

# posti



AUGUST 8, 2024, AT 9:00 A.M. (EEST)

## Posti Group Corporation Half-Year Financial Report January-June 2024

# Posti Group 1-6/2024: Strong profitability again, although net sales declined

Posti Group Corporation Half-Year Financial Report January–June 2024

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

## April-June

### 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

## January-June

### Financial highlights

- Net sales decreased by 3.1% to EUR 759.9 (784.1) million
- Adjusted EBITDA increased to EUR 102.5 (80.5) million, or 13.5% (10.3%) of net sales
- EBITDA increased to EUR 94.0 (77.9) million, or 12.4% (9.9%) of net sales
- Adjusted operating result increased to EUR 39.1 (14.9) million, representing 5.1% (1.9%) of net sales
- Operating result increased to EUR 30.5 (12.3) million, representing 4.0% (1.6%) of net sales
- Net debt to adjusted EBITDA was 1.2x (1.3x)

### Operational highlights in Q2

- Group net sales decreased. Weak customer demand affected especially Fulfillment and Logistics Services warehouse volumes 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% (1%). This was driven by the improved e-commerce volumes in Finland and in the Baltic countries.
- The addressed letter volumes continued to decrease by 10% (8%).
  - The share of mail items covered by the universal service obligation accounted for 2.6% (2.3%) of all Posti's mail items delivered.

## 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.

## Key figures of Posti Group

	4-6 2024	4-6 2023	1-6 2024	1-6 2023	1-12 2023
Net sales, EUR million	377.8	386.5	759.9	784.1	1,586.1
Adjusted EBITDA, EUR million	49.5	38.0	102.5	80.5	197.7
<i>Adjusted EBITDA margin, %</i>	13.1%	9.8%	13.5%	10.3%	12.5%
EBITDA, EUR million	44.0	36.3	94.0	77.9	188.6
<i>EBITDA margin, %</i>	11.7%	9.4%	12.4%	9.9%	11.9%
Adjusted operating result, EUR million	17.9	5.3	39.1	14.9	66.4
<i>Adjusted operating result margin, %</i>	4.7%	1.4%	5.1%	1.9%	4.2%
Operating result, EUR million	12.4	3.5	30.5	12.3	-7.0
<i>Operating result margin, %</i>	3.3%	0.9%	4.0%	1.6%	-0.4%
Result for the period, EUR million	7.3	0.7	19.6	5.6	-25.2
Return on capital employed (12 months), %			1.6%	7.4%	-1.0%
Net debt, EUR million			255.8	250.0	240.0
Net debt / adjusted EBITDA			1.2x	1.3x	1.2x
Operative free cash flow, EUR million			-7.1	-14.3	28.6
Personnel, end of period			16,592	19,515	17,024
Personnel on average, FTE	13,396	14,752	13,264	14,549	14,272
Earnings per share, basic, EUR	0.18	0.02	0.49	0.14	-0.63
Dividend per share, EUR					0.80
Dividend, EUR million					31.8

## Timo Karppinen, Interim CEO

We again delivered strong profitability during the first half of 2024, which I'm proud to say is our best result in the past 10 years. We were prompt to respond to a declining market demand, and our long-term efforts in improving operational efficiency as well as prudent cost management are now bearing fruit. For this, I would like to thank every Posti employee.

In the second quarter, the Group net sales decreased by 2.3% to EUR 377.8 (386.5) million, whereas adjusted EBITDA increased to EUR 49.5 (38.0) million. In the first half the Group's net sales decreased by 3.1% to EUR 759.9 (784.1) million and adjusted EBITDA increased to EUR 102.5 (80.5) million. Adjusted EBITDA growth is mainly attributable to the substantial increase in profitability in both eCommerce and Delivery Services and Postal Services. We have also invested more in automation and have optimized our delivery models, enabling us to operate more efficiently.

Looking at the first half on the segment level, eCommerce and Delivery Services' profitability increased significantly, whereas net sales decreased due to a low consumer demand. We succeeded in improving our operations such as route optimization and introduced a more efficient way of sorting, which increased profitability. I am also pleased, that, the e-commerce parcel volumes increased. The Fulfillment and Logistics Services segment was particularly impacted by the continued weakness in customer demand, which led to low circulation of goods in warehouses. Despite this, the segment's profitability was stable year-on-year, even though the net sales decreased. Profitability in the Postal Services increased considerably during the first half. Continued focus on cost discipline, extended automated sorting capabilities and more efficient mail delivery models improved the operational efficiency consequently increasing profitability. Postal Services' net sales decreased due to the declined postal volumes. Overall, I am satisfied with the work we have done to achieve this result. This is a testament to hard work and dedication.

Although the overall economic growth is projected to be still ahead of us, we saw some early signs in the second quarter that the e-commerce market and level of consumer spending is starting to somewhat recover. We have been vigilant in a changing market and are well positioned when the market starts to improve. We continue to seek growth according to our strategy, and we do see the long-term market potential of e-commerce to continue positively in the Nordics.

In the second quarter we made determined progress in sustainability in line with our renewed sustainability program. A recent example of the strong integration of sustainability into our business and strategy is our new financing arrangement, the loan terms of which are tied to our climate targets, approved by the Science Based Targets Initiative. Adopting a sustainability linked loan and delivering on our ambitious climate targets will help us drive the clean transition of logistics in a profitable way. During the second quarter, we have updated our human rights impact assessment, and we are planning to launch our new human rights principles in the autumn.

Looking ahead, we will continue executing our strategy on all fronts; investing in digital services and automation, focus on cost management and keep our customers in the center of everything we do. We have now also started the preparations for the peak season and are aiming to have yet another successful one.

### APPENDICES

[Posti Group Corporation Half-Year Financial Report Tables January-June 2024 in full \(PDF\)](#)

### FURTHER INFORMATION

Timo Karppinen, Interim CEO and CFO

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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 zero our own emissions by 2030 and transport completely fossil-free throughout the value chain 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

According to the Bank of Finland's June forecast, GDP will shrink by 0.5% in 2024 but will grow by 1.2% in 2025 as the economy starts to recover. Based on the confidence indicators published by the Confederation of Finnish Industries in June, business confidence in all main sectors in Finland is among the three weakest countries in the EU. Although the confidence has started rising and there is a high probability that confidence indicators have bottomed out during a difficult spring.

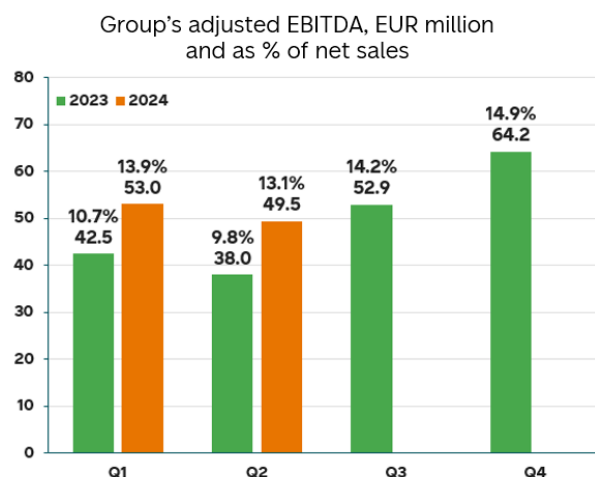
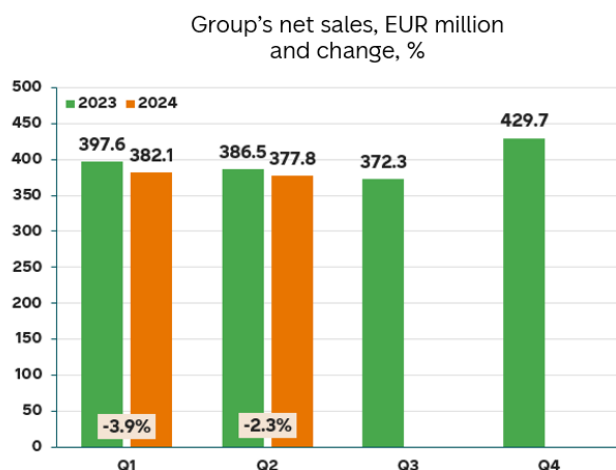
According to the June investment survey, companies' investment intentions remain weak and industrial investment is expected to shrink by one per cent compared to the previous year. The balance figure measuring service investments in Finland has weakened by six points this year, which means that a slightly larger share of service sector companies sees investments decreasing rather than increasing.

Consumers have been waiting for interest rates to fall and on June 6, 2024, the European Central Bank lowered the three key interest rates by 25 basis points. Interest rates are expected to decline gradually. Inflation has also slowed broadly during the early part of 2024 and private consumption will gradually recover as purchasing power strengthens.

The Swedish Riksbank forecasts that Swedish GDP growth is accelerating in 2024 and GDP in Sweden will increase by 1.1% in 2024 and 1.7% in 2025. The consumer confidence in Sweden has risen for nine consecutive months in June and also business sector confidence is close to normal long-term average.

The difficult business environment during spring and the macroeconomic situation had a clear effect on the demand for logistics services. The overall economic conditions have negatively affected customers' product flows in Posti warehouses and parcel volumes and the demand for logistics services has stayed low with a direct adverse impact on Posti's business operations.

## Net sales and profitability



## April-June 2024

### Net sales

The Group's net sales decreased by 2.3% to EUR 377.8 (386.5) million. Net sales decreased by 1.8% in Finland and by 6.4% in other countries. The decline in net sales was mainly due to weak customer demand especially in Fulfillment and Logistics services which resulted in slow circulation of goods in warehouses. Also, the divestment of Transval Myymäläpalvelut Oy in 2023 had a negative impact on net sales. The share of Posti's business operations outside Finland decreased and accounted for 8.9% (9.3%) of net sales.

Net sales in the eCommerce and Delivery Services segment stayed on the same level year-on-year and were EUR 161.3 (161.5) million.

Net sales in the Fulfillment and Logistics Services segment decreased by 8.7% to EUR 76.1 (83.4) million.

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

Net sales in the Postal Services segment decreased by 1.5% to EUR 146.7 (149.0) million.

Operations under the universal service obligation decreased and amounted to EUR 15.5 (17.2) million, or 4.1% (4.4%) of the Group's net sales, representing 2.6% (2.3%) of delivery volumes.

### Profitability

The Group's adjusted EBITDA increased to EUR 49.5 (38.0) million, or 13.1% (9.8%) of net sales, mainly due to the improved operational efficiency and increased profitability in eCommerce and Delivery Services and Postal Services. EBITDA increased to EUR 44.0 (36.3) million, or 11.7% (9.4%) of net sales.

The adjusted operating result increased significantly to EUR 17.9 (5.3) million, or 4.7% (1.4%) of net sales. The operating result increased to EUR 12.4 (3.5) million, or 3.3% (0.9%) of net sales.

Special items affecting the operating result in the second quarter amounted to EUR -5.4 (-1.8) million.

### Special items affecting the operating result

EUR million	4-6 2024	4-6 2023
Personnel restructuring costs	-5.8	-1.7
Other special items	0.4	-0.1
<b>Total</b>	<b>-5.4</b>	<b>-1.8</b>

## January-June 2024

### Net sales

The Group's net sales decreased by 3.1% to EUR 759.9 (784.1) million. Net sales decreased by 2.5% in Finland and by 8.4% in other countries. The decline in net sales in other countries was mainly due to the challenging macro-economic environment in Sweden. Political strikes in Finland in the first quarter had a negative effect on warehouse volumes. The weak customer demand affected especially Fulfillment and Logistics Services warehousing negatively, consequently decreasing net sales. Also, the divestment of Transval Myymäläpalvelut Oy in 2023 impacted net sales negatively. The share of Posti's business operations outside Finland decreased and accounted for 9.0% (9.5%) of net sales.

Net sales in the eCommerce and Delivery Services segment decreased by 1.3% to EUR 314.3 (318.5) million.

Net sales in the Fulfillment and Logistics Services segment decreased by 9.7% to EUR 150.7 (166.8) million.

The combined external net sales of eCommerce and Delivery Services and Fulfillment and Logistics Services represented 59.9% (60.6%) of the Group's net sales.

Net sales in the Postal Services segment decreased by 1.3% to EUR 307.6 (311.6) million.

Operations under the universal service obligation decreased and amounted to EUR 34.1 (36.6) million, or 4.5% (4.7%) of the Group's net sales, representing 2.9% (2.5%) of delivery volumes.

### Profitability

The Group's adjusted EBITDA increased to EUR 102.5 (80.5) million, or 13.5% (10.3%) of net sales, mainly due to the improved operational efficiency in eCommerce and Delivery Services and Postal Services. EBITDA increased to EUR 94.0 (77.9) million, or 12.4% (9.9%) of net sales.

The adjusted operating result increased significantly to EUR 39.1 (14.9) million, or 5.1% (1.9%) of net sales. The operating result also increased significantly to EUR 30.5 (12.3) million, or 4.0% (1.6%) of net sales.

Special items affecting the operating result in the first half amounted to EUR -8.6 (-2.6) million.

### Special items affecting the operating result

EUR million	1-6 2024	1-6 2023	1-12 2023
Personnel restructuring costs	-9.0	-2.3	-5.7
Impairments on goodwill and purchase price allocations			-57.4
Other impairments			-6.9
Other special items	0.4	-0.4	-3.4
<b>Total</b>	<b>-8.6</b>	<b>-2.6</b>	<b>-73.4</b>

### Transfers between 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.



## eCommerce and Delivery Services

### Key figures

	4-6 2024	4-6 2023	1-6 2024	1-6 2023	1-12 2023
Net sales, EUR million	161.3	161.5	314.3	318.5	652.0
Net sales change-%	-0.2%	-6.3%	-1.3%	-3.9%	-4.1%
Adjusted EBITDA, EUR million	19.2	15.5	33.6	27.2	75.9
Adjusted EBITDA margin, %	11.9%	9.6%	10.7%	8.5%	11.6%
EBITDA, EUR million	13.0	15.5	26.5	27.3	73.9
EBITDA margin, %	8.1%	9.6%	8.4%	8.6%	11.3%

### April-June 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 5% (1%) to 16.0 (15.3) million. The figure does not include letter-like eCommerce items.
- Transportation volumes measured in waybills decreased by 3% (8%).

Net sales of eCommerce and Delivery Services stayed on the same level year-on-year and were EUR 161.3 (161.5) million. The consumer demand and trust in the economy have begun to improve slightly, which was reflected in the increased parcel volumes, consequently impacting net sales positively.

The adjusted EBITDA of eCommerce and Delivery Services increased to EUR 19.2 (15.5) million, or 11.9% (9.6%) of net sales. Increased parcel volumes, cost discipline and further improved operational efficiency in sorting improved the segments' profitability. EBITDA decreased year-on-year and was EUR 13.0 (15.5) million, due to special items affecting operating result related to change negotiations.

### January-June 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 5% (0%) to 31.7 (30.3) million. The figure does not include letter-like eCommerce items.
- Transportation volumes measured in waybills decreased by 6% (9%).

Net sales of eCommerce and Delivery Services decreased by 1.3% to EUR 314.3 (318.5) million. The overall low level of spending and consumption of goods in the market affected volumes negatively, especially in transportation. This led to a decline in the net sales.

The adjusted EBITDA of eCommerce and Delivery Services increased to EUR 33.6 (27.2) million, or 10.7% (8.5%) of net sales. Focus 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 slightly negative effect on profitability. EBITDA decreased year-on-year and was EUR 26.5 (27.3) million, due to special items affecting operating result related to change negotiations. This is specified in the special items.

## Fulfillment and Logistics Services

### Key figures

	4-6 2024	4-6 2023	1-6 2024	1-6 2023	1-12 2023
Net sales, EUR million	76.1	83.4	150.7	166.8	328.4
Transval	51.4	56.6	100.9	112.9	219.5
Aditro Logistics	24.7	26.8	49.7	54.0	108.9
Net sales change-% *	-8.7%	-10.9%	-9.7%	-7.8%	-10.3%
Adjusted EBITDA, EUR million	9.6	9.8	17.7	18.3	37.3
Adjusted EBITDA margin, %	12.7%	11.8%	11.8%	11.0%	11.4%
EBITDA, EUR million	9.5	9.8	17.6	18.1	35.4
EBITDA margin, %	12.5%	11.8%	11.7%	10.9%	10.8%

\* Transval Myymäläpalvelut Oy was divested in September 2023.

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

### April-June 2024

Fulfillment and Logistics Services' net sales decreased by 8.7% and were EUR 76.1 (83.4) million. The weak customer demand continued in the second quarter, which resulted in a low circulation of goods in warehouses and had a negative impact **Transval's** net sales. The divestment of Transval Myymäläpalvelut Oy in September 2023 also impacted net sales negatively. **Aditro Logistics'** net sales also decreased year-on-year. The low consumer demand in Sweden had a negative impact on market volumes and Aditro Logistics' net sales.

The adjusted EBITDA of Fulfillment and Logistics Services remained on the previous year's level and was EUR 9.6 (9.8) million, but the share of net sales increased to 12.7% (11.8%). Improvements in operational efficiency in Fulfillment and Logistics Services helped to keep the adjusted EBITDA on a similar level year-on-year. EBITDA decreased to EUR 9.5 (9.8) million.

### January-June 2024

Fulfillment and Logistics Services' net sales decreased by 9.7% and were EUR 150.7 (166.8) million. The weak customer demand and the political strikes in Finland in the first quarter affected the warehouse volumes negatively in **Transval**, which decreased net sales. The divestment of Transval Myymäläpalvelut Oy in September 2023 also impacted net sales negatively. **Aditro Logistics'** net sales also decreased year-on-year. The low consumer demand in Sweden had a negative impact on market volumes and Aditro Logistics' net sales.

The adjusted EBITDA of Fulfillment and Logistics Services decreased to EUR 17.7 (18.3) million, but the share of net sales increased slightly to 11.8% (11.0%). Improvements in operational efficiency in Fulfillment and Logistics Services helped to increase the segment's relative adjusted EBITDA. EBITDA decreased year-on-year and was EUR 17.6 (18.1) million.

## Postal Services

### Key figures

	4-6 2024	4-6 2023	1-6 2024	1-6 2023	1-12 2023
Net sales, EUR million	146.7	149.0	307.6	311.6	631.0
Net sales change-%	-1.5%	-1.7%	-1.3%	3.2%	0.1%
Adjusted EBITDA, EUR million	22.9	16.5	55.0	41.1	96.3
Adjusted EBITDA margin, %	15.6%	11.1%	17.9%	13.2%	15.3%
EBITDA, EUR million	22.8	14.6	53.2	38.5	92.8
EBITDA margin, %	15.5%	9.8%	17.3%	12.4%	14.7%

### April-June 2024

- The number of addressed letters decreased by 10% (8%).

The net sales of Postal Services decreased by 1.5% to EUR 146.7 (149.0) million due to declined volumes. The decrease of net sales was partly offset by various price increases driven by the high inflation.

The adjusted EBITDA of Postal Services increased significantly to EUR 22.9 (16.5) million, or 15.6% (11.1%) of net sales. Continuous improvements in operational efficiency such as automated sorting, cost discipline and more efficient mail delivery models increased profitability. EBITDA increased to EUR 22.8 (14.6) million year-on-year.

### January-June 2024

- The number of addressed letters decreased by 13% (4%).

The net sales of Postal Services decreased by 1.3% to EUR 307.6 (311.6) million due to the declined volumes. The decrease of net sales was partly offset by various price increases driven by the high inflation.

The adjusted EBITDA of Postal Services increased significantly to EUR 55.0 (41.1) million, or 17.9% (13.2%) 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 53.2 (38.5) million year-on-year.

## Cash flow, financial position, and major investments

In January-June, the consolidated cash flow from operating activities was EUR 62.8 (45.0) million, the cash flow from investing activities was EUR -18.6 (-34.0) million of which EUR -1.4 (-3.0) million for business acquisitions, and the cash flow from financing activities was EUR -43.5 (-49.3) million.

At the end of June, liquid assets amounted to EUR 93.4 (82.6) million and undrawn committed credit facilities totaled EUR 210.0 (150.0) million. The Group's interest-bearing borrowings were EUR 349.2 (332.6) million of which bank loans of totaled EUR 60.0 million. Net debt totaled EUR 255.8 (250.0) million. Equity ratio was 36.5% (40.3%).

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 March 13, 2024, that Antti Jääskeläinen (M.Sc.Eng) has been appointed as the new President and CEO of Posti Group Corporation. Posti's previous President and CEO Turkka Kuusisto left his position on March 20, 2024, and his employment with Posti ended at the end of April.

Posti announced on June 27, 2024, that the CEO of Aditro Logistics' and a member of Posti Group's Leadership Team, Per Zandrén has left the company on June 27, 2024. The recruitment of the successor is underway. Aditro Logistics' current CFO Martin Nilsson has been appointed as the company's interim CEO.

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

## Employees

### The Group's personnel

	4-6 2024	4-6 2023	1-6 2024	1-6 2023	1-12 2023
Personnel at period-end			16,592	19,515	17,024
<i>Finland</i>			14,561	17,626	14,937
<i>Other countries of operation</i>			2,031	1,889	2,087
Personnel on average, FTE *	13,396	14,752	13,264	14,549	14,272

\* Full-time equivalent personnel on average

In January-June, the Group's personnel expenses amounted to EUR 331.7 (349.8) million, declining by 18.1% from the previous year. The personnel expenses included EUR 9.0 (2.3) million of restructuring costs. The number of personnel declined, decreasing the overall expenses, while the union-negotiated salary agreements increased personnel 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 challenging market and lower volumes as well as personnel reductions related to the change negotiations.

### 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.

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.

## 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, high interest rates as well as rising taxes, such as the VAT increase that will come into effect in Finland on September 1, 2024, may reduce the consumers' purchasing power and have a negative impact on Posti's 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, which 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 assesses risks and implements business continuity planning based on comprehensive security and security of supply preparedness. Posti's role is different in Finland and international operations, but we adhere to the same principles across all our activities. Possible significant national risks that we prepare for on this basis include for example ensuring the continuity of critical locations, rapid response to requests from authorities for transport resources and addressing disruptions of key transport routes.

On June 11, 2024, a fire at a postal facility in Orivesi, Finland destroyed the entire property. The continuity of business operations was secured through emergency management procedures and operations were able to resume almost to normal the next day and returned to normal within three days.

Posti's business is very employee intensive and in Finland the labor market is intensified. Political or labor union strikes against government reforms may have a negative impact on Posti's operations and its financial performance. Depending on the nature of the strike it may also have a direct effect on net sales, increase Posti's operating costs and impact our volumes negatively through our customers.

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 reduction in the electricity supply, IT services and facility services, which may all have a negative impact on Posti's financial performance.

New lower-priced competitors have entered the operating market, which may have a negative impact on Posti's financial performance. In postal business the competition is seen as a long-term risk if the competitors can build mail capabilities faster than expected. This would have a negative impact on turnover and cause challenges for Posti to develop cost efficiency in Posti's network in Finland.

Increasing and progressive digitalization presents risks to the traditional letter business. Posti is responding to the digitalization of government communication prepared by the Finnish Government with its OmaPosti application.

If the economic situation and labor market improves as forecasted, this may cause challenges to recruit and maintain talent. Posti takes actions to mitigate this risk and we have already seen improvements in Posti's employee image measured by an external vendor.

## Events after the reporting period

There were no significant events after the reporting period.

## 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.

## Posti's financial reporting

### 2024:

October 25, 2024: Interim Report for January-September 2024

### 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, August 8, 2024

Posti Group Corporation  
Board of Directors

### APPENDICES

Calculation of key figures

Half-Year Financial Report tables January-June 2024

## 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.



## Half-Year Financial Report tables January-June 2024

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

#### Consolidated Income Statement

EUR million	4-6 2024	4-6 2023	1-6 2024	1-6 2023	1-12 2023
<b>Net sales</b>	<b>377.8</b>	<b>386.5</b>	<b>759.9</b>	<b>784.1</b>	<b>1,586.1</b>
Other operating income	4.8	1.9	8.8	3.6	9.4
Materials and services	-99.4	-105.3	-199.3	-213.7	-433.4
Employee benefits	-168.3	-174.7	-331.7	-349.8	-685.1
Other operating expenses	-70.9	-72.1	-143.7	-146.3	-288.4
Depreciation and amortization	-31.6	-32.8	-63.5	-65.4	-129.9
Impairment losses	0.0	0.0	0.0	-0.2	-65.6
<b>Operating result</b>	<b>12.4</b>	<b>3.5</b>	<b>30.5</b>	<b>12.3</b>	<b>-7.0</b>
Finance income	0.9	1.9	3.5	3.1	6.4
Finance expenses	-3.0	-3.8	-7.3	-6.9	-13.6
<b>Result before income tax</b>	<b>10.3</b>	<b>1.6</b>	<b>26.7</b>	<b>8.5</b>	<b>-14.1</b>
Income tax	-3.1	-0.9	-7.1	-2.9	-11.1
<b>Result for the period</b>	<b>7.3</b>	<b>0.7</b>	<b>19.6</b>	<b>5.6</b>	<b>-25.2</b>
<b>Earnings per share (EUR per share)</b>	<b>0.18</b>	<b>0.02</b>	<b>0.49</b>	<b>0.14</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	4-6 2024	4-6 2023	1-6 2024	1-6 2023	1-12 2023
<b>Result for the period</b>	<b>7.3</b>	<b>0.7</b>	<b>19.6</b>	<b>5.6</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	-1.0	-0.3	-1.0	-0.4	-1.2
Translation differences	0.0	-2.5	0.0	-3.5	-2.0
Income tax relating to these items	0.2	0.1	0.2	0.1	0.2
<b>Items that will not be reclassified to profit or loss:</b>					
Remeasurements of post-employment benefit obligations					-0.7
Income tax relating to these items					0.1
<b>Comprehensive income for the period</b>	<b>6.5</b>	<b>-2.1</b>	<b>18.8</b>	<b>1.8</b>	<b>-28.8</b>

## Consolidated Balance Sheet

### Assets

EUR million	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
<b>Non-current assets</b>			
Goodwill	170.1	220.8	169.1
Other intangible assets	66.4	84.6	69.7
Investment property	41.3	3.5	24.6
Property, plant and equipment	236.0	229.8	226.5
Right-of-use assets	270.4	263.8	280.6
Other non-current investments	0.8	1.0	0.8
Non-current receivables	0.7	0.0	1.9
Deferred tax assets	10.5	16.6	5.2
<b>Total non-current assets</b>	<b>796.2</b>	<b>820.2</b>	<b>778.5</b>
<b>Current assets</b>			
Inventories	3.8	3.9	3.9
Trade and other receivables	273.1	278.5	289.6
Current income tax receivables	5.4	0.7	0.0
Current financial assets	28.4	41.6	47.1
Cash and cash equivalents	65.1	43.8	64.6
<b>Total current assets</b>	<b>375.9</b>	<b>368.6</b>	<b>405.2</b>
<b>Total assets</b>	<b>1,172.1</b>	<b>1,188.7</b>	<b>1,183.7</b>

### Equity and liabilities

EUR million	Jun 30, 2024	Jun 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	-7.2	-8.7	-7.2
Retained earnings	202.1	245.7	214.3
<b>Total shareholders' equity</b>	<b>407.6</b>	<b>451.1</b>	<b>420.5</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	8.5	11.3	9.1
Non-current interest-bearing borrowings	59.8	0.0	0.0
Non-current interest-bearing lease liabilities	212.1	211.2	224.6
Other non-current payables	17.2	6.1	11.9
Advances received	3.9	6.7	6.2
Non-current provisions	12.0	2.4	5.9
Defined benefit pension plan liabilities	7.2	9.4	8.6
<b>Total non-current liabilities</b>	<b>320.6</b>	<b>247.1</b>	<b>266.4</b>
<b>Current liabilities</b>			
Current interest-bearing borrowings	7.9	60.0	60.0
Current interest-bearing lease liabilities	69.4	61.4	66.1
Trade and other payables	288.5	299.4	298.0
Advances received	50.8	61.9	60.6
Current income tax liabilities	13.3	7.1	4.6
Current provisions	14.1	0.7	7.5
<b>Total current liabilities</b>	<b>443.9</b>	<b>490.5</b>	<b>496.8</b>
<b>Total liabilities</b>	<b>764.6</b>	<b>737.6</b>	<b>763.2</b>
<b>Total equity and liabilities</b>	<b>1,172.1</b>	<b>1,188.7</b>	<b>1,183.7</b>

## Condensed Consolidated Statement of Cash Flows

EUR million	1-6 2024	1-6 2023	1-12 2023
<b>Result for the period</b>	<b>19.6</b>	<b>5.6</b>	<b>-25.2</b>
Adjustments to cash flow	77.4	70.9	214.7
Change in net working capital	-20.0	-27.4	-26.6
<b>Cash flow before financial items and income tax</b>	<b>76.9</b>	<b>49.1</b>	<b>162.9</b>
Financial items (net)	-4.4	-3.7	-7.1
Income tax paid	-9.7	-0.3	-0.7
<b>Cash flow from operating activities</b>	<b>62.8</b>	<b>45.0</b>	<b>155.1</b>
Purchase of intangible assets	-6.6	-12.2	-23.0
Purchase of property, plant and equipment	-27.7	-13.7	-36.4
Payments for investment property	-1.8	-	-
Proceeds from sale of intangible and tangible assets	0.4	0.4	0.9
Business acquisitions, net of cash acquired	-1.4	-3.0	-3.1
Proceeds from business disposals less cash and cash equivalents	-	-	0.1
Cash flow from financial assets	18.5	-6.5	-13.9
Cash flow from other investments	0.0	0.9	1.1
<b>Cash flow from investing activities</b>	<b>-18.6</b>	<b>-34.0</b>	<b>-74.2</b>
Increases in non-current loans	60.0	-	-
Repayment of non-current loans	-60.0	-	-
Net cash flow from non-current commercial papers	7.9	-	-
Payments of lease liabilities	-35.6	-33.5	-67.1
Dividends paid	-15.9	-15.9	-31.7
<b>Cash flow from financing activities</b>	<b>-43.5</b>	<b>-49.3</b>	<b>-98.8</b>
<b>Change in cash and cash equivalents</b>	<b>0.6</b>	<b>-38.3</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	-0.5	-0.1
<b>Cash and cash equivalents at the end of the period</b>	<b>65.1</b>	<b>43.8</b>	<b>64.6</b>
<b>Operative free cash flow, reconciliation</b>			
Cash flow from operating activities	62.8	45.0	155.1
Purchase of intangible assets and property, plant and equipment	-34.3	-25.9	-59.4
Payments of lease liabilities	-35.6	-33.5	-67.1
<b>Operative free cash flow</b>	<b>-7.1</b>	<b>-14.3</b>	<b>28.6</b>

Consolidated statement of cash flows includes both continuing and discontinued operations.

## 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					19.6	19.6
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
<b>Comprehensive income for the period</b>			<b>-0.8</b>	<b>0.0</b>	<b>19.6</b>	<b>18.8</b>
<b>Transactions with equity holders</b>						
Dividend					-31.8	-31.8
<b>Jun 30, 2024</b>	<b>70.0</b>	<b>142.7</b>	<b>0.0</b>	<b>-7.2</b>	<b>202.1</b>	<b>407.6</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					5.6	5.6
Other comprehensive income:						
Changes in the fair value of cash flow hedges, net of tax			-0.3			-0.3
Translation differences				-3.5		-3.5
<b>Comprehensive income for the period</b>			<b>-0.3</b>	<b>-3.5</b>	<b>5.6</b>	<b>1.8</b>
<b>Transactions with equity holders</b>						
Dividend					-31.7	-31.7
<b>Jun 30, 2023</b>	<b>70.0</b>	<b>142.7</b>	<b>1.5</b>	<b>-8.7</b>	<b>245.7</b>	<b>451.1</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 autumn 2024.

## Notes

### 1. Accounting policies

Half-Year Financial 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 are expected to fall but the increase in VAT in the beginning of September in Finland will have the opposite effect. The general economic operating environment continues to be challenging, and economies of Finland and Sweden are expected to return to growth path in 2025. Political strikes, geopolitical tensions and several important elections bring uncertainty in economic prospects. 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>1-6 2024</b>	<b>1-6 2023</b>	<b>1-12 2023</b>
SEK	11.389	11.331	11.473
NOK	11.493	11.320	11.424
SDR	0.816	0.806	0.811

<b>Closing rate</b>	<b>Jun 30, 2024</b>	<b>Jun 30, 2023</b>	<b>Dec 31, 2023</b>
SEK	11.360	11.806	11.096
NOK	11.397	11.704	11.241
SDR	0.814	0.817	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.

Transval and Aditro Logistics are separate operating segments, but are combined into one reportable segment, Fulfillment and Logistics Services. Transval and Aditro Logistics are engaged in similar business in Finland, Sweden and Norway and they have similar economic characteristics, nature of services and customer types.

<b>Reportable Segment</b>	<b>Operating segment</b>
eCommerce and Delivery Services	eCommerce and Delivery Services
Fulfillment and Logistics Services	Transval
Fulfillment and Logistics Services	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.

#### Transfers between segments

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.

#### 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.

**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 Transval's premises or in the client's premises such as warehouses, terminals, factories, production sites and shops.

**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>4-6 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	161.3	76.1	146.7		384.1
Net Sales, internal	-0.7	-4.4	-1.3		-6.4
<b>Net Sales, external</b>	160.6	71.7	145.4	0.0	<b>377.8</b>
<b>Adjusted EBITDA</b>	19.2	9.6	22.9	-2.2	<b>49.5</b>
Special items (impacting EBITDA)	-6.1	-0.1	-0.1	0.9	-5.4
<b>EBITDA</b>	13.0	9.5	22.8	-1.3	<b>44.0</b>
Depreciation & amortization					-31.6
Impairment losses					0.0
<b>Adjusted operating result</b>					<b>17.9</b>
Special items (impacting EBIT)					-5.4
<b>Operating result</b>					<b>12.4</b>
Financial income & expenses					-2.1
Taxes					-3.1
<b>Result for the period</b>					<b>7.3</b>
Capital Expenditure	5.8	3.6	2.7	36.9	49.0
Personnel, end of period	3,703	4,329	7,890	670	16,592
Net Assets	228.4	293.9	85.0	-199.8	407.6

<b>4-6 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	161.5	83.4	149.0		393.9
Net Sales, internal	-0.5	-4.5	-2.3		-7.4
<b>Net Sales, external</b>	161.0	78.8	146.6	0.0	<b>386.5</b>
<b>Adjusted EBITDA</b>	15.5	9.8	16.5	-3.6	<b>38.0</b>
Special items (impacting EBITDA)	0.1	0.0	-1.9	0.0	-1.8
<b>EBITDA</b>	15.5	9.8	14.6	-3.6	<b>36.3</b>
Depreciation & amortization					-32.8
Impairment losses					0.0
<b>Adjusted operating result</b>					<b>5.3</b>
Special items (impacting EBIT)					-1.8
<b>Operating result</b>					<b>3.5</b>
Financial income & expenses					-1.9
Taxes					-0.9
<b>Result for the period</b>					<b>0.7</b>
Capital Expenditure	7.7	1.7	5.9	13.3	28.5
Personnel, end of period	4,011	5,896	8,900	708	19,515
Net Assets	258.2	355.0	75.9	-238.0	451.1

<b>1-6 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	314.3	150.7	307.6		772.6
Net Sales, internal	-1.4	-8.4	-2.9		-12.7
<b>Net Sales, external</b>	312.9	142.2	304.7	0.0	<b>759.9</b>
<b>Adjusted EBITDA</b>	33.6	17.7	55.0	-3.8	<b>102.5</b>
Special items (impacting EBITDA)	-7.1	-0.1	-1.8	0.5	-8.6
<b>EBITDA</b>	26.5	17.6	53.2	-3.3	<b>94.0</b>
Depreciation & amortization					-63.5
Impairment losses					0.0
<b>Adjusted operating result</b>					<b>39.1</b>
Special items (impacting EBIT)					-8.6
<b>Operating result</b>					<b>30.5</b>
Financial income & expenses					-3.8
Taxes					-7.1
<b>Result for the period</b>					<b>19.6</b>
Capital Expenditure	9.9	17.7	5.5	48.9	82.0
Personnel, end of period	3,703	4,329	7,890	670	16,592
Net Assets	228.4	293.9	85.0	-199.8	407.6

<b>1-6 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	318.5	166.8	311.6		797.1
Net Sales, internal	-1.0	-9.0	-2.9		-13.0
<b>Net Sales, external</b>	317.5	157.9	308.8	0.0	<b>784.1</b>
<b>Adjusted EBITDA</b>	27.2	18.3	41.1	-5.9	<b>80.5</b>
Special Items (impacting EBITDA)	0.1	-0.2	-2.6	0.0	-2.6
<b>EBITDA</b>	27.3	18.1	38.5	-5.9	<b>77.9</b>
Depreciation & amortization					-65.4
Impairment losses					-0.2
<b>Adjusted operating result</b>					<b>14.9</b>
Special items (impacting EBIT)					-2.6
<b>Operating result</b>					<b>12.3</b>
Financial income & expenses					-3.7
Taxes					-2.9
<b>Result for the period</b>					<b>5.6</b>
Capital Expenditure	13.1	21.4	8.3	33.1	76.0
Personnel, end of period	4,011	5,896	8,900	708	19,515
Net Assets	258.2	355.0	75.9	-238.0	451.1



<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	4-6 2024	4-6 2023	1-6 2024	1-6 2023	1-12 2023
Finland	312.7	320.3	630.6	650.5	1,314.1
Sweden	31.6	32.4	63.6	70.0	141.4
The Baltics	9.8	7.8	19.3	16.5	32.4
Other countries	23.6	26.1	46.4	47.1	98.1
<b>Total</b>	<b>377.8</b>	<b>386.5</b>	<b>759.9</b>	<b>784.1</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 of all shares in 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. Acquisition has been treated as preliminary and a goodwill of EUR 0.9 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		Jun 30, 2024	Jun 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		26.5	12.4	39.9
Transfers to investment property		-0.3	-	-13.9
Other disposals and transfers between items		0.1	0.2	0.2
Depreciation		-16.1	-16.7	-33.2
Impairment		0.0	-	-1.6
Translation differences		-0.7	-0.9	0.1
<b>Carrying amount, end of the period</b>		<b>236.0</b>	<b>229.8</b>	<b>226.5</b>

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

EUR million		Jun 30, 2024	Jun 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		29.4	50.0	98.0
Disposals and transfers between items		-1.2	-1.6	-2.5
Depreciation		-36.6	-33.9	-69.8
Translation differences		-2.3	-5.8	0.0
<b>Carrying amount, end of the period</b>		<b>270.4</b>	<b>263.8</b>	<b>280.6</b>

Specification of right-of-use assets:

EUR million		Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Buildings		203.7	208.6	211.3
Vehicles		54.8	46.6	61.7
Machinery and other		11.9	8.6	7.6
<b>Carrying amount, end of the period</b>		<b>270.4</b>	<b>263.8</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		
		Jun 30, 2024	Jun 30, 2023	Dec 31, 2023	Jun 30, 2024	Jun 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		0.9	-	-	0.7	-	-
Additions		-	-	-	6.6	12.2	23.0
Business divestments		-	-	-2.4	-	-	-
Disposals and transfers between items		-	-	-	0.2	-0.2	-0.4
Amortization		-	-	-	-10.7	-14.4	-27.6
Impairment		-	-	-52.4	-	-0.2	-13.6
Translation differences		0.0	-2.9	0.3	0.0	-1.0	0.0
<b>Carrying amount, end of the period</b>		<b>170.1</b>	<b>220.8</b>	<b>169.1</b>	<b>66.4</b>	<b>84.6</b>	<b>69.7</b>

## 8. Investment property

The changes in the carrying amount of investment property:

EUR million		Jun 30, 2024	Jun 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		17.4	-	7.3
Disposals		-1.0	-	-
Transfers between items		0.3	-	13.9
<b>Carrying amount, end of the period</b>		<b>41.3</b>	<b>3.5</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	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Restructuring provision	8.3	2.9	3.0
Land use compensation and environmental provision	14.7	0.0	7.3
Other provisions	3.1	0.2	3.1
<b>Total</b>	<b>26.1</b>	<b>3.1</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.

## 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		7.7	-35.5	-27.8	-18.0	-9.9
Acquired businesses		0.0	0.5	0.5	0.7	-0.2
Effect of exchange rates changes		0.0	-2.5	-2.5	-0.1	-2.4
Other non-cash items		0.0	28.2	28.2	0.0	28.2
<b>Carrying amount</b>	<b>Jun 30, 2024</b>	<b>67.7</b>	<b>281.5</b>	<b>349.2</b>	<b>93.4</b>	<b>255.8</b>
<b>Fair value</b>	<b>Jun 30, 2024</b>	<b>68.2</b>	<b>281.5</b>	<b>349.7</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	-33.5	-33.5	-31.8	-1.7
Effect of exchange rates changes		0.0	-6.4	-6.4	-0.5	-5.9
Other non-cash items		0.0	49.1	49.1	0.0	49.1
<b>Carrying amount</b>	<b>Jun 30, 2023</b>	<b>60.0</b>	<b>272.6</b>	<b>332.6</b>	<b>82.6</b>	<b>250.0</b>
<b>Fair value</b>	<b>Jun 30, 2023</b>	<b>60.1</b>	<b>272.6</b>	<b>332.7</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	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Cash and cash equivalents	65.1	43.8	64.6
Money market investments and investments in bonds	28.3	38.8	46.1
<b>Liquid funds</b>	<b>93.4</b>	<b>82.6</b>	<b>110.8</b>

## 11. Financial instruments and financial risk management

### Financial liabilities

Jun 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	60.2	2
Lease liabilities		212.1	212.1	212.1	2
Other non-current payables		10.9	10.9	10.9	
<b>Non-current financial liabilities</b>		<b>282.7</b>	<b>282.7</b>	<b>283.2</b>	
<b>Current financial liabilities</b>					
Commercial papers		7.9	7.9	7.9	2
Lease liabilities		69.4	69.4	69.4	2
Currency derivatives	0.3		0.3	0.3	2
Trade payables and other liabilities		109.1	109.1	109.1	
<b>Current financial liabilities</b>	<b>0.3</b>	<b>186.4</b>	<b>186.6</b>	<b>186.6</b>	
<b>Total financial liabilities</b>	<b>0.3</b>	<b>469.1</b>	<b>469.4</b>	<b>469.8</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	61.2		68.2
Other long-term liabilities		0.1	3.1	1.1	7.2	11.6
Commercial papers	8.0					8.0
Trade and other payables	109.1					109.1
Derivatives:						
Currency derivatives, cash flows payable	33.9					33.9
Currency derivatives, cash flows receivable	-33.8					-33.8
<b>Total</b>	<b>118.5</b>	<b>2.9</b>	<b>5.9</b>	<b>62.4</b>	<b>7.2</b>	<b>196.9</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	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
<b>Financial assets</b>				
Non-current investments	3	0.8	1.0	0.8
Currency derivatives, non-hedge accounting	2	0.2	1.0	-
Interest rate derivatives, hedge accounting	2	-	1.8	1.0
<b>Total</b>		<b>1.0</b>	<b>3.8</b>	<b>1.8</b>
<b>Financial liabilities</b>				
Currency derivatives, non-hedge accounting	2	0.3	-	0.7
<b>Total</b>		<b>0.3</b>	<b>-</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 12.5 million and their carrying value EUR 12.6 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	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Guarantees	8.9	7.7	9.0
<b>Total</b>	<b>8.9</b>	<b>7.7</b>	<b>9.0</b>

### Lease commitments not recognized in balance sheet

EUR million	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Maturity of minimum lease payments:			
Less than a year	13.8	10.4	12.5
1-5 years	0.5	1.0	0.7
<b>Total</b>	<b>14.2</b>	<b>11.4</b>	<b>13.1</b>

### Other contingent liabilities

The Group has an estimated environmental liability of EUR 17 million related to the cleaning of the land areas in Eteläinen Postipuisto. 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 with a demolition work in Autumn 2024 and progress in stages in 2025-2026.

## 13. Events after the reporting period

There have been no significant events after the reporting period.