

Results for the First Nine Months of 2022

PROSEGUR CASH POSTS A CONSOLIDATED NET PROFIT OF €78 MILLION, UP 95.6%

- ▲ Prosegur Cash posted earnings of €1,417 million in the first nine months of the year, a 31.0% increase.
- ▲ Transformation initiatives have continued driving growth, reaching 350 million in revenues in the period, up 51.5% and accounting for 24.7% of total revenues. Excluding divestments, this increase rises to 62.7% versus the same period in 2021.
- ▲ The EBITA amounts to €195 million, with a margin of 13.7%. Excluding last year's capital gains from divestments, the increase was 61.4% compared to the first nine months of 2021.
- ▲ The company shows a solid cash generation with a Free Cash Flow of €108 million and reduces its leverage ratio.

Madrid, 4 November 2022. Prosegur Cash has reported sales of €1,417 million from January to September 2022, 31.0% more than in the same period of the previous year. These figures reflect improved organic growth in all geographies in an inflationary environment, the good performance of the commercial strategy and less unfavourable currency trends. This has helped to surpass the sales figure recorded in the same period of 2019, when Prosegur Cash had a turnover of €1,337 million.

Concerning the profitability of operations, the operating structure continues to absorb the increase in volumes efficiently and this is having a positive impact on the margin recovery. EBITA in the period increased to €195 million, with a margin of 38.2%. Excluding last year's capital gains from divestments, the increase was 61.4% compared to the first nine months of 2021. Lastly, consolidated net profit to September rose 95.6% to €78 million.

With regard to cash generation, Prosegur Cash has maintained a solid free cash flow of €108 million and a conversion ratio of 82%. The total net debt at the end of the period increased slightly to €756 million (including IFRS16, deferred payments and treasury shares) as a result of the investment in inorganic growth. However, the continued improvement of the business and the focus on cash generation reduced the financial leverage ratio to 2.1 times net financial debt over EBITDA.

Recent highlights

Last October, Prosegur Cash announced the acquisition of the world's third largest operator in the retail currency exchange sector, ChangeGroup. This operation reinforces the development of the New Products area as a key element of the transformation strategy, which includes the diversification of the service portfolio and geographic presence.

In this context of positive business performance, Standard & Poor's has ratified the credit rating of Prosegur Cash with a BBB rating and a stable outlook.

Activity by geography and New Products

Iberoamerica, where sales amounted to €957 million, represents 68% of the total turnover and has grown by 35.1%. This was the result of the acceleration of organic growth, which was also accompanied by a minimal exchange rate impact.

In Europe, which accounted for 25% of total turnover, sales amounted to €360 million, up 22,4%. These figures mirror a very positive performance with higher cash transported volumes and the contribution of inorganic activity.

Asia-Pacific posted revenues of €101 million, up 26.1%, exceeding 20% organic growth for the first time and reflecting the favourable impact of the exchange rate.

Finally, Transformation initiatives continue to make progress and New Products grew by 51.5% compared to the first nine months of last year. This figure rises to 62.7% if we exclude divestment. Thus, New Products report sales of €350 million from January to September 2022 and already represent 24.7% of total revenues. It is also worth noting that all geographies are increasing penetration of New Products. Growth in Iberoamerica was 59.4% to €261 million, with a 27.3% share of total sales. Turnover in Europe stood at €67 million, an increase of 27.9%, which rises to 83.1% if divestments are excluded, accounting for 18.7% of total revenues in the region. In Asia-Pacific, New Products increased 47,9% to €21 million, 20.8% of total sales.

