

1



Q2 24 Results Presentation

30/July/2024

Investor Relations Department



DISCLAIMER

This document has been prepared exclusively by Prosegur for use as part of this presentation.

The information contained in this document is provided by Prosegur solely for information purposes, in order to assist parties that may be interested in undertaking a preliminary analysis of it; the information it contains is limited and may be subject to additions or amendments without prior notice.

This document may contain projections or estimates concerning the future performance and results of Prosegur's business, which may have not been verified or revised by the Auditors of Prosegur.

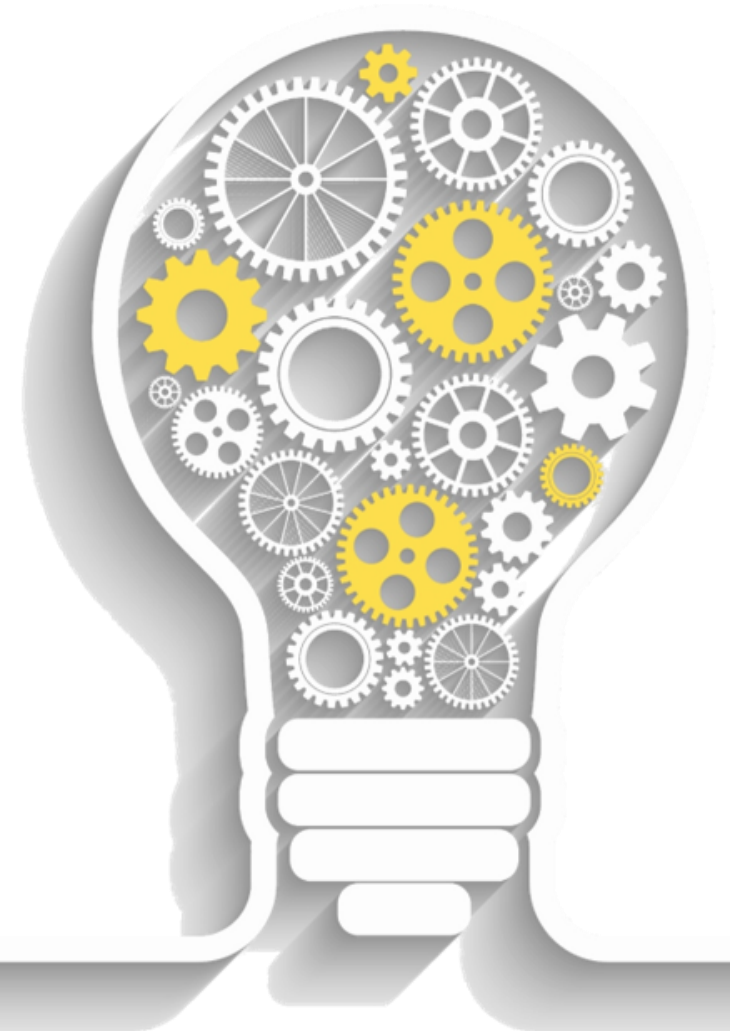
These estimates derive from expectations and opinions of Prosegur and, therefore, are subject to and qualified by risks, uncertainties, changes in circumstances and other factors that may result in actual results differing significantly from forecasts or estimates. Prosegur assumes no liability nor obligation to update or review its

estimates, forecasts, opinions or expectations.

The distribution of this document in other jurisdictions may be prohibited; therefore, the recipients of this document or anybody accessing a copy of it must be warned of said restrictions and comply with them.

This document has been provided for informative purposes only and does not constitute, nor should it be interpreted as an offer to sell, exchange or acquire or a request for proposal to purchase any shares in Prosegur.

Any decision to purchase or invest in shares must be taken based on the information contained in the brochures filled out by Prosegur.





SIGNIFICANT MILESTONES OF THE PERIOD

Growth ▶



Revenues
2,348 €M
+6.9% YoY

- ▲ Sales growth of 6.9%, mainly driven by organic growth
- ▲ Positive growth across all the group's geographies
- ▲ Sales increase 8.1% excluding sales of the Australian operation in 6M 23 and India in 6M 24

◀ Profitability



EBITA
147 €M
6M 2024

- ▲ Cash continues to be impacted by the currency effect, restructuring costs in Australia and higher operating expenses due to the investment in Forex
- ▲ Security continues to show a positive trend with a 30% increase in profitability
- ▲ Alarms shows sustainable growth, with improvements in key operating indicators

Free Cash Flow ▶



Free Cash Flow
(44 €M)
6M 2024

- ▲ Cash temporarily impacted by calendar effect (20 working days Jun-24 vs 22 working days Jun-23)
- ▲ Higher volume impacts working capital. Repricing ends in H2

◀ Diversification



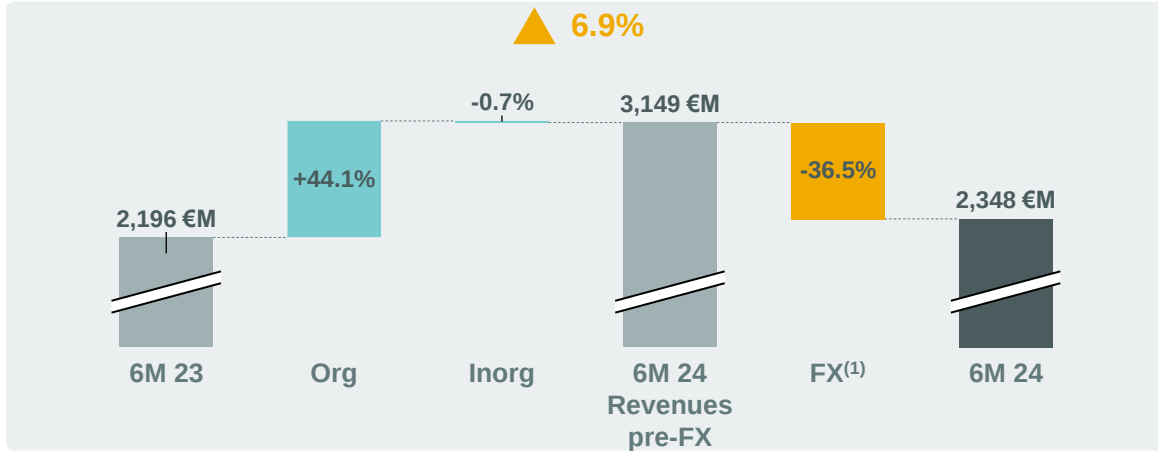
Expansion CAPEX
44 €M
6M 2024

- ▲ Expansion CAPEX controlled, equivalent to 1.9% of sales.
- ▲ Excellent performance of Transformation Products in Cash, exceeding 32% of sales.

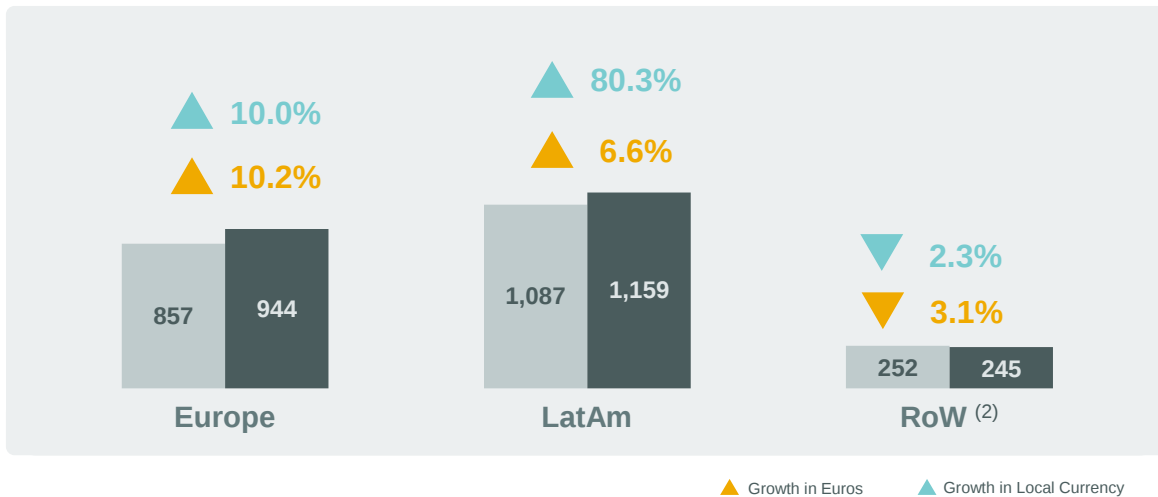


Revenues Growth

Revenues



Revenues per Region



Organic Growth by Business Line



⁽¹⁾ Includes FX and IAS 21 & 29 effects

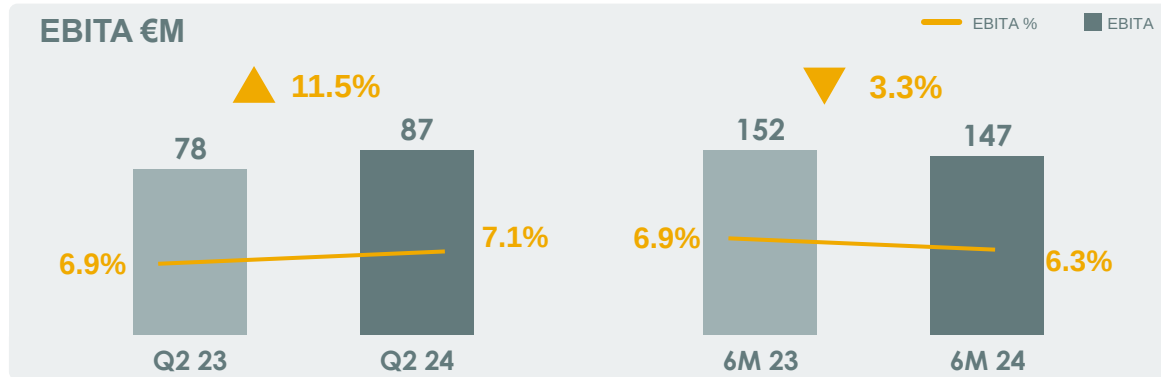
⁽²⁾ ROW sales for 1H 23 excludes Australia

⁽³⁾ Prosegur Alarms excludes MPA



Profitability

Consolidated Profitability



1

Cash

Profitability affected by FX impact, investment in the Forex business, restructuring costs of the Australian operation and seasonality of repricing

2

Security

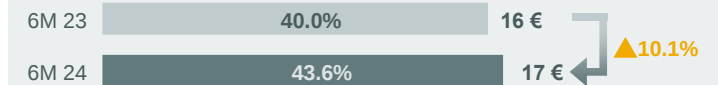
Exceptional improvement in profitability, reaching a margin of 2.8% during the period, 40 bps higher than last year. Unfinished repricing

3

Alarms and MPA

Unitary service margin continues to increase at both MPA and Prosegur Alarms.

Profitability by Business Line



Amounts in €M

	6M 2023	6M 2024	Variation
 SALES	2,196.0	2,347.5	6.9%
Organic Growth	+26.8%	+44.1%	▲
Inorganic Growth	+2.1%	-0.7%	▼
FX	-19.2%	-36.5%	▼
 EBITDA	243.7	255.6	4.9%
Margin	11.1%	10.9%	
Depreciation	(92.0)	(108.8)	
 EBITA	151.7	146.9	(3.2%)
Margin	6.9%	6.3%	
Amortization of intangibles and impairments	(18.4)	(17.5)	
 EBIT	133.3	129.3	(3.0%)
Margin	6.1%	5.5%	
Financial results	(39.6)	(60.2)	
Profit Before Tax	93.8	69.2	(26.2%)
Margin	4.3%	2.9%	
Tax	(50.5)	(33.4)	
Tax rate	53.9%	48.3%	
Net Profit	43.2	35.8	(17.3%)
Minority interest	(7.7)	(8.2)	
 CONSOLIDATED NET PROFIT	35.5	27.6	(22.2%)

Sales

+6.9%

Despite the loss of two working days in June

Net Profit

+50%

Isolating the effect of hyperinflation

EBITDA

+4.9%

Compared to the previous year

Tax Rate

▼ 561bps

Significant improvement during the period

- ▲ The consolidated 6M account is impacted by the result from inflation exposure
- ▲ Excluding hyperinflation, the financial result improves by 20%, resulting in a net result with an improvement of 50%
- ▲ The cash impact of the financial result is reduced by 14%



Consolidated Cash Flow

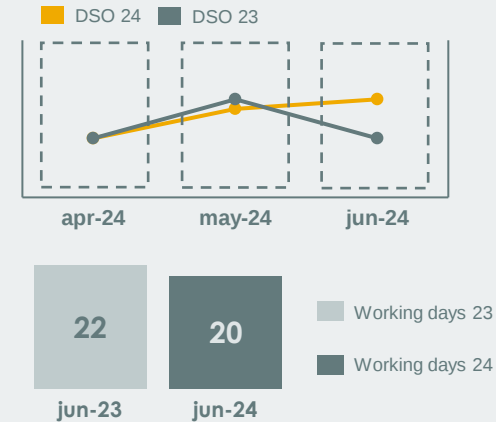
Amounts in €M

	6M 2023	6M 2024
EBITDA	244	256
Provisions and other non-cash items	(4)	(7)
Tax on profit	(49)	(59)
Changes in working capital	(84)	(118)
Interest payments	(21)	(28)
Operating Cash Flow	86	45
Acquisition of property, plant & equipment	(86)	(89)
Free Cash Flow	(0)	(44)
Payments for acquisitions of subsidiaries	(25)	(35)
Dividend payments	(6)	(5)
Treasury stock & others	(31)	(22)
Total Net Cash Flow	(62)	(107)
Initial Net Financial Debt	(1,106)	(1,243)
Net increase / (decrease) in cash	(62)	(107)
Exchange rate	(25)	(10)
Net Financial Debt ⁽¹⁾	(1,193)	(1,360)
Financial investments ⁽²⁾	184	196
Adjusted Net Financial Debt	(1,008)	(1,164)

⁽¹⁾ Excludes IAS 16 debt

⁽²⁾ Telefónica shares at market value at the end of the period

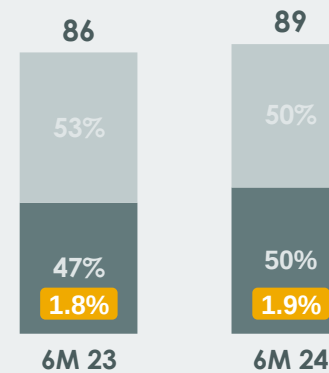
Working Capital



▲ Excluding June, there was an improvement in collections performance YoY

▲ June working days impacted by calendar effect

Capex



▲ Increased Expansion Capex focused on Transformation Products

▲ Infrastructure Capex contained at 1.9% of sales

Infrastructure Capex (Dark grey), Expansion Capex (Light grey), Infrastructure Capex over sales (Yellow box)

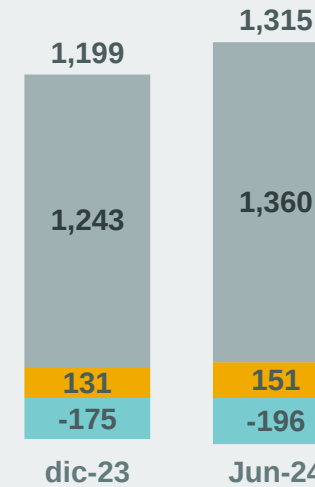


Financial Position and Abbreviated Balance Sheet

Amounts in €M

	FY 2023	6M 2024
Non-current assets	2,570	2,757
Tangible fixed assets and real estate investments	801	905
Intangible assets	1,087	1,184
Others	683	667
Current assets	1,474	1,631
Inventory	72	84
Customer and other receivables	957	1,123
Cash and equivalents and other financial assets	445	424
TOTAL ASSETS	4,044	4,388
Net equity	718	842
Share capital	33	33
Treasury shares	(30)	(28)
Retained earnings and other reserves	678	758
Minority interest	36	79
Non-current liabilities	1,995	2,007
Bank borrowings and other financial liabilities	1,647	1,661
Other non-current liabilities	348	346
Current liabilities	1,332	1,539
Bank borrowings and other financial liabilities	361	500
Trade payables and other current liabilities	971	1,039
TOTAL NET EQUITY AND LIABILITIES	4,044	4,388

Amounts in €M



Net Debt / EBITDA ⁽¹⁾
2.8x

Net financial debt
IFRS 16 debt
Financial investments ⁽²⁾

S&P Rating
BBB

Average cost of debt
2.8%

Fixed rate %
69%

Average maturity
2.8 years

⁽¹⁾ Includes net financial debt, IAS 16 debt, and financial investments

⁽²⁾ Telefónica shares at market value at the end of the period

2

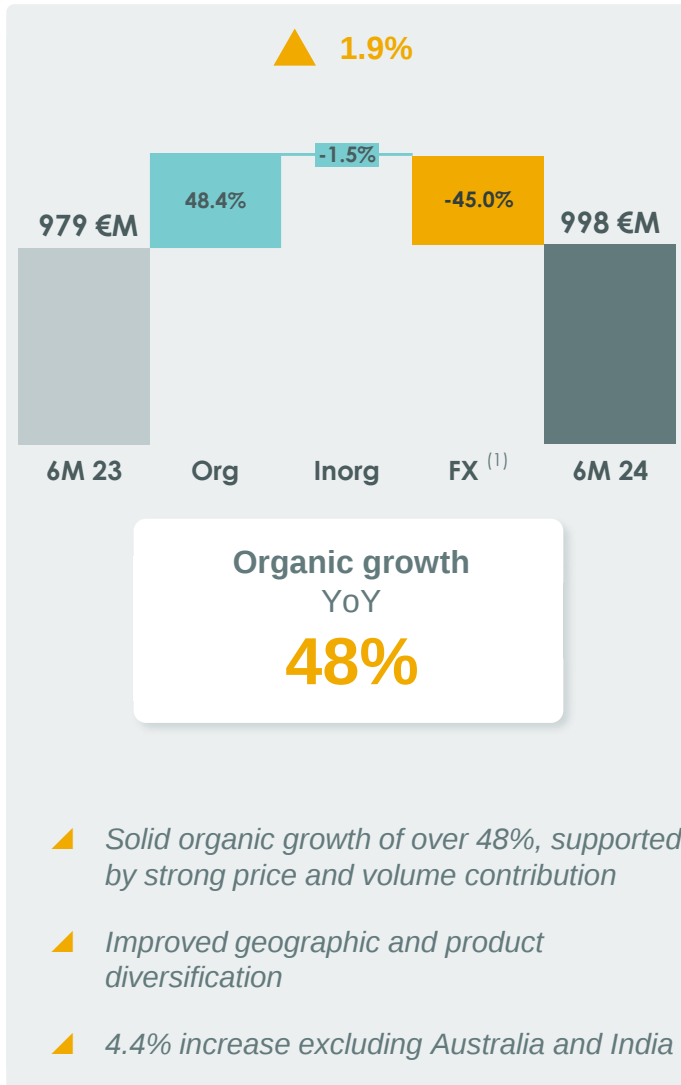


Results by Business



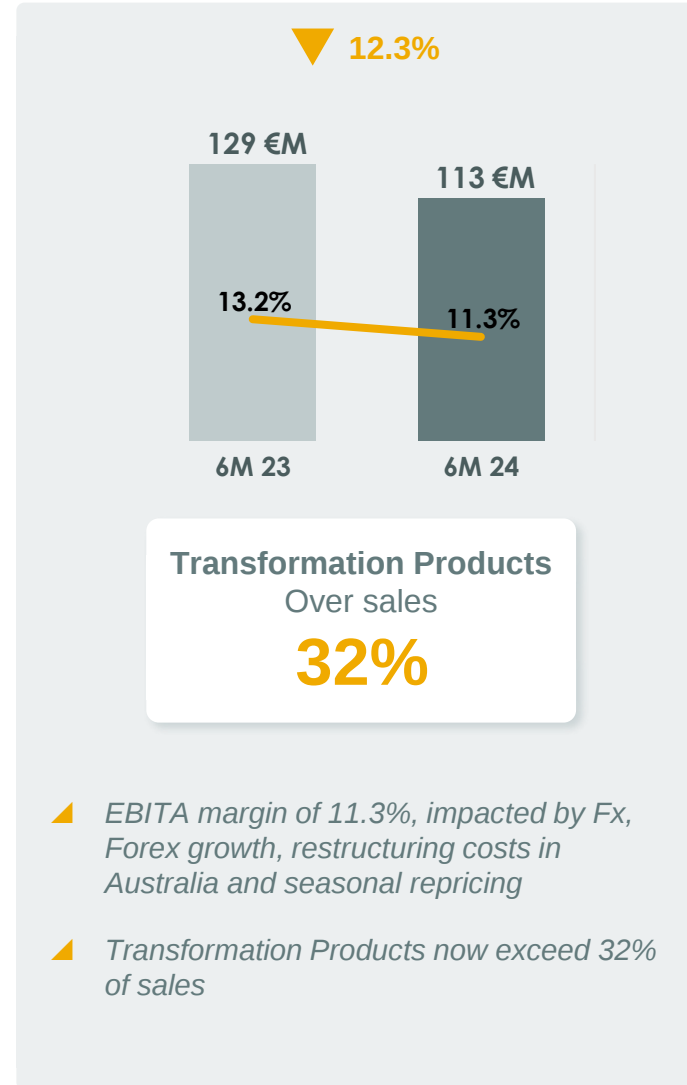


Revenues

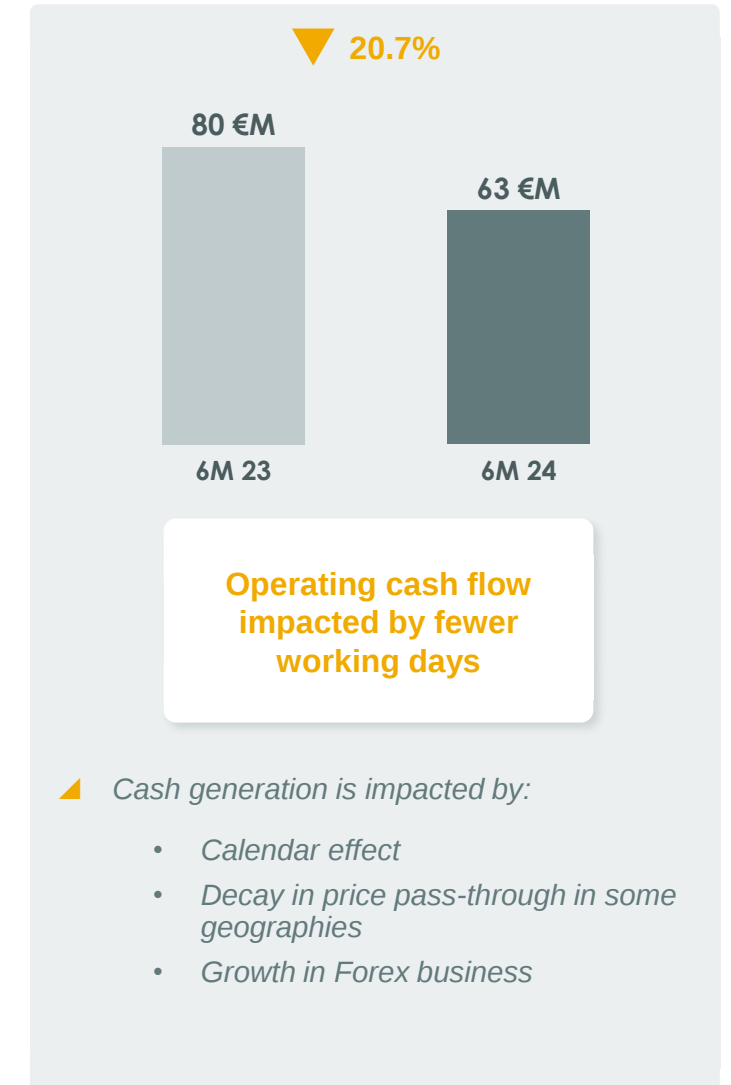


⁽¹⁾ Includes FX and IAS 21 & 29 effects

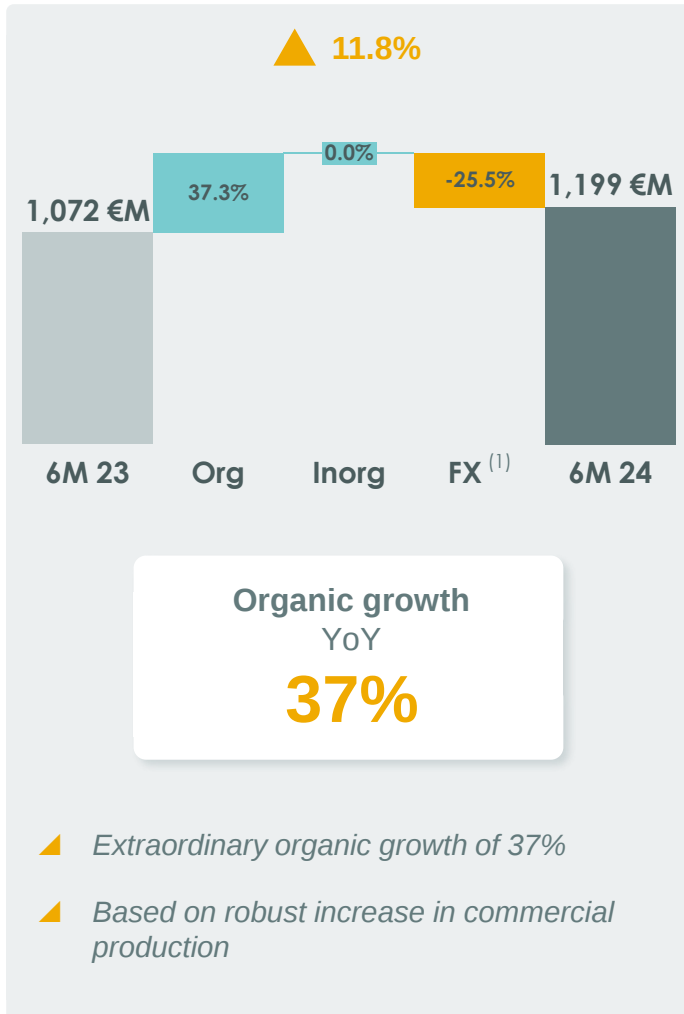
EBITA



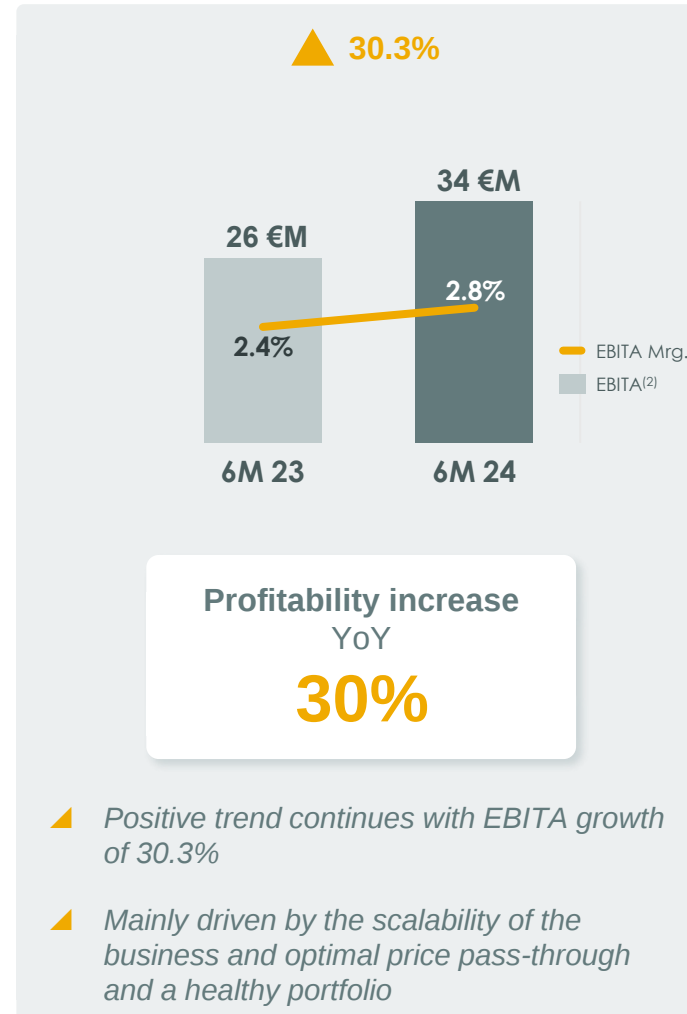
Operating Cash Flow



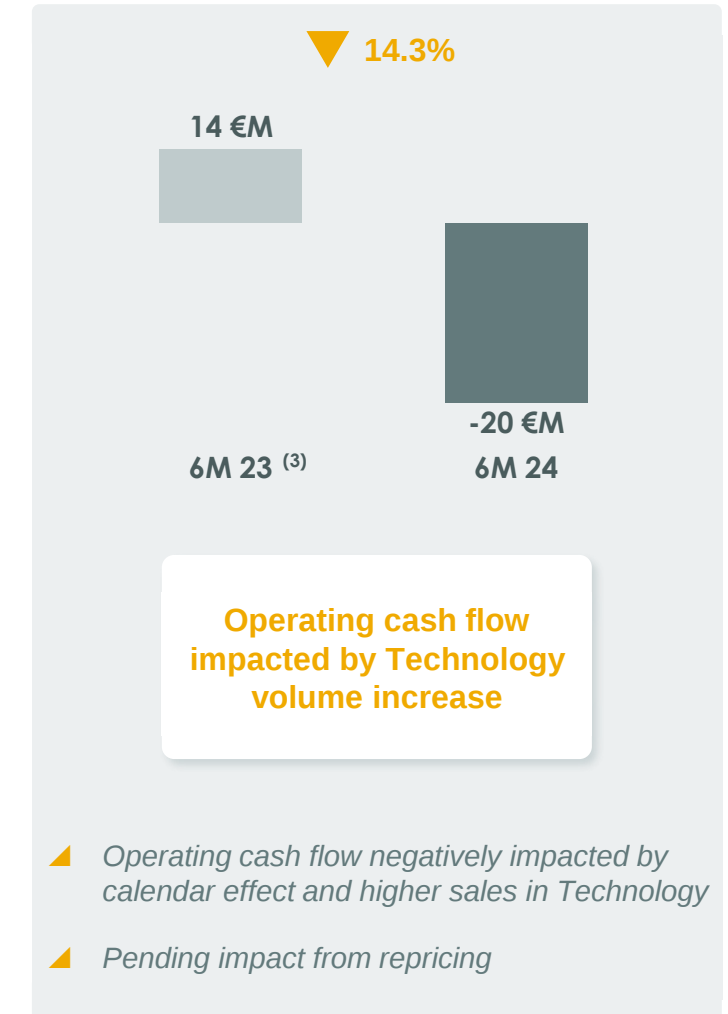
Revenues



EBITA



Operating Cash Flow



⁽¹⁾ Includes FX and IAS 21 & 29 effects

⁽²⁾ EBITA excludes Overhead Costs

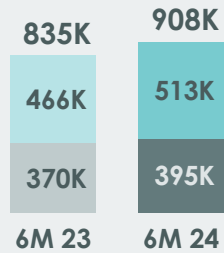
⁽³⁾ Excludes extraordinary advance payment of 12 €M in 2023



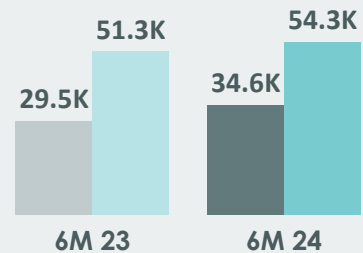
Client Base

BTC

▲ 8.7%



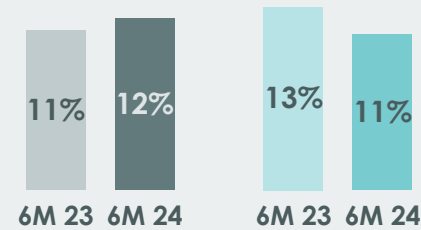
New Clients



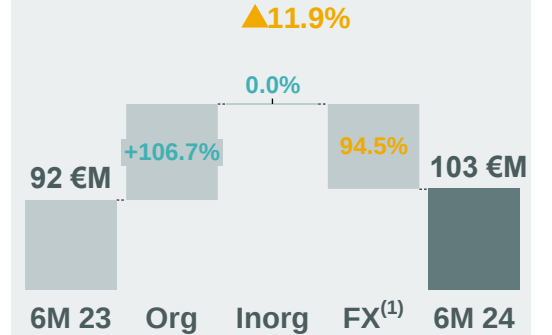
Churn Rate

▲ 80bps

▼ 200bps



Revenues ⁽²⁾

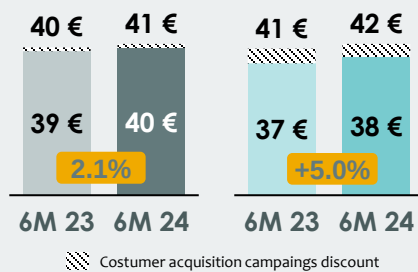


Profitability

ARPU

▲ 2.5%

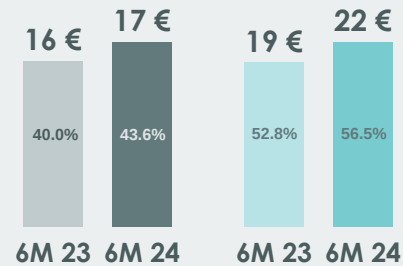
▲ 2.4%



Service Margin

▲ 11.5%

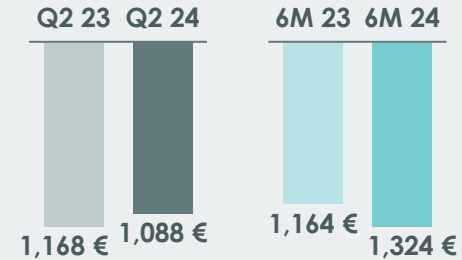
▲ 12.4%



Acquisition Cost

▼ 6.8%

▲ 13.7%



Organic growth
Only of Prosegur Alarms
106.7%

New channels
Only of Prosegur Alarms
x6

■ Prosegur Alarms ■ Movistar Prosegur Alarms

⁽¹⁾ Includes FX and IAS 21 & 29 effects

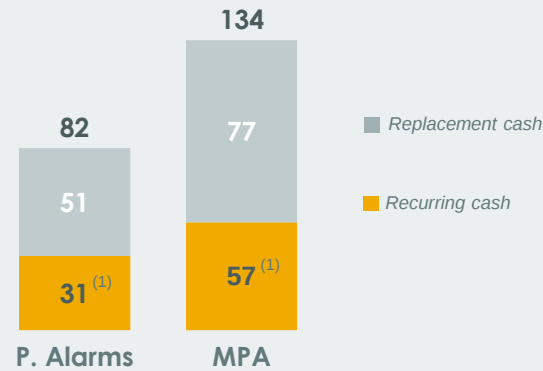
⁽²⁾ Reported Alarms sales belonging exclusively to Prosegur, Movistar Prosegur Alarms sales are not included



Valuation analysis

Recurring cash *Run-Rate*

- Recurring cash run-rate measures the cash generation capacity for the next 12 months while maintaining the current portfolio (both in terms of BTC and other operating indicators).



- Total recurring cash: **€60M per year.**
[31€M P.Alarms + 57€M 50%MPA]

EBITA jun 24

- Investment in growth impacts EBITA by penalizing the valuation of the company if it is valued at multiples of EBITA.

EBITA Service	40.7
EBITA Investment	-37.6
MPA	-2.55
Accruals	8.15
Hyperinflation effect	-8.10
EBITA YTD	0.60

- Taking into account the effect of hyperinflation the EBITA is **€0.60M**

Valuation analysis

- The EBITA of Alarms' business is penalized by growth.
- The valuation of the Alarms business should be based on the cash generation capacity and not on the EBITA multiple.
- MPA contributes with its Net Profit to the EBITA of Prosegur Alarms, as it is consolidated by the equity method.
- EBITA is penalized by the higher depreciation expense due to the revaluation of the assets in Argentina.

(1) ROW: [17.4 * 395,070] - [11.9% * 395,070 * 1,088]; MPA: [21.7 * 512,928] - [11.3% * 512,928 * 1,324]



3



Conclusions





Conclusions



Group

Sales growth in all group **geographies** despite **fewer working days** in June

Sales
+6.9%
Vs 6M 23



Cash

In the **Cash** business, **EBITA** is negatively impacted by **FX impact** and additional **investments** in the **Forex** business. **Growth** in the **Transformation Products** business was maintained

Transformation
Products
32%
Over Sales



Security

Significant increase in **EBITA** at **Security**, reaching a **margin** of **2.8%** for the period

Profitability
+30%
Vs 6M 23



Alarms

Growth in the number of **Alarms connections**, while keeping **key indicators** under control

Solid **recurring cash generation** with good growth prospects

Recurring Cash
59M€
Run-rate



Cash Flow

Free Cash Flow impacted by **increase** in **DSO** - mainly due to **calendar effect**

Moderate leverage level, with **favorable cost** and **maturity** conditions



10 September
2024
**Kepler Autumn
Conference**

27 September
2024
**Analyst day
Alarms**

04 November
2024
**Q3 2024 Results
Presentation**

Investor Relations Contact



Juan Ignacio Galleano
Investor Relations Director

✉ juan.galleano@prosegur.com
accionistas@prosegur.com

🏠 Calle Pajaritos 24, 28007, Madrid, España
☎ +34 915 588 021



Prosegur promotes open and active communication with the capital markets and their participants, in order to achieve a fair and appropriate valuation of the company, in harmony with the principles of responsibility and sustainability that it upholds.

*Communication Policy with Shareholders,
Institutional Investors and Proxy Advisors.*