

Earnings Presentation.

Q1 2022

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War in Ukraine shows that cash cannot go away

*Asofin has assured that the war in Ukraine **makes it clear that cash cannot disappear because of its importance in safeguarding household economies.** "We are already seeing queues at ATMs in Ukraine, given the breakdown of communications in the country, attacked by Russia," said the association of financial users".*

Source: EuropaPress

Amazon takes a stand against the cost of cards to offer the best prices

*Amazon will stop accepting Visa credit cards in the UK from January 19th. The company founded by Jeff Bezos said that Amazon defends that **"The cost of accepting card payments remains an obstacle to offering the best prices to our customers"**.*

Source: Cinco Días, El País

'Crypto-scammers' have earned almost 6.8 billion in 2021, about 18 million per day.

***"Crypto scammers collected almost €6.8 billion in 2021.** The growth is mainly driven by a relatively new scam model: **'rug pulls'**, and represents an 81% increase over the previous year."*

Source: Business Insider

The ECB considers Spain's reduction to € 1,000 of the limit for cash payments disproportionate.

*"The European Central Bank (ECB) has issued an opinion on the Spanish law on measures to prevent and combat tax fraud in which it **considers "disproportionate" to reduce to 1,000 euros the cash payment limit established** for transactions in which any of the parties acts in the capacity of a business or a professional."*

Source: Expansión

Highlights of the period





Q1 2022 – The year starts with solid results

1. Highlights of the period
Javier Hergueta – CFO

Highlights of the period

Strong growth in € on the back of volume expansion

Significant progress in Transformation

Robust margin improvement

Consistent cash generation

Commitment to Sustainability

Q1 2022 strong business growth



PERFORM

Q1 YoY

Sales +18.8%
Organic growth +18.3%

EBITA +0.5% (+60.2% underl.)
%/Sales 13.3% (+340 bp underl.)

FCF 17M €

Leverage 2.4X

2022 emissions compensation plan



TRANSFORM

Q1

New Products sales +24.3%
(+57.1% ex divestments)

% / total sales 23.1%
+100bp
(+480bp ex divestments)

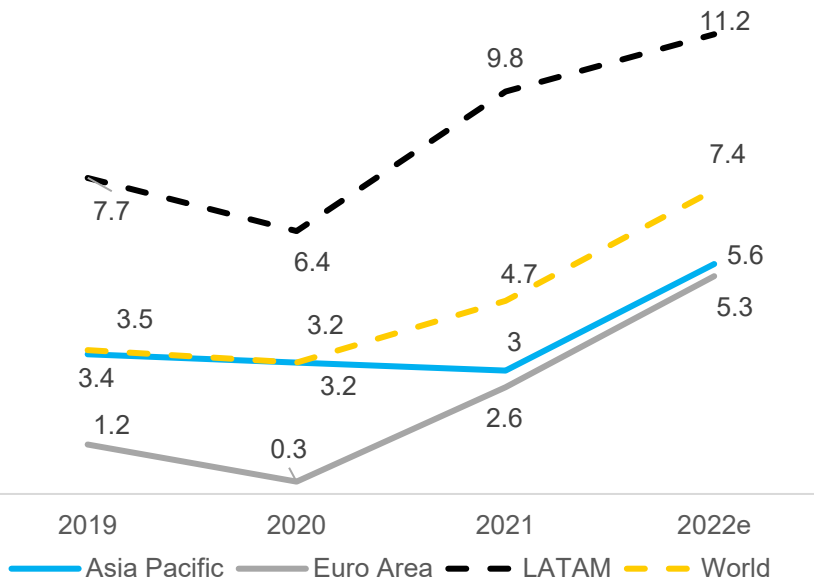


Q1 2022 – Macroeconomic environment favorable developments

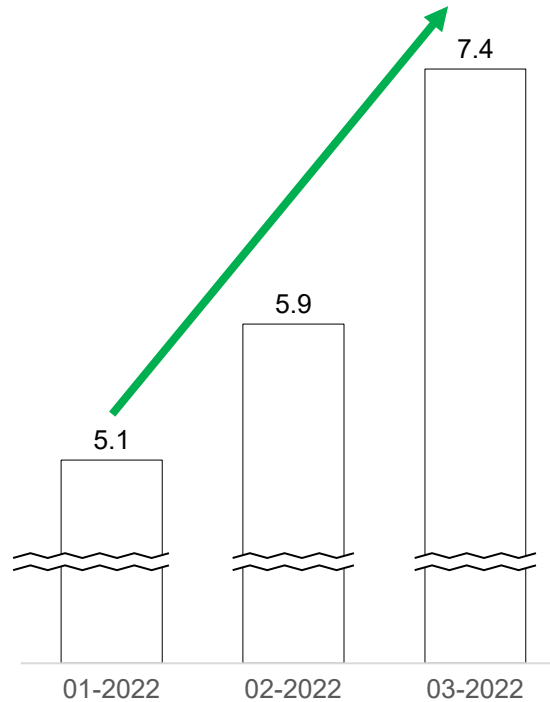
1. Highlights of the period
Javier Hergueta – CFO

Growing and accelerating inflation

Inflation by region %



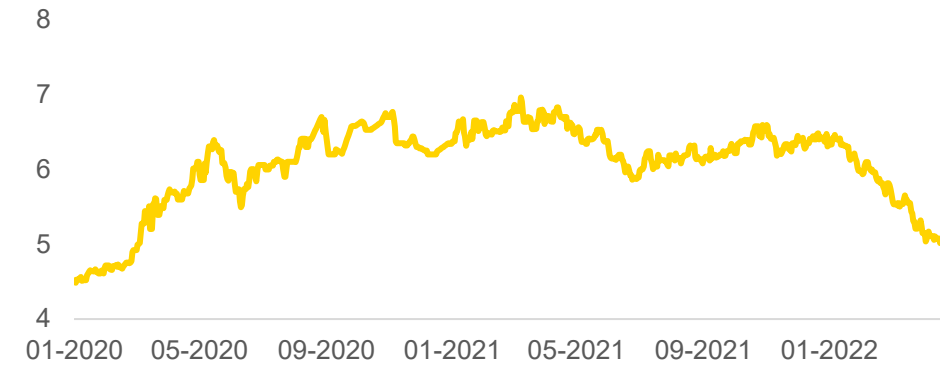
Euro area inflation 2022 YTD %



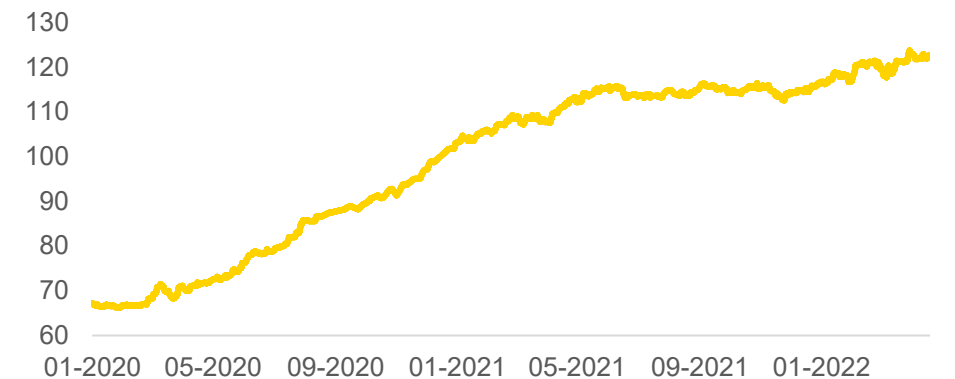
Source: IMF and ECB

Trend change in emerging currencies

Brazilian Real /€



Argentinian Peso /€

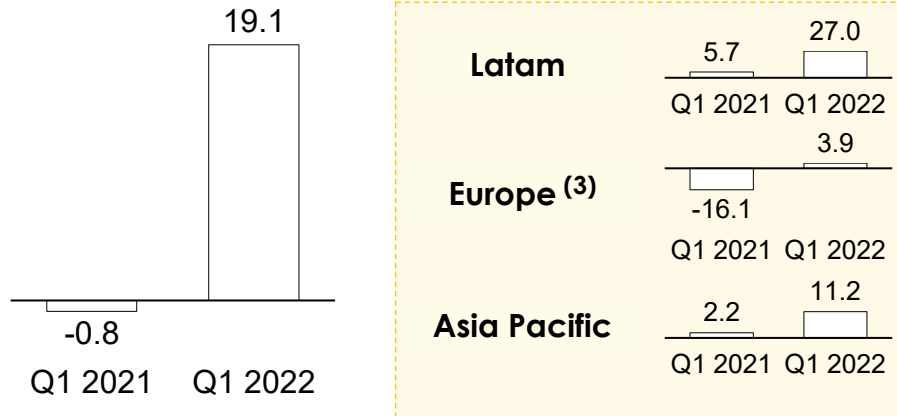


Source: in-house

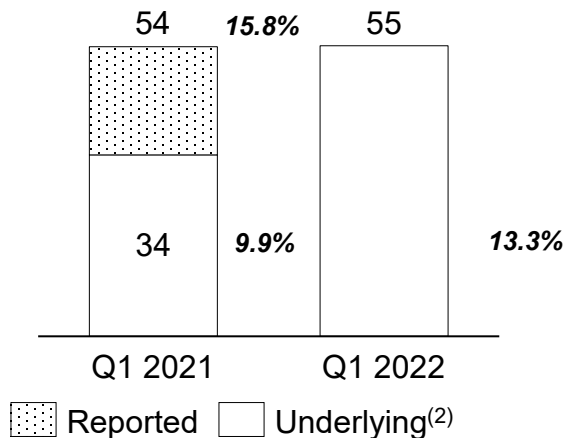
Strong growth yielding substantial margin improvements

1. Highlights of the period
Javier Hergueta – CFO

Accumulated local growth⁽¹⁾ (%)



EBITA Margin (M€, %)

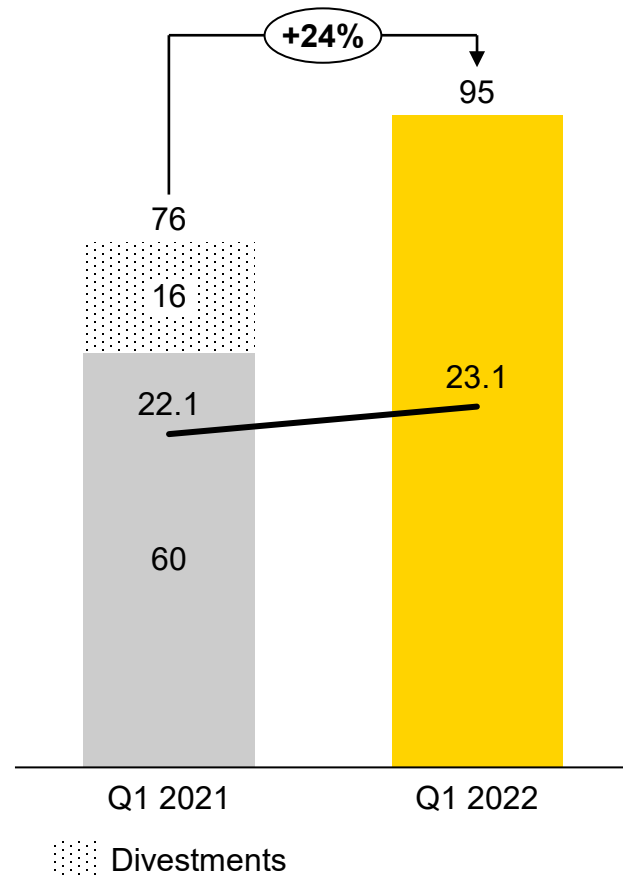


- Consolidation of volume growth.
- Solid organic growth in all geographies.
- Firm underlying EBITA growth YoY +60.2%, with relative underlying margins improving +340 b.p.
- Margins show the outcome of operating leverage and the efficiency measures adopted.

((1) Includes organic and inorganic growth; (2) Underlying EBITA excludes capital gains from 2021 divestments (20 M€). (3) Europe: organic growth -16.5% (Q1 2021); +18.6% (Q1 2022).

Transformation's +100 bp penetration displays resilience

New Products (M€, Penetration in %)⁽¹⁾



- **Growth** accelerated to **+24.3%** (+57.1% ex divestments).
- **Penetration** increased to **23.1%** (+100 b.p. / +480 b.p. ex divestments).
- Strong contribution **across all geographies**.

(1) 2021-2022 figures reported as per IAS 21 & 29 (hyperinflation accounting).

M&A activity

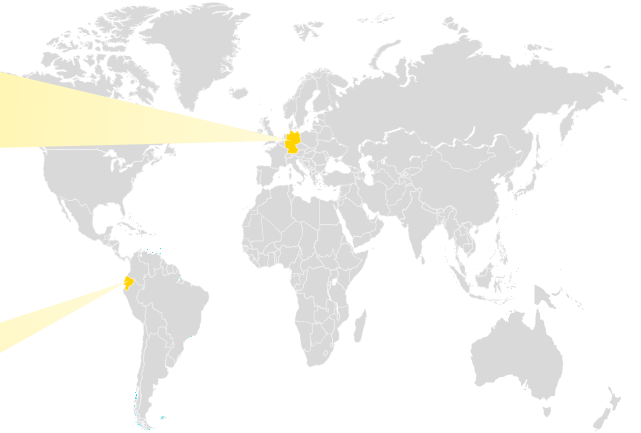
- Acquisitions of **ITT** and **GSB** (Germany).
- Strengthened **leadership** in the country.

- **Facilito** acquisition (Ecuador).
- Consolidation of **New Products** in the region.

Alemania



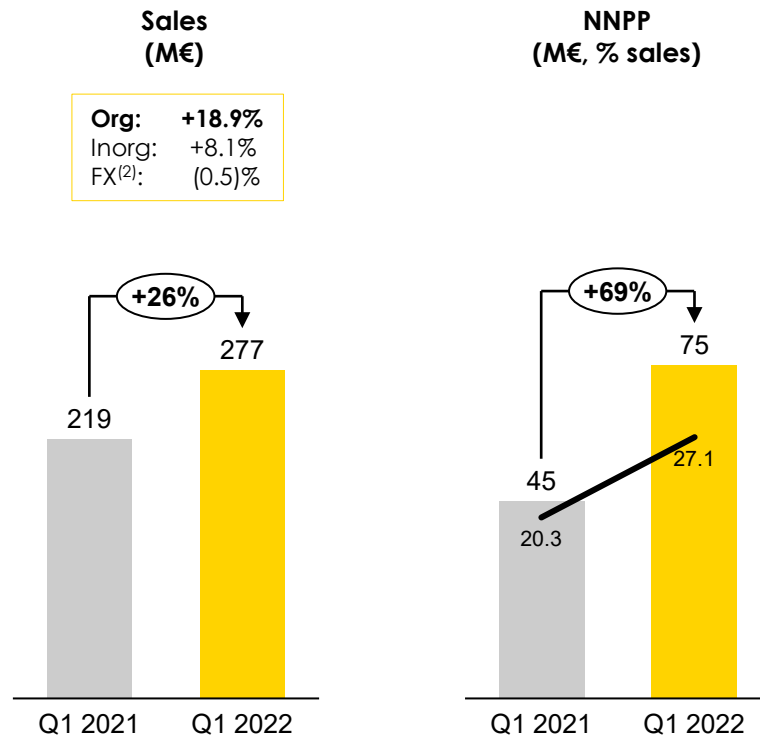
Ecuador



Regional dynamics



68% of the group's sales



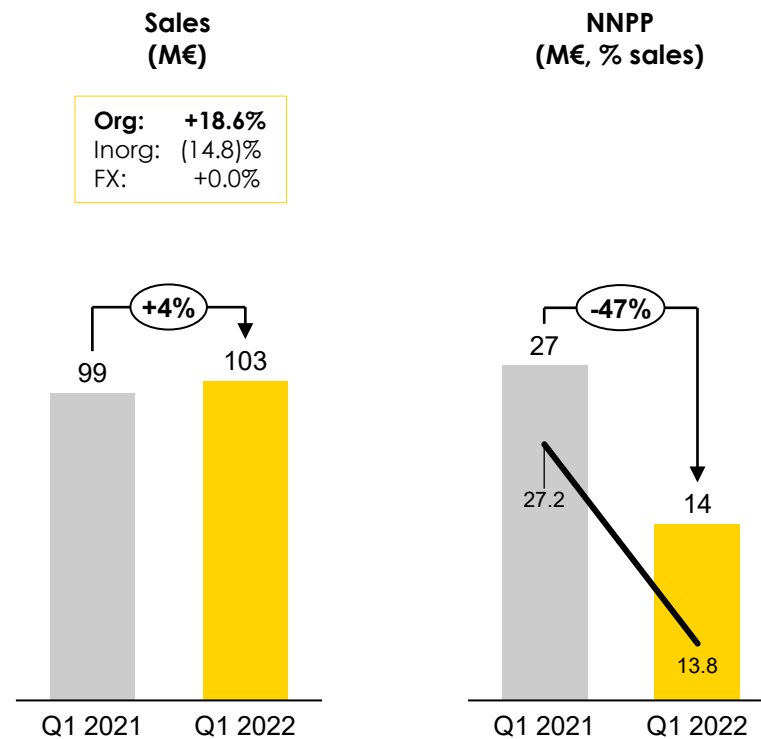
- Strong **organic growth +18.9%** with neutral FX impact.

- Solid performance in New Products +68.7% reaching **27.1%** of sales (+680 b.p.).

- Facilito acquisition** drives inorganic and NNPP growth.

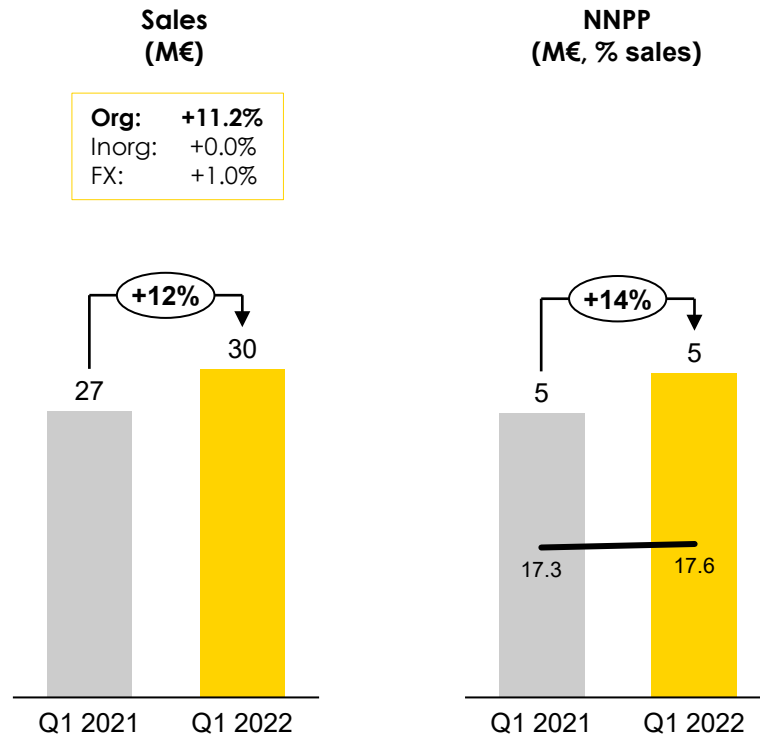
(1) Figures according to IAS 21 & 29 (hyperinflation accounting); (2) Includes FX and IFRS 21 & 29 impact.

25% of the group's sales



- Strong **organic growth +18.6%**, accelerating month on month.
- **Overall growth +3.9%** more than offsets divestments (growth excluding divestments +23.7% YoY).
- **New Products** ex divestments **+28.5% YoY**, with outstanding Cash Today growth (+37.2% YoY).
- **Penetration** reaches **13.8% (+50 b.p. ex divestments)**.

7% of the group's sales



- **Organic growth +11.2%**, driven by strong activity recovery .
- **New Products +14.3%**, backed by the development of ATM networks.
- **New Products** penetration amounted to **17.6%** of sales (**+30 b.p.**).

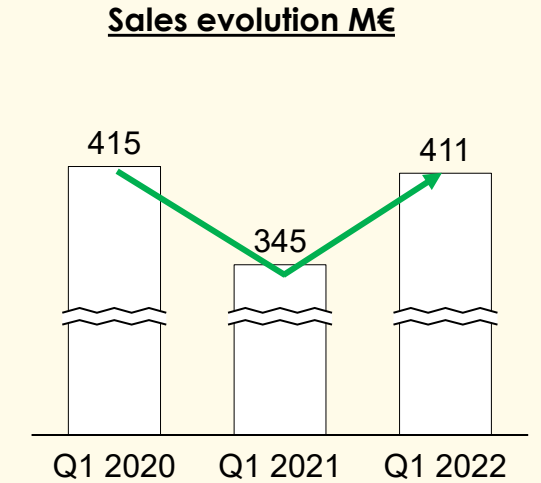
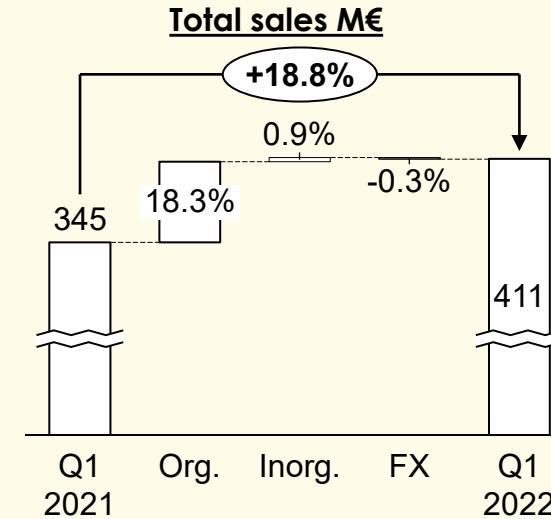
Financial results



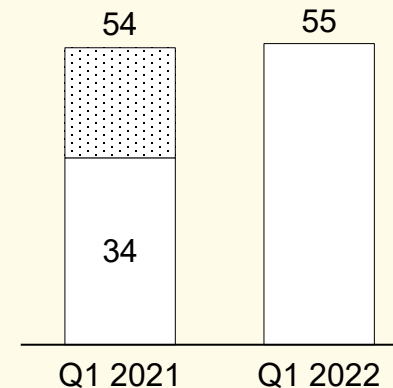


Profit and Loss Account⁽¹⁾

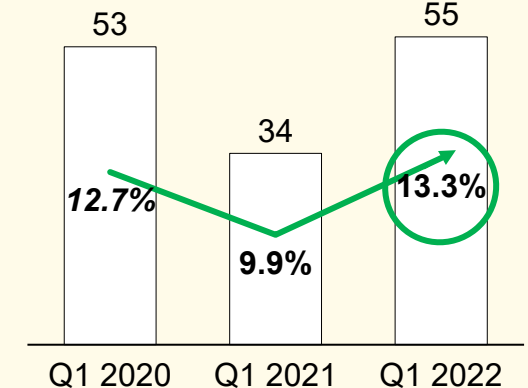
Million Euros	Q1 2021	Q1 2022	VAR %
Sales	345	411	18.8%
EBITDA	76	79	4.2%
<i>Margin</i>	22.0%	19.3%	
Depreciation	(22)	(25)	
EBITA	54	55	0.5%
<i>Margin</i>	15.8%	13.3%	
Amortization of intangibles	(5)	(5)	
EBIT	49	49	0.0%
<i>Margin</i>	14.3%	12.0%	
Financial result	(2)	(16)	
EBT	47	34	(28.7%)
<i>Margin</i>	13.6%	8.2%	
Taxes	(14)	(16)	
<i>Tax rate</i>	29.9%	47.4%	
Net Consolidated Profit	33	18	(46.5%)
<i>Margin</i>	9.5%	4.3%	



Accumulated EBITA M€



Underlying EBITA evolution (M€, %)



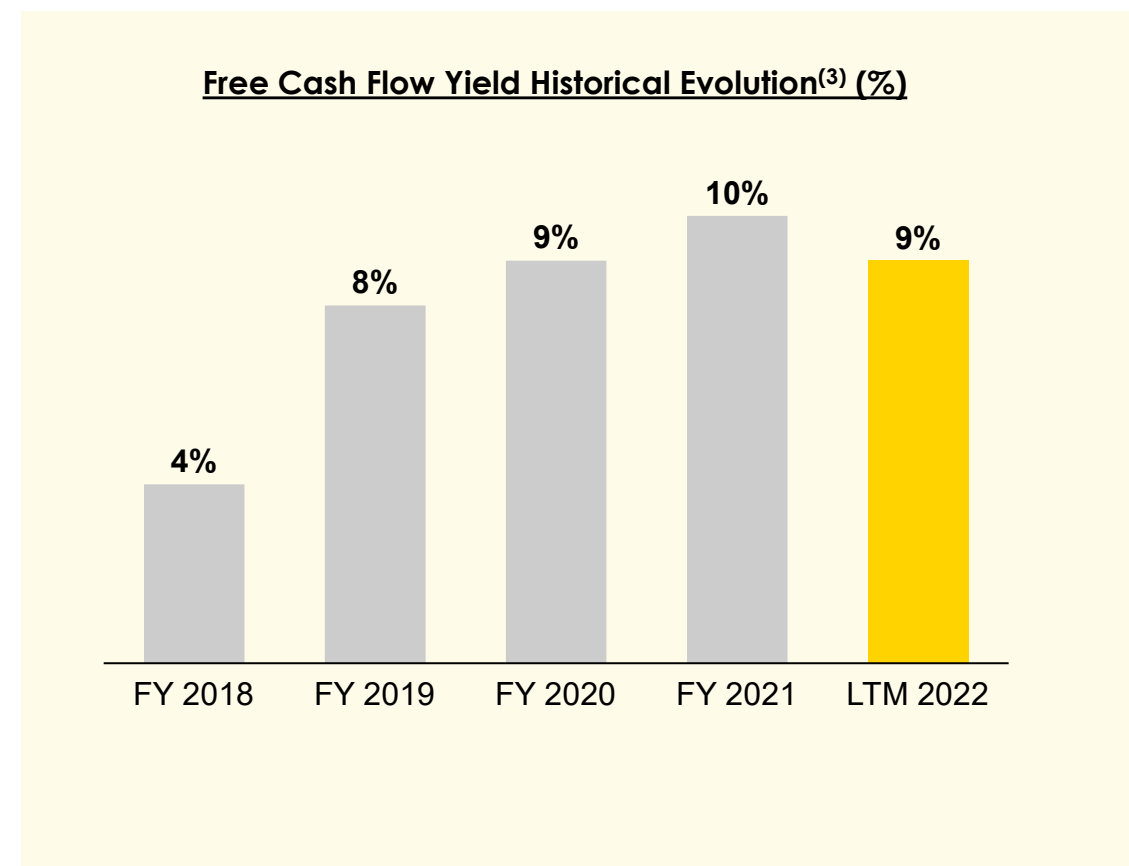
Reported Underlying⁽²⁾

(1) Figures according to IFRS 21 & 29 (hyperinflation accounting) and IFRS 16 (leases); 2) 2021 excludes divestments capital gains (20 M€).



Cash Flow⁽¹⁾

<i>Million Euros</i>	Q1 2021	Q1 2022
EBITDA	76	79
Provisions and other items	11	(3)
Income tax	(12)	(20)
Acquisition of PP&E	(15)	(11)
Changes in working capital	(20)	(28)
Free Cash Flow	40	17
<i>% Conversion⁽²⁾</i>	80%	86%
Interest payments	(10)	(9)
M&A payments	19	(6)
Dividend & Treasury stock	(19)	(12)
Others	(11)	(42)
Total Net Cash Flow	19	(51)

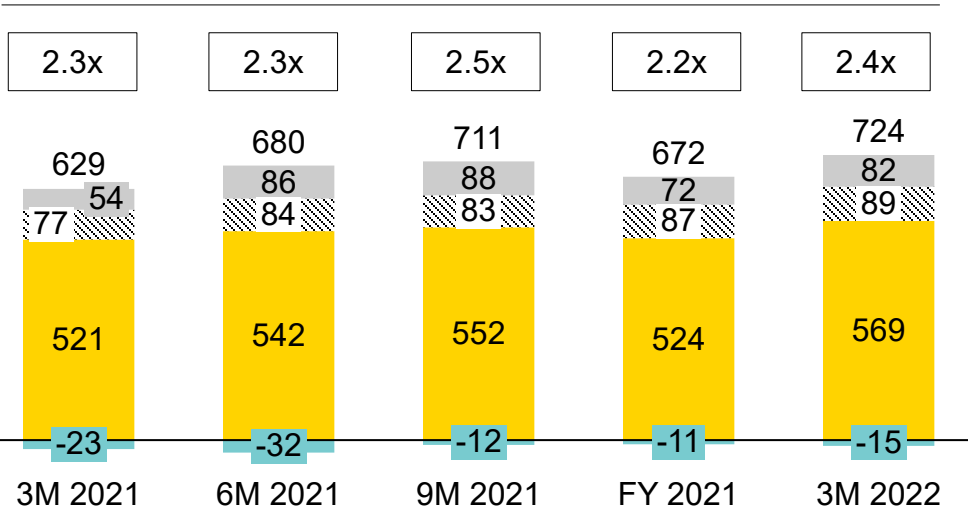


(1) Figures according to IFRS 21 & 29 (hyperinflation accounting) and IFRS 16 (leases); (2) Conversion ratio: (EBITDA - Capex) / EBITDA; (3) FCF Yield = FCF as reported / EV at the EoP (excluding IFRS 16 impact).



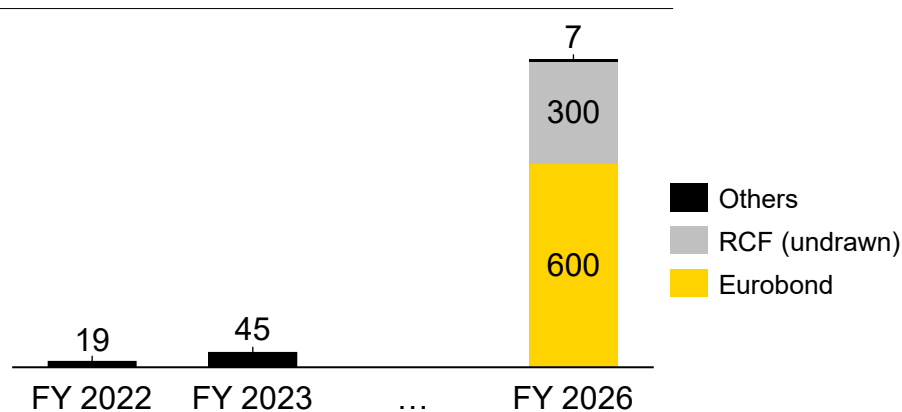
Total Net Debt

Total Net Debt and (Total Net Debt / EBITDA LTM)⁽¹⁾



Deferred Payments IFRS 16 Debt Treasury Stock Net Financial Position

Main debt maturities⁽¹⁾



▪ **Increase in Net Debt** linked to **growth financing**.

▪ **Leverage ratio 2.4x**, within the threshold of 2.5x.

▪ **No material changes in our debt profile**, that presents no significant maturities until 2026.

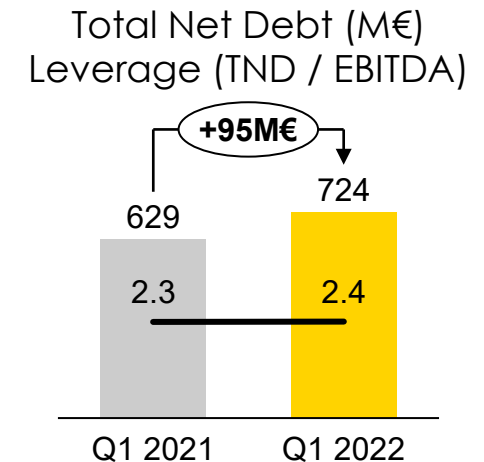
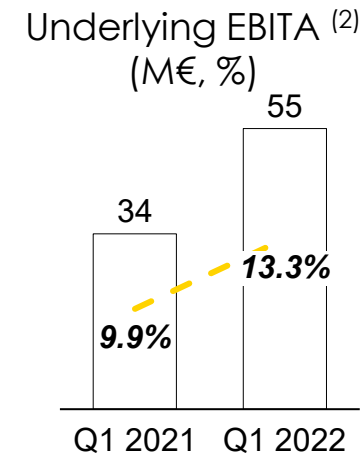
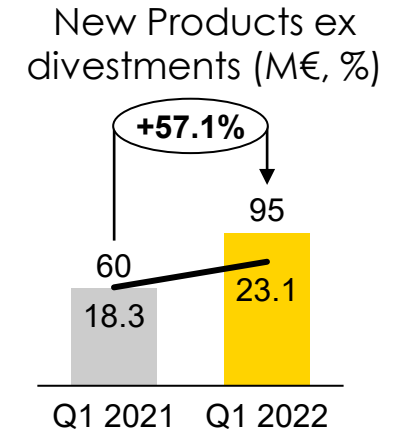
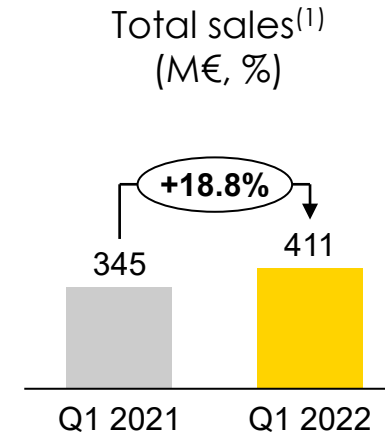
(1) Figures in Million Euros

Final remarks



Conclusion, first milestone towards an important year

- 1 **Solid business development.** Strong growth in €, reflecting the return of volumes in a favorable inflationary and currency environment.
- 2 **Transformation accelerating.** Represents 23.1% of sales, with NNPP growing ex divestments +57.1%.
- 3 **Significant growth in underlying EBITA margin +340 b.p.** evidencing operating leverage and the outcome of the efficiency measures adopted.
- 4 **Strong FCF generation € 17 MM,** investing in growth while containing leverage.
- 5 **ESG.** Commitment to the environment, acquiring credits to offset CO2 emissions.



(1) Figures according to IFRS 21 & 29 (hyperinflation accounting) and IFRS 16 (leases); (2) Excludes divestments capital gains (20 M€).



Results Presentation. Q1 2022

Q&A



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