



1H23 APPENDIX



27 July 2023

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Appendix

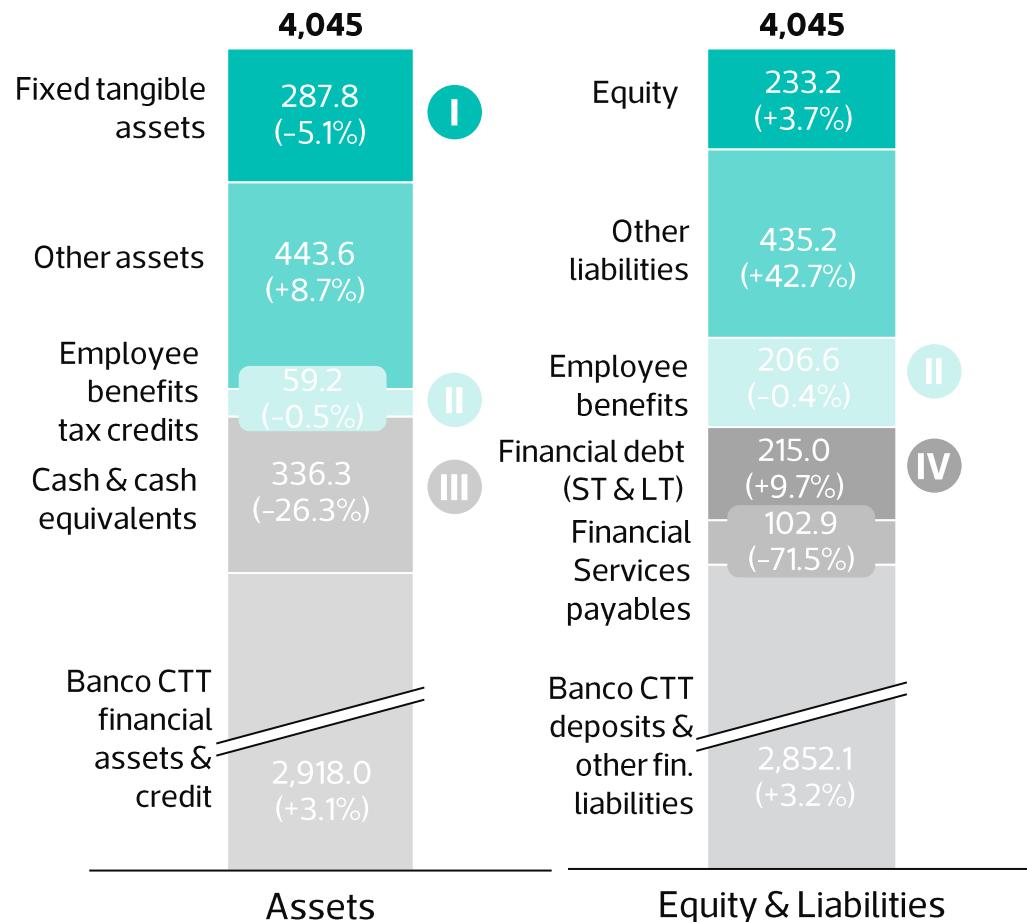


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Solid and low levered balance sheet with a consolidated net cash position

30 June 2023 Balance sheet

€ million; % change vs. 31 dec. 2022



I Fixed tangible assets

(+) Rights of use (leases)	103.7
(+) Other fixed tangible assets	184.1
(=) Fixed tangible assets	287.8

Rights of use decrease €10.8m vs. Dec22 (-9.4%)

II Net employee benefits

(+) Employee benefits (liabilities) *	206.6
(+) Employee benefits (equity) ¹	1.7
(-) Employee benefits tax credit	59.2
(=) Net employee benefits	149.1

* Of which **€190.0m related to healthcare**

III Adjusted cash

(+) Adjusted cash Banco CTT	185.5
(+) Adjusted cash CTT	37.0
(=) Adjusted cash	222.5

IV Financial debt

(+) Bank loans	98.0
(+) Lease liabilities	117.0
(=) Financial debt	215.0

¹Corresponding to stock option remuneration plan

Strong performance of Express & Parcels in Iberia with a solid growth outlook



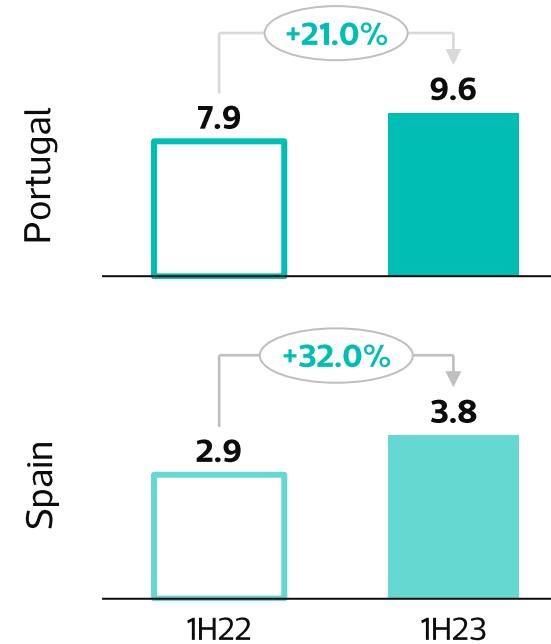
Express & Parcels – Revenues 1H23

Consolidated view; € million; % change vs. prior year

Portugal	€68.5m (+11.4%)
Parcels	€63.1m (+14.6%)
Cargo	€2.1m (-17.9%)
Banking network	€2.1m (+2.6%)
Logistics	€1.6m (+13.3%)
Other	€-0.5m (<<)
Spain	€70.7m (+18.7%)
Mozambique	€2.2m (+28.1%)
Total	€141.3m (+15.2%)

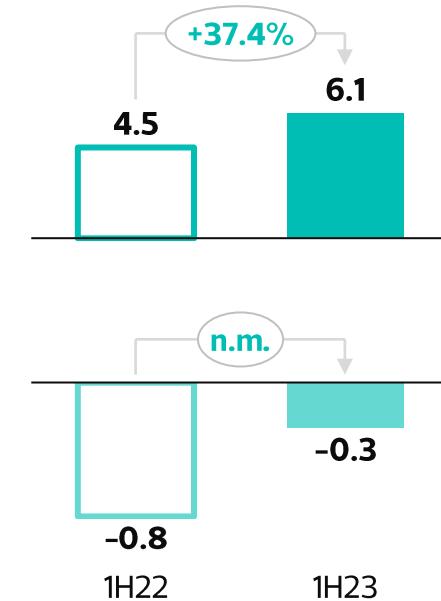
EBITDA^{1,2}

€ million



Recurring EBIT^{2,3}

€ million



Volumes by region (m items)

Metric	Total	Portugal	Spain
1H23	41.1	18.0	23.1
vs. 1H22	+17.7%	+18.2% <small>of which 17.8 (+18.6%) CEP</small>	+17.3%

¹Excluding Specific items, depreciation & amortization; ²Individual Accounts; ³Excluding Specific items

Revenue performance in mail and good cost control led to profitability improvement



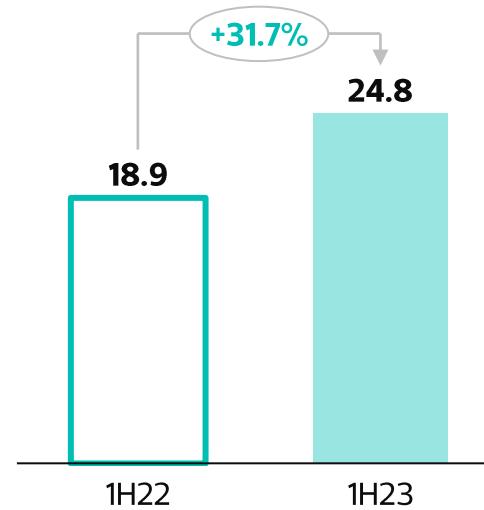
Mail & other - Revenues 1H23

€ million; % change vs. prior year

Transactional	€178.8m (+1.3%)
Advertising	€7.0m (-20.0%)
Editorial	€6.0m (-2.9%)
Business solutions	€22.0m (-47.3%)
USO parcels	€3.7m (+8.5%)
Philately & other	€3.9m (+8.2%)
Mail	€221.5m (-7.9%)
Central Structure	€1.4m (+15.6%)
Mail & other	€222.9m (-7.7%)

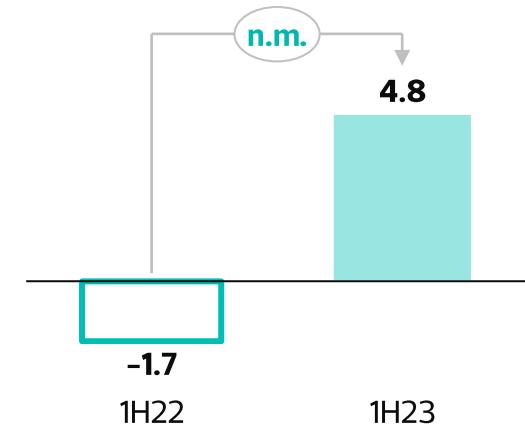
EBITDA¹

€ million



Recurring EBIT²

€ million



Volumes by type (m items)

Metric	Avg. mail prices	Addressed mail	Transactional	Advertising	Editorial	Unaddressed mail
1H23	N.A.	225.0	194.4	17.7	12.9	137.4
vs. 1H22	+6.35%	-6.3%	-5.9%	-9.6%	-6.7%	-34.0%

¹Excluding Specific items, depreciation & amortization; ²Excluding Specific items

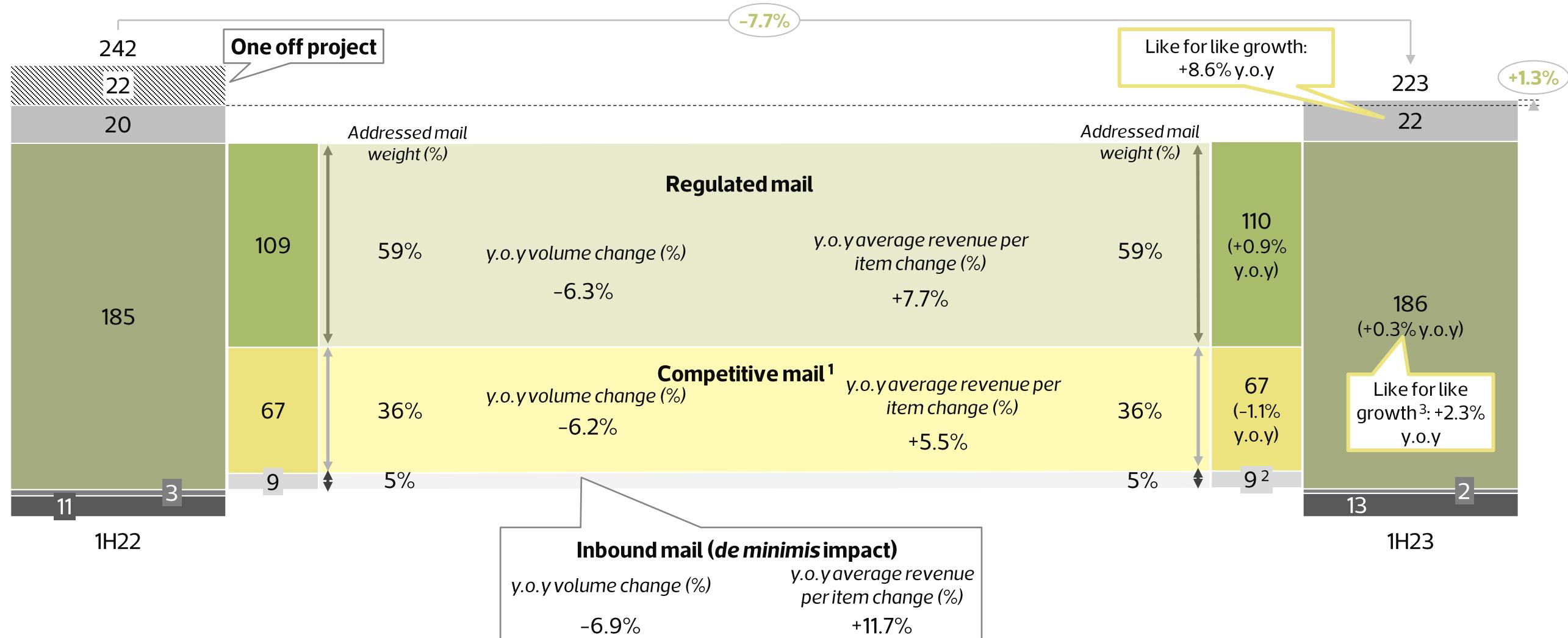
Addressed mail revenues grew on 1H23 as price increases offset volume declines



Revenues

€ million; % change vs. prior year

Laptop Project
 Addressed
 Other
 Busines solutions
 Unaddressed



¹Includes bulk and advertising mail; ²4.1% y.o.y; ³excluding elections impact in 1Q22

Focusing on insurance distribution, while savings are normalising following a period of intense commercial activity

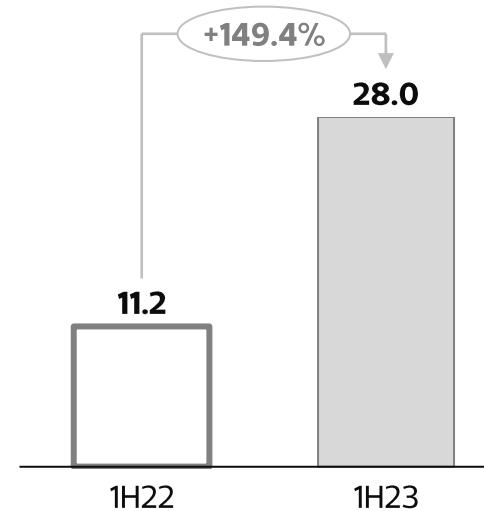
Financial Services & Retail - Revenues 1H23

€ million; % change vs. prior year

Savings & insurance	€36.2m (>>)
Money orders	€2.1m (-27.7%)
Payments	€0.8m (+4.1%)
Retail products & services	€6.2m (-25.4%)
Other	€0.9m (+45.1%)
Total	€46.3m (+91.4%)

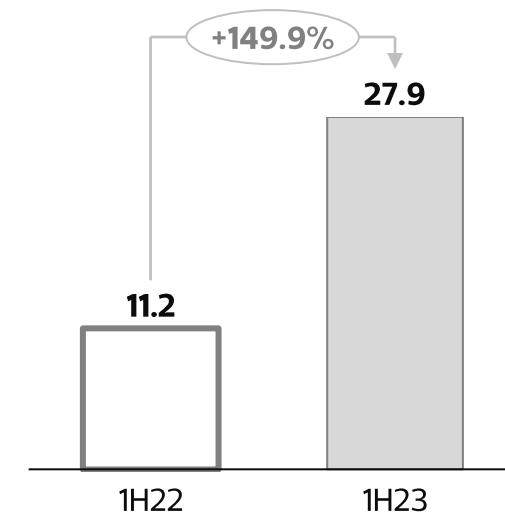
EBITDA¹

€ million



Recurring EBIT²

€ million



Financial Services volumes by type

Metric	Savings flows (€bn)	Placements	Redemptions	Money orders (m ops.)
1H23	13.9	11.4	2.5	5.0
vs. 1H22	>>	>>	>>	-30.0%

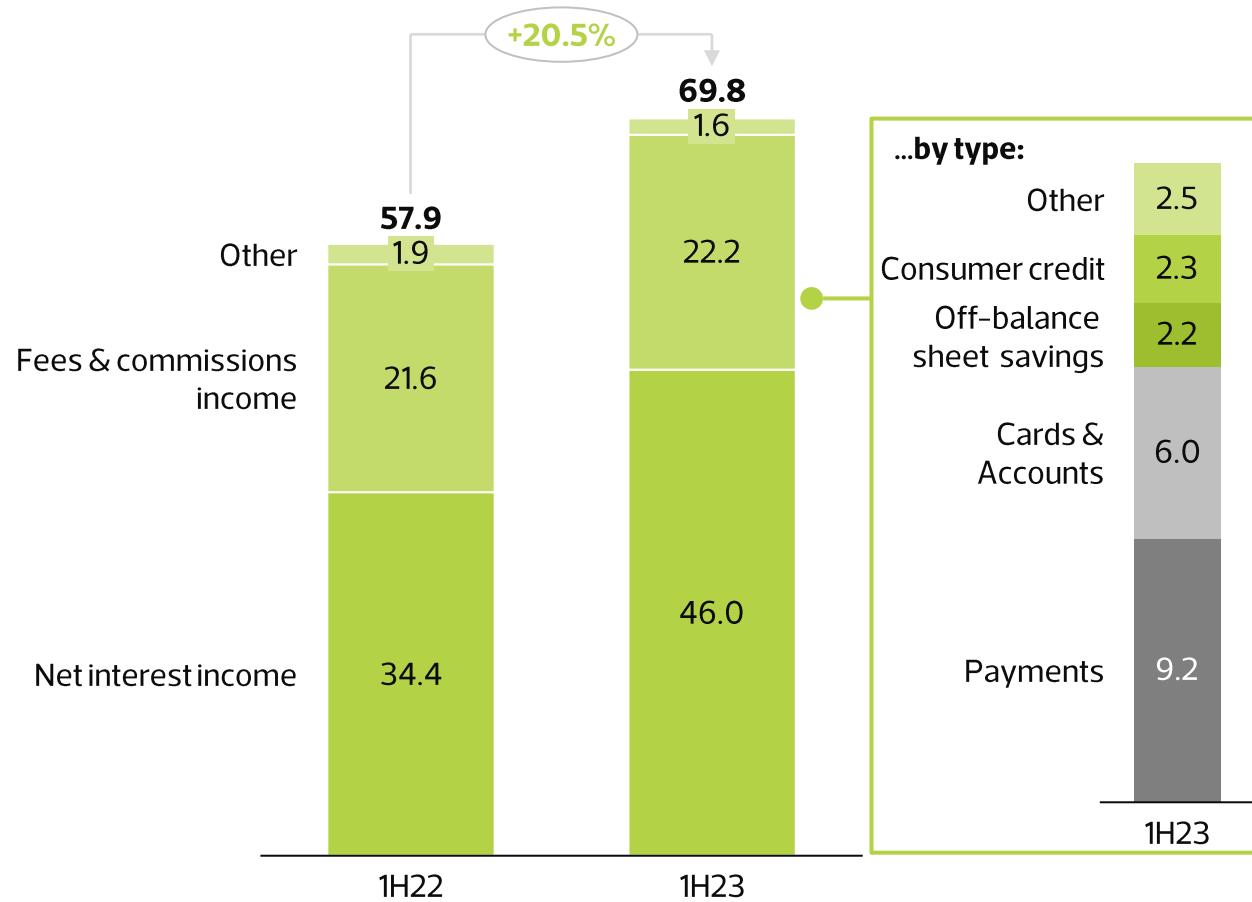
¹Excluding Specific items, depreciation & amortization; ²Excluding Specific items

Banco CTT continues to deliver client, volume and revenue growth thus enhancing its profitability



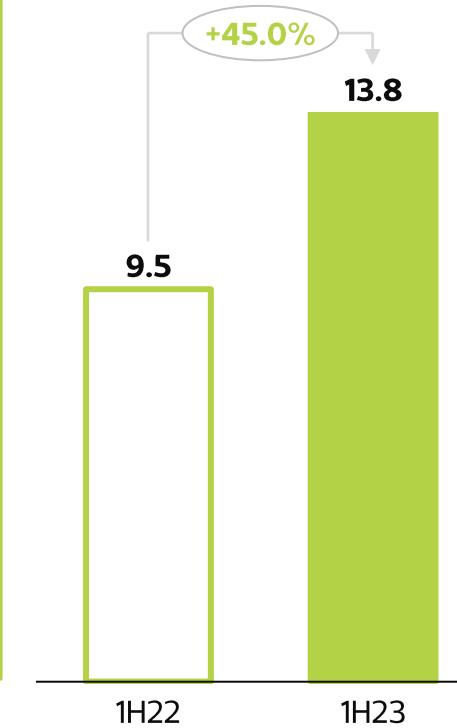
Banco CTT - Revenues 1H23

€ million; % change vs. prior year



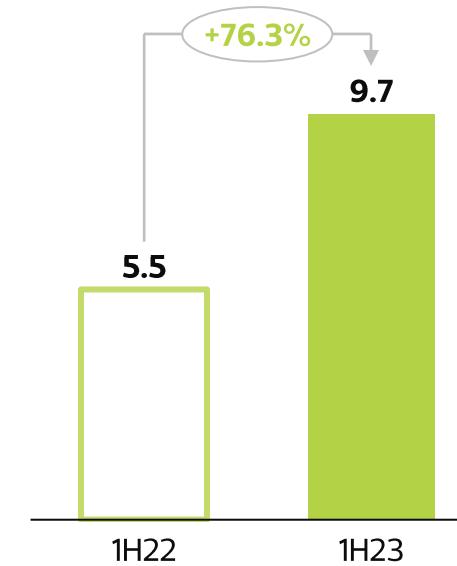
EBITDA¹

€ million; % change vs. prior year



Recurring EBIT²

€ million; % change vs. prior year

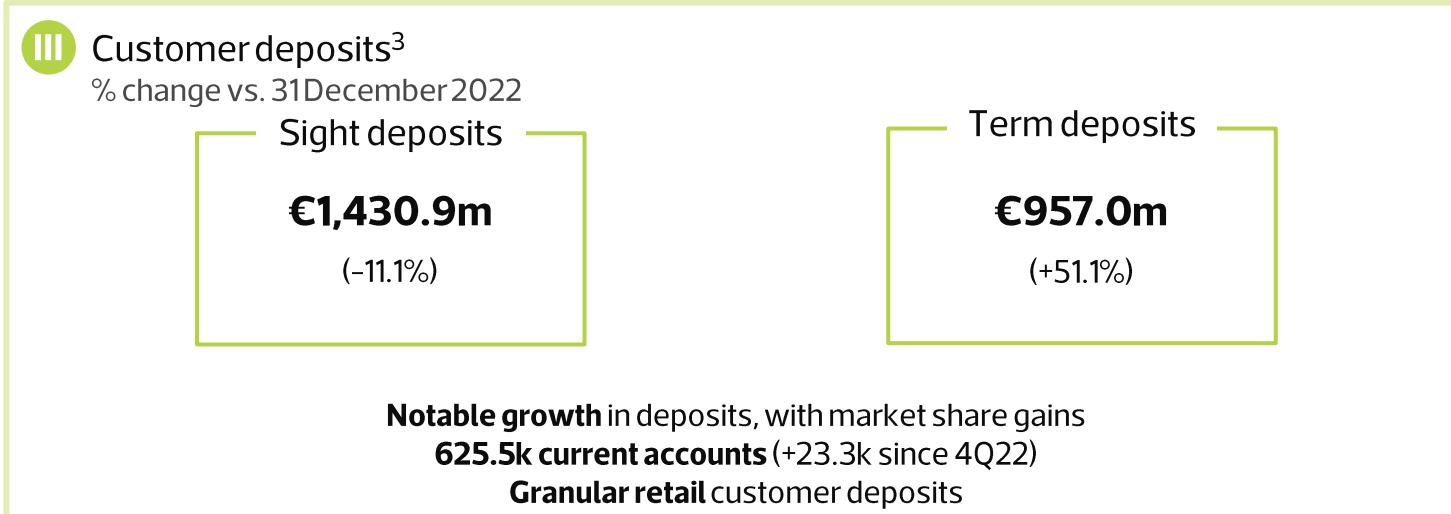
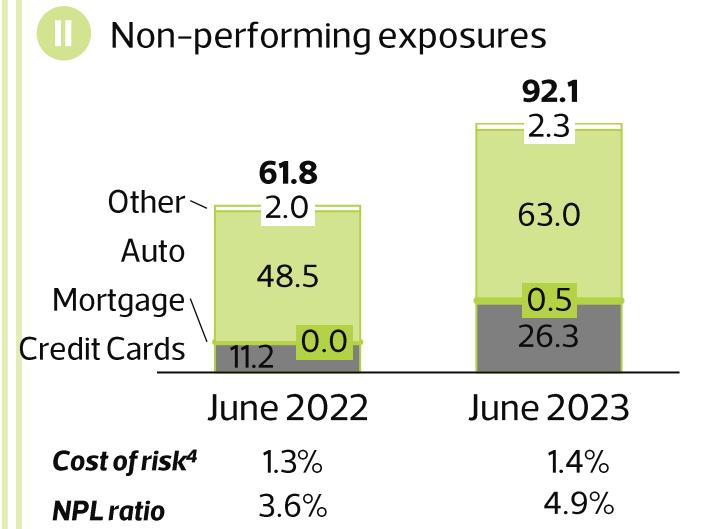
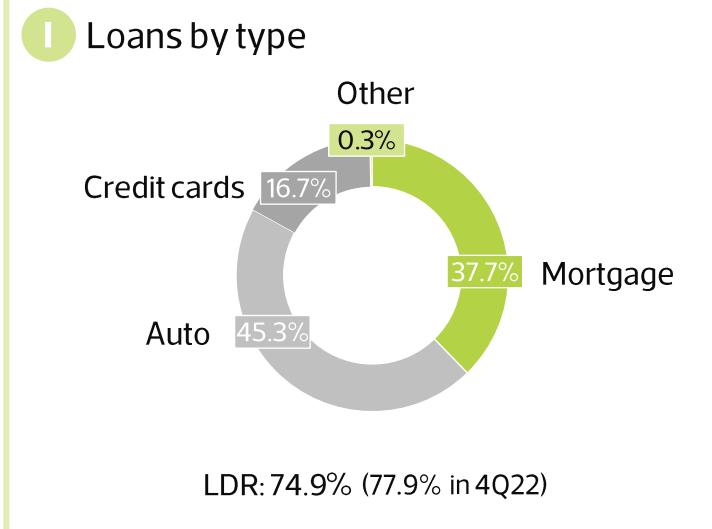
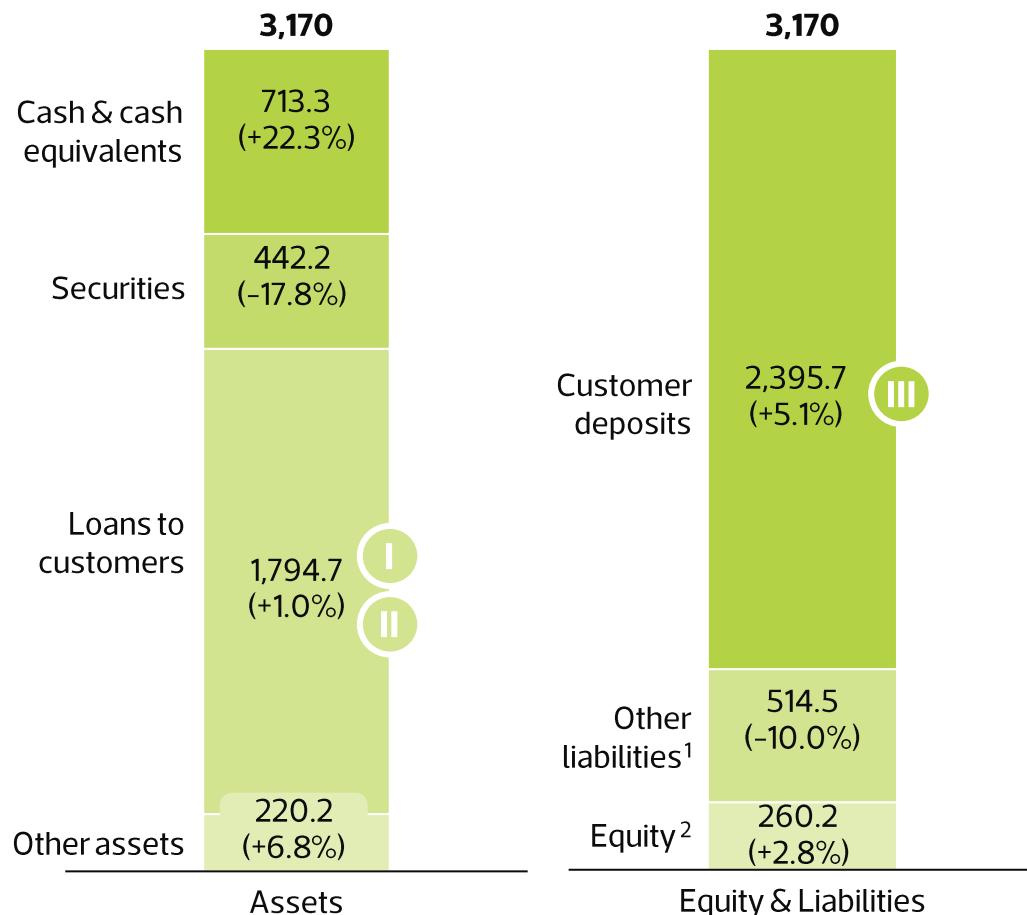


¹Excluding Specific items, depreciation & amortization; ²Excluding Specific items

Banco CTT balance sheet mix to benefit from higher interest rates

Banco CTT Balance Sheet- 30 June 2023

€ million; % change vs. 31December 2022



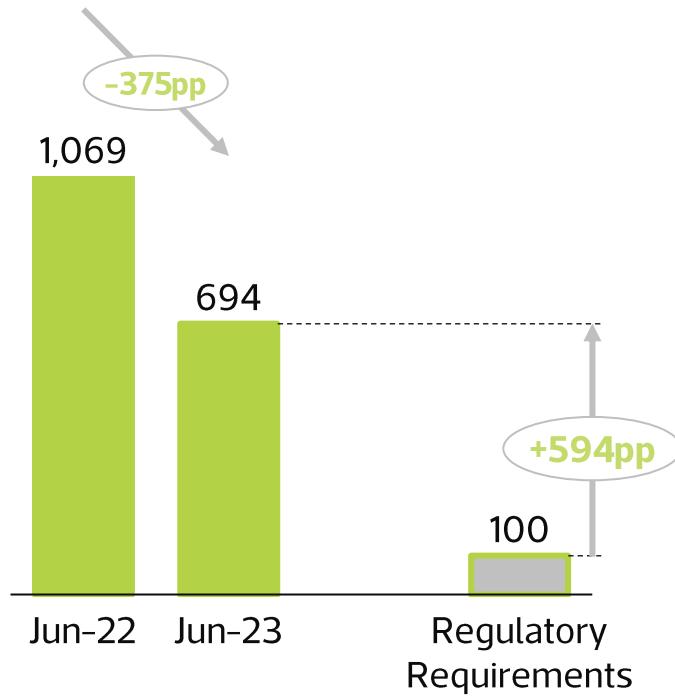
¹ Includes 408.4 million € of debt securities / securitization; ² Includes 174.6 million € of tangible equity; ³ Excludes deposits from intragroup companies; ⁴ Cumulative, consolidated

Banco CTT solid balance sheet with ample flexibility



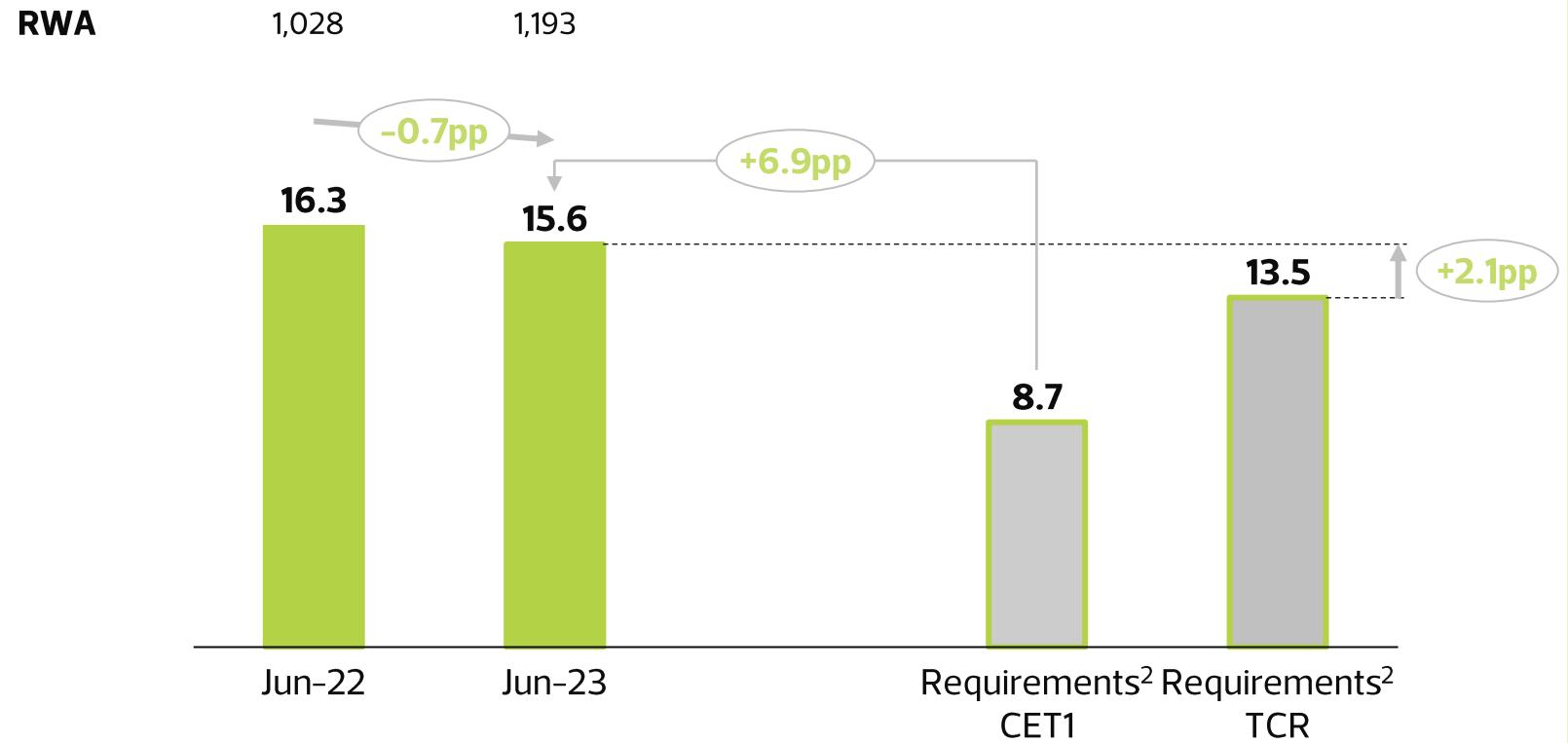
Liquidity (LCR)

%



Capital (CET1, TCR)¹

%, Fully implemented



¹Provisional, includes 1H23 net income. CET1: Common Equity Tier 1. TCR: Total Capital Ratio. In the case of Banco CTT both ratios, as at the end of 1H22 and 1H23, were the same. ²CET1 requirements of 4,50% Pillar 1 + 1,69% Pillar 2 + 2,50% Conservation Buffer. TCR requirements of 8,00% Pillar 1 + 3,00% Pillar 2 + 2,50% Conservation Buffer

Consolidated Income statement



Income statement

€ million

	Reported		With Banco CTT under equity method	
	1H22	1H23	1H22	1H23
Revenues	446.4	480.4	397.6	420.1
Operating costs	396.0	400.3	355.2	353.1
of which Impairments & provisions	13.2	15.3	1.9	2.7
EBITDA	50.4	80.1	42.4	67.0
Depreciation & amortization	31.8	31.7	28.2	27.6
of which IFRS 16 impact	14.4	14.6	14.0	14.0
Recurring EBIT	18.6	48.4	14.2	39.3
Specific items	-2.1	9.1	2.9	9.1
EBIT	20.7	39.3	11.3	30.2
Net financial income / (costs)	-4.6	-7.1	-4.6	-6.7
of which IFRS 16 impact	-1.6	-1.7	-1.5	-1.7
Associated companies – gains / (losses)	-0.1	0.0	8.3	7.2
Earnings before taxes	16.1	32.1	15.0	30.7
Net profit attributable to equity holders	14.5	26.0	15.5	26.0

Consolidated Balance sheet



Balance sheet

€ million

	Reported		With Banco CTT under equity method	
	31-Dec-22	30-Jun-23	31-Dec-22	30-Jun-23
Non-current assets	2,253.3	2,279.9	687.9	680.3
Current assets	1,804.2	1,765.0	566.0	475.1
Assets	4,057.5	4,044.9	1,253.9	1,155.4
Equity	224.9	233.2	225.2	233.4
Liabilities	3,832.6	3,811.7	1,028.7	922.0
Non-current liabilities	789.4	780.1	331.1	359.4
Current liabilities	3,043.1	3,031.6	697.6	562.6
Equity and Liabilities	4,057.5	4,044.9	1,253.9	1,155.4
Net financial debt	29.8	-7.6	192.6	174.6

Consolidated Cash flow statement



Cash flow

€ million

	Reported			With Banco CTT under equity method		
	1H22	1H23	Δ 23/ 22	1H22	1H23	Δ 23/ 22
EBITDA	50.4	80.1	29.6	42.4	67.0	24.5
Non-cash items	-3.4	-0.9	2.5	-14.3	-12.8	1.5
Specific items affecting EBITDA	2.1	-9.1	-11.2	-2.9	-9.1	-6.2
Capex	-12.0	-11.3	0.7	-9.8	-8.4	1.5
Change in working capital	-18.2	-3.2	15.0	-3.2	0.1	3.3
Operating cash flow	19.0	55.6	36.7	12.2	36.8	24.6
Tax	-7.6	0.6	8.2	-7.4	0.6	8.0
Employee benefits	-7.5	-8.3	-0.8	-7.5	-8.3	-0.8
Free cash flow	3.8	47.9	44.1	-2.7	29.1	31.9
Debt (principal + interest)	-8.0	27.2	35.2	-8.0	27.2	35.2
Dividends	-17.7	-17.9	-0.2	-17.7	-17.9	-0.2
Acquisition of own shares	-15.4	-0.2	15.2	-15.4	-0.2	15.2
Financial investments & other	-0.1	-0.7	-0.6	-0.1	-0.7	-0.6
Net change in adjusted cash	-37.3	56.3	93.7	-43.9	37.5	81.4
Change in liabilities FS & other & Banco CTT (net) ¹	-6.0	-160.8	-154.8	-0.7	-153.0	-152.3
Change in other ²	12.7	-15.7	-28.4	0.0	-0.0	-0.0
Net change in cash	-30.6	-120.2	-89.6	-44.6	-115.5	-70.9

¹The change in net liabilities of Financial Services and Banco CTT reflects the evolution of credit balances with third parties, depositors or other banking financial liabilities, net of the amounts invested in credit or investments in securities / banking financial assets, of entities of the CTT Group providing financial services, namely the financial services of CTT, Payshop, Banco CTT and 321 Crédito; ²The change in other cash items reflects the evolution of Banco CTT's sight deposits at Bank of Portugal, outstanding cheques / clearing of Banco CTT cheques, and impairment of sight and term deposits and bank applications

Specific items

€ million

	Reported		
	1H22	1H23	
Recurring EBIT	18.6	48.4	
Specific items	-2.1	9.1	Primarily restructuring costs, namely suspension agreements of employment contracts
Staff costs	1.6	3.4	
ES&S	1.3	1.2	
Other op. costs & other gains	-4.9	4.5	Primarily reinforcement of the impairment loss relative to the former headquarters and the cost savings associated with the change of head office building
EBIT	20.7	39.3	

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