



Posti Group

**Strong profitability again,
although net sales
declined**

April – June 2024





Responsibly
delivering

what matters
to you

on



**your
terms**

posti

Posti in figures 4-6/2024

Net Sales

EUR 377.8 million

(EUR 386.5 million)

Adjusted EBITDA

EUR 49.5 million

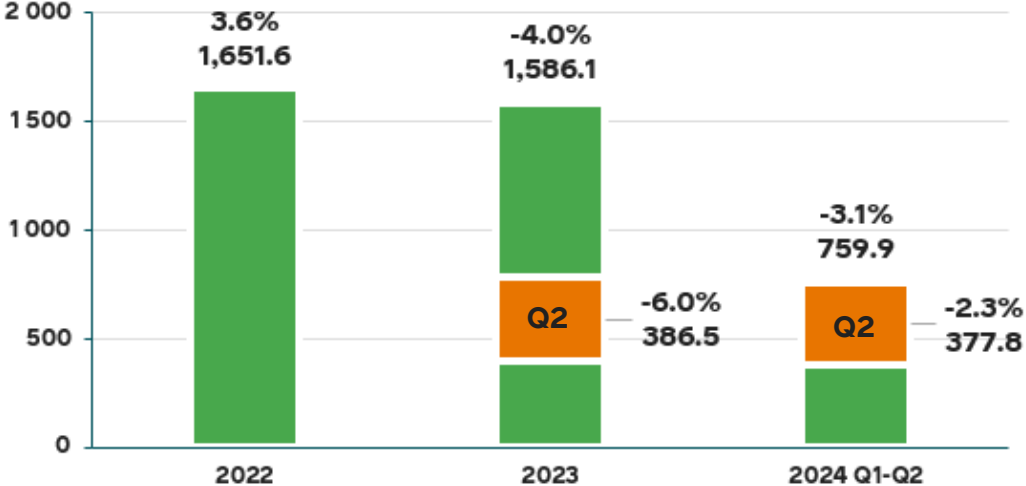
(EUR 38.0 million)

Adjusted EBITDA-%

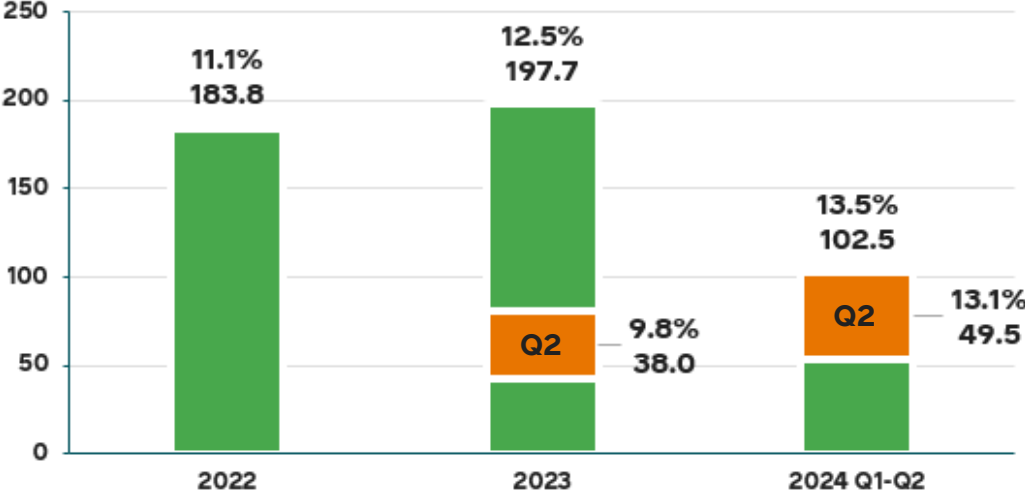
13.1%

(9.8%)

Group's net sales, EUR million and change, %



Group's adjusted EBITDA, EUR million and % of net sales



Q2 2024

Financial highlights

- Net sales decreased by 2.3% to EUR 377.8 (386.5) million
- Adjusted EBITDA increased to EUR 49.5 (38.0) million, or 13.1% (9.8%) of net sales
- EBITDA increased to EUR 44.0 (36.3) million, or 11.7% (9.4%) of net sales
- Adjusted operating result increased to EUR 17.9 (5.3) million, representing 4.7% (1.4%) of net sales
- Operating result increased to EUR 12.4 (3.5) million, representing 3.3% (0.9%) of net sales



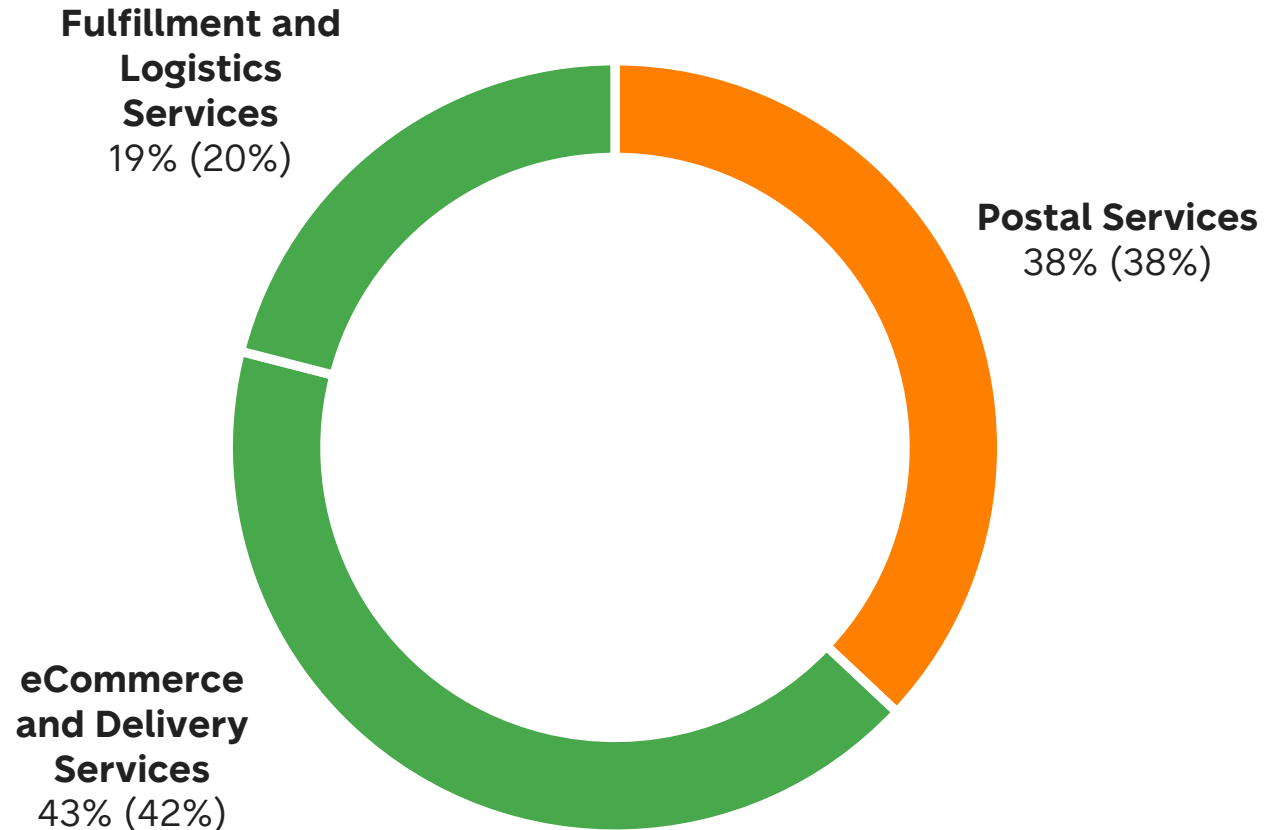
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Q2 2024 operational highlights

- Group net sales decreased. Weak customer demand affected especially Fulfillment and Logistics Services warehousing negatively and consequently decreased net sales
- The Group's adjusted EBITDA and operating result improved significantly
 - Continuous improvements in cost and operational efficiency, especially in the eCommerce and Delivery Services and Postal Services segments increased the share of the Group's adjusted EBITDA of net sales to a high level
- In the eCommerce and Delivery Services segment, the total parcel volume grew by 5%
 - Growth was driven by the improved e-commerce volumes in Finland and in the Baltic countries
- The addressed letter volumes continued to decrease by 10%

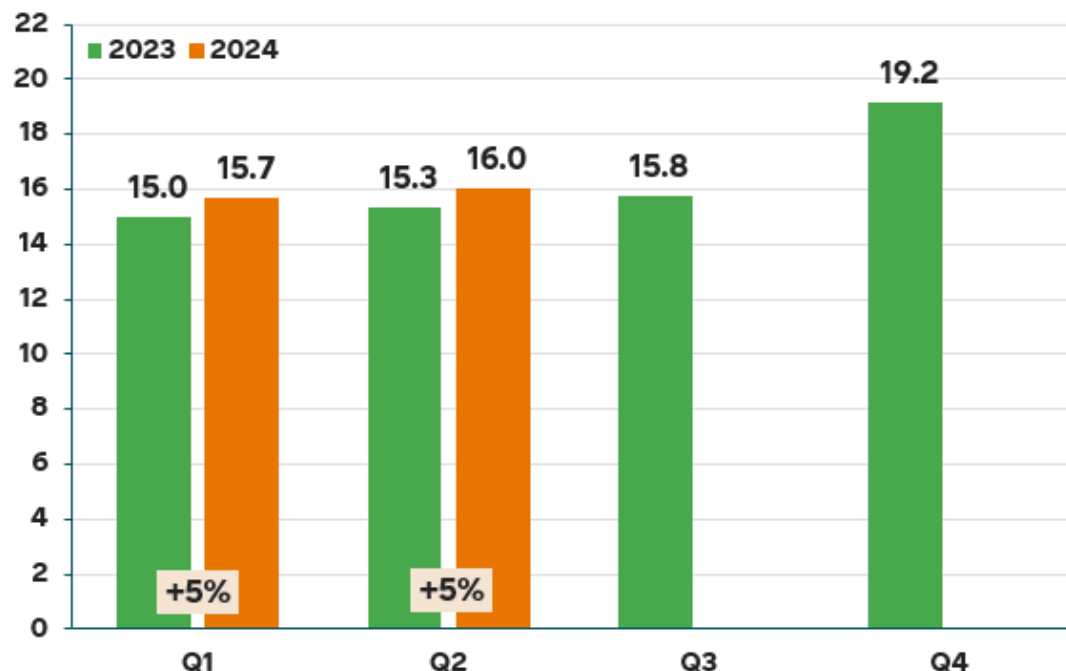


The combined external sales of eCommerce and Delivery Services, and Fulfillment and Logistics Services represented 61.5% (62.1%) of the Group's net sales in Q2 2024



Parcel volumes increased and postal volumes continued to decline in Q2 2024

Parcel volumes (million units) and change, % in Finland and in the Baltics



+5%

Parcel volumes in Finland and in the Baltics 4-6/2024

-3%

Freight volumes* 4-6/2024

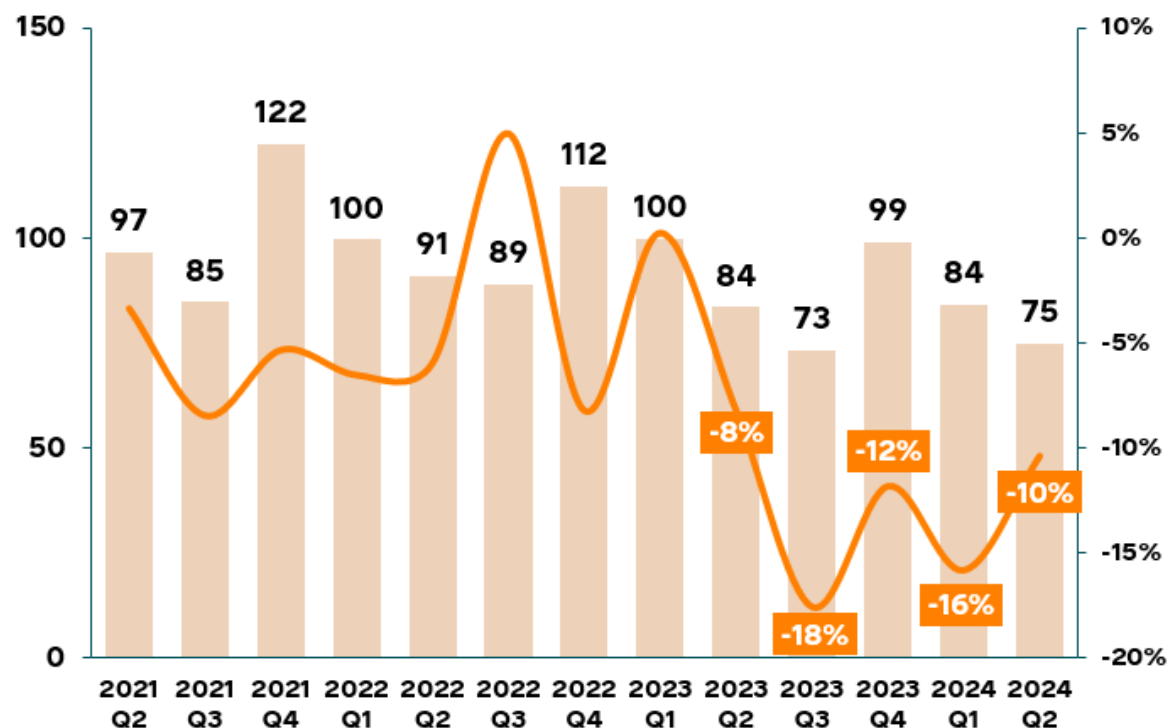
* Measured in waybills

-10%

Addressed letter volumes 4-6/2024

Addressed letter volumes continued to decrease in Q2 2024

Addressed letter volumes (million units) and change, %



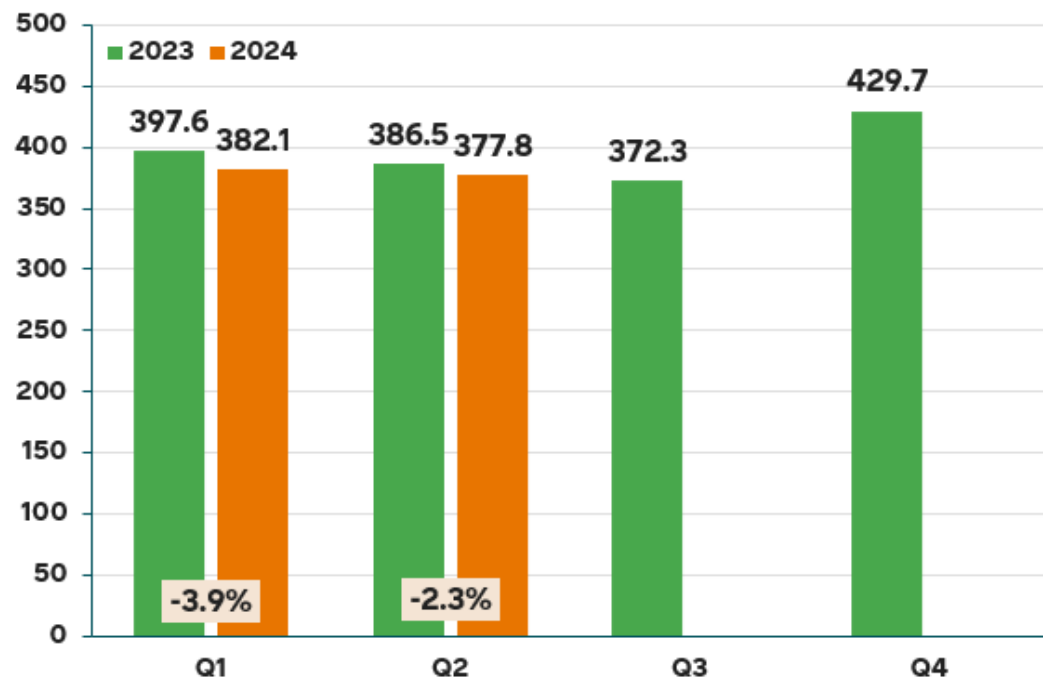
- Altogether 75 million addressed letters were delivered in the second quarter. Decrease from previous year 9 million items
- The declining trend in addressed letter volumes continued (declined 10%)
- The share of mail items covered by the universal service obligation accounted for 2.6% (2.3%) of all Posti's mail items delivered

Financials

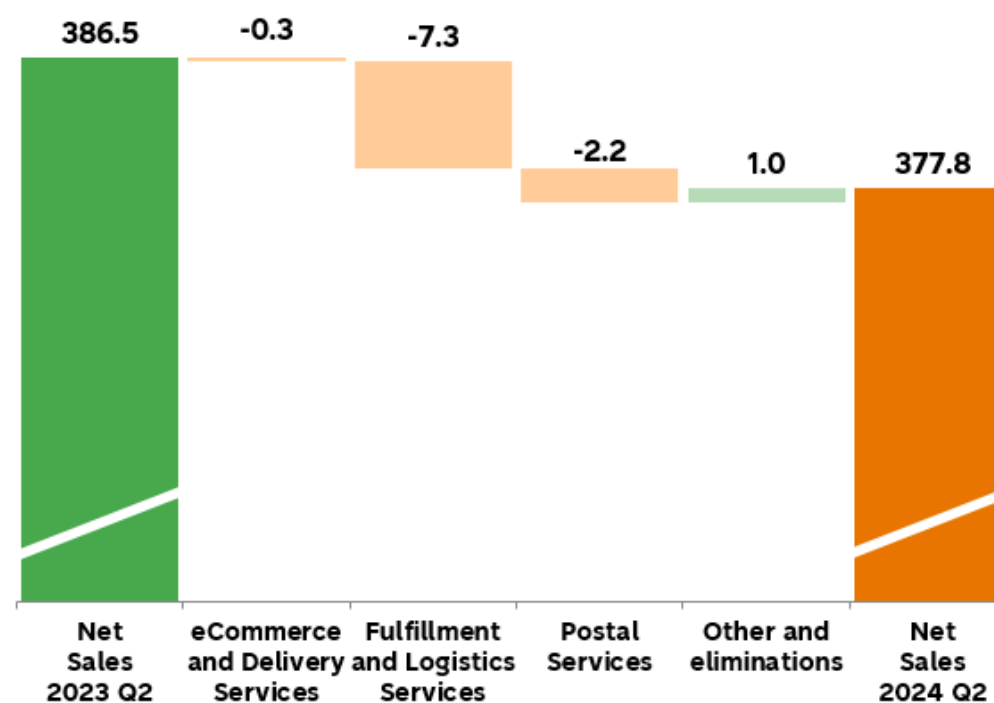
Posti Group's Q2 2024 net sales declined

Net sales decreased by 2.3% to EUR 377.8 (386.5) million

Group's net sales,
EUR million and change, %



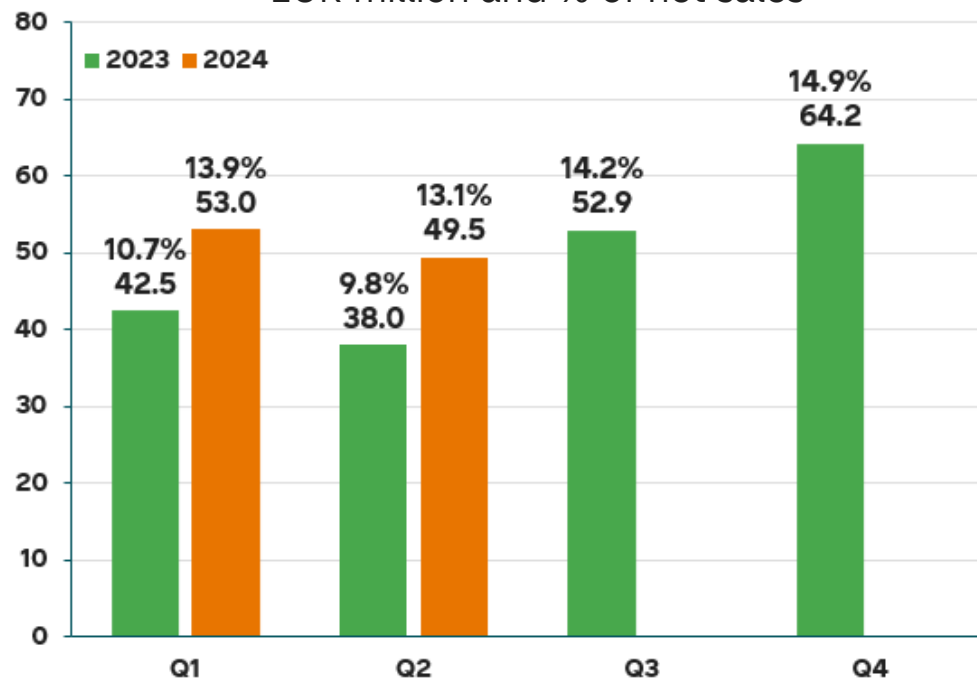
Q2 2023 vs Q2 2024 change of net sales
by segment, EUR million



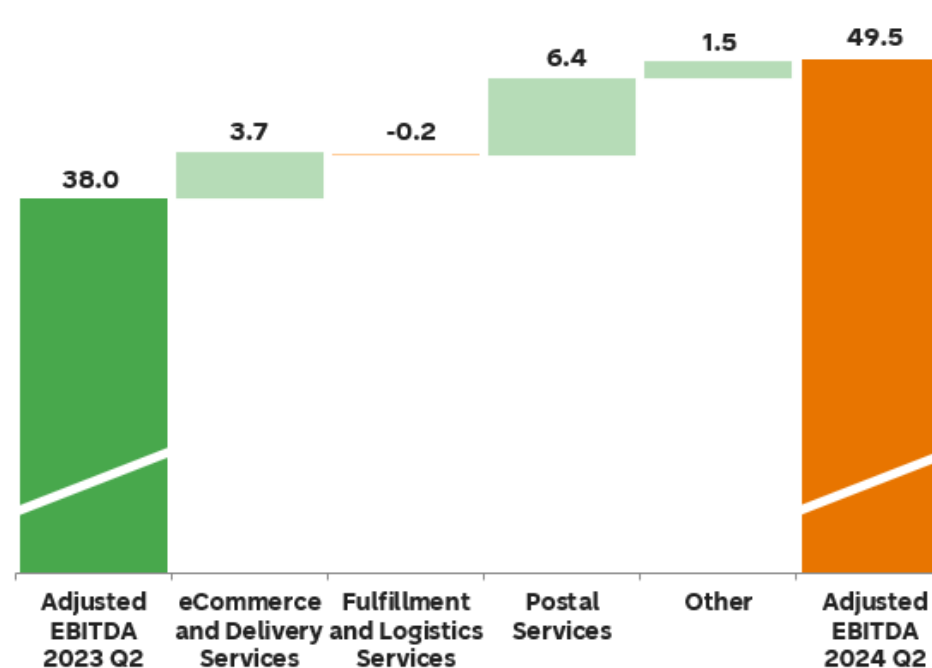
Posti Group's Q2 2024 adjusted EBITDA increased

Adjusted EBITDA increased to EUR 49.5 (38.0) million, or 13.1% (9.8%) of net sales

Group's adjusted EBITDA,
EUR million and % of net sales



Q2 2023 vs Q2 2024 adjusted EBITDA change
by segment, EUR million



Posti Group's key figures Q2 2024

	4-6 2024	%	4-6 2023	%	1-6 2024	%	1-6 2023	%
Net sales, EUR million	377.8		386.5		759.9		784.1	
Adjusted EBITDA, EUR million	49.5	13.1%	38.0	9.8%	102.5	13.5%	80.5	10.3%
EBITDA, EUR million	44.0	11.7%	36.3	9.4%	94.0	12.4%	77.9	9.9%
Adjusted operating result, EUR million	17.9	4.7%	5.3	1.4%	39.1	5.1%	14.9	1.9%
Operating result, EUR million	12.4	3.3%	3.5	0.9%	30.5	4.0%	12.3	1.6%
Result for the period, EUR million	7.3	1.9%	0.7	0.2%	19.6	2.6%	5.6	0.7%
Return on capital employed (12 months), %					1.6%		7.4%	
Net debt, EUR million					255.8		250.0	
Net debt / Adjusted EBITDA					1.2x		1.3x	
Operative free cash flow, EUR million					-7.1		-14.3	
Personnel, end of period					16,592		19,515	
Personnel on average, FTE	13,396		14,752		13,264		14,549	
Earnings per share, basic, EUR	0.18		0.02		0.49		0.14	

Outlook and long-term financial targets

Outlook for 2024 unchanged

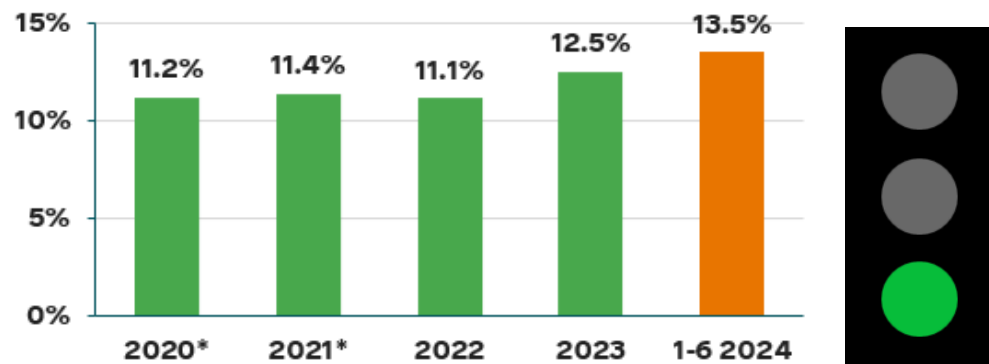
In 2024, Posti is expecting its net sales and adjusted EBITDA to be on the previous year's level.

- 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

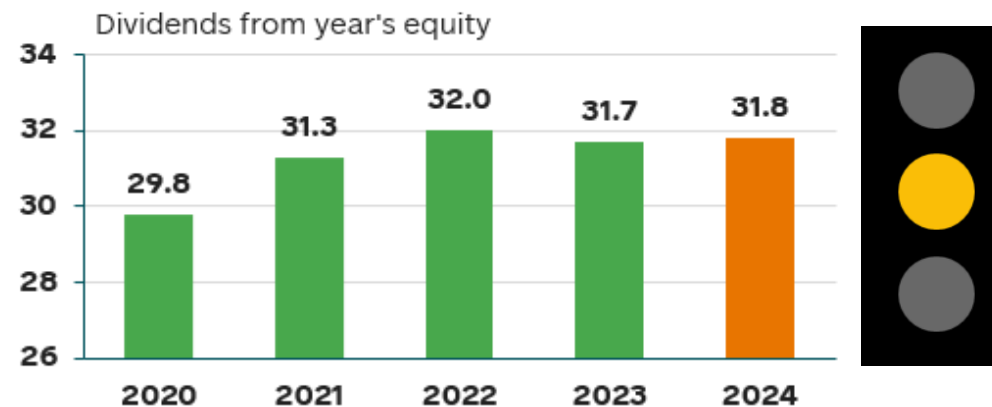


Long-term financial targets

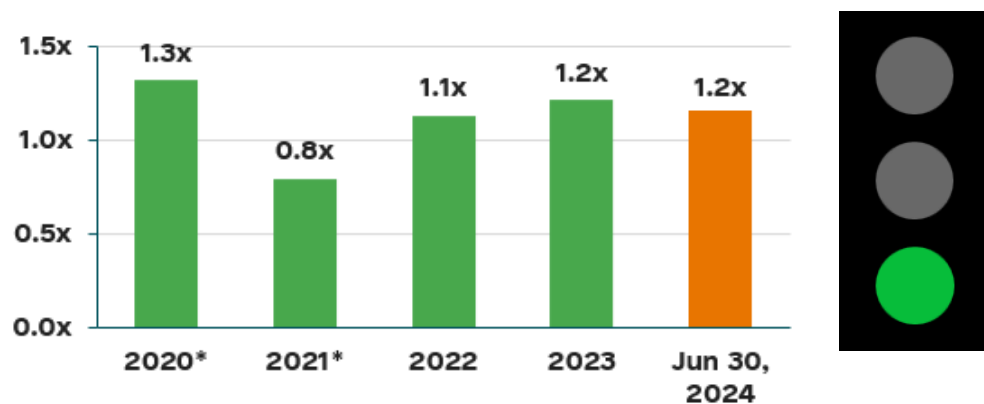
Adjusted EBITDA 13%



Continuously increasing ordinary dividend, but not exceeding annual net profit, EUR million



Net debt / Adjusted EBITDA less than 2.5x



Segments



Q2 2024: eCommerce and Delivery Services key figures

EUR million	4-6 2024	4-6 2023	1-6 2024	1-6 2023
Net sales	161.3	161.5	314.3	318.5
Net sales change, %	-0.2%	-6.3%	-1.3%	-3.9%
Adjusted EBITDA	19.2	15.5	33.6	27.2
Adjusted EBITDA, %	11.9%	9.6%	10.7%	8.5%
EBITDA	13.0	15.5	26.5	27.3
EBITDA, %	8.1%	9.6%	8.4%	8.6%

- The net sales stayed on the same level compared to the previous year and was EUR 161.3 million
 - The consumer demand and trust in economy has slightly begun to improve
 - This reflected in parcel volumes and consequently net sales positively
- Adjusted EBITDA increased to EUR 19.2 million
 - Increased parcel volumes, cost discipline and further improved operational efficiency in sorting improved profitability

Q2 2024: Fulfillment and Logistics Services key figures

EUR million	4-6 2024	4-6 2023	1-6 2024	1-6 2023
Net sales	76.1	83.4	150.7	166.8
Transval	51.4	56.6	100.9	112.9
Aditro Logistics	24.7	26.8	49.7	54.0
Net sales change, % *	-8.7%	-10.9%	-9.7%	-7.8%
Adjusted EBITDA	9.6	9.8	17.7	18.3
Adjusted EBITDA, %	12.7%	11.8%	11.8%	11.0%
EBITDA	9.5	9.8	17.6	18.1
EBITDA, %	12.5%	11.8%	11.7%	10.9%

* Transval Myymäläpalvelut Oy was divested in September 2023.

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

- The net sales decreased by 8.7% and were EUR 76.1 million
 - The weak customer demand resulted in a low circulation of goods in warehouses
 - Also, the sale of Transval Myymäläpalvelut Oy in September 2023 affected net sales negatively
 - The low consumer demand in Sweden had a negative impact on market volumes, especially in Aditro Logistics
- Adjusted EBITDA was EUR 9.6 million
 - Improvements in operational efficiency helped the adjusted EBITDA to remain on the previous year's level

Q2 2024: Postal Services key figures

EUR million	4-6 2024	4-6 2023	1-6 2024	1-6 2023
Net sales	146.7	149.0	307.6	311.6
Net sales change, %	-1.5%	-1.7%	-1.3%	3.2%
Adjusted EBITDA	22.9	16.5	55.0	41.1
Adjusted EBITDA, %	15.6%	11.1%	17.9%	13.2%
EBITDA	22.8	14.6	53.2	38.5
EBITDA, %	15.5%	9.8%	17.3%	12.4%

- The net sales decreased by 1.5% to EUR 146.7 million
 - Declined volumes lowered the net sales whereas various price increases, driven by the high inflation, had a positive impact on net sales
- Adjusted EBITDA increased to EUR 22.9 million
 - Continuous improvements in operational efficiency such as automated sorting, cost discipline and more efficient delivery models drove profitability to increase significantly

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