

## PROSEGUR PRESENTS ITS STRATEGIC PLAN 2021-2023

- ▶ **The new plan aims to consolidate the leadership position of the security company worldwide by driving growth through innovation.**
- ▶ **Prosegur expects revenues to increase by 5-6% in the medium to long term, which translates as a turnover of EUR 6.2 - 6.7 billion in 2030. The sales mix will be more diversified both by business units and geographies.**
- ▶ **Profitability from operations is one of the pillars of Prosegur's new strategic plan. In the long term, and as a result of the transformation and diversification initiatives, Prosegur expects to achieve a return on operations in the range of 12-15%.**

**Madrid, 29 June 2021.** Prosegur held its Capital Markets Day 2021, a meeting with the investment community, at which it presented the main lines of action of its strategic plan 2021-2023. Under the heading "Perform & Transform", the new plan aims to consolidate the leadership position of the company in the security market worldwide and accelerate the profitable growth of its operations.

*Perform* refers to the continuous improvement of processes, the generation of efficiencies in operations and the search for the necessary flexibility to operate in the post-pandemic context. With regard to *Transform*, Prosegur is working to develop the solutions and services that will be key to its future. The company is deploying a technological infrastructure to support the operational model and enable the implementation of the innovation strategy. To this end, it will allocate up to EUR 90 million in investments over the next few years to digitalisation initiatives, which will be gradually implemented, with the goal of reaching the markets that account for more than two-thirds of the group's sales by the end of the plan. The objective is to speed up the development of a differentiated value proposition that is profitable and enhance customer experience.

Christian Gut, CEO of Prosegur, emphasised that "with this plan we aim to remain at the forefront of our industry to continue making the world a safer place. The new strategic plan represents the perfect combination of process improvement and optimisation of operations, together with innovation initiatives. We are convinced that, in this new phase, we will take a major step forward and this will be reflected in the valuation of the company and in our share value".

The new strategic plan envisages a favourable evolution of operations in the second half of the current financial year and the recovery of pre-pandemic turnover in 2022. During the three years of the plan, Prosegur expects to experience strong growth in sales volume and profitability. The company expects revenue to grow by 5-6% in the medium to long term, in line with the compound annual growth rate of the sectors in which it operates. This estimate would represent a turnover of between EUR 6.2 and 6.7 billion in 2030.

The sales mix will be greatly benefited by the innovation initiatives which will mean that, by 2023, new products will account for more than 35% of revenues and exceed the turnover of traditional products by 2030. This strong diversification will also extend to the geographic distribution of sales, where the expected growth in the U.S. market stands out. Prosegur expects revenue from this market to account for 12% of revenue by the end of 2030, up from the current 4%. Lastly, organic growth will be complemented by the strategy of commercial alliances with strategic partners.



In addition to the organic growth of operations, Prosegur will continue to develop its inorganic growth strategy and estimates that, in the 2021-2023 period, operations adding up to EUR 300 million turnover could be completed. By 2030, this figure could increase up to EUR 1 -1.3 billion.

Profitability of operations is one of the pillars of the new strategic plan of Prosegur. The company expects to exceed pre-pandemic profitability levels in terms of EBITA by 2023. In the longer term, and as a result of transformation and diversification initiatives, Prosegur expects to achieve profitability of operations in the range of 12-15%. Likewise, cash generation will be a priority area of action with the objective of maintaining or exceeding the conversion rate achieved in 2020. With regard to debt, Prosegur expects to return to its historical level of leverage, once the situation stabilises after the pandemic.

With regard to the evolution of the activity by business lines, Prosegur Security will further develop its value proposition around the Security Operations Centre (SOC) with Security, Safety and Business Continuity services, in addition to its activities in Global Risk Advisory or EAS (Electronic Article Surveillance). Lastly, for this business unit, the development of operations in the United States will be a key growth vector.

Prosegur Cash will continue to promote its New Products area with services such as Cash Today, the development of the ATM business and the growth of its correspondent banking activity.

For Prosegur Alarms, the growth of operations through alliances will continue to be a priority after the good results obtained in Spain. In addition, the development of new video analytics services, DIY (*do it yourself*) products and Prosegur Hawk-Eye will be other areas of action of this business line.

In Cipher, the cybersecurity business unit, the company expects to maintain the high growth rates recorded in the last financial year and to continue to generate commercial synergies thanks to the integrated security model.

Lastly, Prosegur AVOS is a business unit with a high growth potential and a portfolio of highly technological services that allow it to offer a proposal that is totally differentiated from that of the other traditional BPO (*Business Process Outsourcing*) suppliers in the sector.

