-month periods ended 30 June 2022 and 2021 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2022	2021
Profit/(loss) for impairment of receivables	656	(192)
Other expenses	(2,082)	(1,608)
Total other expenses	(1,426)	(1,800)

In 2022 and 2021, the other expenses item mainly includes losses associated with write-offs of property, plant and equipment.

	Thousands of Euros	
	Period ended 30 June	
	2022	2021
Other income	1,611	24,905
Total other income	1,611	24,905

In 2021, the other expenses item mainly included the income from the sale to the Prosegur Group in March 2021 of certain areas of the added-value outsourcing services business (AVOS) for financial institutions and insurance companies, as well as its associated technology (Note 3), for EUR 20,324 thousand.

8. Net financial expenses

Details of net financial expenses for the six-month periods ended 30 June 2022 and 2021 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	<u>2022</u>	<u>2021</u>
Borrowing costs	(7,427)	(6,842)
Interest received	3,176	292
Net (loss)/profit on foreign currency transactions	(24,001)	(13,159)
Financial expenses for the update of lease liabilities (Note 10)	(2,624)	(2,853)
Net financial income from the net monetary position	9,699	6,496
Other expenses and net financial income	(5,462)	(3,297)
Total net financial expenses	<u>(26,639)</u>	<u>(19,363)</u>

The main change in the financial profit/(loss) for the first six months of 2022 compared to the first six months of 2021, is due principally to the net effect of:

- Increase in interest received, which includes the results of investments of surplus cash, mainly in Argentina.
- Increase in net losses from transactions in foreign currency, mainly caused by Brazil and Peru.
- Increase in financial expense due to the deferred payments of business combinations and to the monetary adjustment of court deposits associated with the labour actions open in Brazil and Argentina (Note 17).
- Increase in net financial income from the net monetary position. That item reflects the exposure to the change in the purchasing power of the Argentine currency.

9. Segment reporting

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

The Board of Directors analyses the business from two perspectives: geographical and by activity. From a geographical perspective, three segments are identified: Europe, LatAm and Rest of the world (AOA), which in turn include the lines of activity identified as Transport, Cash Management and New Products.

The Board of Directors uses EBITA to assess segment performance, since this indicator is considered to best reflect the results of the Prosegur Cash Group's different activities.

Details of revenue by segments for the six-month periods ended 30 June 2022 and 2021 are as follows:

Thousands of Euros	Europe		AOA		LatAm		Total	
	at 30 June 2022	at 30 June 2021	at 30 June 2022	at 30 June 2021	at 30 June 2022	at 30 June 2021	at 30 June 2022	at 30 June 2021
Transport	120,598	99,274	39,238	32,064	319,785	246,969	479,621	378,307
% of total	55%	52%	62%	59%	53%	55%	54%	55%
Cash management	66,895	52,094	12,239	13,064	118,000	100,867	197,134	166,025
% of total	32%	28%	19%	24%	20%	23%	22%	24%
New products	30,881	39,011	12,053	9,493	163,526	99,583	206,460	148,087
% of total	14%	20%	19%	17%	27%	22%	23%	21%
Total Sales	218,374	190,379	63,530	54,621	601,311	447,419	883,215	692,419

Income from Transport, Cash Management and New Products services are recognised at the time they are provided.

There is no profit/(loss) that has not been allocated to a segment. Segment income and expenses are composed by those deriving from the operating activities directly attributable to them and that the Board of Directors considers reasonable and which are distributed by using an analytical distribution criterion.

Details of profit/(loss) after tax from ongoing operations broken down by segment are as follows:

Thousands of Euros	Europe		AOA		LatAm		Total	
	at 30 June 2022	at 30 June 2021	at 30 June 2022	at 30 June 2021	at 30 June 2022	at 30 June 2021	at 30 June 2022	at 30 June 2021
Sales to external clients	218,374	190,379	63,530	54,621	601,311	447,419	883,215	692,419
Other net expenses	(200,608)	(160,108)	(62,536)	(55,726)	(449,533)	(339,208)	(712,677)	(555,042)
Equity losses recorded applying the equity method	(361)	(649)	355	(116)	(227)	—	(233)	(765)
EBITDA	17,405	29,622	1,349	(1,220)	151,551	108,211	170,305	136,613
PPE depreciation	(9,789)	(13,315)	(6,817)	(7,200)	(33,497)	(25,513)	(50,103)	(46,028)
EBITA	7,616	16,308	(5,468)	(8,421)	118,054	82,698	120,202	90,585
Amortisation of intangible assets	(285)	(909)	(1,511)	(1,183)	(9,804)	(7,797)	(11,600)	(9,888)
EBIT	7,331	15,399	(6,979)	(9,603)	108,250	74,901	108,602	80,696
Net Finance Profit/(Loss)	(23,640)	(4,182)	(588)	(1,858)	(2,411)	(13,323)	(26,639)	(19,363)
Corporate Income Tax	(3,387)	(2,605)	723	(27)	(35,823)	(28,226)	(38,487)	(30,857)
Profit/(loss) after tax of continuing operations	(19,697)	8,612	(6,844)	(11,489)	70,016	33,353	43,476	30,476

Details of assets allocated to segments and a reconciliation with total assets at 30 June 2022 and 31 December 2021 are as follows:

Thousands of Euros	Europe		AOA		LatAm		Not allocated to segments		Total	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021	30 June 2022	31 December 2021	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Assets allocated to segments	287,722	245,716	65,958	108,438	1,133,922	1,001,917	99,123	100,765	1,586,725	1,456,836
Other non-allocated assets	—	—	—	—	—	—	260,669	274,920	260,669	274,920
Other non-current financial assets	—	—	—	—	—	—	29,229	24,116	29,229	24,116
Cash and cash equivalents	—	—	—	—	—	—	231,440	250,804	231,440	250,804
	287,722	245,716	65,958	108,438	1,133,922	1,001,917	359,792	375,685	1,847,394	1,731,756

Details of liabilities allocated to segments and a reconciliation with total liabilities at 30 June 2022 and 31 December 2021 are as follows:

Thousands of Euros	Europe		AOA		LatAm		Not allocated to segments		Total	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021	30 June 2022	31 December 2021	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Liabilities allocated to segments	254,769	256,977	90,268	144,713	386,682	333,308	142,360	146,165	874,079	881,163
Other non-allocated liabilities	—	—	—	—	—	—	823,327	774,361	823,327	774,361
Bank borrowings	—	—	—	—	—	—	823,327	774,361	823,327	774,361
	254,769	256,977	90,268	144,713	386,682	333,308	965,687	920,526	1,697,406	1,655,524

At 30 June 2022, assets related to the Cash business in Australia, classified as non-current assets held for sale (Note 15), were not included in the breakdown of assets by segments presented previously for a total amount of EUR 92,008 thousand.

Total assets allocated to segments mainly exclude other current and non-current financial assets and or cash and cash equivalents, as these are managed together by Prosegur Cash and include rights of use that have emerged as a result of the application of IFRS 16.

At 30 June 2022, liabilities related to the Cash business in Australia, classified as liabilities directly associated with non-current assets held for sale (Note 15), were not included in the breakdown of assets by segments presented previously for a total amount of EUR 51,030 thousand.

The total liabilities allocated to segments exclude debts with credit institutions as Prosegur Cash jointly handles the financing, and they include finance lease liabilities and those arising from the application of IFRS 16.

10. Property, plant and equipment, goodwill and other intangible assets

10.1. Property, plant and equipment

Details of changes in property, plant and equipment for the six-month periods ended 30 June 2022 and 2021 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2022	2021
<u>Cost</u>		
Opening balances	792,864	727,320
Additions	23,822	24,956
Business combinations (Note 21)	4,330	4,008
Write offs due to disposals or by other means	(9,459)	(6,502)
Exits from the scope (Note 3)	—	(12,063)
Transfer to non-current assets held for sale (Note 15)	(51,348)	—
Translation differences	85,873	29,444
Transfer to rights of use	—	(93)
Closing balances	846,082	767,070
<u>Accumulated depreciation</u>		
Opening balances	(454,929)	(405,336)
Write offs due to disposals or by other means	4,420	4,539
Provisions charged against the income statement	(30,863)	(26,732)
Exits from the scope (Note 3)	—	6,648
Transfer to non-current assets held for sale (Note 15)	32,993	—
Translation differences	(44,221)	(14,486)
Transfer to rights of use	—	525
Closing balances	(492,600)	(434,842)
Opening balances	337,935	321,984
Closing balances	353,482	332,228

During the first half of 2022, investments in property, plant and equipment made by Prosegur Cash came to EUR 23,822 thousand (at 30 June 2021: EUR 24,956 thousand). These investments correspond mainly to cash automation equipment fitted in clients premises and purchasing and conditioning bases and armoured vehicles in Spain, Argentina and Brazil.

No assets are subject to restrictions on title or pledged as security for particular transactions at 30 June 2022.

10.2. Goodwill

Details of changes in goodwill for the six-month period ended 30 June 2022 are as follows:

	Thousands of Euros
	2022
Net carrying amount at 31 December 2021	389,133
Additions to the scope (Note 21)	10,007
Additions	2,881
Translation differences	29,209
Net carrying amount at 30 June 2022	431,230

For the six-month period ended 30 June 2022, goodwill from the following business combinations has been incorporated:

	Thousands of Euros
	2022
Business combinations in LatAm	4,520
Business combinations in Europe	5,487
	10,007

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

The additions corresponded to the adjustments made in the value of the goodwill associated with a Cash business combination in Latin America due to reassessing the corresponding deferred contingent consideration and the fair values of identifiable net assets:

	Thousands of Euros
	2022
Business combinations in LatAm	2,881
	2,881

Prosegur Cash tests goodwill for impairment at the end of each reporting period, or earlier if there are indications of impairment, in accordance with the accounting policy described in Note 32.9 of the Consolidated Annual Accounts at December 2021.

As of 30 June 2022, there were no additional elements indicating impairment with respect to recognised goodwill.

Details of changes in goodwill for the six-month period ended 30 June 2021 were as follows:

	Thousands of Euros
	2021
Net carrying amount at	393,009
Additions to the scope (Note 21)	40,262
Exit from the scope	(20,605)
Translation differences	5,424
Net carrying amount at 30 June 2021	418,090

Exit from the scope corresponded to the goodwill of the added-value outsourcing services activity for financial institutions and insurance companies that were allocated to CGU Spain.

10.3. Rights of use

Details of changes in right of use assets for the six-month periods ended 30 June 2022 and 2021 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2022	2021
<u>Cost</u>		
Opening balances	157,461	119,384
Additions	19,388	16,771
Transfer to non-current assets held for sale (Note 15)	(18,828)	—
Write offs and cancellations	(4,070)	(33)
Translation differences	8,352	2,566
Exits from the scope (Note 3)	—	(1,584)
Closing balances	162,303	137,104
<u>Accumulated amortisation</u>		
Opening balances	(78,964)	(46,761)
Transfer to non-current assets held for sale (Note 15)	15,091	—
Provisions charged against the income statement	(15,918)	(16,379)
Translation differences	(5,115)	262
Write offs due to disposals or by other means	—	29
Exits from the scope (Note 3)	—	1,038
Closing balances	(84,906)	(61,811)
Opening balances	78,497	72,623
Closing balances	77,397	75,293

Details of changes in lease liabilities for the six-month periods ended 30 June 2022 and 2021 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2022	2021
<u>Cost</u>		
Balance at 31 December	(87,427)	(80,366)
Additions	(19,388)	(17,059)
Business combinations	—	—
Write offs and cancellations	24,298	17,464
Financial expenses (Note 8)	(2,624)	(2,853)
Translation differences	(5,691)	(1,009)
Liabilities associated directly with ANMV (Note 15)	4,144	—
Exits from the scope	—	(596)
Closing balances	(86,688)	(84,419)

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

	Average rate		
	First 5 years	5-10 years	10-15 years
Germany	0.90 %	1.20 %	1.61 %
Brazil	7.78 %	9.43 %	10.21 %
Peru	3.44 %	4.35 %	5.32 %
Argentina	38.41 %	38.92 %	37.98 %
Colombia	5.82 %	6.72 %	8.05 %
Chile	3.89 %	4.74 %	5.40 %
Spain	0.80 %	1.08 %	1.56 %

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

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

10.4. Other intangible assets

Details of changes in intangible assets for the six-month periods ended 30 June 2022 and 2021 are as follows:

	Thousands of Euros	
	2022	2021
<u>Cost</u>		
Opening balances	382,003	347,902
Additions	5,615	4,032
Business combinations (Note 21)	5,712	3,495
Write offs	(1,275)	(40)
Exits from the scope (Note 3)	—	(27,002)
Transfer to non-current assets held for sale (Note 15)	(41,986)	—
Translation differences	49,168	25,461
Closing balances	399,237	353,848
<u>Accumulated amortisation</u>		
Opening balances	(181,448)	(158,010)
Write offs	—	40
Provisions charged against the income statement	(14,922)	(12,805)
Exits from the scope (Note 3)	—	7,105
Transfer to non-current assets held for sale (Note 15)	27,804	—
Translation differences	(20,027)	(7,788)
Closing balances	(188,593)	(171,458)
Net assets		
Opening balances	200,555	189,892
Closing balances	210,644	182,390

11. Investments accounted for using the equity method

Joint arrangements

Details of changes in the investments in joint ventures accounted for under the equity method for the six-month periods ended 30 June 2022 and 2021 were as follows:

	Thousands of Euros	
	30 June 2022	30 June 2021
Balance at 1 January	6,485	5,718
Additions	7,611	1,178
Participation in profits/(losses)	(233)	(765)
Translation differences	(125)	(88)
Balance at 30 June	13,738	6,043

Details of the main figures of investments accounted for under the equity method at the end of 2021 are included in Appendix III of the Consolidated Annual Accounts for the year ended 31 December 2021.

In additions for the year is included the purchase of 51% of two Brazilian companies whose main activity is the connection of physical and digital money environments through Fintech which uses ATMRs and vaults linked to a digital account to anticipate cash deposited in real time. The purchase price for 51% was EUR 36,995 thousand Brazilian real (exchange value on purchase date: EUR 7,242 thousand).

At 30 June 2022, Prosegur Cash has no significant contingent liability commitments in any of the joint ventures accounted for under the equity method.

12. Non-current financial assets and other current financial assets

Non-current financial assets at 30 June 2022 mainly include:

- Two loans granted for a total amount of EUR 2,395 thousand signed in February and May 2017, maturing in six years (31 December 2021: EUR 2,331 thousand) from the Cash Group to the Indian company SIS Cash Services Private, Ltd., consolidated using the equity method (Note 11).
- Long-term collection right with a business combination seller from previous years in Brazil in the amount of EUR 7,926 thousand and maturing as of 2025 (31 December 2021: EUR 5,877 thousand).
- Granting of loans to two external investors related to the subsidiaries of the Cash Group in Indonesia and the Philippines, amounting to EUR 6,154 thousand (31 December 2021: EUR 6,154 thousand).
- Deposits, guarantees and other loans and financial investments held by the Cash Group for EUR 5,776 thousand (31 December 2021: EUR 4,209 thousand).

At 30 June 2022, other financial assets mainly include:

- Loan for GBP 3,700 thousand (exchange value at June 2022: EUR 4,312 thousand at 31 December 2021: EUR 4,431 thousand), maturing in June 2023, granted by Cash Group to Change Group.
- Loan for GBP 1,775 thousand (exchange value at June 2022: EUR 2,068 thousand), granted in April 2022 by Cash Group to Change Group, maturing in December 2022.
- Short-term guarantees and various items in the amount of EUR 3,033 thousand (EUR 1,314 thousand at 31 December 2021).

13. Cash and cash equivalents

Details of cash and cash equivalents at 30 June 2022 and 31 December 2021 are as follows:

	Thousands of Euros	
	<u>30 June 2022</u>	<u>31 December 2021</u>
Cash in hand and at banks	140,161	197,811
Current bank deposits	91,279	52,993
	<u>231,440</u>	<u>250,804</u>

The effective interest rate on current bank deposits was 10.89% (at 31 December 2021: 1.51%) and the average term of the deposits held during the first half of 2022 was 22 days (at 31 December 2021: 16 days).

14. Inventories

Details of inventories at 30 June 2022 and 31 December 2021 are as follows:

	Thousands of Euros	
	<u>30 June 2022</u>	<u>31 December 2021</u>
Fuel and others	10,134	10,984
Operative material	2,654	2,244
Uniforms	263	177
Works and work in progress	7,282	1,162
Impairment of inventories	(575)	(429)
	<u>19,758</u>	<u>14,138</u>

The stock of ATM is mainly included under the heading Works and work in progress.

No inventories have been pledged as securities for liabilities.

15. Non-current assets held for sale

The Prosegur Cash Group operates the Cash business in Australia developing the transport, cash management and new products line of activity. At 30 June 2022, assets and liabilities associated with the companies PTY Limited and Precinct Hub Pty Limited were classified as held for sale.

Assets and liabilities classified as non-current held for sale are recognised at the carrying amount, and include the following assets and liabilities:

		Thousands of Euros
		30 June 2022
Non-current assets held for sale		
Property, plant and equipment	10.1	18,355
Other intangible assets	10.4	14,182
Rights of use	10.3	3,737
Clients and other receivables		11,551
Deferred tax assets		3,240
Inventories		950
Cash and cash equivalents		39,993
		92,008
Liabilities directly associated with non-current assets held for sale		
		Thousands of Euros
		30 June 2022
Long-term lease liabilities	10.3	2,022
Deferred tax liabilities		4,388
Provisions	17	7,583
Suppliers and other payables		34,915
Short-term lease liabilities	10.3	2,122
		51,030

These assets were measured at the lower of the carrying amount and the fair value less costs to sell.

The Prosegur Cash Group recognises impairment losses, initial and subsequent, of assets classified in this category charged to profit/(loss) from ongoing operations in the consolidated income statement, unless it is a discontinued operation. Non-current assets held for sale are not depreciated or amortised.

The operation described has not been considered a discontinued operation due to the fact that it is not a business line separate from the rest, nor a geographical area of operations.

The provisions heading includes commitments associated with the occupational accident insurance plan in Australia. In the first half of 2022, payments were made for commitments amounting to EUR 331 thousand, resulting in a total provision of EUR 1,809 thousand (31 December 2020: EUR 2,020 thousand), of which there was no other amount that falls due in the short term.

In addition, Prosegur Cash in Australia has signed an agreement for the supply of cash to automated teller machines belonging to Prosegur Cash. The cash is, according to the contract, owned by the provider (Bailment). Prosegur Cash has access to this money for the sole purpose of loading cash into the ATMs belonging to it, supplied by this contract. The settlement of the assets and liabilities is carried out via regulated clearing systems, such as the right of set-off of balances. As a result of the

foregoing, no assets and liabilities are shown in these consolidated financial statements for this item. The amount of outstanding cash at 30 June 2022 was AUD 189,542 thousand (equivalent to EUR 125,524 thousand); at 31 December 2021 it was AUD 229,836 thousand (equivalent to EUR 147,190 thousand).

16. Equity

16.1. Share capital and Share premium

At 30 June 2022, the share capital of Prosegur Cash, S.A. was EUR 30,459 thousand (2021: EUR 30,459 thousand) and is represented by 1,522,946,683 shares (2021: 1,522,946,683 shares) with a par value of EUR 0.02 each, fully subscribed and paid. These shares are listed on the Madrid, Barcelona, Bilbao and Valencia stock exchanges and traded via the Spanish Stock-Exchange Interconnection System (SIBE).

The capital reduction agreed by the Board of Directors under item 9 of the agenda of the Shareholders General Meeting of the Company held on 6 February 2017 was registered on 6 July 2021.

The capital reduction was carried out without refund of contributions and was made against free reserves by provisioning an unavailable voluntary reserve for the same amount as the capital reduction (that is EUR 431,786), in accordance with article 335 c) of the Spanish Companies Act.

At 30 June 2022, the amount of the share premium totals EUR 33,134 thousand.

16.2. Own shares

Details of changes in own shares during the first half of 2022 are as follows:

	Number of shares	Thousands of Euros
Balance at 31 December 2021	18,198,819	14,282
Purchase of own shares	14,381,043	9,453
Other awards	(46,797)	(35)
Balance at 30 June 2022	32,533,065	23,700

Buyback programme of 23 February 2021

On 23 February 2021, the Company agreed to temporarily suspend the execution of the own share buyback programme of Prosegur Cash, S.A., which was approved by the Board of Directors of the Company on 3 June 2020.

Additionally, under the agreement adopted by the Board of Directors of the Company on 23 February 2021, the Company has implemented a new own share buyback programme (the Programme) under the provisions of Regulation (EU) No. 596/2014 on market abuse and Commission Delegated Regulation (EU) 2016/1052 (the Regulations), making use of the authorisation granted by the Shareholders General Meeting held on 6 February 2017 for the purchase of own shares, in order to

meet the commitments and obligations derived from the share remuneration plans for the Company's executive directors and employees.

The Programme had the following features:

- Maximum amount allocated to the Programme: EUR 28,000 thousand.
- Maximum number of shares that can be acquired: up to 14,000,000 shares representing approximately 0.91% 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 did not buy shares at a price higher than the highest of the following: (i) the price of the last independent trade; or (ii) that corresponding to the highest current independent bid on the trading venues where the purchase is carried out.
- Maximum volume per trading session: in so far as volume is concerned, the Company purchased more than 25% of the average daily volume of the shares in any one day on the trading venues on which the purchase was carried out.
- Duration: the maximum duration of the Programme was until 5 February 2022. 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 main manager of the Programme was 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.

On 2 August 2021, Prosegur Cash, S.A. acquired a total of 14,000,000 shares representing approximately 0.92% of its share capital at that date, achieving the target of the Programme and therefore bringing the Programme to a close before the deadline set for its term.

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:

- Maximum amount allocated to the Programme: EUR 15,000 thousand.
- Maximum number of shares that can be acquired: up to 22,844,200 shares representing approximately 1.5% of the Company's share capital 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.
- 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.

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

In addition, the majority shareholder of the Company, the entity Prosegur Compañía de Seguridad, S.A., holder of 79.2% of the share capital, 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.

16.3. Cumulative translation differences

The change in the cumulative translation differences at 30 June 2022 as compared to 31 December 2021 was EUR 80,966 thousand, mainly due to the appreciation of the Brazilian Real and the positive impact of hyperinflation in Argentina.

16.4. Earnings per share

- **Basic**

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

	30 June 2022			30 June 2021		
	Ongoing operations	Discontinued operations	Total	Ongoing operations	Discontinued operations	Total
Year profit attributable to the owners of the parent company	43,476	—	43,476	30,476	—	30,476
Weighted average ordinary shares in circulation	1,507,616,931	1,507,616,931	1,507,616,931	1,516,047,516	1,516,047,516	1,516,047,516
Basic earnings per share	0.0288	—	0.0288	0.0201	—	0.0201

- **Diluted**

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

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

16.5. Dividends

Dividends distributed to the Prosegur Cash Group's shareholders are recognised as a liability in the Consolidated Annual Accounts in the year in which the dividends are approved by the Shareholders General Meeting. Interim dividends will also result in a liability in the Prosegur Cash Group's Consolidated Annual Accounts in the year in which the payment on account is approved by the Board of Directors.

17. Provisions

Details of the balance and changes under this heading for the six-month period ended 30 June 2022 are as follows:

Thousands of Euros	Occupational risks	Legal risks	Employee benefits	Other risks	Total
Balance at 1 January 2022	21,652	18,760	13,665	72,911	126,988
Provisions charged against the income statement	6,231	3,567	—	8,520	18,318
Reversals credited to the income statement	(3,811)	(183)	—	(119)	(4,113)
Applications	(4,057)	(531)	—	(498)	(5,086)
Financial effect of discounting	1,618	603	—	(1,099)	1,122
Additions to the consolidation scope (Note 21)	331	169	—	1,120	1,620
Translation differences	3,577	1,550	716	8,497	14,340
Transfer to non-current liabilities held for sale (Note 15)	—	—	—	(7,583)	(7,583)
Balance at 30 June 2022	25,541	23,935	14,381	81,749	145,606
Non-Current 2022	25,541	23,935	14,381	81,178	145,035
Current 2022	—	—	—	571	571

a) Occupational risks

The provisions for occupational risks, which amount to EUR 25,541 thousand at 30 June 2022 (at 31 December 2021: EUR 21,652 thousand), are calculated individually based on the estimated probability of success or failure. Said probability is determined by the various law firms that work with the Prosegur Cash Group. In addition, an internal review is carried out of the probabilities of reaching agreements in each of the cases, based on past experience, in order to arrive at the final provision to be recorded.

The provision for occupational risks includes mainly provisions linked to labour legal cases in Brazil, which include lawsuits brought by former and current employees of the Prosegur Cash Group. The characteristics of labour legislation in that country result in such processes becoming drawn out, and has led to a provision in 2022 of EUR 17,588 thousand (31 December 2021: EUR 13,848 thousand).

This heading also includes a provision for EUR 1,704 thousand (31 December 2021: EUR 1,634 thousand) associated with the business combination with Transpev.

b) Legal risks

The provisions for legal risks, which amount to EUR 23,935 thousand (31 December 2021: EUR 18,760 thousand), correspond mainly to civil claims which are analysed on a case-by-case basis. They include mainly lawsuits in Brazil. The settlement of these provisions is highly probable, but both the value of the final settlement as well as the moment are uncertain and depend upon the outcome of the processes under way. There are no significant legal risks.

In 2018, the Chilean National Economic Prosecutor (FNE) began an investigation into potential anti-competitive practices due to agreed actions and the exchange of sensitive commercial information between competitors between 2017 and 2018.

In 2021, the FNE requested sanctions, including a fine of approximately EUR 22,000 thousand from a Prosegur Group subsidiary in Chile (maximum sanction). On the date of these interim financial statements, the legal proceeding continues, having been notified all parties to the proceeding; the company is preparing the content of its legal defense that will be presented shortly. As of 30 June 2022, the recorded amount associated with this risk in provisions for legal risks amounts to EUR 11,046 thousand.

c) *Employee benefits*

As indicated in Note 5.2 of the Consolidated Annual Accounts for the year ended 31 December 2021, Prosegur Cash maintains defined benefit schemes in Germany, Brazil, Honduras, Nicaragua, El Salvador, Ecuador and Mexico. The actuarial valuation, carried out by qualified actuaries, of the value of the benefits to which the Company is committed is updated annually, with the last update at the end of 2021 applicable to the current period.

The defined benefit schemes of Central America have by law obligations under these schemes arising from the termination of employment contracts by dismissal or following a mutual agreement.

The defined benefit schemes in Germany consist of pension and retirement schemes. In Brazil they consist of post-employment healthcare compliant with local legislation (Act 9656).

d) *Other risks*

The provision for other risks, amounting to EUR 81,749 thousand at 30 June 2022 (EUR 72,911 thousand at 31 December 2021), includes all types of risks except those mentioned above.

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

We list the most significant ones below:

Tax risks

These refer mainly to tax risks in Brazil and Argentina, amounting to EUR 65,403 thousand (EUR 57,162 thousand at 31 December 2021).

The tax risks associated with Brazil are linked to various items, mainly with direct and indirect municipal and state tax charges, as well as provisions linked to the combination of the Nordeste and Transpex business from previous years. In Argentina they relate to various amounts that are not individually material, linked mainly to municipal and provincial taxes.

Tax risks are classified as material on the basis of opinions in external studies according to the analysis of case law in the matter of reference. Moreover, internal analysis are conducted based on similar cases that have occurred in the past or at other companies.

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

Accruals with personnel

These provisions include the accrued incentive in the 18-20 Plan, the 21-23 Plan and the Long-Term Incentive Retention Plan for the Executive President, Managing Director and Senior Management of

Prosegur Cash. During the year, provisions to profit/(loss) amounted to EUR 3,304 thousand (30 June 2021: EUR 2,920 thousand), resulting in a total provision of EUR 4,641 thousand. Expenses are included under the heading on wages and salaries in Note 6.

As detailed in Note 33.19 of the Consolidated Annual Accounts for the year ended 31 December 2021, the 2018-2020 Plan is generally linked to the creation of value during 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.

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

The Retention Plan, which is linked to ensuring adequate talent retention and promoting the digital transformation of the Cash Group for 2021-2023, was also approved in 2021. The plan envisages the payment of share incentives. The period of measurement covers for most cases from 1 January 2021 to 31 December 2023. The first payment in shares will be in October 2022, the second in October 2023 and the final one in October 2024. The Cash Group recognises a straight-line expense in the income statement during the measurement period 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 30 June 2022, the positive impact on retained earnings and other reserves of the equity was EUR 2,014 thousand.

During the first half of 2022, a total amount of EUR 450 thousand associated with the first payment of the 18-20 Plan was settled.

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

18. Financial liabilities

Details of the balances of this heading under the consolidated statement of financial position at 30 June 2022 and 31 December 2021 are as follows:

Thousands of Euros	30 June 2022		31 December 2021	
	Non-current	Current	Non-current	Current
Debentures and other negotiable securities	596,879	3,362	596,444	7,471
Bank borrowings	99,475	113,364	79,009	87,632
Credit accounts	—	10,247	—	3,804
Other payables	58,541	45,514	40,949	34,616
	754,895	172,487	716,402	133,523

The most significant items that make up the balance at 31 December 2021 are detailed in Note 22 of the Consolidated Annual Accounts for the year ended on that date.

The financial liabilities associated with the application of IFRS 16 have been recorded under the heading on lease liabilities (Note 10) for a total amount of EUR 86,688 thousand (EUR 87,427 thousand at 31 December 2021).

During the six-month period ended 30 June 2022 there has been no default or non-compliance with any agreement regarding the loans and credit facilities granted to Prosegur Cash.

Syndicated credit facility (Spain)

On 10 February 2017 Prosegur Cash arranged a five-year syndicated credit financing facility of EUR 300,000 thousand to provide the company with long-term liquidity. On 7 February 2019 this syndicated credit facility was renewed, and its maturity extended by another 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 30 June 2022 the balance drawn down from this credit amounted to EUR 55,000 thousand (at 31 December 2021 no amount had been drawn down).

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.

At 31 December 2021, the Cash Group complied with the covenants related to this syndicated financial operation

Debentures and other negotiable securities

On 4 December 2017 Prosegur Cash, issued uncovered bonds for 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 the debt of Prosegur Cash and the diversification of funding sources. The bonds are traded on the secondary market, on the Irish Stock Exchange. They accrue an annual coupon of 1.38% payable at the end of each year.

Loan in Peru

On 2 June 2021, Prosegur Cash, via its subsidiary in Peru Prosegur Compañía de Seguridad SA, arranged a financing operation in the amount of 300,000 thousand Peruvian sol for a five-year term. At 30 June 2022, the drawn down capital was PEN 240,000 thousand (at June 2022 equivalent to: EUR 60,328 thousand). At 31 December 2021, the drawn down capital was PEN 270,000 thousand (at 31 December 2021 equivalent to: EUR 59,627 thousand).

Syndicated loan (Australia)

On 28 April 2017, Prosegur Cash, via its subsidiary Prosegur Australia Investments Pty Limited, arranged a syndicated credit financing facility in the amount of AUD 70,000 thousand. This company is not included in the transaction described in Note 15.

The maturity schedule included in the syndicated loan agreement was as follows:

- The first maturity was in 2021 for AUD 10,000 thousand;
- The second maturity was in April 2022 for AUD 10,000 thousand;
- The third maturity will be in April 2023 for AUD 50,000 thousand;

The drawn down capital corresponding to the loan was AUD 50,000 thousand (equivalent at the end of the first half of 2022 to: EUR 33,115 thousand).

Other payables

The most significant items that make up the balance at 31 December 2021 are detailed in Note 22 of the Consolidated Annual Accounts for the year ended on that date.

At 30 June 2022, Other payables mainly relate to pending payments of business combinations.

19. Taxation

The company Prosegur Cash consolidates as part of the Prosegur Tax Group in Spain. As well as Prosegur Compañía de Seguridad, S.A. as the parent, this Consolidated Tax Group also comprises the Spanish subsidiaries that meet the requirements set out in regulations governing consolidated taxation. Moreover, the Prosegur Cash Group files consolidated corporate income tax returns in the following countries: Luxembourg, Portugal and Australia.

	Thousands of Euros Period ended 30 June	
	2022	2021
Current tax	47,025	45,751
Deferred tax	(8,538)	(14,894)
Total	38,487	30,857

	Thousands of Euros Period ended 30 June	
	2022	2021
Expense from income tax	38,487	30,857
Profit/(loss) before tax	81,963	61,333
Effective rate	46.96%	50.31%

The effective tax rate was 46.96% in the first half of 2022, compared with 50.31% in the same period the previous year, a decrease of 3.35 percentage points.

Tax expense is recognised in the interim accounting period based on the best estimate of the weighted average effective tax rate expected for the annual accounting period. The amounts calculated for the tax expense, in this interim accounting period, may need adjustments in subsequent periods provided that the estimates of the effective annual rate have changed by then.

On 4 April 2019 the Brazilian Tax Authority notified Prosegur Brasil S.A. Transportadora de Valores e Segurança of a tax settlement decision regarding Corporate Income Tax, Social Security and withholdings at source in relation to the corporate cost incurred from 2014 to 2016. The amount under that notice was BRL 214,820 thousand (tax liability BRL 102,938 thousand, interest BRL 30,833 thousand and penalties BRL 81,049 thousand), equivalent at 30 June 2022 to EUR 39,613 thousand. The resolution was challenged by the Company in first instance in the administrative stage on 29 April 2019, and was resolved on 30 July 2019 with a reduction of 44,877 thousand reals. The Company has proceeded to appeal this in the second administrative instance, where a favourable resolution to this lawsuit is anticipated.

On 10 July 2020 notice of the opening of a general inspection procedure was received for Prosegur Servicios de Efectivo de España, S.A., Juncadella Prosegur Internacional, S.A. and Prosegur Global CIT, S.A. for the 2015-2018 tax periods for Corporate Income Tax and for the 2016-2018 tax periods for all other tax items. As of today's date, the Company has paid agreed assessments for VAT, personal income tax and corporate income tax items for non-significant amounts. In June 2022, the Company signed disputed tax assessments for corporate income tax. The Company has recorded a provision for the amount that it considers will be disregarded.

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

20. Contingencies

Note 25 of the Consolidated Annual Accounts for the year ended 31 December 2021 provides information on contingent assets and liabilities at that date.

National Spanish Commission on Markets and Competition

On 10, 11 and 12 February 2015, the CNMC's Competition Directorate (DC) carried out inspections at the headquarters of Prosegur Compañía de Seguridad, S.A. and Prosegur Servicios de Efectivo España, S.L.

On 20 February 2015, Prosegur filed an administrative appeal against the CNMC Council Investigation Order of 4 February 2015 issued by the Competition Directorate of the CNMC and the subsequent inspection actions.

On 22 April 2015, the National Commission on Markets and Competition (hereinafter the CNMC) commenced disciplinary proceedings against Prosegur Compañía de Seguridad, S.A. (Prosegur), Prosegur Servicios de Efectivo España, S.L.U. (currently a subsidiary of Prosegur Cash) and Loomis España, S.A. for alleged anticompetitive practices in accordance with the Competition Defence Law and the Treaty on the Functioning of the European Union. On 10 November 2016, the Competition Chamber of the CNMC ruled to jointly fine Prosegur and its subsidiary EUR 39,420 thousand.

On 13 January 2017, Prosegur announced it planned to file, in the National Court (Audiencia Nacional), a contentious-administrative appeal against said ruling requesting the cancellation of this resolution and the adoption of an interim measure consisting of suspending payment of the fine imposed.

On 13 February 2017, the National Court accepted the appeal proposed by Prosegur for processing, against the ruling of the Competition Chamber of the CNMC on 10 November 2016, commencing the relevant proceedings, prior to formal filing of the appeal. Prosegur made the corresponding appeal on 6 September 2018.

By Order of 12 July 2017 —after the provision of the mandatory surety bond by Prosegur, by presenting a bank guarantee for the amount of EUR 39,420 thousand on 9 June 2017—, the National Court granted the precautionary suspension of the payment of the fine.

On 18 May 2018, the National Court dismissed the contentious-administrative appeal filed by Prosegur against the resolution of the Competition Chamber of the CNMC Council of 9 April 2015, by which it was agreed to dismiss the internal appeal against the Investigation Order of 4 February 2015 issued by the CNMC's Competition Directorate and subsequent inspections.

On 10 June 2019, Prosegur was notified of the Court Order declaring the proceedings to be concluded, with a vote and decision pending on the appeal lodged by Prosegur against the ruling on 10 November 2016 of the Competition Chamber of the CNMC.

On 11 September 2019, Prosegur filed an appeal for constitutional protection against the Resolution on the Investigation Order of 4 February 2015 and the inspection proceedings, issued by the Competition Chamber of the CNMC, the Ruling on the appeal against the Investigation Order that was made final after the Order of the Supreme Court and the Petition for Nullity. By Order of 16 June 2020, the Second Chamber of the Constitutional Court agreed not to accept the appeal for constitutional protection presented by Prosegur for not considering it to have the special constitutional significance which, as a condition for its acceptance, the law requires, whereby in 2020 the possibility of any legal appeals concluded with regard to the Resolution on the Investigation Order.

The date set by the National Court for the vote and decision on the appeal lodged by Prosegur against the ruling issued on 10 November 2016 by the Competition Chamber of the CNMC Council was 30 March 2022.

On 20 June 2022, notification was provided of the ruling given by the National Court upholding the appeal lodged by Prosegur against the ruling issued on 10 November 2016 by the Competition Chamber of the CNMC Council, which imposed a fine for EUR 39,420 thousand, agreeing the annulment of this court ruling for being contrary to the legal system. The ruling is subject to appeal before the Supreme Court within 30 days from the day after its notification.

In accordance with the agreements existing between Prosegur and Prosegur Servicios de Efectivo, the Cash Group does not have a provision recorded for this item, since Prosegur would hold the Cash Group and its affected subsidiary harmless of the potential negative economic effects of this process.

Chilean National Economic Prosecutor

In 2018, the Chilean National Economic Prosecutor (FNE) began an investigation into potential anti-competitive practices due to agreed actions and the exchange of sensitive commercial information between competitors between 2017 and 2018.

In 2021, the FNE requested sanctions, including a fine of approximately EUR 22,000 thousand from a Prosegur Group subsidiary in Chile (maximum sanction). On the date of these interim financial statements, the legal proceeding continues, having been notified all parties to the proceeding; the company is preparing the content of its legal defense that will be presented shortly.

The Cash Group has recorded the provisions that it believes will cover the possible risk of cash outflow on the basis of similar experiences in the past, and with the assistance of legal specialists.

21. Business combinations

21.1. Goodwill added in 2022

Details of changes in goodwill during the first half of 2022 are presented in Note 10.2.

Details of the net assets acquired and goodwill recognised on business combinations during the first half of 2022 are as follows:

Thousands of Euros	Cash payment	Deferred at fair value	Total purchase price	Fair value of identifiable net assets	Goodwill
Business combinations in LatAm	2,613	974	3,587	(933)	4,520
Business combinations in Europe	4,275	3,735	8,010	2,523	5,487
	6,888	4,709	11,597	1,590	10,007

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

Goodwill is not tax deductible.

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

Thousands of Euros	Cash payment	Cash and cash equivalents acquired	Cash outflow in acquisition
Business combinations in LatAm	2,613	(964)	1,649
Business combinations in Europe	4,275	(114)	4,161
	6,888	(1,078)	5,810

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

Business combinations in LatAm

During the first half of 2022, Prosegur acquired a security company in LatAm that provides auxiliary banking services. The total purchase price was EUR 3,587 thousand, comprising a cash payment of EUR 2,613 thousand, and a deferred contingent consideration totalling EUR 974 thousand maturing in 2024, 2025 and 2026.

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

(Thousands of Euros)	Carrying amount of the business acquired	Fair value
Cash and cash equivalents	964	964
Property, plant and equipment	819	819
Inventories	—	—
Clients and other receivables	373	373
Suppliers and other payables	(4,846)	(4,846)
Deferred tax assets	18	18
Provisions	(1,177)	(1,177)
Non-current financial assets	29	29
Other intangible assets	—	4,101
Deferred tax liabilities	—	(1,025)
Long-term financial liabilities	(158)	(158)
Short-term financial liabilities	(31)	(31)
Identifiable net assets acquired	(4,009)	(933)

The goodwill on this acquisition has been allocated to the LatAm segment and mainly reflects the profitability of the business and major synergies expected to arise as a result of the acquisition by Prosegur Cash. The intangible assets acquired comprise client relationships (EUR 2,466 thousand) with a useful life of 18 years, trademarks (EUR 861 thousand) with a useful indefinite life, and other intangible assets (EUR 774 thousand) with a useful life between 7 years (Note 10).

Business combinations in Europe

During the first half of 2022, Prosegur acquired in Europe a series of companies related to securities logistics and cash management services. The total purchase price was EUR 8,010 thousand, comprising a cash consideration of EUR 4,275 thousand, a deferred contingent consideration amounting to a total of EUR 411 thousand due in 2025 and a deferred payment of EUR 3,324 thousand, due in 2022 and 2023.

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

(Thousands of Euros)	Carrying amount of the business acquired	Fair value
Cash and cash equivalents	114	114
Property, plant and equipment	3,511	3,511
Inventories	22	22
Clients and other receivables	3,033	3,033
Suppliers and other payables	(4,670)	(4,670)
Other liabilities and expenses	(96)	(96)
Provisions	(443)	(443)
Non-current financial assets	58	58
Other intangible assets	1	1,611
Deferred tax liabilities	—	(455)
Long-term financial liabilities	(141)	(141)
Short-term financial liabilities	(21)	(21)
Identifiable net assets acquired	1,368	2,523

The goodwill on this acquisition has been allocated to the Europe segment and mainly reflects the profitability of the business and major synergies expected to arise as a result of the acquisition by Prosegur Cash. The intangible assets acquired comprise client relationships (EUR 1,610 thousand) with a useful life between 11 and 12 years.

21.2. Goodwill added in 2021 whose valuation is being reviewed in 2022

Details of the net assets acquired and goodwill recognised on business combinations during 2021 whose valuation is being reviewed in 2022 are as follows:

Thousands of Euros	Cash payment	Deferred at fair value	Total purchase price	Fair value of identifiable net assets	Goodwill
Business combinations in LatAm	24,267	38,199	62,466	34,400	28,066
	24,267	38,199	62,466	34,400	28,066

Goodwill is not tax deductible.

At 31 December 2021, total goodwill of EUR 25,183 thousand was recognised on these additions for the LatAm Cash business combinations. The difference generated by the verification of the fair values in 2022 corresponded to the reassessment of the postponed contingent payments and the fair values of the identifiable net assets associated with the LatAm Cash business combination. Prosegur Cash has not restated 2021 figures as the changes are not significant.

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

Thousands of Euros	Cash payment	Cash and cash equivalents acquired	Cash outflow in acquisition
Business combinations in LatAm	24,267	(6,058)	18,209
	24,267	(6,058)	18,209

Cash business combinations in LatAm

In 2021, Prosegur acquired a series of companies in LatAm devoted to payment and collection management. The total purchase price was EUR 62,466 thousand, comprising a cash consideration of EUR 24,267 thousand, a deferred contingent consideration amounting to a total of EUR 25,116 thousand, due in 2022, 2023 and 2024 and a deferred payment of EUR 13,083 thousand, due in 2022.

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

(Thousands of Euros)	Carrying amount of the business acquired	Fair value
Cash and cash equivalents	6,058	6,058
Property, plant and equipment	4,032	4,032
Inventories	337	337
Clients and other receivables	5,394	5,394
Suppliers and other payables	(9,852)	(9,852)
Current tax assets	1,395	1,395
Current tax liabilities	(1,273)	(1,273)
Non-current financial assets	353	353
Other intangible assets	2,333	41,985
Deferred tax liabilities	—	(9,874)
Long-term financial liabilities	(4,739)	(4,739)
Deferred tax asset	584	584
Identifiable net assets acquired	4,622	34,400

The goodwill on this acquisition was allocated to the Cash segment and to the LatAm geographical area and mainly reflects the profitability of the business and major synergies expected to arise as a result of the acquisition by Prosegur. The intangible assets acquired comprise client relationships (EUR 21,307 thousand) with a useful life of between 2 and 13 years, trademarks (EUR 14,601 thousand) with a useful indefinite life, and other intangible assets (EUR 3,744 thousand) with a useful life of 7 years (Note 10).

21.3. Goodwill added in year 2021 not reviewed in 2022

Details of the net assets acquired and goodwill recognised on business combinations during 2021 whose valuation has not been reviewed in 2022 are as follows:

Thousands of Euros	Cash payment	Deferred at fair value	Total purchase price	Fair value of identifiable net assets	Goodwill
Business combinations in Europe	110	40	150	150	—
	110	40	150	150	—

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

Goodwill is not tax deductible.

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

Thousands of Euros	Cash payment	Cash and cash equivalents acquired	Cash outflow in acquisition
Business combinations in Europe	110	—	110
	110	—	110

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

Business combinations in Europe

In 2021, Prosegur acquired in Europe a series of assets relative to securities logistics and cash management services. The total purchase price was EUR 150 thousand, comprising a cash payment of EUR 110 thousand and a deferred payment of EUR 40 thousand maturing in 2022.

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

(Thousands of Euros)	Carrying amount of the business acquired	Fair value
Property, plant and equipment	50	50
Other intangible assets	—	100
Identifiable net assets acquired	50	150

The goodwill on this acquisition was allocated to the Cash segment and to the Europe geographical area and mainly reflects the profitability of the business and major synergies expected to arise as a result of the acquisition by Prosegur. The intangible assets acquired comprise client relationships (EUR 100 thousand) with a useful life of 5 years (Note 10).

22. Balances and transactions with related parties

The Prosegur Cash Group is controlled by Prosegur Compañía de Seguridad, S.A., which was incorporated in Madrid and directly holds 79.42% of the Company's shares.

Balances with Prosegur Group companies

The Prosegur Cash Group holds balances with companies belonging to the Prosegur Group but not included in the consolidation scope of the Prosegur Cash Group:

Thousands of Euros	<u>30 June 2022</u>	<u>31 December 2021</u>
Short-term investments in Group companies and associates		
Credits	5,617	4,055
Trade and other receivables		
Clients	842	1,550
Other receivables	55,031	42,234
Total current assets with Prosegur Group companies	<u>61,490</u>	<u>47,839</u>
Total assets	<u>61,490</u>	<u>47,839</u>
Loans granted by group companies		
Dividends payable	10,583	22,495
Trade and other payables		
Suppliers	39,732	20,262
Other payables	38,475	31,385
Total current liabilities with Prosegur Group companies	<u>88,790</u>	<u>74,142</u>
Total liabilities	<u>88,790</u>	<u>74,142</u>

The Prosegur Cash Group performs transactions with companies belonging to the Prosegur Group but not included in the consolidation scope of the Prosegur Cash Group:

Thousands of Euros	<u>30 June 2022</u>	<u>30 June 2021</u>
Income		
Leases and supplies	447	556
Services rendered	1,097	717
Total income	<u>1,544</u>	<u>1,273</u>
Expense		
Brand (Note 5)	(11,637)	(8,968)
Management support services (Note 5)	(38,735)	(37,115)
Leases and supplies	(7,439)	(5,667)
Other expenses	(3,246)	(2,398)
Total expenses	<u>(61,057)</u>	<u>(54,148)</u>

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

1. Remuneration of members of the Board of Directors

Details of the remuneration accrued by members of the Board of Directors for all items during the six-month periods ended 30 June 2022 and 2021 are as follows:

	Thousands of Euros	
	30 June 2022	30 June 2021
Fixed remuneration	443	432
Variable remuneration	890	887
Remuneration for membership of the Board and Committee	2	2
Per diems	425	463
	1,760	1,784

2. Remuneration of Senior Management personnel:

Senior Management personnel are Prosegur Cash employees who hold, de facto or de jure, Senior Management positions reporting directly to the governing body or Managing Director, including those with power of attorney not limited to specific areas or matters or areas or matters not forming part of the entity's statutory activity.

The remuneration accrued by all the Senior Management personnel of Prosegur Cash for the six-month periods ended 30 June 2022 and 2021 is as follows:

	Thousands of Euros	
	30 June 2022	30 June 2021
Total remuneration accrued by Senior Management	2,227	1,800

The total commitment acquired by the Company at 30 June 2022 related to the 18-20 Plan and the 21-23 Plan incentives is recorded in liabilities for a total amount of EUR 4,641 thousand.

Loans to related parties

At 30 June 2022 there were no loans to related companies.

Information required by article 229 of the Spanish Companies Act

As required by articles 228, 229 and 230 of the Revised Text of the Spanish Companies Act, approved by Royal Legislative Decree 1/2010 of 2 July 2010 and amended by Act 31/2014 concerning improvements to corporate governance, the members of the Board of Directors and their related parties declare that they have not been involved in any direct or indirect conflicts of interest with the Company during the first half of 2022.

Occasionally, and even before the appointment of Mr Daniel Guillermo Entrecanales Domecq as a Director of the Company, Revolution Publicidad, S.L. has provided Prosegur Cash with advertising agency, media, marketing and communication services, within the ordinary course of business and in market terms. Prosegur Cash does not work solely with the agency Revolution Publicidad, S.L., but receives advertising, media, marketing and communication services from other companies too. The invoicing from Revolution Publicidad, S.L. to Prosegur Cash is not material and does not represent a significant amount. At 30 June 2022, fees totalled EUR 24 thousand (EUR 24 thousand at 30 June 2021).

The Board of Directors considers that the business relationship between the agency Revolution Publicidad, S.L. and Prosegur Cash, due to its occasional, non-exclusive nature in the ordinary

course of business, and its scant significance in the terms outlined, in no way affects the independence of Mr Daniel Guillermo Entrecanales Domecq to discharge the duties of Independent Director of Prosegur Cash.

Prosegur is controlled by Gubel S.L., which was incorporated in Madrid, and holds 59.37% of the shares of Prosegur, which consolidates Prosegur Cash in its consolidated financial statements. During the year, Prosegur Cash provided services to Gubel, S.L. in the amount of EUR 7 thousand (EUR 9 thousand at 30 June 2021).

During the year, Euroforum Escorial, S.A. (controlled by Gubel, S.L.) billed Prosegur Cash the amount of EUR 37 thousand for services (EUR 44 thousand at 30 June 2021).

Furthermore, Agrocinegética San Huberto, S.L. (controlled by Gubel, S.L.) had billed Prosegur Cash for EUR 209 thousand (at 30 June 2021 EUR 60 thousand).

Additionally, during the first half of 2022, Proactinmo, S.L.U. (controlled by Gubel, S.L.) billed Prosegur Cash for the rental of one property located in Madrid for EUR 102 thousand (at 30 June 2021 EUR 900 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 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.

23. Average headcount

Details of the average headcount of Prosegur Cash for the six-month periods ended 30 June 2022 and 30 June 2021, including the companies consolidated using the equity method, are as follows:

	30 June 2022	30 June 2021
Men	40,358	40,873
Women	11,152	11,235
	51,510	52,108

24. Events after the reporting date

At 30 June 2022, there were no significant events after the reporting date.

APPENDIX I. – Summary of the main accounting policies

The accounting policies used to prepare these condensed interim consolidated financial statements are the same as those applied in the consolidated annual accounts for the year ended 31 December 2021.

Additionally, Note 15 details the policies applied in relation to non-current assets and liabilities held for sale, which were not provided in the consolidated annual accounts of the previous year as the Cash Group did not have assets or liabilities of this nature as of 31 December 2021.

The Cash Group intends to adopt modifications to the standards issued by the IASB, which are not mandatory in the European Union, when they come into force, if applicable. Although the Group is currently analysing their impact, based on the analyses carried out to date, the Group considers that their initial application will not have a significant impact on its condensed interim consolidated financial statements, except for the following amendments issued:

- Amendments to IAS 8. Definition of accounting estimates: In these amendments the IASB has introduced a new definition of “accounting estimate”, which clarifies the difference between changes in accounting estimate, changes in accounting policies and corrections of errors. These amendments are effective for periods that start 1 January 2023 or later.
- Amendment to IAS 1 and to the IFRS Practice Statement no. 2 - Disclosure of accounting policies. In these amendments the IASB has included guidance and examples for applying judgement in identifying which accounting policies are material. The amendments replace the criterion of disclosing significant accounting policies with material accounting policies. It also provides a guide on how to apply the material concept to decide which accounting policies are indeed material. These amendments are effective for periods that start 1 January 2023 or later.
- Amendments to IAS 1: Presentation of financial statements - Classification of liabilities as current or non-current: In January 2020, the IASB issued its amendments to paragraph 69 to 76 of IAS 1 Presentation of financial statements to clarify the requirements that must be applied in the classification of liabilities as current or non-current. Specifically, it made clear:
 - What it means to have the right to defer settlement
 - That the right to defer settlement must exist at the end of the financial year
 - That the classification is not altered by the probability of exercising the right to defer
 - Only if an embedded derivative in a convertible liability is itself an equity instrument, will the terms of the liability not impact its classification.

These amendments are effective for periods that start 1 January 2023 or later, and must be applied retrospectively in accordance with IAS 8.



PROSEGUR
CASH

Directors' interim
consolidated report
for six-month period
ended 30 June 2022

Prosegur Cash, S.A. and Subsidiaries

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Directors' interim consolidated report for the six-month period ended 30 June 2022

1. Events occurred since the end of 2021

In addition to what is reflected in Note 3 of the report on the changes to the structure of the Group, the most relevant transactions and events that occurred during the first half of 2022 are detailed below:

UKRAINE WAR

The instability in the international geopolitical situation, caused by the military invasion of the Russian Federation in Ukraine in February 2022, is causing a significant increase in prices of raw materials, energy prices and currency exchange rates.

Despite the environment of uncertainty described, the Group estimates that the war in Ukraine does not have a significant impact on its interim consolidated financial statements, since it does not operate in the geographical area in which the conflict takes place, and its lines of activity and its income statement have not been affected by the instability and by the increase in the cost of energy.

COVID-19

During the first half of 2022, the business activity gradually recovered, close to the Cash Group's pre-pandemic volumes. Additionally, there were no significant impacts on the condensed interim consolidated financial statements related to COVID-19.

Classification of Cash business in Australia as non-current assets held for sale

At 30 June 2022, assets and liabilities associated with the companies PTY Limited and Precinct Hub Pty Limited were classified as held for sale. (Note 15).

Resolution of Spain's National Commission on Markets and Competition

Pursuant to Note 25 of the consolidated annual accounts of the Cash Group as of 31 December 2021, on 22 April 2015, Spain's National Commission on Markets and Competition (hereinafter, the CNMC) commenced disciplinary proceedings against Prosegur, Prosegur Servicios de Efectivo España, S.L.U. (currently a subsidiary of Prosegur Cash) and Loomis España, S.A. for alleged anticompetitive practices in accordance with European Union legislation. On 10 November 2016, the Competition Chamber of the CNMC ruled to fine Prosegur and its subsidiary EUR 39,420 thousand.

On 20 June 2022, the National Court upheld the appeal that Prosegur filed against the ruling given on 10 November 2016 by the Competition Chamber of the Council of the National Commission on Markets and Competition, declaring the aforementioned ruling and the fine imposed therein as null and void.

2. Performance of the business

2.1. Sales by geographical segment

Prosegur Cash consolidated sales for the first half of 2022 amounted to EUR 883.2 million (at 30 June 2021: EUR 692.4 million), which is a total increase of 27.6%. The growth in sales was driven by an organic growth of 22.5% and an inorganic growth of 3.6% mainly due to the acquisitions made in Ecuador, Uruguay and Germany. The positive exchange-rate effect was 1.4%.

Consolidated sales are distributed by geographical area as follows:

Millions of Euros	June 2021	June 2022	Variation
Europe	190.4	218.4	14.7%
AOA	54.6	63.5	16.3%
LatAm	447.4	601.3	34.4%
Prosegur Cash Total	692.4	883.2	27.6%

The recovery in activity and domestic consumption was strengthened during 2022, leaving behind the negative impacts caused by the COVID-19 pandemic. As a result, during the first half of 2022, the business activity recovered, close to the Cash Group's pre-pandemic volumes.

In this regard, sales in Europe increased by 14.7% as a result of an organic growth of 18.3%, which offset the decline in sales, caused by the sale of the AVOS business in 2021 to Prosegur Group.

For their part, sales in the AOA region continued to climb, increasing by 16.3% due to an organic growth of 13.1% and a positive exchange-rate effect of 3.2%.

Finally, in LatAm, the significant increase in sales of 34.4% was mainly due to an organic growth of 25.4% and an inorganic growth of 7.1%, mainly resulting from the acquisitions in Ecuador during 2022 and in Uruguay during 2021, while the positive exchange-rate effect was 1.8%.

2.2. Sales by line of activity

Consolidated sales are distributed by line of activity as follows:

Millions of Euros	June 2021	June 2022	Variation
Transport	378.3	479.6	26.8 %
<i>% of total</i>	54.6 %	54.3 %	
Cash management	166.0	197.1	18.7 %
<i>% of total</i>	24.0 %	22.3 %	
New products	148.1	206.5	39.4 %
<i>% of total</i>	21.4 %	23.4 %	
Prosegur Cash Total	692.4	883.2	27.6 %

2.3. Margins

EBITA for the first half of 2022 was EUR 120.2 million (at 30 June 2021: EUR 90.6 million). The EBITA margin at the end of the first half of 2022 was 13.6% (at 30 June 2021: 13.1%).

The EBITA margin is distributed by geographical areas as follows:

Millions of Euros	Europe	AOA	LatAm	At 30 June 2022 Prosegur Cash
Sales	218.4	63.5	601.3	883.2
EBITA	7.6	(5.5)	118.1	120.2
EBITA margin	3.5 %	(8.6) %	19.6 %	13.6 %

Millions of Euros	Europe	AOA	LatAm	At 30 June 2021 Prosegur Cash
Sales	190.4	54.6	447.4	692.4
EBITA	16.3	(8.4)	82.7	90.6
EBITA margin	8.6 %	(15.4) %	18.5 %	13.1 %

2.4. Outlook for the second half of 2022

During the first half of 2022, the Prosegur Cash business continued to experience steady and continuous recovery after two years of economic slowdown due to the pandemic.

Although the year began marked, particularly in Europe, by the Omicron variant of COVID-19, it started to dissipate during the first few months of the year.

Governments practically in every region have maintained a policy of eliminating or reducing the restriction on movements caused by the pandemic. This has been possible thanks to the major progress made in the vaccination campaigns, especially during the second half of 2021. Greater understanding of the virus, the effectiveness of the vaccines and their roll-out, as well as the higher resistance of the population to the virus, have led to a decrease in the virulence of the pandemic and with it a recovery in mobility and economic activity.

All of this has resulted in a continuous and steady increase in the activity volumes of our business which began in the third quarter of last year. If we combine this increase in volumes with the result of the multiple measures that the company has taken to increase the efficiency and flexibility of its operations, we can see how the profit margins of the business have continued to rise. Prosegur Cash is today a more agile, efficient and better prepared company to face the challenges that lie ahead.

Business growth in local currency during the first half of the year performed very positively reaching 26.1%. All regions have contributed decisively to this growth.

Latin America, the most important region, has experienced significant organic growth of 25.4%. The dynamism and elasticity of its economies have generally resulted in a very healthy return of the activity. It is also noteworthy that the principal Latin American currencies have reversed the trend of continuous devaluation above local inflation suffered in recent years. This factor and the strength of the dollar have seen the positive exchange-rate effect in the region rise to 1.8%.

Once Europe had overcome the Omicron variant, which particularly affected it at the start of the year, it managed to achieve organic growth of 18.3% during the first half of the year, which makes us positive about the continuous return of the activity.

Finally, the AOA region also recorded notable organic growth of 13.1% in local currency due to the opening up of movements and the commercial activity.

From an inorganic perspective, the company has made 3 major acquisitions. The purchase of a company in Ecuador, which will help develop and complement the growing development of new products and the acquisition of 2 companies in Germany, which will help strengthen the service to our customers in the south and east of this country.

The company, faithful to its Transform & Perform strategy, has managed to increase the sales of new products by 39.4%, reaching EUR 206 million in the period. Thus, the new products have increased their share of sales to 23.4%, 199 basis points more than the first half of 2021.

In terms of margins, as already pointed out, the multiple efficiency and restructuring measures taken in previous years have allowed the recovery of volumes to return to the company a growing path of relative profitability. An EBITA of EUR 120 million was achieved in the first half of the year, representing a growth of 32.7% on 2021. This represents a sales margin of 13.6%, 53 basis points more than the previous year.

When looking at profitability by regions, Latin America achieved EUR 118 million, 42.8% more than the first half of 2021. Its relative profitability was 19.6% of sales, 115 basis points more than in the same period the previous year.

Europe achieved an EBITA of EUR 7.6 million, improving its underlying performance by EUR 8 million if we exclude the capital gain generated the previous year due to the disinvestment of the AVOS business. This reflects the result of efficiency initiatives adopted and the positive return of activity volumes.

Finally, the AOA region has seen how cost containment measures and commercial initiatives resulted in a gradual decline in losses by almost 40% during the first half of the year.

It is important to point out that in recent months the world has experienced an increase in geopolitical instability. This has accelerated the trend first noticed in mid-2021 of an increase in inflation, a positive factor for our business. However, we must be vigilant about the effect that policies to increase interest rates by the monetary authorities may have on economic activity.

In addition, the continuous increase in cyber attacks on multiple infrastructures in all regions increasingly highlights the importance of cash as a solid guarantor of the functioning of the financial system.

Finally, the growing concern for financial inclusion continues, and cash reinforces its fundamental role to guarantee it. In this regard, we are witnessing the approval of policies to protect this in many countries.

Inflation, cyber attacks, instability and financial inclusion are added to the return of economic activity and all of this results in a very satisfactory increase in the level of cash in circulation, which is at an all-time high, as well as its use in commercial transactions.

3. Average headcount

Details of the average headcount of Prosegur Cash for the six-month periods ended 30 June 2022 and 30 June 2021 are as follows:

	30 June 2021	30 June 2022
Men	40,873	40,358
Women	11,235	11,152
	52,108	51,510

4. 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 team for a final decision on whether to proceed with the investment. Investments in excess of EUR 0.6 million are submitted to Prosegur Cash's Management for approval.

During the first half of 2022, investments in property, plant and equipment were approved for EUR 33.5 million (at 30 June 2021: EUR 24.5 million).

5. Financial management

Prosegur Cash calculates net financial debt as follows: total current and non-current borrowings (excluding other non-bank payables) plus net derivative financial instruments, minus cash and cash equivalents, and minus other current financial assets.

Net financial debt at 30 June 2022 amounted to EUR 551.9 million (at 31 December 2021: EUR 523.6 million).

Prosegur Cash calculates its leverage ratio as the ratio resulting from net financial debt (excluding other non-bank borrowings corresponding to deferred M&A payments) over total capital, the latter being the sum of net financial debt (excluding other non-bank borrowings corresponding to deferred M&A payments) and net equity from the Cash business. The ratio at 30 June 2022 is of 0.74 (31 December 2021: 0.87).

6. Own shares

Details of changes in own shares during the first half of 2022 are as follows:

	Number of shares	Millions of Euros
Balance at 31 December 2021	18,198,819	14.28
Purchase of own shares	14,381,043	9.45
Other awards	(46,797)	(0.04)
Balance at 30 June 2022	32,533,065	23.70

7. Innovation

Prosegur Cash, in common with the Prosegur Group as a whole, believes in the transformative power of technology. Prosegur Cash is a company focused on the accelerated and systematic transformation of its entire corporate structure, business lines, processes, equipment, products and services. And achieving this goal necessarily entails a far-reaching and simultaneous cultural transformation. Its aim is to respond to a rapidly changing world with equally rapid progress. It cannot afford to be late for its appointment with the future.

The Prosegur Group is investing heavily in the development of disruptive technologies. We consider this an area of utmost importance, and are determined to spare no resources in achieving this objective. Hence the significance of the fact that the EIB (European Investment Bank) has granted the Group a loan to finance innovation, digitalisation and sustainability projects through to 2023. This not only represents a substantial financial boost, but also a symbolic endorsement of the confidence shown in the transformation and innovation plan by a leading financial institution, for both the Prosegur Group and Prosegur Cash.

The projects that will receive this financial backing are part of the Innovation and Digital Transformation Plan, which aims to optimise flexibility, processes and operational efficiency. In addition to other initiatives focused on energy efficiency and emissions reduction to meet the Sustainability Master Plan.

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 the Group has focused on exponentially strengthening its capacity for innovation and has designed a working methodology focused on the development of new products and services. This methodology is built on three basic pillars:

- Desirability (generating desire).
- Feasibility (we ensure it is viable).

- Scalability (we try to make it scalable).

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 clients and make Cash stand out from its competitors. 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 Division; the Global Strategy and Development Division; the Global Media Management Division; the Global Human Resources Management Division; the Tax Division; the Global Institutional Relations Division; the Marketing Division, and the Legal Division.

8. Alternative Performance Measures

In order to comply with ESMA Guidelines on APMs, Prosegur Cash 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). However, Management considers that certain alternative performance measures provide additional useful financial information that should be taken into consideration when assessing its performance. Management also uses these APMs to make financial, operating and planning decisions, as well as to assess the Company's performance. Prosegur Cash provides those APMs it deems appropriate and useful for users to make decisions and those it is convinced represent a true and fair view of its financial information.

APM	Definition and calculation	Purpose
Working capital	This is a finance measure that represents the operating liquidity available for the Company. Working capital is calculated as current assets less current 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.
EBIT margin	The EBIT margin is calculated by dividing the operating profit/(loss) of the company by the total figure of revenue.	The EBIT margin provides the profitability obtained of the total revenue accrued.
Organic Growth	Organic growth is calculated as an increase or decrease of income between two periods adjusted by acquisitions and disinvestments and the exchange rate effect.	Organic growth provides the comparison between years of the growth of the revenue excluding the currency effect.
Inorganic Growth	The Company calculates inorganic growth for a period as the sum of the revenue of the companies acquired. The income from these companies is considered inorganic for 12 months following their acquisition date.	Inorganic growth provides the growth of the company by means of new acquisitions or disinvestments.
Exchange rate effect	The Company calculates the exchange rate effect as the difference between the revenue for the current year less the revenue for the current year using the exchange rate of the previous year.	The exchange rate effect provides the impact of currencies on the revenue of the company.
Cash flow translation rate	The Company 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.
Net Financial Debt	The Company calculates financial debt as the sum of the current and non-current financial liabilities (including other payables corresponding to deferred M&A payments and financial liabilities with Group companies) minus cash and cash equivalents, minus current investments in group companies and minus other current financial assets.	The net debt provides the gross debt less cash in absolute terms of a company.
EBITA	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 depreciations of goodwill or the amortisation of intangible assets, but including the depreciation of computer software.	The EBITA provides an analysis of earnings before taxes, tax burden and amortisation of intangible assets.
EBITDA	EBITDA is calculated on the basis of the consolidated profit/(loss) for the period for a company, excluding earnings after taxes from discontinued operations, income taxes, financial income or costs, and amortisation expenses or depreciation on goodwill.	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.

Working capital (in millions of Euros)	31.12.2021	30.06.2022
Inventories	14.1	19.8
Clients and other receivables	280.2	317.4
Receivables with Prosegur Group	47.8	61.5
Current tax assets	48.7	44.8
Current financial assets	1.3	9.4
Cash and cash equivalents	250.8	231.4
Non-current assets held for sale	—	92.0
Deferred tax assets	52.0	54.4
Suppliers and other payables	(363.2)	(301.4)
Current tax liabilities	(87.2)	(89.6)
Current financial liabilities	(133.5)	(172.5)
Payables with Prosegur Group	(74.1)	(88.8)
Other current liabilities	(7.7)	(5.2)
Deferred tax liabilities	(59.0)	(52.8)
Provisions	(127.0)	(145.6)
Liabilities associated with non-current assets held for sale	—	(52.7)
Total Working Capital	(156.7)	(77.8)

EBIT (in millions of Euros)	30.06.2021	30.06.2022
EBIT	80.7	108.6
Revenue	692.4	883.2
EBIT margin	11.7 %	12.3 %

Organic growth (in millions of Euros)	30.06.2021	30.06.2022
Revenue current year	692.4	883.2
Less: revenue previous year	771.8	692.4
Less: inorganic growth	(3.2)	25.0
Exchange rate effect	(102.9)	9.8
Total Organic Growth	26.7	156.0

Inorganic Growth (in millions of Euros)	30.06.2021	30.06.2022
Europe	(14.2)	(6.9)
AOA	3.2	—
LatAm	7.8	31.9
Total Inorganic Growth	(3.2)	25.0

Exchange Rate Effect (in millions of Euros)	30.06.2021	30.06.2022
Revenue current year	692.4	883.2
Less: revenue from the year underway at the exchange rate of the previous year	795.3	873.4
Exchange rate effect	(102.9)	9.8

Cash Flow Translation Rate (in millions of Euros)	30.06.2021	30.06.2022
EBITDA	136.6	170.3
CAPEX	29.0	27.5
Translation Rate (EBITDA - CAPEX / EBITDA)	79 %	84 %

Net financial debt (in millions of Euros)	31.12.2021	30.06.2022
Financial liabilities	849.9	927.4
Plus: finance lease liabilities and others	84.2	76.9
Adjusted financial liabilities (A)	934.1	1,004.2
Non-bank borrowings with Group (B)	—	—
<i>Cash and cash equivalents</i>	(250.8)	(231.4)
<i>Net debt associated with non-current assets held for sale</i>	—	(35.8)
Less: adjusted cash and cash equivalents (C)	(250.8)	(267.3)
Less: own shares (D)	(11.4)	(20.2)
Total Net Financial Debt (A+B+C+D)	671.9	716.7
Less: other non-bank borrowings (E)	(72.3)	(94.2)
Plus: own shares (F)	11.4	20.2
Less: financial debt from lease payments (G)	(87.4)	(86.7)
Less: Debt from lease payments and other non-bank borrowings associated with non-current assets held for sale (H)	—	(4.1)
Total Net Financial Debt (excluding other non-bank borrowings referring to deferred M&A payments and financial debt from lease payments) (A+B+C+D+E+F+G+H)	523.6	551.9

EBITA (in millions of Euros)	30.06.2021	30.06.2022
Consolidated profit/(loss) for the year	30.5	43.5
Income taxes	30.9	38.5
Net financial income/(expense)	19.4	26.6
Depreciation and amortisation	9.8	11.6
EBITA	90.6	120.2

EBITDA (in millions of Euros)	30.06.2021	30.06.2022
Consolidated profit/(loss) for the year	30.5	43.5
Income taxes	30.9	38.5
Net financial income/(expense)	19.4	26.6
Depreciation, amortisation and impairment	55.8	61.7
EBITDA	136.6	170.3

9. Subsequent events

At 30 June 2022, there were no significant events after the reporting date.

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL REPORT OF THE FIRST HALF OF 2022

The members of the Board of Directors of Prosegur Cash, S.A. state, to the best of their knowledge, that the financial information selected from Prosegur Cash, S.A., as well as the condensed interim consolidated financial statements of Prosegur Cash, S.A. and their subsidiaries, for the first half of 2022, drawn up by the Board of Directors, at its meeting of 26 July 2022, and prepared in accordance with the applicable accounting principles, provide a true and fair view of the assets, financial position and the profit/(loss) of Prosegur Cash, S.A., as well as of the subsidiaries included in the consolidation scope, taken as a whole, and that the respective directors' interim reports include a reliable analysis of the information required.

Madrid, 26 July 2022

Mr Christian Gut Revoredo
Executive President

Mr Daniel Guillermo Entrecanales Domecq
Director

Mr José Antonio Lasanta Luri
Managing Director

Ms Chantal Gut Revoredo
Director

Mr Pedro Guerrero
Vice-president

Mr Antonio Rubio Merino
Director

Mr Claudio Aguirre Pemán
Director

Ms Ana Inés Sainz de Vicuña Bemberg
Director

Ms María Benjumea Cabeza de Vaca
Director

Proceeding to record that the Board of Directors of Prosegur Cash, S.A. in the meeting held in Madrid on 26 July 2022 has drawn up the Half-Yearly Financial Report for the first half of 2022, consisting of the following documents: the individual financial information selected, the consolidated financial information selected, the condensed interim consolidated financial statements and the Directors' interim report of Prosegur Cash, S.A. and its subsidiaries, and the statement of responsibility of the Directors, all corresponding to the first half of 2022; this documentation has been drawn up unanimously (by all the attending directors) by the Board of Directors of the Company, in accordance with the provisions of article 35 of Act 24/1988, of 27 July, on the Securities Market, in the meeting held on this date.

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

The declarations of responsibility on its content have been signed by the directors of Prosegur Cash, S.A.

And all of which as Secretary of the Board of Directors, I attest to, in Madrid on 26 July 2022.

Signed: Ms Renata Mendaña Navarro

(Non-Director Secretary)



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