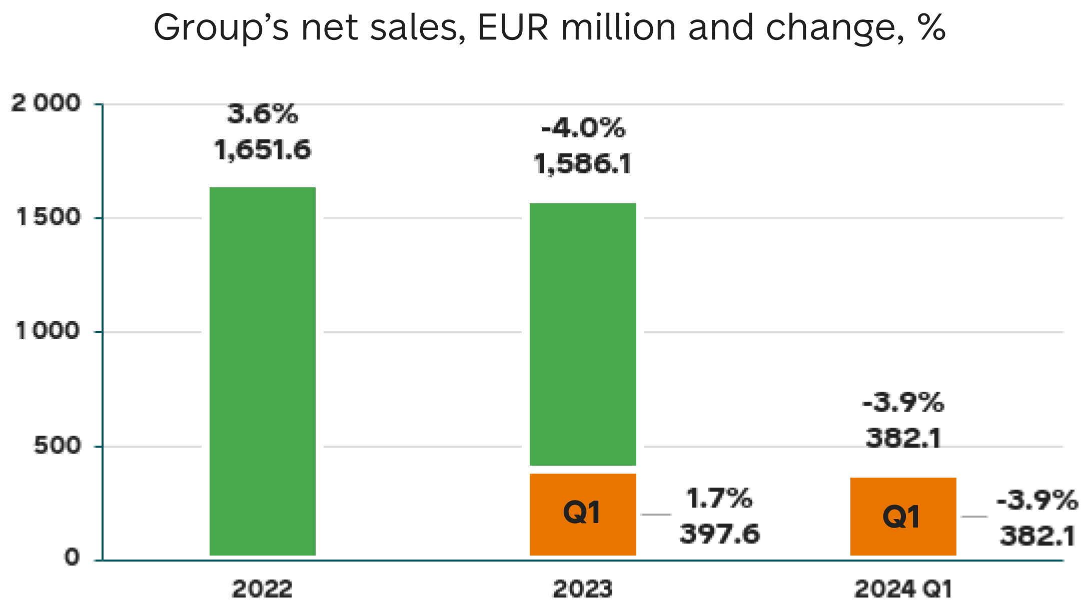
Posti Group

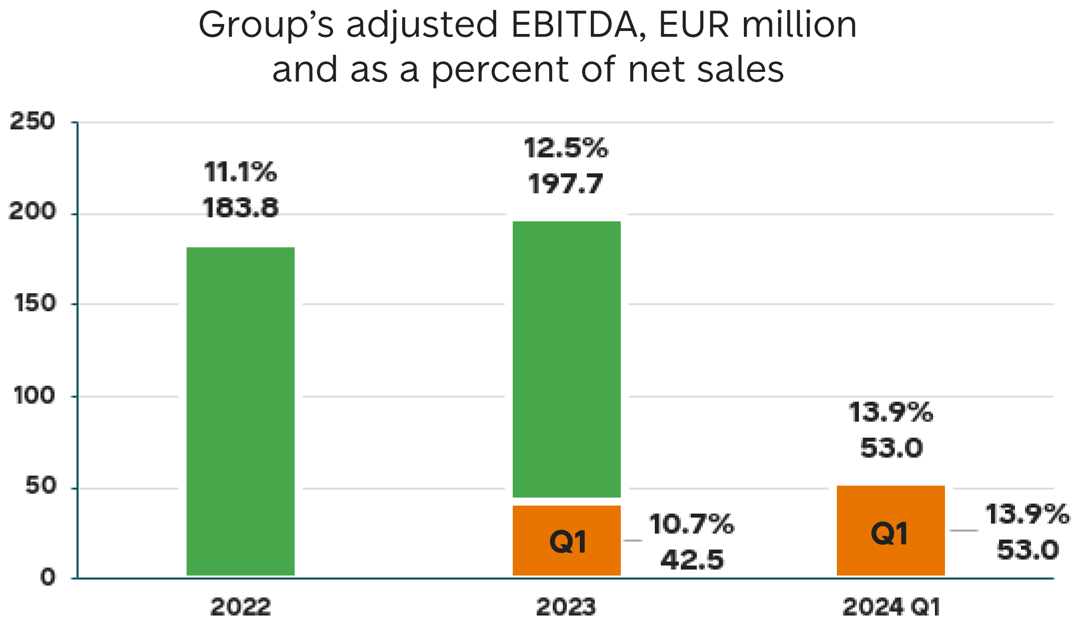
Strong profitability due to high operational excellence

January - March 2024

Responsibly **delivering** what matters to you **on your terms**

Posti in figures 1-3/2024





Net Sales

EUR 382.1 million

(EUR 397.6 million)

Adjusted EBITDA

EUR 53.0 million

(EUR 42.5 million)

Adjusted EBITDA-%

13.9%

(10.7%)

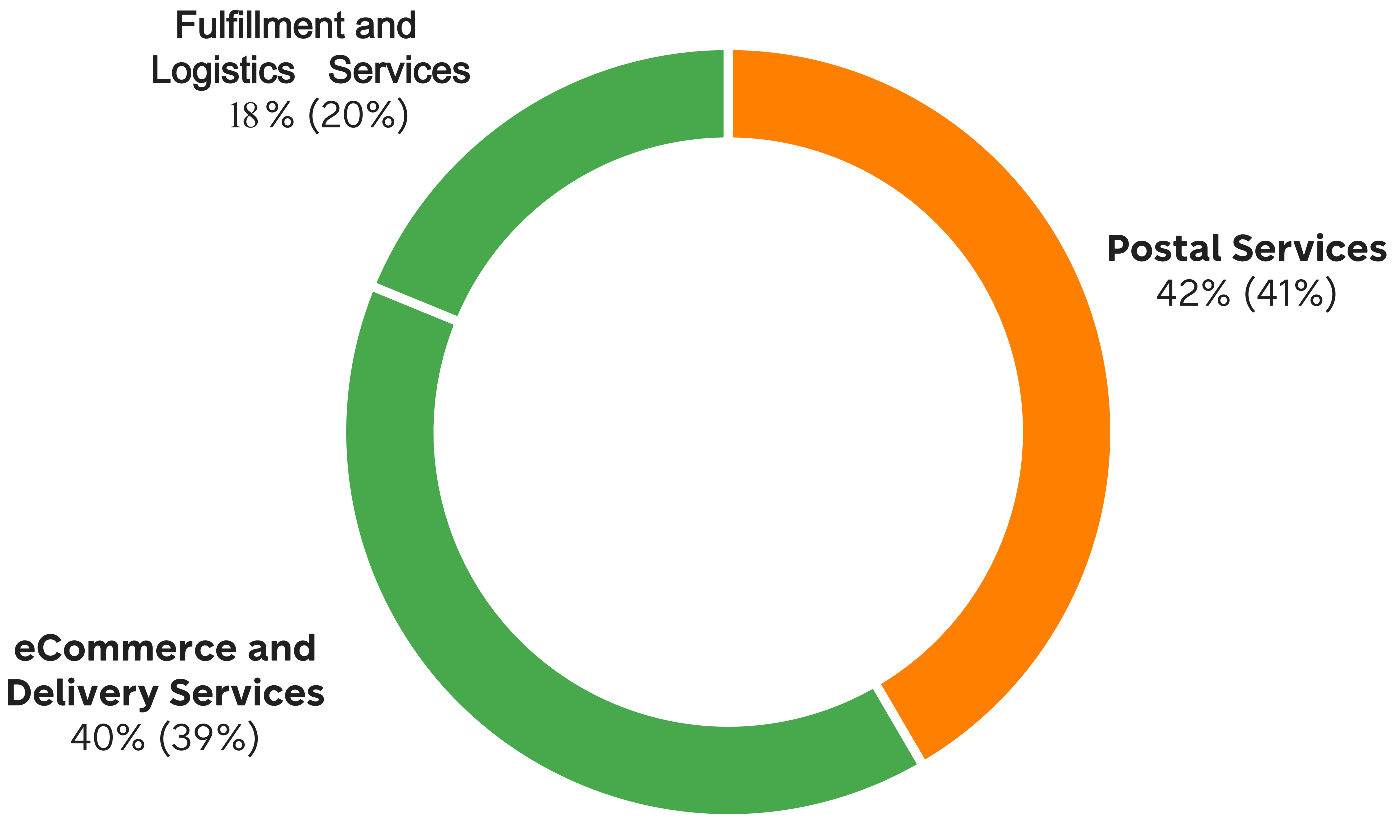
Q1 2024 Financial highlights

- Net sales decreased by 3.9% to EUR 382.1 (397.6) million.
- Adjusted EBITDA increased to EUR 53.0 (42.5) million, or 13.9% (10.7%) of net sales.
- EBITDA increased to EUR 49.9 (41.6) million, or 13.1% (10.5%) of net sales.
- Adjusted operating result increased to EUR 21.2 (9.6) million, representing 5.5% (2.4%) of net sales.
- Operating result increased to EUR 18.1 (8.8) million, representing 4.7% (2.2%) of net sales.
- Net debt to adjusted EBITDA was 1.2x (1.2x).

Q1 2024 Operational highlights

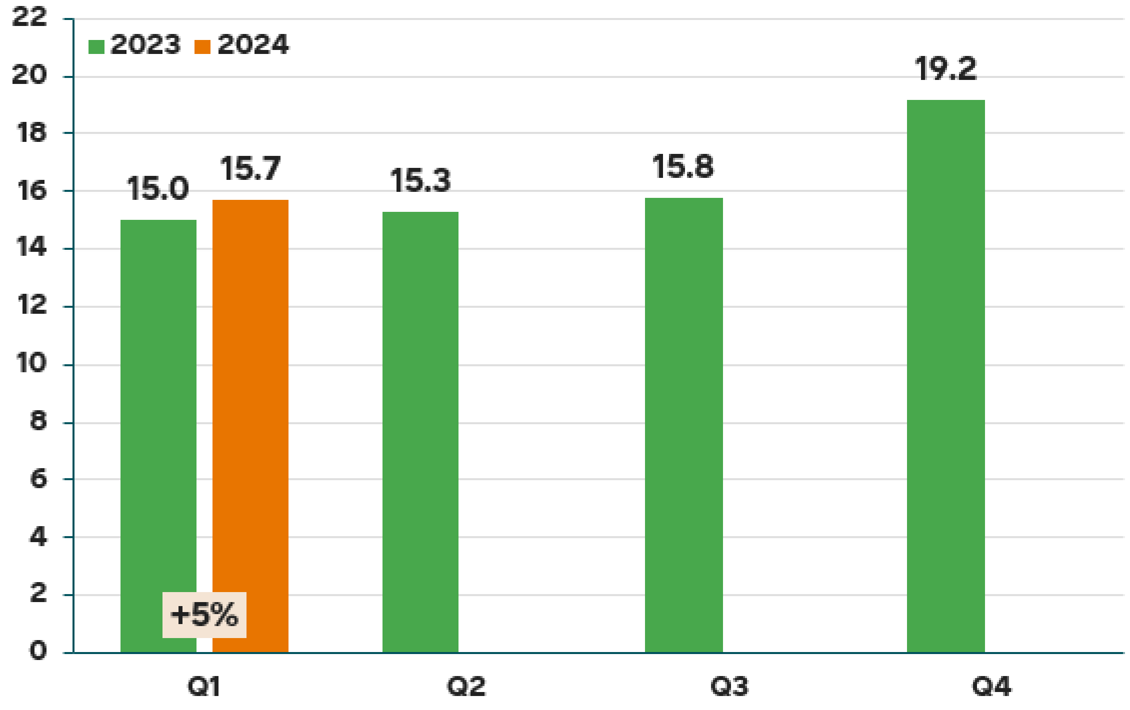
- Group net sales decreased which was affected by the low consumer and customer demand in all segments. Political strikes in Finland had an indirect negative impact on net sales.
- Group's adjusted EBITDA and operating result improved significantly. Continuous improvements in cost and operational efficiency, especially in the Postal Services increased the Group's adjusted EBITDA share of net sales to a record high.
- In the eCommerce and Delivery Services segment, the total parcel volume grew by 5% driven by the growth in the Baltic countries.
- Weak customer demand and political strikes in Finland impacted warehousing consequently declining Fulfillment and Logistics Services net sales and profitability.
- The addressed letter volumes continued to decrease by 16%.

Q1 2024: The combined external sales of eCommerce and Delivery Services, and Fulfillment and Logistics Services represented 58.3% (59.2%) of the Group's net sales



Q1 2024: Parcel volumes increased, postal volumes continued to decrease

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



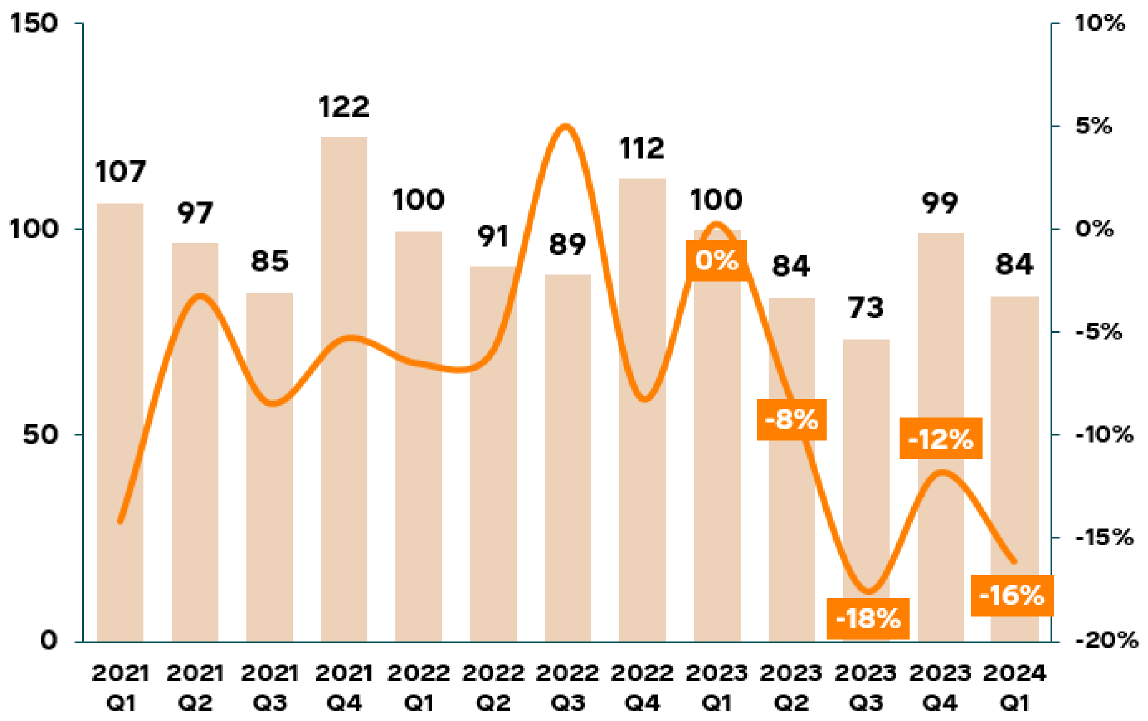
+5% Parcel volumes in Finland and in the Baltics 1-3/2024

-8% Freight volumes* 1-3/2024

-16% Addressed letter volumes 1-3/2024

* Measured in waybills

Q1 2024: Addressed letter volumes continued to decrease



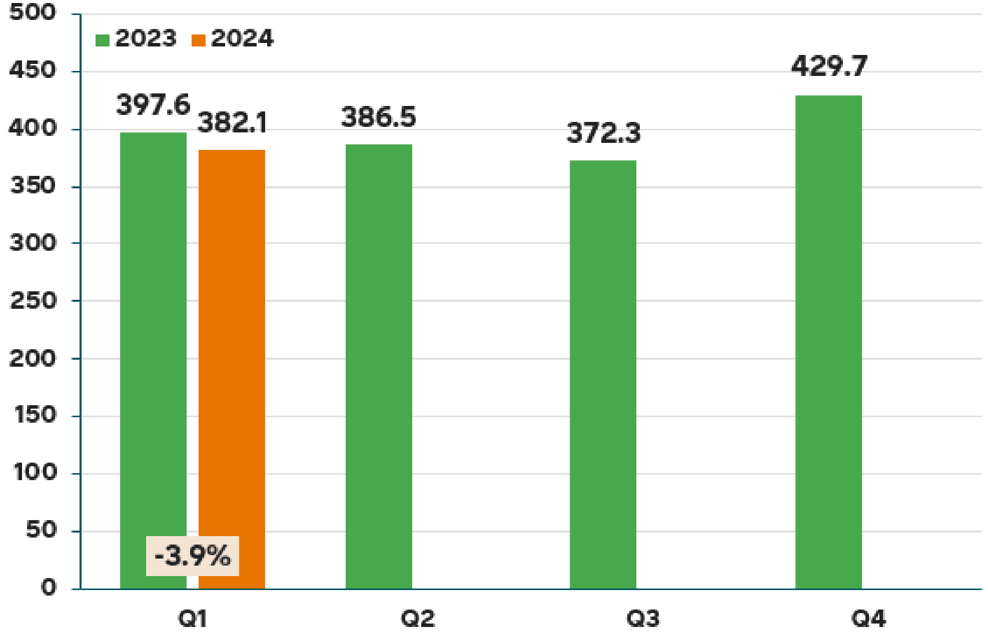
- Altogether 84 million addressed letters were delivered in Q1. Decline from previous year 16 million items.
- The declining trend in addressed letter volumes continue (declined 16%) in Q1.
- The share of mail items covered by the universal service obligation accounted for 3.2% (2.8%) of all Posti's items delivered.

Financials

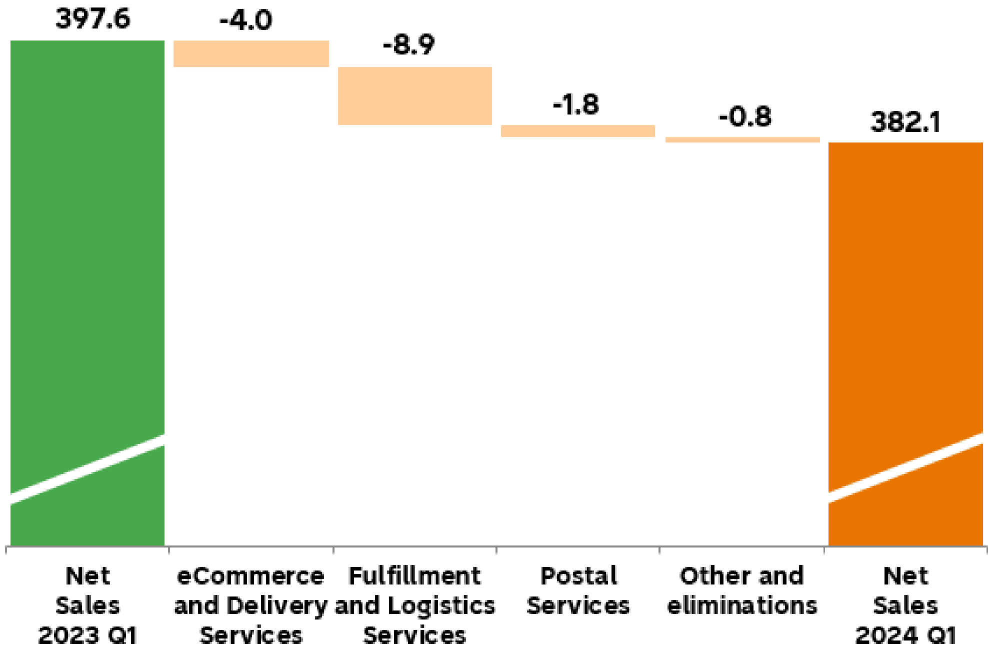
Q1 2024: Posti Group's net sales decreased

Net sales decreased by 3.9% to EUR 382.1 (397.6) million.

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



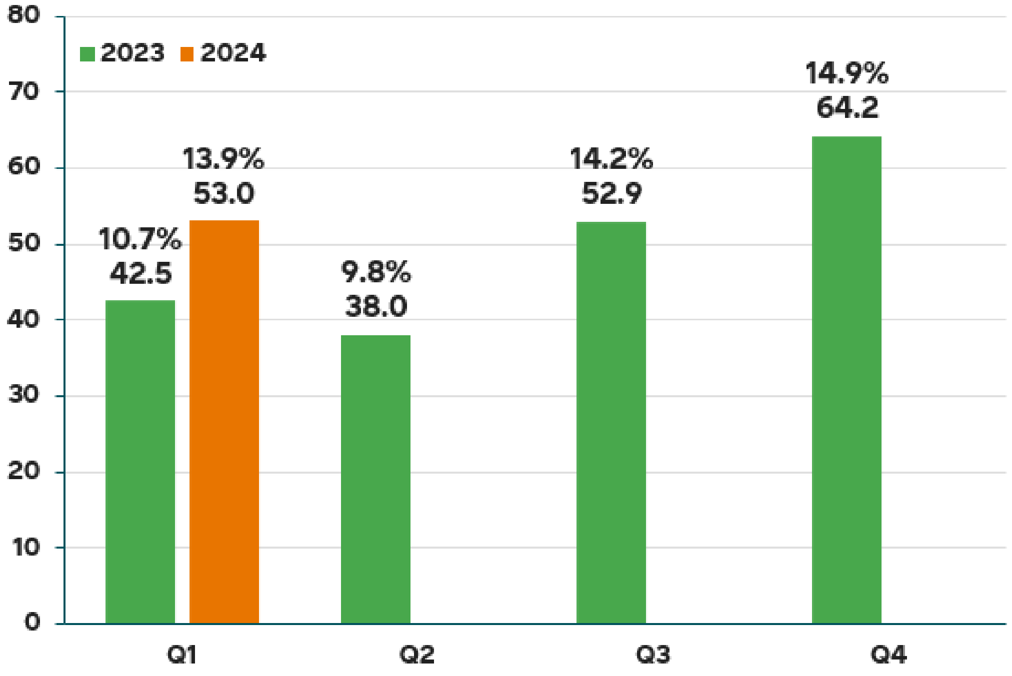
2024 Q1 vs. 2023 Q1 change of sales by segments, EUR million



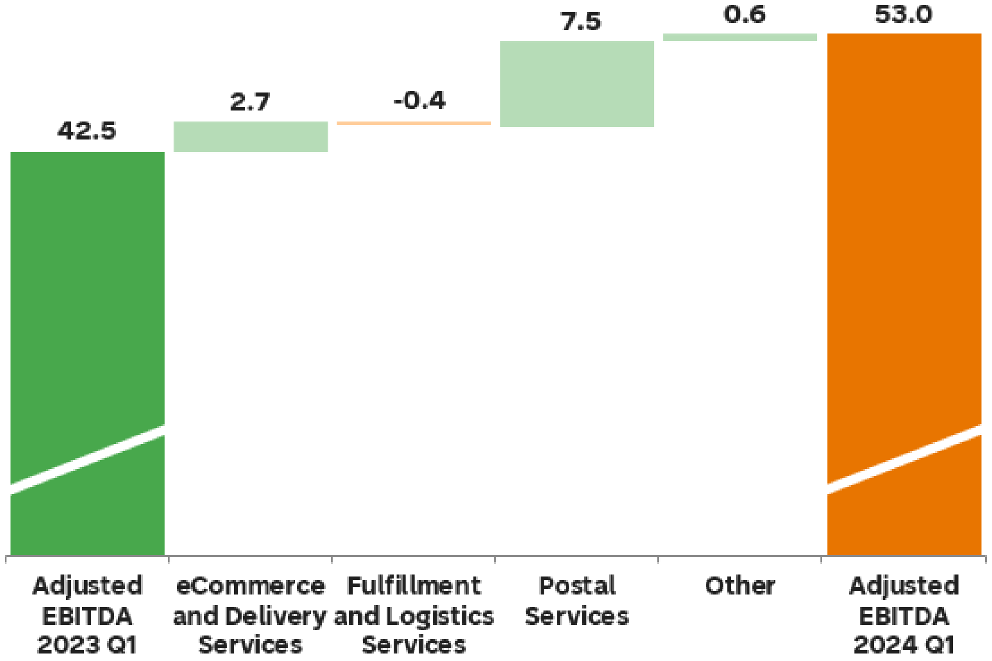
Q1 2024: Posti Group's adjusted EBITDA increased

Adjusted EBITDA increased to EUR 53.0 (42.5) million, or 13.9% (10.7%) of net sales.

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



2024 Q1 vs. 2023 Q1 adjusted EBITDA
change by segments, EUR million



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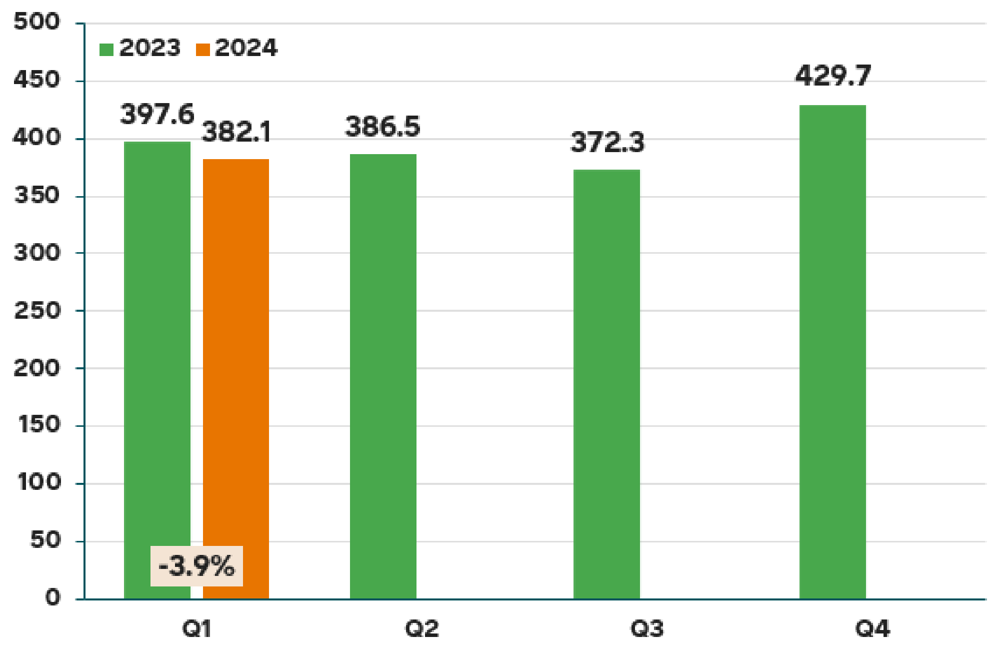
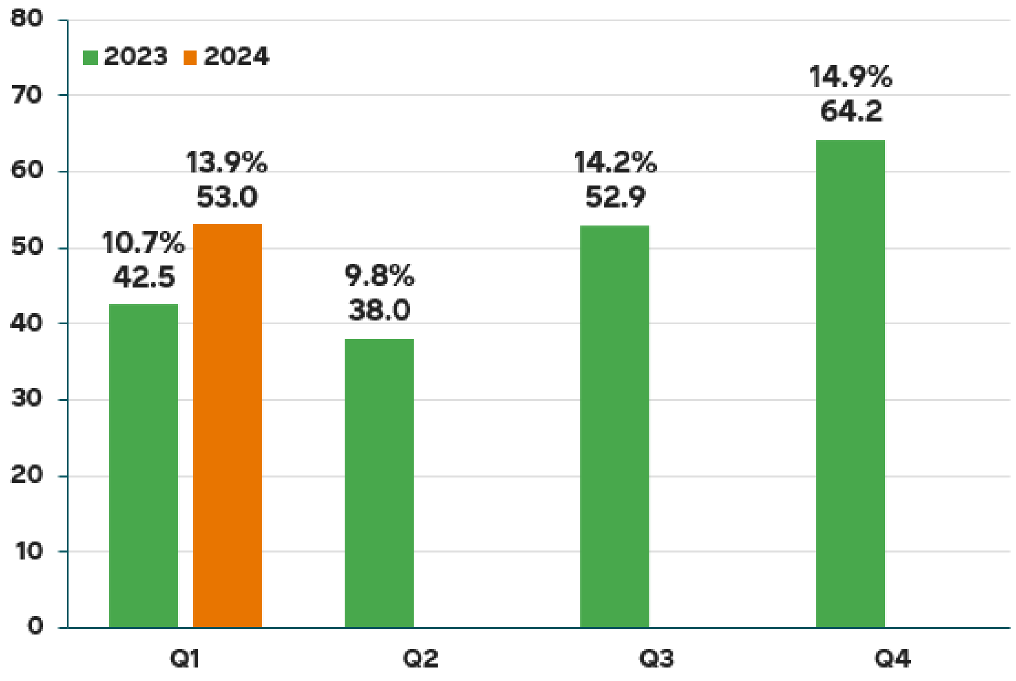
Group's net sales,
EUR million and change, %



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



Q1 2024: Posti Group's key figures

	1-3 2024	%	1-3 2023	%
Net sales, EUR million	382.1		397.6	
Adjusted EBITDA, EUR million	**53.0**	**13.9%**	**42.5**	**10.7%**
EBITDA, EUR million	49.9	13.1%	41.6	10.5%
Adjusted operating result, EUR million	**21.2**	**5.5%**	**9.6**	**2.4%**
Operating result, EUR million	18.1	4.7%	8.8	2.2%
Result for the period, EUR million	**12.3**	**3.2%**	**4.9**	**1.2%**
Return on capital employed (12 months), %	**0.3%**		**7.9%**	
Net debt, EUR million	245.1		233.2	
Net debt / Adjusted EBITDA	**1.2x**		**1.2x**	
Operative free cash flow, EUR million	8.3		-6.6	
Personnel, end of period	15,948		18,851	
Personnel on average, FTE	13,133		14,346	
Earnings per share, basic, EUR	0.31		0.12	

Outlook and long-term financial targets

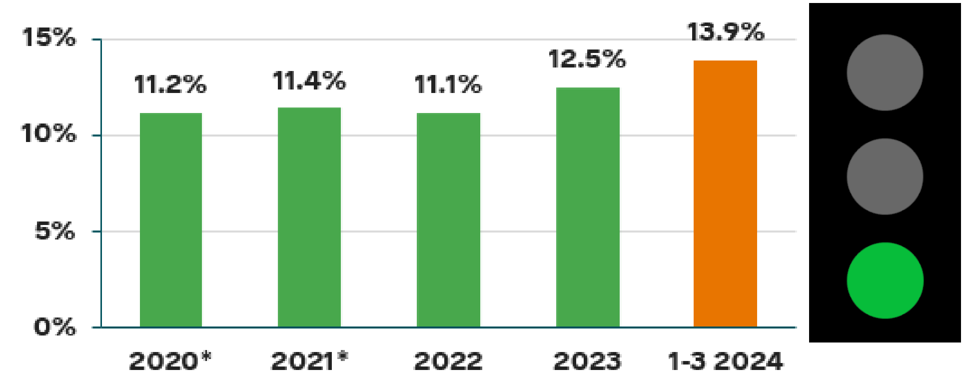
Outlook for 2024 unchanged

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

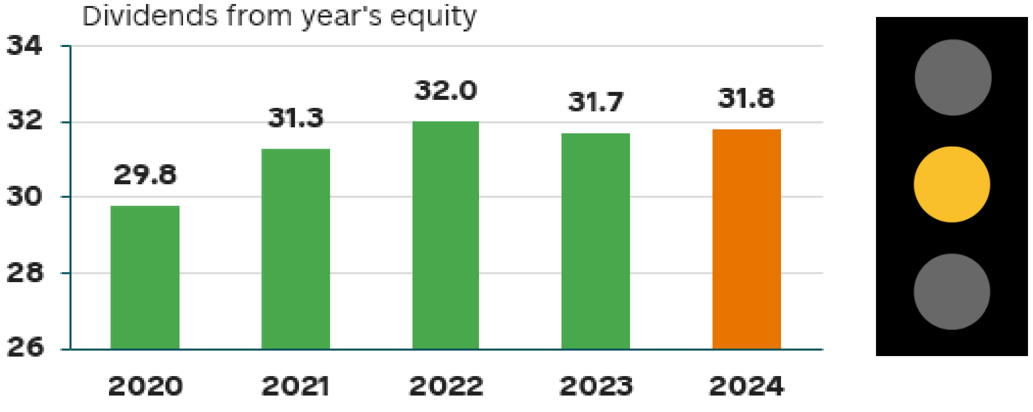
- In 2023, Posti's net sales from continuing operations were EUR 1,586.1 million and adjusted EBITDA was EUR 197.7 million.
- Current macroeconomic and market conditions bring uncertainty to economic projection and consumer confidence. Consumer behavior affect Posti's business and may further impact 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

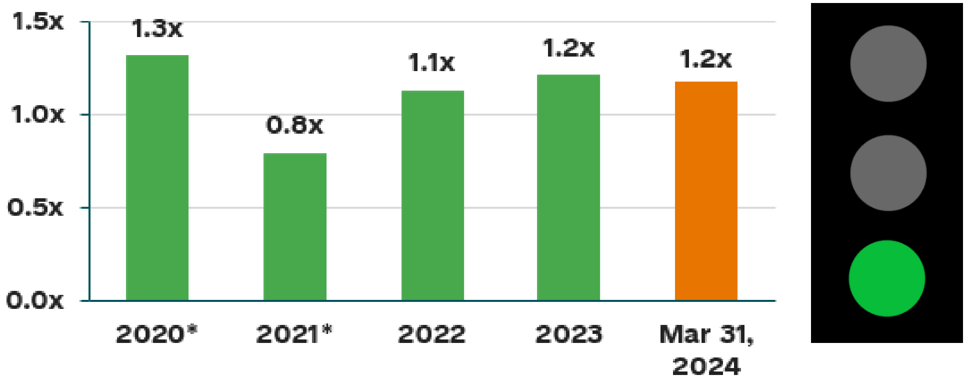
Adjusted EBITDA 13%



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



Net debt / Adjusted EBITDA less than 2.5x



* Continuing operations

Segments

Q1 2024: eCommerce and Delivery Services key figures

EUR million	1-3 2024	1-3 2023
Net sales	153.0	157.0
Net sales change, %	-2.5%	-1.3%
Adjusted EBITDA	**14.4**	**11.7**
Adjusted EBITDA, %	**9.4%**	**7.5%**
EBITDA	13.4	11.7
EBITDA, %	8.8%	7.5%

- The net sales decreased by 2.5% to EUR 153.0 million
  - The overall low level of spending and consumption of goods in the market was reflected in the declining volumes, especially in transportation, which led to a decline in net sales
- Adjusted EBITDA increased to EUR 14.4 million
  - Focus on costs and operational efficiency, such as optimized resourcing improved eCommerce and Delivery Services' profitability

Q1 2024: Fulfillment and Logistics Services key figures

EUR million	1-3 2024	1-3 2023
Net sales	74.6	83.5
Transval	49.6	56.3
Aditro Logistics	25.0	27.2
Net sales change, % *	-10.7%	-4.5%
Adjusted EBITDA	**8.1**	**8.5**
Adjusted EBITDA, %	**10.9%**	**10.2%**
EBITDA	8.1	8.3
EBITDA, %	10.9%	10.0%

* Transval Myymäläpalvelut Oy was divested in September 2023.

- The net sales decreased by 10.7% and were EUR 74.6 million
  - The weak customer demand in construction market and political strikes in Finland affected the warehouse volumes negatively
  - Sale of Transval Myymäläpalvelut Oy in September 2023 impacted net sales negatively
  - The low consumer demand in Sweden had a negative impact on market volumes
- Adjusted EBITDA decreased to EUR 8.1 million, but the share of net sales increased to 10.9%
  - Improvements in operational efficiency helped to increase the segment’s relative adjusted EBITDA.

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Q1 2024: Postal Services key figures

EUR million	1-3 2024	1-3 2023
Net sales	160.9	162.7
Net sales change, %	-1.1%	8.1%
Adjusted EBITDA	**32.1**	**24.6**
Adjusted EBITDA, %	**20.0%**	**15.1%**
EBITDA	30.4	23.9
EBITDA, %	18.9%	14.7%

- The net sales of Postal Services decreased by 1.1% to EUR 160.9 million
  - Decreased volumes impacted net sales negatively whereas various price increases, driven by the high inflation, had a positive impact on net sales
- Adjusted EBITDA increased to EUR 32.1 million
  - Continuous improvements in operational efficiency, in automated sorting especially increased profitability

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