



**PROSEGUR CASH S.A.** (“**Prosegur Cash**” or the “**Company**”), in accordance with article 226 of the Revised Securities Market Law and implementing legislation, communicates and discloses publicly as follows:

### **INSIDE INFORMATION**

#### **Third payment of the 2019 interim dividend**

Further to the communication of relevant fact dated December 18, 2019 (record number 284640) relating to the approval of an interim dividend out of profits of fiscal year 2019 payable in four equal payments (in December 2019, and in March, June and September 2020), at the rate of 0.014525 euros gross per share, it is communicated that the third payment shall be made on June 29, 2020, according to the following breakdown:

Amount:

Gross amount:	0.01452500
General withholding tax (19%):	0.00275975
Net amount:	0.01176525

Payment schedule:

Ex-dividend date:	June 25, 2020
Record date:	June 26, 2020
Payment date:	June 29, 2020

The payment shall be made through Banco Santander, S.A., as payment agent.

#### **Program for reinvestment of the third payment of the 2019 interim dividend**

In the context of the current situation derived from the impact of the COVID-19 pandemic and in order to contribute to the potential shoring up of the Company’s economic situation, the Board of Directors of Prosegur Cash has resolved to offer to the shareholders, who so wish voluntarily, the possibility of reinvesting the total net amount of the third payment of the interim dividend of fiscal year 2019 in newly issued ordinary shares in the Company, each with a face value of 0.02 euros. Exhibit I hereto contains the directors’ report on the capital increase with exclusion of the preemptive subscription right.

The conditions of the voluntary program for reinvestment of the third payment of the 2019 interim dividend are as follows:

- (i) **Entitled shareholders:** shareholders that have a right to collect the third payment of the 2019 interim dividend, that is, those shareholders that own shares in the Company on the record date for that payment (June 26, 2020).
- (ii) **Reference price:** the new shares will be issued at an issuance price (face value plus issuance premium per share) equal to the simple average of the weighted average changes in the Company's share on the continuous market (SIBE) corresponding to the five trading days preceding the payment date of the third payment of the 2019 interim dividend, that is, June 22, 23, 24, 25 and 26, 2020, (for June 22, 23 and 24 reduced by the gross amount of that dividend payment). The Company will publish the reference price as a communication of other relevant information on June 29, as soon as possible.
- (iii) **Number of shares in which reinvestment is made:** each shareholder who voluntarily adheres to the reinvestment program will acquire by subscription a number of newly issued ordinary shares in the Company equal to the result of dividing: (a) the total net amount (partial reinvestment is not possible) of the third payment of the 2019 interim dividend which it is entitled to receive on the payment date, by (b) the reference price calculated according to paragraph (ii) above, rounding the result of that division down to the closest unit. The rest of that net amount not applied to the reinvestment as a consequence of that rounding down shall be paid to the shareholder in cash.

The estimated execution date of the public deed of formalization of the capital increase is July 3, 2020.

The number and nature of the shares to be issued and the reasons for and the data of the capital increase are detailed in the informative document attached hereto as Exhibit II.

- (iv) **Procedure for adhering to the reinvestment program:** the shareholders that wish to voluntarily adhere to the program for reinvestment of the third payment of the 2019 interim dividend shall expressly state so to the custodian in which their shares are deposited, signing and sending the relevant reinvestment order through the habitual channels established by each entity (branch, by telephone, post, Internet, etc.), which must be received by this entity by no later than June 26, 2020.

The orders issued by the shareholders shall be final and they shall entail the instruction to the custodians to withhold from the third payment of the 2019 interim dividend, the amount earmarked for reinvestment in accordance with paragraph (iii) above, and to apply it to the subscription of the relevant number of new shares in Prosegur Cash.

The execution of reinvestment orders by the shareholders shall imply the acceptance of the terms of the reinvestment program contained in this communication.

- (v) ***Fees and expenses:*** the clearance fees charged by IBERCLEAR and the stock market trading fees shall be paid by Prosegur Cash. The shareholders that adhere to the reinvestment program shall bear the cost of the potential fees or expenses charged to them by their custodians for processing the reinvestment orders.

It is placed on record that the majority shareholder of the Company, Prosegur Compañía de Seguridad, S.A., and its wholly owned subsidiary Prosegur Asset Management, S.A., holders of 72.5% of the share capital, have stated their intention of adhering to the reinvestment program of the third payment of the 2019 interim dividend.

\* \* \*

June 3, 2020

**IMPORTANT NOTICE:** The shares in Prosegur Cash, S.A. cannot be offered or sold in the United States of America unless that offer or sale is made pursuant to the provisions of the Securities Act and any other law applicable in that jurisdiction.

## **Exhibit I**

**Report prepared by the Board of Directors of PROSEGUR  
CASH, S.A. on the increase in the company's share capital with  
exclusion of the preemptive subscription right**

---

Madrid, June 3, 2020

## 1. Introduction

In the context of the current situation derived from the impact of the COVID-19 pandemic and in order to contribute to the potential shoring up of the economic situation of Prosegur Cash, S.A. (the “**Company**”), the Board of Directors has resolved to offer to the shareholders, who so wish voluntarily, the possibility of reinvesting the total net amount of the third payment of the interim dividend of fiscal year 2019 in newly issued ordinary shares in the Company, each with a face value of 0.02 euros.

To that end, the Board of Directors, exercising the authority to increase share capital granted by the Shareholders’ Meeting on February 6, 2017 under item 9 on its agenda, resolved to increase the Company’s share capital through monetary contributions and with exclusion of the preemptive subscription right. The text of the approved delegation resolution is attached as **Exhibit I**.

In accordance with the provisions of article 297.1.b) and related articles of the revised Capital Companies Law (*texto refundido de la Ley de Sociedades de Capital*), approved by Legislative Royal Decree 1/2010, of July 2, 2010 (the “**Capital Companies Law**” or the “**CCL**”), and in particular articles 308, 504 and 506 thereof, the capital increase resolution requires, inter alia, that the Board of Directors prepare this report (the “**Report**”) specifying the value of the Company shares and giving a detailed justification of the proposal and the consideration to be paid for the new shares to be issued, indicating the persons to which they are to be allocated and, additionally, that an independent expert other than the Company’s statutory auditor, appointed for such purpose by the commercial registry, prepare another report, at his/her own responsibility, on the fair value of the Company shares, on the book value of the preemptive right the exercise of which is proposed to be excluded and on the reasonableness of the data contained in this Report.

In accordance with article 506.4 CCL, both reports will be made available to shareholders and presented at the first Shareholders’ Meeting of the Company held following the capital increase resolution.

## 2. Proposal and justification of the capital increase with exclusion of the preemptive subscription right

As set out in the introduction, the purpose of the capital increase addressed in this Report is to allow the implementation of the voluntary program to reinvest the third payment of the Company’s 2019 interim dividend, which entails offering shareholders the possibility of reinvesting, on a voluntary basis, the total net amount of said third payment of the 2019 interim dividend, which will be paid on June 29, 2020, in newly issued ordinary shares in the Company, each with a face value of 0.02 euros, in order to shore up the Company’s financial position.

To that end, shareholders may voluntarily choose from the following mutually exclusive options in connection with the third payment of the 2019 interim dividend:

- a) either collect it entirely in cash, paid into the account indicated to the custodian of their shares; or
- b) reinvest the total net amount (partial reinvestment is not possible) of their remuneration under the third payment of the 2019 interim dividend in newly issued ordinary shares of the Company, with a face value of 0.02 euros each.

Shareholders that do not choose between these options will be paid the third payment of the 2019 interim dividend entirely in cash.

Shareholders that wish to voluntarily enroll in the program for reinvestment of the third payment of the 2019 interim dividend must expressly indicate this intention to the custodian with which their shares are deposited, within the period indicated below, signing and sending the relevant reinvestment and new shares subscription order through the habitual channels established by each custodian (branch, by telephone, post, internet, etc.), which must be received by such entity no later than June 26, 2020 (record date) for the payment of the third payment of the 2019 interim dividend, inclusive.

The reinvestment program enrollment period will run from June 15, 2020 to June 26, 2020, both inclusive.

Orders issued by shareholders during that period will in all cases be subject to such shareholders being the owners of the Company shares on the aforementioned record date for the payment of the third payment of the 2019 interim dividend (i.e., June 26, 2020).

Bearing in mind the reasons underpinning the Board of Directors' resolution to increase capital and as a logical consequence of these reasons, the Board proposes that shareholders' preemptive subscription rights be fully excluded, as this is in the interest of the Company and because the ultimate purpose of the capital increase is to allow the shares to be subscribed only by those shareholders that wish to participate in the program to reinvest the third payment of the 2019 interim dividend in order to subscribe Company shares, but only up to said amount.

Consequently, shareholders that choose to participate in the reinvestment program and in the capital increase will not be entitled to subscribe more shares than would correspond to them using the calculation described below, nor to subscribe any shares that were not subscribed by the remaining shareholders, which will not be offered to third parties for subscription.

Furthermore, the Board considers that the capital increase entails multiple additional benefits for the Company, as follows:

- (i) firstly, it will allow the Company to strengthen its capital structure by increasing its higher quality own funds; and
- (ii) secondly, it will improve the Company's cash position, avoiding the definitive outflow of cash corresponding to the net amount of the third payment of the 2019 interim dividend, which will instead be reinvested by those shareholders choosing to participate in the capital increase.

All this will improve the Company's financial and capital structure without it having to seek third-party financing in a time of particular market uncertainty and instability.

In short, in the Board of Directors' view, the total exclusion of shareholders' preemptive subscription rights strikes a proper balance between the benefits such exclusion brings to the Company, set out above, and the drawbacks it could potentially have for those shareholders whose stakes in the Company could be diluted, considering that such dilution would be financially offset by the cash received for the third payment of the 2019 interim dividend.

In order for a managing body to resolve to perform a capital increase with exclusion of the preemptive subscription right, article 506.4 CCL requires that the face value of the shares to be issued plus any share premium correspond to the fair value indicated in a report by an independent expert other than the Company's statutory auditor, appointed for such purpose by the commercial registry.

Since the Company is a listed company, it is also subject to article 504.2 CCL, which establishes that "*fair value shall be taken to be market value*" and that "*unless evidenced otherwise, market value shall be presumed to be the value established by reference to the securities market quotation*".

In that regard and as detailed in section 3.2 below, the Board of Directors of the Company proposes issuing the new shares at an issue price established through reference to the securities market quotation for the Company's shares, understanding that this corresponds to the market value or the fair value of such shares.

### **3. Capital increase**

#### **3.1 Amount and type of capital increase**

The capital increase amounts to a nominal amount of 871,500 euros and will be carried out through the issue of 43,575,000 new ordinary shares, each with a face



value of 0.02 euros and of a single class and series, all carrying the same rights as the shares currently in issue.

### **3.2 Issue price for the new shares**

The new shares will be issued at an issue price (per-share face value plus share premium) equal to the simple average of the weighted average changes in the Company's shares on the Spanish electronic trading system (SIBE) during the five trading days preceding the payment date of the third payment of the 2019 interim dividend, that is, June 22, 23, 24, 25 and 26, 2020 (for June 22, 23 and 24 reduced by the gross amount of that dividend payment) (the "**Reference Price**").

The Board of Directors considers that since the Reference Price is established through reference to the quoted market price of the Company's shares, it corresponds to the market value or fair value of such shares.

Accordingly, the new shares will be issued at: (i) their face value of 0.02 euros per share; plus (ii) a per-share share premium equal to the positive difference between the Reference Price and 0.02 euros per share.

In any event, a minimum share price of 0.5 euros per share is established, whereby if the Reference Price were lower than that amount, the capital increase would be rendered ineffective and with no value whatsoever.

### **3.3 Consideration to be paid. Payment of contribution**

The consideration to be paid for the new shares, including both the face value and the share premium, will be fully paid in cash.

Shareholder orders made in order to allow the interim dividend payment to be reinvested in new shares will be final - provided, as indicated previously, that the shareholders are legitimately entitled to collect the third payment of the 2019 interim dividend, i.e., that they are the owners of the Company shares at the record date for payment of the third payment of the 2019 interim dividend - and will entail the irrevocable instruction to the custodians at which their shares are deposited to withhold, from the third payment of the 2019 interim dividend, the amount to be reinvested pursuant to the foregoing and to apply it to the subscription and payment of the corresponding number of new Company shares, through the pertinent procedure.

Custodians will pay, into the account opened in the name of the Company, the amounts withheld from its clients for reinvestment pursuant to the preceding paragraphs, whereby the Company may evidence payment of the capital increase and proceed to execute the same.

### **3.4 Persons to whom the new shares are to be allocated. Shareholders that may subscribe the capital increase**

The preemptive subscription right is excluded in order to allocate the new shares to the Company shareholders that are entitled to receive the third payment of the 2019 interim dividend –that is, those shareholders that are the owners of the Company shares at the record date for said payment (i.e., June 26, 2020)– and that voluntarily choose to participate in the program to reinvest said third payment of the 2019 interim dividend.

Accordingly, each legitimately entitled shareholder that voluntarily enrolls in the reinvestment program will have the opportunity to subscribe a number of new shares equal to the result of dividing: (a) the total net amount (partial reinvestment is not possible) of the third payment of the 2019 interim dividend that said shareholder is entitled to receive on the payment date, by (b) the issue price (i.e., the Reference Price), rounding the result of that division down to the closest unit. The remainder of that net amount not applied to the reinvestment as a consequence of said rounding down will be paid to the shareholder in cash.

### **3.5 Third payment of the 2019 interim dividend**

The maximum total (gross) amount to be distributed to shareholders as the third payment of the 2019 interim dividend, which will be made on June 29, 2020, is 21,787,500 euros, at the rate of 0.014525 euros gross per share in issue at the payment date.

Shareholders that are the owners of the Company shares on the record date for the payment in question (i.e., June 26, 2020) will be entitled to receive the third payment of the 2019 interim dividend.

Due to the structure and purpose of the capital increase, these will be the shareholders that are given the opportunity, should they so request, to subscribe new shares as part of the capital increase.

### **3.6 Minimum number of shares needed for the reinvestment. Maximum number of shares to be received under the reinvestment program**

Shareholders may choose to reinvest the net amount that corresponds to their shares in respect of the third payment of the 2019 interim dividend, provided that they own a number of shares that give rise, at least, to a net dividend receivable equal to or greater than the Reference Price.

Likewise, the number of new shares that a shareholder may subscribe in the capital increase will be equal to the net amount to be received by the shareholder in the third payment of the 2019 interim dividend, divided by the Reference Price. If the result is not a whole number, it will be rounded down to the nearest whole

number. The remaining amount of the third payment of the 2019 interim dividend not applied to the reinvestment as a result of the above-mentioned rounding will be paid to the shareholder in cash.

For the purposes of article 299 CCL, it is placed on record that the Company shares currently in issue have been fully paid in.

### **3.7 Representation of the new shares**

The new shares will be represented by book entries, which will be kept by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Unipersonal) (IBERCLEAR) and its member entities in the terms established in the currently applicable legislation.

### **3.8 Rights carried by the new shares**

The new shares will be ordinary, of the same class and series as those currently in issue, and will carry the same rights as from the date on which the capital increase is declared implemented.

### **3.9 Exclusion of the preemptive subscription right**

As detailed in the preceding sections, bearing in mind that the purpose of the capital increase is to allow the implementation of the program to reinvest the third payment of the 2019 interim dividend in Company shares, under the authority granted by the Shareholders' Meeting on February 6, 2017 and in accordance with articles 308, 504 and 506 of the Capital Companies Law, it has been resolved to exclude preemptive subscription rights in connection with this capital increase.

### **3.10 Incomplete subscription**

In accordance with the provisions of article 311 of the Capital Companies Law, the possibility of an incomplete subscription of the capital increase has been expressly provided for.

Accordingly, if the capital increase is not subscribed in full, the share capital may be increased only by the amount of the subscriptions actually made and paid in.

### **3.11 Amendment of the bylaws**

As a result of the capital increase, article 6 of the bylaws will be amended to reflect the new resulting share capital figure.

### **3.12 Admission to trading**

It has also been resolved to seek admission to trading of the new shares issued, subscribed and paid in as part of the capital increase, on the Madrid, Barcelona,

Bilbao and Valencia stock exchanges, through the Spanish electronic trading system (Continuous Market). It is expressly placed on record that the Company is subject to the existing securities market rules and any that may be issued and, in particular, with respect to the trading, continued listing, and delisting of shares.

It is also expressly placed on record, for the appropriate legal purposes, that in the event the delisting of the Company's shares is subsequently requested, such delisting will be adopted with the formalities required by the applicable legislation and, in such case, the interest of the shareholders who object to or do not vote for the delisting resolution will be guaranteed, complying with the requirements established in the Capital Companies Law, the Securities Market Law and other related or implementing provisions.

### **3.13 Implementation of the capital increase**

On June 29 and upon the end of the period in which shareholders may choose to participate in the program to reinvest the third payment of the 2019 interim dividend, the following will apply:

- a) The Company will pay, in cash, the total net amount of the third payment of the 2019 interim dividend through IBERCLEAR and its member entities, into the accounts at the custodians with which the shareholders have deposited their shares, to the shareholders that own Company shares at the record date for payment of the third payment of the 2019 interim dividend (i.e., June 26, 2020), subject to the applicable securities clearing and settlement rules, systems and procedures.
- b) Custodians having received orders from shareholders legitimately entitled to participate in the dividend reinvestment program will withhold, from the third payment of the 2019 interim dividend, the amount earmarked for reinvestment and apply it to the subscription and payment of the relevant number of new shares in the Company, following the procedures established for the purpose.
- c) The custodians will pay, into the account opened by the Company and by way of payment for the shares subscribed in the framework of the reinvestment program, the amounts withheld from clients' third payment of the 2019 interim dividend.
- d) The Board of Directors (with express power of delegation) will implement the capital increase in the amount of the subscriptions received and will seek admission to trading for the new shares resulting from the capital increase, on the Madrid, Barcelona, Bilbao and Valencia stock exchanges, through the Spanish electronic trading system (Continuous Market).

### **3.14 Delegation of powers**

The Board of Directors has resolved to delegate broad powers to the Executive Chairman, the Managing Director, other directors and the nondirector secretary, so that each of them may, individually, with their signature alone, in the name and on behalf of the Company and with power of substitution, carry out the capital increase resolved and determine and specify the conditions of such capital increase for all aspects not foreseen in the resolution.

## **4. Additional information for the purposes of article 308 CCL**

In accordance with the provisions of article 308 CCL, the following aspects are expressly placed on record:

### **4.1 Valuation of the Company shares**

As indicated in section 3 above, the Company's existing shares will be valued at the Reference Price, that is, the simple average of the weighted average changes in the Company's shares on the Spanish electronic trading system (SIBE) during the five trading days preceding the payment date of the third payment of the 2019 interim dividend, that is, June 22, 23, 24, 25 and 26, 2020 (for June 22, 23 and 24 reduced by the gross amount of that dividend payment).

### **4.2 Consideration to be paid for the new shares of the Company**

The consideration to be paid by shareholders for the new shares to be issued upon implementation of the capital increase shall fully comprise monetary contributions up to a maximum of TWENTY-ONE MILLION EIGHT HUNDRED AND SEVENTY-EIGHT THOUSAND FIVE HUNDRED EUROS (€21,878,500.00).

As indicated above, the Board of Directors considers that since the Reference Price is established through reference to the quoted market price of the Company's shares, it corresponds to the market value or fair value of such shares.

Furthermore, the Board of Directors places on record that the Reference Price, if calculated at today's date, would be higher than the Company's per-share net asset value based on the Company's consolidated financial statements for the year ended December 31, 2019, on which the Company's statutory auditor issued the pertinent audit report.

The content of this report will be reviewed by an independent expert (other than the Company's statutory auditor) appointed for such purposes by the Madrid Commercial Registry pursuant to the provisions of the CCL (see section 5 below).

### **4.3 Persons to whom the new shares to be issued are to be allocated**

The persons to whom the new shares are to be allocated are the legitimately entitled shareholders referred to in section 3.4 above.

### **4.4 Amendment of the bylaws**

The capital increase shall entail amendment of article 6 of the bylaws as regards share capital, in the terms resulting from implementation of the increase, based on the shareholders that ultimately participate in the dividend reinvestment program and on the shares subscribed and paid in thereunder.

In that regard, the wording of said article 6 on share capital must be drafted after the capital increase has been implemented.

Since an incomplete subscription is provided for, the share capital figure and the final number of Company shares will be adjusted in view of the amount of the capital increase ultimately subscribed and paid in and of the number of new shares ultimately subscribed, with the directors empowered to that end in the capital increase resolution, being authorized to provide the definitive wording of article 6 of the bylaws.

## **5. Independent expert report**

In accordance with the provisions of articles 308 and 506 CCL, the Company has requested that the Madrid Commercial Registry appoint an independent expert so that such expert may prepare a report, under its responsibility, on the fair value of the shares of the Company, the book value of the preemptive right the exercise of which is to be excluded or limited and on the reasonableness of the data contained in this Report.

The expert appointed for the purpose is ETL GLOBAL AUDITORES DE CUENTAS, S.L.

\* \* \*

And for the appropriate legal purposes, the Board of Directors of the Company issues this Report in Madrid on June 3, 2020.

## Exhibit I

---

**“9. AUTHORIZATION OF THE BOARD OF DIRECTORS, WITH POWERS OF DELEGATION, DURING A MAXIMUM OF FIVE YEARS, TO INCREASE SHARE CAPITAL IN ACCORDANCE WITH ARTICLE 297.1.B) OF THE CAPITAL COMPANIES LAW, UP TO ONE-HALF OF THE SHARE CAPITAL AT THE DATE OF THIS AUTHORIZATION, AND EXPRESSLY EMPOWERING THE BOARD TO EXCLUDE THE PREEMPTIVE SUBSCRIPTION RIGHT, ALTHOUGH THIS LATTER POWER IS LIMITED TO 20% OF THE SHARE CAPITAL AT THE AUTHORIZATION DATE**

- 1.- *It is resolved to empower the Board of Directors, as broadly as may be necessary in law, so that, in accordance with article 297.1.b) of the Capital Companies Law, it may increase share capital on one or more occasions and at any time, within the period of five years from the date of this Shareholders' Meeting, up to the maximum nominal amount of 15,000,000.00 euros, equal to one-half of the Company's share capital at the date this resolution is passed.*
- 2.- *Capital increases performed pursuant to this authorization will be carried out by issuing new shares—with or without a share premium—the consideration for which will be monetary contributions. With respect to each increase, it will fall to the Board of Directors to decide whether the new shares to be issued are ordinary, preferred, redeemable, non-voting or of any other type permitted by law. In addition, the Board of Directors may set, in all matters not provided for, the terms and conditions of the capital increases and the characteristics of the shares, as well as freely offer the new shares not subscribed within the period or periods for exercising the preemptive subscription right. The Board of Directors may also establish that, in the event of an incomplete subscription, the capital will be increased only by the amount of subscriptions made and the wording of the articles of the Bylaws on the capital and number of shares will be amended. The shares issued out of this authorization may be used to cover the conversion of convertible shares issued or to be issued by the Company or companies in its group.*
- 3.- *In connection with capital increases carried out under this authorization, it is resolved to empower the Board of Directors to exclude, fully or partially, preemptive subscription rights in the terms established in article 506 of the Capital Companies Law, although this power is limited so that the capital increases carried out with exclusion of the preemptive subscription right under this authorization and those resolved in order to cover the conversion of convertible shares (notwithstanding anti-dilution clauses) that are issued with exclusion of the preemptive subscription right under resolution 10 of this Shareholders' Meeting, shall not exceed the maximum combined nominal amount of 6,000,000.00 euros, corresponding to 20% of the Company's share capital at the date this resolution is approved.*

- 4.- *The Company will request, where appropriate, the admission to trading on official or non-official secondary markets, organized or otherwise, domestic or foreign, of the shares issued pursuant to this delegation, authorizing the Board of Directors to perform the necessary steps and acts for the admission to listing vis-à-vis the competent bodies of the various domestic or foreign securities markets.*
- 5.- *The Board of Directors is expressly authorized so that it may in turn delegate, pursuant to article 249 bis of the Capital Companies Law, the delegated powers set forth in this resolution”.*



## **Exhibit II**



**INFORMATIVE DOCUMENT**

**CAPITAL INCREASE AT PROSEGUR CASH, S.A. OUT OF MONETARY  
CONTRIBUTIONS AND WITH THE EXCLUSION OF THE PREEMPTIVE  
SUBSCRIPTION RIGHT**

**June 3, 2020**

# INFORMATIVE DOCUMENT RELATING TO THE CAPITAL INCREASE AT PROSEGUR CASH, S.A. OUT OF MONETARY CONTRIBUTIONS AND WITH THE EXCLUSION OF THE PREEMPTIVE SUBSCRIPTION RIGHT

---

## 1. Purpose

### 1.1 Background

On December 18, 2019 by means of a notice of a relevant fact (record number 284640), Prosegur Cash, S.A. (the “**Company**”) disclosed the approval of an interim dividend out of profits for fiscal year 2019 payable in four equal payments (in December 2019, March, June and September 2020) at the rate of 0.014525 euros gross per share. On today’s date, by a notice of inside information, the Company has publicly disclosed that the third payment of such dividend will be made on June 29, 2020.

In the context of the current situation derived from the impact of the COVID-19 pandemic and in order to contribute to the potential shoring up of the Company’s economic situation, the Board of Directors has resolved to offer to the shareholders, who so wish voluntarily, the possibility of reinvesting the total net amount of the third payment of the interim dividend of fiscal year 2019 in newly issued ordinary shares in the Company with a face value of 0.02 euros each.

To that end, the Board of Directors has approved on today’s date, in use of the authorization to increase the share capital granted by the Shareholders’ Meeting of February 6, 2017, a capital increase, with the exclusion of the preemptive subscription right and out of monetary contributions, by means of the issue and placement into circulation of new ordinary shares, with a face value of 0.02 euros each, in order to permit the implementation of the voluntary program for the reinvestment of the third payment of the interim dividend of fiscal year 2019.

### 1.2 Purpose

This informative document (the “**Informative Document**”) is issued for the purposes of the provisions of article 1(4)(h) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/CE.

## 2. Reasons for the capital increase

The purpose of the capital increase is to allow the implementation of the voluntary reinvestment program for the Company’s third interim dividend payment for 2019, which entails offering shareholders the possibility of reinvesting, on a voluntary basis, the total net amount of said third payment of the 2019 interim dividend, which will be paid on June 29, 2020, in newly issued ordinary shares in the Company, each with a face value of 0.02 euros.

Based on the reasons that have led the Board of Directors to adopt the capital increase resolution and as a logical consequence thereof, the Board will carry it out with the total elimination of the shareholders' preemptive subscription right, since the Company's interest so requires and since it involves a capital increase the ultimate aim of which is to allow the subscription of the new shares only by those shareholders who wish to participate in the reinvestment program for the third payment of the 2019 interim dividend and allocate it to subscribing shares in the Company.

Furthermore, the capital increase entails various additional benefits for the Company:

- (i) firstly, it will allow the Company to strengthen its capital structure by increasing its higher quality own funds;
- (ii) secondly, it improves the Company's cash position, avoiding the definitive outflow of cash corresponding to the net amount of the third payment of the 2019 interim dividend, which will instead be reinvested by those shareholders choosing to participate in the capital increase; and
- (iii) lastly, it will contribute to improving the Company's financial and capital structure without it having to seek third-party financing in a time of particular market uncertainty and instability.

### **3. Details of the capital increase**

#### **3.1 Approval of the capital increase**

The Shareholders' Meeting of the Company held on February 6, 2017 resolved, under item 9 on its agenda, to authorize the Board of Directors, with powers of delegation, for a maximum term of five years, to increase the share capital in accordance with the provisions of article 297.1.b) of the revised Capital Companies Law, approved by Legislative Royal Decree 1/2010, of July 2, 2010 ("CCL"), up to half of the share capital on the authorization date (i.e., up to 15,000,000 euros), and with the grant of the power to exclude the preemptive subscription right, although this last-mentioned power was limited to a maximum of 20% of the share capital on the authorization date (i.e., up to 6,000,000 euros).

In exercising these powers, the Board of Directors of the Company has approved on today's date a capital increase with the exclusion of the preemptive subscription right and with monetary contributions by means of the issue and placement into circulation of new ordinary shares, with a face value of 0.02 euros each, of the same class and series and with the same rights as those currently outstanding and represented by book entries.

### **3.2 How it works**

Shareholders may voluntarily choose from the following mutually exclusive options in connection with the third payment of the 2019 interim dividend:

- a) either collect it entirely in cash, paid into the account indicated to the custodian of their shares;
- b) or reinvest the total net amount (partial reinvestment is not possible) of their remuneration under the third payment of the 2019 interim dividend in newly issued ordinary shares of the Company, with a face value of 0.02 euros each.

Shareholders that do not choose between these options will be paid the full third payment of the 2019 interim dividend in cash.

The shareholders that wish to voluntarily enroll in the program for reinvestment of the third payment of the 2019 interim dividend must expressly indicate this intention to the custodian in which their shares are deposited, within the period indicated below, signing and sending the relevant reinvestment and new shares subscription order through the habitual channels established by each custodian (branch, by telephone, post, Internet, etc.), which must be received by such entity by no later than June 26, 2020 (record date) for the third payment of the 2019 interim dividend, inclusive.

The period for shareholders wishing to enroll in the reinvestment program will run from June 15, 2020 to June 26, 2020, both inclusive. The Company does not assume any liability for the breach of this period by the custodians. Accordingly, any claim in this connection must be addressed by the shareholders to the custodian in question.

The orders issued by the shareholders will be final and entail the instruction to the custodians to withhold from the third payment of the 2019 interim dividend, the amount earmarked for reinvestment and to apply it to the subscription of the relevant number of new shares in the Company following the procedures established for the purpose.

The above-mentioned orders issued by shareholders during the above-mentioned period will in all cases be subject to them being the owners of the Company shares on the above-mentioned record date for the third payment of the 2019 interim dividend (i.e., June 26, 2020).

The execution of reinvestment orders by the shareholders will imply the acceptance of the terms of the reinvestment program contained in this Informative Document.

### **3.3 Amount and type of capital increase**

The amount of the capital increase is of a nominal amount of 871,500 euros and it will be carried out by means of the issue and placement into circulation of

43,575,000 new ordinary shares, with a face value of 0.02 euros each, of the same class and series and with the same rights as those currently outstanding.

It is also placed on record that the total maximum amount to be distributed to the shareholders in respect of the third payment of the 2019 interim dividend is 21,787,500 euros, at the rate of 0.014525 euros per outstanding share on the payment date.

### **3.4 Issue price for the new shares**

The new shares will be issued at an issue price (per-share face value plus share premium) equal to the simple average of the weighted average changes in the Company's share on the Spanish electronic trading system (SIBE) corresponding to the five trading days preceding the payment date of the third payment of the 2019 interim dividend, that is, June 22, 23, 24, 25 and 26, 2020 (for June 22, 23 and 24 reduced by the gross amount of that dividend payment) (the "**Reference Price**").

On June 29, 2020, once the Reference Price has been determined, it will be made available to the public by the corresponding notice of other relevant information.

Accordingly, the new shares will be issued at: (i) their face value of 0.02 euros per share; plus (ii) a per-share share premium equal to the positive difference between the Reference Price and 0.02 euros per share.

In any event, a minimum share price of 0.5 euros per share is established, whereby if the Reference Price were lower than that amount, the capital increase would be rendered ineffective and with no value whatsoever.

### **3.5 Legitimately entitled shareholders**

Shareholders who voluntarily wish to avail themselves of the reinvestment program for the third payment of the 2019 interim dividend must be entitled to collect such dividend, that is, they must be owners of shares in the Company on the record date for such payment (i.e., June 26, 2020).

### **3.6 Minimum number of shares needed for the reinvestment. Maximum number of shares to be received under the reinvestment program**

A shareholder may choose to reinvest the net amount that corresponds to his/her/its shares in respect of the third payment of the 2019 interim dividend, provided that he/she/it owns a number of shares that give rise, at least, to a net dividend receivable equal to or greater than the Reference Price.

The number of new shares that a shareholder may subscribe in the capital increase will be equal to the net amount to be received by the shareholder in the third payment of the 2019 interim dividend, divided by the Reference Price. If the result is not a whole number, it will be rounded down to the nearest whole number. The remaining amount of the third payment of the 2019 interim dividend not applied to

the reinvestment as a result of the above-mentioned rounding will be paid to the shareholder in cash.

### **3.7 Exclusion of the preemptive subscription right**

In light of the purpose of the capital increase, pursuant to the powers granted by the Shareholders' Meeting held on February 6, 2017 and in accordance with the provisions of articles 308, 504 and 506 CCL, the Board of Directors has resolved to exclude the preemptive subscription right in connection with the capital increase.

The preemptive subscription right is excluded in order to allot the new shares to the shareholders of the Company who are entitled to collect the third payment of the 2019 interim dividend on the terms indicated in section 3.5. Consequently, shareholders that have chosen to participate in the reinvestment program and are entitled to participate in the capital increase will not be entitled to subscribe more shares than would correspond to them using the calculation described in section 3.6, nor to subscribe any shares that were not subscribed by the remaining shareholders, which will not be offered to third parties for subscription.

In order for a managing body to resolve to perform a capital increase with exclusion of preemptive subscription rights, article 506.4 CCL requires that the face value of the shares to be issued plus any share premium correspond to the fair value indicated in a report by an independent expert other than the Company's statutory auditor, appointed for such purpose by the Commercial Registry.

Since this is a listed company, it is also subject to article 504.2 CCL, which establishes that "*fair value shall be taken to be market value*" and that "*unless evidenced otherwise, market value shall be presumed to be the value established by reference to the securities market quotation*".

In that regard and as detailed in section 3.4 above, the issue price established is by reference to the securities market quotation for the shares, understanding that this corresponds to the market value or the fair value of the Company's shares.

In accordance with the provisions of articles 308 and 506 CCL, the Company has requested that the Madrid Commercial Registry appoint an independent expert so that such expert may prepare a report, under its responsibility, on the fair value of the shares of the Company, the book value of the preemptive right the exercise of which is to be excluded or limited and on the reasonableness of the data contained in the directors' report. The expert appointed for the purpose is ETL GLOBAL AUDITORES DE CUENTAS, S.L.

For its part, the Board of Directors has prepared on today's date a report specifying the value of the Company's shares and giving a detailed justification of the proposal and the consideration to be paid for the new shares, indicating the persons to which they are to be allotted in accordance with the provisions of articles 308 and 506 CCL.

### 3.8 Incomplete subscription

In accordance with article 311 CCL, the possibility of an incomplete subscription of the capital increase has been expressly provided for in the capital increase resolution.

Accordingly, if the capital increase is not subscribed in full, the share capital may be increased only by the amount of the subscriptions actually made and paid in.

## 4. Details of the implementation of the capital increase

### 4.1 Tentative timetable

The tentative timetable set for implementing the capital increase is as follows:

- June 3, 2020 Approval of the capital increase, of the report on the increase and of this Informative Document by the Board of Directors.
- June 15, 2020 Start of the period for enrolling in the reinvestment program.
- June 25, 2020 Ex-dividend date (ex-date) from which (inclusive) the Company's shares are traded without the right to collect the dividend.
- June 26, 2020 End of the period for enrolling in the reinvestment program. Record date.
- June 29, 2020 Determination and publication of the Reference Price. Payment of the dividend in cash.
- July 3, 2020 Estimated date of execution of the public deed of implementation of the capital increase.
- July 10, 2020 Recording of the new shares to be issued pursuant to the capital increase in the accounting records of "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" ("**IBERCLEAR**").
- July 16, 2020 Estimated date for the start of the ordinary trading of the new shares to be issued pursuant to the capital increase.

The above timetable is tentative, as it is subject to deadlines and to the securing of the relevant authorizations and registrations the fulfillment of which is beyond the Company's control.



## **4.2 Payment procedure**

Upon the end of the period in which shareholders may choose to participate in the program to reinvest the third payment of the 2019 interim dividend:

- a) The Company will pay, in cash, the total net amount of the third payment of the 2019 interim dividend through IBERCLEAR and its member entities, into the accounts at the custodians in which the shareholders have deposited their shares, to the shareholders that own Company shares at the record date for payment of the third payment of the 2019 interim dividend (i.e., June 26, 2020), subject to the applicable securities clearing and settlement rules, systems and procedures.
- b) Custodians having received orders from shareholders legitimately entitled to participate in the dividend reinvestment program will withhold, from the third payment of the 2019 interim dividend, the amount earmarked for reinvestment and will apply it to the subscription and payment of the relevant number of new shares in the Company, following the procedures established for the purpose.
- c) The custodians will pay, into the account opened by the Company and by way of payment for the shares subscribed in the framework of the reinvestment program, the amounts withheld from clients' third payment of the 2019 interim dividend.

## **4.3 Expenses and fees**

The capital increase will be carried out free of expenses and fees as regards the allotment of the new shares issued. The Company will bear the expenses of the issue, subscription, placement into circulation, admission to listing and other items related to the capital increase.

Notwithstanding the foregoing, the Company's shareholders must bear in mind that the IBERCLEAR member entities in which they have deposited their shares may establish, in accordance with the current legislation and with the terms of the securities deposit and administration agreement that has been signed, such fees and expenses chargeable for administration as they may freely determine in connection with the maintenance of the securities in the accounting records. Such member entities may also establish, in accordance with the current legislation and with the terms of the securities deposit and administration agreement that has been signed, such fees and expenses for reinvestment of the dividend and subscription of the new shares as they may freely determine.

## **5. Number and nature of the new shares to be issued**

### **5.1 Face value, representation and issue price of the new shares**

The new shares that are issued as a result of the capital increase will be ordinary shares, of the same class and series as those currently outstanding, with a face value of 0.02 euros each.

The shares will be represented by book entries, the accounting records for which will be kept by IBERCLEAR and its member entities.

The new shares will be issued with a share premium per share equal to the positive difference between the Reference Price (as defined in section 3.4 above) and 0.02 euros per share.

### **5.2 Rights of the new shares**

The new shares will confer on their owners the same voting and economic rights as the Company's currently outstanding ordinary shares as from the date on which the capital increase is declared as implemented.

### **5.3 Consideration to be paid. Payment**

The consideration to be paid for the new shares, including both the face value and the share premium, will be fully paid in cash, in the manner indicated in the preceding sections.

### **5.4 Application for admission to trading**

The Company will apply for admission to trading of the new shares issued, subscribed and paid in as part of the capital increase, on the Madrid, Barcelona, Bilbao and Valencia stock markets, through the Spanish electronic trading system (Continuous Market). It is expressly placed on record that the Company is subject to the existing securities market rules and any that may be issued and, in particular, with respect to the trading, continued listing, and delisting of shares.

It has been expressly placed on record in the resolution, for the appropriate legal purposes, that, in the event that the de-listing of the Company's shares is subsequently requested, it will be adopted with the formalities required by the applicable legislation and, in such case, the interest of the shareholders who object to or do not vote for the resolution will be guaranteed, complying with the requirements established in the CCL, in the Securities Market Law and other related or implementing provisions.

## **6. Tax aspects**

### **6.1 General aspects**

Set out below are the main tax implications related to the implementation of the capital increase, based on the tax legislation in force in Spain (excluding Navarra and the Basque Country) and on the interpretation adopted by the Directorate-General of Taxes through replies to requests for binding rulings in cases that are analogous or similar to the instant case.

It is placed on record that the tax regime described below does not seek to refer to the regime applicable to shareholders resident in the “foral” territories (including the “Foral” Community of Navarre), who must consult with their tax advisers regarding any special rules that may apply in such “foral” territories.

Any shareholders not resident in Spain must also consult with their tax advisers regarding the effects of the various options related to the implementation of the capital increase, including the right to apply tax treaties signed by Spain.

It should be noted that the tax treatment described does not express all of the possible tax consequences or potential future changes in legislation that may affect the applicable tax regime.

Accordingly, shareholders are recommended to consult with their tax advisers regarding the specific tax impact of the proposed system.

### **6.2 Specific considerations**

The collection of the dividends relating to the third payment of the 2019 interim dividend will be considered income from movable capital.

Shareholders who are personal income taxpayers must include 100% of such income in the taxable income of their tax return and pay tax on it at the applicable rate. The collection of the dividends will also be subject to a withholding at the flat rate of 19%.

Dividends received by shareholders who are nonresident income taxpayers without a permanent establishment in Spain are subject to a flat tax and withholding rate of 19%, unless a tax treaty signed with Spain by their country of residence applies, in which case regard should be had to what the treaty provides in this connection for both withholding and final taxation purposes.

Shareholders who are corporate income taxpayers and nonresident income taxpayers with a permanent establishment in Spain must include 100% in the tax base of their return, paying tax at the applicable rate. The collection of the dividends will, in general, be subject to a flat rate of 19%, unless the shareholder is exempt from corporate income tax under certain circumstances.

The acquisition of new shares in the case of reinvestment of the dividend will be considered, for tax purposes, as an acquisition for consideration and, therefore, will not be taxed on it at the time of their acquisition. In line with the above, the delivery of the new shares will not be subject to withholding tax on cash or in-kind payments.

\* \* \*

This Informative Document will be available on the website of the Spanish National Securities Market Commission ([www.cnmv.es](http://www.cnmv.es)) and on the corporate website of the Company (<https://www.prosegurcash.com/>) from the day of its publication.

In Madrid, on June 3, 2020

Prosegur Cash, S.A.