Condensed interim consolidated financial statements for the six-month period ended 30 June 2021

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Prosegur Cash, S.A. and Subsidiaries

Table of contents

I. CONSOLIDATED INCOME STATEMENT – EXPENSE BY FUNCTION

(In thousands of Euros)	Note	Six-month period ending at 30 June 2021	2020
Revenue	9	692,419	771,767
Cost of sales	5, 6	(478,116)	(522,236)
Gross Profit/(Loss)		**214,303**	**249,531**
Other income	7	24,905	4,951
Administration and sales expenses	5, 6	(155,947)	(183,885)
Other expenses	7	(1,800)	(4,142)
Equity accounted for using the equity method	11	(765)	(900)
Operating profit/(loss) (EBIT)		**80,696**	**65,555**
Financial income	8	6,788	4,029
Financial expense	8	(26,151)	(27,318)
Net financial expenses		(19,363)	(23,289)
Profit/(loss) before tax		**61,333**	**42,266**
Income tax	17	(30,857)	(20,900)
Post-tax profit of ongoing operations		**30,476**	**21,366**
Consolidated profit/(loss) for the period		**30,476**	**21,366**
Attributable to:			
Owners of the parent		30,560	21,633
Non-controlling interests		(84)	(267)
Proceeds per share from ongoing activities attributable to the owners of the parent company (Euro per share)			
- Basic	14.4	0.02	0.01
- Diluted	14.4	0.02	0.01

The Notes on pages 10 to 45 form an integral part of these condensed interim consolidated financial statements

II. CONSOLIDATED STATEMENT OF COMPRHENSIVE INCOME

(In thousands of Euros)	Six-month period ending at 30 June	
	2021	**2020**
Profit/(loss) for the period	**30,476**	**21,366**
Items that are going to be reclassified to profit/(loss)		
Translation differences for foreign operations	31,131	(127,919)
	31,131	**(127,919)**
Total comprehensive profit/(loss) for the period, net of tax	**61,607**	**(106,553)**
Attributable to:		
- Owners of the parent	61,691	(106,286)
- Non-controlling interests	(84)	(267)
	61,607	**(106,553)**

Notes on pages 10 to 45 form an integral part of these condensed interim consolidated financial statements.

III. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of Euros)	Note	30 June 2021	31 December 2020
ASSETS			
Property, Plant and Equipment	10	332,228	321,984
Goodwill	10	418,090	393,009
Rights of use	10	75,293	72,623
Other intangible assets	10	182,390	189,892
Investments accounted for using the equity method	11	6,043	5,718
Non-current financial assets		8,133	6,252
Deferred tax assets		51,418	45,482
Non-current assets		**1,073,595**	**1,034,960**
Inventories	13	11,522	9,768
Clients and other receivables		284,845	275,253
Receivables with Prosegur Group	20	35,190	43,558
Current tax assets		39,391	53,956
Other financial assets		2,150	1,196
Cash and cash equivalents	12	241,778	401,773
Current assets		**614,876**	**785,504**
Total assets		**1,688,471**	**1,820,464**
EQUITY			
Share capital	14	30,891	30,891
Share premium	14	33,134	33,134
Own shares	14	(29,656)	(18,261)
Translation differences		(631,755)	(662,886)
Retained earnings and other reserves		729,110	698,087
Equity attributed to holders of equity instruments of the Parent		**131,724**	**80,965**
Non-controlling interests		146	(730)
Total equity		**131,870**	**80,235**
LIABILITIES			
Financial liabilities	16	734,064	826,529
Long-term lease liabilities	10	57,601	48,065
Deferred tax liabilities		48,795	57,753
Provisions	15	113,521	114,460
Non-current liabilities		**953,981**	**1,046,807**
Suppliers and other payables		303,630	326,891
Current tax liabilities		58,992	66,829
Financial liabilities	16	138,858	186,552
Short-term lease liabilities	10	26,818	22,613
Accounts payable with Prosegur Group	20	63,282	79,538
Provisions	15	955	2,199
Other current liabilities		10,085	8,800
Current liabilities		**602,620**	**693,422**
Total liabilities		**1,556,601**	**1,740,229**
Total equity and liabilities		**1,688,471**	**1,820,464**

Notes on pages 10 to 45 form an integral part of these condensed interim consolidated financial statements.

IV. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

PERIOD ENDED 30 JUNE 2021

(In thousands of Euros)	Equity attributed to holders of equity instruments of the Parent						Non-controlling interests	Total equity
	Capital (Note 14)	Share premium (Note 14)	Own shares (Note 14)	Translation differences	Retained earnings and other reserves	Total		
Balance at 1 January 2021	**30,891**	**33,134**	**(18,261)**	**(662,886)**	**698,087**	**80,965**	**(730)**	**80,235**
Total comprehensive profit/(loss) for the period ended 30 June 2021	—	—	—	31,131	30,560	61,691	(84)	**61,607**
Accrued share-based incentives (Note 15)	—	—	14	—	897	911	—	**911**
Purchase of own shares	—	—	(11,409)	—	—	(11,409)	—	**(11,409)**
Other changes	—	—	—	—	(434)	(434)	960	**526**
Balance at 30 June 2021	**30,891**	**33,134**	**(29,656)**	**(631,755)**	**729,110**	**131,724**	**146**	**131,870**

Notes on pages 10 to 45 form an integral part of these condensed interim consolidated financial statements.

PERIOD ENDED 30 June 2020

(In thousands of Euros)	Equity attributed to holders of equity instruments of the Parent							
	Capital (Note 14)	Share premium (Note 14)	Own shares (Note 14)	Translation differences	Retained earnings and other reserves	Total	Non-controlling interests	Total equity
Balance at 31 December 2019	**30,000**	**—**	**(1,546)**	**(167,215)**	**382,101**	**243,340**	**293**	**243,633**
Reclassification of reserves to translation differences (Note 2)	—	—	—	(378,285)	378,285	—	—	—
Balance at 1 January 2020	**30,000**	**—**	**(1,546)**	**(545,500)**	**760,386**	**243,340**	**293**	**243,633**
Total comprehensive profit/(loss) for the period ended 30 June 2020	—	—	—	(127,919)	21,633	(106,286)	(267)	(106,553)
Accrued share-based incentives	**—**	**—**	(98)	**—**	—	(98)	**—**	**(98)**
Purchase of own shares	**—**	**—**	(1,986)	**—**	—	(1,986)	**—**	**(1,986)**
Capital increase	421	16,382	—	—	—	16,803	—	**16,803**
Other changes	**—**	**—**	**—**	**—**	213	213	(100)	**113**
Balance at 30 June 2020	**30,421**	**16,382**	**(3,630)**	**(673,419)**	**782,232**	**151,986**	**(74)**	**151,912**

Notes on pages 10 to 45 form an integral part of these condensed interim consolidated financial statements.

V. CONSOLIDATED STATEMENT OF CASH FLOWS

(In thousands of Euros)	Note	Six-month period ending at 30 June 2021	2020
Cash flows from operating activities			
Profit / (Loss) of the period		**30,476**	**21.634**
Adjustments for:			
Depreciation and amortisation	5, 10	55,916	54,106
Impairment losses on trade receivables and inventories	7	192	1,744
Investments accounted for using the equity method		765	900
Changes in provisions	15	846	9,710
Financial income	8	(9,901)	(4,030)
Financial expense	8	26,151	27,319
Income tax	17	30,857	20,900
Other income		(14,847)	-
Changes in working capital, excluding the effect of acquisitions and translation differences			
Inventories		(1,057)	566
Clients and other receivables		(3,411)	36,795
Suppliers and other payables		(14,625)	(44,822)
Payments of provisions	15	(5,615)	(9,244)
Other liabilities		1,922	(585)
Cash generated from operations		-	-
Interest payments		(10,711)	(16,472)
Income tax paid		(21,711)	(8,375)
Net cash generated from operating activities		**65,247**	**90,146**
Cash flows from investing activities			
Interest received		51	510
Purchase of subsidiaries, net of cash and cash equivalents		34,526	(11,333)
Payments for transactions with joint ventures	11	(992)	-
Payments for the purchase of property, plant and equipment	10	(24,956)	(27,755)
Payments for the purchase of intangible assets	10	(4,032)	(2,495)
Proceeds from the sale of property, plant and equipment	10	1,963	-
Net cash generated from investing activities		**6,560**	**(41,073)**
Cash flows from financing activities			
Payments from the issue of own shares and equity instruments	14	(11,395)	(2,084)
Proceeds from debts with credit institutions		91,980	470,531
Payments from debts with credit institutions		(252,271)	(157,538)
Payments from other debts		(14,784)	(69,972)
Payments from lease liabilities		(17,000)	(14,474)
Paid dividends	4, 14	(29,444)	(26,838)
Net cash generated from financing activities		**(232,914)**	**199,625**
Net increase (decrease) in cash and cash equivalents		(161,107)	248,698
Cash and cash equivalents at the beginning of the year		401,773	307,423
Effect of exchange differences on cash		1,112	(43,286)
Cash and equivalents at the end of the year		**241,778**	**512,835**
Cash and cash equivalents at the end of the period of ongoing operations		241,778	512,835

Notes on pages 10 to 45 form an integral part of these condensed interim consolidated financial statements.

VI. EXPLANATORY NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

Prosegur CASH is a business group made up of Prosegur CASH, S.A. (hereinafter “the Company”) and its subsidiaries (together, Prosegur CASH) which provides securities logistics, cash in transit and other value-added services in the following countries: Spain, Portugal, Germany, Argentina, Brazil, Chile, Peru, Uruguay, Paraguay, Colombia, Nicaragua, Honduras, El Salvador, Guatemala, Costa Rica, Ecuador, The Philippines, Indonesia, India and Australia.

Prosegur CASH is organised into the following geographical areas:

- Europe.
- LatAm.
- Rest of the world (AOA).

The services provided by Prosegur CASH are distributed into the following business lines:

- Transport
- Cash in Transit
- New Products

Prosegur CASH, S.A. is a subsidiary controlled by the Spanish company Prosegur Compañía de Seguridad, S.A. (hereinafter, Prosegur or the Prosegur Group), which currently owns 53.3% of its shares, indirectly controlling another 21.68% via its 100%-owned investee Prosegur Assets Management, S.L.U. Accordingly, the Prosegur Group consolidates the Prosegur CASH Group in its financial statements. The registered offices of Prosegur CASH, S.A. are at Calle Santa Sabina, 8, Madrid (Spain).

Prosegur is controlled by Gubel S.L., which was incorporated in Madrid and holds 59.37% of the shares of Prosegur Compañía de Seguridad, S.A., which consolidates Prosegur in its consolidated financial statements.

The corporate purpose of Prosegur CASH is to provide the following services through companies focusing on the CASH business: (i) national and international transport services (by land, sea and air) of funds and other valuables (including jewellery, artworks, precious metals, electronic devices, voting ballots, legal evidence), including collection, transport, custody and deposit services; (ii) processing and automation of cash (including counting, processing and packaging, as well as coin recycling, cash flow control and monitoring systems); (iii) comprehensive solutions and ATM net management (including planning, loading, monitoring, first- and second-tier maintenance and balancing); (iv) cash planning and forecasting services for financial institutions; and (v) Cash-Today (including, self-service cash machines, cash deposits, recycling services and dispensing of bank notes and coins, and payment of invoices) and (vi) banking correspondents (collection and payment management and invoice payment services).

The individual and consolidated annual accounts of Prosegur CASH, S.A. for 2020 were approved by the Shareholders General Meeting of 2 June 2021.

Structure of Prosegur CASH

Prosegur CASH, S.A. is the Parent of a Group made up of subsidiaries, listed in Appendix I of the Notes to the Consolidated Annual Accounts at 31 December 2020. Likewise, Prosegur CASH has Joint Arrangements in place (Note 15 and Appendix II of the Notes to the Consolidated Annual Accounts at 31 December 2020).

Details of the principles applied to prepare the Prosegur CASH Consolidated Annual Accounts and define the consolidation scope are provided in Note 33.2 and Note 2 to the Consolidated Annual Accounts at 31 December 2020, respectively.

2. Basis for presentation, estimates made and accounting policies

These condensed interim consolidated financial statements of Prosegur CASH, for the six-month period ended 30 June 2021, have been prepared in accordance with IAS 34 “Interim Financial Reporting”.

In accordance with the provisions of IAS 34, interim financial reporting is prepared solely with the intention of updating the content of the latest Consolidated Annual Accounts prepared by Prosegur CASH, emphasising the new activities, events and circumstances that occurred during the six-month period ended 30 June 2021, and not duplicating the information previously published in the Consolidated Annual Accounts for 2020.

Therefore, and for a proper understanding of the information included in these condensed interim consolidated financial statements, they should be read together with Prosegur CASH Consolidated Annual Accounts for the year ended 31 December 2020, which were prepared in accordance with International Financial Reporting Standards (IFRS), adopted for use in the European Union and approved by the current European Commission Regulations and other applicable financial reporting regulations (IFRS-EU).

Significant changes in accounting policies

Except for the rest of the new standards and interpretations effective as of 1 January 2021, described in Appendix I, the accounting policies applied in these condensed interim consolidated financial statements at 30 June 2021, are consistent with those applied in the preparation of Prosegur CASH Consolidated Annual Accounts at 31 December 2020, the detail of which is included in Note 33 of said Consolidated Annual Accounts.

Estimates, assumptions and relevant judgements

The preparation of the condensed interim consolidated financial statements, in accordance with IFRS-EU requires the application of relevant accounting estimates and the undertaking of judgements, estimates and assumptions in the process for application of the Prosegur CASH accounting policies and valuation of the assets, liabilities and profit and loss.

Although estimates made by Prosegur CASH's Directors have been calculated based on the best information available at 30 June 2021, the COVID-19 pandemic adds even more complexity to this task, so future events may require changes to them in subsequent years. Any effect on the condensed interim financial statements of adjustments to be made in subsequent years would be recognised prospectively, where appropriate.

Corporate Income Tax for the six-month period ended 30 June 2021 is calculated using the effective tax rate that is estimated to be applicable to the profit/(loss) for the year.

Comparative information

For comparative purposes and for each item in the consolidated statement of financial position, in the consolidated income statement, in the consolidated statement of comprehensive income, in the consolidated statement of cash flows, in the consolidated statement of changes in equity and in the notes to the condensed interim consolidated financial statements, in addition to the consolidated figures for the six-month period ended 30 June 2021, the condensed interim consolidated financial statements show those for the same period the previous year, except for the consolidated statement of financial position which shows the consolidated figures for the twelve-month period ended 31 December 2020.

3. Changes to the Group's structure

In Appendix I to the Consolidated Annual Accounts for the year ended 31 December 2020, relevant information is provided on the Group companies that were consolidated at that date.

The following companies were wound up during the first half of 2021:

– In January 2021, Garantis Sumarmas, S.L. was wound up in Spain.

During April 2021 the dormant company Dinero Gelt México SA de C.V was acquired in Mexico.

On 31 March 2021, Prosegur CASH sold to its parent company, Prosegur Compañía de Seguridad, certain areas of the added value outsourcing processes and services business (AVOS) for financial institutions and insurance companies, as well as the associated technology.

The transaction is in response to the strategic decision, independently taken by Prosegur CASH to better achieve its business goals, to crystallise the current value of the business sold, freeing up resources and investment capacity to focus on other priority growth opportunities.

The transaction consisted of the sale of Prosegur CASH to Prosegur of 100% of the share capital of the holding company of the aforementioned business in Spain, Prosegur AVOS España, S.L.U., for a price of EUR sixty seven million less the net financial debt. This business represents, approximately, 85% of the operating profit/(loss) of the global business of Prosegur CASH in certain areas of activity, with the parties having agreed to jointly and in good faith the possibility of Prosegur CASH selling to Prosegur the rest of that business that it currently carries out in other countries, without there being any agreement on this.

The transaction has been reviewed by the Prosegur CASH Audit Committee which has confirmed that it is fair and reasonable from the Company's point of view and from the various Prosegur shareholders. For its part, KPMG Asesores has issued a fairness opinion for the Board of Directors of Prosegur CASH confirming that the aforementioned sales price is reasonable in financial terms for Prosegur CASH.

In light of the above, to adapt the Framework Agreement on relations between Prosegur and Prosegur CASH of 17 February 2017 to the new reality in terms of the development of the aforementioned added value outsourcing processes and services business (AVOS) for financial institutions and insurance companies, the parties have signed a non-extinguishing modifying novation contract of the Framework Agreement.

The cash and cash equivalents that were sold with the companies amounted to EUR 9,617 thousand. The net assets of the companies at the time of sale amounted to EUR 41,838 thousand. The sale entailed an expense for the Group of EUR 20,324 thousand included under the heading "Other expenses" (Note 7).

The main impacts on the consolidated statement of financial position of the CASH Group from the sale of the added-value outsourcing services business (AVOS) on 31 March 2021 were as follows:

		Thousands of Euros
	Note	30 June 2021
Assets		
Property, Plant and Equipment	10	5,415
Goodwill	10	20,605
Rights of use	10	546
Other intangible assets	10	19,897
Non-current financial assets		190
Deferred tax assets		134
Non-current assets		**46,787**
Clients and other receivables		9,749
Receivables with Prosegur Group		1,696
Cash and cash equivalents		9,617
Current assets		**21,062**
Total assets		**67,849**
Liabilities		
Financial liabilities	17	5,041
Long-term lease liabilities	10	375
Deferred tax liabilities		4,036
Provisions	16	841
Non-current liabilities		**10,293**
Suppliers and other payables		7,267
Current tax liabilities		698
Financial liabilities		4,387
Short-term lease liabilities	10	221
Accounts payable with Prosegur Group		3,145
Current liabilities		**15,718**
Total liabilities		**26,011**

Additionally, other changes to the consolidation scope in the first half of 2021 are acquisitions of subsidiaries, details of which are provided in Note 19.

4. Events occurred since the end of 2020

In addition to what is reflected in Note 3 on the changes to the structure of the Group, the most relevant transactions and events that occurred during the first half of 2021 are detailed below:

COVID-19

On 11 March 2020, the World Health Organization declared the outbreak of Coronavirus COVID-19 to be a pandemic.

More than a year has passed since this historical event, Prosegur CASH observes that the progress of vaccination campaigns is uneven in the countries where it operates and, therefore, some governments still continue to establish lockdowns and curfews to contain the advance of the pandemic. These measures, which restrict mobility, cause a contraction of the economy and have a direct impact on private consumption, which is the main driver of the CASH business.

Suspension of the Share Buyback Program

On February 23, 2021, the Company agreed to temporarily suspend the execution of the Prosegur CASH, S.A. treasury share buy-back program, which was approved by the Company's Board of Directors on June 3, 2020.

The Program was carried out with the purpose of amortizing them in execution of an agreement to reduce the Company's capital stock that was submitted to the approval of the General Shareholders' Meeting.

The Program affected a maximum of 45,000,000 shares, representing approximately 3% of Prosegur's capital stock (1,500,000,000 shares) (Note 14.2).

Approval of the New Share Buyback Program

Additionally, based on the resolution adopted by the Company's Board of Directors on February 23, 2021, the Company has implemented a new own share buy-back program, in order to comply with the commitments and obligations derived from the plans. remuneration in shares for executive directors and employees of the Company.

The Program has a maximum assigned amount of 28,000 thousand euros and a maximum number of shares to be acquired of up to 14,000,000 shares (Note 14.2)

5. Cost of sales and administration and sales expenses

The main cost of sales and administration and sales expenses in the consolidated income statement for the six-month periods ended 30 June 2021 and 2020 are as follows:

		Thousands of Euros	
		Period ended 30 June	
		2021	2020
Supplies		18,476	21,076
Employee benefits expenses	(Note 6)	331,395	367,218
Operating leases		5,952	4,816
Supplies and external services		59,734	58,975
Depreciation and amortisation		21,665	22,721
Other expenses		40,894	47,430
Total cost of sales		**478,116**	**522,236**

		Thousands of Euros	
		Period ended 30 June	
		2021	2020
Supplies		660	662
Employee benefits expenses	(Note 6)	38,145	67,777
Operating leases		2,292	4,412
Supplies and external services		23,780	25,942
Depreciation and amortisation		34,251	31,385
Other expenses		56,819	53,707
Total administration and sales expenses		**155,947**	**183,885**

The general decline in most items is due to the COVID-19 pandemic and the cost containment policies that the CASH Group is implementing to mitigate the impacts of the pandemic.

Total supplies in the consolidated income statement for the six-month period ended 30 June 2021 amount to EUR 19,136 thousand (2020: EUR 21,738 thousand).

The heading on supplies and external services includes the costs for the repair of items of transport, bill-counting equipment, operating subcontracts with third parties and other advisors such as lawyers, auditors and consultants.

The costs for leases by right of use corresponding to contracts for a period equal to or less than one year and to lease contracts of low value assets for an amount equal to or less than USD 5 thousand are included under the heading on operating leases. The remaining contracts are included in the heading on rights of use (Note 10.3).

The heading on other expenses, under administration and sales, mainly includes expenses for management support services and trademark usage expenses for EUR 37,115 thousand and EUR 8,968 thousand, respectively (2020: EUR 33,828 thousand and EUR 8,964 thousand, respectively) (Note 20).

6. Employee benefits expenses

Details of employee benefits expenses for the six-month periods ended 30 June 2021 and 2020 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2021	2020
Wages and salaries	289,324	319,456
Social Security expenses	66,290	72,055
Other employee benefits expenses	10,728	13,624
Indemnities	3,198	29,860
Total employee benefits expenses	**369,540**	**434,995**

The general decline in all the items is due to the COVID-19 pandemic and the cost containment policies that the CASH Group is implementing to mitigate the impacts of the pandemic.

The accrual of the long-term incentive associated with the 18-20 Plan, 21-23 Plan and the Retention Plan for the Executive President, Executive Director and the Senior Management of Prosegur CASH is included under the heading on wages and salaries (Note 15).

The heading on indemnities includes the provision for occupational risks (Note 15).

7. Other income and expenses

Details of Other income and expenses in the consolidated income statement for the six-month periods ended 30 June 2021 and 2020 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2021	2020
Loss for impairment of receivables	(192)	(1,744)
Other expenses	(1,608)	(2,398)
Total other expenses	**(1,800)**	**(4,142)**

In 2020, the item “Other expenses” included expenses for the divestment of Mexico, whose amount was EUR 1,041 thousand included under the heading on “Other expenses”.

	Thousands of Euros	
	Period ended 30 June	
	2021	2020
Other income	24,905	4,951
Total other income	**24,905**	**4,951**

The item "Other income" in 2021 mainly includes the sale to the Prosegur Group in March 2021 of certain areas of the added-value outsourcing services business (AVOS) for financial institutions and insurance companies, as well as its associated technology (Note 3), for EUR 20,324 thousand.

In 2020, the "Other income" item included Income from non-refundable subsidies awarded by the Administration for the maintenance of employment in the context of the COVID-19 pandemic for EUR 3,983 thousand.

8. Net financial expenses

Details of net financial expenses for the six-month periods ended 30 June 2021 and 2020 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2021	2020
Borrowing costs	(6,842)	(10,200)
Interest received	292	438
Net (loss)/profit on foreign currency transactions	(13,159)	(4,746)
Financial expenses for the update of lease liabilities (Note 10)	(2,853)	(3,202)
Net financial income from the net monetary position	6,496	3,139
Other expenses and net financial income	(3,297)	(8,718)
Total net financial expenses	**(19,363)**	**(23,289)**

The main change in the financial results for the first six months of 2021 compared to the first six months of 2020, is mainly due to:

- Increase in net losses from transactions in foreign currency, mainly caused by Brazil and Argentina.
- Reduced interest expenses due to lower contracting of financial transactions.
- A reduction in financial expenses due to of deferred payments coming from of business combinations and to the monetary adjustment court deposits associated with the labour actions open in Brazil (Note 15).
- Increase in net financial income from the net monetary position. That item reflects the exposure to the change in the purchasing power of the Argentine currency.

9. Segment reporting

The Board of Directors is ultimately responsible for making decisions on Prosegur CASH's operations and, together with the Audit Committee, for reviewing Prosegur CASH internal financial information to assess performance and to allocate resources.

The Board of Directors analyses the business from two perspectives: geographical and by activity. From a geographical perspective, three segments are identified: Europe, LatAm and Rest of the world (AOA), which in turn include the activity segments identified as Transport, Cash in Transit and New Products.

The Board of Directors uses EBITA to assess segment performance, since this indicator is considered to best reflect the results of the Prosegur CASH Group's different activities.

Details of revenue by segments for the six-month periods ended 30 June 2021 and 2020 are as follows:

	Europe		AOA		LatAm		Total	
Thousands of Euros	**at 30 June 2021**	**at 30 June 2020**	**at 30 June 2021**	**at 30 June 2020**	**at 30 June 2021**	**at 30 June 2020**	**at 30 June 2021**	**at 30 June 2020**
Transport	99,274	107,272	32,064	29,567	246,969	321,694	378,307	458,533
% of total	52 %	51 %	59 %	65 %	55 %	62 %	55 %	59 %
Cash in Transit	52,094	55,038	13,064	11,753	100,867	106,163	166,025	172,954
% of total	28 %	26 %	24 %	26 %	23 %	21 %	24 %	22 %
New Products	39,011	47,552	9,493	4,128	99,583	88,600	148,087	140,280
% of total	20 %	23 %	17 %	9 %	22 %	17 %	21 %	18 %
Total Sales	**190,379**	**209,862**	**54,621**	**45,448**	**447,419**	**516,457**	**692,419**	**771,767**

Income from Transport, Cash in Transit and New Products services are recognised at the time they are provided.

There is no profit/(loss) that has not been allocated to a segment. Segment income and expenses are composed by those deriving from the operating activities directly attributable to them and that the Board of Directors considers reasonable and which are distributed by using an analytical distribution criterion.

Details of profit/(loss) after tax from ongoing operations broken down by segment are as follows:

	Europe		AOA		LatAm		Total	
Thousands of Euros	**at 30 June 2021**	**at 30 June 2020**	**at 30 June 2021**	**at 30 June 2020**	**at 30 June 2021**	**at 30 June 2020**	**at 30 June 2021**	**at 30 June 2020**
Sales to external clients	190,379	209,862	54,621	45,448	447,419	516,457	692,419	771,767
Other net expenses	(160,108)	(196,578)	(55,726)	(48,636)	(339,208)	(405,992)	(555,042)	(651,206)
Equity losses recorded applying the equity method	(649)	(547)	(116)	(353)	—	—	(765)	(900)
EBITDA	29,622	12,737	(1,220)	(3,541)	108,211	110,465	136,613	119,661
PPE depreciation	(13,315)	(14,162)	(7,200)	(3,642)	(25,513)	(26,033)	(46,028)	(43,837)
EBITA	16,308	(1,425)	(8,421)	(7,183)	82,698	84,432	90,585	75,824
Amortisation of intangible assets	(909)	(1,313)	(1,183)	(646)	(7,797)	(8,310)	(9,888)	(10,269)
EBIT	15,399	(2,738)	(9,603)	(7,829)	74,901	76,122	80,696	65,555
Net Finance Profit/(Loss)	(4,182)	(10,633)	(1,858)	(2,139)	(13,323)	(10,517)	(19,363)	(23,289)
Corporate Income Tax	(2,605)	(837)	(27)	389	(28,226)	(20,452)	(30,857)	(20,900)
Profit/(loss) after tax of continuing operations	8,612	(14,208)	(11,489)	(9,579)	33,353	45,153	30,476	21,366

Details of assets allocated to segments and a reconciliation with total assets at 30 June 2021 and 31 December 2020 are as follows:

	Europe		AOA		LatAm		Not allocated to segments		Total	
Thousands of Euros	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Assets allocated to segments	**234,968**	**291,926**	**125,473**	**131,607**	**987,310**	**889,469**	**90,809**	**99,437**	**1,438,560**	**1,412,439**
Other non-allocated assets	**—**	**—**	**—**	**—**	**—**	**—**	**249,911**	**408,025**	**249,911**	**408,025**
Other non-current financial assets	—	—	—	—	—	—	8,133	6,252	8,133	6,252
Cash and cash equivalents	—	—	—	—	—	—	241,778	401,773	241,778	401,773
	234,968	**291,926**	**125,473**	**131,607**	**987,310**	**889,469**	**340,720**	**507,462**	**1,688,471**	**1,820,464**

Details of liabilities allocated to segments and a reconciliation with total liabilities at 30 June 2021 and 31 December 2020 are as follows:

	Europe		AOA		LatAm		Not allocated to segments		Total	
Thousands of Euros	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Liabilities allocated to segments	**261,313**	**207,227**	**139,946**	**164,502**	**263,668**	**313,580**	**107,787**	**114,897**	**772,714**	**800,206**
Other non-allocated liabilities	**—**	**—**	**—**	**—**	**—**	**—**	**783,887**	**940,023**	**783,887**	**940,023**
Bank borrowings	—	—	—	—	—	—	—	940,023	—	940,023
	261,313	**207,227**	**139,946**	**164,502**	**263,668**	**313,580**	**891,674**	**1,054,920**	**1,556,601**	**1,740,229**

Total assets allocated to segments mainly exclude other current and non-current financial assets and or cash and cash equivalents, as these are managed together by Prosegur CASH and include rights of use that have emerged as a result of the application of IFRS 16.

The total liabilities assigned to segments exclude debts with credit institutions as Prosegur CASH jointly handles the financing, and they include finance lease liabilities and those arising from the application of IFRS 16.

10. Property, plant and equipment, goodwill and other intangible assets

10.1. Property, Plant and Equipment

Details of changes in property, plant and equipment for the six-month periods ended 30 June 2021 and 2020 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2021	2020
Cost		
Opening balances	727,320	784,706
Additions	24,956	31,821
Business combinations (Note 19)	4,008	16,191
Retirements due to disposals or by other means	(6,502)	(4,946)
Disposal of the scope of consolidation (Note 3)	(12,063)	(18,397)
Translation differences	29,444	(87,688)
Transfer to rights of use	(93)	—
Closing balances	**767,070**	**721,687**
Accumulated depreciation		
Opening balances	(405,336)	(439,324)
Retirements due to disposals or by other means	4,539	2,999
Provisions charged against the income statement	(26,732)	(27,490)
Disposal of the scope of consolidation (Note 3)	6,648	11,771
Translation differences	(14,486)	50,389
Transfer to rights of use	525	—
Closing balances	**(434,842)**	**(401,655)**
Opening balances	**321,984**	**345,382**
Closing balances	**332,228**	**320,032**

During the first half of 2021, investments in property, plant and equipment made by Prosegur CASH came to EUR 24,956 thousand (at 30 June 2020: EUR 31,821 thousand). These investments correspond mainly to cash automation equipment fitted in clients premises and purchasing and conditioning bases and armoured vehicles in Spain, Argentina and Brazil.

No assets are subject to restrictions on title or pledged as security for particular transactions at 30 June 2021.

10.2. Goodwill

Details of changes in goodwill for the six-month period ended 30 June 2021 are as follows:

	Thousands of
	2021
Net carrying out at 31 December 2020	**393,009**
Additions to the scope (Note 19)	40,262
Disposal of the scope of consolidation (Note 3)	(20,605)
Translation differences	5,424
Net carrying amount at 30 June 2021	**418,090**

For the six-month period ended 30 June 2021, goodwill from the following business combinations has been incorporated:

	Thousands of
	2021
Business combinations in LatAm (1)	40,262
	40,262

(1) Calculations relating to business combinations are provisional and may be adjusted for up to a year from the acquisition date.

Exit from the scope corresponds to the goodwill of the added-value outsourcing services activity for financial institutions and insurance companies that were allocated to CGU Spain (Note 3).

Prosegur CASH tests goodwill for impairment at the end of each reporting period, or earlier if there are indications of impairment, in accordance with the accounting policy described in Note 33.9 of the Consolidated Annual Accounts at December 2020.

As of 30 June 2021, there were no additional elements indicating impairment with respect to recognised goodwill.

Details of changes in goodwill for the six-month period ended 30 June 2020 were as follows:

	Thousands of
	2020
Net carrying amount at	**375,467**
Additions to the scope	59,932
Additions	1,743
Translation differences	(34,299)
Net carrying amount at 30 June 2020	**402,843**

For the six-month period ended 30 June 2020, goodwill from four business combinations was incorporated (Note 19).

10.3. Rights of use

Details of changes in right of use assets for the six-month periods ended 30 June 2021 and 2020 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2021	2020
Cost		
Opening balances	119,384	114,208
Additions	16,771	8,849
Write offs and cancellations	(33)	(1,020)
Translation differences	2,566	(8,075)
Disposal of the scope of consolidation (Note 3)	(1,584)	(2,095)
Closing balances	**137,104**	**111,867**
Accumulated depreciation		
Opening balances	(46,761)	(22,605)
Provisions charged against the income statement	(16,379)	(12,153)
Translation differences	262	1,452
Disposal of the scope of consolidation (Note 3)	1,038	585
Closing balances	**(61,811)**	**(32,721)**
Opening balances	**72,623**	**91,603**
Closing balances	**75,293**	**79,146**

Details of changes in lease liabilities for the six-month periods ended 30 June 2021 and 2020 are as follows:

	Thousands of Euros	
	Period ended 30 June	
	2021	2020
Cost		
Balance at 31 December	(80,366)	(105,455)
Additions	(17,059)	(8,529)
Write offs and cancellations	17,464	14,790
Financial expenses (Note 8)	(2,853)	(3,203)
Translation differences	(1,009)	9,084
Liabilities associated directly with Non-current Assets held for sale	—	—
Disposal of the scope of consolidation (Note 3)	(596)	1,966
Closing balances	**(84,419)**	**(91,347)**

The average discount rates for the main countries affected by this standard, used for calculating the current value of the operating lease liabilities, were as follows:

	Average rate		
	First 5 years	5-10 years	10-15 years
Germany	0.92 %	1.22 %	1.62 %
Brazil	6.91 %	8.71 %	9.59 %
Peru	3.36 %	4.09 %	5.02 %
Argentina	37.90 %	36.61 %	34.75 %
Colombia	5.69 %	6.37 %	7.83 %
Chile	3.77 %	4.46 %	5.11 %
Spain	0.92 %	1.18 %	1.68 %

The rates have been calculated according to the life of the right of use.

The CASH Group decided to not recognise in the balance sheet the lease liabilities and the right of use asset corresponding to short-term lease contracts (leases for one year or less) and leases for low value assets (USD 5 thousand or less). Those exceptions have been recorded entirely under the heading on operating leases (Note 5).

10.4. Other intangible assets

Details of changes in intangible assets for the six-month periods ended 30 June 2021 and 2020 are as follows:

	Thousands of Euros	
	2021	**2020**
Cost		
Opening balances	347,902	370,143
Additions	4,032	6,071
Business combinations (Note 19)	3,495	40,154
Disposals	(40)	(659)
Disposal of the scope of consolidation (Note 3)	(27,002)	(318)
Translation differences	25,461	(61,179)
Closing balances	**353,848**	**354,212**
Accumulated depreciation		
Opening balances	(158,010)	(153,449)
Disposals	40	7
Provisions charged against the income statement	(12,805)	(14,463)
Disposal of the scope of consolidation (Note 3)	7,105	246
Translation differences	(7,788)	12,444
Closing balances	**(171,458)**	**(155,215)**
Net assets		
Opening balances	**189,892**	**216,694**
Closing balances	**182,390**	**198,997**

11. Investments accounted for using the equity method

Joint arrangements

Details of changes in the investments in joint ventures accounted for under the equity method for the six-month periods ended 30 June 2021 and 2020 were as follows:

	Thousands of Euros	
	30 June 2021	30 June 2020
Balance at 1 January	5,718	7,510
Additions	1,178	—
Participation in profits/(losses)	(765)	(900)
Translation differences	(88)	(348)
Balance at 30 June	**6,043**	**6,262**

Details of the main figures of investments accounted for under the equity method at the end of 2020 are included in Appendix III of the Consolidated Annual Accounts for the year ended 31 December 2020.

Additions for the period mainly correspond to capitalisation in the company Dinero Gelt SL in April 2021.

At 30 June 2021, Prosegur CASH has no significant contingent liability commitments in any of the joint ventures accounted for under the equity method.

12. Cash and cash equivalents

Details of cash and cash equivalents at 30 June 2021 and 31 December 2020 are as follows:

	Thousands of Euros	
	30 June 2021	31 December 2020
Cash in hand and at banks	192,344	354,067
Current bank deposits	49,434	47,706
	241,778	**401,773**

The effective interest rate on current bank deposits is 1.53% (at 31 December 2020: 3.67%) and the average term of the deposits held during the first half of 2021 was 37 days (at 31 December 2020: 69 days).

13. Inventories

Details of inventories at 30 June 2021 and 31 December 2020 are as follows:

	Thousands of Euros	
	30 June 2021	**31 December 2020**
Fuel and others	6,835	6,051
Operative material	2,050	1,783
Uniforms	128	170
Works and work in progress	2,890	2,081
Impairment of inventories	(381)	(317)
	11,522	**9,768**

The stock of ATM is mainly included under the heading Works and work in progress.

No inventories have been pledged as securities for liabilities.

14. Net Equity

14.1. Share capital and Share premium

At 30 June 2021, the share capital of Prosegur CASH, S.A. was EUR 30,891 thousand (2020: EUR 30,891 thousand) and is represented by 1,544,535,979 shares (2020: 1,544,535,979 shares) with a par value of EUR 0.02 each, fully subscribed and paid. These shares are listed on the Madrid, Barcelona, Bilbao and Valencia stock exchanges and traded via the Spanish Stock-Exchange Interconnection System (SIBE).

The capital increase agreed by the Board of Directors under item 9 of the agenda of the Shareholders General Meeting of the Company held on 6 February 2017 was registered on 3 July 2020.

The capital increase was charged against monetary contributions of Prosegur CASH for a total nominal amount of EUR 421,159, through the issuance of 21,057,953 ordinary shares with a par value of EU 0.02 each. All the shares have been subscribed and paid up. The amount of the share premium was set at EUR 16,381,508.

The capital increase agreed by the Board of Directors under item 9 of the agenda of the Shareholders General Meeting of the Company held on 6 February 2017 was registered on 5 October 2020.

The capital increase was charged against monetary contributions of Prosegur CASH for a total nominal amount of EUR 469,560, through the issuance of 23,478,026 ordinary shares with a par value of EU 0.02 each. All the shares have been subscribed and paid up. The amount of the share premium was set at EUR 16,752,173.

At 30 June 2021, the amount of the share premium totals EUR 33,134 thousand.

14.2. Own shares

Details of changes in own shares during the first half of 2021 are as follows:

	Number of shares	Thousands of Euros
Balance at 31 December 2020	**23,436,659**	**18,261**
Purchase of own shares	14,414,284	11,409
Sale of own shares	—	—
Other awards	(17,100)	(14)
Balance at 30 June 2021	**37,833,843**	**29,656**

On 23 February 2021, the Company agreed to temporarily suspend the execution of the own share buyback programme of Prosegur CASH, S.A., which was approved by the Board of Directors of the company on 3 June 2020.

Additionally, under the agreement adopted by the Board of Directors of the Company on 23 February 2021, the Company has implemented a new own share buyback programme (the Programme) under the provisions of Regulation (EU) No. 596/2014 on market abuse and Commission Delegated Regulation (EU) 2016/1052 (the Regulations), making use of the authorisation granted by the Shareholders General Meeting held on 6 February 2017 for the purchase of own shares, in order to meet the commitments and obligations derived from the remuneration plans in shares for the Company's executive directors and employees.

The Programme has the following features:

– Maximum amount allocated to the Programme: EUR 28,000 thousand.

– Maximum number of shares that can be acquired: up to 14,000,000 shares representing approximately 0.91% of the Company's share capital on the date of the agreement.

– Maximum price per share: shares were purchased in compliance with the price and volume limits established in the Regulations. In particular, the Company did not buy shares at a price higher than the highest of the following: (i) the price of the last independent trade; or (ii) that corresponding to the highest current independent bid on the trading venues where the purchase is carried out.

– Maximum volume per trading session: in so far as volume is concerned, the Company did not purchase more than 25% of the average daily volume of the shares in any one day on the trading venues on which the purchase is carried out.

– Duration: the Programme has a maximum duration until 5 February 2022. Notwithstanding the above, the Company reserves the right to conclude the Programme if, prior to the end of said maximum term, it had acquired the maximum number of shares authorised by the Board of Directors, if it had reached the maximum monetary amount of the Programme or if any other circumstances arise that call for it.

The main manager of the programme is an investment company or a credit institution that takes its decisions in relation to the timing of the purchase of the Company's shares irrespective of the Company.

The suspended programme which was approved by the Board of Directors of Prosegur CASH, S.A. on 3 June 2020, had the following conditions:

The programme was put into effect under the provisions of Regulation (EU) no. 506/2014 on market abuse and the Commission Delegated Regulation 2016/1052, making use of the authorisation granted by the Shareholders General Meeting held on 6 February 2017 for the purchase of own shares, for the purpose of redeeming them pursuant to a share capital reduction resolution which was submitted for the approval of the next Shareholders General Meeting.

The Programme applied to a maximum of 45,000,000 shares, representing approximately 3% of Prosegur's share capital (1,500,000,000 shares).

The Programme had the following features:

- Maximum amount allocated to the Programme: EUR 40,000 thousand.
- Maximum number of shares that can be acquired: up to 45,000,000 shares representing approximately 3% of the Company's share capital.
- Maximum price per share: shares were purchased in compliance with the price and volume limits established in the Regulations. In particular, the Company did not buy shares at a price higher than the highest of the following: (i) the price of the last independent trade; or (ii) that corresponding to the highest current independent bid on the trading venues where the purchase is carried out.
- Maximum volume per trading session: in so far as volume is concerned, the Company did not purchase more than 25% of the average daily volume of the shares in any one day on the trading venues on which the purchase was carried out.
- Duration: the Programme had a maximum duration of one year. Notwithstanding the above, the Company reserved the right to conclude the Programme if, prior to the end of said maximum term of one year, it had acquired the maximum number of shares authorised by the Board of Directors, if it had reached the maximum monetary amount of the Programme or if any other circumstances arise that call for it.

As a result of the implementation of the Programme, the operation of the liquidity contract which came into force on 11 July 2017 and that was signed by the Company was suspended.

14.3. Cumulative translation differences

The change in the cumulative translation differences at 30 June 2021 as compared to 31 December 2020 was EUR 31,131 thousand, mainly due to the appreciation of the Brazilian Real and the positive impact of hyperinflation in Argentina.

14.4. Earnings per share

- ***Basic***

Basic earnings per share are calculated by dividing the profit of the ongoing operations attributable to the owners of the parent by the weighted average number of ordinary shares outstanding during the year, excluding own shares acquired by the Company.

	30 June 2021			30 June 2020		
	Ongoing operations	Discontinued operations	Total	Ongoing operations	Discontinued operations	Total
Year profit attributable to the owners of the parent company	30,476	—	30,476	21,366	—	21,366
Weighted average ordinary shares in circulation	1,516,047,516	1,516,047,516	1,516,047,516	1,498,750,991	1,498,750,991	1,498,750,991
Basic earnings per share	**0.0201**	**—**	**0.0201**	**0.0143**	**—**	**0.0143**

- ***Diluted***

Diluted earnings per share are calculated by adjusting the profit for the year attributable to the owners of the parent and the weighted average number of ordinary shares outstanding by all the inherent diluting effects of potential ordinary shares.

The parent does not have different classes of partially diluted ordinary shares.

14.5. Dividends

Dividends distributed to the Company's shareholders are recognised as a liability in the Consolidated Annual Accounts of the Prosegur CASH Group in the year in which the dividends are approved by the Shareholders General Meeting. Interim dividends will also result in a liability in the Prosegur CASH Group's Consolidated Annual Accounts in the year in which the payment on account is approved by the Board of Directors.

15. Provisions

Details of the balance and changes under this heading for the six-month period ended 30 June 2021 are as follows:

Thousands of Euros	Occupational risks	Legal risks	Employee benefits	Other risks	Total
Balance at 1 January 2021	**33,131**	**8,402**	**12,939**	**62,187**	**116,659**
Provisions charged against the income statement	961	609	—	5,227	**6,797**
Reversals credited to the income statement	(3,367)	(400)	—	(2,184)	**(5,951)**
Applications	(2,808)	(259)	—	(2,548)	**(5,615)**
Financial effect of discounting	433	546	—	464	**1,443**
Business combinations (Note 19)	—	147	—	—	**147**
Disposal of the scope of consolidation (Note 3)	(289)	—	—	(552)	**(841)**
Translation differences	1,228	550	631	3,628	**6,037**
Transfers	—	—	—	(4,200)	**(4,200)**
Balance at 30 June 2021	**29,289**	**9,595**	**13,570**	**62,022**	**114,476**
Non-Current 2021	29,289	9,595	13,570	61,067	113,521
Current 2021	—	—	—	955	955

a) *Occupational risks*

The provisions for occupational risks, which amount to EUR 29,289 thousand at 30 June 2021 (at 31 December 2020: EUR 33,131 thousand), are calculated individually based on the estimated probability of success or failure. Said probability is determined by the various law firms that work with the Prosegur CASH Group. In addition, an internal review is carried out of the probabilities of reaching agreements in each of the cases, based on past experience, in order to arrive at the final provision to be recorded.

The provision for occupational risks includes mainly provisions linked to labour legal cases in Brazil, which include lawsuits brought by former and current employees of the Prosegur CASH Group. The characteristics of labour legislation in that country result in such processes becoming drawn out, and has led to a provision in 2021 of EUR 14,054 thousand (31 December 2020: EUR 17,851 thousand).

This heading also includes a provision for EUR 2,336 thousand (31 December 2020: EUR 2,116 thousand) associated with the business combination with Transpev.

b) *Legal risks*

The provisions for legal risks, which amount to EUR 9,595 thousand (31 December 2020: EUR 8,402 thousand), correspond mainly to civil claims which are analysed on a case-by-case basis. They include mainly lawsuits in Brazil. The settlement of these provisions is highly probable, but both the value of the final settlement as well as the moment are uncertain and depend upon the outcome of the processes under way. There are no significant legal risks.

c) *Employee benefits*

As indicated in Note 5.2 of the Consolidated Annual Accounts for the year ended 31 December 2020, Prosegur CASH maintains defined benefit schemes in Germany, Brazil, Honduras, Nicaragua, El Salvador, Ecuador and Mexico. The actuarial valuation, carried out by qualified actuaries, of the value of the benefits to which the Company is committed is updated annually, with the last update at the end of 2020 applicable to the current period.

The defined benefit schemes of Central America have by law obligations under these schemes arising from the termination of employment contracts by dismissal or following a mutual agreement.

The defined benefit schemes in Germany consist of pension and retirement schemes. In Brazil they consist of post-employment healthcare compliant with local legislation (Act 9656).

d) *Other risks*

The provision for other risks, amounting to EUR 62,022 thousand at 30 June 2021 (EUR 62,187 thousand at 31 December 2020), includes all types of risks except those mentioned above.

The settlement of these provisions is highly probable, but both the value of the final settlement as well as the moment are uncertain and depend upon the outcome of the processes under way.

We list the most significant ones below:

Tax risks

These refer mainly to tax risks in Brazil and Argentina, amounting to EUR 54,964 thousand (EUR 49,745 thousand at 31 December 2020).

The tax risks associated with Brazil are linked to various items, mainly with direct and indirect municipal and state tax charges, as well as provisions linked to the combination of the Nordeste and Transpev business from previous years. In Argentina they relate to various amounts that are not individually material, linked mainly to municipal and provincial taxes.

Tax risks are classified as material on the basis of opinions in external studies according to the analysis of case law in the matter of reference. Moreover, internal analysis are conducted based on similar cases that have occurred in the past or at other companies.

At each close of quarter, a detailed analysis of each of the tax contingencies is made. This analysis refers to quantification, qualification and the level of provision associated with the risk. An annual letter with the respective analysis and assessment by an independent expert is used to determine these parameters in the most significant risks. On that basis, the provision to be recognised in the Consolidated Annual Accounts is duly adapted.

Comcare Australia

In the first half of 2021, payments were made for commitments associated with the occupational accident insurance plan in Australia amounting to EUR 271 thousand, resulting in a total provision of EUR 2,297 thousand (31 December 2020: EUR 2,498 thousand), of which EUR 334 thousand are due in the short term (31 December 2020: EUR 427 thousand).

Accruals with personnel

These provisions include the accrued incentive in the 18-20 Plan, the 21-23 Plan and the Long-Term Incentive Retention Plan for the Executive President, Executive Director and Senior Management of Prosegur CASH. During the year, provisions to profit/(loss) amounted to EUR 2,920 thousand (30 June 2020: EUR 889 thousand), resulting in a total provision of EUR 2,171 thousand. Expenses are included under the heading on wages and salaries in Note 6.

As detailed in Note 33.19 of the Consolidated Annual Accounts for the year ended 31 December 2020, the 18-20 Plan is generally linked to the creation of value during the 2018-2020 period and envisages the payment of cash incentives, calculated for certain beneficiaries based on the share price. In the vast majority of cases, the Plan measures target achievement from 1 January 2018 until 31 December 2020 and length of service from 1 January 2018 until 31 May 2023.

The 21-23 Plan is generally linked to the creation of value in the 2021-2023 period and envisages the payment of cash incentives, calculated for certain beneficiaries based on the share price. In the vast majority of cases, the Plan measures target achievement from 1 January 2021 until 31 December 2023 and length of service from 1 January 2021 until 31 May 2026.

For both plans, for the purpose of determining the value of each share to which the beneficiary is entitled, the average quotation price of Prosegur CASH shares on the Stock Exchange will be taken as reference during the last fifteen trading sessions of the month prior to the one in which the shares must be delivered.

The Retention Plan, which is linked to ensuring adequate talent retention and promoting the digital transformation of the CASH Group for 2021-2023, was also approved in 2021. The plan envisages the payment of share incentives. The period of measurement covers for most cases from 1 January 2021 to 31 December 2023. The first payment in shares will be in October 2022, the second in October 2023 and the final one in October 2024. The CASH Group recognises a straight-line expense in the income statement during the measurement period of the Plan, as well as the corresponding increase in equity, based on the fair value of the shares committed when the Plan was granted. The fair value of the shares at the moment of the granting was EUR 0.695 per share.

At 30 June 2021, the positive impact on retained earnings and other reserves of the equity was EUR 897 thousand.

During the first half of 2021, a total amount of EUR 2,080 thousand associated with the last payment of the 18-20 Plan was settled.

Quantification of the total incentive will depend on the degree of achievement of the targets established in line with the strategic plan.

16. Financial liabilities

Details of the balances of this heading under the consolidated statement of financial position at 30 June 2021 and 31 December 2020 are as follows:

Thousands of Euros	30 June 2021		31 December 2020	
	Non-current	**Current**	**Non-current**	**Current**
Debentures and other negotiable securities	596,010	3,361	595,576	7,471
Bank borrowings	86,368	86,907	195,616	123,879
Credit accounts	—	11,240	—	17,481
Other payables	51,686	37,350	35,337	37,721
	734,064	**138,858**	**826,529**	**186,552**

The most significant items that make up the balance at 31 December 2020 are detailed in Note 23 of the Consolidated Annual Accounts for the year ended on that date.

The financial liabilities associated with the application of IFRS 16 have been recorded under the heading on lease liabilities (Note 10) for a total amount of EUR 84,419 thousand (EUR 80,366 thousand at 31 December 2020).

During the six-month period ended 30 June 2021 there has been no default or non-compliance with any agreement regarding the loans and credit facilities granted to Prosegur CASH.

Syndicated credit facility (Spain)

On 10 February 2017 Prosegur CASH arranged a five-year syndicated credit financing facility of EUR 300,000 thousand to provide the company with long-term liquidity. On 7 February 2019 this syndicated credit facility was renewed, and its maturity extended by another 5 years. In February 2020 the maturity was extended until February 2025. Additionally, in February 2021, the maturity was extended again until February 2026.

At 30 June 2021, no amount of this credit facility had been drawn down (EUR 155,000 thousand at 31 December 2020).

The interest rate of the drawdowns under the syndicated financing facility is equal to Euribor plus an adjustable spread based on the Company's rating.

Debentures and other negotiable securities

On 4 December 2017 Prosegur CASH, issued uncovered bonds for EUR 600,000 thousand maturing on 4 February 2026. The issue was made in the Euromarket as part of the Euro Medium Term Note Programme. This issue will enable the deferment of maturities of the debt of Prosegur CASH and the diversification of funding sources. The bonds are traded on the secondary market, on the Irish Stock Exchange. They accrue an annual coupon of 1.38% payable at the end of each year.

Bailment

Prosegur CASH in Australia has signed an agreement for the supply of cash to automated teller machines belonging to Prosegur CASH. The cash is, according to the contract, owned by the provider. Prosegur CASH has access to this money for the sole purpose of loading cash into the ATMs belonging to it, supplied by this contract. The settlement of the assets and liabilities is carried out via regulated clearing systems, such as the right of set-off of balances. As a result of the foregoing, no assets and liabilities are shown in these consolidated financial statements for this item. The amount of outstanding cash at 30 June 2021 was AUD 154,827 thousand (equivalent to EUR 97,683 thousand); at 31 December 2020 it was AUD 251,833 thousand (equivalent to EUR 158,245 thousand).

Syndicated loan (Australia)

On 28 April 2017, Prosegur CASH, via its subsidiary Prosegur Australia Investments Pty, arranged a syndicated credit financing facility in the amount of AUD 70,000 thousand. The first maturity was in the first half of 2021 for AUD 10,000 thousand. The second and third will be in 2022 and 2023. At 30 June 2021, the drawn down capital corresponding to the loan was AUD 60,000 thousand (equivalent at the end of the first half of 2021 to: EUR 37,855 thousand).

Loan in Peru

On 2 June 2021, Prosegur CASH, via its subsidiary in Peru Prosegur Compañía de Seguridad SA, arranged a financing operation in the amount of 300,000 thousand Peruvian sol for a five-year term. At 30 June 2021, the drawn down capital was 300,000 thousand Peruvian sol (equivalent at the end of the first half of 2021 to: EUR 65,298 thousand).

Other payables

The most significant items that make up the balance at 31 December 2020 are detailed in Note 23 of the Consolidated Annual Accounts for the year ended on that date.

At 30 June 2021, other payables mainly relate to pending payments of business combinations.

17 Taxation

Prosegur CASH consolidates as part of the Prosegur Tax Group in Spain. As well as Prosegur Compañía de Seguridad, S.A., as the parent, this Consolidated Tax Group also comprises the Spanish subsidiaries that meet the requirements set out in regulations governing consolidated taxation. Moreover, the Prosegur CASH Group, files consolidated corporate income tax returns in the following countries: Luxembourg, Portugal and Australia.

	Thousands of Euros	
	Period ended 30 June	
	2021	2020
Current tax	45,751	23,038
Deferred tax	(14,894)	(2,138)
Total	**30,857**	**20,900**

	Thousands of Euros	
	Period ended 30 June	
	2021	2020
Expense from income tax	30,857	20,900
Profit/(loss) before tax	61,333	42,266
Effective rate	**50.31 %**	**49.45 %**

The effective tax rate was 50.31% in the first half of 2021, compared with 49.45% in the same period the previous year, an increase of 0.86 percentage points.

Tax expense is recognised in the interim accounting period based on the best estimate of the weighted average effective tax rate expected for the annual accounting period. The amounts calculated for the tax expense, in this interim accounting period, may need adjustments in subsequent periods provided that the estimates of the effective annual rate have changed by then.

On 4 April 2019 the Brazilian Tax Authority notified Prosegur Brasil S.A. Transportadora de Valores e Segurança of a tax settlement decision regarding Corporate Income Tax, Social Security and withholdings at source in relation to the corporate cost incurred from 2014 to 2016. The amount under that notice was BRL 214,820 thousand (tax liability BRL 102,938 thousand, interest BRL 30,833 thousand and penalties BRL 81,049 thousand), equivalent at 30 June 2019 to EUR 49,371 thousand. The resolution was challenged by the subsidiary in the administrative stage on 29 April 2019, having been partially admitted by the Brazilian authority on 26 August 2019. Against said resolution, the subsidiary decided to lodge an appeal to the CARF (Conselho Administrativo de Recursos Fiscais). That appeal is awaiting a decision. The Company has not established any provision associated with that lawsuit since it considers unlikely the chances of failure in the defence of that process, having for this purpose two external tax opinions to support that consideration. Additionally, a bilateral valuation agreement (MAP) from the Central Unit of Major Taxpayers of the Spanish Administration has been requested, in order to reach an agreement between the administrations that eliminates the double taxation that the action of the Receita Federal seeks to generate.

Due to the different interpretations that could be made of the fiscal legislation in force, additional tax liabilities could arise in the event of inspection. In any event, the Directors of the Company do not consider that any such liabilities that could arise would have a significant effect on the Consolidated Annual Accounts.

18. Contingencies

Note 26 of the Consolidated Annual Accounts for the year ended 31 December 2020 provides information on contingent assets and liabilities at that date.

National Commission on Markets and Competition

Sanctioning file

On 22 April 2015, Spain's National Commission on Markets and Competition (hereinafter, the CNMC) commenced disciplinary proceedings against Prosegur, Prosegur Servicios de Efectivo España, S.L.U. (currently a subsidiary of Prosegur CASH) and Loomis España, S.A. for alleged anticompetitive practices in accordance with European Union legislation. On 10 November 2016, the Competition Chamber of the CNMC ruled to fine Prosegur and its subsidiary EUR 39,420 thousand.

On 13 January 2017, Prosegur announced it planned to file, in the National Court (Audiencia Nacional), a contentious-administrative appeal against said ruling and requested the adoption of an interim measure consisting of suspending payment of the fine imposed.

On 13 February 2017, the National Court accepted the appeal proposed by Prosegur for processing, commencing the relevant proceedings, prior to formal filing of the appeal. Prosegur made the corresponding appeal on 6 September 2018.

By Order of 12 July 2017 -after the provision of the mandatory surety bond by Prosegur, by presenting a bank guarantee for the amount of EUR 39,420 thousand on 9 June 2017-, the National Court granted the precautionary suspension of the payment of the fine.

On 10 June 2019, Prosegur was notified of the Court Order declaring the proceedings to be concluded, with a vote and decision pending on them when their turn for this arrives.

On-site inspection of the CNMC at PROSEGUR's headquarters

On 10, 11 and 12 February 2015, the CNMC's Competition Directorate (DC) carried out inspections at the headquarters of Prosegur Compañía de Seguridad, S.A. and Prosegur Servicios de Efectivo España, S.L.

On 20 February 2015, Prosegur filed an administrative appeal before the CNMC Council against the inspection proceedings of the DC. On 18 May 2018, the National Court dismissed the contentious-administrative appeal filed by Prosegur against the resolution of the Competition Chamber of the CNMC Council of 9 April 2015, by which it was agreed to dismiss the internal appeal against the Investigation Order of 4 February 2015 issued by the CNMC's Competition Directorate and subsequent inspections.

A cassation appeal was filed before the Supreme Court against the ruling of the National Court but was dismissed by the order of 8 January 2019, as it did not have annulment interest, and this was made final.

Finally, on 11 September 2019, Prosegur filed an appeal for constitutional protection against the CNMC Investigation Order and the inspection proceedings, the Resolution on the Investigation Order, the Ruling on the appeal against the Investigation Order that was made final after the Order of the Supreme Court and the Petition for Nullity. By Order of 16 June 2020, the Second Chamber of the Constitutional Court agreed not to accept the appeal for constitutional protection presented by Prosegur for not considering it to have the special constitutional significance which, as a condition for its acceptance, the law requires. Whereby in 2020 the possibility of any legal appeals concluded.

Prosegur Compañía de Seguridad, S.A. will exclusively and at its own expense assume the defence of Prosegur and Prosegur Servicios de Efectivo España S.L., having sole power regarding the directing and control of that defence and of the lawsuit.

19. Business combinations

19.1. Goodwill added in 2021

Details of changes in goodwill during the first half of 2021 are presented in Note 10.2.

Details of the net assets acquired and goodwill recognised on business combinations during the first half of 2021 are as follows:

Thousands of Euros	Cash payment	Deferred at fair value	**Total purchase price**	Fair value of identifiable net assets	**Goodwill**
Business combinations in LatAm (1)	24,057	25,518	49,575	**9,313**	**40,262**
	24,057	25,518	49,575	9,313	40,262

(1) Calculations relating to business combinations are provisional and may be adjusted for up to a year from the acquisition date.

Goodwill is not tax deductible.

The cash outflow incurred to purchase these business, net of cash acquired, is as follows:

Thousands of Euros	Cash payment	**Cash and cash equivalents acquired**	Cash outflow in acquisition
Business combinations in LatAm (1)	24,057	(6,058)	**17,999**
	24,057	(6,058)	17,999

(1) Calculations relating to business combinations are provisional and may be adjusted for up to a year from the acquisition date.

Business combinations in LatAm

During the first half of 2021, Prosegur acquired a number of security companies in LatAm providing auxiliary banking services. The total purchase price was EUR 49,575 thousand, comprising a cash consideration of EUR 24,057 thousand, a deferred contingent consideration amounting to a total of EUR 13,151 thousand, due in 2022 and 2023 and a deferred payment of EUR 12,367 thousand, due in 2022.

The assets and liabilities that arose from this acquisition are as follows:

(Thousands of Euros)	Carrying amount of the business acquired	Fair value
Cash and cash equivalents	6,058	6,058
Property, Plant and Equipment	4,008	4,008
Inventories	338	338
Clients and other receivables	9,208	9,208
Suppliers and other payables	(9,704)	(9,704)
Current tax assets	1,395	1,395
Current tax liabilities	(1,273)	(1,273)
Non-current financial assets	353	353
Other intangible assets	3,495	3,495
Provisions	(147)	(147)
Long-term financial liabilities	(4,739)	(4,739)
Deferred tax asset	321	321
Identifiable net assets acquired	**9,313**	**9,313**

The goodwill on this acquisition has been allocated to the LatAm segment and mainly reflects the profitability of the business and major synergies expected to arise as a result of the acquisition by Prosegur CASH.

19.2. Goodwill added in 2020 whose valuation is being reviewed in 2021

At 30 June 2021, there were no net assets acquired and goodwill recognised on additions during 2020 whose valuation is being reviewed in 2021.

19.3. Goodwill added in year 2020 not reviewed in 2021

Details of the net assets acquired and goodwill recognised on business combinations during 2020 whose valuation has not been reviewed in 2021 are as follows:

Thousands of Euros	Cash payment	Deferred at fair value	**Total purchase price**	Fair value of identifiable net assets	**Goodwill**
Business combinations in LatAm (1)	24,816	50,863	**75,679**	15,747	**59,932**
Business combinations in Europe (1)	2,247	3,854	**6,101**	3,083	**3,018**
Business combinations in AOA (1)	10,454	—	**10,454**	10,346	**108**
	37,517	**54,717**	**92,234**	**29,176**	**63,058**

(1) Calculations relating to business combinations are provisional and may be adjusted for up to a year from the acquisition date.

Goodwill is not tax deductible.

The cash outflow incurred to purchase these business, net of cash acquired, is as follows:

Thousands of Euros	Cash payment	Cash and cash equivalents acquired	**Cash outflow in acquisition**
Business combinations in LatAm (1)	24,816	(6,661)	18,155
Business combinations in Europe (1)	2,247	(227)	2,020
Business combinations in AOA (1)	10,454	—	10,454
	37,517	**(6,888)**	**30,629**

(1) Calculations relating to business combinations are provisional and may be adjusted for up to a year from the acquisition date.

Business combinations in LatAm

During 2020, Prosegur CASH acquired a number of security companies in LatAm providing securities logistics, cash in transit and ancillary banking services. The total purchase price was EUR 75,679 thousand, comprising a cash consideration of EUR 24,816 thousand, a deferred contingent consideration amounting to a total of EUR 27,691 thousand, due in 2020 and 2024 and a deferred payment of EUR 23,172 thousand, due in 2020, 2021, 2022, 2023, 2024 and 2025.

The assets and liabilities that arose from this acquisition are as follows:

(Thousands of Euros)	Carrying amount of the business acquired	Fair value
Cash and cash equivalents	6,661	6,661
Property, plant and equipment (Note 11)	16,191	16,191
Inventories	199	199
Deferred tax assets	7,271	7,271
Current tax liabilities	(105)	(105)
Current tax assets	1,017	1,017
Clients and other receivables	10,228	10,228
Suppliers and other payables	(15,347)	(15,347)
Provisions	(24,014)	(24,014)
Rights of use (Note 12)	108	108
Long-term lease liabilities	(33)	(33)
Short-term lease liabilities	(75)	(75)
Other intangible assets	33	40,154
Other current liabilities	(33)	(33)
Deferred tax liabilities	(454)	(7,962)
Short-term financial liabilities	(13,257)	(13,257)
Long-term financial liabilities	(5,256)	(5,256)
Identifiable net assets acquired	**(16,866)**	**15,747**

The goodwill on this acquisition was allocated to the LatAm segment and mainly reflects the profitability of the business and major synergies expected to arise as a result of the acquisition by Prosegur CASH. The intangible assets acquired comprise client relationships (EUR 40,121 thousand) with a useful life between 12 and 20 years.

Business combinations in Europe

During the 2020 financial year, Prosegur acquired a company in Europe that provides on-line purchase and sale services through a web platform that connects sellers with end clients. The total purchase price was EUR 6,101 thousand, comprising a cash payment of EUR 2,247 thousand, and a deferred contingent consideration totalling EUR 3,854 thousand maturing in 2023 and 2025.

The assets and liabilities that arose from this acquisition are as follows:

(Thousands of Euros)	Carrying amount of the business acquired	Fair value
Cash and cash equivalents	227	227
Current tax assets	49	49
Clients and other receivables	87	87
Suppliers and other payables	(54)	(54)
Non-current financial assets	4	4
Other intangible assets	3	3,692
Deferred tax liabilities	—	(922)
Identifiable net assets acquired	**316**	**3,083**

The goodwill on this acquisition was allocated to the Cash segment and to the Europe geographical area and mainly reflects the profitability of the business and major synergies expected to arise as a result of the acquisition by Prosegur. The intangible assets acquired comprise other intangible assets (EUR 3,172 thousand) with a useful life of 10 years, and trademarks (EUR 517 thousand) with an indefinite useful life.

Business combinations in AOA

In 2020, Prosegur acquired assets relative to cash in transit services. The total purchase price was EUR 10,454 thousand, entirely comprising a cash payment.

The assets and liabilities that arose from this acquisition are as follows:

(Thousands of Euros)	Carrying amount of the business acquired	Fair value
Property, plant and equipment (Note 11)	6,368	6,368
Other intangible assets	—	3,978
Identifiable net assets acquired	**6,368**	**10,346**

The goodwill on this acquisition was allocated to the AOA segment and mainly reflects the profitability of the business and major synergies expected to arise as a result of the acquisition by Prosegur Cash. The intangible assets acquired comprise other intangible assets (EUR 3,978 thousand) with a useful life of 7 years.

20. Balances and transactions with related parties

The Prosegur CASH Group is controlled by Prosegur Compañía de Seguridad, S.A., a company which was incorporated in Madrid and holds 53.3% of the shares of the Company, directly and indirectly controlling the remaining 21.68%, through its subsidiary Prosegur Assets Management.

Balances with Prosegur Group companies

The Prosegur CASH Group holds balances with companies belonging to the Prosegur Group but not included in the consolidation scope of the Prosegur CASH Group:

(Thousands of Euros)	30 June 2021	31 December 2020
Short-term investments in Group companies and associates		
Credits	4,733	4,066
Trade and other receivables		
Clients	1,608	2,797
Advances for expenses	2,775	—
Other receivables	26,074	36,695
Total current assets with Prosegur Group companies	**35,190**	**43,558**
Total assets	**35,190**	**43,558**
Loans granted by group companies		
Dividends payable	22,466	44,932
Trade and other payables		
Suppliers	40,650	34,606
Other payables	166	—
Total current liabilities with Prosegur Group companies	**63,282**	**79,538**
Total liabilities	**63,282**	**79,538**

The Prosegur CASH Group performs transactions with companies belonging to the Prosegur Group but not included in the consolidation scope of the Prosegur CASH Group:

(Thousands of Euros)	30 June 2021	30 June 2020
Income		
Leases and supplies	556	262
Services rendered	717	243
Total income	**1,273**	**505**
Expense		
Brand (Note 5)	(8,968)	(8,964)
Management support services (Note 5)	(37,115)	(33,828)
Leases and supplies	(5,667)	(7,661)
Other expenses	(2,398)	(2,516)
Total expenses	**(54,148)**	**(52,969)**

Remuneration of members of the Board of Directors and key senior management personnel

1. Remuneration of members of the Board of Directors

Details of the remuneration accrued by members of the Board of Directors for all items during the six-month periods ended 30 June 2021 and 2020 are as follows:

	Thousands of Euros	
	30 June 2021	**30 June 2020**
Fixed remuneration	432	253
Variable remuneration	887	777
Remuneration for membership of the Board and Committee	2	2
Per diems	463	365
	1,784	**1,397**

2. Remuneration of Senior Management personnel:

Senior Management personnel are Prosegur CASH employees who hold, de facto or de jure, Senior Management positions reporting directly to the governing body or Executive Director, including those with power of attorney not limited to specific areas or matters or areas or matters not forming part of the entity's statutory activity.

The remuneration accrued by all the Senior Management personnel of Prosegur CASH for the six-month periods ended 30 June 2021 and 2020 is as follows:

	Thousands of Euros	
	30 June 2021	**30 June 2020**
Total remuneration accrued by Senior Management	1,800	1,870

The total commitment acquired by the Company at 30 June 2021 related to the 18-20 Plan and the 21-23 Plan is recorded in liabilities for a total amount of EUR 2,171 thousand.

Loans to related parties

At 30 June 2021 there were no loans to related companies.

Information required by article 229 of the Spanish Companies Act

As required by articles 228, 229 and 230 of the Revised Text of the Spanish Companies Act, approved by Royal Legislative Decree 1/2010 of 2 July 2010 and amended by Act 31/2014 concerning improvements to corporate governance, the members of the Board of Directors and their related parties declare that they have not been involved in any direct or indirect conflicts of interest with the Company during the first half of 2021.

Occasionally, and even before the appointment of Mr Daniel Guillermo Entrecanales Domecq as a Director of the Company, Revolution Publicidad, S.L. has provided Prosegur CASH with advertising agency, media, marketing and communication services, within the ordinary course of business and in market terms. Prosegur CASH does not work solely with the agency Revolution Publicidad, S.L., but receives advertising, media, marketing and communication services from other companies too. The invoicing from Revolution Publicidad, S.L. to Prosegur CASH is not material and does not represent a significant amount. At 30 June 2021, fees totalled EUR 24 thousand (EUR 19 thousand at 30 June 2020).

The Board of Directors considers that the business relationship between the agency Revolution Publicidad, S.L. and Prosegur CASH, due to its occasional, non-exclusive nature in the ordinary course of business, and its scant significance in the terms outlined, in no way affects the independence of Mr Daniel Guillermo Entrecanales Domecq to discharge the duties of Independent Director of Prosegur CASH.

Prosegur is controlled by Gubel S.L., which was incorporated in Madrid, and holds 59.37% of the shares of Prosegur, which consolidates Prosegur CASH in its consolidated financial statements. Also during the year, Prosegur CASH provided services to Gubel, S.L. amounting to EUR 9 thousand (at 30 June 2020 Prosegur CASH had not billed services to Gubel, S.L.).

During the year, Euroforum Escorial, S.A. (controlled by Gubel, S.L.) billed Prosegur CASH the amount of EUR 44 thousand for any services (at 30 June 2020 it had not billed services to Prosegur CASH).

Furthermore, Agrocinegética San Huberto, S.L. (controlled by Gubel, S.L.) had billed Prosegur CASH for EUR 60 thousand (at 30 June 2020 EUR 192 thousand).

Additionally, during the first half of 2021, Proactinmo, S.L.U. (controlled by Gubel, S.L.) invoiced Prosegur CASH for the rental of one property located in Madrid for EUR 900 thousand (at 30 June 2020: EUR 380 thousand for a property located in Madrid). This lease contract was formalised at market price.

Moreover, Mr Christian Gut Revoredo and Mr Antonio Rubio Merino respectively hold the posts of Executive Director of Prosegur and Executive President of Prosegur CASH and Proprietary Director (representing Prosegur) at Prosegur CASH. Ms Chantal Gut Revoredo is a Proprietary Director at Prosegur and Prosegur CASH. The Board of Directors considers that their respective posts at Prosegur in no way affect their independence when discharging their duties at Prosegur CASH.

21. Average headcount

Details of the average headcount of Prosegur CASH for the six-month periods ended 30 June 2021 and 30 June 2020, including the companies consolidated using the equity method, are as follows:

	30 June 2021	30 June 2020
Men	40,873	44,249
Women	11,235	12,638
	52,108	**56,887**

22. Events after the reporting date

On 6 July 2021, the deed for the reduction of share capital (and resulting by-law amendment) of the Company was registered in the Mercantile Registry of Madrid, relating to the reduction of capital through the redemption of 21,589,296 own shares of the Company, each with a par value of EUR 0.02, thus reducing the share capital by EUR 431,785.92, from EUR 30,890,719.58 to EUR 30,458,933.66. The capital reduction was carried out without refund of contributions and was made against free reserves by provisioning an unavailable voluntary reserve for the same amount as the capital reduction (that is EUR 431,785.92), in accordance with article 335 (c) of the Spanish Companies Act.

This capital reduction was approved by the Shareholders General Meeting of the Company held on 28 October 2020, under item thirteen of its agenda.

APPENDIX I. – Summary of the main accounting policies

The accounting policies used to prepare these condensed interim consolidated financial statements are the same as those applied in the consolidated annual accounts for the year ended 31 December 2020.

The Group intends to adopt modifications to the standards issued by the IASB, which are not mandatory in the European Union, when they come into force, if applicable. Although the Group is currently analysing their impact, based on the analyses carried out to date, the Group considers that their initial application will not have a significant impact on its condensed interim consolidated financial statements, except for the following amendments issued:

– Amendments to IFRS 3 - Business combinations These amendments, issued by the IASB in May 2020, aim to replace the reference to the 1989 Conceptual Framework with a reference to that of 2018, without significantly changing its requirements. The IASB also added an exception to the requirements of IFRS 3 to avoid possible gains or losses on “day 2” resulting from liabilities or contingent liabilities (within the scope of the IAS 37 or IFRIC 21) if incurred separately. At the same time, the IASB has decided to clarify the already existing guide of the IFRS 3 to recognise contingent liabilities that will not be affected by the references to the Conceptual Framework.

  These amendments are effective for periods that start 1 January 2022 or later, and are applied prospectively. The Group does not expect any impact from these amendments.

– Amendments to IAS 16 Property, plant and equipment: Amounts obtained prior to the intended use. These amendments, issued by the IASB in May 2020, prohibit deducting the amount of the sales obtained from the asset from the acquisition cost of the asset while it is taken to the place and conditions necessary for it to be able to operate in the manner foreseen by the Management. Instead, these amounts will be recorded in the income statement.

  These amendments are effective for periods that start on 1 January 2022 or later, and have to be applied retrospectively only to assets taken to the place and conditions necessary for them to be able to operate in the manner foreseen by the Management from the start of the first period presented in the financial statements in which they are applied for the first time. The Group does not expect any significant impact from these amendments.

– Amendments to IAS 37 Costs of fulfilling a contract. These amendments, issued by the ISAB in May 2020, detail the costs that entities have to include when evaluating whether a contract is onerous or in losses. The amendments propose a "direct cost approach". Costs related directly to a delivery of goods or service contract include both, incremental costs, as well as an allocation of those directly related to the contract. Administrative and general costs are not directly attributable to a contract, so they are excluded from the calculation unless they are explicitly attributable to the counterparty under the contract. These amendments are effective for periods that start 1 January 2022 or later.

PROSEGUR
CASH

Directors' interim consolidated report for the six-month period ended 30 June 2021

Prosegur Cash, S.A. and Subsidiaries.

Table of contents

Directors' interim consolidated report for the six-month period ended 30 June 2021

1. Events occurred since the end of 2020

Sale of certain areas of the added-value outsourcing services business (AVOS) for financial institutions and insurance companies, as well as its associated technology, to Prosegur Compañía de Seguridad, S.A.

On 31 March 2021, Prosegur CASH sold to its parent company, Prosegur Compañía de Seguridad, certain areas of the added value outsourcing processes and services business (AVOS) for financial institutions and insurance companies, as well as the associated technology.

The transaction is in response to the strategic decision, independently taken by Prosegur CASH to better achieve its business goals, to crystallise the current value of the business sold, freeing up resources and investment capacity to focus on other priority growth opportunities.

The transaction consisted of the sale of Prosegur CASH to Prosegur of 100% of the share capital of the holding company of the aforementioned business in Spain, Prosegur AVOS España, S.L.U., for a price of EUR sixty seven million less the net financial debt. This business represents, approximately, 85% of the operating profit/(loss) of the global business of Prosegur CASH in certain areas of activity, with the parties having agreed to jointly analyse and explore and in good faith the possibility of Prosegur CASH selling to Prosegur the rest of that business that it currently carries out in other countries, without there being any agreement on this.

The transaction has been reviewed by the Prosegur CASH Audit Committee which has confirmed that it is fair and reasonable from the Company's point of view and from the various Prosegur shareholders. For its part, KPMG Asesores has issued a fairness opinion for the Board of Directors of Prosegur CASH confirming that the aforementioned sales price is reasonable in financial terms for Prosegur CASH.

In light of the above, to adapt the Framework Agreement on relations between Prosegur and Prosegur CASH of 17 February 2017 to the new reality in terms of the development of the aforementioned added value outsourcing processes and services business (AVOS) for financial institutions and insurance companies, the parties have signed a non-extinguishing modifying novation contract of the Framework Agreement.

COVID-19

On 11 March 2020, the World Health Organization declared the outbreak of Coronavirus COVID-19 to be a pandemic.

More than a year has passed since this historical event, Prosegur CASH observes that the progress of vaccination campaigns is uneven in the countries where it operates and, therefore, some governments still continue to establish lockdowns and curfews to contain the advance of the pandemic. These measures, which restrict mobility, cause a contraction of the economy and have a direct impact on private consumption, which is the main driver of the CASH business.

Suspension of the Share Buyback Program

On February 23, 2021, the Company agreed to temporarily suspend the execution of the Prosegur CASH, S.A. treasury share buy-back program, which was approved by the Company's Board of Directors on June 3, 2020.

The Program was carried out with the purpose of amortizing them in execution of an agreement to reduce the Company's capital stock that was submitted to the approval of the General Shareholders' Meeting.

The Program affected a maximum of 45,000,000 shares, representing approximately 3% of Prosegur's capital stock (1,500,000,000 shares) (Note 14.2).

Approval of the New Share Buyback Program

Additionally, based on the resolution adopted by the Company's Board of Directors on February 23, 2021, the Company has implemented a new own share buy-back program, in order to comply with the commitments and obligations derived from the plans. remuneration in shares for executive directors and employees of the Company.

The Program has a maximum assigned amount of 28,000 thousand euros and a maximum number of shares to be acquired of up to 14,000,000 shares (Note 14.2).

2. Performance of the business

2.1. Sales by geographical segment

Prosegur CASH consolidated sales for the first half of 2021 amounted to EUR 692.4 million (at 30 June 2020: EUR 771.8 million), which is a total decrease of 10.3%. This decrease is due to the negative impact of the exchange rate, which is 13.3%, and lower inorganic growth of 0.4%, which have offset the organic growth of 3.5% experienced during the first half of the year.

Consolidated sales are distributed by geographical area as follows:

(Millions of Euros)	June 2021	June 2020	Variation
Europe	190.4	209.9	(9.3 %)
AOA	54.6	45.4	20.2 %
LatAm	447.4	516.5	(13.4 %)
Prosegur Cash Total	**692.4**	**771.8**	**(10.3 %)**

The decline in sales, due to the reduced activity resulting from the COVID-19 health crisis, was evidenced in all our geographical areas, a situation made worse by the fact that during the first few months of 2020 we operated at pre-pandemic levels, something that has not occurred during 2021.

In Europe, the decline was 9.3% compared to the same period the previous year, a result of lower organic growth of 2.5% and the transfer to Prosegur Compañía de Seguridad of certain areas of its added-value outsourcing services business for financial institutions and insurance companies, as well as the associated technology (Note 3).

However, sales in the AOA region increased by 20.2% as a result of the commercial effort made during the second half of 2020 and which has materialized in organic and inorganic growth of 10.6% and 7.0%, respectively. Additionally, the currency has contributed positively by 2.6%.

Finally, in LatAm the decline in sales was 13.4%, due to a lower activity and a negative effect of the exchange rate of 20.2%, which has been partially offset by growth in 6.8% of currency local.

2.2. Sales by business segment

Consolidated sales are distributed by business areas as follows:

(Millions of Euros)	June 2021	June 2020	Variation
Transport	378.3	458.5	(17.5) %
% of total	*54.6 %*	*59.4 %*	
Cash in Transit	166.0	173.0	(4.0) %
% of total	*24.0 %*	*22.4 %*	
New products	148.1	140.3	5.6 %
% of total	*21.4 %*	*18.2 %*	
Prosegur Cash Total	**692.4**	**771.8**	**(10.3) %**

2.3. Margins

EBITA for the first half of 2021 was EUR 90.6 million (at 30 June 2020: EUR 75.8 million). The EBITA margin at the end of the first half of 2021 was 13.1% (at 30 June 2020: 9.8%).

The EBITA margin is distributed by geographical areas as follows:

				At 30 June 2021
(Millions of Euros)	**Europe**	**AOA**	**LatAm**	**Prosegur Cash**
Sales	190.4	54.6	447.4	692.4
EBITA	16.3	(8.4)	82.7	90.6
EBITA margin	*8.6 %*	*(15.4) %*	*18.5 %*	*13.1 %*

				at 30 June 2021
(Millions of Euros)	**Europe**	**AOA**	**LatAm**	**Prosegur Cash**
Sales	209.9	45.4	516.5	771.8
EBITA	(1.4)	(7.2)	84.4	75.8
EBITA margin	*(0.7) %*	*(15.8) %*	*16.3 %*	*9.8 %*

2.4. Outlook for the second half of 2021

During the first half of 2021, Prosegur CASH operations continued to be negatively impacted by the COVID-19 pandemic, especially in Europe.

In this respect, the European governments of countries where we operate introduced new mobility restriction measures at the end of 2020 to contain the spread of the virus, which was noted in our level of activity and which has still not recovered pre-pandemic levels.

In LatAm, although lockdowns were more intermittent and selective, the delay in the vaccination campaigns is delaying the economic recovery, which continues to have a negative effect on the performance of LatAm currencies and investor sentiment towards the region.

Finally, in the AOA region, limitations on international tourism in countries like Australia, reduce the demand for leisure and services, resulting in a lower level of activity in our operations.

As a result, Prosegur CASH consolidated sales were impacted negatively due to the translation impact of the currency and because of the fewer services provided during the period. However, despite the above, our local currency growth was positive and slightly exceeded three percent, highlighting the intrinsic resilience of the business.

In terms of EBITA operating margin, the diverse efficiency programmes deployed in the past and extraordinary earnings derived from the divestment of our AVOS business in the first quarter of the year made it possible to offset the devaluation in LatAm currencies and lower income resulting from levels of activity already impacted by the lockdowns.

Regionally, our growth in sales in local currency in LatAm has remained close to seven percent. The essential nature of cash in the region, which still shows very low levels of banking, and our inorganic activity during the first quarter of 2020 and the second quarter of 2021, have partially offset the devaluation experienced by the principal currencies and the reduced services provided due to the lockdowns imposed to combat the pandemic.

LatAm's operating profit/(loss) during the first of the year is in line with that reported the previous year in absolute terms and is better in relative terms. Comparatively, the negative impact of the currency, the lower levels of activity and different mix of services is practically neutralised by the impact of restructuring costs incurred the previous year to launch diverse efficiency programmes.

For the second half of the year, attention needs to be paid to the progress with the vaccination campaigns and their potential economic impact, to the evolution of the various electoral processes that will take place in the region and the renegotiation of Argentine debt.

Europe has been penalised by very prolonged lockdown measures which only started to be relaxed in some countries towards the end of the first half of the year.

The AVOS business divestment, negative in terms of sales, has proved positive in terms of profitability, since it has enabled a capital gain improving the region's results compared to the previous year.

Given the exposure of our business to the banking sector and the retail business, the reopening of the different economies and greater mobility will be essential to recovering pre-pandemic billing and profitability levels. In this regard, just like the second half of last year, we are seeing a gradual recovery in our volumes as various economies return to normality and lockdown measures are relaxed.

The AOA region has also been affected by the reduced level of activity caused by mobility restrictions imposed by the authorities, especially those that affect international tourism. It will therefore be necessary for the different economies to reopen and restore their economic activity before we can see a recovery in our results.

Therefore, and although we have to be vigilant against possible new variants of the virus that may lead to additional restrictions, we hope that progress with the vaccination programme will underpin the recovery of economic activity and, therefore, our business during the second half of the year.

Finally, on 29 June, Prosegur CASH participated in the Prosegur Group's *Capital Markets Day* which illustrated the fundamental pillars of its new Strategic Plan 2021-2023 ("*Perform & Transform*"). With this the company aims to optimise its traditional businesses, while investing in the development of new products and new solutions that guarantee its future growth.

Prosegur CASH continues to show positive cash generation and has suitable liquidity levels for the current situation. In addition, Prosegur CASH is not subject to refinancing needs in the medium term, while its main debt maturities are concentrated in 2026.

3. Average headcount

Details of the average headcount of Prosegur CASH for the six-month periods ended 30 June 2021 and 30 June 2020 are as follows:

	30 June 2021	30 June 2020
Men	40,873	44,249
Women	11,235	12,638
	52,108	**56,887**

4. Investments

All of Prosegur CASH's investments are analysed by the corresponding technical and operating areas and the management control department, which estimate and examine the strategic importance, return period and yields of the investments before these are approved. Subsequently these are submitted to the Investment Committee for a final decision on whether to proceed with the investment. Investments in excess of EUR 1 million are submitted to the Board of Directors.

During the first half of 2021, investments in Property, Plant and Equipment were approved for EUR 24.5 million (at 30 June 2020: EUR 17.5 million).

5. Financial management

Prosegur CASH calculates net financial debt as follows: total current and non-current borrowings (excluding other non-bank payables) plus net derivative financial instruments, minus cash and cash equivalents, and minus other current financial assets.

Net financial debt at 30 June 2021 amounted to EUR 542.2 million (at 31 December 2020: EUR 538.2 million).

- The ratio of net financial debt to equity was 4.11 at 30 June 2021 (at 31 December 2020: 6.71).

6. Own shares

Details of changes in own shares during the first half of 2021 are as follows:

	Number of shares	Millions of Euros
Balance at 31 December 2020	**23,436,659**	**18.26**
Purchase of own shares	14,414,284	11.41
Other awards	(17,100)	(0.01)
Balance at 30 June 2021	**37,833,843**	**29.66**

7. Innovation

In the Strategic Plan 2018-2020, Prosegur CASH set as an objective to continue strengthening its leadership in the industry through three basic pillars: Digitisation, Innovation and Growth. Through the different initiatives that the company has launched as part of an ambitious Digital Transformation Plan, technology is now no longer an instrument but rather an intrinsic part of the activity.

To promote innovation, Prosegur CASH supports all collaborators in the transformation process through the use of new work and collaboration tools such as "agile" or "design thinking"; it fosters a suitable internal culture with communication and training plans for all employees, and develops its own ecosystem through open innovation programmes and other collaboration models with technology partners (from start-ups to leading global companies in their field).

Innovation has become a cornerstone of the Company's future business. In 2020, Prosegur CASH invested EUR 6.0 million in projects certified as Technological Innovation by the governments of the countries in which it operates, which means that it maintains the investment made in those projects in relation to 2018. Likewise, throughout the 2018-2020 Plan, over EUR 5.8 million have been invested directly in innovative start-ups with technological solutions that are quickly incorporated into the range of services and solutions for clients.

This commitment to innovation and digital transformation continues with the new Strategic Plan 2021-2023. In this respect, Prosegur CASH continues to promote and improve the services offered through Cash Today, a product that has seen a growth of more than 22% in the last year with a significant stake on the instant depositing in the client's account of the cash placed in the machines. Additionally, the CASH Group continues to expand its fleet of hybrid armoured vehicles as well as the development of Prosegur Crypto, the first digital assets storage model that combines Prosegur's physical security infrastructures and protocols with the latest cryptographic and cybersecurity technologies.

8. Alternative Performance Measures

In order to comply with ESMA Guidelines on APMs, Prosegur CASH presents this additional information to enhance the comparability, reliability and understanding of its financial reporting. The Company presents its profit/(loss) in accordance with International Financial Reporting Standards (IFRS). However, Management considers that certain alternative performance measures provide additional useful financial information that should be taken into consideration when assessing its performance. Management also uses these APMs to make financial, operating and planning decisions, as well as to assess the Company's performance. Prosegur CASH provides those APMs it deems appropriate and useful for users to make decisions and those it is convinced represent a true and fair view of its financial information.

APM	Definition and calculation	Purpose
Working capital	This is a finance measure that represents the operating liquidity available for the Company. Working capital is calculated as current assets less current liabilities plus deferred tax assets less deferred tax liabilities less non-current provisions.	Positive working capital is necessary to ensure that the Company can continue its operations and has sufficient funds to cover matured short-term debt as well as upcoming operating expenses. Working capital management consists of the management of inventories, accounts payable and receivable and cash.
EBIT margin	The EBIT margin is calculated by dividing the operating profit/(loss) of the company by the total figure of revenue.	The EBIT margin provides the profitability obtained of the total revenue accrued.
Organic Growth	Organic growth is calculated as an increase or decrease of income between two periods adjusted by acquisitions and disinvestments and the exchange rate effect.	Organic growth provides the comparison between years of the growth of the revenue excluding the currency effect.
Inorganic Growth	The Company calculates inorganic growth for a period as the sum of the revenue of the companies acquired. The income from these companies is considered inorganic for 12 months following their acquisition date.	Inorganic growth provides the growth of the company by means of new acquisitions or disinvestments.
Exchange rate effect	The Company calculates the exchange rate effect as the difference between the revenue for the current year less the revenue for the current year using the exchange rate of the previous year.	The exchange rate effect provides the impact of currencies on the revenue of the company.
Cash flow translation rate	The Company calculates the cash translation rate as the difference between EBITDA less the CAPEX on EBITDA.	The cash flow conversion rate provides the cash generation of the Company.
Net Financial Debt	The Company calculates financial debt as the sum of the current and non-current financial liabilities (including other payables corresponding to deferred M&A payments and financial liabilities with Group companies) minus cash and cash equivalents, minus current investments in group companies and minus other current financial assets.	The net debt provides the gross debt less cash in absolute terms of a company.
EBITA	EBITA is calculated on the basis of the consolidated profit/(loss) for the period without including the profit/(loss) after taxes from discontinued operations, taxes on earnings, financial income or costs, or depreciations of Goodwill or the amortisation of intangible assets, but including the depreciation of computer software.	The EBITA provides an analysis of earnings before taxes, tax burden and amortisation of intangible assets.
EBITDA	EBITDA is calculated on the basis of the consolidated profit/(loss) for the period for a company, excluding earnings after taxes from discontinued operations, income taxes, financial income or costs, and amortisation expenses or depreciation on goodwill.	The purpose of the EBITDA is to obtain a fair view of what the company is earning or losing in the business itself. The EBITDA excludes variables not related to cash that may vary significantly from one company to another depending upon the accounting policies applied. Amortisation is a non-monetary variable and thereof of limited interest for investors.

Working capital (in millions of Euros)	**30/06/2021**	**31/12/2020**
Inventories	11.5	9.8
Clients and other receivables	284.8	275.3
Receivables with Prosegur Group	35.2	43.6
Current tax assets	39.4	54.0
Current financial assets	2.2	1.2
Cash and cash equivalents	241.8	401.8
Deferred tax assets	51.4	45.5
Suppliers and other payables	(303.6)	(326.9)
Current tax liabilities	(59.0)	(66.8)
Non-current financial liabilities	(138.9)	(186.6)
Accounts payable with Prosegur Group	(63.3)	(79.5)
Other current liabilities	(10.1)	(8.8)
Deferred tax liabilities	(48.8)	(48.1)
Provisions	(114.5)	(116.7)
Total Working Capital	**(71.9)**	**(2.3)**

EBIT (In millions of euros)	**30/06/2021**	**30.06.2020**
EBIT	80.7	65.6
Revenue	692.4	771.8
EBIT margin	**11.7 %**	**8.5 %**

Organic Growth (in millions of Euros)	**30/06/2021**	**30.06.2020**
Revenue current year	692.4	771.8
Less: revenue previous year	771.8	888.4
Less: Inorganic Growth	(3.2)	8.2
Exchange rate effect	(102.9)	(168.6)
Total Organic Growth	**26.7**	**43.8**

Inorganic Growth (in millions of Euros)	**30/06/2021**	**30.06.2020**
Europe	(14.2)	(15.6)
AOA	3.2	2.1
LatAm	7.8	21.7
Total Inorganic Growth	**(3.2)**	**8.2**

Exchange Rate Effect (in millions of Euros)	**30/06/2021**	**30/06/2020**
Revenue current year	692.4	771.8
Less: Revenue from the year underway at the exchange rate of the previous year	795.3	940.4
Exchange rate effect	**(102.9)**	**(168.6)**

Cash Flow Translation Rate (in millions of Euros)	**30/06/2021**	**30/06/2020**
EBITDA	136.6	119.7
CAPEX	29.0	30.4
Translation Rate (EBITDA - CAPEX / EBITDA)	79 %	75 %

Net financial debt (In millions of Euros)	**30/06/2021**	**31/12/2020**
Financial liabilities	872.9	1,013.1
Plus: Finance lease liabilities and others	81.1	79.5
Adjusted financial liabilities (A)	954.0	1,092.6
Non-bank borrowings with Group (B)	—	—
Cash and cash equivalents	(241.8)	(401.8)
Less: adjusted cash and cash equivalents (C)	(241.8)	(401.8)
Less: Own shares (D)	(32.4)	(18.7)
Total Net Financial Debt (A+B+C+D)	**679.9**	**672.1**
Less: other non-bank borrowings (E)	(85.7)	(72.2)
Plus: Own shares (F)	32.4	18.7
Less: Financial debt from lease payments (G)	(84.4)	(80.4)
Total Net Financial Debt (excluding other non-bank borrowings referring to deferred M&A payments and financial debt from lease payments) (A+B+C+D+E+F+G)	**542.2**	**538.2**

EBITA (In millions of euros)	**30/06/2021**	**30/06/2020**
Consolidated profit/(loss) for the year	30.5	21.4
Income taxes	30.9	20.9
Net financial income/(expense)	19.4	23.3
Depreciation and amortisation	9.8	10.3
EBITA	**90.6**	**75.8**

EBITDA (In millions of euros)	**30/06/2021**	**30/06/2020**
Consolidated profit/(loss) for the year	30.5	21.4
Income taxes	30.9	20.9
Net financial income/(expense)	19.4	23.3
Depreciation, amortisation and impairment	55.8	54.1
EBITDA	**136.6**	**119.7**

9. Subsequent events

On 6 July 2021, the deed for the reduction of share capital (and resulting by-law amendment) of the Company was registered in the Mercantile Registry of Madrid, relating to the reduction of capital through the redemption of 21,589,296 own shares of the Company, each with a par value of EUR 0.02, thus reducing the share capital by EUR 431,785.92, from EUR 30,890,719.58 to EUR 30,458,933.66. The capital reduction was carried out without refund of contributions and was made against free reserves by provisioning an unavailable voluntary reserve for the same amount as the capital reduction (that is EUR 431,785.92), in accordance with article 335 (c) of the Spanish Companies Act.

This capital reduction was approved by the Shareholders General Meeting of the Company held on 28 October 2020, under item thirteen of its agenda.

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL REPORT OF THE FIRST HALF OF 2021

The members of the Board of Directors of Prosegur CASH, S.A. state, to the best of their knowledge, that the financial information selected from Prosegur CASH, S.A., as well as the condensed interim consolidated financial statements of Prosegur CASH, S.A. and their subsidiaries, for the first half of 2021, drawn up by the Board of Directors, at its meeting of 27 July 2021, and prepared in accordance with the applicable accounting principles, provide a true and fair view of the assets, financial position and the profit/(loss) of Prosegur CASH, S.A., as well as of the subsidiaries included in the consolidation scope, taken as a whole, and that the respective directors' interim reports include a reliable analysis of the information required.

Madrid, 27 July 2021

Mr Christian Gut Revoredo
Executive President

Mr Pedro Guerrero Guerrero
Vice-President

Mr José Antonio Lasanta Luri
Executive Director

Ms Chantal Gut Revoredo
Director

Mr Antonio Rubio Merino
Director

Mr Claudio Aguirre Pemán
Director

Ms María Benjumea Cabeza de Vaca
Director

Ms Ana Inés Sainz de Vicuña Bemberg
Director

Mr Daniel Guillermo Entrecanales Domecq
Director

Proceeding to record that the Board of Directors of Prosegur CASH, S.A. in the meeting held in Madrid on 27 July 2021 has drawn up the Half-Yearly Financial Report for the first half of 2021, consisting of the following documents: the individual financial information selected, the consolidated financial information selected, the condensed interim consolidated financial statements and the Directors' interim report of Prosegur CASH, S.A. and its subsidiaries, and the statement of responsibility of the Directors, all corresponding to the first half of 2021, documentation which has been drawn up unanimously (by all the attending directors) by the Board of Directors of the Company, in accordance with the provisions of article 35 of Act 24/1988, of 27 July, on the Securities Market, in the meeting held on this date.

The aforementioned documents, which are presented in a single body, are transcribed in the preceding pages numbered consecutively, written only on their front and all signed purely for identification purposes by the Secretary of the Board of Directors, with the Company's seal.

The declarations of responsibility on its content have been signed by the directors of Prosegur CASH, S.A.

And all of which as Secretary of the Board of Directors, I attest to, in Madrid on 27 July 2021.

Signed: Ms Renata Mendaña Navarro
(Non-Director Secretary)

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