

2021 Results

PROSEGUR OBTAINED A CONSOLIDATED NET PROFIT OF 59 MILLION EUROS

- ▲ Prosegur reported €3,498 million in revenue. Particularly noteworthy was the 5.5% organic growth in operations.
- ▲ Prosegur achieved an EBITA of €223 million with an EBITA margin of 6.4%. The company once again reported an EBITDA-to-cash conversion ratio of close to 80%.
- ▲ Prosegur Cash maintains a general improvement in organic growth with all geographies in positive. Prosegur Security highlights the favourable performance of the United States and the growth in the field of technology. In the alarms activity, 700,000 connections were reached with an outstanding contribution from Movistar Prosegur Alarms.

Madrid, 28 February 2022. Prosegur reported sales of 3,498 million euros in 2021. This figure represents a slight increase of 1% year on year. In terms of organic growth, Prosegur achieved a 5.5% advance of its operations thanks to the recovery of volumes. In some markets in Latin America and the Rest of the World region, growth has been double digits. In the set of operations, the United States stands out with an organic growth of 16%. However, revenue reflects the adverse effect of the remaining exchange rate of 4.8%. As in previous quarters, the turnover reflects the sale of 50% of the Alarms business in Spain which has resulted in the creation of the Movistar Prosegur Alarms project.

Turning to the profitability of operations, EBITA was reported at 223 million euros, 13.6% less, with an EBITA margin of 6.4%. The figures reflect the strong incidence of the omicron variant in the last part of the year and its temporary effect of generating labour unproductivities in Prosegur Security. In the rest of the business lines, there is an improvement in profitability over previous quarters. Consolidated net profit, net of minority interests, remained stable at 59 million euros, down 0.7%.

The company generated an operating cash flow of 270 million euros in 2021 and once again reported an EBITDA-to-cash conversion ratio higher than its historical average, close to 80%. Favoured by a positive management of the working capital and a strict cost control policy.

Net financial debt at the end of the quarter reached 988 million euros, with an average cost of 1.24%. The level of indebtedness remains at a net financial debt to EBITDA ratio of 2.3 times.

Looking at business line development:

Prosegur Security

Prosegur Security, the surveillance and technology business, reported strong organic growth in the United States, with revenue growth of 16%. The Technology business has also shown a favourable behavior and continued to increase its weight in integrated security solutions. Markets such as Spain, Argentina, the United States and Singapore registered sales volumes above pre-pandemic averages. Overall, sales reached 1,735 million euros, 0.5% less than last year due to the influence of the negative exchange rate.



Prosegur Security's margins were affected in the last quarter of the year as a result of the unproductivities derived from the strong incidence of the omicron variant. Likewise, the completion of the programmes to help maintain employment and investments in the growth of operations in the United States reduced EBITA by 33.4% to 45 million euros. The EBITA margin stood at 2.6%.

Prosegur Alarms

Movistar Prosegur Alarms maintained its strong growth rate up until the end of the year, surpassing 350,000 connections. With an increase of more than 40% in the total base of connections, it is the fastest growing company in the Spanish market and a leader in new contracts. Together, Prosegur Alarms and Movistar Prosegur Alarms already exceeded 700,000 connections at the end of the year

Prosegur Alarms, which groups together operations outside Spain, posted sales of 185 million euros. The unit once again showed a positive organic growth of 18.2% that was affected by the deconsolidation of Spain and the negative exchange rate in Latin America.

Prosegur Cash

Prosegur Cash, the cash-in-transit logistics and cash management subsidiary, achieved sales of 1,519 million euros in 2021, 0.7% more than in 2020. The company has reported widespread improvement across all its geographies with organic growth of 7.0%. However, turnover continues to be affected by the negative translational impact of currencies.

New Products activities maintain positive growth dynamics in all markets. The good performance of Cash Today (digitisation of cash at the point of sale) and Corban (correspondent banking) stands out. In 2021, New Products reported sales of 326 million, up 15%, and their weight on total revenues already reached 21.4%.

EBITA showed an improvement quarter after quarter, especially in the second half of the year, standing at 185 million euros, down 0.3%. The EBITA margin, at 12.2%, remains stable despite the end of the aid programmes.

In relation to the new business lines, on 2021, **Prosegur AVOS**, the technological BPO unit, and **Cipher**, the cybersecurity unit, reported sales of 61 and 15 million euros respectively. Prosegur AVOS maintains its growth rate and improves its profitability. Cipher, on the other hand, progressed in the growth of value-added services, rotating the client portfolio towards recurrence services rather than projects.

