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## Posti Group Corporation Interim Report January-September 2024

POSTI  
SUOMI

Välitämme  
tilauksia koko  
Suomessa.

# Posti Group 1-9/2024: operational excellence continued to deliver positive adjusted EBITDA. In Q3 weak market demand led to soft net sales.

Posti Group Corporation Interim Report January–September 2024

*Unless otherwise stated, the figures in brackets refer to the corresponding period in the previous year.*

## July-September

### Financial highlights

- Net sales decreased by 3.9% to EUR 357.9 (372.3) million.
- Adjusted EBITDA decreased to EUR 50.9 (52.9) million but share of net sales remained at the same level of 14.2% (14.2%).
- EBITDA increased to EUR 49.8 (46.5) million, or 13.9% (12.5%) of net sales.
- Adjusted operating result stayed on a similar level at EUR 19.3 (19.9) million, representing 5.4% (5.4%) of net sales.
- Operating result increased to EUR 18.2 (-50.2) million, representing 5.1% (-13.5%) of net sales. The comparison period was impacted by the impairments and other special items.

## January-September

### Financial highlights

- Net sales decreased by 3.3% to EUR 1,117.8 (1,156.4) million.
- Adjusted EBITDA increased to EUR 153.5 (133.4) million, or 13.7% (11.5%) of net sales.
- EBITDA increased to EUR 143.8 (124.4) million, or 12.9% (10.8%) of net sales.
- Adjusted operating result increased to EUR 58.4 (34.8) million, representing 5.2% (3.0%) of net sales.
- Operating result increased to EUR 48.7 (-38.0) million, representing 4.4% (-3.3%) of net sales. The comparison period was impacted by the impairments and other special items.
- Net debt to adjusted EBITDA was 1.2x (1.3x).

### Operational highlights in Q3

- Operational efficiency continued to develop positively which led the Group's relative adjusted EBITDA to remain on the same level year-on-year.
- Group net sales were affected by the declined volumes in Fulfillment and Logistics Services and continuous decrease in letter volumes in Postal Services.
- In the eCommerce and Delivery Services segment, the total parcel volume grew by 3% (3%).
- The addressed letter volumes continued to decrease by 11% (18%).
  - The share of mail items covered by the universal service obligation accounted for 2.6% (2.6%) of all Posti's mail items delivered.
- Posti started a new service Small Parcel to Door, where a parcel will be delivered by the recipient's doorstep with a daily mail delivery nationwide.
- All Posti Group companies are gradually starting to operate under one Posti brand from September 2024.

- Service Sector Employers PALTA and the Finnish Post and Logistics Union PAU approved the result of the negotiation on the utilization of the option year in the collective agreement.

## Outlook for 2024 adjusted

Posti is adjusting its outlook for 2024. Net sales are expected to decrease from the previous year. The Group's adjusted EBITDA is expected to increase from the previous year (previously it was communicated that net sales and adjusted EBITDA is expected to be on the previous year's level).

The new outlook states:

Posti is expecting its net sales to decrease from the previous year. The Group's adjusted EBITDA is expected to increase from the previous year. In 2023, Posti's net sales were EUR 1,586.1 million and adjusted EBITDA was EUR 197.7 million.

Current macroeconomic and market conditions bring uncertainty to economic projection and consumer confidence. Consumer behavior affects Posti's business and may further impact our actual results.

The Group's business is characterized by seasonality. The net sales and adjusted EBITDA in the segments are not accrued evenly over the year. In consumer parcels and Postal Services, the first and fourth quarters are typically strong, while the second and third quarters are weaker. The postal volume decline is expected to continue.

## Key figures of Posti Group

	7-9 2024	7-9 2023	1-9 2024	1-9 2023	1-12 2023
Net sales, EUR million	357.9	372.3	1,117.8	1,156.4	1,586.1
Adjusted EBITDA, EUR million	50.9	52.9	153.5	133.4	197.7
<i>Adjusted EBITDA margin, %</i>	<i>14.2%</i>	<i>14.2%</i>	<i>13.7%</i>	<i>11.5%</i>	<i>12.5%</i>
EBITDA, EUR million	49.8	46.5	143.8	124.4	188.6
<i>EBITDA margin, %</i>	<i>13.9%</i>	<i>12.5%</i>	<i>12.9%</i>	<i>10.8%</i>	<i>11.9%</i>
Adjusted operating result, EUR million	19.3	19.9	58.4	34.8	66.4
<i>Adjusted operating result margin, %</i>	<i>5.4%</i>	<i>5.4%</i>	<i>5.2%</i>	<i>3.0%</i>	<i>4.2%</i>
Operating result, EUR million	18.2	-50.2	48.7	-38.0	-7.0
<i>Operating result margin, %</i>	<i>5.1%</i>	<i>-13.5%</i>	<i>4.4%</i>	<i>-3.3%</i>	<i>-0.4%</i>
Result for the period, EUR million	11.9	-53.6	31.5	-48.0	-25.2
Return on capital employed (12 months), %			11.9%	-1.7%	-1.0%
Net debt, EUR million			258.3	255.8	240.0
Net debt / adjusted EBITDA			1.2x	1.3x	1.2x
Operative free cash flow, EUR million			-5.8	-2.4	28.6
Personnel, end of period			15,038	17,288	17,024
Personnel on average, FTE	13,075	14,208	13,201	14,435	14,272
Earnings per share, basic, EUR	0.30	-1.34	0.79	-1.20	-0.63
Dividend per share, EUR					0.80
Dividend, EUR million					31.8

## Antti Jääskeläinen, President and CEO

First, I'd like to thank all the colleagues for a welcoming and warm start as the President and CEO of Posti Group. During the third quarter we continued to be agile and were able to continue the operational efficiency improvements. Our determined work in this area continued which led to a significant improvement in adjusted EBITDA during January-September. I would like to thank the entire Posti team for this achievement. In the third quarter we also saw some positive development in the parcel volumes.

The Group's net sales decreased by 3.9% to EUR 357.9 million (372.3) in the third quarter and by 3.3% to EUR 1,117.8 (1,156.4) million in January-September. Our adjusted EBITDA decreased to EUR 50.9 (52.9) million during the third quarter but increased to EUR 153.5 (133.4) million during January-September.

In the third quarter eCommerce and Delivery Services' net sales increased slightly while the adjusted EBITDA remained stable year-on-year. The parcel volumes increased, which contributed positively to the segment's net sales. Low customer demand affected the overall volumes negatively in the Fulfillment and Logistics Services segment consequently decreasing net sales. However, the acquisition of Swedish Cargo Support in May 2024 impacted the net sales positively. Continued operational efficiency in the Fulfillment and Logistics Services improved the segment's adjusted EBITDA. The declining trend of the letter volumes in the Postal Services continued as expected and this impacted net sales negatively. Also, the segment's adjusted EBITDA decreased in third quarter.

The third quarter presented us many exciting and positive developments. In September the Service Sector Employers association PALTA and the Finnish Post and Logistics Union PAU approved the results of the negotiation on the utilization of the option year in the collective agreement. This was a result of a constructive negotiations and will now allow us to fully focus on the upcoming peak season. I was also happy that after a successful pilot period, we launched the new Small Parcel to Door service nationwide utilizing our Postal services distribution network. In September we took an important step towards a more unified Posti as we announced the transition of all our companies in Finland, Sweden and in the Baltics to operate under one Posti brand. This allows our customers to easily access a vast range of logistics solutions under one roof, therefore supporting our growth.

We were again invited to participate in the UN General Assembly in September as part of Finland's official delegation. We engaged in an important discussion on the 2030 Agenda for Sustainable Development with other leaders from around the world. At Posti we have always committed to respecting internationally recognized human rights and strived to prevent adverse human rights impacts caused by our own operations. During the third quarter we updated our new Human Rights Principles stating our commitment, and we are expecting the same from our partners. We are committed to our goal to transport fossil-free by 2030 and we continue our work towards it.

My first couple of months at Posti have been exciting and full of interesting encounters with colleagues, customers and other stakeholders. As we have now entered the last quarter of the year, we continue to implement our strategy and strive to serve our customers well during the peak season, which is just around the corner. At this point, I already want to thank every Christmas maker in Posti for your efforts in spreading the joy to our customers.

### APPENDICES

Posti Group Corporation Interim Report January-September 2024 Tables in full (PDF)

### FURTHER INFORMATION

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## DISTRIBUTION

Key media

<https://www.posti.com/en/corporate/finance-and-governance>

## IMAGES AND LOGOS

<https://www.posti.com/en/corporate/media>

Posti is one of the leading delivery and fulfillment companies in Finland, Sweden, and the Baltics. We make our customers' everyday lives smoother with a wide range of services, which includes parcels, freight, and postal services as well as warehouse, fulfillment, and logistics services. Our goal is to transport completely fossil-free throughout the value chain by 2030 and zero our own emissions by 2040. Our net sales in 2023 amounted to EUR 1,586.1 million and we have approximately 17,000 employees. [www.posti.com](http://www.posti.com)

## Market situation and business environment

There are some signs of improvement in the Finnish economy, but the recovery is predicted to be slow. According to the Bank of Finland's September 2024 interim forecast, Finland's GDP will shrink by 0.5% in 2024 and turn to a slow 1.1% growth in 2025. In 2026, the GDP is predicted to grow by 1.8%. Based on the business confidence indicators published by the Confederation of Finnish Industries in September, Finnish companies' assessments of their economic situation are clearly lower than in EU countries on average.

The European Central Bank lowered interest rate this summer and again in September. Together with a slowing inflation, this represents a stimulus for Finnish consumers. Nevertheless, the consumer confidence in Finland is still at a low level, yet better than a year ago. In September, the time was regarded unfavorable for buying durable goods and intentions to spend money.

The Swedish Riksbank forecasts that Swedish GDP will grow by 0.8% in 2024. In 2025, GDP is expected to grow by 1.9% and the growth forecast for 2026 is 2.5%. The consumer confidence in Sweden has risen for twelve consecutive months in September and now reflects a normal mood.

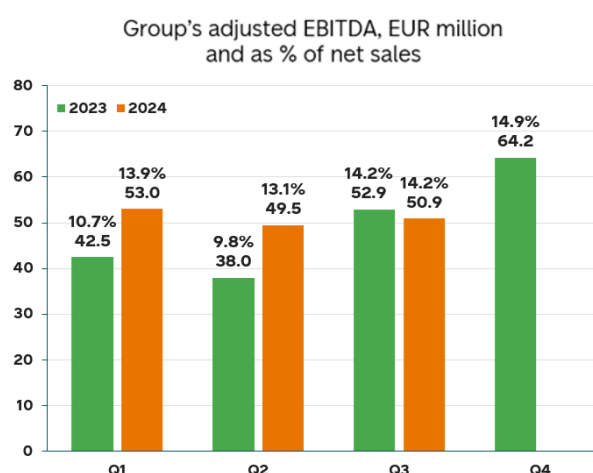
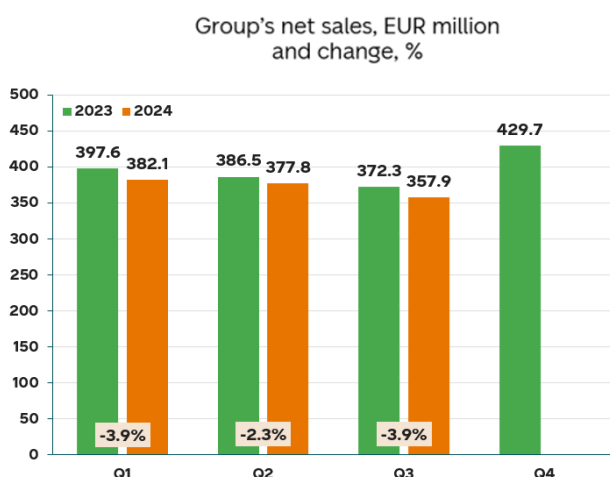
According to Swedbank's August forecast, GDP growth is expected to accelerate in all three Baltic countries. Lithuania is forecasted to grow fastest at 2.8%, followed by Latvia (2.6%) and Estonia (1.5%) in 2025.

In September Posti introduced a new Small Parcel to Door service, where the mail delivery person will deliver a parcel up to the size of a shoebox with daily mail deliveries by the recipients doorstep. In the more demanding e-commerce market, customers want speed, ease, affordable prices, and different options for different situations. With this new service Posti is responding to this need.

New fixed-term state support for the delivery of newspapers started in October 2024 and Posti was granted delivery support for 35 areas. The purpose of the support is to make it possible to deliver newspapers five weekdays a week in areas with no commercially implemented early-morning delivery network and no fully comprehensive five-day early-morning delivery.

The business environment remained challenging due to the macroeconomic situation which has had a clear effect on consumer consumption and on the demand for logistics services in trade and industry sectors. The lower demand for logistics services has direct adverse impact on Posti's business operations due to decreased product flows in Posti warehouses and parcel volumes.

## Net sales and profitability



### July-September 2024

#### Net sales

The Group's net sales decreased by 3.9% to EUR 357.9 (372.3) million. Net sales decreased by 4.0% in Finland and by 2.1% in other countries. The decline in net sales was mainly due to declined volumes in Postal Services and low customer demand in Fulfillment and Logistics services which resulted in slow circulation of goods in warehouses.

The divestment of Transval Myymäläpalvelut Oy in 2023 had a negative impact on net sales, whereas the acquisition of Swedish Cargo Support Holding C.S.H. AB in May 2024 impacted net sales positively. The share of Posti's business operations outside Finland remained at the previous year's level and accounted for 9.1% (9.0%) of net sales.

Net sales in the eCommerce and Delivery Services segment increased by 0.7% to EUR 158.2 (157.2) million.

Net sales in the Fulfillment and Logistics Services segment decreased by 5.2% to EUR 74.8 (78.9) million.

The combined external net sales of eCommerce and Delivery Services and Fulfillment and Logistics Services represented 63.6% (62.2%) of the Group's net sales.

Net sales in the Postal Services segment decreased by 7.7% to EUR 130.8 (141.7) million.

Operations under the universal service obligation decreased and amounted to EUR 14.2 (15.8) million, or 4.0% (4.2%) of the Group's net sales, representing 2.6% (2.6%) of delivery volumes.

#### Profitability

The Group's adjusted EBITDA decreased to EUR 50.9 (52.9) million, but the share of net sales remained at the same level of 14.2% (14.2%). This was mainly due to the continued improvements in operational efficiency. EBITDA increased to EUR 49.8 (46.5) million, or 13.9% (12.5%) of net sales.

The adjusted operating result stayed on the previous year's level and was EUR 19.3 (19.9) million, or 5.4% (5.4%) of net sales. The operating result increased to EUR 18.2 (-50.2) million, or 5.1% (-13.5%) of net sales. The comparison period was impacted by the impairments on goodwill and purchase price allocations as well as other special items.

Special items affecting the operating result amounted to EUR -1.1 (-70.2) million.

## Special items affecting the operating result

EUR million	7-9 2024	7-9 2023
Personnel restructuring costs	-1.1	-3.4
Impairments on goodwill and purchase price allocations		-57.4
Impairments on other assets		-6.3
Other special items	-0.1	-3.0
<b>Total</b>	<b>-1.1</b>	<b>-70.2</b>

## January-September 2024

### Net sales

The Group's net sales decreased by 3.3% to EUR 1,117.8 (1,156.4) million. Net sales decreased by 3.0% in Finland and by 6.5% in other countries. The decline in net sales in other countries was mainly due to the weak customer demand that affected especially Fulfillment and Logistics Services volumes negatively, consequently decreasing net sales.

Political strikes in Finland in the first quarter had a negative effect on warehouse volumes and therefore led to a decrease in the Group's net sales. Also, the divestment of Transval Myymäläpalvelut Oy in 2023 impacted net sales negatively, whereas the acquisition of Swedish Cargo Support Holding C.S.H. AB in May 2024 impacted net sales positively. The share of Posti's business operations outside Finland decreased slightly and accounted for 9.0% (9.3%) of net sales.

Net sales in the eCommerce and Delivery Services segment decreased by 0.7% to EUR 472.5 (475.7) million.

Net sales in the Fulfillment and Logistics Services segment decreased by 8.2% to EUR 225.5 (245.8) million.

The combined external net sales of eCommerce and Delivery Services and Fulfillment and Logistics Services represented 61.1% (61.1%) of the Group's net sales.

Net sales in the Postal Services segment decreased by 3.3% to EUR 438.4 (453.3) million.

Operations under the universal service obligation decreased and amounted to EUR 48.3 (52.3) million, or 4.3% (4.5%) of the Group's net sales, representing 2.8% (2.6%) of delivery volumes.

### Profitability

The Group's adjusted EBITDA increased to EUR 153.5 (133.4) million, or 13.7% (11.5%) of net sales, mainly due to the improved operational efficiency in eCommerce and Delivery Services and Postal Services. EBITDA increased to EUR 143.8 (124.4) million, or 12.9% (10.8%) of net sales.

The adjusted operating result increased significantly to EUR 58.4 (34.8) million, or 5.2% (3.0%) of net sales. The operating result also increased substantially to EUR 48.7 (-38.0) million, or 4.4% (-3.3%) of net sales. The comparison period was impacted by impairments and other special items.

Special items affecting the operating result amounted to EUR -9.7 (-72.8) million.



## Special items affecting the operating result

EUR million	1-9 2024	1-9 2023	1-12 2023
Personnel restructuring costs	-10.0	-5.7	-5.7
Impairments on goodwill and purchase price allocations		-57.4	-57.4
Other impairments		-6.3	-6.9
Other special items	0.3	-3.4	-3.4
<b>Total</b>	<b>-9.7</b>	<b>-72.8</b>	<b>-73.4</b>

## Transfers between segments and renaming of operating segments

The organization and management model of the Group's ICT has been changed on January 1, 2024. ICT operations and the development of the assets have been centralized from the business groups to the Group functions. Restatements have been made to all segment data.

As per the announcement on September 25, 2024, to start operating under one Posti brand, the operating segment naming of Transval has been changed to "Fulfillment and Logistics Services Finland" and that of Aditro Logistics to "Fulfillment and Logistics Services Sweden". Both are part of the reporting segment of Fulfillment and Logistics Services.

## eCommerce and Delivery Services

### Key figures

	7-9 2024	7-9 2023	1-9 2024	1-9 2023	1-12 2023
Net sales, EUR million	158.2	157.2	472.5	475.7	652.0
Net sales change-%	0.7%	-6.5%	-0.7%	-4.8%	-4.1%
Adjusted EBITDA, EUR million	22.9	22.8	56.5	49.9	75.9
Adjusted EBITDA margin, %	14.5%	14.5%	11.9%	10.5%	11.6%
EBITDA, EUR million	24.3	20.6	50.8	47.9	73.9
EBITDA margin, %	15.4%	13.1%	10.7%	10.1%	11.3%

## July-September 2024

The parcel and freight volumes developed as follows:

- The total number of parcels delivered by Posti in Finland and the Baltic countries increased by 3% (3%) to 16.2 (15.8) million. The figure does not include letter-like eCommerce items.
- Transportation volumes measured in waybills decreased by 2% (8%).

Net sales of eCommerce and Delivery Services increased by 0.7% to EUR 158.2 (157.2) million. The consumer demand and trust in the economy have begun to improve slightly. This reflected positively in the parcel volumes in Finland and in the Baltics consequently improving the net sales.

The adjusted EBITDA of eCommerce and Delivery Services remained on the previous year's level and was EUR 22.9 (22.8) million, or 14.5% (14.5%) of net sales. Operational efficiency in sorting and in transportation had a positive impact on the segments' profitability. EBITDA increased to EUR 24.3 (20.6) million.

## January-September 2024

The parcel and freight volumes developed as follows:

- The total number of parcels delivered by Posti in Finland and the Baltic countries increased by 4% (1%) to 48.0 (46.1) million. The figure does not include letter-like eCommerce items.
- Transportation volumes measured in waybills decreased by 4% (9%).

Net sales of eCommerce and Delivery Services decreased by 0.7% to EUR 472.5 (475.7) million. The overall low level of spending and consumption of goods in the market affected net sales negatively.

The adjusted EBITDA of eCommerce and Delivery Services increased to EUR 56.5 (49.9) million, or 11.9% (10.5%) of net sales. Focusing on cost discipline as well as enhanced operational efficiency in sorting and route optimization improved eCommerce and Delivery Services' profitability. The decline in net sales had a negative effect on profitability. EBITDA increased year-on-year and was EUR 50.8 (47.9) million, due to special items related to the change negotiations affecting the operating result. This is specified in the special items.

## Fulfillment and Logistics Services

### Key figures

	7-9 2024	7-9 2023	1-9 2024	1-9 2023	1-12 2023
Net sales, EUR million	74.8	78.9	225.5	245.8	328.4
Finland **	50.4	53.5	151.3	166.4	219.5
Sweden ***	24.4	25.4	74.2	79.4	108.9
Net sales change-%*	-5.2%	-12.1%	-8.2%	-9.3%	-10.3%
Adjusted EBITDA, EUR million	12.6	11.2	30.3	29.5	37.3
Adjusted EBITDA margin, %	16.8%	14.2%	13.4%	12.0%	11.4%
EBITDA, EUR million	12.5	9.5	30.2	27.6	35.4
EBITDA margin, %	16.7%	12.0%	13.4%	11.2%	10.8%

\* Transval Myymäläpalvelut Oy was divested in September 2023

\* Cargo Support Holding C.S.H. AB was acquired in May 2024

\*\* Formerly Transval

\*\*\* Aditro Logistics

## July-September 2024

Fulfillment and Logistics Services' net sales decreased by 5.2% and were EUR 74.8 (78.9) million. The weak customer demand continued in the third quarter, which resulted in a low circulation of goods in warehouses and had a negative impact on Fulfillment and Logistics Services Finland's (formerly Transval) net sales. The divestment of Transval Myymäläpalvelut Oy in September 2023 also impacted net sales negatively.

Fulfillment and Logistics Services Sweden's (Aditro Logistics) net sales also decreased year-on-year. The low customer demand in Sweden had a negative impact on market volumes and net sales, although the acquisition of Swedish Cargo Support Holding C.S.H. AB in May 2024 impacted net sales positively.

The adjusted EBITDA of Fulfillment and Logistics Services increased to EUR 12.6 (11.2) million, or 16.8% (14.2%) of net sales. Improvements in operational efficiency and cost discipline in Fulfillment and Logistics Services impacted the adjusted EBITDA positively. EBITDA increased to EUR 12.5 (9.5) million.

## January-September 2024

Fulfillment and Logistics Services' net sales decreased by 8.2% and were EUR 225.5 (245.8) million. The weak customer demand and the political strikes in Finland in the first quarter affected the warehouse volumes negatively in Fulfillment and Logistics Services Finland (formerly Transval), which decreased net sales. The divestment of Transval Mymäläpalvelut Oy in September 2023 also impacted net sales negatively.

Fulfillment and Logistics Services Sweden's (Aditro Logistics) net sales also decreased year-on-year. The low customer demand in Sweden had a negative impact on market volumes and therefore net sales. The acquisition of Swedish Cargo Support Holding C.S.H. AB in May 2024 impacted the net sales positively.

The adjusted EBITDA of Fulfillment and Logistics Services increased to EUR 30.3 (29.5) million, or 13.4% (12.0%) of net sales despite the decline in net sales. Improvements in operational efficiency helped to increase the segment's adjusted EBITDA. EBITDA increased year-on-year and was EUR 30.2 (27.6) million.

## Postal Services

### Key figures

	7-9 2024	7-9 2023	1-9 2024	1-9 2023	1-12 2023
Net sales, EUR million	130.8	141.7	438.4	453.3	631.0
<i>Net sales change-%</i>	-7.7%	-1.5%	-3.3%	1.7%	0.1%
Adjusted EBITDA, EUR million	16.2	20.0	71.1	61.1	96.3
<i>Adjusted EBITDA margin, %</i>	12.4%	14.1%	16.2%	13.5%	15.3%
EBITDA, EUR million	13.7	18.9	66.9	57.5	92.8
<i>EBITDA margin, %</i>	10.5%	13.4%	15.3%	12.7%	14.7%

## July-September 2024

- The number of addressed letters decreased by 11% (18%).

The net sales of Postal Services decreased by 7.7% to EUR 130.8 (141.7) million due to declined volumes. The decrease in net sales was partly offset by price increases.

The adjusted EBITDA of Postal Services decreased to EUR 16.2 (20.0) million, or 12.4% (14.1%) of net sales. Lower volumes and the decline in the net sales impacted adjusted EBITDA negatively, although improvements in operational efficiency had a positive impact on profitability. EBITDA decreased to EUR 13.7 (18.9) million year-on-year.

## January-September 2024

- The number of addressed letters decreased by 13% (8%).

The net sales of Postal Services decreased by 3.3% to EUR 438.4 (453.3) million due to the declined volumes. The decrease in net sales was partly offset by various price increases driven by the high inflation.

The adjusted EBITDA of Postal Services increased to EUR 71.1 (61.1) million, or 16.2% (13.5%) of net sales. Continuous improvements in operational efficiency, especially in automated sorting, cost optimization and more efficient delivery models increased profitability. EBITDA increased to EUR 66.9 (57.5) million year-on-year.

## Cash flow, financial position, and major investments

In January-September, the consolidated cash flow from operating activities was EUR 100.7 (88.6) million, the cash flow from investing activities was EUR -47.0 (-49.4) million of which EUR -1.4 (-3.1) million were for business acquisitions, and the cash flow from financing activities was EUR -69.7 (-82.0) million.

At the end of September, liquid assets amounted to EUR 86.6 (79.3) million and undrawn committed credit facilities totaled EUR 210.0 (150.0) million. The Group's interest-bearing borrowings were EUR 344.8 (335.1) million of which bank loans totaled EUR 60.0 million. Net debt totaled EUR 258.3 (255.8) million. Equity ratio was 38.1% (38.1%).

In June, the Group signed two new bilateral EUR 60.0 million floating rate term loan facility agreements, half of both loans was withdrawn by the end of June. The margins of the loans are linked to two sustainability targets: the absolute amount of Scope 1 and 2 greenhouse gas emissions and the absolute amount of Scope 3 greenhouse gas emissions.

Posti is investing in strategic key development areas such as digital services, including its OmaPosti application. With the OmaPosti application Posti aims to stay competitive as the digitalization of government communication, prepared by the Finnish Government, proceeds.

Posti wants to improve the competitive advantage of its core business and respond to the changing market and customer needs. Thus, Posti continues to invest in in-house technological resources and production facilities, such as sorting machines and new modern and efficient automated warehouses and terminals. Posti also invests in sustainability to support in reaching its net-zero targets.

The surrounding land area of Posti Group Headquarters is presented as an investment property for development purposes. The exchanges of land areas between Posti and the City of Helsinki were completed in May 2024, and an environmental provision was recognized. In addition, the Group has an estimated contingent liability of EUR 17.0 million related to the cleaning of the land areas in the Eteläinen Postipuisto area. The cleaning of the area is estimated to start at the end of 2024 and progress in stages in 2025-2026.

## Share capital and shareholding

At Posti, the Finnish State exercises the shareholder's decision-making power. The State's direct ownership of Posti Group Corporation is 100%. Posti Group Corporation's share capital consists of 40,000,000 shares of equal value.

The company holds no treasury shares and does not have subordinated loans. No loans have been granted to related parties, and no commitments have been given on their behalf. The company has not issued shares, stock options, or other rights with entitlement to company shares. The Board of Directors is not authorized to issue shares, stock options, or other rights with entitlement to company shares.

## Changes in the Leadership Team

Posti announced on August 1, 2024, that Antti Jääskeläinen has started as President and CEO of Posti Group Corporation on August 1, 2024.

Posti announced on August 27, 2024, that Peter Ervasalo has been appointed to lead Posti's operations in Sweden (Senior Vice President) and will join Posti Group's Leadership Team. He will assume his duties on October 28, 2024.

## Employees

### The Group's personnel

	7-9 2024	7-9 2023	1-9 2024	1-9 2023	1-12 2023
Personnel at period-end			15,038	17,288	17,024
<i>Finland</i>			13,180	15,281	14,937
<i>Other countries of operation</i>			1,858	2,007	2,087
Personnel on average, FTE *	13,075	14,208	13,201	14,435	14,272

\* Full-time equivalent personnel on average

In January-September, the Group's personnel expenses amounted to EUR 477.4 (506.7) million, declining by 5.8% from the previous year. The personnel expenses included EUR 10.0 (5.7) million of restructuring costs. The number of personnel declined, decreasing the overall expenses. The decline in the number of personnel year-on-year is mainly a consequence of the sale of Transval Myymäläpalvelut Oy in 2023, the partnership with CGI, reduced need for seasonal employees due to a challenging market and lower volumes as well as personnel reductions related to the change negotiations.

On September 11, 2024, Service Sector Employers PALTA and the Finnish Post and Logistics Union PAU approved the results of the negotiation on the utilization of the option year in the collective agreement for the mail communications and logistics industry, the information logistics industry as well as the collective agreement applicable to the parcel sorters of Posti Palvelut Oy.

### Business arrangements and acquisitions

Posti announced on January 30, 2024, that it has entered a 10-year strategic partnership with IT and consulting company CGI. Through the agreement, Posti will partner with CGI on the development and delivery of digital multichannel messaging in Postal Services. On March 1, 2024, 88 professionals in Finland, Poland, Latvia, and Estonia transferred to CGI.

Posti announced on April 18, 2024, that it plans to reform the corporate delivery services of its eCommerce and Delivery Services business group. The planned changes could lead to a reduction of up to 295 jobs. The change negotiations concerned altogether 1,319 persons. On June 6, Posti announced that the negotiations have ended with the redundancy need decreased to a maximum of 153 persons.

On May 6, 2024, Posti announced that it plans to remove mass delivery of advertisements and unaddressed mass mailings, such as papers free of charge to mail recipients, from its service offering from the beginning of 2025. According to a preliminary estimate, these changes are expected to reduce a maximum of 130 employees. Posti also plans to reorganize its postal center in Perkkoontkatu, Tampere. The changes at the Tampere postal center are estimated to lead to a maximum of 120 redundancies. On August 22, Posti announced that the negotiations have ended with the estimated need for redundancies being maximum of 34 people at the Tampere Postal Center and a maximum of 3 people in unaddressed deliveries.

Posti announced on June 3, 2024, that Aditro Logistics has acquired Swedish Cargo Support Holding C.S.H. AB, which has expertise in packaging design and production. The acquisition supports Posti's strategic targets and strengthens the growth opportunities of Fulfillment and Logistics Services in Sweden, especially within the industrial segment.

Posti announced on September 25, 2024, that all Posti Group companies are starting to operate under one unified Posti brand. Transval changed its name to Posti in September, and Aditro Logistics in Sweden will be named Posti in March 2025. In the Baltics, the Itella SmartPost brand will change to SmartPosti during the spring 2025. This will

reinforce Posti's position as a complete one-stop-shop logistics partner, offering its customers solutions from transportation to fulfillment and handling across its entire value chain.

## Legal proceedings

Posti is party to some legal proceedings related to its customary business operations. None of those proceedings, separately or collectively, are expected to have a material impact on its financial position.

## Business risks

Posti's business and financial results are exposed to the general economic development, including the risk of rising costs and lowering customer demand. High inflation and interest rates early of the year have increased consumers uncertainty even though inflations and interest rates have lowered towards the end of the year. The VAT increase implemented in Finland on September 1, 2024, may reduce consumer's purchasing power and consequently have a negative impact on Posti's financial results.

External factors such as the ongoing war in Europe or other geopolitical conflicts may cause market uncertainty and directly affect the transportation routes or supply chains in general. This may cause challenges to Posti's customers, partners, and subcontractors. This may have a negative impact to Posti's financial performance through lower volumes in e-commerce and other related challenges.

Posti's business is very employee intensive and there is significant tension in the labor market in Finland. Possible union strikes may have a negative impact on the general economic environment and therefore on Posti's financial performance. Negative impacts on Posti are expected to be limited due to the agreement made on September 2024 between Service Sector Employers PALTA and the Finnish Post and Logistics Union PAU. They have accepted the result of the negotiation on the utilization of the option year in the collective agreement for the mail communications and logistics industry, the information logistics industry as well as the collective agreement applicable to the parcel sorters of Posti Palvelut Oy.

Posti and its operations are subject to technology and data related risks such as technical errors in sorting machines, data breach or violation of GDPR. Posti may be subject to cyberattacks directly or through third parties such as a subcontractor or a service provider. Cyberattacks might lead to a reduction in electricity supply, IT services and facility services, which may all have a negative impact on Posti's financial performance.

New competitors and joint ventures have entered the market and new entrants may emerge. Increasing competition in the markets may present a risk to Posti's revenue and margin development.

If the economic situation and labor market develops negatively, it may cause challenges in talent recruitment and retention in the future. Posti takes actions to mitigate this risk, and we have already seen improvements in Posti's employee image measured by an external vendor.

Posti assesses its risks and implements business continuity planning based on comprehensive security and security of supply preparedness. Posti's role is different in Finland and its international operations, but we adhere to the same principles across all our activities. Posti continues to simulate major disruptions as part of its continuous improvement efforts to further enhance resilience.

## Events after the reporting period

There were no significant events after the reporting period.

## Outlook for 2024 adjusted

Posti is adjusting its outlook for 2024. Net sales are expected to decrease from the previous year. The Group's adjusted EBITDA is expected to increase from the previous year (previously it was communicated that net sales and adjusted EBITDA is expected to be on the previous year's level).

The new outlook states:

Posti is expecting its net sales to decrease from the previous year. The Group's adjusted EBITDA is expected to increase from the previous year. In 2023, Posti's net sales were EUR 1,586.1 million and adjusted EBITDA was EUR 197.7 million.

Current macroeconomic and market conditions bring uncertainty to economic projection and consumer confidence. Consumer behavior affects Posti's business and may further impact our actual results.

The Group's business is characterized by seasonality. The net sales and adjusted EBITDA in the segments are not accrued evenly over the year. In consumer parcels and Postal Services, the first and fourth quarters are typically strong, while the second and third quarters are weaker. The postal volume decline is expected to continue.

## Posti's financial reporting

### 2025:

February 14, 2025: Financial Statements Release for 2024  
April 25, 2025: Interim Report for January-March 2025  
August 14, 2025: Half-Year Financial Report 2025  
October 29, 2025: Interim Report for January-September 2025

Helsinki, October 25, 2024

Posti Group Corporation  
Board of Directors

### APPENDICES

Calculation of key figures  
Interim Report January-September 2024 Tables

## Calculation of key figures

In addition to IFRS-based performance measures, Posti Group discloses alternative performance measures as additional information to financial measures presented in the consolidated income statement, consolidated balance sheet, consolidated statement of cash flows and in the notes disclosures. Management believes that adjusted performance measures provide meaningful supplemental information to both management and stakeholders regarding the business performance. Adjusted EBITDA and adjusted operating result are also essential key figures in Posti Group's management reporting.

EBITDA		Operating result excluding depreciation, amortization and impairment losses.
Adjusted EBITDA		EBITDA excluding special items.
Adjusted operating result		Operating result excluding special items.
Special items		Special items are defined as significant items of income and expenses, which are considered to incur outside the ordinary course of business. Special items include restructuring costs, significant impairment losses on assets, impairment on goodwill, significant gains or losses on sale of shares, real estates or business operations and expenses and incomes related to business combinations, such as changes in contingent purchase considerations.
Equity ratio, %	100 x	$\frac{\text{Total equity}}{\text{Total assets - advances received}}$
Return on capital employed, %	100 x	$\frac{\text{Operating result (12 months rolling)}}{\text{Capital employed (average of opening and closing balance of the previous 12 months)}}$
Capital employed		Non-current assets less deferred tax assets plus inventories and trade and other receivables less other non-current liabilities, less advances received, less provisions, less defined benefit pension obligations, less trade and other payables.
Net debt		Interest bearing borrowings - liquid funds - debt certificates.
Net debt / adjusted EBITDA		$\frac{\text{Net debt}}{\text{Adjusted EBITDA (12 months rolling)}}$
Interest-bearing borrowings		Non-current and current interest-bearing borrowings and lease liabilities.
Liquid funds		Cash and cash equivalents + money market investments + investments in bonds.
Personnel on average, FTE		Full time equivalent personnel on average.
Operative free cash flow		Cash flow from operating activities as presented in the consolidated statement of cash flows less purchase of intangible assets and property, plant and equipment as presented in the consolidated statement of cash flows and less payments of lease liabilities.



## Interim Report tables January-September 2024

### Consolidated Income Statement and Consolidated Statement of Comprehensive Income

#### Consolidated Income Statement

EUR million	7-9 2024	7-9 2023	1-9 2024	1-9 2023	1-12 2023
<b>Net sales</b>	<b>357.9</b>	<b>372.3</b>	<b>1,117.8</b>	<b>1,156.4</b>	<b>1,586.1</b>
Other operating income	3.1	1.6	11.8	5.2	9.4
Materials and services	-102.2	-103.0	-301.5	-316.7	-433.4
Employee benefits	-145.7	-156.9	-477.4	-506.7	-685.1
Other operating expenses	-63.2	-67.6	-206.9	-213.9	-288.4
Depreciation and amortization	-31.5	-32.2	-94.9	-97.6	-129.9
Impairment losses	-0.1	-64.5	-0.1	-64.8	-65.6
<b>Operating result</b>	<b>18.2</b>	<b>-50.2</b>	<b>48.7</b>	<b>-38.0</b>	<b>-7.0</b>
Finance income	0.7	0.9	4.2	4.0	6.4
Finance expenses	-3.3	-2.8	-10.6	-9.7	-13.6
<b>Result before income tax</b>	<b>15.6</b>	<b>-52.1</b>	<b>42.3</b>	<b>-43.6</b>	<b>-14.1</b>
Income tax	-3.7	-1.5	-10.8	-4.4	-11.1
<b>Result for the period</b>	<b>11.9</b>	<b>-53.6</b>	<b>31.5</b>	<b>-48.0</b>	<b>-25.2</b>
<b>Earnings per share (EUR per share)</b>	<b>0.30</b>	<b>-1.34</b>	<b>0.79</b>	<b>-1.20</b>	<b>-0.63</b>

As Posti currently has no dilutive instruments outstanding, diluted earnings per share is the same as basic earnings per share.

#### Consolidated Statement of Comprehensive Income

EUR million	7-9 2024	7-9 2023	1-9 2024	1-9 2023	1-12 2023
<b>Result for the period</b>	<b>11.9</b>	<b>-53.6</b>	<b>31.5</b>	<b>-48.0</b>	<b>-25.2</b>
<b>Other comprehensive income</b>					
<b>Items that may be reclassified to profit or loss:</b>					
Change in fair value of cash flow hedges	-	0.0	-1.0	-0.3	-1.2
Translation differences	-0.1	1.4	0.0	-2.1	-2.0
Income tax relating to these items	-	0.0	0.2	0.1	0.2
<b>Items that will not be reclassified to profit or loss:</b>					
Remeasurements of post-employment benefit obligations	0.4	0.8	0.4	0.8	-0.7
Income tax relating to these items	-0.1	-0.2	-0.1	-0.2	0.1
<b>Comprehensive income for the period</b>	<b>12.2</b>	<b>-51.5</b>	<b>31.0</b>	<b>-49.7</b>	<b>-28.8</b>

## Consolidated Balance Sheet

### Assets

EUR million	Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
<b>Non-current assets</b>			
Goodwill	170.1	169.0	169.1
Other intangible assets	63.9	70.0	69.7
Investment property	41.7	17.4	24.6
Property, plant and equipment	246.8	220.6	226.5
Right-of-use assets	273.6	265.8	280.6
Other non-current investments	0.8	0.8	0.8
Non-current receivables	0.9	0.0	1.9
Deferred tax assets	7.4	18.2	5.2
<b>Total non-current assets</b>	<b>805.1</b>	<b>761.7</b>	<b>778.5</b>
<b>Current assets</b>			
Inventories	4.0	3.9	3.9
Trade and other receivables	259.7	270.8	289.6
Current income tax receivables	8.4	0.1	0.0
Current financial assets	38.2	41.7	47.1
Cash and cash equivalents	48.5	39.6	64.6
<b>Total current assets</b>	<b>358.7</b>	<b>356.1</b>	<b>405.2</b>
<b>Total assets</b>	<b>1,163.8</b>	<b>1,117.8</b>	<b>1,183.7</b>

### Equity and liabilities

EUR million	Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
<b>Equity attributable to the shareholders of the parent company</b>			
Share capital	70.0	70.0	70.0
Other reserves	142.7	142.7	142.7
Fair value reserve	0.0	1.5	0.8
Translation differences	-7.3	-7.3	-7.2
Retained earnings	214.3	192.7	214.3
<b>Total shareholders' equity</b>	<b>419.8</b>	<b>399.6</b>	<b>420.5</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	8.7	9.2	9.1
Non-current interest-bearing borrowings	59.8	0.0	0.0
Non-current interest-bearing lease liabilities	216.7	211.4	224.6
Other non-current payables	18.1	10.3	11.9
Advances received	2.1	6.7	6.2
Non-current provisions	12.3	3.2	5.9
Defined benefit pension plan liabilities	6.2	7.8	8.6
<b>Total non-current liabilities</b>	<b>323.8</b>	<b>248.6</b>	<b>266.4</b>
<b>Current liabilities</b>			
Current interest-bearing borrowings	0.0	60.0	60.0
Current interest-bearing lease liabilities	68.4	63.6	66.1
Trade and other payables	268.1	267.8	298.0
Advances received	58.7	63.5	60.6
Current income tax liabilities	13.6	11.6	4.6
Current provisions	11.6	3.1	7.5
<b>Total current liabilities</b>	<b>420.2</b>	<b>469.6</b>	<b>496.8</b>
<b>Total liabilities</b>	<b>744.1</b>	<b>718.2</b>	<b>763.2</b>
<b>Total equity and liabilities</b>	<b>1,163.8</b>	<b>1,117.8</b>	<b>1,183.7</b>

## Condensed Consolidated Statement of Cash Flows

EUR million	1-9 2024	1-9 2023	1-12 2023
<b>Result for the period</b>	<b>31.5</b>	<b>-48.0</b>	<b>-25.2</b>
Adjustments to cash flow	112.2	174.9	214.7
Change in net working capital	-24.0	-32.6	-26.6
<b>Cash flow before financial items and income tax</b>	<b>119.7</b>	<b>94.3</b>	<b>162.9</b>
Financial items (net)	-6.2	-5.4	-7.1
Income tax paid	-12.9	-0.3	-0.7
<b>Cash flow from operating activities</b>	<b>100.7</b>	<b>88.6</b>	<b>155.1</b>
Purchase of intangible assets	-9.0	-16.5	-23.0
Purchase of property, plant and equipment	-43.6	-24.3	-36.4
Payments for investment property	-2.1	-	-
Proceeds from sale of intangible and tangible assets	0.6	0.5	0.9
Business acquisitions, net of cash acquired	-1.4	-3.1	-3.1
Proceeds from business disposals less cash and cash equivalents	-	0.0	0.1
Cash flow from financial assets	8.6	-7.4	-13.9
Cash flow from other investments	0.0	1.4	1.1
<b>Cash flow from investing activities</b>	<b>-47.0</b>	<b>-49.4</b>	<b>-74.2</b>
Increases in non-current loans	60.0	-	-
Repayment of non-current loans	-60.0	-	-
Payments of lease liabilities	-53.8	-50.3	-67.1
Dividends paid	-15.9	-31.7	-31.7
<b>Cash flow from financing activities</b>	<b>-69.7</b>	<b>-82.0</b>	<b>-98.8</b>
<b>Change in cash and cash equivalents</b>	<b>-16.0</b>	<b>-42.7</b>	<b>-17.9</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>64.6</b>	<b>82.6</b>	<b>82.6</b>
Effect of exchange rates changes	-0.1	-0.3	-0.1
<b>Cash and cash equivalents at the end of the period</b>	<b>48.5</b>	<b>39.6</b>	<b>64.6</b>
<b>Operative free cash flow, reconciliation</b>			
Cash flow from operating activities	100.7	88.6	155.1
Purchase of intangible assets and property, plant and equipment	-52.7	-40.8	-59.4
Payments of lease liabilities	-53.8	-50.3	-67.1
<b>Operative free cash flow</b>	<b>-5.8</b>	<b>-2.4</b>	<b>28.6</b>

## Consolidated Statement of Changes in Equity

EUR million	Share capital	Other reserves	Fair value reserve	Translation differences	Retained earnings	Total equity
<b>Jan 1, 2024</b>	<b>70.0</b>	<b>142.7</b>	<b>0.8</b>	<b>-7.2</b>	<b>214.3</b>	<b>420.5</b>
<b>Comprehensive income</b>						
Result for the period					31.5	31.5
Other comprehensive income:						
Changes in the fair value of cash flow hedges, net of tax			-0.8			-0.8
Translation differences				0.0		0.0
Remeasurements of post-employment benefit obligations, net of tax					0.4	0.4
<b>Comprehensive income for the period</b>			<b>-0.8</b>	<b>0.0</b>	<b>31.8</b>	<b>31.0</b>
<b>Transactions with equity holders</b>						
Dividend					-31.8	-31.8
<b>Sep 30, 2024</b>	<b>70.0</b>	<b>142.7</b>	<b>0.0</b>	<b>-7.3</b>	<b>214.3</b>	<b>419.8</b>

EUR million	Share capital	Other reserves	Fair value reserve	Translation differences	Retained earnings	Total equity
<b>Jan 1, 2023</b>	<b>70.0</b>	<b>142.7</b>	<b>1.7</b>	<b>-5.2</b>	<b>271.8</b>	<b>481.0</b>
<b>Comprehensive income</b>						
Result for the period					-48.0	-48.0
Other comprehensive income:						
Changes in the fair value of cash flow hedges, net of tax			-0.3			-0.3
Translation differences				-2.1		-2.1
Remeasurements of post-employment benefit obligations, net of tax					0.7	0.7
<b>Comprehensive income for the period</b>			<b>-0.3</b>	<b>-2.1</b>	<b>-47.3</b>	<b>-49.7</b>
<b>Transactions with equity holders</b>						
Dividend					-31.7	-31.7
<b>Sep 30, 2023</b>	<b>70.0</b>	<b>142.7</b>	<b>1.5</b>	<b>-7.3</b>	<b>192.7</b>	<b>399.6</b>

EUR million	Share capital	Other reserves	Fair value reserve	Translation differences	Retained earnings	Total equity
<b>Jan 1, 2023</b>	<b>70.0</b>	<b>142.7</b>	<b>1.7</b>	<b>-5.2</b>	<b>271.8</b>	<b>481.0</b>
<b>Comprehensive income</b>						
Result for the period					-25.2	-25.2
Other comprehensive income:						
Changes in the fair value of cash flow hedges, net of tax			-1.0			-1.0
Translation differences				-2.0		-2.0
Remeasurements of post-employment benefit obligations, net of tax					-0.5	-0.5
<b>Comprehensive income for the period</b>			<b>-1.0</b>	<b>-2.0</b>	<b>-25.8</b>	<b>-28.8</b>
<b>Transactions with equity holders</b>						
Dividend					-31.7	-31.7
<b>Dec 31, 2023</b>	<b>70.0</b>	<b>142.7</b>	<b>0.8</b>	<b>-7.2</b>	<b>214.3</b>	<b>420.5</b>

## Dividends

Posti Group Corporation's Annual General Meeting was held in Helsinki on March 20, 2024. In line with the Board of Directors' proposal, the Annual General Meeting decided to distribute a dividend of EUR 31.8 million based on the year 2023. Half of the dividend was paid on March and the other half will be paid on October 2024.

## Notes

### 1. Accounting policies

Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting. In the preparation of this report, Posti Group (the "Group") has applied the same accounting policies, methods of computation and presentation as in the Consolidated Financial Statements for 2023. Amendments to IFRS Accounting Standards effective as of January 1, 2024 or later had no impact on Consolidated Income Statement or Balance Sheet. The figures shown have been rounded, which is why the sum total of individual figures may differ from totals presented. The report is unaudited.

### General economic operating environment

The weak confidence of consumers has affected Posti's operations in terms of lower overall demand. Inflation has already slowed down and interest rates have decreased, but economic recovery is predicted to be slow, especially in Finland. Thus, the general economic operating environment continues to be challenging. Due to the market situation, it is difficult for the management to predict economic development. Therefore, the estimates are subject to considerable uncertainties. Consumer behavior and the continued low demand for logistics services in trade and industry sectors directly affect Posti's business operations and performance.

### 2. Foreign exchange rates

<b>Average rate</b>	<b>1-9 2024</b>	<b>1-9 2023</b>	<b>1-12 2023</b>
SEK	11.404	11.475	11.473
NOK	11.576	11.348	11.424
SDR	0.818	0.810	0.811

<b>Closing rate</b>	<b>Sep 30, 2024</b>	<b>Sep 30, 2023</b>	<b>Dec 31, 2023</b>
SEK	11.300	11.533	11.096
NOK	11.765	11.254	11.241
SDR	0.823	0.806	0.822

Group's terminal dues related to international mail are partly defined in SDR basket of currencies.

### 3. Segment reporting

Posti discloses three reportable segments.

The names of the operating segments In Fulfillment and Logistics Services have been changed starting in 2024 third quarter interim reporting. Reporting data of the operating segments has not been changed. For Fulfillment and Logistics Services, the business in Finland and Sweden have similar economic characteristics, nature of services and customer types. Geographical areas are separated into two operating segments, but are combined into one reportable segment.

Reportable Segment	Operating segment
eCommerce and Delivery Services	eCommerce and Delivery Services
Fulfillment and Logistics Services	Fulfillment and Logistics Services Finland (Formerly Transval)
Fulfillment and Logistics Services	Fulfillment and Logistics Services Sweden (Aditro Logistics)
Postal Services	Postal Services

Posti reports segments' profitability with both EBITDA and adjusted EBITDA. Other key figures are net sales, capital expenditure, net assets and personnel end of period. Capital expenditure includes additions to intangible assets and property, plant and equipment including additions to right-of-use assets as well as business acquisitions.

#### Segment changes

The organization and management model of the Group's ICT has been changed on January 1, 2024. ICT operations and development with the assets have been centralized from the business groups to the Group functions. Restatements have been made to all segment data.

Posti announced on September 25, 2024, to start operating under one Posti brand, the operating segment naming of Transval has been changed to "Fulfillment and Logistics Services Finland" and Aditro Logistics to "Fulfillment and Logistics Services Sweden". Both are part of the reporting segment of Fulfillment and Logistics Services.

#### Description of operating segments

**eCommerce and Delivery Services** offers parcel, transportation and e-commerce services to corporate and private customers in Finland, Sweden and the Baltics.

**Fulfillment and Logistics Services Finland (Formerly Transval)** is the market leader in providing logistics outsourcing solutions in Finland. The services cover supply chain solutions from transportation to warehousing, as well as in-house logistics solutions and human resources services for logistics professionals. The services can be delivered in Posti's premises or in the client's premises such as warehouses, terminals, factories, production sites and shops.

**Fulfillment and Logistics Services Sweden (Aditro Logistics)** is one of the leading logistics companies in Sweden and the Nordics. Aditro Logistics' offering consists of a broad service in stock management, logistics, supply chain management, transport procurement, staffing and consulting for businesses specializing in e-commerce, retail and fast-moving consumer goods.

**Postal Services** offers mail delivery services as well as supporting digital and multichannel solutions.

**Other and unallocated** consists of centralized Group functions including the part which is not allocated to the segments. Balance sheet items allocated to the segments include non-current and current operating assets and operating liabilities, including non-interest bearing liabilities and provisions. Other and unallocated includes Group's interest-bearing borrowings.

#### Seasonality

The Group's business is characterized by seasonality. Net sales and operating result of the segments do not accrue evenly over the year. In postal services and consumer parcels, the first and fourth quarters are typically strong, while the second and third quarters are weaker.

<b>7-9 2024 EUR million</b>	<b>eCommerce and Delivery Services</b>	<b>Fulfillment and Logistics Services</b>	<b>Postal Services</b>	<b>Other and unallocated</b>	<b>Posti Group</b>
Net Sales	158.2	74.8	130.8		363.9
Net Sales, internal	-0.7	-4.7	-0.6		-6.0
<b>Net Sales, external</b>	157.6	70.1	130.2	0.0	<b>357.9</b>
<b>Adjusted EBITDA</b>	22.9	12.6	16.2	-0.7	<b>50.9</b>
Special items (impacting EBITDA)	1.5	-0.1	-2.5	-0.1	-1.1
<b>EBITDA</b>	24.3	12.5	13.7	-0.8	<b>49.8</b>
Depreciation & amortization					-31.5
Impairment losses					-0.1
<b>Adjusted operating result</b>					<b>19.3</b>
Special items (impacting EBIT)					-1.1
<b>Operating result</b>					<b>18.2</b>
Financial income & expenses					-2.6
Taxes					-3.7
<b>Result for the period</b>					<b>11.9</b>
Capital Expenditure	8.1	1.2	4.6	29.8	43.7
Personnel, end of period	3,301	3,989	7,066	682	15,038
Net Assets	243.4	286.1	95.1	-204.9	419.8

<b>7-9 2023 EUR million</b>	<b>eCommerce and Delivery Services</b>	<b>Fulfillment and Logistics Services</b>	<b>Postal Services</b>	<b>Other and unallocated</b>	<b>Posti Group</b>
Net Sales	157.2	78.9	141.7		377.8
Net Sales, internal	-0.5	-4.1	-0.8		-5.5
<b>Net Sales, external</b>	156.6	74.8	140.9	0.0	<b>372.3</b>
<b>Adjusted EBITDA</b>	22.8	11.2	20.0	-1.1	<b>52.9</b>
Special items (impacting EBITDA)	-2.2	-1.7	-1.1	-1.5	-6.5
<b>EBITDA</b>	20.6	9.5	18.9	-2.6	<b>46.5</b>
Depreciation & amortization					-32.2
Impairment losses					-64.5
<b>Adjusted operating result</b>					<b>19.9</b>
Special items (impacting EBIT)					-70.2
<b>Operating result</b>					<b>-50.2</b>
Financial income & expenses					-1.9
Taxes					-1.5
<b>Result for the period</b>					<b>-53.6</b>
Capital Expenditure	4.8	1.2	5.8	22.9	34.7
Personnel, end of period	3,739	4,973	7,875	701	17,288
Net Assets	247.7	307.7	79.7	-235.5	399.6

<b>1-9 2024 EUR million</b>	<b>eCommerce and Delivery Services</b>	<b>Fulfillment and Logistics Services</b>	<b>Postal Services</b>	<b>Other and unallocated</b>	<b>Posti Group</b>
Net Sales	472.5	225.5	438.4		1,136.5
Net Sales, internal	-2.1	-13.1	-3.5		-18.7
<b>Net Sales, external</b>	470.5	212.4	434.9	0.0	<b>1,117.8</b>
<b>Adjusted EBITDA</b>	56.5	30.3	71.1	-4.4	<b>153.5</b>
Special items (impacting EBITDA)	-5.7	-0.2	-4.3	0.4	-9.7
<b>EBITDA</b>	50.8	30.2	66.9	-4.0	<b>143.8</b>
Depreciation & amortization					-94.9
Impairment losses					-0.1
<b>Adjusted operating result</b>					<b>58.4</b>
Special items (impacting EBIT)					-9.7
<b>Operating result</b>					<b>48.7</b>
Financial income & expenses					-6.4
Taxes					-10.8
<b>Result for the period</b>					<b>31.5</b>
Capital Expenditure	18.1	18.9	10.1	78.6	125.7
Personnel, end of period	3,301	3,989	7,066	682	15,038
Net Assets	243.4	286.1	95.1	-204.9	419.8

<b>1-9 2023 EUR million</b>	<b>eCommerce and Delivery Services</b>	<b>Fulfillment and Logistics Services</b>	<b>Postal Services</b>	<b>Other and unallocated</b>	<b>Posti Group</b>
Net Sales	475.7	245.8	453.3		1,174.9
Net Sales, internal	-1.6	-13.1	-3.7		-18.5
<b>Net Sales, external</b>	474.1	232.6	449.6	0.0	<b>1,156.4</b>
<b>Adjusted EBITDA</b>	49.9	29.5	61.1	-7.0	<b>133.4</b>
Special Items (impacting EBITDA)	-2.0	-1.9	-3.6	-1.5	-9.1
<b>EBITDA</b>	47.9	27.6	57.5	-8.5	<b>124.4</b>
Depreciation & amortization					-97.6
Impairment losses					-64.8
<b>Adjusted operating result</b>					<b>34.8</b>
Special items (impacting EBIT)					-72.8
<b>Operating result</b>					<b>-38.0</b>
Financial income & expenses					-5.6
Taxes					-4.4
<b>Result for the period</b>					<b>-48.0</b>
Capital Expenditure	17.9	22.6	14.2	55.9	110.7
Personnel, end of period	3,739	4,973	7,875	701	17,288
Net Assets	247.7	307.7	79.7	-235.5	399.6



<b>1-12 2023 EUR million</b>	<b>eCommerce and Delivery Services</b>	<b>Fulfillment and Logistics Services</b>	<b>Postal Services</b>	<b>Other and unallocated</b>	<b>Posti Group</b>
Net Sales	652.0	328.4	631.0		1,611.4
Net Sales, internal	-2.5	-17.8	-5.1		-25.4
<b>Net Sales, external</b>	<b>649.5</b>	<b>310.6</b>	<b>625.9</b>	<b>0.0</b>	<b>1,586.1</b>
<b>Adjusted EBITDA</b>	<b>75.9</b>	<b>37.3</b>	<b>96.3</b>	<b>-11.9</b>	<b>197.7</b>
Special items (impacting EBITDA)	-2.0	-1.9	-3.5	-1.6	-9.1
<b>EBITDA</b>	<b>73.9</b>	<b>35.4</b>	<b>92.8</b>	<b>-13.5</b>	<b>188.6</b>
Depreciation & amortization					-129.9
Impairment losses					-65.6
<b>Adjusted operating result</b>					<b>66.4</b>
Special items (impacting EBIT)					-73.4
<b>Operating result</b>					<b>-7.0</b>
Financial income & expenses					-7.1
Taxes					-11.1
<b>Result for the period</b>					<b>-25.2</b>
Capital Expenditure	35.3	26.5	22.6	83.0	167.4
Personnel, end of period	3,789	4,713	7,846	676	17,024
Net Assets	264.0	297.6	73.0	-214.0	420.5

#### 4. Net sales by geographical area

EUR million	7-9 2024	7-9 2023	1-9 2024	1-9 2023	1-12 2023
Finland	291.9	309.8	922.5	960.3	1,314.1
Sweden	33.3	34.0	96.9	104.0	141.4
The Baltics	10.5	6.9	29.8	23.4	32.4
Other countries	22.2	21.7	68.5	68.8	98.1
<b>Total</b>	<b>357.9</b>	<b>372.3</b>	<b>1,117.8</b>	<b>1,156.4</b>	<b>1,586.1</b>

Disaggregated information on the net sales is presented in the note 3. Operating segments.

#### 5. Acquired and divested businesses

Posti has entered a 10-year strategic partnership with IT and consulting company CGI on development and delivery of digital multichannel messaging in Postal Services. On March 1, 2024, 88 professionals in Finland, Poland, Latvia, and Estonia transferred to CGI.

On May 31, 2024, Aditro Logistics acquired all shares of Cargo Support Holding C.S.H. AB, Swedish specialist in packaging solutions. The company had net sales of around EUR 2 million and employs 17 people. A goodwill of EUR 1.0 million was recognized in the acquisition. The acquisition supports Posti's strategic targets in Sweden and adds new capabilities and competencies, especially within the industrial segment. Acquisition related costs of EUR 0.1 million were recognized as other operating expenses. Acquisition did not have material impact on Group's consolidated income statement or balance sheet.

Posti has not divested businesses during 2024.

## 6. Property, plant and equipment and right-of-use assets

The changes in the carrying amount of property, plant and equipment:

EUR million		Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
<b>Carrying amount</b>	<b>Jan 1</b>	<b>226.5</b>	<b>234.9</b>	<b>234.9</b>
Acquired businesses		0.0	-	-
Additions		45.2	26.2	39.9
Transfers to investment property		-0.3	-13.9	-13.9
Other disposals and transfers between items		0.7	0.2	0.2
Depreciation		-24.1	-24.9	-33.2
Impairment		0.0	-1.4	-1.6
Translation differences		-1.2	-0.5	0.1
<b>Carrying amount, end of the period</b>		<b>246.8</b>	<b>220.6</b>	<b>226.5</b>

The changes in the carrying amount of right-of-use assets:

EUR million		Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
<b>Carrying amount</b>	<b>Jan 1</b>	<b>280.6</b>	<b>255.0</b>	<b>255.0</b>
Acquired businesses		0.5	-	-
Additions		51.6	67.8	98.0
Disposals and transfers between items		-2.2	-2.3	-2.5
Depreciation		-55.4	-51.2	-69.8
Translation differences		-1.7	-3.6	0.0
<b>Carrying amount, end of the period</b>		<b>273.6</b>	<b>265.8</b>	<b>280.6</b>

Specification of right-of-use assets:

EUR million		Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
Buildings		209.9	209.0	211.3
Vehicles		51.9	48.6	61.7
Machinery and other		11.8	8.2	7.6
<b>Carrying amount, end of the period</b>		<b>273.6</b>	<b>265.8</b>	<b>280.6</b>

## 7. Goodwill and other intangible assets

The changes in the carrying amount of a total of goodwill and other intangible assets:

EUR million		Goodwill			Other intangible assets		
		Sep 30, 2024	Sep 30, 2023	Dec 31, 2023	Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
<b>Carrying amount</b>	<b>Jan 1</b>	<b>169.1</b>	<b>223.7</b>	<b>223.7</b>	<b>69.7</b>	<b>88.2</b>	<b>88.2</b>
Acquired businesses		1.0	-	-	0.7	-	-
Additions		-	-	-	9.0	16.5	23.0
Business divestments		-	-2.4	-2.4	-	-	-
Disposals and transfers between items		-	-	-	0.2	-0.2	-0.4
Amortization		-	-	-	-15.6	-21.3	-27.6
Impairment		-	-50.4	-52.4	-0.1	-12.6	-13.6
Translation differences		0.0	-1.9	0.3	0.0	-0.6	0.0
<b>Carrying amount, end of the period</b>		<b>170.1</b>	<b>169.0</b>	<b>169.1</b>	<b>63.9</b>	<b>70.0</b>	<b>69.7</b>

## 8. Investment property

The changes in the carrying amount of investment property:

EUR million		Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
<b>Carrying amount</b>	<b>Jan 1</b>	<b>24.6</b>	<b>3.5</b>	<b>3.5</b>
Additions		17.8	-	7.3
Disposals		-1.0	-	-
Transfers between items		0.3	13.9	13.9
<b>Carrying amount, end of the period</b>		<b>41.7</b>	<b>17.4</b>	<b>24.6</b>

The exchanges of land areas between Posti and the City of Helsinki in the surrounding land area of Posti Group Headquarters in Eteläinen Postipuisto, Helsinki were completed in May 2024. As a result, an increase of EUR 17.4 million and a decrease of EUR 1.0 million were recognized in investment property.

## 9. Provisions

EUR million	Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
Restructuring provision	6.3	5.3	3.0
Land use compensation and environmental provision	14.7	0.0	7.3
Other provisions	2.9	1.1	3.1
<b>Total</b>	<b>23.8</b>	<b>6.3</b>	<b>13.4</b>

An increase of EUR 8.7 million in environmental provision related to development of the surrounding land area of Posti Group headquarters was recognized during the second quarter.

## 10. Net debt and liquid funds

EUR million		Interest bearing borrowings	Interest-bearing lease liabilities	Interest bearing borrowings total	Liquid funds	Net debt total
<b>Carrying amount</b>	<b>Jan 1, 2024</b>	<b>60.0</b>	<b>290.7</b>	<b>350.8</b>	<b>110.8</b>	<b>240.0</b>
Cash flows		-0.2	-53.8	-54.0	-24.7	-29.3
Acquired businesses		0.0	0.5	0.5	0.7	-0.2
Effect of exchange rates changes		0.0	-2.0	-2.0	-0.1	-1.8
Other non-cash items		0.0	49.5	49.6	0.0	49.6
<b>Carrying amount</b>	<b>Sep 30, 2024</b>	<b>59.8</b>	<b>285.0</b>	<b>344.8</b>	<b>86.6</b>	<b>258.3</b>
<b>Fair value</b>	<b>Sep 30, 2024</b>	<b>60.0</b>	<b>285.0</b>	<b>345.1</b>		

Cash flows in interest-bearing borrowings include commercial papers.

EUR million		Interest bearing borrowings	Interest-bearing lease liabilities	Interest bearing borrowings total	Liquid funds	Net debt total
<b>Carrying amount</b>	<b>Jan 1, 2023</b>	<b>60.0</b>	<b>263.4</b>	<b>323.4</b>	<b>114.9</b>	<b>208.5</b>
Cash flows		0.0	-50.3	-50.3	-35.3	-15.0
Effect of exchange rates changes		0.0	-3.7	-3.7	-0.3	-3.4
Other non-cash items		0.0	65.7	65.7	0.0	65.7
<b>Carrying amount</b>	<b>Sep 30, 2023</b>	<b>60.0</b>	<b>275.1</b>	<b>335.1</b>	<b>79.3</b>	<b>255.8</b>
<b>Fair value</b>	<b>Sep 30, 2023</b>	<b>60.0</b>	<b>275.1</b>	<b>335.1</b>		

EUR million		Interest bearing borrowings	Interest-bearing lease liabilities	Interest bearing borrowings total	Liquid funds	Net debt total
<b>Carrying amount</b>	<b>Jan 1, 2023</b>	<b>60.0</b>	<b>263.4</b>	<b>323.4</b>	<b>114.9</b>	<b>208.5</b>
Cash flows		0.0	-67.1	-67.1	-4.1	-63.0
Effect of exchange rates changes		0.0	0.3	0.3	-0.1	0.4
Other non-cash items		0.0	94.1	94.1	0.0	94.1
<b>Carrying amount</b>	<b>Dec 31, 2023</b>	<b>60.0</b>	<b>290.7</b>	<b>350.8</b>	<b>110.8</b>	<b>240.0</b>
<b>Fair value</b>	<b>Dec 31, 2023</b>	<b>60.2</b>	<b>290.7</b>	<b>350.9</b>		

EUR million	Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
Cash and cash equivalents	48.5	39.6	64.6
Money market investments and investments in bonds	38.1	39.7	46.1
<b>Liquid funds</b>	<b>86.6</b>	<b>79.3</b>	<b>110.8</b>

## 11. Financial instruments and financial risk management

### Financial liabilities

Sep 30, 2024

EUR million	At fair value through profit or loss	Measured at amortised cost	Carrying value	Fair value	Level
<b>Non-current financial liabilities</b>					
Loans from financial institutions		59.8	59.8	60.0	2
Lease liabilities		216.7	216.7	216.7	
Other non-current payables		10.9	10.9	10.9	
<b>Non-current financial liabilities</b>		<b>287.3</b>	<b>287.3</b>	<b>287.6</b>	
<b>Current financial liabilities</b>					
Lease liabilities		68.4	68.4	68.4	
Currency derivatives	0.4		0.4	0.4	2
Trade payables and other liabilities		107.1	107.1	107.1	
<b>Current financial liabilities</b>	<b>0.4</b>	<b>175.4</b>	<b>175.8</b>	<b>175.8</b>	
<b>Total financial liabilities</b>	<b>0.4</b>	<b>462.8</b>	<b>463.2</b>	<b>463.4</b>	

### Contractual cash flows from financial liabilities and derivatives including interest payments

EUR million	2024	2025	2026	2027	2028-	Total
Loans from financial institutions	1.4	2.8	2.8	61.3		68.3
Other long-term liabilities		0.1	3.1	1.1	7.2	11.6
Trade and other payables	107.1					107.1
Derivatives:						
Currency derivatives, cash flows payable	36.4					36.4
Currency derivatives, cash flows receivable	-36.1					-36.1
<b>Total</b>	<b>108.8</b>	<b>2.9</b>	<b>5.9</b>	<b>62.4</b>	<b>7.2</b>	<b>187.2</b>

In May, the Group repaid a bank loan of EUR 60.0 million. In June, the Group signed two new bilateral EUR 60.0 million floating rate term loan facility agreements linked to its sustainability targets. In Q2, the Group made withdrawals totalling EUR 60.0 million from the new loans. The margins of the loans are linked to two sustainability targets: absolute amount of scope 1 and 2 greenhouse gas emissions and absolute amount of scope 3 greenhouse gas emissions. The loans are unsecured and have maturity of 3 years with two one year extension options. There are no hedging instruments related to the new loan agreements.

### Financial assets and liabilities measured at fair value

The Group categorizes financial assets and liabilities into three hierarchy levels according to the information used in fair value measurement. Information on hierarchy levels and principles on fair value measurement can be found on note Financial instruments and financial risk management in financial statements 2023. No transfers between the fair value hierarchy levels have been made during the reporting periods.

## Financial assets and liabilities measured and recognized at fair value

EUR million	Level	Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
<b>Financial assets</b>				
Non-current investments	3	0.8	0.8	0.8
Currency derivatives, non-hedge accounting	2	0.1	0.2	-
Interest rate derivatives, hedge accounting	2	-	1.8	1.0
<b>Total</b>		<b>0.9</b>	<b>2.9</b>	<b>1.8</b>
<b>Financial liabilities</b>				
Currency derivatives, non-hedge accounting	2	0.4	0.3	0.7
<b>Total</b>		<b>0.4</b>	<b>0.3</b>	<b>0.7</b>

Group also has a number of financial instruments which are not measured at fair value in the balance sheet. The fair value of investments in bonds was EUR 13.7 million and their carrying value EUR 13.6 million. For the other instruments, the fair values are not materially different to their carrying amounts, since the instruments are short-term in nature.

## 12. Commitments and other contingent liabilities

EUR million	Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
Guarantees	8.9	9.2	9.0
<b>Total</b>	<b>8.9</b>	<b>9.2</b>	<b>9.0</b>

### Lease commitments not recognized in balance sheet

EUR million	Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
Maturity of minimum lease payments:			
Less than a year	11.3	10.1	12.5
1-5 years	1.4	1.3	0.7
<b>Total</b>	<b>12.7</b>	<b>11.4</b>	<b>13.1</b>

### Other contingent liabilities

The Group has an estimated environmental liability of EUR 17.0 million related to the cleaning of the land areas in Eteläinen Postipuisto area. The exchanges of land areas between Posti and the City of Helsinki were completed in May 2024, and environmental provision was recognized for the sold land areas. The cleaning of the area is estimated to start at the end of 2024 and will progress in stages in 2025-2026.

## 13. Events after the reporting period

There have been no significant events after the reporting period.