

# We make our path fully committed to deliver

Integrated Report  
1<sup>st</sup> Half 2024



**ctt**

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## Introduction to CTT

- 1.1 Key figures
- 1.2 External awards and distinctions



## 1.1 Key Figures

### 1.1.1 Economic and financial indicators

€ thousand or %, except where otherwise indicated

	1H23	1H24	Δ 24/23
Revenues <sup>1</sup>	480,403	524,320	9.1%
Operating costs EBITDA	400,324	453,567	13.3%
EBITDA <sup>1</sup>	80,079	70,753	(11.6%)
Depreciation & amortisation	31,728	35,742	12.7%
Recurring operating costs	432,052	489,310	13.3%
Recurring EBIT	48,351	35,011	(27.6%)
Specific items	9,086	2,580	(71.6%)
Operating costs	441,138	491,890	11.5%
EBIT	39,265	32,431	(17.4%)
EBT	32,140	24,240	(24.6%)
Net profit before non-controlling interests	26,022	20,189	(22.4%)
Net profit for the period	26,049	19,812	(23.9%)
Earnings per share (euro)	0.18	0.14	(21.4%)
EBITDA margin	16.7%	13.5%	(3.2 p.p.)
Recurring EBIT margin	10.1%	6.7%	(3.4 p.p.)
EBIT margin	8.2%	6.2%	(2.0 p.p.)
Net profit margin	5.4%	3.8%	(1.6 p.p.)
Capex	11,303	15,236	34.8%
Operating cash flow	55,636	19,961	(64.1%)
Free cash flow	47,941	10,583	(77.9%)
	<b>'31.12.23</b>	<b>'30.06.24</b>	<b>Δ 24/23</b>
Cash and cash equivalents	351,610	270,223	(23.1%)
Own cash	307,996	243,643	(20.9%)
Assets	4,756,642	5,391,625	13.3%
Equity	253,253	271,979	7.4%
Liabilities	4,503,389	5,119,646	13.7%
Share capital	71,957.5	71,957.5	0.0%
Number of shares issued	143,915,000	143,915,000	0.0%
Average number of shares during the period	144,347,466	137,857,245	(4.5%)

<sup>1</sup> Excluding specific items.



## 1.1.2 Operating Indicators

	1H23	1H24	Δ 24/23
<b>Mail &amp; Other</b>			
Addressed mail volumes (million items)	225.0	201.0	(10.7%)
Transactional mail	194.4	176.3	(9.3%)
Editorial mail	12.9	11.9	(8.1%)
Advertising mail	17.7	12.8	(27.8%)
Unaddressed mail volumes (million items)	137.4	135.0	(1.7%)
Payments (number of transactions; millions)	25.8	27.3	5.6%
<b>Express &amp; Parcels</b>			
Portugal (million items)	18.0	19.4	7.6%
Spain (million items)	23.1	43.7	89.2%
<b>Financial Services</b>			
Savings and insurance (subscriptions; €m)	11,374.0	623.3	(94.5%)
<b>Banco CTT</b>			
Number of current accounts	625,476	667,176	6.7%
Deposits (€k)	2,395,726.9	3,780,940.1	57.8%
Savings book, net (off balance sheet)	888,182.8	938,146.0	5.6%
Mortgage loans book, net (€k)	676,889.4	745,302.2	10.1%
Auto loans and leasing book, net (€k) <sup>2</sup>	815,481.0	895,358.6	9.8%
Universo credit card book, net (€k)	299,862.8	0.0	(100.0%)
Off balance consumer credit production (€k)	21,539.9	19,458.0	(9.7%)
LDR (including 321 Crédito)	74.9%	43.6 %	(31.3 p.p.)
Number of branches	212	212	0.0%
Cost of risk (cumulative)	1.4%	0.9 %	(0.5 p.p.)
<b>Staff</b>			
Staff as at 30 June	13,385	13,813	3.2%
FTE	12,898	13,558	5.1%
<b>Retail, Transport and Distribution Networks</b>			
CTT access points	2,364	2,364	0.0%
Retail network (post offices)	569	569	0.0%
Postal agencies	1,795	1,795	0.0%
Payshop agents	5,127	4,987	(2.7%)
Postal delivery offices	218	221	1.4%
Postal delivery routes	4,368	4,085	(6.5%)
Fleet (number of vehicles)	4,306	4,465	3.7%

<sup>2</sup> Consolidated.

### 1.1.3 Sustainability Indicators

	1H23	1H24 <sup>3</sup>	Δ 24/23
<b>Environmental Performance (E)</b>			
Total CO <sub>2</sub> emissions, scopes 1 and 2 (ton.)	38,281.4	43,015.0	12.4%
Energy consumption (TJ)	179,723.1	179,809.9	0.0%
Last-mile electrification (%)	15.6	24.0	8.4 p.p.
Recycling potential of the offer (%) <sup>4</sup>	66.0	87.1	21.1 p.p.
<b>Social Performance (S)</b>			
Women in management positions (%) <sup>5</sup>	39.9	41.5	(1.6 p.p.)
Training (hours)	67,393.0	79,964.5	18.7%
Number of occupational accidents	329.0	438.0	33.1%
Investment in the community (% of Recurring EBIT)	0.3	1.5	(1.2 p.p.)
Purchases from Iberian suppliers (% of costs)	99.8	99.7	0.1 p.p.
Corporate volunteering (hours)	862.0	3,617.0	319.6%
<b>Governance Performance (G)</b>			
Frequency of reporting ESG issues to top management (number)	2	2	0.0%
Training on good conduct, harassment and anti-corruption and money laundering policies (hours)	25,278.0	45,600.0	80.4%

<sup>3</sup> Provisional data with information available until the end of the semester.

<sup>4</sup> Incorporation of recycled and/or reused materials in the mail and express & parcels offer in Portugal and Spain.

<sup>5</sup> The data presented cover the female members of the Board of Directors and 1<sup>st</sup> and 2<sup>nd</sup> level female Directors.



## 1.2 External Awards and Distinctions

### **CTT elected Recommended Brand for the 2<sup>nd</sup> consecutive year and Trusted Brand of the Portuguese for the 17<sup>th</sup> time**

For the second year running, CTT won the 'Recommended Brand' award in the Postal Mail category awarded by Consumers Trust, achieving the best average Satisfaction Index. The company was also voted the Portuguese Trusted Brand for the 17<sup>th</sup> time, once again taking 1<sup>st</sup> place in the Mail and Logistics Services category, with 88.4% of the votes.

### **CTT in 4<sup>th</sup> place in the ranking of companies with the best reputation on the Lisbon Stock Exchange**

According to the consultancy OnStrategy, CTT has risen three places in the ranking of companies with the best reputation in the Portuguese Stock Index (PSI), reaching 4<sup>th</sup> place with 73.6 points. This study involved more than 2,000 brands audited on relevance, consideration, trust, admiration, purchase intention, preference, recommendation and defence.

### **CTT wins in innovation at the World Postal Industry Oscars and is in the top 3 of the best Postal Operators**

CTT won the Best Innovation Strategy category - with the Smart Sorter project, which autonomously manages postal volumes allocation - and the Postal Evolution category - being recognised as the postal organisation that has transformed the most, maintaining its relevance and generating revenue in an era of decline - at the World Post & Parcels Awards, the Oscars of the Global Postal Industry. CTT was in the top 3 of the best Postal Operators of the year at international level.

### **CTT honoured with Transparency & Performance award**

CTT has been honoured with the Caixa ESG - Transparency & Performance Award, in the 1<sup>st</sup> edition of the Caixa ESG Awards, organised by Caixa Geral de Depósitos, which recognise companies for including good ESG (Environmental, Social and Governance) practices in their management.

### **Top performance worldwide in two sustainability rankings**

CTT was honoured with top performance worldwide in the sustainability rankings Carbon Disclosure Project (CDP), with a score of A- in the Climate Change area, and the Sustainability Measurement and Management System (SMMS) of IPC - International Post Corporation. Contact Centre, in which CTT is ranked 5<sup>th</sup> out of 23 postal operators worldwide.

### **CTT is the most attractive company to work for in Portugal in the Transport sector**

According to the Randstad Employer Brand Research 2024 ranking, CTT - Correios de Portugal is the most attractive company to work for in Portugal in the Transport sector. 5,000 people contributed to this ranking, evaluating various variables such as salary, work-life balance and a good working environment.

### **CTT Trainee Programme recognised at the Global Thriving at Work Awards**

The CTT Trainee Programme was distinguished in the 'Early Careers' category of the Global Thriving at Work Awards by the Mindforward Alliance, an organisation whose ambition is to unite companies worldwide to define global standards for mental health in the workplace.

### **NewSpring receives three APCC Best Awards**

The APCC Best Awards trophies distinguish the organisations that stand out most for adopting good practices in contact centre activity in Portugal. NewSpring received three 'Silver' awards for its CTT Private Service Line (Distribution and Commerce Category), Multicare Line (Health Category) and Fidelidade Line (Insurance Category).



## Strategic background

- 2.1 Regulatory framework
- 2.2 Strategy
- 2.3 Risk management





## 2. STRATEGIC BACKGROUND

### 2.1 Regulatory framework

#### 2.1.1 Postal sector

Within the regulatory framework in force since February 2022 and the Convention on the criteria to be met for the pricing of postal services that make up the basket of services within the universal service obligation (Universal Postal Service Price Convention) for the 2023-2025 period, of 27 July 2022, the prices of these services were updated on 1 February 2024. The update corresponds to an average annual price variation of 9.49%. The overall average annual price variation, also reflecting the effect of the update of special prices for bulk mail, is 8.91%.

#### 2.1.2 Financial sector

Being and acting in compliance is a non-negotiable imperative, especially in the banking sector, where supervision, stakeholders, bank customers, the general community and the market itself are attentive and expect institutions to be guided by ethical standards of conduct and, of course, never abdicate compliance with the regulations issued by regulatory bodies at both national and international level. It is therefore essential to monitor, analyse and screen new legislation and regulations, given the constant evolution that the sector undergoes due to the need to update, adapt or revise, which is a differentiating element that can even affect the healthy development of any institution.

In the first half of 2024, compared to the previous year, there was less (need for) intervention by the national legislator, as opposed to considerable regulation by the supervisor Banco de Portugal and the European legislator.

##### Regulatory activity

Within the framework of financial regulation, the banking sector is certainly one of the most regulated sectors, in which the burden of requirements, reports and procedures is growing all the time, aimed at naturally strengthening the transparency and accountability of the sector's institutions, with the inherent consolidation of market confidence.

In this first half of 2024, we have seen exactly this reinforcement on the part of the banking supervisor, of

which we highlight the following regulatory diplomas, most of which were preceded by public consultation:

- Notice 2/2024 of 15 March, revoking Notice 3/2015, deals with the content, simplified obligations in drawing up and reporting, exemption from reporting and the duty to report changes and/or breaches of the thresholds and triggering of measures in the Recovery Plan, which must be submitted annually by 30 November;
- Instruction 8/2024 and Notice 3/2024, both of 5 June, revoking Instruction 5/2019 and Instruction 6/2020 and amending Notice 1/2022, establish a new reporting model for the purposes of preventing money laundering and terrorist financing (AML); the first report in this new model must be sent to the Banco de Portugal, exceptionally, by 30 September of this year 2024, in subsequent years the deadline will be 31 March;
- Instruction 10/2024 of 6 June, repealing Instruction 34/2018, defines standardised reporting for interest rate risk in the banking book. In fact, considering the entry into force of the harmonised reporting regime at European level (EBA/ITS/2023/03), embodied in Implementing Regulation (EU) 2024/855 of 15 March, which will apply from 1 September 2024, institutions must still report on 30 June 2024 by reference to the current regime provided for in Instruction 34/2018, thus ensuring an adequate transition from national to European reporting and not duplicating reports;
- Instruction 12/2024 of 18 June, revoking Instruction 33/2018, under which institutions were obliged to report information on housing and mortgage credit contracts, taking into account that this information is currently reported by the institutions to the Central Credit Register of Banco de Portugal, and there is no justification for maintaining this reporting obligation.

##### Digital and Cybersecurity

The marked evolution in digital transformation, which institutions feel is urgent in order to respond to market needs, is certainly at the root of the analysis carried out by Banco de Portugal, which culminated in the identification of improvements to ensure efficiency. Expressing its expectation of compliance with the

'Guidelines on the management of risks associated with ICT and security' (EBA/GL/2019/04), which specify the measures that institutions must adopt to manage the risks associated with Information and Communication Technologies (ICT) and the security of all activities, as well as the requirements aimed at mitigating the security risks associated with outsourced systems and/or those exposed to cybersecurity incidents, the supervisor issued Circular Letter 2024/09 of 11 March, which presents a non-exhaustive set of essential cybersecurity control mechanisms.

Also in the digital field stands out the preparatory path that Regulation 2024/1183 of 11 April is taking towards the introduction of a European personal digital identity card in 2026, establishing the interoperability of European Digital Identification Cards, through voluntary use, which will allow all EU citizens and residents to identify themselves electronically, in full security, to access public and private digital services across Europe.

Also with a view to e-commerce security, Banco de Portugal has launched Public Consultation 1/2024 on a draft notice on the identification of the final beneficiary in payment reference transactions and direct debits, which aims to reduce the risk of payers making payment transactions to undesired beneficiaries, thus implementing preventive measures to ensure the proper functioning and security of payment systems.

### Credit Risk and Market Discipline

In the first half of 2024, the European Banking Authority (EBA) launched three public consultations under Pillar 3 - market discipline - which should be borne in mind:

1 - EBA/CP/2024/05 - on two sets of draft Regulatory Technical Standards (RTS) and one Implementing Technical Standard (ITS), with the aim of clarifying the composition of the new business indicator at the centre of the calculation of capital requirements for operational risk, mapping business indicator items to financial reporting items (FINREP) and highlighting possible adjustments to the business indicator in the case of specific operations.

2 - EBA/CP/2024/06 - on two draft Implementing Technical Standards (ITS) amending Pillar 3 disclosures and supervisory reporting requirements for operational risk.

3 - EBA/CP/2024/08 - on a draft Regulatory Technical Standard (RTS) under the Capital Requirements Regulation (CRR3 - Regulation (EU) 575/2013)

regarding off-balance sheet items under the standardised approach to credit risk.

Along these lines, Regulation 2024/1623 of 31 May of the European Parliament and Council is also noteworthy. It amends Regulation (EU) 575/2013 with regard to the requirements for credit risk, credit assessment adjustment risk, operational risk, market risk and the minimum limit for the total amount of exposures, as well as the Final Report EBA/ITS/2024/05 of 20 June, containing the Final Draft Implementing Technical Standards (ITS), updating the Pillar 3 disclosure structure and finalising the implementation of Basel III - Pillar 3 Framework, with the aim of ensuring that market participants have sufficient comparable information to assess institutions' risk profiles and understand compliance with CRR 3 requirements, further promoting market discipline.

### DORA Regulation

Bearing in mind the expected entry into force in January 2025 of Regulation (EU) 2022/2554 of the European Parliament and of the Council (DORA), the Delegated Regulations issued by the Commission on 25 June 2024 should be noted, which constitute its first set of regulatory technical standards and will enter into force on 15 July 2024, although their requirements will apply from 17 January 2025.

A - Delegated Regulation (EU) 2024/1772 with regard to regulatory technical standards specifying the criteria for the classification of ICT-related incidents and cyber threats, setting out materiality thresholds and specifying the details of reports of major incidents;

B - Delegated Regulation (EU) 2024/1773 with regard to regulatory technical standards specifying the detailed content of the policy regarding contractual arrangements on the use of ICT services supporting critical or important functions provided by ICT third-party service providers;

C - Delegated Regulation (EU) 2024/1774, with regard to regulatory technical standards specifying ICT risk management tools, methods, processes, and policies and the simplified ICT risk management framework.

In addition, complementing the DORA Regulation by specifying the criteria for the designation of ICT third-party service providers as critical for financial entities, Delegated Regulation 2024/1502, issued by the European Parliament and the Council on 22 February, must be taken into account



## Money Laundering and Terrorist Financing

Giving due priority to the prevention of the use of the EU's financial system for the purposes of money laundering and terrorist financing and with a view to improving and strengthening the integrity of the internal market, the European Parliament, the Council and the Commission issued, on 31 May 2024, regulatory acts which, as a package, constitute the legal framework governing the requirements in this area to be met by obliged entities and which underpin the EU's institutional framework, namely:

A - Regulation 2024/1620 establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010 and (EU) No 1095/2010;

B - Regulation 2024/1624 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing;

C - Directive 2024/1654 amending Directive (EU) 2019/1153 as regards access by competent authorities to centralised bank account registries through the interconnection system and technical measures to facilitate the use of transaction records;;

D - Directive 2024/1640 on the mechanisms to be put in place by Member States for the prevention of the use of

the financial system for the purposes of money laundering or terrorist financing, amending Directive(EU) 2019/1937, and amending and repealing Directive (EU) 2015/849.

## Insurance Activity

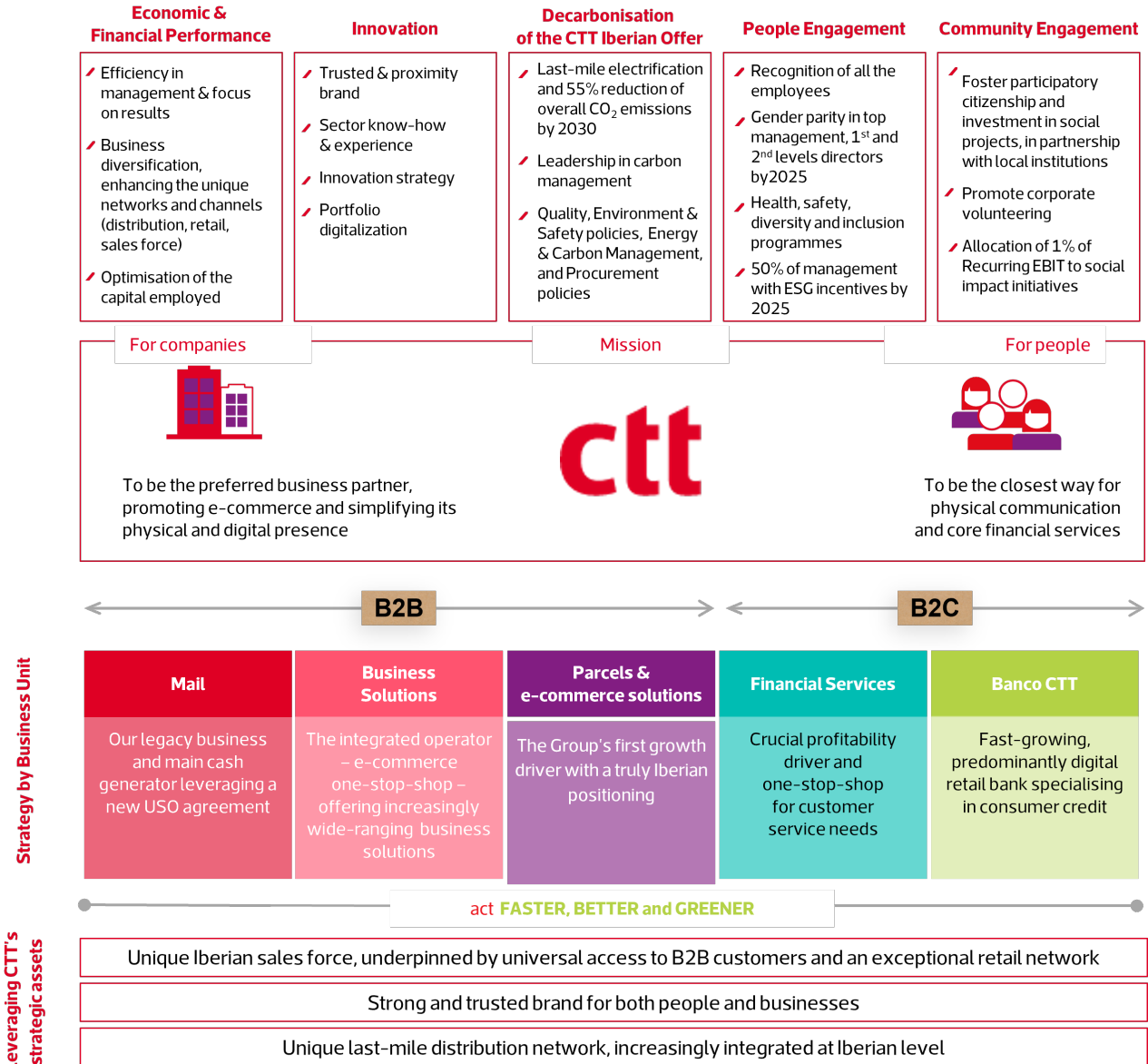
With a view to strengthening consumer protection by promoting better information on a financial product as important as the Retirement Savings Plan (PPR), it is worth noting that on 17 June the Insurance and Pension Funds Supervisory Authority (ASF) launched Public Consultation 8/2024 on a draft regulatory standard for the disclosure of information on commissions, profitability and risk in PPRs.

## National Legislation

Finally, there was no relevant legislation at national level in the banking sector in the first half of the year, leaving only two pieces of legislation that brought changes to the procedure and validity of residence documents for foreigners, Decree-Law 37-A/2024 of 3 June, which revokes the residence permit procedures based on expressions of interest, and Decree-Law 41-A/2024 of 28 June, which once again extends the validity of documents and visas.

## 2.2 Strategy

We connect people and companies, committed to deliver!





## 2.3 Risk management

### 2.3.1 Description of the risk management process

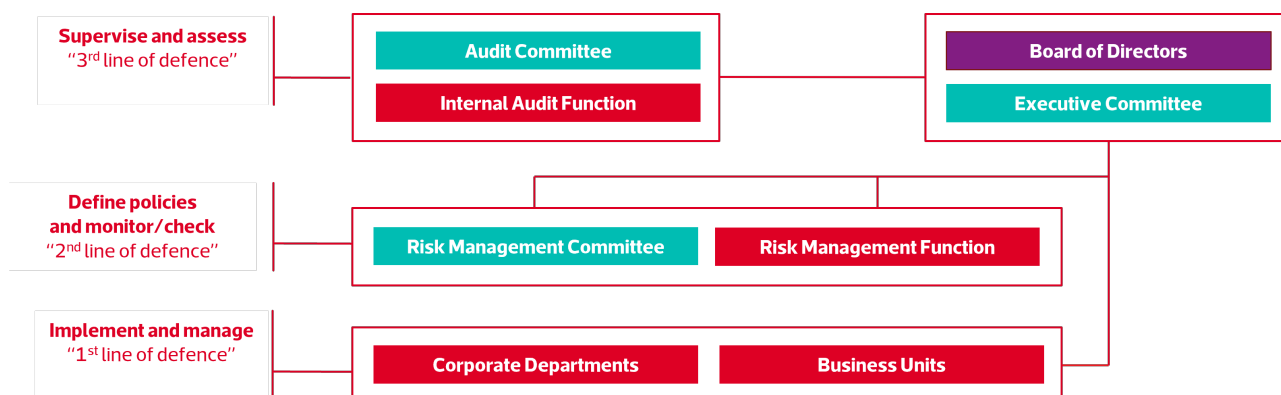
The risks arising from the activity of CTT and its subsidiaries are managed pursuant to the manner described in the **Regulations of the Risk Management System** approved by the Board of Directors. This document, in addition to establishing guiding standards, principles and procedures for Risk Management, defines duties, responsibilities and governance model, ensuring the implementation of a framework supporting the decision making process, taking into consideration the risks to which CTT is exposed.

As far as the banking activity is concerned, Banco CTT has an independent risk management system, based on a set of concepts, principles, rules and on an

organizational model applicable and adjusted to the specific features and the regulatory framework of its activity. However, a model has been established for articulation between the areas responsible for the Risk Management of CTT and Banco CTT, to ensure an alignment relative to the main interdependent risks.

#### Governance Model

At CTT, risk management and control are undertaken by the entire organisational structure, involving top management down to the more operational levels, through a model of “3 lines of defence” based on good practices of Audit and Internal Control:



The **Board of Directors** approves CTT's main risk policies and guidelines, defining its profile and objectives on risk-taking matters and creating systems for their control. Additionally, it carries out the assessment of the effectiveness of the Risk Management system, with a view to ensuring that the risks incurred are consistent with the defined objectives.

The **Audit Committee** supervises and appraises the Risk Management policies and system and may propose measures to the Executive Committee aimed at improving their functioning. It also monitors and appraises the profile and objectives on matters of risk-taking, the levels of exposure to risk and the mitigation measures in this context.

The **Executive Committee** approves CTT's risk profile and levels of exposure to risk, as well as the models, processes and procedures for risk management, in

addition to the proposed mitigation initiatives, ensuring their implementation and considering the terms and objectives defined and approved by the Board of Directors.

The **Risk Management Committee** supports the Executive Committee in the process of preparation and approval of Risk Management strategies and policies, monitoring their implementation.

The **risk management function**, performed by the Risk Management division of the Audit & Quality department, is responsible for the centralized coordination of the CTT Risk Management System and the planning and implementation of risk management programmes supported by the Company's Regulations of the Risk Management System.

The **internal audit function**, performed by the Internal Audit division of the Audit & Quality department, assesses the quality and efficacy of the Risk Management system, and identifies and characterizes risk events under the audit activities carried out.

All the remaining **Corporate Departments** and **Business Units** put in place the approved Risk Management policies and procedures and propose mitigation actions for the main risks identified.

### 2.3.2 Risks faced by CTT

According to some general principles related to the nature, causes and way they are managed, CTT's risks are divided into three main categories: strategic, operational and financial.

- **Strategic risks:** these are essentially the result of external factors which, by exploiting internal constraints and weaknesses, can have a negative impact on the company's economic performance, competitiveness and/or medium-term resilience. This category includes risks related to: (i) business interruption, (ii) competitive market forces, (iii) demand for products and services and (iv) operating in a heavily regulated environment, in particular within the universal postal service obligations. The level of exposure to strategic risks is monitored and discussed throughout the year by the Risk Management Committee. During the 1<sup>st</sup> half of the year, with regard to this category of risks, CTT was particularly attentive to the evolution of its level of exposure to cyber incidents, the pace of the energy transition, the erosion of the value proposition of products/services and the entry into the market of new disruptive business models which, in the long term, may impact CTT.
- **Operational risks:** these result from failures in the execution of business processes, namely in the fulfilment of standards and regulations, and can cause major financial or reputational damage and affect the resilience of the business in the medium term. This category includes risks related to: (i) non-compliance with statutory, regulatory and legal obligations, (ii) ownership, operation, development, capacity and dependence of information systems on the company's activity, (iii) environmental, social and governance (ESG) factors, (iv) labour practices and organisational culture and (v) failures in the quality of customer service. The level of exposure to operational risks is monitored quarterly through a set of Key Risk Indicators (KRI).
- **Financial risks:** result from exogenous and/or internal factors that can jeopardise the efficient management of financial resources, altering the company's net worth in a material and unexpected way. This category includes interest rate, liquidity, capital, employee benefit liability and financial reporting risks, among others. In this context, and given their relevance to the evolution of exposure to some of these risks, CTT continuously monitors the evolution of the global and national macroeconomic situation.



## CTT business units

- 3.1 Logistics
- 3.2 Bank & Financial Services
- 3.3 Future perspectives



## 3. CTT BUSINESS UNITS

### Performance analysis by Business Unit

#### Details of the changes implemented in the organisation of the Business Units:

From 2Q24 onwards CTT will report two new aggregators “Logistics” and “Bank & Financial Services” as a view of aligning with the existing lines of business and simplifying the business reporting. These two areas aggregate the previous business units “Express & Parcels” and “Mail & Other” as Logistics, and “Banco CTT” and “Financial Services & Retail” as Bank & Financial Services, maintaining the same level of disclosure of all relevant business drivers and captions. “Business payments” was migrated to “Mail & Others” to align all commercial B2B streams in the same ownership, ensuring only bank statutory entities in the scope of “Banco CTT” reporting segment. Other small adjustments were made in the light of reorganizing the company commercial portfolio, namely “Tax payments” and “Transfer products” between “Financial Services” and “Mail & Others”.

### 3.1 Logistics

Logistics revenues totalled €451.0m in 1H24 (+€77.3m; +20.7% y.o.y). This solid performance was driven by growth in Express & Parcels (+48.9% y.o.y).

Mail & Other revenues grew by 3.6% y.o.y in the semester, mainly due to the good performance of mail and business solutions (+10.0% y.o.y).

	1H23	1H24	Δ	Δ%	2Q23	2Q24	Δ	Δ%
€ million								
<b>Logistics</b>								
Revenues	373.7	451.0	77.3	20.7%	190.2	224.4	34.2	18.0%
Operating costs	332.5	400.4	68.0	20.4%	166.7	197.9	31.1	18.7%
EBITDA	41.3	50.6	9.3	22.6%	23.4	26.5	3.0	13.0%
Recurring EBIT	13.2	18.7	5.6	42.5%	8.6	9.9	1.2	14.3%
EBIT	4.1	16.2	12.1	»	0.3	9.3	9.0	»

#### 3.1.1 Express & Parcels

Express & Parcels **revenues** amounted to €210.4m in 1H24 (+€69.1m; +48.9% y.o.y). This growth was driven by increased volumes in Iberia (+53.5% y.o.y), which exceeded 63 million items in the first six months of the year, with 2Q24 volumes close to the levels of 4Q23 (peak season).

The business in Spain and Portugal has been unified into a single Iberian offer. In particular, the product portfolio, customer segmentation and pricing methodology have been harmonised. Commercial coordination between Portugal and Spain has also been strengthened in the management of large international accounts. This harmonisation is crucial, given that a large number of clients operate throughout the Iberian Peninsula and therefore prefer a service that covers the entire region.

The expansion of the Express & Parcels segment results from the growth in the e-commerce market and the gain in market share, which reflects the investments made in the expansion and capacity of the network, in the extension and differentiation of the portfolio of services offered and in the quality of delivery.

### 2Q24 volumes were similar to the peak season's.

The growth recorded is diversified among the different types of customers. In terms of the strategic customer segment (international e-sellers, with daily volumes above 20,000 items), there continues to be strong growth, as a result of the incorporation of new customers, reflecting commercial proactivity, the wide range and quality of the services offered, and the increase in average volumes, as CTT is intensifying its

relationship with these customers. The other customer segments also registered strong growth, as a result of a commercial strategy that prioritises customer diversification and the expansion and granularity of the geographical presence in Spain.

Despite the high growth, the quality of service has remained excellent. This growth demonstrates the trust placed in the quality of the service offered by CTT by current and new customers. This is a differentiating factor compared to the competition and underpins the continuous increase in volumes handed out to CTT.

The customs clearance service continues to gain traction with large international clients. Integrated in last-mile delivery, it contributes significantly to reducing delivery times for extra-EU volumes and increasing CTT's differentiation from its competitors.

The fulfilment business recorded revenues of €2.1m in 1H24 (+26.4% y.o.y). This evolution was based on the growth of business from existing clients and the capture of a new business of significant size in a new segment.

At the end of 1H24, CTT's Locky network comprised 907 lockers installed in Portugal (1,038 contracted) and maintained an upward trend in the number of lockers installed. In Spain, where Locky recently began its expansion, there are already 8 lockers installed and 46 contracted. Locky lockers are part of the CTT delivery points network, whereby customers can pick up, send and return their parcels with maximum convenience, 24 hours a day in most lockers, every day of the week. The Locky locker network is an agnostic network and, since 4Q23, another carrier, in addition to CTT, has been using it. CTT continues to invest in expanding the Locky locker network both in Portugal and in Spain, where this offer is already present. In the context of the PUDDO network, it should be noted that CTT in Spain already has a network of 17,600 convenience points, which, when added to approximately 3,500 of the network in Portugal, represent over 21,000 delivery points, ensuring extensive coverage of the Iberian Peninsula.

**Recurring EBIT** generated by the E&P business increased from €5.9m in 1H23 to €13.7m in 1H24. As a result, the margin increased from 4.2% in the same semester last year to 6.5% (+2.3pp y.o.y). Recurring EBIT performance benefited from increased business activity in Iberia. Strong volume growth in Spain is fuelling rapid margin expansion due to operational leverage of the business. In Portugal, synergies have been leveraged with the basic mail network to channel more and more parcels to be delivered by postmen.

**In 2Q24 a record level of recurring EBIT of €8.1m (+54.3% y.o.y) was achieved, with a margin of 7.4% (+0.6pp y.o.y).**

## Responsible portfolio

Of particular note is the Ciclo CTT service, a solution launched in partnership with Loop Co. and FNAC, which aims to promote the sale of reconditioned products from its customers, thus helping to reduce the carbon footprint and promoting the reuse of items while maintaining their value and usefulness. Since the service began, more than 250 pieces of electronic equipment have been transported and reconditioned.

CTT has stepped up its efforts to incorporate recycled materials into its parcel and express offer in Portugal and Spain, which currently stands at 92.6%. The company is thus very close to achieving the commitment to exclusively use this type of material in CTT's offer by 2030.

At the same time, in Spain, CTT Express continues to invest in the marketing of new packaging formats that incorporate recycled plastics and are recyclable. These packages have the Blue Angel label, a German certification that proves the adoption of good ecological practices applied to the manufacture and operation of a product or service.

### 3.1.2 Mail & Other

Mail & Other **revenues** amounted to €240.6m in 1H24 (+€8.3m; +3.6% y.o.y). This growth was mainly due to the performance of €189.9m in revenues from addressed mail (+2.1% y.o.y), €24.2m from business solutions (+10.0% y.o.y) and €10.3m from payments (+8.7% y.o.y).

In 1Q24, the mail business benefited from the volumes generated by the legislative elections, but was penalised by the lower number of working days. In fact, there were two fewer working days (i.e. -3.1%) than in 1Q23, because this year Easter fell in the first quarter (-1.6% in 1H24 vs. 1H23).

The overall average price change of the universal postal service<sup>6</sup> in 1H24 was +9.25% y.o.y.

## Leveraging the commercial relationship established in the mail business has enabled the Business Solutions segment to grow.

In 1H24, business solutions continued to record growth in the Business Process Outsourcing (BPO) and Contact Centre areas as new businesses in different sectors were won and implemented.

**Recurring EBIT** declined by 30.6% to €5.1m, due in part to the lower number of working days. Recurring EBIT performance was also penalised by the decline in financial services activity as a result of lower subscriptions of savings certificates, as these required less use of Mail resources.

The cost efficiency programme is progressing and results are expected this year. Price increases will help stabilise margins.

## Responsible portfolio

For mail solutions, more sustainable options are favoured, especially when it comes to selecting the materials to be used.

**Green mail** is a 100% ecological offer leveraged on its convenience combined with environmental protection,

ensuring the carbon neutrality of direct emissions resulting from the handling, transport and distribution of its products through the offsetting of unavoidable direct emissions, without extra costs to the customers. Green Mail envelopes are also made from 100% recycled paper. In spite of a decline (-14.1%), the eco range of “green mail” recorded nearly 2.5 million items sold.

The range of **eco direct marketing services** provides a distinctive symbol for the campaigns which stand out positively due to their environmental performance. This aims to project the use of the channel of mail with ecological merit, through the use of ecological raw materials, responsible production processes and appropriate end-of-life cycle management. The eco range accounted for c. 2.8 million items, a 22.1% relative weight in domestic Direct Mail volumes.

Currently, 83.7% of the mail offer already incorporates recycled and reused materials, closer to realising the commitment to reach the total offer by 2030.

## Philately

Collecting-related products, in both the Retail network and Central Services, posted €2.0m in revenues, down by around 4.6% than in 2023, due to the reduction in the face value issued compared to the previous year and the natural erosion of the collecting market

In the 1<sup>st</sup> half of 2024, the following philatelic issues stand out:

Commemorative philatelic issues	
<ul style="list-style-type: none"> <li>200 Years of Vista Alegre</li> <li>The <i>Caretos de Podence</i></li> <li>100 Years of the Infante D. Henrique Nautical College</li> <li>25 April - 50 Years, including a joint issue Angola / Cape Verde / Portugal</li> <li>The Musical Instruments of Civil Wind Bands (2<sup>nd</sup> group)</li> <li>Roller Sports Federation of Portugal - 100 Years</li> <li>Europa - Underwater Fauna and Flora</li> <li>Centenary of the Portuguese Lighthouse Authority</li> </ul>	<b>National and International Events</b>
<ul style="list-style-type: none"> <li>The Musical Instruments of Civil Wind Bands (2<sup>nd</sup> group)</li> </ul>	<b>Self-adhesive</b>

<sup>6</sup> Includes letter mail, editorial mail and parcels of the universal postal service, excluding international inbound mail.



The tradition was maintained with the launch of philatelic issues dedicated to biodiversity, nature or the national fauna and flora. In this period the theme was "Europa - Underwater Fauna and Flora".

It should also be noted that the "25 April - 50 Years" and "Europa - Underwater Fauna and Flora" brochures were

printed on 100% uncoated recycled paper, which also meets the strict environmental criteria of the Blue Angel certification.

More information on the plan of CTT philatelic issues at: <https://www.ctt.pt/particulares/filatelia/plano-emissoes/>

## 3.2 Bank & Financial Services

Bank & Financial Services revenues totalled €73.3m in 1H24 (-€33.4m; -31.3% y.o.y), penalised by the performance of public debt, while Banco CTT continued to grow in assets and customers.

Public debt placement volumes remain at low levels, much lower than normal, as a consequence of the limitations imposed on the subscription of savings certificates.

€ million							
Bank & Financial Services	1H3	1H24	Δ	Δ%	2Q23	2Q24	Δ Δ%
Revenues	106.7	73.3	(33.4)	(31.3%)	48.4	36.5	(11.9) (24.6%)
Recurring EBIT	35.2	16.3	(18.9)	(53.8%)	14.0	8.2	(5.8) (41.3%)
Recurring EBIT margin (p.p.)	33.0	22.2	(10.8)		28.9	22.5	(6.4)

### 3.2.1 Financial Services

Financial Services **revenues** amounted to €11.1m in 1H24 (-€34.9m). This unfavourable performance, when compared to the same period last year, comes mostly from the performance of public debt certificates.

CTT carried out marketing campaigns throughout the second quarter, highlighting the attractiveness of Savings Certificates when compared to other alternatives. In July, the company also launched an online platform for subscribing to public debt certificates via the CTT app, thus improving convenience for savers.

### CTT launched an online platform for subscribing to public debt certificates.

In the first half of 2023, placements of public debt certificates reached all-time highs, driven by the greater attractiveness of the product compared to bank deposits. The change in marketing conditions in June 2023 reduced the attractiveness of this product for savers due to the lower interest rates, and limited marketing capacity due to the drastic reduction in placement caps per subscriber. It is expected that a possible future change in marketing conditions will once again increase the attractiveness of this product.

Public debt certificates (Savings Certificates and Treasury Certificates Savings Growth) posted revenues of €4.3m in 1H24 (-€31.7m; -88.0% y.o.y).

In 1H24, subscriptions of these certificates amounted to €621.1m which compares to €11.4 billion in 1H23. Naturally, the performance in 1H23 benefited from the exceptional context previously mentioned. However, it should be noted that 1H24 performance is being hampered by the limitations imposed on the sale of this product introduced in June 2023. Also, between 2019 and 2021, before the change in interest rates environment that started in 2022, average placements per semester was around €2 billion.

CTT has been repositioning its retail network for the distribution of services (retail as a service). This strategy includes: (i) public debt; (ii) insurance products; (iii) mail and express & parcels services, mostly in self-service; and (iv) convenience services for citizens.

In this context, CTT reinforced the commercial drive in the area of non-life insurance, including auto, health, personal accidents, multi-risk, among others, based on the distribution partnership with Generali, but also benefiting from other distribution arrangements, namely on healthcare plans.

Given the abnormally weak performance in terms of public debt placements, **recurring EBIT** in the semester totalled €5.6m.

### 3.2.2 Bank

Banco CTT **revenues** amounted to €62.1m in 1H24 (+ €1.6m; +2.6% y.o.y). Net interest income totalled €47.9m in 1H24 (€1.9m; +4.1% y.o.y). Interest received increased by €28.3m compared to the same period last year, benefiting from higher interest rates and volume growth. Interest paid increased by €26.5m vis-à-vis the same period in 2023 due to higher rates of return on customer deposits and securitisations of auto loans. Excluding the impact of the withdrawal from the Universo card partnership, revenue growth would have been +15.9%.

At end of 1H24, the number of current accounts was 667k (20k more than in December 2023).

**Banco CTT is focused on continuing to grow its client base while improving client engagement, in order to grow business volumes, with a special focus on savings and deposits.**

Retail customer deposits (Banco CTT consolidation) stood at €3,772.0m in 1H24 (+22.0% vs. December 2023). There was a 38.0% increase in term deposits and sight deposits stabilised compared to December 2023.

Interest from auto loans amounted to €29.5m in 1H24 (+€4.2m; +16.5% y.o.y) and reached a loan portfolio net of impairments of €894.1m (+3.9% vs. December 2023). Auto loans production stood at €128.8m in 1H24 (-4.6% y.o.y).

Interest from mortgage loans stood at €15.9m in 1H24 (+€6.8m; +73.7% y.o.y), which is in line with the positive evolution of Euribor since 1H23. The mortgage loan portfolio net of impairments totalled €745.3m in the period (+2.5% vs. December 2023). Mortgage loan production amounted to €79.8m in 1H24 (-9.1% y.o.y).

Also worthy of note is other interest received, which increased by €11.7m in 1H24 compared to 1H23, to

which contributed mainly the liquidity surplus at Banco de Portugal.

Commissions received in this business unit reached €13.4m in 1H24, (+2.3% y.o.y).

The loan-to-deposit ratio reached 43.5% in 1H24.

The cost of risk (consolidated and accumulated) in the semester stood at 0.9%, down by 0.5 p.p. compared to December 2023, influenced by lower levels of risk in the consumer credit portfolios.

**Recurring EBIT** rose to €10.7m (+44.6% y.o.y) due to operational leverage supported by the strong growth in business volumes, namely deposits, mortgages and auto loans.

Banco CTT is therefore well positioned to achieve the 2025 objectives announced in September 2023:

- Reach 700k to 750k accounts (compared to 667k in 1H24);
- Grow in customer resources and loans to customers to business volumes of over €7 billion (compared to €6.5 billion at the end of 1H24);
- Deliver on profitability, with pre-tax profits between €25m and €30m (compared to €21.0m in 2023 and €10.6m in 1H24).

### Responsible portfolio

Banco CTT's offer of sustainable savings and investment solutions includes the Sustainable Mortgage Loans product, which favours the purchase of energy-efficient homes with special mortgage loan conditions, the Renewable Energy Consumer Credit with a view to improving the energy efficiency of the home, with special conditions for the purchase of solar panels and other equipment, and the New Electric Car Loan with special financing conditions for the purchase. There is also the 'Banco CTT Sustainable Investment' product, commercialised in partnership with Zurich, an insurance linked to an investment fund for companies and institutions that incorporate principles and objectives aligned with the United Nations 2030 Agenda.

The new Banco CTT debit cards sent to customers are made 100% from recycled plastic. In this context, Banco CTT's participation in the Merece Movement, which promotes the collection and recovery of expired and unused bank card waste, transforming it into street

furniture and also converting this collection into a considerable number of planted trees, should be highlighted. Since the partnership began, 80,000 cards have already been recycled.

This year, a new criterion was launched for exemption from the account maintenance fee: in addition to having an active debit card, it is necessary to subscribe to the statement and other communications in digital format. This measure had an impact on the take-up of the digital statement, with a rise to 90%.

### 3.3 Future Perspectives

#### Outlook for 2024

In the first half of 2024, CTT successfully continued on its path of transformation, achieving record volumes in the **Express & Parcels** segment. The increase in volumes, as well as the consequent gain in market share, was driven by the growth of the e-commerce market and the high capacity and quality of service derived from the investments made, which made it possible to incorporate new customers. The focus continues to be on expanding its presence in the Iberian express and parcels market in order to capitalise on the growing e-commerce trend in Portugal and Spain.

**Banco CTT** continues to increase the number of accounts, grow in business volume and profitability. Banco CTT will continue to invest in improving the customer experience (IT systems and new ways, including applications, of contact with the customer) with the aim of deepening and intensifying the relationship with the client and thus increasing engagement with current and future customers.

In **Financial Services**, a new feature was developed in the CTT app to make it possible to manage savings certificates digitally and more conveniently for customers. Public debt subscription volumes continue to be well below those for the years 2019 to 2021 (pre-Euribor rise), mainly due to the limits imposed by the Government. However, CTT remains confident that placement levels will tend to revert to normality, i.e. to the average observed prior to 2022-23, and recent statements by the Minister of Finance point to an improvement in the conditions of this product. CTT continues to grow in retail service products such as insurance (Generali) and health plans.

Finally, in **Mail**, a price increase was successfully implemented in 2024 in order to counter the natural downward trend in volumes due to increased digitalisation. The focus is still on controlling costs and selling business solutions to our customers.

The company remains attentive to inorganic growth opportunities that may arise, particularly in the logistics and fulfilment segments.

**In this context, CTT's ambition for 2024 is to continue to grow, with consolidated revenues increasing by "mid-single digit". The strong growth of the Iberian Express & Parcels and Banco CTT business units will enable recurring EBIT, excluding Financial Services, to grow from €51m in 2023 to above €70m in 2024 (>36% y.o.y). On the other hand, if public debt placement levels remain under pressure, recurring EBIT from Financial Services should be around €10m instead of the normal level of €20m. In this context of public debt placement, CTT establishes a reference range of €80m to €90m for consolidated recurring EBIT.**

CTT's balance sheet leverage offers growth optionality, including organic and inorganic. CTT will maintain the focus on costs and profitability while stepping up investments in E&P Iberia to keep improving competitive position.

The second half of 2024 should continue to be marked by high levels of uncertainty, both at (i) economic level, including a possible global slowdown, the evolution of inflation, and the consequent reaction of central banks with regard to interest rates; and (ii) geopolitical level, including conflicts in the Middle East and Europe, which should continue to pose risks to global supply chains.

In addition, and in response to growing pressure from customers for less polluting solutions, CTT will continue to decarbonise its offer and focus on integrating solutions that create economic and environmental value.




## Performance



- 4.1 ESG commitments
- 4.2 Economic and financial performance
- 4.3 Innovation
- 4.4 Decarbonisation towards net zero
- 4.5 People engagement
- 4.6 Community engagement



## 4. PERFORMANCE

### 4.1 ESG Commitments



ESG strategic goals	Sustainable Development Goals	CTT goals	Time frame	State of play 1 <sup>st</sup> half of 2024
<b>ACCELERATE THE DECARBONISATION OF THE CTT OFFER IN IBERIA</b>  Electrify 100% of the last mile by 2030	 <b>7</b> <b>ENSURE ACCESS TO RELIABLE, SUSTAINABLE AND MODERN SOURCES OF ENERGY FOR ALL</b>	Achieve 100% of own green vehicles in the last mile	2030 (50% by 2025)	24.0% (+4.4 p.p. than at the end of 2023). ↑
		Electrify 45% of the subcontracted fleet	2030	~0.5%. Acquisition of CTT Express vehicles for delivery to subcontractors; consultations for 100% electric routes in Portugal. =
		Purchase annually 100% of electricity from renewable sources	2030	Green energy purchased under a guarantee of origin certificate regarding consumption in 2023 was processed in the 1 <sup>st</sup> half of 2024. ✓
		Increase photovoltaic energy production for own consumption (UPAC)	Annual	1,237,251.9 kWh (+41.7%). ↑
		Increase the installation of LED lighting by 3% per year	2030 (up to 100k m <sup>2</sup> )	Final data of buildings equipped will be collected at the end of the year. =
		Reduce electricity consumption	-2% by 2024	+4.0% ↓
		Reduce fuel consumption	-5% by 2024	-2.1% compared to the 1 <sup>st</sup> half of 2023 ↓

ESG strategic goals	Sustainable Development Goals	CTT goals	Time frame	State of play 1 <sup>st</sup> half of 2024	
<b>ACCELERATE THE DECARBONISATION OF THE CTT OFFER IN IBERIA</b>  Electrify 100% of the last mile by 2030	  <b>ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATHS</b>	Train 90% of the workers in the "Green Planet" environmental programme	2020-2025	2,251 trainees successfully completed the training (48%)	↑↑
		Keep office paper consumption the same as the previous year	Annual	-17% compared to the 1 <sup>st</sup> half of 2023	↑↑
		Maintain the waste recovery rate above 75%	Annual	99.9% rate(+9.9 p.p. than in 2023)	↑↑
		Incorporate recycled and/or reused material in the supply of mail and express & parcels	80% in 2025 100% in 2030	Incorporation of 87.1% (+21.1 p.p.)	↑↑
		Release 8 philatelic issues dedicated to sustainability	Annual	One philatelic issue produced	=
		Include environmental criteria in 99% of pre-contractual procedures <sup>7</sup>	Annual	92.0% (-0.9 p.p. than at the end of 2023)	↓↓
		99% of contracts signed to include environmental criteria <sup>8</sup>	Annual	92.0% (-0.9 p.p. than at the end of 2023)	↓↓
		Assess 100% of critical suppliers	Annual	Assessment of 100% of critical suppliers	=
	  <b>TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS</b>	Mitigation of total CO <sub>2</sub> e emissions of scopes 1, 2 & 3 vs. 2021 (cumulative change)	-11% by 2024 -55% by 2030 <sup>1</sup>	+4.2% than in the 1 <sup>st</sup> half of 2021	↓↓
		Mitigation of CO <sub>2</sub> e emissions of scope 1 (annual change)	-5% in 2024	-2.1% than in the 1 <sup>st</sup> half of 2023	↓↓
		Mitigation of CO <sub>2</sub> e emissions of scopes 1 & 2, in relation to 2021 (cumulative change)	+1% by 2024 -61% by 2030	+1.5% than in the 1 <sup>st</sup> half of 2021	↓↓
		Reducing the overall carbon footprint by 55% by 2030 and offsetting the balance towards neutrality	2021-2030	Total emissions of scopes 1, 2 & 3: 43,015.0 tons CO <sub>2</sub> e (+12.4% compared to the 1 <sup>st</sup> half of 2023)	↓↓
		SBT (well-below 2°C) target: Reduce CO <sub>2</sub> emissions of scopes 1, 2 & 3 by 30%, compared to 2013	2013-2025	-29.0% (1 <sup>st</sup> half of 2023 vs. 1 <sup>st</sup> half of 2013)	↑↑
		SBT (well-below 2°C) target: Reduce carbon intensity per postal item by 20% (scopes 1, 2 & 3) compared to 2013	2013-2025	+38.1% (1 <sup>st</sup> half of 2023 vs. 1 <sup>st</sup> half of 2013)	↓↓
		Offsetting direct carbon emissions from CTT's offer	Annual	The offsetting of emissions from the Green Mail offer is carried out at the end of the 2 <sup>nd</sup> semester.	=
		Promote active reforestation of the national territory: over 6,500 kits of A Tree for the Forest	Through an annual campaign	Sales in the first six months of 2024: 285 kits.	↓↓

<sup>7</sup> Contracts awarded by the companies CTT, CTT Espresso, CTT Contacto and Payshop.



<sup>8</sup> Contracts awarded by the companies CTT, CTT Espresso, CTT Contacto and Payshop.




ESG strategic goals	Sustainable Development Goals	CTT goals	Time frame	State of play 1 <sup>st</sup> half of 2024	
<b>CARE FOR CTT PEOPLE AND THE DIVERSITY EXPERIENCE</b>  Be a benchmark employer, leveraged by a people-centred culture, by 2030	 <b>ENSURE ACCESS TO QUALITY HEALTH CARE AND PROMOTE WELL-BEING FOR ALL AT ALL AGES</b>	Reduce the number of road accidents by 5% per kilometre travelled	Annual	21.7% reduction compared to the 1 <sup>st</sup> half of 2023 <sup>9</sup>	↑↑
		Increase the attendance rate	2022: 92% 2025: 93%	92.6% (-0.5% p.p. compared to the 1 <sup>st</sup> half of 2023)	↓↓
		Prevention of labour mortality (own responsibility): 0 deaths	Annual	0 fatal accidents	=
		Reduce occupational accidents by 5%	Annual	438 occurrences (+33.1% than in the same period of the previous year).	↓↓
		Reduce days lost by 5%	Annual	1.5% increase compared to the same period in 2023, totalling 9,115 days lost. <sup>10</sup>	↓↓
	 <b>ENSURE ACCESS TO INCLUSIVE, QUALITY AND EQUITABLE EDUCATION AND PROMOTE LIFELONG LEARNING OPPORTUNITIES FOR ALL</b>	1% Training rate (CTT permanent staff)	Annual	0.9%	↑↑
		90% rate of workers trained (CTT permanent staff)	Annual	80% of the population has already received training in the first six months of the year.	↑↑
		Provide a welcome and integration programme to all new hirings, to enhance the experience of the worker	2023	Welcome and integration programme involved 250 participations and more than 4,900 hours.	↓↓
		Assess employee satisfaction: quarterly survey	Annual	Survey conducted at the end of 2023. The data were analysed and released during the 1 <sup>st</sup> half of 2024.	=
		Create and implement the new onboarding programme for integrating new employees	2025	The 1 <sup>st</sup> stage of the Onboarding programme has been implemented.	↑↑
		Disseminate a training programme for new managers (e-learning) on equal opportunities and non-discrimination	2022: c. 800 people 2023: Communicate annually	2 <sup>nd</sup> stage of the Fast Track programme for new and current managers resumed. Design of a course to be implemented in 2024 or early 2025 is being evaluated.	↑↑
		Create and implement the new training programme on Equal opportunities and non-discrimination, aimed at recruitment, management and the internal public in general	2023-2025	Initiatives were developed in the 1 <sup>st</sup> half of the year for the general public. Launch of a compulsory course on the Code of Ethics for the entire organisation.	↑↑


<sup>9</sup> Data for June are still estimates.

<sup>10</sup> It should be noted that the accounting of lost days associated with accidents that occurred in the 1<sup>st</sup> half of the year may continue to increase in the 2<sup>nd</sup> half.

ESG strategic goals	Sustainable Development Goals	CTT goals	Time frame	State of play 1 <sup>st</sup> half of 2024	
<b>CARE FOR CTT PEOPLE AND THE DIVERSITY EXPERIENCE</b>  Be a benchmark employer, leveraged by a people-centred culture, by 2030	 <b>ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS</b>	Achieve gender parity in senior and middle management positions (45%)	2025	41.5 (+1.6 p.p. than in the 1 <sup>st</sup> half of 2023)	↑
		Publish and implement the CTT Equality Plan	Annual	<u>Equality Plan 2024</u> published.	✓
		Analyse the wage gap	2021-2023	Analysis carried out and published in the Equality Plan 2024.	✓
<b>PROMOTE PROXIMITY TO THE LOCAL COMMUNITY</b>  Strengthen the Iberian presence and the active involvement of employees in actions with a positive impact on communities	 <b>REDUCE INEQUALITIES WITHIN AND BETWEEN COUNTRIES</b>	Promote corporate volunteering and corporate social support actions: 6 actions	Annual	22 actions carried out	✓
		Maintain a first contact resolution rate of over 90% on Customer Service lines	Annual	95%	↑
		Increase the service rate by Virtual Assistants to 40%	2026	27%	↓
		Maintain the level of satisfaction (response to the CSAT survey) in the Customer Service channels above 60%	Annual	62%	✓
		Promote the active participation of employees in up to three volunteer days per year	2025	3,617 volunteering hours were performed by a total of 751 people. Average per participant: 4.8 hours.	↑
		Invest 1% of recurring EBIT in social impact projects	2025	Investment in community impact programmes of 1.5% of recurring EBIT. The total investment was €542,543.94 (+286% compared to the same period in 2023).	↑
		Maintain CTT capillarity for 100% of municipalities and rural areas with at least one CTT post office	Annual	Accomplished	=
		Contract 75% of services to local suppliers (in the Iberian Peninsula)	2025	99.7% (-0.1% compared to the 1 <sup>st</sup> half of 2023)	↓

ESG strategic goals	Sustainable Development Goals	CTT goals	Time frame	State of play 1 <sup>st</sup> half of 2024	
<b>CREATE A GOVERNANCE MODEL OF REFERENCE</b>  Ensure the involvement of CTT people in the Company's culture and strategic goals	  <b>PROMOTE INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL</b>	Maintain the endorsement of the 10 principles of the United Nations Global Compact (UNGC)	Annual	Continued membership of the UNGC and the Business Ambition for 1.5° C initiative ensured	✓
		Score in the Leadership position in the Carbon Disclosure Project - Climate Change	Annual	Score obtained: Leadership A- position.	✓
		Score 90% on the sustainability proficiency rating (SMP) of IPC's SMMS - Sustainability Measurement System programme	2030	Score of 79% in SMP 5 <sup>th</sup> place worldwide among 23 participants	=
		Reinforce the alignment of the ESG programme in meetings with Top Management (held quarterly) - Sustainability Committee	Annual (quarterly meetings)	Two ESG Steering Committee and ESG Board Committee meetings were held with the presence of the Board of Directors.	=
		Introduce ESG incentives in the 50% targets of top and middle management	2025	The CEO position has ESG incentives linked to the objectives. Extension to other management functions is under preparation and planned for the 2 <sup>nd</sup> semester.	=
		Create opportunities and professional occupation for people with disabilities by hiring 50 workers	2025	1.8% of CTT workers have disabilities (-0.5 p.p. than at the end of 2023).	↓↓
		Promote open and trustful communication channels with Stakeholders	Annual (regular activity)	Segmented communication of the results to the Community in general, through the Press Office and the CTT website, and specifically to investors and employees, through the Intranet and the weekly internal newsletter.	✓



ESG strategic goals	Sustainable Development Goals	CTT goals	Time frame	State of play 1 <sup>st</sup> half of 2024	
<b>CREATE A GOVERNANCE MODEL OF REFERENCE</b>  Ensure the involvement of CTT people in the Company's culture and strategic goals	  <b>PROMOTE PEACEFUL AND INCLUSIVE SOCIETIES FOR SUSTAINABLE DEVELOPMENT, PROVIDE ACCESS TO JUSTICE FOR ALL AND BUILD EFFECTIVE, ACCOUNTABLE AND INCLUSIVE INSTITUTIONS AT ALL LEVELS</b>	Disseminate the new CTT Code of Ethics to all employees	2023-2024	Code of Ethics published online and sent to each employee's home	✓
		Maintain the certification of CTT operations	Annual	Accomplished	✓
		Maintain the certification of subsidiary companies	Annual	CTT Espresso and CTT Express certifications maintained.	✓
		Maintain corporate certification (ISO 14001, 9001, 45001 standards)	Annual	Accomplished	✓
		Maintain the certification as a Family-Responsible Company	Annual	Accomplished	✓
		Average Response Time for Universal Service Complaints National target: <= 15 days International target: <= 56 days	Annual	National: 9.8 days (-5.6 days compared to the 1 <sup>st</sup> half of 2023). International: 21.8 days (-6.7 days compared to the 1 <sup>st</sup> half of 2023).	↑
		Maintain or improve positioning in IPC's Letter-mail Interconnect Remuneration Agreement Europe ranking, K+1	Annual	Ranking results to be determined at the end of the year.	=
		Maintain the result in the UPU Global Monitoring System, inbound above target	Annual	Results to be determined at the end of the year.	=

## 4.2 Economic and financial performance

### Income statement

€ million

	1H23	1H24	Δ	Δ%	2Q23	2Q24	Δ	Δ%
<b>Revenues</b>	<b>480.4</b>	<b>524.3</b>	<b>43.9</b>	<b>9.1%</b>	<b>238.6</b>	<b>260.9</b>	<b>22.3</b>	<b>9.3%</b>
Logistics	373.7	451.0	77.3	20.7%	190.2	224.4	34.2	18.0%
Express & Parcels	141.3	210.4	69.1	48.9%	76.7	109.0	32.3	42.1%
Mail & Other	232.4	240.6	8.3	3.6%	113.5	115.4	1.9	1.7%
Bank & Financial Services	106.7	73.3	(33.4)	(31.3%)	48.4	36.5	(11.9)	(24.6%)
Financial Services	46.1	11.1	(34.9)	(75.8%)	17.3	5.5	(11.8)	(68.1%)
Banco CTT	60.6	62.1	1.6	2.6%	31.2	31.0	(0.2)	(0.5%)
<b>Operating costs</b>	<b>400.3</b>	<b>453.6</b>	<b>53.2</b>	<b>13.3%</b>	<b>199.4</b>	<b>224.1</b>	<b>24.8</b>	<b>12.4%</b>
Staff costs	193.4	202.3	8.9	4.6%	95.7	100.1	4.4	4.6%
ES&S	173.0	226.5	53.5	30.9%	88.2	111.7	23.5	26.7%
Impairments and provisions	15.3	10.6	(4.7)	(30.8%)	7.3	4.8	(2.5)	(34.3%)
Other costs	18.5	14.1	(4.4)	(23.7%)	8.1	7.5	(0.6)	(7.5%)
<b>EBITDA</b>	<b>80.1</b>	<b>70.8</b>	<b>(9.3)</b>	<b>(11.6%)</b>	<b>39.2</b>	<b>36.7</b>	<b>(2.5)</b>	<b>(6.4%)</b>
Depreciation and amortisation	31.7	35.7	4.0	12.7%	16.6	18.6	2.0	12.2%
<b>Recurring EBIT</b>	<b>48.4</b>	<b>35.0</b>	<b>(13.3)</b>	<b>(27.6%)</b>	<b>22.7</b>	<b>18.1</b>	<b>(4.6)</b>	<b>(20.1%)</b>
Logistics	13.2	18.7	5.6	42.5%	8.6	9.9	1.2	14.3%
Express & Parcels	5.9	13.7	7.8	132.8%	5.2	8.1	2.8	54.3%
Mail & Other	7.3	5.1	(2.2)	(30.6%)	3.4	1.8	(1.6)	(46.6%)
Bank & Financial Services	35.2	16.3	(18.9)	(53.8%)	14.0	8.2	(5.8)	(41.3%)
Financial Services	27.8	5.6	(22.2)	(79.9%)	9.7	2.7	(7.1)	(72.7%)
Banco CTT	7.4	10.7	3.3	44.6%	4.3	5.6	1.3	29.3%
Specific items	9.1	2.6	(6.5)	(71.6%)	8.4	0.6	(7.7)	(92.6%)
Business restructuring and strategic projects	4.5	0.9	(3.6)	(79.0%)	3.5	0.5	(2.9)	(84.2%)
Other non-recurring income and expenses	4.6	1.6	(3.0)	(64.4%)	4.9	0.1	(4.8)	(98.6%)
<b>EBIT</b>	<b>39.3</b>	<b>32.4</b>	<b>(6.8)</b>	<b>(17.4%)</b>	<b>14.3</b>	<b>17.5</b>	<b>3.2</b>	<b>22.3%</b>
Financial results (+/-)	(7.1)	(8.2)	(1.1)	(14.9%)	(4.0)	(4.1)	(0.1)	(3.0%)
Financial income, net	(7.1)	(8.2)	(1.1)	(14.9%)	(4.0)	(4.1)	(0.1)	(2.8%)
Financial costs and losses	(7.7)	(8.4)	(0.6)	(8.1%)	(4.2)	(4.3)	0.0	(1.0%)
Financial income	0.6	0.2	(0.4)	(71.4%)	0.2	0.2	(0.1)	(29.2%)
Gains/losses in subsidiaries, associated companies and joint ventures	0.0	0.0	0.0	(48.4%)	0.0	0.0	0.0	(123.2%)
Income tax	6.1	4.1	(2.1)	(33.8%)	0.4	0.7	0.3	62.4%
Non-controlling interest	0.0	0.4	0.4	»	0.0	0.3	0.3	»
<b>Net profit for the period</b>	<b>26.0</b>	<b>19.8</b>	<b>(6.2)</b>	<b>(23.9%)</b>	<b>9.9</b>	<b>12.4</b>	<b>2.5</b>	<b>24.9%</b>

### Revenues

**Revenues** totalled €524.3m in 1H24 (+€43.9m; +9.1% y.o.y), underpinned by Logistics (+€77.3m; +20.7% y.o.y), more specifically by Express & Parcels (+€69.1m; +48.9% y.o.y). Bank & Financial Services (-€33.4m; -31.3% y.o.y) recorded a negative variation, given the

extraordinarily high level of public debt placement in 1H23, partly offset by the performance of Banco CTT (+€1.6m; +2.6% y.o.y).

## Operating Costs

In 1H24, **operating costs** (relative to EBITDA) totalled €453.6m (+€53.2m; +13.3% y.o.y), with the growth essentially explained by the increase in Logistics activity, especially Express & Parcels. **Staff costs** increased by €8.9m (+4.6% y.o.y) in the period, mostly due to the salary increase (+€6.9m), including the increase in the national minimum wage. Additionally, the growth in the Express & Parcels business also contributed to this evolution in costs, as did the contact centre and document management in the corporate solutions business line of Mail & Other. **External supplies & services costs** increased by €53.5m (+30.9% y.o.y), essentially due to the direct costs of services associated with growing businesses, such as Express & Parcels (+€53.6m), which were partially offset by the decrease in Mail costs (-€1.1m). **Impairments and provisions** decreased by €4.7m (-30.8% y.o.y) as a result of the reduction in impairments in the Banco CTT business (-€5.2m). **Other costs** decreased by €4.4m (-23.7% y.o.y), with a significant contribution from the retail business (-€4.1m) due to the repositioning of the network to a services platform, discontinuing some products.

**Depreciation & amortisation** increased by €4.0m (+12.7% y.o.y), essentially due to investments in information systems (+€1.6m), buildings and facilities (+€1.5m) and fleet (+€0.8m).

**Specific items** amounted to €2.6m in 1H24 (€2.0m and €0.6m in 1Q24 and 2Q24, respectively), mostly due to: (i) transaction costs associated with the start-up of the Real Estate business (€1.2m); and (ii) costs associated with strategic projects (€0.9m).

## Recurring EBIT by business unit

**Recurring EBIT** stood at €35.0m in 1H24 (-€13.3m; -27.6% y.o.y), with a margin of 6.7% (10.1% in 1H23), benefiting from growth in Express & Parcels (+€7.8m; +132.8% y.o.y) and Banco CTT (+€3.3m; +44.6% y.o.y).

## Financial Results

The **consolidated financial results** amounted to -€8.2m (-€1.1m; -14.9% y.o.y) in 1H24.

Financial costs and losses incurred amounted to €8.4m (-€0.6m; -8.1% y.o.y), mainly incorporating financial costs related to post-employment and long-term employee benefits of €3.0m, interest expense associated with finance leases liabilities linked to the implementation of IFRS 16 for an amount of €2.2m and interest expense on bank loans for an amount of €2.9m, the increase of which is largely due to the new loans contracted in 2023 and the increase in interest rates.

In 1H24, CTT obtained a **consolidated net profit** attributable to equity holders of €19.8m, which is €6.2m below 1H23. Income tax showed a positive trend (-€2.1m; -33.8% y.o.y).



## Cash flow statement

€ million

	1H23	1H24	Δ	Δ%	2Q23	2Q24	Δ	Δ%
EBITDA	80.1	70.8	(9.3)	(11.6%)	39.2	36.7	(2.5)	(6.4%)
Non-cash items*	(0.9)	(7.9)	(7.0)	«	(1.3)	(5.1)	(3.8)	«
Specific items**	(9.1)	(2.6)	6.5	71.6%	(8.4)	(0.6)	7.7	92.6%
Capex	(11.3)	(15.2)	(3.9)	(34.8%)	(5.8)	(6.7)	(0.9)	(16.1%)
Δ Working capital	(3.2)	(25.1)	(21.9)	«	(12.4)	(12.9)	(0.5)	(3.8%)
<b>Operating cash flow</b>	<b>55.6</b>	<b>20.0</b>	<b>(35.7)</b>	<b>(64.1%)</b>	<b>11.5</b>	<b>11.4</b>	<b>0.0</b>	<b>(0.2%)</b>
Employee benefits	(8.3)	(8.5)	(0.2)	(1.9%)	(3.9)	(3.9)	0.0	(0.3%)
Tax	0.6	(0.9)	(1.5)	«	0.7	(0.8)	(1.5)	«
<b>Free cash flow</b>	<b>47.9</b>	<b>10.6</b>	<b>(37.4)</b>	<b>(77.9%)</b>	<b>8.3</b>	<b>6.7</b>	<b>(1.6)</b>	<b>(18.8%)</b>
Debt (principal + interest)	27.2	(72.3)	(99.5)	«	(7.6)	(17.3)	(9.8)	(129.1%)
Dividends	(17.9)	(23.3)	(5.5)	(30.5%)	(17.9)	(23.3)	(5.5)	(30.5%)
Acquisition of own shares	(0.2)	(9.8)	(9.7)	«	(0.2)	(2.8)	(2.6)	«
Disposal of buildings	0.0	0.1	0.0	»	0.0	0.0	0.0	»
Investments in associated companies and joint ventures	(0.7)	30.5	31.3	»	(0.7)	(1.9)	(1.2)	«
<b>Change in adjusted cash</b>	<b>56.3</b>	<b>(64.4)</b>	<b>(120.7)</b>	<b>«</b>	<b>(18.1)</b>	<b>(38.6)</b>	<b>(20.6)</b>	<b>(113.7%)</b>
Δ Liabilities related to Financial Serv. & others and Banco CTT, net <sup>11</sup>	(160.8)	(20.6)	140.2	87.2%	(220.0)	51.1	271.1	123.2%
Δ Other <sup>12</sup>	(15.7)	3.6	19.3	123.0%	(14.7)	1.7	16.3	111.3%
<b>Net change in cash</b>	<b>(120.2)</b>	<b>(81.4)</b>	<b>38.8</b>	<b>32.3%</b>	<b>(252.7)</b>	<b>14.1</b>	<b>266.8</b>	<b>105.6%</b>

\*Impairments, Provisions and IFRS 16 affecting EBITDA.

\*\*Specific items affecting EBITDA.

In 1H24, the Company generated an operating cash flow of €20.0m (-€35.7m; -64.1% y.o.y). The decrease in operating cash flow is primarily explained by the negative performance in terms of generated EBITDA (€70.8m; -11.6% y.o.y) and the negative evolution of working capital (-€21.9m). There was also a €7.0m increase in the weight of non-cash items at EBITDA level, as well as a €3.9m increase in investment, which stood at €15.2m in 1H24 against €11.3m in 1H23.

Capex stood at €15.2m (+€3.9m; +34.8% y.o.y). This evolution is justified above all by the investment made in the express & parcels business in Spain, particularly in sorters and mini-sorters. The CTT Group maintains its focus on improving IT systems, especially in Banco CTT, reinforcing its investment in IT systems to support the business.

In terms of working capital, in 1H24 was -€25.1m, essentially the result of the increase in the amounts to be recovered from VAT following the development of intra-EU operations (-€6.3m) as part of the express activity, the effect of the payment of commissions to credit intermediaries (-€5.9m) by 321 Crédito and the negative impact of investment-related items (-€5.9m) reflecting the high level realised in 4Q23. On the other hand, in 1H23 there was a positive effect (+€6.8m) associated with the recognition of revenue from the placement of public debt, which was not maintained in 1H24.

Adjusted cash was significantly affected by: (i) the settlement, at the beginning of January, of short-term financing and the payment of bank loans (-€72.3m), (ii) the payment of dividends (-€23.3m) and (iii) the sale of a 26.3% shareholding position in CTT IMO Yield, which translated into a receipt of €32.4m.

<sup>11</sup> The 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.

<sup>12</sup> The change in other cash items reflects the evolution of Banco CTT's sight deposits at Banco de Portugal, outstanding cheques/clearing of Banco CTT cheques, and impairment of sight and term deposits and bank applications.

## Consolidated statement of financial position

€ million

	31.12.23	30.06.24	Δ	Δ%
Non-current assets	2,354.7	2,405.7	51.0	2.2%
Current assets	2,402.0	2,985.9	583.9	24.3%
<b>Assets</b>	<b>4,756.6</b>	<b>5,391.6</b>	<b>635.0</b>	<b>13.3%</b>
<b>Equity</b>	<b>253.3</b>	<b>272.0</b>	<b>18.7</b>	<b>7.4%</b>
<b>Liabilities</b>	<b>4,503.4</b>	<b>5,119.6</b>	<b>616.3</b>	<b>13.7%</b>
Non-current liabilities	689.6	643.9	(45.8)	(6.6%)
Current liabilities	3,813.8	4,475.8	662.0	17.4%
<b>Equity and consolidated liabilities</b>	<b>4,756.6</b>	<b>5,391.6</b>	<b>635.0</b>	<b>13.3%</b>

The key aspects of the comparison between the **balance sheet** as at 30.06.2024 and that as at 31.12.2023 are as follows:

**Assets** grew by €635.0m, mainly due to the increase in debt securities at amortised cost (+€1,087.7m) and credit to banking clients (+€50.5m), partially offset by the decrease in other banking financial assets (-€494.2m) as a result of the reduction of Banco CTT's investments in central banks.

**Equity** increased by €18.7m following the net profit attributable to shareholders of the CTT Group in 1H24 in the amount of €19.8m, the acquisition of own shares in the amount of €9.8m, the payment of dividends amounting to €23.3m, and the recognition of non-controlling interests amounting to €32.4m following the sale of 26.3% of CTT IMO Yield.

**Liabilities** increased by €616.3m, mostly due to the increase in Banking clients' deposits and other loans (€681.1m), the decrease in short and long-term debt (-€50.6m) largely as a result of the settlement of short-term financing at the start of the year, and a decrease in debt securities issued at amortised cost (-€49.1m) following the withdrawals made.

### Consolidated net debt

The key aspects of the comparison between the **consolidated net debt** as at 30.06.2024 and that as at 31.12.2023 are as follows:

**Adjusted cash** decreased by €64.4m (-20.9% y.o.y), as the positive performance of the operating cash flow (+€20.0m) offset the payment of employee benefits (-€8.5m; -1.9% y.o.y) and tax payments (-€0.9m). The settlement of short-term financing at the beginning of the year, the acquisition of own shares (-€9.8m), the payment of dividends (-€23.3m) and the receipt of €32.4m following the sale of 26.3% of CTT IMO Yield also contributed to this performance of adjusted cash flow.

**Short-term & long-term debt** decreased by €50.6m (-18.8% y.o.y), essentially due to the effect of the reduction in bank loans following the settlement of short-term financing and the payment of one of the tranches of long-term financing. On the other hand, there was an increase in lease liabilities (+€19.2m; +16.2% y.o.y).

€ million

	31.12.23	30.06.24	Δ	Δ%
<b>Net debt</b>	<b>(39.0)</b>	<b>(25.3)</b>	<b>13.7</b>	<b>35.2%</b>
<b>ST &amp; LT debt</b>	<b>269.0</b>	<b>218.4</b>	<b>(50.6)</b>	<b>(18.8%)</b>
of which Finance leases (IFRS16)	118.3	137.5	19.2	16.2%
<b>Adjusted cash (I+II)</b>	<b>308.0</b>	<b>243.6</b>	<b>(64.4)</b>	<b>(20.9%)</b>
<b>Cash &amp; cash equivalents</b>	<b>351.6</b>	<b>270.2</b>	<b>(81.4)</b>	<b>(23.1%)</b>
<b>Cash &amp; cash equivalents at the end of the period (I)</b>	<b>315.2</b>	<b>230.2</b>	<b>(85.0)</b>	<b>(27.0%)</b>
Other cash items	36.4	40.0	3.6	9.9%
<b>Other Financial Services liabilities, net (II)</b>	<b>(7.2)</b>	<b>13.4</b>	<b>20.6</b>	<b>»</b>

## Consolidated balance sheet with Banco CTT under equity method

	31.12.23	30.06.24	Δ	Δ%
Non-current assets	713.0	732.2	19.2	2.7%
Current assets	506.7	480.3	(26.4)	(5.2%)
<b>Assets</b>	<b>1,219.6</b>	<b>1,212.5</b>	<b>(7.1)</b>	<b>(0.6%)</b>
<b>Equity</b>	<b>253.4</b>	<b>272.1</b>	<b>18.7</b>	<b>7.4%</b>
<b>Liabilities</b>	<b>966.2</b>	<b>940.3</b>	<b>(25.8)</b>	<b>(2.7%)</b>
Non-current liabilities	333.8	336.1	2.4	0.7%
Current liabilities	632.4	604.2	(28.2)	(4.5%)
<b>Equity and consolidated liabilities</b>	<b>1,219.6</b>	<b>1,212.5</b>	<b>(7.1)</b>	<b>(0.6%)</b>

## Consolidated net debt with Banco CTT under equity method

	31.12.23	30.06.24	Δ	Δ%
<b>Net debt with Banco CTT under equity method</b>	<b>177.3</b>	<b>196.5</b>	<b>19.2</b>	<b>10.8%</b>
<b>ST &amp; LT debt</b>	<b>265.7</b>	<b>213.9</b>	<b>(51.8)</b>	<b>(19.5%)</b>
of which Finance leases (IFRS16)	114.9	133.0	18.1	15.7%
<b>Adjusted cash (I+II)</b>	<b>88.3</b>	<b>17.4</b>	<b>(70.9)</b>	<b>(80.3%)</b>
<b>Cash &amp; cash equivalents</b>	<b>276.3</b>	<b>192.5</b>	<b>(83.8)</b>	<b>(30.3%)</b>
<b>Cash &amp; cash equivalents at the end of the period (I)</b>	<b>276.3</b>	<b>192.5</b>	<b>(83.8)</b>	<b>(30.3%)</b>
Other cash items	0.0	0.0	0.0	74.7%
<b>Other Financial Services liabilities, net (II)</b>	<b>(188.0)</b>	<b>(175.1)</b>	<b>12.9</b>	<b>6.9%</b>

## Liabilities related to employee benefits

	31.12.23	30.06.24	Δ	Δ%
<b>Total liabilities</b>	<b>173.5</b>	<b>176.7</b>	<b>3.3</b>	<b>1.9%</b>
Healthcare	154.2	153.1	(1.2)	(0.8%)
Healthcare (321 Crédito)	1.1	1.1	0.1	5.6%
Suspension agreements	11.4	15.5	4.0	35.4%
Other long-term employee benefits	4.7	4.6	(0.1)	(2.7%)
Other long-term benefits (321 Crédito)	0.2	0.2	0.0	5.4%
Pension plan	0.2	0.2	-0,0	(4.1%)
Other benefits	1.7	2.1	0.5	27.6%
Deferred tax assets	(49.4)	(49.9)	(0.5)	(1.0%)
<b>Current amount of after-tax liabilities</b>	<b>124.1</b>	<b>126.8</b>	<b>2.8</b>	<b>2.2%</b>

**Liabilities related to employee benefits** (post-employment and long-term benefits) stood at €176.7m in June 2024, up by €3.3m compared to December 2023.

These liabilities related to employee benefits are associated with deferred tax assets amounting to €49.9m, which brings the current amount of liabilities related to employee benefits net of deferred tax assets associated with them to €126.8m.



## 4.3 Innovation

### 4.3.1 Locky lockers

Through Locky, the CTT Group currently has the largest network of smart lockers in Portugal (more than 900), both public, click&collect and corporate, located at various points from north to south, whether on intermodal transport platforms, shopping centres, university campuses, physical retail chains or, in the case of corporate lockers, in companies.

This first half of 2024 saw the launch of a refrigerated locker, in partnership with the 360hyper supermarket platform, at the Campo Grande metro station in Lisbon. This is a click&collect locker, aimed at 360Hyper customers, with 22 doors, six of which are refrigerated, allowing for the storage of products that require a controlled temperature.

### 4.3.2 New generation post boxes

The launch of the new generation of post boxes - the first of which has been installed on Rua Braamcamp in Lisbon - which turn post boxes into genuine self-service shops available 24 hours a day.

These structures will make it possible to receive and send parcels in the integrated Locky locker, buy postal products through a vending machine and, of course, will continue to allow mail to be deposited in the postal receptacle, while communicating the news of the CTT universe on the two LED screens.

This new solution developed by CTT in partnership with national suppliers once again demonstrates CTT's ability to modernise, creating innovative and differentiating solutions for the greater convenience of all those who use not only postal services, but increasingly express and parcel services

### 4.3.3 E-Commerce/Operational Management

Launch of the operations management solution, called Smart System, which arose from the need to transform the operation for greater efficiency and effectiveness in the handling of items, in response to the continued increase in e-commerce parcels. This solution was developed by CTT, from the design phase to its operationalisation.

### 4.3.4 B2C Digital Experience

In the super app, developments continued in the digitalisation of the offer for private customers, particularly in the field of financial services.

### 4.3.5 B2B Digital Experience

Developments continued on the super portal to create a single mail and express portal for business customers.

### 4.3.6 CTT 1520 StartUPProgram

Participation in the 'Emerging Tech' Open Innovation programme, organised by Unlimit, in partnership with CTT. Leading the 'Green Buildings & Mobility' vertical, CTT is focused on identifying technological solutions to accelerate innovation in the area of sustainable logistics, promoting the adoption of greener transport alternatives and accelerating the transition to more sustainable buildings.

With a base of mainly international start-ups, a number of start-ups have emerged dedicated to various topics such as autonomous driving support software, urban electric minivehicles dedicated to the last mile, and even out-of-the-box solutions for drone deliveries. On the 'green buildings' solutions side, there were mainly projects to make the energy management of buildings more profitable, as well as initiatives to harness solar energy.

This semester, CTT also took part in the Junitec innovation programme at the Instituto Superior Técnico, specifically in the Industry and Fintech verticals, which culminated in the Unicorn Day session. Pitches from selected start-ups were presented to angel investors, venture capitalists and large companies, fostering innovation, collaboration and investment.

### 4.3.7 CTT Investment Fund in start-ups - TechTree

The 1520 Innovation Fund (formerly known as the Techtree Fund) launched by CTT to support innovation activities in small and medium-sized enterprises and start-ups, participated in the funding round of two promising start-ups: Ubirider and Gofact.

Ubirider is a Portuguese start-up responsible for developing the Ubirider Platform, a 'mobility as a service' (MaaS) platform that allows transport and mobility operators to digitally manage all aspects of their business with real-time information. The platform also includes a mobile application, Pick, which allows travellers to plan multimodal journeys, pay the associated fares and, when on the move, have support based on contextual information, also in real time.

GoFact is a start-up that develops integrated management solutions for companies and individuals, providing greater efficiency and democratisation of financial and document management processes.

### 4.3.8 Incentive programmes for Research, Development and Innovation (RDI)

Within the scope of RDI incentive programmes, the following events stand out in the first half of 2024:

- Implementation of the three RRP Mobilising Agendas in which CTT participates - Produtech R3, Route 25, Be.Neutral;
- Submission of the CTT Group's SIFIDE application for fiscal year 2023; and
- Approval of the application for a RRP Test Bed, in which CTT participates in a consortium to test circular economy processes and reusable packaging.

## 4.4 Decarbonisation towards Net Zero

CTT's sustainability strategy is aligned with the global ambition of limiting global warming to 1.5°C until 2030 and also with the interests and priorities of stakeholders in matters of environmental responsibility, such as the

### 4.3.9 Participation in European innovation networks and associations

Participation in various initiatives organised by COTEC and the BRP Association continued. Within the scope of the latter, in the field of Intellectual Capital, to be highlighted is the active involvement in the Innovation Working Group, with a focus on promoting the theme of Business Doctorates. Also, the role in the chairmanship of PostEurop's Innovation Forum continued.

### 4.3.10 Corporate innovation culture

As part of the dynamics of the corporate platform for idea management, INOV+, a PitchDay was held for selected ideas from the 13<sup>th</sup> cycle, in an initiative that promoted the company's collaborative innovation culture. Work also began on the launch of the 14<sup>th</sup> cycle of challenges.

protection of biodiversity and the national forest, as well as social issues, such as the support for the development of underprivileged populations.

### 4.4.1 Certifications

Thematics	Environment
Benchmarks	ISO 14001
CTT Corporate <sup>13</sup>	X
Operations	X
CTT Espresso	X
CTT Express (Spain)	X
CTT Contacto <sup>14</sup>	X

<sup>13</sup> Includes the following departments/areas: Human Resources Management, Talent Management, Information Systems, Procurement & Logistics, Physical Assets & Security, Audit, Compliance & Risk/Certification & Excellence, Sustainability, Customer Voice & Support, Corporate After Sales/Monitoring & Customer Support Processes, B2B Commercial Support/Corporate After Sales.

<sup>14</sup> The scope of this certification is 'Management and distribution of addressed and unaddressed mail'.

## 4.4.2 Energy

CTT considers the fight against climate change to be an issue of growing relevance for society and for companies and promotes an active role in supporting the energy transition.

In 1H24, CTT's total energy consumption is expected to stabilise compared to the same period in 2023.

Consumption categories related to the use of electricity increased by 2.1%, both from the grid and from self-

consumption production units (UPAC), due to the growth in activity at CTT Espresso's various operating centres. On the other hand, the UPACs as a whole increased their consumption by 41.7% compared to the same period in 2023, reflecting the commitment and investment in installing this type of unit since then.

**CTT energy consumption**

GJ	1H23	1H24	Δ 1H24/1H23
Total green electricity consumption	59,932.2	61,170.1	2.1%
Solar panel power consumption	3,144.2	4,454.1	41.7%
Total fuel consumption	116,278.0	113,836.2	-2.1%
Total gas consumption	368.7	349.5	-5.2%
<b>Total</b>	<b>179,723.1</b>	<b>179,809.9</b>	<b>0.0%</b>

Fuel continues to be the main source of CTT's energy consumption (63,3%). The overall efficiency of the CTT fleet (measured in litres/100 km) improved compared to the same period of last year (9.6 vs 9.1). This improvement in efficiency is the result of the renewal of the passenger and goods vehicle fleet, with the average age of the fleet falling from 4.8 to 4.2 years.

In terms of absolute fuel consumption (in litres) there was an overall decrease of 2.1%, mainly driven by the replacement of the combustion fleet with an electric fleet. The distance travelled by combustion vehicles dropped by 13.7% and electric vehicles increased by 95.7% (mainly in the light goods vehicle category), compared to the same period last year.

During this period, certificates of Guarantee of Origin were also acquired for CTT's electricity consumption in 2023, guaranteeing that the same amount was produced from 100% renewable sources.

### Buildings

During the first half of the year, the applicable legal obligations regarding the energy certification of CTT's real estate were met, and four more certificates were issued.

The partnership with the Portuguese company LMIT was maintained to monitor the energy consumption of 51 relevant CTT facilities using the Wisemetering platform. It should be noted that 14% of CTT properties are responsible for 75% of CTT consumption, with all facilities consuming around 33.2 kwh/m2. Among the

buildings monitored, the Cabo Ruivo sorting centre in Lisbon is the biggest contributor and is responsible for 41.4% of energy consumption. It recorded a reduction in consumption along with most of the other smaller buildings, the exception being the operating centres in the Espresso segment.

## 4.4.3 Mobility

CTT has regularly invested in renewing its fleet, which has an average age of 4.2 years, as in the case of motorbikes, tricycles and light goods and passenger vehicles, which have been renewed since the same period in 2023.

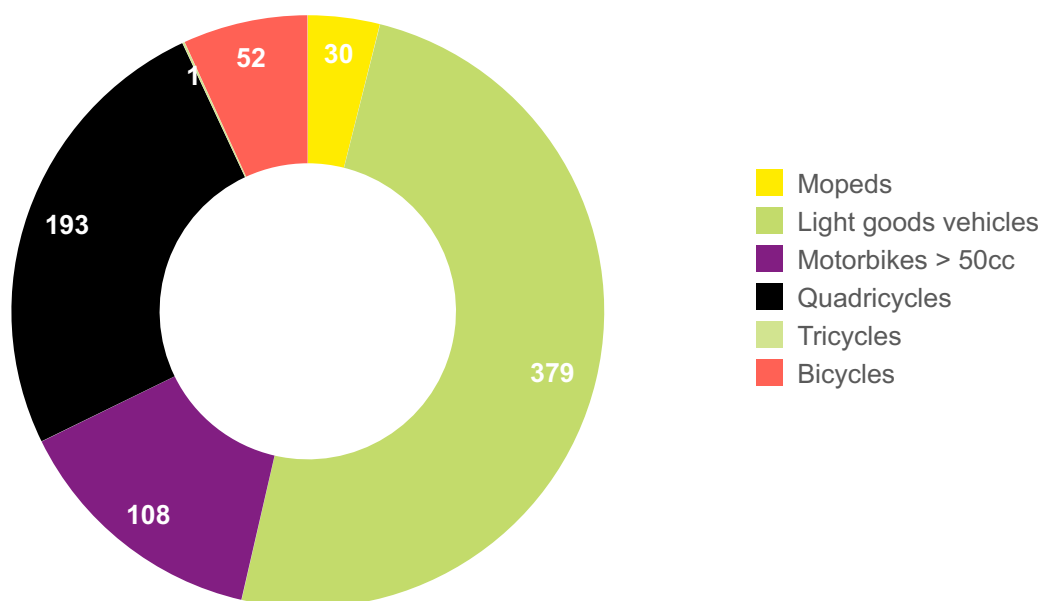
The CTT fleet has 4,243 vehicles in direct operation<sup>15</sup>, one of the largest and most modern in Portugal, and transport services are also contracted out to third parties. Of these, 908 are alternative vehicles, mostly electric, which correspond to 21.4% of the CTT fleet. It should be emphasised that for the distribution segment operating in the last mile, electrification amounts to 24.0% (763 vehicles).

Alongside the continued investment in electric vehicles, CTT continued to reinforce the charging infrastructure throughout mainland Portugal, Madeira and the Azores. The first phase of the project covers 581 chargers in 115 facilities and is nearing completion, which will allow the number of 100% electric delivery offices to increase from five by the end of 2023 to 18 nationwide.

<sup>15</sup> Does not include Corre.



### CTT last-mile fleet



Attentive to the market, CTT continued to carry out various pilots with new models of delivery vehicles suited to the specific operational needs of the Portuguese geography. These include tests on four-wheeled vehicles (Ligiers and Dacia), Gaius tricycles and three-battery motorbikes.

With regard to decarbonisation over the long haul, CTT is taking the first steps, with the first pilot test being carried out on a heavy vehicle using HVO biofuel. This solution has advantages in terms of GHG emissions, particularly because it accounts for zero CO<sub>2</sub> emissions when it is used, making it a potential energy transition solution.

## 4.4.4 Atmospheric emissions

### CTT carbon emissions

t CO <sub>2</sub> e	1H23	1H24	Δ 1H24/1H23
Direct emissions – Scope 1	9,454.9	9,256.9	-2.1%
Indirect emissions – Scope 2	0.0	0.0	0.0%
Indirect emissions – Scope 3	28,826.5	33,758.2	17.1%
<b>Total emissions (Scopes 1, 2 and 3)</b>	<b>38,281.4</b>	<b>43,015.0</b>	<b>12.4%</b>

Overall, carbon emissions resulting from CTT's direct and indirect activities increased by 12.4% compared to the same period in 2023.

With regard to scope 1 and 2 CO<sub>2</sub>e emissions of scopes 1 and 2 (scope 1 - fuel consumption by the fleet and gas consumption in buildings, scope 2 - electricity consumption) there was a -2.1% decrease, mainly due

to the reduction in fuel consumption for the reasons mentioned in chapter 4.4.2 Energy.

Scope 3 emissions resulting from subcontracted activities and the value chain increased by 17.1%, a performance strongly impacted by the increase in express activity in Spain and, to a lesser extent, in Portugal as well.

### Indirect atmospheric emissions - Scope 3

t CO <sub>2</sub> e	1H23	1H24	Δ 1H24/1H23
Air transport	6,862.0	7,257.0	5.8%
Sea transport	34.8	45.0	29.0%
Road transport by subcontracted fleet	19,306.4	23,714.8	22.8%
Delivery by postmen on own vehicles	393.8	368.4	-6.5%
Air and rail travel on company business <sup>16</sup>	40.5	119.8	195.8%
Commuting	2,189.0	2,253.2	2.9%
<b>Total indirect emissions (Scope 3)</b>	<b>28,826.5</b>	<b>33,758.2</b>	<b>17.1%</b>

The activity of the subcontracted road fleet increased (+33.7% of the distance travelled) and directly and negatively impacted the resulting carbon emissions (+22.8%), which represent the largest share of CTT's overall carbon footprint.

The biggest increase was seen with CTT Express (+42.3%) in Spain, along with a significant increase in volumes (+88.0%). Even so, it is important to note that the carbon footprint per item was reduced, reflecting the improved efficiency of the transport network and optimisation of vehicle load capacity. Light vehicles have been replaced by heavier vehicles with greater capacity and it is also important to mention the preference for using newer vehicles with Euro 6 classification, which has a positive impact on the footprint per route.

Also in Portugal, subcontracted activity in the Express segment increased (+15.9 km travelled), mainly in the last-mile distribution of e-commerce items from the Asian market (+37.2% EMS volumes). Long-distance subcontracted activity in the Portuguese market fell by 15.8%, reflecting the synergy with the installed capacity of the company's own base network and due to the drop in mail traffic. As a result, the increase in carbon emissions was lower than in the Spanish market, standing at 2.7%.

The activity of postmen and women in their own vehicles fell by 6.4%, particularly on motorbike routes.

In order to improve the energy and carbon efficiency of its transport and distribution activity, CTT continues to invest in and implement dynamic route systems that enhance route optimisation. Of particular note is the MODICO project, through which designed containers optimise the use of space in CTT vehicles compared to the use of pallets (the formation of the load is more irregular), reducing the number of journeys made.

There is a growing trend in the use of electric vehicles by subcontracted distribution providers, although still on a small scale. In addition, CTT acquired 40 light goods vehicles for use in the Spanish market by subcontracted providers and, in Portugal, the contracts began to include criteria for valuing the use of electric vehicles.

Emissions from the air transport of mail, express and parcels increased (+5.8% y.o.y) due to the increase in the weight transported (+31.2% y.o.y), with a special focus on the Spanish domestic market and international express items in the Portuguese market. Similarly, emissions relating to sea transport also increased (+29.0% t.v.h), impacted by the increase in EMS volumes in Portugal and Spain.

The increase in the number of employees at CTT Express and, to a lesser extent, at Banco CTT, led to a 2.9% growth in emissions resulting from employees commuting.

### 4.4.5 Circular economy

CTT has developed projects in the field of the circular economy that involve processing waste and transforming it into new products that are useful for operations.

The company is currently incorporating the polymer resulting from the processing of airmail bags into the production of new trays used in logistical processing operations. In addition, it is testing pallet filming machines that make it possible to reduce the thickness of the film by half, with significant savings in the use of plastic per pallet.

In partnership with ToBeGreen, this process has been extended to textile waste, which is typically sent to landfill or incineration. Old end-of-life uniforms are being used to make recycled distribution waistcoats (made

<sup>16</sup> The scope of the calculation was expanded to include travelling at Banco CTT and CTT Express.

from post-consumer recycled fibre) for employees to wear. In all, 200 waistcoats were produced in 2024 from 1.2 tonnes of textile waste (approximately 3,000 pieces) and tested in five Postal Delivery Offices located in different regions of the country. The environmental impact of the project is positive, having saved 1.4 tonnes of CO<sub>2</sub> emissions and around 2.3k m<sup>3</sup> of water compared to production using virgin cotton.

## 4.5 People engagement

The people management strategy aims to improve the employee experience, their level of satisfaction, their involvement in the organisation and productivity, as well as their sense of belonging and pride, making each one an ambassador for the CTT Brand. It promotes a

CTT continues to provide 100% recycled paper shreds produced from used paper at CTT's largest production and logistics centre in Lisbon, for use in the self-service mail preparation areas of some CTT Post Offices.

positive organisational culture focused on maximising the experience, operational excellence and the organisation's ethical principles, guaranteeing the implementation of an employee well-being policy.

### 4.5.1 Characterisation of employees

As at 30 June 2024, the CTT **staff** (permanent and fixed-term staff) consisted of 13,813 employees (+428 people; +3.2% y.o.y).

#### Headcount

	30.06.2023	30.06.2024	Δ 2024/2023	
Express & Parcels	1,636	1,884	248	15.2%
Mail & Other	11,236	11,328	92	0.8%
Financial Services	38	36	(2)	(5.3%)
Banco CTT	475	565	90	18.9%
<b>Total, of which:</b>	<b>13,385</b>	<b>13,813</b>	<b>428</b>	<b>3.2%</b>
Permanent	11,392	11,721	329	2.9%
Fixed-term contracts	1,993	2,092	99	5.0%
Portugal	12,418	12,633	215	1.7%
Other geographies	967	1,180	213	22.0%

There was an increase in the number of employees in CTT companies, mainly in the expanding business units, particularly Express & Parcels (+248) and Banco CTT (+90).

In terms of entries and exits, in the first half of the year there were a total of 2,101 new employees joining the

company and 1,958 exiting. The hiring and leaving rates were 15.2% and 14.2%, respectively.

During the 1<sup>st</sup> half of 2024, the absenteeism rate stood at 8.7% (+0.5 p.p. y.o.y).

## 4.5.2 Certifications

Thematics	Work-life balance	Occupational health & safety
Benchmarks	Family-responsible Company - efr 1000-1	ISO 45001
CTT Corporate		Human Resources Management, Talent Management, Information Systems, Procurement & Logistics, Physical Assets & Security, Audit, Compliance & Risk/Certification & Excellence, Sustainability, Support & Voice of the Customer, Business After Sales/Monitoring & Customer Support Processes, B2B Commercial Support/Business After Sales
Operations		X <sup>17</sup>
CTT Correios de Portugal, S.A.	X	
CTT Expresso	X	X <sup>18</sup>
CTT Contacto <sup>19</sup>	X	
Banco CTT and 321 Crédito	X	

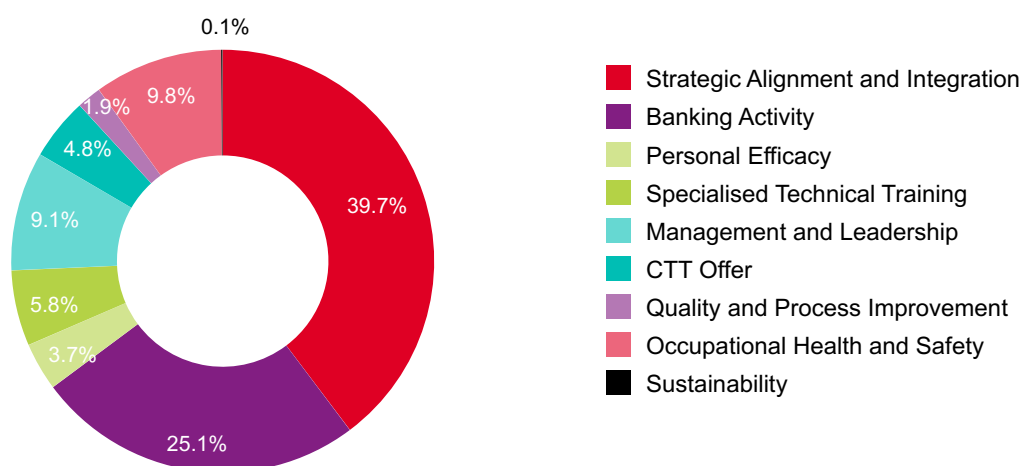
## 4.5.3 Training

CTT is committed to developing the skills of its employees through an approach that values the purpose of each individual's actions and is focused on the CTT offer and customer satisfaction, operational excellence, and culture and leadership. This approach aims to promote a behaviour of transparency and responsibility, a healthy working environment that values and contributes to the personal and professional

development of CTT employees, as well as the prevention of less correct practices and acts that may negatively impact CTT.

In the first half of the year, nine training programmes were carried out, distributed as follows in terms of training volume:

Training Programmes



<sup>17</sup> Operations and Business Solutions scope of certification: operations certified within the scope of Postal Items Management in the areas of Production & Logistics (North and South), Transport (North, Centre and South), Customs Management, Airmail Unit (EPA), Acceptance Counter (North, Centre and South) and Document Management in Business Solutions (Centre and South).

<sup>18</sup> Scope of certification in the Express business: Collection, Handling, Transport and Distribution of Documents and Goods, other Postal Items and Complementary Services in the Logistics Area, carried out in the Courier, Express and Parcels Market, in national and international territory

<sup>19</sup> The scope of this certification is 'Management and distribution of addressed and unaddressed mail'.



The training carried out this semester covered 74% of the staff (permanent and fixed-term contracts), with more than 79k hours of training delivered. We highlight the following:

- Programmes Ser CTT and Initial and integration training for new employees.
- Programmes for skills management and continuous learning;
- Communication on policies and procedures to fight corruption;
- Training on policies and procedures relating to Human Rights;
- Actions on Health and Safety at Work. The specific road prevention programme for the areas of operations, which involved more than 2,700 participations and more than 1,400 hours, focused on 15 different topics. It is a programme with recognised success, which has promoted the reduction of absenteeism caused by road accidents, both in terms of reduction in the number of road accidents and in the number of days lost. A training course for First Response Teams (RPI) was also provided;
- The training area of Certifications and Compliance, which was very important in the first half of the year, provided more than 27,000 hours of training on topics such as ethics, information security, prevention of money laundering and terrorist financing, and data protection;
- Training in the Code of Ethics, as a result of its updating
- Organisation of the EFR Management Model and Reconciliation course at CTT for all CTT / CTT Expresso / CTT Contacto / Payshop employees, the content of which focused on explaining the management system and the respective EFR measures.
- Sustainability training;
- Fast Track Leadership Programme and the Leadership and Teamwork course (UFCD 4647) which covered 198 Team Captains in Operations.
- External Training: 2,144 hours of training were given to Service Providers and CTT Points, with over 500 participants.

#### 4.5.4 Good health and well-being management

Actions were implemented within the scope of the physical, mental and social well-being of CTT workers, through three programmes - Estrela (creation of a healthier work environment), Vitória (adjustment of tasks and reassignment to new functions) and Viver (prevention and health promotion) - which aim to promote the workers' quality of life.

In addition to these programmes, CTT offers its employees and their families a health plan.

In terms of occupational safety and health (OSH), there were 438 accidents and incidents at work (+3.5% y.o.y). The same trend can be seen in the number of days lost, with an increase of 1.5%, totalling 9,115 days lost. The reasons that contributed most to accidents at CTT were road accidents, with 201 accidents (46%), including single-vehicle and inter-vehicle accidents; falls and slips/trips with 91 accidents (21%) and knocks by/against objects with 16 accidents (3.6%).

In terms of occupational illnesses, there were three incidents, essentially of a musculoskeletal nature. In this context, CTT continued to inform and sensitise workers to the risks associated with their professional activity, as well as providing training on OSH procedures and good practices to adopt.

##### Certified health management

CTT is certified under the ISO 45001 standard - Occupational Health and Safety Management System. Corporate areas/departments are also covered by Corporate Certification.

##### CTT Express

In Spain, there is an in-house occupational risk prevention service, covering the areas of occupational safety, industrial hygiene and ergonomics, as well as applied psychosociology. The Spanish branch also has an external service covering the same areas. These two services fulfil the provisions of Royal Decree (RD) 31/97 on PRL and RD 39/97 on 'Servicios de Prevención'. The combined reach is 100% of the work centres and each of the jobs therein.

The number of inspection visits related to this issue totalled 60 in Spain.

### 4.5.5 Employee experience

With regard to enriching the experience of male and female employees, two large-scale projects with a major impact on the organisation and its people stand out: continuing to integrate the EFR (Family-Responsible Company) management system and maintaining the respective certification, and continuing to implement MyCTT - the employee portal.

#### Efr management system

The activities inherent to the system have continued, focussing essentially on dissemination actions.

The activity of the EFR ambassadors has played a decisive role in publicising initiatives and measures in their departments. Due to the effectiveness of their work, these ambassadors have also become Ethics and DEI (Diversity, Equity and Inclusion) Ambassadors.

In order to gauge the level of satisfaction with the EFR measures, a survey was launched to determine the continuity of the measures with the lowest scores and to identify new proposals for measures.

#### My CTT

The MyCTT collaborative portal has continued to streamline the relationship between the company and its people. Four modules are being developed on the portal - Performance Evaluation (P&G), Employee Registration (EC), Learning (LMS) and Salary Processing (ECP), and there is growing employee interaction with this portal.

Taking advantage of this space for collaboration, relevant information has been made available to all employees on various subjects, namely the application for subsidised mortgage loans, the CTT Group Code of Ethics, the CTT Social Support Plan and Information Security Policies.

#### Other highlights

With a view to bringing the company closer to its employees and their families, other relevant initiatives were developed:

- The new CTT and Subsidiaries Code of Ethics was made available through a dissemination campaign and a mandatory online course for all employees;
- The TOU CTT helplines and email channel for employee services were simplified and restructured;

- The new Sou CTT Descontos (Discounts) Portal and APP were launched, easier to use and with more benefits for employees to enjoy, with a special focus on health and well-being, education and training, as well as sports and leisure.

### 4.5.6 Talent management: Performance, Careers and Assessment

The performance assessment process for 2023 was launched, involving 8,898 employees from CTT S.A., CTT Expresso and CTT Contacto.

This process included the following stages: self-assessment, assessment by the line manager and validation by the senior manager. After calibrating these results and communicating them, a feedback interview was held with the aim of taking stock of the activity and identifying any development needs. This process is managed on the MYCTT portal.

#### Assessment Centre

At CTT, the motivation and development of employees play a crucial role in the success of the business, which is why we have been committed to affirming a culture that favours the experience and skills of employees. It is therefore essential to assess the most critical competences for the performance of each role, enabling more informed decisions to be made, whether in recruitment and selection processes, professional reclassification, appointment of new managers, as well as development and identification of potential.

The Evolution Programme was implemented with the Mapping of Commercial Talent, the main aim of which is to diagnose the skills of the network of company-owned branches as a way of identifying future challenges that are crucial to the development of the network. In this context, an assessment was carried out on 1,609 employees of the CTT retail network, including 475 post office managers and 1,134 commercial managers. This process not only made it possible to map the skills and potential of each employee, but also to identify action plans for their development.

In addition to the Assessment carried out in CTT's own retail network, three other processes were also carried out to identify leadership potential, involving seven employees.

## 4.5.7 Diversity and equal opportunities

CTT has a Diversity, Equity, Inclusion (DEI) and Reconciliation strategy and a Gender Equality Plan, which comprise a set of measures in the following dimensions:

- Strategy, Mission, Vision and Company Values
- Equal access to employment
- Equal working conditions
- Protection in parenthood
- Work-family-life balance

All these measures contribute to achieving the macro objective of reaching gender parity in management positions.

In terms of balanced representation between women and men in the management and supervisory bodies, CTT's Board of Directors (BoD) is made up of 35.7% women. In terms of leadership positions, which include the Board of Directors and 1st and 2nd level management, the representation of women in these positions was 41.5% (+1.6 p.p. y.o.y).

As for generational diversity, the predominant age group is between 30 and 50 (+0.19 p.p. y.o.y), representing 48% of CTT's total population.

The Diversity, Equity, Inclusion and Conciliation strategy has begun to operate with the DEI and Conciliation Deep Dive programme. This consists of a series of training events covering DEI and conciliation issues, taking place in various stages. In stage 1 - Awareness Raising, two webinars were given that were open to all

employees and in stage 2 - Deep, the Recruitment and Selection teams had two sessions that focused on the topic of Inclusive Recruitment. Four more sessions are scheduled until the end of the year to continue this programme.

With regard to relationships and commitments with external organisations, the following should be highlighted:

- Pact Against Violence: as part of its collaboration with CIG, CTT continued to raise awareness of this issue by disseminating content on how to recognise signs of violence and the helplines for help to all employees;
- Activities of the iGen Forum - Organisations for Equality Forum and involvement with CITE - Commission for Equality in Labour and Employment: CTT renewed its commitments and once again participated in the actions of the Working Groups (WG), including WG2, aimed at designing and deepening the equality measures to be implemented by the Forum's signatories;
- Signing of the Diversity Charter: CTT renewed its role as a member of APPDI (Portuguese Association for Diversity and Inclusion), which represents an additional commitment to Diversity and Inclusion;
- Inclusive Community Forum (ICF): CTT maintained its intentions by participating in forums and sharing meetings with other companies.

## 4.6 Community engagement

In the first six months of 2024, CTT refocused its attention on the dynamics that connect our people with the surrounding communities, through a new approach to volunteering.

### 4.6.1 Volunteering

In the first half of the year, we carried out 12 volunteering activities with the participation of CTT employees, who have actively and increasingly taken part in this type of practice on a regular basis and have

contributed to the following social and environmental causes:

- Donation of meals to Refood;
- Actions in partnership with Entrajuda at the Donated Goods Bank and Food Bank;
- Planting in partnership with Quercus;
- Beach cleaning in partnership with LPN - League for the Protection of Nature;

- Maintenance activities and a visit to the Montejunto Wild Animal Recovery Centre;
- Cleaning up invasive species, in partnership with the ICNF;
- Support for the Residential Centre for the Elderly in partnership with AFID Geração.

The following table provides more detailed data on the volunteering activities in the first half of the year:

Type of action	No. of CTT volunteers	No. of family members	CTT volunteering amount of time (hours)
Continuous	121	0	1,131
Occasional	173	60	1,302
Targeted (CTT Departments)	457	23	1,617

CTT workers dedicated 3,617 hours of volunteering to the community (+320% than in the 1<sup>st</sup> half of 2023).

The participation of new volunteers in targeted actions also implied an expansion of the base of people who had contact with volunteering for the first time, with the degree of satisfaction with participation being above 95%, which indicates the availability to participate again.

### Junior Achievement

During the 2023/2024 academic year, we began a partnership, in Portugal and Spain, with Junior Achievement (JA), an NGO with more than 100 years dedicated to equipping young people with the employment and entrepreneurship skillset that helps them to be as successful as possible in the future.

This project provides the opportunity for CTT volunteers to contribute positively to the learning and professional development process of young students, while at the same time reinforcing employees' connection to the company's culture and ESG objectives.

In this first year, we participated in the *Ensino Básico* (Elementary Education) and *Braço Direito* (Right Arm) Programmes. The "Elementary Education" programme promotes the instruction of programme content in financial literacy, employability skills and education for

entrepreneurship and citizenship, in the classroom, to students from the 1<sup>st</sup> to the 9<sup>th</sup> grade. CTT carried out 50 experiences that impacted more than 1,000 students. In the "Right Arm" programme, 35 high school students accompanied CTT volunteers in their work environment, promoting these young people's contact with the professional reality of CTT.

In addition to the programmes mentioned, CTT participated in the Junior Markets Day, where five CTT volunteers acted as juries (255 students impacted), and the Digital Competition on AI, where a volunteer also participated on a jury (75 students impacted). Overall, more than 1,300 students from more than 67 schools were covered.

### Blood donations

During the 1<sup>st</sup> half of the year, we held seven blood donation events, two in Cabo Ruivo (Lisbon) Sorting Centre and two at each of the Centres of the Portuguese Institute of Blood and Transplantation in Alvalade (Lisbon), Coimbra and Porto. In total, 29 volunteers came forward to donate their blood, with 23 being able to make the donation.



## 4.6.2 Certifications

Thematics	Quality	Information security	Quality Stamp	Social Audit
Benchmarks	ISO 9001	ISO 27001 (IEC)	Specific Methodology	Sedex Members Ethical Trade Audit (SMETA)
CTT (Corporate) <sup>20</sup>	X			
Operations	X	X <sup>21</sup>		
CTT Espresso	X			X
CTT Express (Spain)	X			
CTT Contacto <sup>22</sup>	X			
Customer support			X	
Support CTT Companies			X	

## 4.6.3 Intervention actions on environmental and social issues

### Protection of the environment and biodiversity

#### A Tree for the Forest

As part of the "A Tree for the Forest" campaign, CTT and Quercus have already planted all the kits sold as part of the 10th edition, totaling more than 12,500 trees of indigenous species. Plantings took place between January and April this year in areas such as Santarém (3,668 trees planted), Tondela (4,000), Paredes (4,000) and, for the first time in the history of this campaign, in the Azores, more specifically on the island of Pico (840). These included close to 400 Volunteers. All of these actions contribute to the preservation of the national forest and reflect the spirit of unity and commitment of our community to the reforestation of the forest territory.

#### Ask an ecologist

The project "Ask an ecologist", promoted by the Portuguese Society of Ecology – SPECO in partnership with CTT, aims to bridge the gap between schools and scientists, to stimulate the critical spirit and written expression of students and promote active environmental citizenship.

In this edition, questions were accepted from students of various years of schooling, from pre-school to 11<sup>th</sup> grade, addressed in letters to ecologists who responded in a reasoned manner. In total, 29 schools joined the project (+38% compared to 2022/23). The number of participating classes increased by 57%, to 69, and the number of volunteer researchers increased from 22 to 42. The number of questions received was more than the double of the previous year, totalling 369 letters on subjects from various fields of Ecology.

CTT's role was to guarantee writing material and sending letters in both directions. To reinforce the educational role of the initiative, CTT provided sheets of stamps dedicated to the theme of ecology and biodiversity protection for use in letters to be sent to and from schools. The results obtained and the teachers' evaluation were positive, with the project being a differentiator for the participants.

## 4.6.4 Communication and awareness-raising among the community

CTT provided information on ESG topics through social media and the TV channel available in the nationwide retail network. In addition, CTT promoted multiple participations as speakers in thematic meetings and conferences that contribute to the development of knowledge on the topic, at the invitation of different organisations and partners.

<sup>20</sup> Includes the following departments/areas: Human Resources Management, Talent Management, Information Systems, Procurement & Logistics, Physical Assets & Security, Audit, Compliance & Risk/Certification and Excellence, Sustainability, Support & Voice of the Customer, Corporate After Sales / Monitoring and Customer Service Processes, B2B Commercial Support/ Corporate After Sales.

<sup>21</sup> The certification ISO 27001 IEC applies only to Printing & Finishing.

<sup>22</sup> The scope of this certification is 'Management and distribution of addressed and unaddressed mail'.

Taking into account some of the most relevant issues for CTT stakeholders, we highlight the participation in the following meetings:

#### ESG Strategy and Innovation in sustainability

- 'Connect to Globalise' event promoted by ABRP - Business Roundtable Portugal Association, in partnership with AICEP - Agency for Investment and Foreign Trade of Portugal;
- AICEP Conferences, in partnership with CTT, under the theme: New e-Commerce Delivery Solutions;
- e-Commerce Shoptalk Europe, in Barcelona, and e-Commerce Deliver event, in Amsterdam, which featured important international brands to debate the future of logistics in Europe;
- Panel on ESG Risks at the SRS Legal and Systemic conference "ESG and Risk Management: Challenges for Companies";
- Forum with ANACOM, in a panel dedicated to the Sustainable Development Goals;
- IPC and PostEurop sectoral events dedicated to the topic of circular economy;
- OIKOS Talk Sustentabilidade Nova SBE Conference, within the scope of the CTT Ambassadors programme;
- XXXI AICEP Lusophone Communications Forum 2024 in Macau with the motto "Creating Value with Artificial Intelligence (AI)";
- Panel "SBTi goals, what now? Reinventing engagement with Supply Chains" at APEE's ESG WEEK forum.

#### Diversity and Inclusion

- "À Conversa com Elas" (Talking to Women) event, with panel debates on the importance of diversity and the professional challenges of women.

### 4.6.5 Strategic philanthropy and social impact

As the company commits to specific targets in community support, notably through a pledge to dedicate 1% of its Recurring EBIT to community support, it has become more demanding with the way in which the donations it awards are applied, starting a process of migration towards a notion of "strategic philanthropy".

In this context, CTT is interested in support mechanisms that promote income generation by supported organisations. In the 1<sup>st</sup> half of the year, CTT invested €542,543.94 in donations to social solidarity organisations.

### 4.6.6 Customer relations

CTT prioritizes proximity to customers through its unique network of customer contact points. The data referring to 30 June 2024 show the following data defining the capillarity of our service network:

- CTT post offices: 569;
- CTT agencies: 1,795;
- Total CTT access points: 2,364;
- Number of inhabitants per access point: 4,375<sup>23</sup>
- Average number of customers per day: 41,297.

#### New sign language service

In the first half of 2024, CTT, in partnership with Serviin, began offering a free video interpretation service in Brazilian Sign Language (LGP) to serve customers, breaking down communication barriers and contributing to a more inclusive society. So far, this innovative service has handled 95 contacts, with a weekly average of 4 calls.

#### Draw at the CTT Retail Network

Since the beginning of the year, a competition has been running across the Retail network with the aim of encouraging customers to evaluate their visit to the CTT post office. Thus, every month customers compete for a prize of €200 on Cartão Dá (Gift Card), with more than 6,000 entries. With this initiative, the aim is to create improvement actions in response to customer needs.

#### Family Dental Plan

Launch of the new CTT Family Dental Plan on World Oral Health Day, giving access to a vast Dentistry network, at a very competitive price. Through these plans, in partnership with Future Healthcare, CTT is democratising access to oral health care for the entire population, especially the elderly and all those who do not have the possibility of having health insurance that covers all their needs.

<sup>23</sup> Calculated on the basis of 2021 census data.

## Customer satisfaction

The customers' opinion on quality of service, expressed through daily satisfaction surveys, indicates customer satisfaction for the following aspects:

- The overall quality of CTT was rated at 90.4%;
- 96.9% consider the overall quality of CTT Customer Service as 'Positive';
- The satisfaction rate with queuing time was 85.0%;
- Regarding Distribution, the satisfaction rate was 84.3%;
- 85.4% of customers were satisfied or very satisfied with the delivery time of priority mail;
- 72.0% were satisfied or very satisfied with the delivery time of ordinary mail.

## Customer support

CTT seeks new solutions that may increase the satisfaction of our customers and recognition by customers of the Customer Service service is done through the Satisfaction Index, Customer Satisfaction Score (CSAT), through a score attributed to the service provided. In 1H24, CSAT was 62%, with emphasis on the Social Media channel, rated at 76%, followed by the Voice channel with 64%. These results demonstrate that the majority of customers served are satisfied with the experience offered.

## Formal complaints

The processes of expressions of dissatisfaction are a unique and privileged form of continuous improvement of internal processes, as well as the detection of anomalies verified in the use of CTT products and services.

In 1H24, 107,278 service complaint processes were received regarding the Mail and Express business areas, in the Occasional and Contractual customer segments and at the National and International scope (+3% compared to the same period in 2023). The most frequent reasons for complaints are due to delays in delivery and/or loss of items (48%).

In the Mail business area, 57,220 processes were registered relating to customer complaints about services and products sold (+6% compared to the same period in 2023).

In relation to the Express business area, 47,878 processes related to complaints were registered (-4% compared to the same period in 2023).

## Indemnities to customers

With regard to indemnities, these were related to the Mail and Express business, in the Occasional and Contractual customer segments and of National and International scope; with the global amount of €2.2m having been approved<sup>24</sup>. There was an increase of 86% compared to the same period in 2023, with the value divided between the Mail business (€720.4k) and the Express business (€1.4m), with annual variations of +25% and +134%, respectively.

By customer segment, there is an approved amount of compensation in the Occasional segment of €237k (-6%) and an amount of €1.9m (+104%) in the Contractual segment. The most frequent causes of compensation are loss and damage to the item, service error and delay in delivery.

## Contacts

Customer Support offers several contact channels and has been expanding its offer of digital channels and virtual assistants, in order to guarantee innovative support that is closer to the customer.

In 1H24, Customer Support received 1,679,708 contacts<sup>25</sup> (-1% compared to the same period of the previous year). Of these contacts, 56% were received via the voice channel, 24% via the social media and chat channels and 20% via the written channel. The social media and chat channel sees notable growth compared to other channels (+8% compared to 2023).

Virtual assistants are present in all Customer Support channels, including voicebots, chatbots and the smart contact form. Globally, virtual assistants are responsible for 27% of the service provided to CTT customers.

Of these virtual assistants implemented, the virtual assistant Helena stands out, the new chatbot powered by Generative Artificial Intelligence (ChatGPT), which aims to revolutionise the customer service experience. Helena offers an unparalleled level of support to all customers, providing real-time assistance that combines informational and transactional components.

<sup>24</sup> Change of scope to include the contractual segment through process optimisation.

<sup>25</sup> Change of scope to include the contractual segment through process optimisation.

## 4.6.7 Communication with suppliers

The supplier contracting and management process is carried out using the Ariba Spend Management platform, which centralises and manages consultation, contract and supplier processes. It is through this platform that all CTT suppliers have access to the Code of Ethics and the Responsible Purchasing Policy, which are mandatory for their qualification as partners.

As CTT is a company with a presence throughout Portugal, many contracted services have a significant impact on the local economy. In 1H2024, the base of awarded business was made up of 99.7% of Portuguese and Spanish suppliers or with representation in these countries (-0.1 compared to the same period in 2023) and 0.3% of suppliers of other nationalities.

From the point of view of social impact, the award of goods and services is formally subject to compliance with the principles and procedures established in the Universal Declaration of Human Rights. Any non-compliance in this matter, whether through indirect knowledge or verification during follow-up visits carried out to suppliers, is subject to immediate action and possible just cause for contractual termination.

During this period, 26 new suppliers were awarded for the activity, of which 92.0% were subject to pre-contractual procedures that include acceptance of the Responsible Purchasing Policy.



## Corporate governance

- 5.1 Responsible governance
- 5.2 Corporate bodies and management
- 5.3 Business transactions with the Company and performance of other activities
- 5.4 Capital structure
- 5.5 Holders of qualifying holdings
- 5.6 Own shares

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## 5. CORPORATE GOVERNANCE

### 5.1 Responsible Governance

The CTT Group is committed, both internally and externally, to the highest values in terms of preventing corruption and related infringements, recognising the importance of applying ethical principles in the development of its activity. In this regard, with the aim of preventing, detecting and sanctioning acts of corruption and related infractions, CTT has a regulatory compliance programme, according to Decree-Law 190-E-2021, which includes:

- A Regulatory Compliance Officer (RCN), appointed by the Executive Committee;
- Department for the Prevention of Corruption;
- A Code of Conduct on the Prevention of Corruption and Related Infringements - Approved by the Board of Directors in December 2022 and available on the CTT website;
- A Risk Prevention Plan for the Prevention of Corruption and Related Infringements "PPR", which essentially aims to identify the corruption risks at CTT, their assessment and the respective mitigation measures implemented - Approved by the Board of Directors and available on the CTT website;
- A training programme;
- An internal whistleblowing channel that guarantees the anonymity of the whistleblower and the confidentiality of the reporting. Within the PPR, 13 processes with higher risk exposure were identified and 58 are being monitored, 10 of which are of significant risk level).

The CTT Code of Conduct on the Prevention of Corruption and Related Infringements and the PPR are monitored/reviewed annually and, according to this new programme, two reports will be prepared per year aimed at monitoring the risks identified in the PPR.

In terms of related parties, CTT has incorporated a clause for the prevention of corruption into its contracts, in order to involve and commit CTT's customers, partners, suppliers and other stakeholders in these matters.

Regarding Banco CTT, all operations are subject to risk assessment. Customers and the transactions carried out are analysed according to the risk they may represent in terms of using the Bank for money laundering and/or terrorist financing purposes (which includes the crime of corruption). Banco CTT has a policy for the Prevention of Money Laundering and Terrorist Financing and a set of processes and procedures aimed at ensuring legal requirements and mitigating the risks of using the Bank for such purposes. Each year a team of external auditors assesses the processes and procedures and performs effectiveness tests.

Similarly, relevant relationships with financial and non-financial counterparties are subject to a due diligence process, which aims to avoid doing business with entities that present money laundering risks or may pose reputational risks because they are involved in financial crimes and/or associated with corruption practices.

#### **Fines, penalties and non-compliance**

In the first half of 2024, no sanctions were imposed for corruption and related infringements. Nonetheless, 21 cases of embezzlement or embezzlement by use were identified at CTT, the nature of which corresponded to misappropriation of valuables, tampering with items/theft and misuse of the Galp fleet card. Of these 21 cases, 11 are related to employees who were dismissed or penalised for serious non-compliance.

The activity in Spain also reported a total of 21 of non-compliances, which led to the payment of around €4,000 in fines, mostly related to overweight in the context of transport.

With regard to Banco CTT, fines totalling €50,000 were imposed for non-compliances, for violation of the duty of non-disclosure under Law 83/2017 on the Prevention of Money Laundering and Terrorist Financing. In this first half of the year, four significant risks related to corruption were also identified in the assessments carried out by Banco CTT.

## 5.2 Corporate bodies and management

### Board of Directors <sup>(1)</sup>

*Chair:*

Raul Catarino Galamba de Oliveira

*Executive Chairman:*

João Afonso Ramalho Sopas Pereira Bento (CEO)

*Members:*

Guy Patrick Guimarães de Goyri Pacheco (CFO)

João Carlos Ventura Sousa (CCO)

Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia

Steven Duncan Wood

Duarte Palma Leal Champalimaud

Jürgen Schröder

Margarida Maria Correia de Barros Couto

María del Carmen Gil Marín

Susanne Ruoff

### Board of the General Meeting <sup>(1)</sup>

*Chair:*

Teresa Sapiro Anselmo Vaz Ferreira Soares

*Vice-Chairman:*

José Luís Pereira Alves da Silva

### Remuneration Committee <sup>(1)</sup>

*Chair:*

Fernando Paulo de Abreu Neves de Almeida

*Members:*

Manuel Carlos de Melo Champalimaud

Christopher James Torino

### Executive Committee <sup>(2)</sup>

*Chair:*

João Afonso Ramalho Sopas Pereira Bento (CEO)

*Members:*

Guy Patrick Guimarães de Goyri Pacheco (CFO)

João Carlos Ventura Sousa (CCO)

### Audit Committee <sup>(1)</sup>

*Chair:*

Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia

*Members:*

María del Carmen Gil Marín

Jürgen Schröder

### Corporate Governance, Evaluation and Nominating Committee <sup>(2)</sup>

*Chair:*

Raul Catarino Galamba de Oliveira

*Members:*

Duarte Palma Leal Champalimaud

Margarida Maria Correia de Barros Couto

Susanne Ruoff

### Statutory Auditor <sup>(3)</sup>

*Statutory Auditor:*

Ernst & Young Audit & Associados – SROC, S.A., represented by Luís Pedro Magalhães Varela Mendes or by Rui Abel Serra Martins

*Alternate Statutory Auditor:*

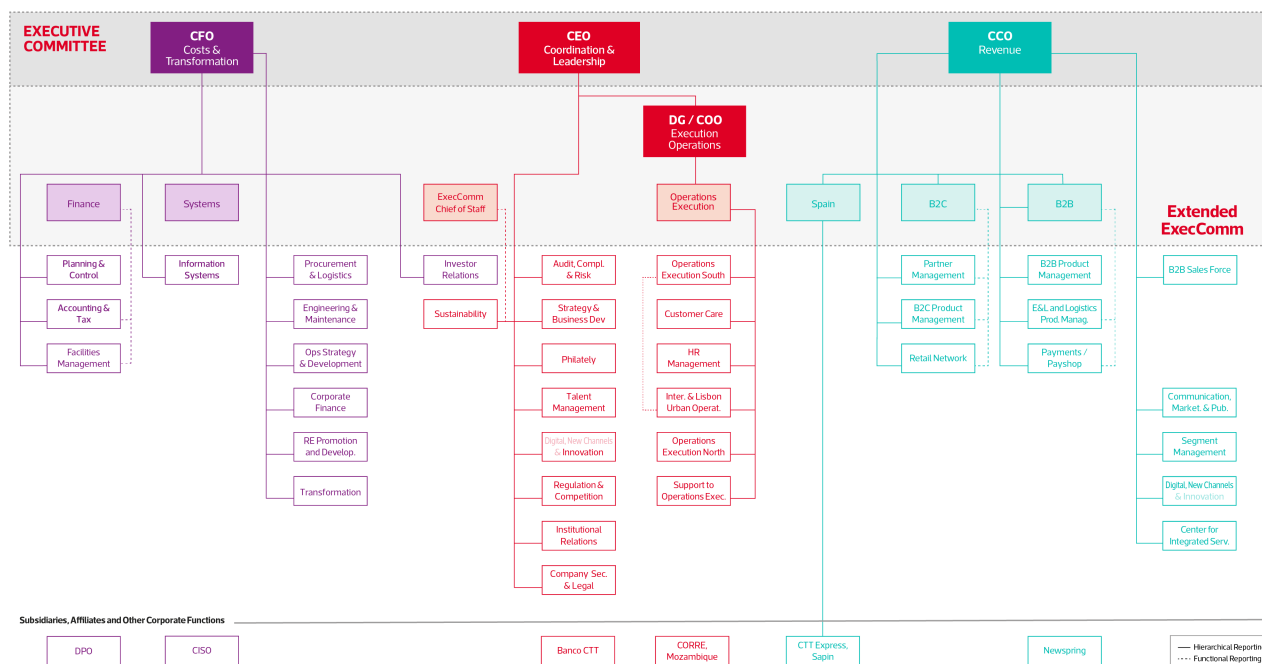
Pedro Miguel Borges Marques

<sup>(1)</sup> Elected at the Annual General Meeting held on 20 April 2023 for the new term of office 2023/2025.

<sup>(2)</sup> Appointed at the meeting of the Board of Directors held on 20 April 2023.

<sup>(3)</sup> Reelection of the Statutory Auditor and election of the Alternate Statutory Auditor at the Annual General Meeting held on 23 April 2024 for the term of office 2024/2026.

## Management Organisation – Corporate Structure



### 5.3 Business transactions with the Company and performance of other activities

The Company has developed internal control mechanisms which are defined in the Regulation on Assessment and Monitoring of Transactions with Related Parties and Prevention of Situations of Conflicts of Interest (the “Regulation on Related Parties”), available at [www.ctt.pt](http://www.ctt.pt), aiming at reinforcing the mechanisms for the prevention, identification and resolution of conflicts of interest and thus increase the degree of transparency and objectivity in the management of this kind of transactions.

Pursuant to the Regulation on Related Parties, all significant transactions with related parties must be approved by resolution of the Board of Directors, preceded by a prior opinion of the Audit Committee. Significant transactions are those for an amount greater than one million euros and / or carried out outside the Company’s current activity and / or outside market conditions. Related parties include CTT qualified Shareholders, Senior officers, Directors of subsidiary companies and third parties related to any of these through relevant commercial or personal interests (pursuant to the terms of IAS 24), and also CTT subsidiaries, associated companies and joint ventures. The remaining transactions with related parties are

communicated to the Audit Committee for subsequent assessment.

Pursuant to the aforementioned internal control procedures in place, and for the purposes of Articles 66(5)(e) and 397 of the Portuguese Companies Code (“PCC”), in the 1<sup>st</sup> half of 2024 no business transactions were carried out between CTT and its Directors, either directly or through an intermediary.

For the purposes of reporting as provided for in Article 398 of the Portuguese Companies Code, none of the Directors of CTT have exercised, during the 1<sup>st</sup> half of 2024, in the Company or in companies related to it through a control or group relationship, any temporary or permanent positions under an employment contract, whether subordinate or autonomous.

The internal and external positions held by the members of the management and supervisory bodies on the date of approval of this Interim Integrated Report are available at [www.ctt.pt](http://www.ctt.pt).

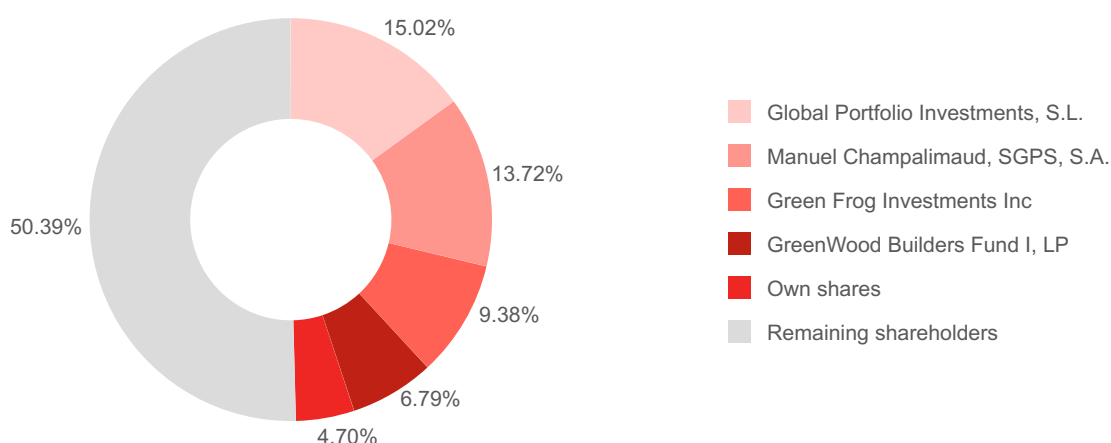


## 5.4 Capital structure

At the end of the 1<sup>st</sup> half of 2024, CTT's share capital was €71,957,500.00, fully paid-up and underwritten, being represented by 143,915,000 ordinary (there are no different categories), registered, book-entry shares with nominal value of €0.50 each, listed for trading on the regulated market managed by Euronext Lisbon -

Sociedade Gestora de Mercados Regulamentados, S.A. ("Euronext Lisbon").

As at 30 June 2024, CTT shareholder structure in terms of qualifying holdings was as follows:



## 5.5 Holders of qualifying holdings

As at 30 June 2024, based on the communications made to the Company, the qualifying holdings in CTT were as follows:

Shareholders		Number of Shares	% Share Capital	% Voting Rights
Global Portfolio Investments, S.L. <sup>(1)</sup>		21.609.052	15.015%	15.015%
<b>Indumenta Pueri, S.L. <sup>(1)</sup></b>	<b>Total</b>	<b>21.609.052</b>	<b>15.015%</b>	<b>15.015%</b>
Manuel Champalimaud, SGPS, S.A.		19.246.815	13.374%	13.374%
Manuel Carlos de Melo Champalimaud		500.185	0.348%	0.348%
<b>Manuel Carlos de Melo Champalimaud</b>	<b>Total</b>	<b>19.747.000</b>	<b>13.721%</b>	<b>13.721%</b>
<b>Green Frog Investments Inc</b>	<b>Total</b>	<b>13.500.000</b>	<b>9.381%</b>	<b>9.381%</b>
GreenWood Builders Fund I, LP <sup>(2)</sup>		9.762.000	6.783%	6.783%
<b>GreenWood Investors LLC <sup>(2)</sup></b>	<b>Total</b>	<b>9.777.400</b>	<b>6.794%</b>	<b>6.794%</b>
<b>CTT, S.A. (own shares) <sup>(3)</sup></b>	<b>Total</b>	<b>6.763.483</b>	<b>4.700%</b>	<b>4.700%</b>
<b>Remaining shareholders</b>	<b>Total</b>	<b>72.518.065</b>	<b>50.390%</b>	<b>50.390%</b>
<b>TOTAL</b>		<b>143,915,000</b>	<b>100.000%</b>	<b>100.000%</b>

<sup>(1)</sup> Global Portfolio Investments, S.L. is controlled by Indumenta Pueri, S.L.

<sup>(2)</sup> GreenWood Investors, LLC, of which Steven Duncan Wood, Non-Executive Director of CTT, is Managing Member, exercises the voting rights not in its own name but on behalf of GreenWood Builders Fund I, LP as its management company. The full chain of controlled undertakings through which the voting rights are held includes GreenWood Investors, LLC and GreenWood Performance Investors, LLC. The shareholding of GreenWood Investors, LLC includes 15,400 shares directly held by Steven Wood.

<sup>(3)</sup> Shares held by CTT on 30 June 2024, following the conclusion, on 9 May 2024, of CTT's share buyback programme announced on 21 June 2023, as well as following the distribution of 89,649 shares to executive directors and managers of the Company within the scope of long-term variable remuneration. See details on this topic in point 5.6 of this Report.

## 5.6 Own shares

As at 31 December 2023, CTT held 4,409,300 own shares, with nominal value of €0.50 each, corresponding to 3.06% of its share capital.

On 9 May 2024, following the conclusion of the share buyback programme started on 26 June 2023, as approved by the Annual General Meeting of 20 April 2023, CTT held an aggregated total of 6,853,132 own shares. Under this programme, 5,475,000 shares were acquired from 26 June 2023 to 9 May 2024 for a total amount of €19,978,144.00. Later on, in the context of the long-term variable remuneration and with reference to the month of May, 89,649 own shares were distributed, which left the Company with 6,763,483 own shares.

On 17 July 2024, following a resolution of the Annual General Meeting held on 23 April 2024 (AGM 2024), which approved the cancellation of up to 7,650,000 own shares already acquired or to be acquired by 25 June 2024 for the special purpose of implementing the share buyback programme and corresponding release of excess capital, the Company reduced its share capital in the amount of €2,737,500.00 through the cancellation of the 5,475,000 own shares acquired under the above-mentioned buyback programme and representing 3.80% of CTT's share capital. Thus, CTT's share capital became €69,220,000.00, represented by 138,440,000 shares with the nominal value of €0.50 per share.

Also, the number of shares held by the Company became 1,288,483, corresponding to 0.93% of its share capital.

The AGM 2024 also resolved, within the scope of Item 6 of its Agenda, to authorise the acquisition and transfer of own shares by the Company and its subsidiaries under the terms defined in that shareholders' resolution, subject to the decision of the Board of Directors of the Company, which, at its meeting of 20 June 2024, resolved to delegate powers to the Executive Committee to approve and start implementing a share buyback programme ("Buyback Programme") up to a maximum amount of €25,000,000.00, under the terms and conditions it deems appropriate.

Under this delegation of powers and the aforementioned resolution of the 2024 AGM, the Executive Committee approved at its meeting of 19 July 2024, a new share buyback programme for the Company's own shares with the exclusive objective of reducing CTT's share capital by cancelling the own shares acquired within its scope,

up to 8,500,000 shares representing up to 6.14% of the respective share capital, for a maximum pecuniary amount of up to €25,000,000.00. The share buyback programme began on 22 July 2024 and will end on 22 July 2025 (inclusive), without prejudice to the fact that it may end at an earlier date if the maximum number of shares to be acquired or the maximum pecuniary amount of the buyback programme is reached, according to the press release available at [CTT website](#).

Hence, in accordance with the terms and limits set by both resolutions, on 22 July 2024, CTT started trading under the new share buyback programme of the Company.

In the context of said buyback programme, and as the financial intermediary in charge of the execution of said programme, JB Capital Markets, S.V., S.A.U. acquired 67,879 shares representing CTT's share capital, in Euronext Lisbon regulated market, in the period from 22 to 25 July 2024 (inclusive), as detailed in the announcement made to the market on 25 July 2024 available on [CTT website](#).

On 25 July 2024, the Company held, as a result of the transactions carried out in the context of the aforementioned share buyback programme, an aggregated total of 1,356,362 own shares, representing 0.98% of its share capital, including 1,288,483 own shares previously held.



# 06

Integrated Report  
1<sup>st</sup> Half 2024

## Interim condensed consolidated financial statements

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## 6. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CTT-CORREIOS DE PORTUGAL, S.A.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 AND 30 JUNE 2024. (Euros)

	NOTES	31.12.2023	Unaudited 30.06.2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Tangible fixed assets	4	296,994,666	314,231,986
Investment properties	6	5,975,987	6,193,761
Intangible assets	5	70,639,785	69,179,986
Goodwill		80,256,739	80,256,739
Investments in associated companies		481	481
Investments in joint ventures		22,174	23,035
Other investments		3,200,797	3,692,501
Financial assets at fair value through profit or loss		13,532,000	13,941,689
Debt securities at amortised cost	8	364,706,177	361,859,215
Other non-current assets		3,533,009	3,579,083
Credit to banking clients	10	1,444,412,021	1,486,361,468
Deferred tax assets	26	71,395,868	66,389,380
<b>Total non-current assets</b>		<b>2,354,669,703</b>	<b>2,405,709,323</b>
<b>Current assets</b>			
Inventories		6,663,470	7,116,348
Accounts receivable		153,061,555	184,834,915
Credit to banking clients	10	148,801,874	157,357,306
Income taxes receivable	23	8,268	—
Prepayments	11	9,946,772	14,700,687
Debt securities at amortised cost	8	364,759,821	1,455,331,584
Other current assets		92,545,537	115,992,335
Other banking financial assets	9	1,274,575,121	780,359,908
Cash and cash equivalents	12	351,609,634	270,222,503
		2,401,972,052	2,985,915,586
Non-current assets held for sale		200	200
<b>Total current assets</b>		<b>2,401,972,251</b>	<b>2,985,915,786</b>
<b>Total assets</b>		<b>4,756,641,954</b>	<b>5,391,625,109</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	14	71,957,500	71,957,500
Own shares	15	(15,624,632)	(24,733,841)
Reserves	15	48,113,244	47,533,203
Retained earnings	15	83,269,152	119,970,809
Other changes in equity	15	3,402,039	3,409,002
Net profit		60,511,368	19,812,335
Equity attributable to equity holders of the Parent Company		251,628,671	237,949,008
Non-controlling interests		1,624,181	34,029,867
<b>Total equity</b>		<b>253,252,852</b>	<b>271,978,874</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Medium and long term debt	18	161,080,105	170,017,357
Employee benefits		149,740,115	154,957,143
Provisions	19	26,338,865	15,605,220
Debt securities issued at amortised cost	21	347,131,609	297,950,660
Prepayments	11	671,689	668,228
Deferred tax liabilities	26	4,670,707	4,679,596
<b>Total non-current liabilities</b>		<b>689,633,090</b>	<b>643,878,204</b>
<b>Current liabilities</b>			
Accounts payable	20	373,961,102	410,462,170
Banking clients' deposits and other loans	22	3,090,962,551	3,772,025,020
Employee benefits		22,049,283	20,668,359
Income taxes payable	23	6,666,412	4,734,951
Short term debt	18	107,934,852	48,364,850
Financial liabilities at fair value through profit or loss		13,744,154	14,109,452
Debt securities issued at amortised cost	21	243,468	276,575
Prepayments	11	5,110,098	5,464,848
Other current liabilities		145,324,271	139,556,904
Other banking financial liabilities	9	47,759,822	60,104,901
<b>Total current liabilities</b>		<b>3,813,756,012</b>	<b>4,475,768,031</b>
<b>Total liabilities</b>		<b>4,503,389,102</b>	<b>5,119,646,235</b>
<b>Total equity and liabilities</b>		<b>4,756,641,954</b>	<b>5,391,625,109</b>

The attached notes are an integral part of these financial statements.



## CTT-CORREIOS DE PORTUGAL, S.A.

## CONSOLIDATED INCOME STATEMENT FOR THE SIX-MONTHS PERIODS ENDED 30 JUNE 2023 AND 30 JUNE 2024

Euros

	NOTES	Six-months periods ended		Three months ended	
		Unaudited 30.06.2023	Unaudited 30.06.2024	Unaudited 30.06.2023	Unaudited 30.06.2024
Sales and services rendered	3	415,824,399	456,468,602	205,633,482	226,511,976
Financial margin		46,049,785	47,930,759	24,037,918	23,861,883
Other operating income		18,529,265	20,012,395	8,940,672	10,541,077
		480,403,449	524,411,756	238,612,072	260,914,936
Cost of sales		(8,648,036)	(3,582,638)	(3,742,132)	(1,689,497)
External supplies and services		(174,224,389)	(228,874,490)	(88,585,899)	(112,499,423)
Staff costs	24	(196,815,925)	(202,366,512)	(98,756,931)	(100,047,591)
Impairment of accounts receivable, net		(2,693,418)	(2,494,579)	(1,028,213)	(1,423,904)
Impairment of other financial banking assets		(12,350,601)	(7,434,608)	(6,066,829)	(3,105,462)
Provisions, net	19	(272,886)	(1,009,436)	(250,683)	(296,307)
Depreciation/amortisation and impairment of investments, net		(36,291,952)	(35,754,065)	(21,461,740)	(18,618,865)
Net gains/(losses) of assets and liabilities at fair value through profit or loss		477,903	19,619	330,270	(5,260)
Other operating costs		(10,344,980)	(10,536,445)	(4,745,163)	(5,780,978)
Gains/losses on disposal/ remeasurement of assets		26,149	52,198	1,157	41,578
		(441,138,135)	(491,980,956)	(224,306,163)	(243,425,709)
		<b>39,265,314</b>	<b>32,430,800</b>	<b>14,305,909</b>	<b>17,489,227</b>
Interest expenses	25	(7,736,065)	(8,365,610)	(4,249,756)	(4,292,582)
Interest income	25	608,602	173,881	233,281	165,263
Gains/losses in subsidiary, associated companies and joint ventures		1,668	860	8,148	(1,887)
		(7,125,795)	(8,190,869)	(4,008,327)	(4,129,206)
<b>Earnings before taxes</b>		<b>32,139,519</b>	<b>24,239,931</b>	<b>10,297,582</b>	<b>13,360,021</b>
Income tax for the period	26	(6,117,550)	(4,050,980)	(401,383)	(651,905)
<b>Net profit for the period</b>		<b>26,021,969</b>	<b>20,188,951</b>	<b>9,896,199</b>	<b>12,708,116</b>
<b>Net profit for the period attributable to:</b>					
Equity holders		26,048,833	19,812,335	9,913,778	12,379,727
Non-controlling interests		(26,864)	376,616	(17,579)	328,389
<b>Earnings per share:</b>	17	<b>0.18</b>	<b>0.14</b>	<b>0.07</b>	<b>0.09</b>

The attached notes are an integral part of these financial statements.

## CTT-CORREIOS DE PORTUGAL, S.A.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX-MONTHS PERIODS ENDED 30 JUNE 2023 AND 30 JUNE 2024

Euros

	NOTES	Six-months periods ended		Three months ended	
		Unaudited 30.06.2023	Unaudited 30.06.2024	Unaudited 30.06.2023	Unaudited 30.06.2024
<b>Net profit for the period</b>		<b>26,021,969</b>	<b>20,188,951</b>	<b>9,896,199</b>	<b>12,708,115</b>
Adjustments from application of the equity method (non re-classifiable adjustment to profit and loss)	15	(6,747)	10,792	381	4,138
Other changes in equity	15	401,254	(494,402)	408,382	10,792
<b>Other comprehensive income for the period after taxes</b>		<b>394,507</b>	<b>(483,610)</b>	<b>408,763</b>	<b>14,930</b>
<b>Comprehensive income for the period</b>		<b>26,416,476</b>	<b>19,705,341</b>	<b>10,304,962</b>	<b>12,723,045</b>
Attributable to non-controlling interests		374,390	387,408	390,804	339,181
Attributable to shareholders of CTT		26,042,086	19,317,933	9,914,159	12,383,864

The attached notes are an integral part of these financial statements.

CTT-CORREIOS DE PORTUGAL, S.A.  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2023 AND 30 JUNE 2024  
Euros

	NOTES	Share capital	Own Shares	Reserves	Other changes in equity	Retained earnings	Net profit for the year	Non-controlling interests	Total
<b>Balance on 31 December 2022</b>		<b>72,675,000</b>	<b>(10,826,390)</b>	<b>53,844,057</b>	<b>6,857,207</b>	<b>64,647,067</b>	<b>36,406,519</b>	<b>1,326,016</b>	<b>224,929,476</b>
Share capital decrease	14	(717,500)	5,293,313	(4,575,813)	—	—	—	—	—
Appropriation of net profit for the year of 2022		—	—	—	—	36,406,519	(36,406,519)	—	—
Dividends	16	—	—	—	—	(17,817,109)	—	—	(17,817,109)
Acquisition of own shares	15	—	(10,541,092)	—	—	—	—	—	(10,541,092)
Attribution of own shares	15	—	449,537	(1,155,000)	705,463	—	—	—	—
Other movements		—	—	—	—	—	—	408,000	408,000
		<b>(717,500)</b>	<b>(4,798,242)</b>	<b>(5,730,813)</b>	<b>705,463</b>	<b>18,589,410</b>	<b>(36,406,519)</b>	<b>408,000</b>	<b>(27,950,201)</b>
Other movements		—	—	—	—	—	—	(40,907)	(40,907)
Actuarial gains/losses - Health Care, net from deferred taxes	15	—	—	—	(4,160,631)	—	—	—	(4,160,631)
Adjustments from the application of the equity method	15	—	—	—	—	32,674	—	—	32,674
Net profit for the period		—	—	—	—	—	60,511,368	(68,929)	60,442,439
<b>Comprehensive income for the period</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>(4,160,631)</b>	<b>32,674</b>	<b>60,511,368</b>	<b>(109,836)</b>	<b>56,273,576</b>
<b>Balance on 31 December 2023</b>		<b>71,957,500</b>	<b>(15,624,632)</b>	<b>48,113,244</b>	<b>3,402,039</b>	<b>83,269,152</b>	<b>60,511,368</b>	<b>1,624,181</b>	<b>253,252,852</b>
Appropriation of net profit for the year of 2023		—	—	—	—	60,511,368	(60,511,368)	—	—
Dividends		—	—	—	—	(23,315,758)	—	—	(23,315,758)
Acquisition of own shares	15	—	(9,437,053)	—	—	—	—	—	(9,437,053)
Attribution of own shares		—	327,844	(840,000)	512,156	—	—	—	—
Share plan		—	—	259,960	—	—	—	—	259,960
Shareholdings sale	7	—	—	—	—	—	—	32,952,531	32,952,531
Shareholdings acquisition		—	—	—	—	(504,747)	—	(934,253)	(1,439,000)
		<b>—</b>	<b>(9,109,209)</b>	<b>(580,040)</b>	<b>512,156</b>	<b>36,690,864</b>	<b>(60,511,368)</b>	<b>32,018,278</b>	<b>(979,320)</b>
Other movements	15	—	—	—	(505,194)	—	—	10,792	(494,402)
Adjustments from the application of the equity method	15	—	—	—	—	10,792	—	—	10,792
Net profit for the period		—	—	—	—	—	19,812,335	376,616	20,188,951
<b>Comprehensive income for the period</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>(505,194)</b>	<b>10,792</b>	<b>19,812,335</b>	<b>387,408</b>	<b>19,705,341</b>
<b>Balance on 30 June 2024 (Unaudited)</b>		<b>71,957,500</b>	<b>(24,733,841)</b>	<b>47,533,203</b>	<b>3,409,002</b>	<b>119,970,809</b>	<b>19,812,335</b>	<b>34,029,867</b>	<b>271,978,874</b>

The attached notes are an integral part of these financial statements.

CTT-CORREIOS DE PORTUGAL, S.A.

CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX-MONTHS PERIODS ENDED 30 JUNE 2023 AND 30 JUNE 2024

Euros

	NOTES	Unaudited 30.06.2023	Unaudited 30.06.2024
<b>Cash flow from operating activities</b>			
Collections from customers		419,893,370	478,201,418
Payments to suppliers		(213,642,709)	(288,378,564)
Payments to employees		(168,459,465)	(184,262,558)
Banking customer deposits and other loans		140,033,771	664,648,280
Credit to banking clients		(26,201,279)	(55,214,268)
<b>Cash flow generated by operations</b>		<b>151,623,688</b>	<b>614,994,308</b>
Payments/receivables of income taxes		604,517	(922,496)
Other receivables/payments		(122,683,247)	47,475,615
<b>Cash flow from operating activities (1)</b>		<b>29,544,958</b>	<b>661,547,426</b>
<b>Cash flow from investing activities</b>			
Receivables resulting from:			
Tangible fixed assets		6,720	50,720
Financial investments	7	—	32,447,343
Investment subsidies			2,140
Investment in securities at amortised cost	8	126,300,000	70,000,000
Demand deposits at Bank of Portugal	9	23,185,296	—
Applications at the Central Bank	9	—	492,975,000
Other banking financial assets	9	6,500,000	960,000
Interest income		1,621,429	758,214
Payments resulting from:			
Tangible fixed assets		(9,174,155)	(10,857,832)
Intangible assets		(8,639,566)	(8,634,577)
Financial investments	8	(741,605)	(1,930,706)
Investment in securities at amortised cost	8	(31,266,500)	(1,140,744,547)
Demand deposits at Bank of Portugal	9	—	(7,710,300)
Applications at the Central Bank		(159,972,000)	—
Other banking financial assets	9	(10,600,000)	(400,000)
<b>Cash flow from investing activities (2)</b>		<b>(62,780,381)</b>	<b>(573,084,546)</b>
<b>Cash flow from financing activities</b>			
Receivables resulting from:			
Loans obtained	18	34,821,352	10,724,543
Capital realisations and other equity instruments		408,000	—
Other credit institutions' deposits	9	—	130,187,375
Payments resulting from:			
Loans repaid	18	(8,294,134)	(82,364,922)
Other credit institutions' deposits		—	(130,187,375)
Interest expenses		(973,317)	(1,461,122)
Lease liabilities	18	(18,821,618)	(17,977,281)
Debt securities issued	21	(37,271,775)	(49,208,803)
Acquisition of own shares	15	(159,560)	(9,824,605)
Dividends	16	(17,888,170)	(23,345,261)
<b>Cash flow from financing activities (3)</b>		<b>(48,179,223)</b>	<b>(173,457,451)</b>
Net change in cash and cash equivalents (1+2+3)		(81,414,646)	(84,994,570)
Cash and equivalents at the beginning of the period		410,798,975	315,229,314
Cash and cash equivalents at the end of the period	12	329,384,329	230,234,744
<b>Cash and cash equivalents at the end of the period</b>		<b>329,384,329</b>	<b>230,234,744</b>
Sight deposits at Bank of Portugal		—	36,335,800
Outstanding checks of Banco CTT / Checks clearing of Banco CTT		6,935,146	3,652,926
Impairment of slight and term deposits		(19,380)	(967)
<b>Cash and cash equivalents (Statement of Financial Position)</b>		<b>336,300,095</b>	<b>270,222,503</b>

The attached notes are an integral part of these financial statements.

**CTT – CORREIOS DE PORTUGAL, S.A.**

Notes to the interim condensed consolidated financial statements

(Amounts expressed in Euros)

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# 1. Introduction

CTT – Correios de Portugal, S.A. (“CTT” or “Company”), with head office at Avenida dos Combatentes, 43, 14<sup>th</sup> floor, 1643-001 in Lisbon, had its origin in the “Administração Geral dos Correios Telégrafos e Telefones” government department and its legal form is the result of successive re-organisations carried out by the Portuguese state business sector in the communications area.

Decree-Law no. 49 368, of 10 November 1969, founded the state-owned company CTT - Correios e Telecomunicações de Portugal, E. P., which started operating on 1 January 1970. By Decree-Law no. 87/92, of 14 May, CTT – Correios e Telecomunicações de Portugal, E. P., was transformed into a legal entity governed by private law, with the status of a state-owned public limited company. Finally, with the foundation of the former Telecom Portugal, S.A. by spin-off from Correios e Telecomunicações de Portugal, S.A. under Decree-Law no. 277/92, of 15 December, the Company's name was changed to the current CTT – Correios de Portugal, S.A.

On 31 January 2013, the Portuguese State through the Order 2468/12 – SETF, of 28 December, determined the transfer of the investment owned by the Portuguese State in CTT to Parpública – Participações Públicas, SGPS, S.A.

At the General Meeting held on 30 October 2013, the registered capital of CTT was reduced to 75,000,000 Euros, being from that date onward represented by 150,000,000 shares, as a result of a stock split which was accomplished through the reduction of the nominal value from 4.99 Euros to 0.50 Euros.

During the financial year ended 31 December 2013, CTT's capital was opened to the private sector. Supported by Decree-Law no. 129/2013, of 6 September, and the Resolution of the Council of Ministers (“RCM”) no. 62-A/2013, of 10 October, the RCM no. 62-B/2013, of 10 October, and RCM no. 72-B/2013, of 14 November, the first phase of privatisation of the capital of CTT took place on 5 December 2013. From this date onward, 63.64% of the shares of CTT (95.5 million shares) were owned by the private sector, of which 14% (21 million shares) were sold in a Public Offering and 49.64% (74.5 million shares) by Institutional Direct Selling. On 31 December 2013 the Portuguese State, through Parpública - Participações Públicas, SGPS, S.A. held 36.36% of the shares of CTT, 30.00% by holding and 6.36% by allocation.

On 5 September 2014, the second phase of the privatisation of CTT took place. The shares held by Parpública - Participações Públicas, SGPS, S.A., which on that date represented 31.503% of CTT's capital, were subject to a private offering of shares (“Equity Offering”) via an accelerated book-building process. The Equity Offering was addressed exclusively to institutional investors.

At the meeting of the Company's Board of Directors held on 16 March 2022, it was unanimously decided to approve the implementation of a Buy-back programme for the Company's own shares, including the related terms and conditions, with the sole purpose of reducing the Company's share capital through the cancellation of shares acquired under the aforementioned programme, subject to prior approval by the General Meeting.

At the General Meeting held on 21 April 2022, a resolution was approved regarding the maximum number of shares to be acquired under the Share Buy-back Programme.

On 7 November 2022, the Company's share capital reduction in the amount of 2,325,000 euros, through the cancellation of 4,650,000 shares representing 3.1% of the share capital, was registered in the Commercial Register Office, with the Company's share capital to be composed of 145,350,000 shares with the nominal value of 0.50 Euros each.

Subsequently, at the Annual General Meeting held on 20 April 2023 and still following the share buyback programme mentioned above, the share capital reduction of 717,500 Euros was approved. On 21 April 2023, the share capital reduction of the aforementioned amount was entered in the commercial register, through the extinction of 1,435,000 shares representing 0.997% of the acquired CTT share capital.

Thus, as at 30 June 2024, CTT's share capital now amounts to 71,957,500 Euros, represented by 143,915,000 shares with a nominal value of fifty cents per share, with the Company's Articles of Association being consequently amended.

The financial statements attached herewith are expressed in Euros, as this is the main currency of the Group's operations.

The shares of CTT are listed on Euronext Lisbon.

These financial statements were approved by the Board of Directors and authorised for issue on 19 July 2024.

## 2. Material accounting policies

The accounting policies adopted, including financial risk management policies, are consistent with those followed in the preparation of the consolidated financial statements for the year ended 31 December 2023, except for the new standards and amendments effective from 1 January 2024.

### 2.1 New standards or amendments adopted by the Group

The standards and amendments recently issued, already effective and adopted by the **Group** in the preparation of these financial statements, are as follows:

- **Amendments to IAS 1 – Presentation of financial statements – Classification of current and non-current liabilities** – This amendment aims to clarify the classification of liabilities as current or non-current balances depending on the rights that an entity has to defer their payment, at the end of each reporting period. The classification of liabilities is not affected by the entity's expectations (the assessment should determine whether a right exists, but should not consider whether or not the entity will exercise that right), or by events occurring after the reporting date, such as default of a "covenant". However, if the right to defer settlement for at least twelve months is subject to compliance with certain conditions after the balance sheet date, these criteria do not affect the right to defer settlement the purpose of which is to classify a liability as current or non-current. This change also includes a new definition of "settlement" of a liability and is applicable retrospectively.
- **Amendments to IFRS 16 - Lease liabilities in sale and leaseback transactions** - This amendment to IFRS 16 introduces guidance regarding the subsequent measurement of lease liabilities related to sale and leaseback transactions that qualify as "sale" in accordance with the principles of IFRS 15, with greater impact when some or all of the lease payments are variable lease payments that do not depend on an index or a rate. When subsequently measuring lease liabilities, seller-lessees must determine "lease payments" and "revised lease payments" in such a way that they will not recognise gains/(losses) in relation to the right of use they retain.

The Group did not register significant changes with the adoption of these standards and interpretations.

## 2.2 Basis of preparation

The interim condensed consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IAS / IFRS") as adopted by the European Union as at 1 January 2024, and in accordance with IAS 34 - Interim Financial Reporting.

The consolidated financial statements were prepared under the assumption of going concern and are prepared under the historical cost convention, except for the financial assets and liabilities accounted at fair value.

## 3. Segment reporting

In accordance with IFRS 8, the Group discloses the segment financial reporting.

The Board of Directors regularly reviews segmental reports, using them to assess and communicate each segment performance, as well as to decide on how to allocate resources.

As of 30 June 2024, the Group began reporting on two new aggregating areas: "Logistics" and "Bank & Financial Services", in order to align with the existing business lines and simplifying business reporting.

These two areas aggregate the business segments "Mail & Others" and "Express & Parcels" as "Logistics", and "Bank" and "Financial Services & Retail" as "Bank and Financial Services", maintaining the same level of disclosure of all relevant business drivers and captions.

"Payments" business was migrated to the "Mail & Others" in order to align all B2B commercial streams under the same ownership, ensuring only bank statutory entities in the "Banco" business segment.

Other small adjustments were also made as part of the reorganization of the company's commercial portfolio, namely the migration of the "Tax Payments" and "Money Transfers" from "Financial Services & Retail" segment to "Mail & Others".

The comparative information, as of 30 June 2023, has been restated in accordance with the changes described.

Thus, **Logistics** is made up of the following entities:

- **Mail & Others** – CTT Contacto, S.A., CTT Soluções Empresariais, S.A., New Spring Services S.A., CTT IMO - Sociedade Imobiliária, S.A. MedSpring, S.A., CTT IMO Yield, S.A., CTT Services, S.A, Payshop, S.A. and CTT, S.A. excluding:
  - Business related to postal financial services and retail products - Financial Services & Retail;
  - The money transfer business of both CTT, S.A. and Payshop S.A.
- **Express & Parcels** – includes CTT Expresso S.A., CORRE S.A., 1520 Innovation Fund and Open Lockers, S.A.;

**Bank & Financial Services** includes:

- **Financial Services & Retail** - Postal Financial Services and the sale of products and services in the retail network of CTT, S.A. and the money transfer business of both CTT S.A. and Payshop S.A.
- **Bank** – Banco CTT S.A., S.A. and 321 Crédito S.A.

The business segregation by segment is based on management information produced internally and presented to the Extended Executive Committee (“chief operating decision maker”).

The segments cover the three CTT business areas, as follows:

- Postal Market, covered by the Mail segment;
- Express and Parcels Markets, covered by the Express & Parcels segment; and
- Financial Market, covered by the Financial Services and Bank segments.

The amounts reported in each business segment result from the aggregation of the subsidiaries and business units defined in each segment perimeter and the elimination of transactions between companies of the same segment.

The statement of financial position of each subsidiary and business unit is determined based on the amounts booked directly in the companies that compose the segment, including the elimination of balances between companies of the same segment, and excluding the allocation in the segments of the adjustments between segments.

The income statement for each business segment is based on the amounts booked directly in the companies' financial statements and related business units, adjusted by the elimination of transactions between companies of the same segment.

However, as CTT, S.A. has assets in more than one segment it was necessary to split its income and costs by the several operating segments. The Internal Services Rendered refer to services provided across the different CTT, S.A. business areas, and the income is calculated according to standard activities valued through internally set transfer prices. The Mail segment provides internal services essentially related to the retail network (included in the Mail segment). Additionally, the Financial Services Segment uses the Retail network to sell its products. The use of the Retail network by other segments, as Express & Parcels and CTT Bank is, equally, presented in the line “Internal Services Rendered”.

Initially, CTT, S.A. operating costs are allocated to the different segments by charging the internal transactions for the services mentioned above. After this initial allocation, costs relating to corporate and support areas (CTT Central Structure) are allocated by nature to the Mail segment and others.

The consolidated income statement by nature, aggregators and segment of the six-months periods ended 30 June 2023 and 30 June 2024 are as follows:



30.06.2023 "Restated"							
Thousand Euros	Mail & Others	Express & Parcels	Logistics	Financial Services & Retail	Bank	Bank & Financial Services	Total
<b>Revenues</b>	<b>232,377</b>	<b>141,347</b>	<b>373,725</b>	<b>46,089</b>	<b>60,589</b>	<b>106,679</b>	<b>480,403</b>
Sales and services rendered	229,961	141,021	370,982	44,842	—	44,842	415,824
Services rendered	225,851	141,009	366,860	40,493	—	40,493	407,352
Sales	4,110	12	4,123	4,350	—	4,350	8,472
Financial Margin	—	—	—	—	46,050	46,050	46,050
Other operating income	2,416	327	2,743	1,247	14,540	15,787	18,529
<b>Operating costs - EBITDA</b>	<b>204,569</b>	<b>127,898</b>	<b>332,467</b>	<b>18,200</b>	<b>49,658</b>	<b>67,858</b>	<b>400,324</b>
Staff costs	158,929	18,337	177,266	2,389	13,785	16,175	193,440
External supplies and services	45,328	108,168	153,496	613	18,928	19,541	173,037
Other costs	9,028	964	9,991	4,512	4,027	8,539	18,530
Impairment and provisions	1,311	1,346	2,657	7	12,653	12,660	15,317
Internal services rendered	(10,027)	(916)	(10,943)	10,678	265	10,943	—
<b>EBITDA</b>	<b>27,809</b>	<b>13,450</b>	<b>41,258</b>	<b>27,889</b>	<b>10,932</b>	<b>38,821</b>	<b>80,079</b>
Depreciation/amortisation and impairment of investments, net	20,534	7,566	28,101	76	3,551	3,627	31,728
<b>EBIT recurring</b>	<b>7,274</b>	<b>5,883</b>	<b>13,157</b>	<b>27,813</b>	<b>7,380</b>	<b>35,194</b>	<b>48,351</b>
Specific items	8,516	585	9,101	—	(15)	(15)	9,086
Business restructurings	3,110	266	3,375	—	—	—	3,375
Strategic studies and projects costs	793	330	1,123	—	—	—	1,123
Other non-recurring income and expenses	4,613	(10)	4,603	—	(15)	(15)	4,587
<b>EBIT</b>	<b>(1,242)</b>	<b>5,298</b>	<b>4,056</b>	<b>27,813</b>	<b>7,396</b>	<b>35,209</b>	<b>39,265</b>
Financial results							(7,126)
Interest expenses							(7,736)
Interest income							609
Gains/losses in subsidiary, associated companies and joint ventures							2
<b>Earnings before taxes (EBT)</b>							<b>32,140</b>
Income tax for the period							6,118
<b>Net profit for the period</b>							<b>26,022</b>
Non-controlling interests							(27)
<b>Equity holders of parent company</b>							<b>26,049</b>

Thousand Euros	30.06.2024						Total
	Mail & Others	Express & Parcels	Logistics	Financial Services & Retail	Bank	Bank & Financial Services	
<b>Revenues</b>	<b>240,630</b>	<b>210,398</b>	<b>451,028</b>	<b>11,146</b>	<b>62,146</b>	<b>73,292</b>	<b>524,320</b>
Sales and services rendered	236,720	209,707	446,427	10,042	—	10,042	456,469
Services rendered	233,712	209,696	443,408	9,516	—	9,516	452,924
Sales	3,007	12	3,019	526	—	526	3,545
Financial Margin	—	—	—	—	47,931	47,931	47,931
Other operating income	3,911	690	4,601	1,105	14,215	15,320	19,921
<b>Operating costs - EBITDA</b>	<b>212,678</b>	<b>187,766</b>	<b>400,444</b>	<b>5,472</b>	<b>47,651</b>	<b>53,123</b>	<b>453,567</b>
Staff costs	161,905	23,652	185,557	737	16,030	16,767	202,324
External supplies and services	44,223	161,761	205,984	1,089	19,425	20,513	226,498
Other costs	7,913	874	8,787	655	4,702	5,357	14,143
Impairment and provisions	1,494	1,647	3,142	—	7,460	7,460	10,602
Internal services rendered	(2,858)	(168)	(3,026)	2,991	34	3,026	—
<b>EBITDA</b>	<b>27,952</b>	<b>22,631</b>	<b>50,584</b>	<b>5,674</b>	<b>14,495</b>	<b>20,169</b>	<b>70,753</b>
Depreciation/amortisation and impairment of investments, net	22,901	8,937	31,839	78	3,826	3,904	35,742
<b>EBIT recurring</b>	<b>5,051</b>	<b>13,694</b>	<b>18,745</b>	<b>5,596</b>	<b>10,669</b>	<b>16,265</b>	<b>35,011</b>
Specific items	1,862	708	2,570	2	8	10	2,580
Business restructurings	(22)	64	42	—	—	—	42
Strategic studies and projects costs	693	161	854	—	50	50	904
Other non-recurring income and expenses	1,191	483	1,673	2	(42)	(40)	1,633
<b>EBIT</b>	<b>3,189</b>	<b>12,986</b>	<b>16,176</b>	<b>5,594</b>	<b>10,661</b>	<b>16,255</b>	<b>32,431</b>
Financial results							(8,191)
Interest expenses							(8,366)
Interest income							174
Gains/losses in subsidiary, associated companies and joint ventures							1
<b>Earnings before taxes and non-controlling interests (EBT)</b>							<b>24,240</b>
Income tax for the period							4,051
<b>Net profit for the period</b>							<b>20,189</b>
Non-controlling interests							377
<b>Equity holders of parent company</b>							<b>19,812</b>

As at 30 June 2024, specific items amounted to 2.6 million euros, essentially due to: (i) transaction costs associated with the start-up of the Real Estate business (1.2 million euros); and (ii) costs associated with strategic projects (+0.9 million euros).

The revenues are detailed as follows:

Thousand Euros	30.06.2023 "Restated"	30.06.2024
<b>Logistics</b>	<b>373,725</b>	<b>451,028</b>
<b>Mail &amp; others</b>	<b>232,377</b>	<b>240,630</b>
Transactional mail	178,835	183,184
Editorial mail	6,001	5,812
Parcels (USO)	3,740	3,453
Advertising mail	7,026	6,767
Philately	2,071	1,976
Business Solutions	21,999	24,192
Payments	9,441	10,259
Other	3,264	4,987
<b>Express &amp; Parcels</b>	<b>141,347</b>	<b>210,398</b>
Portugal	68,508	75,930
Parcels	63,126	69,974
Cargo	2,101	1,385
Banking network	2,146	2,183
Logistics	1,644	2,078
Other businesses	(510)	311
Spain	70,664	131,634
Mozambique	2,175	2,834
<b>Bank &amp; Financial Services</b>	<b>106,679</b>	<b>73,292</b>
<b>Financial Services &amp; Retail</b>	<b>46,089</b>	<b>11,146</b>
Savings & Insurance products	36,208	4,867
Money transfers	2,792	2,999
Credit products	76	40
Retail	6,217	2,583
Other	796	658
<b>Bank</b>	<b>60,589</b>	<b>62,146</b>
Net interest income	46,050	47,931
Interest income (+)	57,584	85,916
Interest expense (-)	(11,534)	(37,985)
Commissions income (+)	13,065	13,363
Credits	2,462	2,463
Savings & Insurance	3,920	4,108
Accounts and Cards	6,628	6,792
Other comissions received	54	—
Other	1,475	852
	<b>480,403</b>	<b>524,320</b>

The revenue detail, related to sales and services rendered and financial margin, for the six-months periods ended 30 June 2023 and 30 June 2024, by revenue sources, are detailed as follows:

Nature	30.06.2023 "restated"						
	Mail & others	Express & Parcels	Logistics	Financial Services & Retail	Bank	Bank & Financial Services	Total
Postal Services	212,215,693	—	212,215,693	—	—	—	212,215,693
Express services	—	141,020,740	141,020,740	—	—	—	141,020,740
Merchandising products sales	—	—	—	613,643	—	613,643	613,643
PO Boxes	—	—	—	769,302	—	769,302	769,302
International mail services (*)	8,304,291	—	8,304,291	—	—	—	8,304,291
Financial Services fees	9,441,297	—	9,441,297	43,459,434	46,049,785	89,509,219	98,950,516
<b>"Sales and Services rendered" and "Financial Margin" total</b>	<b>229,961,281</b>	<b>141,020,740</b>	<b>370,982,020</b>	<b>44,842,379</b>	<b>46,049,785</b>	<b>90,892,164</b>	<b>461,874,184</b>

(\*) Inbound Mail

Nature	30.06.2024						
	Mail & others	Express & Parcels	Logistics	Financial Services & Retail	Bank	Bank & Financial Services	Total
Postal Services	218,320,739	—	218,320,739	—	—	—	218,320,739
Express services	—	209,707,308	209,707,308	—	—	—	209,707,308
Merchandising products sales	—	—	—	508,150	—	508,150	508,150
PO Boxes	—	—	—	695,596	—	695,596	695,596
International mail services (*)	8,140,166	—	8,140,166	—	—	—	8,140,166
Financial Services fees	10,258,875	—	10,258,875	8,837,769	47,930,759	56,768,527	67,027,402
<b>"Sales and Services rendered" and "Financial Margin" total</b>	<b>236,719,780</b>	<b>209,707,308</b>	<b>446,427,088</b>	<b>10,041,514</b>	<b>47,930,759</b>	<b>57,972,273</b>	<b>504,399,361</b>

(\*) Inbound Mail

The assets by segment are detailed as follows:

Assets (Euros)	31.12.2023 - restated							
	Mail & others	Express & Parcels	Logistics	Financial Services & Retail	Bank	Bank & Financial Services	Non allocated assets	Total
Intangible assets	36,911,202	9,372,295	46,283,497	370,257	21,270,246	21,640,503	2,715,785	70,639,785
Tangible fixed assets	211,579,132	78,938,956	290,518,089	2,440	5,338,284	5,340,724	1,135,853	296,994,666
Investment properties	—	—	—	—	—	—	5,975,987	5,975,987
Goodwill	16,622,338	2,955,753	19,578,091	—	60,678,648	60,678,648	—	80,256,739
Deferred tax assets	—	—	—	—	—	—	71,395,868	71,395,868
Accounts receivable	—	—	—	—	—	—	153,061,555	153,061,555
Credit to bank clients	—	—	—	—	1,593,213,895	1,593,213,895	—	1,593,213,895
Financial assets at fair value through profit or loss	—	—	—	—	13,532,000	13,532,000	—	13,532,000
Debt securities at amortised cost	—	—	—	—	729,465,998	729,465,998	—	729,465,998
Other banking financial assets	—	—	—	—	1,274,575,121	1,274,575,121	—	1,274,575,121
Other assets	21,167,800	33,497,865	54,665,666	14,756,030	32,571,217	47,327,248	16,136,151	118,129,065
Cash and cash equivalents	—	34,360,429	34,360,429	—	90,545,373	90,545,373	226,703,832	351,609,635
Non-current assets held for sale	—	—	—	—	200	200	—	200
	<b>286,280,472</b>	<b>159,125,299</b>	<b>445,405,772</b>	<b>15,128,727</b>	<b>3,821,190,982</b>	<b>3,836,319,708</b>	<b>477,125,031</b>	<b>4,758,850,513</b>



Assets (Euros)	30.06.2024							
	Mail & others	Express & Parcels	Logistics	Financial Services & Retail	Bank	Bank & Financial Services	Non allocated assets	Total
Intangible assets	35,164,489	9,826,414	<b>44,990,903</b>	441,368	21,185,680	<b>21,627,047</b>	2,562,036	<b>69,179,986</b>
Tangible fixed assets	217,953,946	88,970,489	<b>306,924,436</b>	4,226	6,243,856	<b>6,248,083</b>	1,059,467	<b>314,231,986</b>
Investment properties	—	—	—	—	—	—	6,193,761	<b>6,193,761</b>
Goodwill	16,622,338	2,955,753	<b>19,578,091</b>	—	60,678,648	<b>60,678,648</b>	—	<b>80,256,739</b>
Deferred tax assets	—	—	—	—	—	—	66,389,380	<b>66,389,380</b>
Accounts receivable	—	—	—	—	—	—	184,834,915	<b>184,834,915</b>
Credit to bank clients	—	—	—	—	1,643,718,774	<b>1,643,718,774</b>	—	<b>1,643,718,774</b>
Financial assets at fair value through profit or loss	—	—	—	—	13,941,689	<b>13,941,689</b>	—	<b>13,941,689</b>
Debt securities at amortised cost	—	—	—	—	1,817,190,799	<b>1,817,190,799</b>	—	<b>1,817,190,799</b>
Other banking financial assets	—	—	—	—	780,359,908	<b>780,359,908</b>	—	<b>780,359,908</b>
Other assets	20,739,769	42,555,049	<b>63,294,818</b>	16,238,932	36,069,696	<b>52,308,628</b>	29,501,024	<b>145,104,470</b>
Cash and cash equivalents	—	33,479,207	<b>33,479,207</b>	—	86,659,114	<b>86,659,114</b>	150,084,181	<b>270,222,503</b>
Non-current assets held for sale	—	—	—	—	200	<b>200</b>	—	<b>200</b>
	<b>290,480,543</b>	<b>177,786,912</b>	<b>468,267,454</b>	<b>16,684,526</b>	<b>4,466,048,364</b>	<b>4,482,732,890</b>	<b>440,624,765</b>	<b>5,391,625,109</b>

The non-current assets acquisitions by segment, are detailed as follows:

	31.12.2023 "restated"						
	Mail & others	Express & Parcels	Logistics	Financial Services & Retail	Bank	Bank & Financial Services	Total
Intangible assets	9,271,573	3,417,750	<b>12,689,323</b>	173,119	5,537,646	<b>5,710,764</b>	<b>18,400,088</b>
Tangible fixed assets	13,652,763	15,872,734	<b>29,525,497</b>	26,888	1,770,322	<b>1,797,210</b>	<b>31,322,707</b>
	<b>22,924,337</b>	<b>19,290,484</b>	<b>42,214,821</b>	<b>200,006</b>	<b>7,307,968</b>	<b>7,507,974</b>	<b>49,722,794</b>

	30.06.2024						
	Mail & others	Express & Parcels	Logistics	Financial Services & Retail	Bank	Bank & Financial Services	Total
Intangible assets	3,416,285	1,167,073	<b>4,583,358</b>	48,025	2,817,039	<b>2,865,064</b>	<b>7,448,422</b>
Tangible fixed assets	19,839,404	18,011,763	<b>37,851,167</b>	—	1,863,442	<b>1,863,442</b>	<b>39,714,610</b>
	<b>23,255,689</b>	<b>19,178,836</b>	<b>42,434,525</b>	<b>48,025</b>	<b>4,680,482</b>	<b>4,728,507</b>	<b>47,163,032</b>

The detail of the underlying reasons to the non-allocation of the following assets to any segment, is as follows:

- "Intangible assets" (2,562,036 Euros): the unallocated amount is related to part of the intangible assets in progress, which are allocated to the underlying segment in the moment they become firm assets;
- "Tangible fixed assets" (1,059,467 Euros): This amount corresponds to a part of the tangible fixed assets in progress and advances payments to suppliers, which are allocated to the related segment at the time of the transfer to firm assets;
- "Investment properties" (6,193,761 Euros): These assets are not allocated to the operating activity, which is why they are not allocated to any segment;
- "Deferred tax assets" (66,389,380 Euros): These assets are mainly comprised of deferred tax assets associated with employee benefits, being those related to the CTT, S.A. Health Plan the most relevant amount, as detailed in note 26 - Income tax for the period. CTT, S.A. is allocated

to different segments, as already mentioned, the allocation of these assets to the different segments does not seem possible to be carried out reliably;

- “Accounts receivables” (184,834,915 Euros): This amount cannot be allocated, due to the existence of multi-products customers, whose receivable amounts correspond to more than one segment;
- “Other assets” (29,501,024 Euros): This amount is mainly related to prepayments and other current and non-current assets, mostly related to CTT S.A., which are allocated to different segments and this allocation is not possible to be carried out reliably;
- “Cash and cash equivalents (150,084,181 Euros): the unallocated amount is related, essentially, to the cash and cash equivalents of CTT S.A., as this company concentrates the business segments’ Mail, Financial Services & Retail and Bank, and it is not possible to split the amounts of cash and bank deposits by each CTT’s businesses.

Debt by segment is detailed as follows:

Other information	31.12.2023 “restated”						Total
	Mail & others	Express & Parcels	Logistics	Financial Services & Retail	Bank	Bank & Financial Services	
<b>Non-current debt</b>	<b>112,610,378</b>	<b>46,244,965</b>	<b>158,855,343</b>	<b>18,990</b>	<b>2,205,773</b>	<b>2,224,763</b>	<b>161,080,105</b>
Bank loans	33,390,061	—	33,390,061	—	—	—	33,390,061
Commercial Paper	34,947,466	—	34,947,466	—	—	—	34,947,466
Lease liabilities	44,272,851	46,244,965	90,517,816	18,990	2,205,773	2,224,763	92,742,578
<b>Current debt</b>	<b>89,590,406</b>	<b>17,185,189</b>	<b>106,775,595</b>	<b>6,940</b>	<b>1,152,317</b>	<b>1,159,257</b>	<b>107,934,852</b>
Bank loans	74,541,219	7,854,338	82,395,558	—	—	—	82,395,558
Commercial Paper	22,067	—	22,067	—	—	—	22,067
Lease liabilities	15,027,119	9,330,851	24,357,970	6,940	1,152,317	1,159,257	25,517,227
	<b>202,200,784</b>	<b>63,430,153</b>	<b>265,630,938</b>	<b>25,930</b>	<b>3,358,090</b>	<b>3,384,020</b>	<b>269,014,958</b>

Other information	30.06.2024						Total
	Mail & others	Express & Parcels	Logistics	Financial Services & Retail	Bank	Bank & Financial Services	
<b>Non-current debt</b>	<b>114,018,969</b>	<b>52,983,920</b>	<b>167,002,889</b>	<b>—</b>	<b>3,014,468</b>	<b>3,014,468</b>	<b>170,017,357</b>
Bank loans	26,257,168	—	26,257,168	—	—	—	26,257,168
Commercial Paper	34,963,605	—	34,963,605	—	—	—	34,963,605
Lease liabilities	52,798,196	52,983,920	105,782,116	—	3,014,468	3,014,468	108,796,585
<b>Current debt</b>	<b>37,203,666</b>	<b>9,689,739</b>	<b>46,893,405</b>	<b>3,057</b>	<b>1,468,388</b>	<b>1,471,445</b>	<b>48,364,850</b>
Bank loans	19,245,444	—	19,245,444	—	—	—	19,245,444
Commercial Paper	463,702	—	463,702	—	—	—	463,702
Lease liabilities	17,494,520	9,689,739	27,184,259	3,057	1,468,388	1,471,445	28,655,704
	<b>151,222,635</b>	<b>62,673,659</b>	<b>213,896,294</b>	<b>3,057</b>	<b>4,482,856</b>	<b>4,485,913</b>	<b>218,382,208</b>

The Group is domiciled in Portugal. The result of its Sales and services rendered by geographical segment is disclosed below:

Thousand Euros	30.06.2023	30.06.2024
Revenue - Portugal	309,656	288,216
Revenue - other countries	106,168	168,253
	<b>415,824</b>	<b>456,469</b>

The revenue rendered in other countries, includes the revenue from the Express & Parcels rendered in Spain by CTT Expresso branch in this country, in the amount of 126,563 thousand Euros (30 June 2023: 68,042 thousands of euros).

## 4. Tangible fixed assets

During the year ended 31 December 2023 and the six-months period ended 30 June 2024, the movements occurred in Tangible fixed assets, as well as the respective accumulated depreciation, were as follows:

31.12.2023										
	Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Office equipment	Other tangible fixed assets	Tangible fixed assets in progress	Advance payments to suppliers	Rights of use	Total
<b>Tangible fixed assets</b>										
Opening balance	35,608,901	343,254,451	181,158,903	3,649,503	74,307,835	28,567,252	4,018,810	152,577	257,604,568	928,322,799
Acquisitions	—	377,331	5,907,723	38,854	4,397,337	992,122	5,963,623	18,583	—	17,695,573
New contracts	—	—	—	—	—	—	—	—	13,627,135	13,627,135
Disposals	—	—	(988,366)	(4,053)	(502)	—	—	—	—	(992,921)
Transfers and write-offs	—	3,575,999	2,315,415	—	195,229	(208,079)	(8,175,333)	(100,908)	(14,766,030)	(17,163,708)
Terminated contracts	—	—	—	—	—	—	—	—	(1,667,586)	(1,667,586)
Remeasurements	—	—	—	—	—	—	—	—	21,942,433	21,942,433
Adjustments	—	(1,000)	(85,934)	(1,893)	(1,903)	22,119	52,144	—	150,020	133,554
Closing balance	35,608,901	347,206,781	188,307,741	3,682,410	78,897,996	29,373,413	1,859,244	70,252	276,890,540	961,897,279
<b>Accumulated depreciation</b>										
Opening balance	3,561,803	238,669,491	145,112,462	3,505,640	68,299,578	22,570,731	—	—	139,745,187	621,464,892
Depreciation for the period	—	10,259,034	4,874,132	65,497	1,820,743	1,469,622	—	—	33,667,816	52,156,843
Disposals	—	—	(685,376)	(3,725)	(309)	—	—	—	—	(689,410)
Transfers and write-offs	—	(1,203,258)	(24,940)	—	(12,843)	(101,548)	—	—	(5,151,501)	(6,494,090)
Terminated contracts	—	—	—	—	—	—	—	—	(1,574,152)	(1,574,152)
Adjustments	—	(461)	(30,400)	(1,268)	(1,514)	(1,315)	—	—	59,681	24,724
Closing balance	3,561,803	247,724,805	149,245,878	3,566,144	70,105,656	23,937,490	—	—	166,747,031	664,888,807
<b>Accumulated impairment</b>										
Opening balance	—	218,840	—	—	—	16,125	—	—	3,417,162	3,652,127
Increases	—	280,550	—	—	—	—	—	—	4,896,310	5,176,860
Reversals	—	(499,390)	—	—	—	(2,319)	—	—	(8,313,472)	(8,815,181)
Closing balance	—	—	—	—	—	13,806	—	—	—	13,806
<b>Net Tangible fixed assets</b>	<b>32,047,098</b>	<b>99,481,976</b>	<b>39,061,863</b>	<b>116,266</b>	<b>8,792,340</b>	<b>5,422,117</b>	<b>1,859,244</b>	<b>70,252</b>	<b>110,143,510</b>	<b>296,994,666</b>

30.06.2024										
	Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Office equipment	Other tangible fixed assets	Tangible fixed assets in progress	Advance payments to suppliers	Rights of use	Total
<b>Tangible fixed assets</b>										
Opening balance	35,608,901	347,206,781	188,307,741	3,682,410	78,897,996	29,373,413	1,859,244	70,252	276,890,540	961,897,279
Acquisitions	—	—	681,599	4,228	288,809	295,110	6,517,672	—	—	7,787,418
New contracts	—	—	—	—	—	—	—	—	31,927,192	31,927,192
Disposals	—	—	(419,356)	—	—	—	(22,322)	—	—	(441,677)
Transfers and write-offs	—	1,221,889	214,096	—	191,672	(35,461)	(2,005,345)	—	(341,012)	(754,160)
Terminated contracts	—	—	—	—	—	—	—	—	(20,596)	(20,596)
Remeasurements	—	—	—	—	—	—	—	—	3,159,940	3,159,940
Adjustments	(90,151)	(269,525)	64,817	1,631	1,720	607,706	325,320	—	3,712	645,228
Closing balance	35,518,750	348,159,145	188,848,897	3,688,268	79,380,197	30,240,769	6,674,568	70,252	311,619,777	1,004,200,623
<b>Accumulated depreciation</b>										
Opening balance	3,561,803	247,724,805	149,245,878	3,566,144	70,105,656	23,937,490	—	—	166,747,031	664,888,807
Depreciation for the period	—	5,058,832	2,769,751	28,199	1,216,063	655,224	—	—	16,650,145	26,378,213
Disposals	—	—	(350,356)	—	—	—	—	—	—	(350,356)
Transfers and write-offs	—	—	(949)	—	—	(35,254)	—	—	(164,465)	(200,668)
Terminated contracts	—	—	—	—	—	—	—	—	(114,290)	(114,290)
Adjustments	—	(11,729)	33,267	1,242	1,346	834	—	—	(671,138)	(646,178)
Closing balance	3,561,803	252,771,908	151,697,592	3,595,585	71,323,065	24,558,293	—	—	182,447,283	689,955,529
<b>Accumulated impairment</b>										
Opening balance	—	—	—	—	—	13,806	—	—	—	13,806
Reversals	—	—	—	—	—	(697)	—	—	—	(697)
Closing balance	—	—	—	—	—	13,109	—	—	—	13,109
<b>Net Tangible fixed assets</b>	<b>31,956,947</b>	<b>95,387,237</b>	<b>37,151,306</b>	<b>92,684</b>	<b>8,057,132</b>	<b>5,669,367</b>	<b>6,674,568</b>	<b>70,252</b>	<b>129,172,493</b>	<b>314,231,986</b>

The depreciation recorded in the Group amounting to 26,378,213 Euros (26,050,326 Euros on 30 June 2023), is booked under the caption Depreciation/amortisation and impairment of investments, net.

As at 31 December 2023, as part of the real estate asset transaction, described in detail in note 7, CTT transferred 360 properties to CTT IMO Yield, resulting in the derecognition of tangible fixed assets at a net book value of 83,163 thousand Euros and investment properties with a net book value of 4,691 thousand Euros (note 6). The Company then carried out a leaseback operation for the properties used within the scope of its operational activity. This operation resulted in the recognition of a right of use of 54,050 thousand euros, as well as the respective lease liability of 85,578 thousand euros. The capital gains generated in the operation total 1,625 thousand euros for the Company. Considering that this is an operation between group companies, no impacts were recognised on the Company's results for the period. It should also be noted that this operation had no impact on the Group's consolidated accounts.

According to the concession contract in force (Note 1), at the end of the concession, the assets included in the public and private domain of the State revert automatically, at no cost, to the conceding entity. As the postal network belongs exclusively to CTT, not being a public domain asset, only the assets that belong to the State revert to it, and as such, at the end of the concession CTT will continue to own its assets. The Board of Directors, supported by CTT's accounting records and the statement of Directorate General of Treasury and Finance ("Direção Geral do Tesouro e Finanças"), the entity responsible for the Information System of Public Buildings ("Sistema de Informação de Imóveis do Estado" – SIIE) concludes that CTT's assets do not include any public or private domain assets of the Portuguese State.

As under the concession contract, the grantor does not control any significant residual interest in CTT's postal network and CTT being free to dispose of, replace or encumber the assets that integrate the postal network, IFRIC 12 - Service Concession Agreements is not applicable to the universal postal service concession contract.

During the six-months periods ended 30 June 2024, the most significant movements in the Tangible Fixed Assets caption were the following:

**Buildings and other constructions:**

The movements associated with acquisitions and transfers concern to capitalisation works in own and third-party buildings in several CTT and CTT Expresso facilities.

**Basic equipment:**

The amounts related to acquisitions mainly concerns the acquisition of computer equipment in the amount of 40 thousand Euros, the acquisition of containers amounting to 74 thousand Euros and the acquisition of pallet trucks amounting to 10 thousand Euros by CTT Expresso, the acquisition of vehicles for the distribution amounting to 406 thousand Euros by CORRE and the acquisition of lockers amounting to 72 thousand Euros by Open Lockers.

**Office equipment:**

The amount relating to acquisitions mainly relates to the acquisition of various computer equipment worth 210 thousand Euros by CTT.

**Other tangible fixed assets:**

The acquisitions caption essentially records prevention and safety equipment amounting to approximately 169 thousand Euros at CTT.



### **Tangible fixed assets in progress:**

Under the caption tangible fixed assets in progress acquisitions, essentially, concerns to capitalisation works in own and third-party buildings in several facilities, as well as sorters development by CTT Espresso, branch in Spain, which will be transferred to the captions of the respective nature after its completion.

### **Rights of Use**

The rights of use recognised are detailed as follows, by type of underlying asset:

	31.12.2023			
	Buildings	Vehicles	Other assets	Total
<b>Tangible fixed assets</b>				
Opening balance	214,083,554	38,787,250	4,733,764	257,604,568
New contracts	11,501,538	2,125,596	—	13,627,135
Transfers and write-offs	(14,678,516)	(87,514)	—	(14,766,030)
Terminated contracts	(1,398,631)	(268,955)	—	(1,667,586)
Remeasurements	20,056,802	1,885,631	—	21,942,433
Adjustments	143,433	6,588	—	150,020
Closing balance	229,708,181	42,448,596	4,733,764	276,890,540
<b>Accumulated depreciation</b>				
Opening balance	113,723,712	24,204,805	1,816,670	139,745,187
Depreciation for the period	24,192,899	8,421,222	1,053,695	33,667,816
Transfers and write-offs	(5,053,679)	(97,821)	—	(5,151,501)
Terminated contracts	(1,316,765)	(257,387)	—	(1,574,152)
Adjustments	59,681	—	—	59,681
Closing balance	131,605,848	32,270,818	2,870,365	166,747,031
<b>Accumulated impairment</b>				
Opening balance	3,417,162	—	—	3,417,162
Increases	4,896,310	—	—	4,896,310
Decreases	(8,313,472)	—	—	(8,313,472)
Closing balance	—	—	—	—
<b>Net Tangible fixed assets</b>	<b>98,102,333</b>	<b>10,177,778</b>	<b>1,863,399</b>	<b>110,143,510</b>

	30.06.2024			
	Buildings	Vehicles	Other assets	Total
<b>Tangible fixed assets</b>				
Opening balance	229,708,181	42,448,596	4,733,764	276,890,540
New contracts	14,062,184	17,865,008	—	31,927,192
Transfers and write-offs	(246,997)	(94,014)	—	(341,012)
Terminated contracts	—	(20,596)	—	(20,596)
Remeasurements	1,848,123	1,311,817	—	3,159,940
Adjustments	3,712	—	—	3,712
Closing balance	245,375,202	61,510,811	4,733,764	311,619,777
<b>Accumulated depreciation</b>				
Opening balance	131,605,848	32,270,818	2,870,365	166,747,031
Depreciation for the period	10,783,807	5,399,191	467,147	16,650,145
Transfers and write-offs	(164,465)	—	—	(164,465)
Terminated contracts	(10,088)	(104,202)	—	(114,290)
Adjustments	(251,942)	(419,196)	—	(671,138)
Closing balance	141,963,159	37,146,612	3,337,512	182,447,283
<b>Net Tangible fixed assets</b>	<b>103,412,043</b>	<b>24,364,199</b>	<b>1,396,252</b>	<b>129,172,493</b>

The depreciation recorded, in the amount of 16,650,145 Euros (17,096,889 Euros on 30 June 2023), is booked under the caption “Depreciation/amortisation and impairment of investments, net.”

As at 31 December 2023, the initial balance of “Accumulated Impairment” booked an amount relating to the right of use associated with the lease contract of the previous CTT Head Office building - “Edificio Báltico”, corresponding to the period in which the expectation existed that the right of use did not generate economic benefits for the Group due to the fact that the building was unoccupied. In 2023, the amount recorded in “Reversals” corresponded to the contract period that had already elapsed, with the impairment loss being reversed in proportion to the depreciation of the right of use. As the building was not occupied during the year, the impairment loss initially recognized on 31 December 2022 was, on 30 June 2023, increased by 5,177 thousand Euros. Still on 31 December 2023, an early termination of this lease agreement was agreed with the counterparty, which resulted in the derecognition of the existing lease and the reversal of the remaining amount of impairment loss recorded and which had been partially reversed during the year in proportion to the depreciation of the right of use.

The information on the liabilities associated with these leases as well as the interest expenses can be found disclosed on Debt (Note 18) and Interest expenses and income (Note 25), respectively.

For the six-months period ended 30 June 2024, no interest on loans was capitalised, as no loans were directly identified attributable to the acquisition or construction of an asset that requires a substantial period of time (greater than one year) to reach its status of use.

According to the analysis of impairment triggers as at 30 June 2024, no events or circumstances were identified that indicate that the amount for which the Group's tangible fixed assets are recorded may not be recovered.

There are no tangible fixed assets with restricted ownership or any carrying value relative to any tangible fixed assets which have been given as a guarantee of liabilities.

The contractual commitments related to Tangible fixed assets at 30 June 2024, amount to 5,718,593 Euros.

## 5. Intangible assets

During the year ended 31 December 2023 and the six-months period ended 30 June 2024, the movements which occurred in the main categories of the Intangible assets, as well as the respective accumulated amortisation, were as follows:

	31.12.2023					Total
	Development projects	Computer Software	Industrial property	Other intangible assets	Intangible assets in progress	
<b>Intangible assets</b>						
Opening balance	4,380,552	169,466,935	19,591,397	2,309,070	9,434,984	205,182,938
Acquisitions	—	2,025,284	699,454	—	15,675,350	18,400,088
Transfers and write-offs	—	21,508,320	(440,115)	—	(21,198,220)	(130,015)
Adjustments	—	—	(14,639)	—	—	(14,639)
Closing balance	4,380,552	193,000,538	19,836,097	2,309,070	3,912,114	223,438,371
<b>Accumulated amortisation</b>						
Opening balance	4,380,552	115,896,437	14,571,483	925,857	—	135,774,330
Amortisation for the period	—	15,455,209	1,217,770	360,838	—	17,033,818
Transfers and write-offs	—	418,966	(418,966)	—	—	—
Adjustments	—	—	(9,561)	—	—	(9,561)
Closing balance	4,380,552	131,770,613	15,360,727	1,286,695	—	152,798,587
<b>Net intangible assets</b>	<b>—</b>	<b>61,229,926</b>	<b>4,475,370</b>	<b>1,022,375</b>	<b>3,912,114</b>	<b>70,639,785</b>

	30.06.2024					Total
	Development projects	Computer Software	Industrial property	Other intangible assets	Intangible assets in progress	
<b>Intangible assets</b>						
Opening balance	4,380,552	193,000,538	19,836,097	2,309,070	3,912,114	223,438,371
Acquisitions	—	99,090	46,972	—	7,302,360	7,448,422
Transfers and write-offs	—	6,930,901	—	—	(6,571,573)	359,328
Adjustments	—	—	12,644	—	—	12,644
Closing balance	4,380,552	200,030,529	19,895,713	2,309,070	4,642,901	231,258,765
<b>Accumulated amortisation</b>						
Opening balance	4,380,552	131,770,613	15,360,727	1,286,695	—	152,798,587
Amortisation for the period	—	8,544,147	547,016	180,420	—	9,271,583
Adjustments	—	—	8,610	—	—	8,610
Closing balance	4,380,552	140,314,760	15,916,353	1,467,115	—	162,078,779
<b>Net intangible assets</b>	<b>—</b>	<b>59,715,769</b>	<b>3,979,360</b>	<b>841,955</b>	<b>4,642,901</b>	<b>69,179,986</b>

The amortisation for the period ended 30 June 2024, amounting to 9,271,583 Euros (8,077,373 Euros as at 30 June 2023) was recorded under Depreciation / amortisation and impairment of investments, net.

As at 30 June 2024, the core banking system (Banco CTT's main operating software) had a net book value of 8,345 thousand euros (31 December 2023: 8,987 thousand euros). As at 31 December 2023, this asset had an estimated remaining useful life of 7 years. During the first half of 2024, the Group changed the estimated remaining useful life of this asset to approximately 2 years, assigning it an estimated residual value of approximately 6,000 thousand euros. This change is the result of the signing of a service provision agreement with the current licensing provider, which provides for the migration and upgrade of the current license (on premises) to access a software as a service license, which will incorporate a set of customizations and configurations that will be transferred from the current on premises system and to which a value similar to the aforementioned residual value is attributed, which is estimated to come into effect at the end of 2025.

The transfers occurred in the period ended 30 June 2024 from Intangible assets in progress to Computer software refer to IT projects, which were completed during the year.

The amounts of 1,550,479 Euros and 882,570 Euros were capitalised in computer software and in Intangible assets in progress as at 31 December 2023 and 30 June 2024, respectively, and are related to staff costs incurred in the development of these projects.

The intangible assets in progress as at 30 June 2024 refer to IT projects that are being developed, the most significant being the following:

	30.06.2024
Client Area B2B - Software	788,661
MB Cards at Agents	518,888
Super App CTT	337,953
New Ofert B2B - Software	278,080
BPW Software	202,635
	<b>2,126,217</b>

The Group has not identified any relevant uncertainties regarding the conclusion of ongoing projects, nor about their recoverability.

Most of the projects are expected to be completed in 2024.

The amount of research and development expenses incurred by the Group in 2023, in the amount of 5,990,704 Euros, was disclosed in Note 26.

There are no Intangible assets with restricted ownership or any carrying value relative to any Intangible assets which have been given as a guarantee of liabilities.

In the six-months period ended 30 June 2024, no interest on loans was capitalised, as no loans were directly identified attributable to the acquisition or construction of an asset that requires a substantial period of time (greater than one year) to reach its status of use.

Contractual commitments related intangible assets amounted to 11,498,111 Euros at 30 June 2024,

## 6. Investment properties

During the year ended 31 December 2023 and the six-months period ended 30 June 2024, the Group has the following assets classified as investment properties:



	31.12.2023		
	Land and natural resources	Buildings and other constructions	Total
<b>Investment properties</b>			
Opening balance	2,862,247	11,052,892	13,915,139
<b>Closing balance</b>	<b>2,862,247</b>	<b>11,052,892</b>	<b>13,915,139</b>
<b>Accumulated depreciation</b>			
Opening balance	155,569	7,322,410	7,477,979
Depreciation for the period	—	183,591	183,591
Other movements	—	25,189	25,189
<b>Closing balance</b>	<b>155,569</b>	<b>7,531,191</b>	<b>7,686,759</b>
<b>Accumulated impairment</b>			
Opening balance	—	253,181	253,181
Impairment for the period	—	(788)	(788)
Closing balance	—	252,393	252,393
<b>Net Investment properties</b>	<b>2,706,679</b>	<b>3,269,308</b>	<b>5,975,987</b>

	30.06.2024		
	Land and natural resources	Buildings and other constructions	Total
<b>Investment properties</b>			
Opening balance	2,862,247	11,052,892	13,915,139
Disposals	(12,829)	(67,664)	(80,493)
Transfers and write-offs	90,151	270,453	360,604
<b>Closing balance</b>	<b>2,939,569</b>	<b>11,255,681</b>	<b>14,195,250</b>
<b>Accumulated depreciation</b>			
Opening balance	155,569	7,531,191	7,686,759
Depreciation for the period	—	104,968	104,968
Disposals	(628)	(54,175)	(54,803)
Transfers and write-offs	—	12,172	12,172
<b>Closing balance</b>	<b>154,941</b>	<b>7,594,155</b>	<b>7,749,096</b>
<b>Accumulated impairment</b>			
Opening balance	—	252,393	252,393
Closing balance	—	252,393	252,393
<b>Net Investment properties</b>	<b>2,784,628</b>	<b>3,409,133</b>	<b>6,193,761</b>

These assets are not allocated to the Group operating activities, being in the market available for lease.

The market value of these assets, which are classified as investment property, in accordance with the valuations obtained at the end of the fiscal year 2023 which were conducted by independent entities, amounts to 10,437,353 Euros.

The depreciation for the six-months period ended 30 June 2024, of 104,968 Euros (104,211 Euros on 30 June 2023) was recorded in the caption Depreciation/amortisation and impairment of investments, net.

For the six-months period ended 30 June 2024, the rents amount charged by the Group for properties and equipment leases classified as investment properties was 2,983 Euros (30 June 2023: 16,868 Euros).

## 7. Companies included in the consolidation

### Subsidiary companies

As at 31 December 2023 and 30 June 2024, the parent company, CTT - Correios de Portugal, S.A. and the following subsidiaries were included in the consolidation:

Company name	Place of business	Head office	31.12.2023			30.06.2024			
			Percentage of ownership			Percentage of ownership			
			Direct	Indirect	Total	Direct	Indirect	Total	
<u>Parent company:</u>									
CTT - Correios de Portugal, S.A.	Portugal	Avenida dos Combatentes 43, 14º Floor 1643-001 Lisbon	—	—	—	—	—	—	
<u>Subsidiaries:</u>									
CTT Expresso - Serviços Postais e Logística, S.A. ("CTT Expresso")	Portugal	Avenida dos Combatentes 43, 14º Floor 1643-001 Lisbon	100	—	100	100	—	100	
Payshop Portugal, S.A. ("Payshop")	Portugal	Avenida dos Combatentes 43, 14º Floor 1643-001 Lisbon	100	—	100	100	—	100	
CTT Contacto, S.A. ("CTT Con")	Portugal	Avenida dos Combatentes 43, 14º Floor 1643-001 Lisbon	100	—	100	100	—	100	
CTT Soluções Empresariais, S.A. ("CTT Sol")	Portugal	Avenida dos Combatentes 43, 14º Floor 1643-001 Lisbon	100	—	100	100	—	100	
Correio Expresso de Moçambique, S.A. ("CORRE")	Mozambique	Av. 24 de Julho, Building 24, 1097, 3rd floor, Bairro da Polana Maputo - Mozambique	50	—	50	50	—	50	
Banco CTT, S.A. ("BancoCTT")	Portugal	Building Atrium Saldanha 1 Floor 3 1050 -094 Lisbon	100	—	100	100	—	100	
1520 Innovation Fund ("TechTree")	Portugal	Av Conselheiro Fernando de Sousa, 19 13º Left 1070-072 Lisbon	37.5	62.5	100	37.5	62.5	100	
321 Crédito - Instituição Financeira de Crédito, S.A. ("321 Crédito")	Portugal	Avenida da Boavista, 772, 1.º, Boavista Prime Buiding 4100-111 Oporto	—	100	100	—	100	100	
NewSpring Services, S.A. ("NSS")	Portugal	Avenida dos Combatentes 43, 14º Floor 1643-001 Lisbon	—	100	100	—	100	100	
CTT IMO - Sociedade Imobiliária, S.A. ("CTTi")	Portugal	Avenida dos Combatentes 43, 14º Floor 1643-001 Lisbon	100	—	100	100	—	100	
Open Lockers, S.A. ("Lock")	Portugal	Avenida dos Combatentes 43, 14º Floor 1643-001 Lisbon	—	66	66	—	100	100	
MedSpring, S.A. ("MEDS")	Portugal	Avenida dos Combatentes 43, 14º Floor 1643-001 Lisbon	—	100	100	—	100	100	
CTT Services, S.A. ("Serv")	Portugal	Avenida dos Combatentes 43, 14º Floor 1643-001 Lisbon	—	100	100	—	100	100	
CTT Imo Yield, S.A. ("IMOY")	Portugal	Lugar do Espido, Via Norte, 4470-177 Maia-Oporto	100	—	100	73.7	—	73.7	

Regarding to the company CORRE, as the Group has the right to variable returns arising from its involvement and the ability to affect those returns, it is included in the consolidation.

As part of a corporate reorganisation in the Group, on 8 July 2022 the Board of Directors of Banco CTT approved the sale of its subsidiary Payshop Portugal, and its terms, to CTT. The completion of this

operation was dependent on the regulator's non-opposition, a fact that occurred on 7 July 2023. The transfer of shares occurred 11 on August 2023. The sale of the investment in Payshop to CTT will allow synergies to be captured with the remaining areas of CTT, namely product areas, commercial forces (B2B and store networks, outlets and agents), as well as full integration into the Group's strategy of a comprehensive value proposition for e-commerce and business solutions. The sale of Payshop investment by Banco CTT to CTT was carried out based on its equity book value and had no impact on the Group consolidated accounts.

On 29 March 2023 and 29 May 2023, Open Lockers was subject to capital increases in the form of a supplementary capital in the amount of 396,000 Euros in each of the periods.

### **CTT IMO Yield**

#### **Real Estate Assets**

CTT's real estate assets are organised into two different portfolios, depending on their respective characteristics and functionality (Yield Portfolio and Development Portfolio).

#### **Yield Portfolio**

In 2022, CTT began exclusive negotiations, with a third party, to manage this portfolio, which essentially comprised:

1. properties associated with CTT's retail network; and
2. warehouses and logistics and distribution centres of CTT's operational network in Portugal.

As a result of this negotiation, the company CTT IMO Yield was created on 31 October 2022, with the purpose of holding and managing this yield portfolio.

On 4 May 2023, CTT entered into a Share Sale and Purchase Agreement with Sierra Investments, SGPS, S.A. ("Sierra"), under which Sierra and a group of institutional investors would acquire an investment of 30.1% of the share capital of CTT IMO Yield (assuming the carve-in of all properties in the yield portfolio), an operation that was concluded at the beginning of 2024.

On 10 October 2023, and applying the provisions of paragraph b) of number 3 of article 22 of the Asset Management Regime, CMVM issued the SIC (collective investment company) registration code for CTT IMO Yield.

On 17 October 2023, the AdC (Competition Authority) also adopted a decision according to which the Transaction is not covered by the merger control procedure.

On 27 November 2023, the **Company** transferred its yield real estate portfolio, corresponding to 332 properties, to CTT IMO Yield in the form of a capital contribution in kind, in the amount of 116,858,055 Euros. This operation resulted in the issuance of 116,858,055 new shares with a nominal value of 1 Euro each. The remaining 31 properties were transferred to CTT IMO Yield through a purchase and sale transaction.

The amount of the contribution in kind corresponded to the fair value of the properties determined through an external assessment carried out by two independent experts. For each property subject to transfer, the average amount of the two valuations prepared by each of the independent experts was considered to determine its fair value. Subsequently, this operation was subject to evaluation by an Official Auditor independent of the Company, as established in the Commercial Companies Code.

On 9 November 2023 and 27 December 2023, CTT IMO Yield was subject to a capital increase through a cash contribution, in the amount of 17,600,000 Euros and 576,945 Euros, respectively. The capital increases resulted in the issuance of new shares in the amount of 17,600,000 shares and 576,945 shares, respectively, with a nominal value of 1 Euro each.

On 27 December 2023, the conversion of shareholders loans into share capital at CTT Expresso and CTT Soluções Empresariais was decided, through the conversion of 14,950,000 Euros of shareholders loans into capital at CTT Expresso and 14,500,000 of shareholders loans into capital at CTT Soluções Empresariais. The capital increase in CTT Expresso was achieved through an increase in the nominal amount of the 1,150,000 shares, which increased from 5 Euros to 18 Euros each, with their global nominal amount being 20,700,000 Euros. The capital increase of CTT Soluções Empresariais took place through the issuance of 14,500,000 new shares with a nominal amount of 1 Euro each, with the global nominal value of the share capital as of 31 December 2023 being 14,750,000 Euros.

On 4 January 2024, CTT IMO Yield concluded a conversion process into an alternative real estate investment organization (OIA) in a corporate form with fixed capital and private subscription, managed by a management entity that includes the business universe of Sierra Investments, the company Sierra IG - SGOIC, S.A. On the same date, CTT completed the sale of a 26.3% shareholder position in CTT IMO Yield to Sonae Investment SGPS, S.A. and other investors, as planned in the Share Purchase and Sale Agreement, which translated into a gross receipt of 32,447,343 Euros. Following this operation, the amount of 32,959,531 Euros was recognized under the caption minority interests in equity.

On 18 April 2024, CTT Expresso acquired the minority stake in Open Lockers held by the entity's remaining shareholders, in the amount of 1,439,000 Euros. The Group will therefore hold a 100% stake in Open Lockers from that date onwards.

On 26 June 2024, Banco CTT subscribed an increase in the share capital in the subsidiary 321 Crédito, by making a cash contribution, in the amount of 5,000,000 Euros, resulting in the issuance of 5,000,000 new book-entry shares, ordinary, nominative shares with an issue value of 1 euro each. The amount of share capital of 321 Crédito in the amount of 30,000,000 Euros increased to 35,000,000 Euros.

#### Joint ventures

As at 31 December 2023 and 30 June 2024, the Group held the following interests in joint ventures, registered through the equity method:

Company name	Place of business	Head office	31.12.2023			30.06.2024		
			Percentage of ownership			Percentage of ownership		
			Direct	Indirect	Total	Direct	Indirect	Total
NewPost, ACE	Portugal	Av. Fontes Pereira de Melo, 40 Lisbon	49	—	49	49	—	49
PTP & F, ACE	Portugal	Estrada Casal do Canas Amadora	51	—	51	51	—	51
Wolfspring, ACE	Portugal	Urbanização do Passil, nr 100-A 2890-1852 Alcochete	—	50	50	—	50	50

#### Associated companies

As at 31 December 2023 and 30 June 2024, the Group held the following interests in associated companies accounted for by the equity method:

Company name	Place of business	Head office	31.12.2023			30.06.2024		
			Percentage of ownership			Percentage of ownership		
			Direct	Indirect	Total	Direct	Indirect	Total
Mafelosa, SL (a)	Spain	Castellon - Spain	—	25	25	—	25	25
Urpacsur, SL (a)	Spain	Málaga - Spain	—	30	30	—	30	30

<sup>(a)</sup> Company held by CTT Expresso - Serviços Postais e Logística, S.A., branch in Spain (until 2018 was held by Tourline Mensajería, SLU), which currently has no activity.

### Structured entities

Additionally, considering the requirements of IFRS 10, the Group's consolidation perimeter includes the following structured entities:

Name	Constitution Year	Place of issue	Consolidation Method
Ulisses Finance No.1 (*) (**)	2017	Portugal	Full
Ulisses Finance No.2 (*)	2021	Portugal	Full
Ulisses Finance No.3 (*)	2022	Portugal	Full
Chaves Funding No.8 (*)	2019	Portugal	Full
Next Funding No.1 (*) (**)	2021	Portugal	Full

(\*) Entities incorporated in the scope of securitisation operations, recorded in the consolidated financial statements in accordance with the Group's continued involvement, determined based on the percentage held in the residual interests (equity piece) of the respective vehicles and to the extent that the Group substantially owns the risks and rewards associated with the underlying assets and has the ability to affect these same risks and rewards.

(\*\*) Entities left the consolidation perimeter during the period of 2023.

The credit securitisation operation Ulisses No1, originated by 321 Crédito in 2017, included a consumer credit portfolio amounting to 141.2 million euros. The operation included a clean-up call option clause that could be exercised by the originator when the securitised portfolio dropped below 10% of the initial amount, i.e., 14.1 million euros. This occurred after the IPD ("interest payment date") of June 2023, with the clean-up call being exercised at the IPD of July 2023, with the Company reacquiring the entire securitised portfolio, closing the operation.

Following the termination of the partnership with Universo, in December 2023, Banco CTT sold the note Next Funding N°1 to Universo, IME, S.A. leaving on that date no exposure to this portfolio. Additionally, the overdraft line (Liquidity Facility) was cancelled. As part of the sale agreement, Banco CTT no longer granted this line of credit to the aforementioned securitisation operation.

The main impacts of the consolidation of these structured entities on the Group's accounts are the following:

	31.12.2023	30.06.2024
Cash and cash equivalents	14,947,776	16,779,238
Financial assets at fair value through profit and loss (Derivatives) - Note 15	13,532,000	13,941,689

### Changes in the consolidation perimeter

In the period ended 31 December 2023, the structured entities Ulisses Finance N°1 and Next Funding N°. 1 left the consolidation perimeter. There were no other changes to the consolidation perimeter.

During six-months period ended 30 June 2024, with the sale of 26.3% of the investment in CTT IMO Yield, the group now holds 73.7% of the entity. At the same time, with the acquisition of the minority investment in Open Lockers held by the entity's remaining shareholders, the Group now holds 100% of this entity.



## 8. Debt securities

As at 31 December 2023 and 30 June 2024, the caption Debt securities, showed the following composition:

	31.12.2023	30.06.2024
<b>Non-current</b>		
<b>Financial assets at amortised cost</b>		
Government bonds	364,773,835	361,924,281
Impairment	(67,657)	(65,066)
	<b>364,706,177</b>	<b>361,859,215</b>
	<b>364,706,177</b>	<b>361,859,215</b>
<b>Current</b>		
<b>Financial assets at amortised cost</b>		
Government bonds	284,175,167	830,151,394
Supranational bonds	80,614,379	616,384,501
Bonds issued by other entities	—	8,847,351
Impairment	(29,726)	(51,662)
	<b>364,759,821</b>	<b>1,455,331,584</b>
	<b>729,465,998</b>	<b>1,817,190,799</b>

The financial assets at amortised cost are managed based on a business model whose objective is to receive its contractual cash flows.

The increase in the balance of debt securities is essentially justified by the positive variation in exposure (nominal amount) of 540 million euros of supranational debt, 222 million euros of French public debt, 144 million euros of Spanish public debt, 115 million euros of Belgian public debt, 42 million euros of Portuguese public debt and 35 million euros of Austrian public debt.

The analysis of the Financial assets at amortised cost, by remaining maturity, as at 31 December 2023 and 30 June 2024 is detailed as follows:

				31.12.2023			

### Fair Value

The fair value of debt securities at amortised cost portfolio, on 31 December 2023, amounted to 700,065 thousand euros (a negative difference of 29 401 thousand euros in relation to its book value).

The fair value of debt securities at amortised cost, on 30 June 2024, amounted to 1,781,128 thousand euros (a negative difference of 36,063 thousand euros in relation to its book value).

### Impairment losses

The impairment losses, for the year ended 31 December 2023 and the six-months period ended 30 June 2024, are detailed as follows:

31.12.2023					
	Opening balance	Increases	Reversals	Transfers	Closing balance
<b>Non-current assets</b>					
Debt securities at amortised cost	121,927	20,146	(43,919)	(30,497)	67,657
	121,927	20,146	(43,919)	(30,497)	67,657
<b>Current assets</b>					
Debt securities at amortised cost	9,674	8,851	(19,296)	30,497	29,726
	<b>9,674</b>	<b>8,851</b>	<b>(19,296)</b>	<b>30,497</b>	<b>29,726</b>
<b>Financial assets at amortised cost</b>	<b>131,601</b>	<b>28,997</b>	<b>(63,215)</b>	<b>—</b>	<b>97,383</b>
	<b>131,601</b>	<b>28,997</b>	<b>(63,215)</b>	<b>—</b>	<b>97,383</b>

	30.06.2024				
	Opening balance	Increases	Reversals	Transfers	Closing balance
<b>Non-current assets</b>					
Debt securities at amortised cost	67,657	22,753	(11,970)	(13,374)	65,066
	67,657	22,753	(11,970)	(13,374)	65,066
<b>Current assets</b>					
Debt securities at amortised cost	29,726	18,066	(9,504)	13,375	51,662
	29,726	18,066	(9,504)	13,375	51,662
<b>Financial assets at amortised cost</b>	<b>97,384</b>	<b>40,819</b>	<b>(21,474)</b>	<b>1</b>	<b>116,728</b>
	97,384	40,819	(21,474)	1	116,728

For the impairment losses of Financial assets at amortised cost, the movements by stages, in the year ended 31 December 2023 and the six-months period ended 30 June 2024, they are detailed as follows:

	31.12.2023	30.06.2024
	Stage 1	Stage 1
<b>Opening balance</b>	<b>131,602</b>	<b>97,384</b>
<b>Change in period:</b>		
Increases due to origination and acquisition	28,628	38,558
Changes due to change in credit risk	(41,239)	(16,872)
Derecognised financial assets excluding write-offs	(21,607)	(2,341)
<b>Impairment - Financial assets at amortised cost</b>	<b>97,384</b>	<b>116,728</b>

The reconciliation of accounting movements related to impairment losses is presented below:

	31.12.2023	30.06.2024
	Stage 1	Stage 1
<b>Opening balance</b>	<b>131,602</b>	<b>97,384</b>
<b>Change in period:</b>		
ECL income statement change for the period	(34,218)	19,344
<b>Impairment - Financial assets at amortised cost</b>	<b>97,384</b>	<b>116,728</b>

According to the accounting policy in force, the Group regularly assesses whether there is objective evidence of impairment in its financial asset portfolios at amortised cost.

## 9. Other banking financial assets and liabilities

As at 31 December 2023 and 30 June 2024, the caption “Other banking financial assets” and “Other banking financial liabilities” showed the following composition:

	31.12.2023	30.06.2024
<b>Current assets</b>		
Investments in central banks	1,260,076,886	766,921,588
Investments in credit institutions	11,049,500	11,654,223
Loans to credit institutions	961,721	—
Impairment	(8,143)	(3,712)
Other	4,316,633	3,605,352
Impairment	(1,821,475)	(1,817,543)
	<b>1,274,575,121</b>	<b>780,359,908</b>
	<b>1,274,575,121</b>	<b>780,359,908</b>
<b>Current liabilities</b>		
Other	47,759,822	60,104,902
	<b>47,759,822</b>	<b>60,104,902</b>

Investments in central banks, credit institutions and Loans to credit institutions

Regarding the above-mentioned captions, the scheduling by maturity is as follows:

	31.12.2023	30.06.2024
Up to 3 months	1,260,688,003	766,921,588
From 3 to 12 months	11,400,103	11,654,223
	<b>1,272,088,106</b>	<b>778,575,811</b>

The caption "Investments in credit institutions" showed an annual average return of 3.538% (31 December 2023: 2.435%).

The amount of 766,921,588 Euros recorded in investments in central banks corresponds to overnight deposits with the Bank of Portugal. The decrease in the balance compared to the previous period is due to Banco CTT's liquidity management, which in the first quarter of 2024 increased investment in the securities portfolio.

Impairment

The impairment losses, in the year ended 31 December 2023 and the six-months period ended 30 June 2024, are detailed as follows:

	31.12.2023					
	Opening balance	Increases	Reversals	Utilisations	Transfers	Closing balance
<b>Non-current assets</b>						
Investments and loans in credit institutions	274	—	—	—	(274)	—
	<b>274</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(274)</b>	<b>—</b>
<b>Current assets</b>						
Investments and loans in credit institutions	1,394	8,099	(1,625)	—	274	8,143
Other	1,805,945	30,962	(8,982)	(6,450)	—	1,821,475
	<b>1,807,340</b>	<b>39,061</b>	<b>(10,607)</b>	<b>(6,450)</b>	<b>274</b>	<b>1,829,619</b>
	<b>1,807,615</b>	<b>39,061</b>	<b>(10,607)</b>	<b>(6,450)</b>	<b>—</b>	<b>1,829,619</b>

	30.06.2024					
	Opening balance	Increases	Reversals	Utilisations	Transfers	Closing balance
<b>Non-current assets</b>						
Investments and loans in credit institutions	—	—	—	—	—	—
	—	—	—	—	—	—
<b>Current assets</b>						
Investments and loans in credit institutions	8,143	281	(4,712)	—	—	3,712
Other	1,821,475	750	(4,682)	—	—	1,817,543
	<b>1,829,618</b>	<b>1,031</b>	<b>(9,394)</b>	—	—	<b>1,821,256</b>
	<b>1,829,618</b>	<b>1,031</b>	<b>(9,394)</b>	—	—	<b>1,821,256</b>

Regarding the movements in impairment losses on investments and loans to credit institutions by stages, in the periods ended on 31 December 2023 and the six-months period ended 30 June 2024, they are detailed as follows:

	31.12.2023	30.06.2024
	Stage 1	Stage 1
<b>Opening balance</b>	<b>1,669</b>	<b>8,143</b>
<b>Change in period:</b>		
Increases due to origination and acquisition	8,099	281
Changes due to change in credit risk	(230)	(4,409)
Decrease due to derecognition repayments and disposals	(1,394)	(303)
<b>Impairment</b>	<b>8,143</b>	<b>3,712</b>

The reconciliation of accounting movements related to impairment losses is presented below:

	31.12.2023	30.06.2024
	Stage 1	Stage 1
<b>Opening balance</b>	<b>1,669</b>	<b>8,143</b>
<b>Change in period:</b>		
ECL income statement change for the period	6,474	(4,431)
<b>Impairment</b>	<b>8,143</b>	<b>3,712</b>

The caption “Other current liabilities” essentially books the balance of banking operations pending of financial settlement.



## 10. Credit to banking clients

As at 31 December 2023 and 30 June 2024, the caption Credit to banking clients was detailed as follows:

	31.12.2023	30.06.2024
<b>Performing loans</b>	<b>1,616,912,775</b>	<b>1,668,240,886</b>
Mortgage Loans	728,846,938	746,825,996
Auto Loans	882,757,623	917,621,839
Leasings	1,819,790	1,245,611
Overdrafts	3,488,425	2,547,439
<b>Overdue loans</b>	<b>24,117,118</b>	<b>30,793,777</b>
Overdue loans - less than 90 days	1,384,695	1,675,795
Overdue loans - more than 90 days	22,732,423	29,117,982
	<b>1,641,029,894</b>	<b>1,699,034,663</b>
<b>Credit risk impairment</b>	<b>(47,815,999)</b>	<b>(55,315,889)</b>
	<b>1,593,213,895</b>	<b>1,643,718,774</b>

The maturity analysis of the Credit to banking clients as at 31 December 2023 and 30 June 2024 is detailed as follows:

31.12.2023									
	Current					Non-current			Total
	At sight	Due within 3 months	>3 months - < 1 year	Overdue Loans	Total	> 1 year - > 3 years	Over 3 years	Total	
Mortgage loans	—	4,850,143	8,998,954	41,489	13,890,586	25,126,922	689,870,918	714,997,840	728,888,426
Auto Loans	—	35,075,222	92,025,117	23,091,609	150,191,948	246,411,072	509,246,212	755,657,284	905,849,232
Leasings	—	194,548	647,891	98,810	941,249	520,532	456,819	977,351	1,918,600
Overdrafts	3,488,425	—	—	885,211	4,373,636	—	—	—	4,373,636
	<b>3,488,425</b>	<b>40,119,913</b>	<b>101,671,962</b>	<b>24,117,118</b>	<b>169,397,418</b>	<b>272,058,526</b>	<b>1,199,573,950</b>	<b>1,471,632,475</b>	<b>1,641,029,894</b>

30.06.2024									
	Current					Non-current			Total
	At sight	Due within 3 months	>3 months - < 1 year	Overdue Loans	Total	> 1 year - > 3 years	Over 3 years	Total	
Mortgage loans	—	4,796,462	10,065,531	35,561	14,897,554	27,236,024	704,727,980	731,964,004	746,861,558
Auto Loans	—	36,460,506	95,659,618	28,988,042	161,108,167	256,142,994	529,358,720	785,501,715	946,609,881
Leasings	—	133,164	443,469	57,109	633,743	356,294	312,684	668,977	1,302,720
Overdrafts	2,547,439	—	—	1,713,064	4,260,504	—	—	—	4,260,504
	<b>2,547,439</b>	<b>41,390,132</b>	<b>106,168,618</b>	<b>30,793,777</b>	<b>180,899,967</b>	<b>283,735,312</b>	<b>1,234,399,384</b>	<b>1,518,134,696</b>	<b>1,699,034,663</b>

On 28 June 2024, an agreement was reached to sell a portfolio of Auto loans (Non-Performing Loans) with a gross carrying amount of 22,432 thousand euros, expected to be settled in the third quarter of 2024. This transaction is estimated to result in a decrease in the NPL ratio of approximately 1.3% (on a pro-forma basis as at 30 June 2024). As at 30 June 2024, this sale agreement does not comply with the derecognition criteria set out in IFRS 9, and therefore this portfolio is still presented in the auto credit line, although it has already had a positive impact on the impairment of this portfolio as at 30 June 2024, due to the expectation of a sale with a capital gain.

The breakdown of this heading by type of rate is as follows:

	31.12.2023	30.06.2024
Fixed rate	1,039,230,174	1,121,929,106
Floating rate	601,799,720	577,105,557
	<b>1,641,029,894</b>	<b>1,699,034,663</b>
Credit risk impairment	(47,815,999)	(55,315,889)
	<b>1,593,213,895</b>	<b>1,643,718,774</b>

As at 31 December 2023 and 30 June 2024, the analysis of this caption by type of collateral, is presented as follows:

	31.12.2023				
	Performing Loans	Overdue Loans	Gross amount	Impairment	Net amount
Asset-backed Loans	730,695,033	134,536	730,829,570	(1,514,397)	729,315,173
Other guaranteed Loans	861,229,849	5,404,733	866,634,583	(31,046,824)	835,587,759
Unsecured Loans	24,987,892	18,577,849	43,565,741	(15,254,779)	28,310,963
	<b>1,616,912,775</b>	<b>24,117,118</b>	<b>1,641,029,894</b>	<b>(47,815,999)</b>	<b>1,593,213,895</b>

	30.06.2024				
	Performing Loans	Overdue Loans	Gross amount	Impairment	Net amount
Asset-backed Loans	748,086,088	85,975	748,172,063	(1,630,657)	746,541,405
Other guaranteed Loans	895,447,248	5,779,295	901,226,543	(35,856,350)	865,370,193
Unsecured Loans	24,707,550	24,928,507	49,636,057	(17,828,882)	31,807,176
	<b>1,668,240,886</b>	<b>30,793,777</b>	<b>1,699,034,663</b>	<b>(55,315,889)</b>	<b>1,643,718,774</b>

The credit type analysis of the caption, as at 31 December 2023 and 30 June 2024 is detailed as follows:

	31.12.2023				
	Performing Loans	Overdue Loans	Gross amount	Impairment	Net amount
Mortgage Loans	728,846,938	41,489	728,888,426	(1,419,456)	727,468,970
Auto Loans	882,757,623	23,091,609	905,849,232	(45,581,390)	860,267,842
Leasings	1,819,790	98,810	1,918,600	(23,634)	1,894,966
Overdrafts	3,488,425	885,211	4,373,636	(791,519)	3,582,117
	<b>1,616,912,775</b>	<b>24,117,118</b>	<b>1,641,029,894</b>	<b>(47,815,999)</b>	<b>1,593,213,895</b>

	30.06.2024				
	Performing Loans	Overdue Loans	Gross amount	Impairment	Net amount
Mortgage Loans	746,825,996	35,561	746,861,558	(1,559,389)	745,302,168
Auto Loans	917,621,839	28,988,042	946,609,881	(52,536,234)	894,073,648
Leasings	1,245,611	57,109	1,302,720	(17,733)	1,284,987
Overdrafts	2,547,439	1,713,064	4,260,504	(1,202,533)	3,057,971
	<b>1,668,240,886</b>	<b>30,793,777</b>	<b>1,699,034,663</b>	<b>(55,315,889)</b>	<b>1,643,718,774</b>

The total credit portfolio, split by stage according to IFRS 9, is analysed as follows:

	31.12.2023	30.06.2024
<b>Stage 1</b>	<b>1,462,656,854</b>	<b>1,508,194,870</b>
Gross amount	1,466,355,203	1,512,831,293
Impairment	(3,698,349)	(4,636,423)
<b>Stage 2</b>	<b>91,015,446</b>	<b>85,066,936</b>
Gross amount	97,460,137	93,261,891
Impairment	(6,444,691)	(8,194,955)
<b>Stage 3</b>	<b>39,541,594</b>	<b>50,456,967</b>
Gross amount	77,214,554	92,941,479
Impairment	(37,672,959)	(42,484,512)
	<b>1,593,213,895</b>	<b>1,643,718,774</b>

The caption credit to banking clients includes the effect of traditional securitisation transactions, carried out through securitisation vehicles, consolidated pursuant to IFRS 10.

The caption credit to banking clients includes the following amounts related to finance leases contracts:

	31.12.2023	30.06.2024
Amount of future minimum payments	2,244,282	1,569,838
Interest not yet due	(424,492)	(324,227)
<b>Present value</b>	<b>1,819,790</b>	<b>1,245,611</b>

The amount of future minimum payments of lease contracts, by maturity terms, is analysed as follows:

	31.12.2023	30.06.2024
Due within 1 year	1,272,469	925,475
Due between 1 to 5 years	686,206	381,060
Over 5 years	285,607	263,304
<b>Amount of future minimum payments</b>	<b>2,244,282</b>	<b>1,569,838</b>

The analysis of financial leases contracts, by type of client, is presented as follows:

	31.12.2023	30.06.2024
<b>Individuals</b>	<b>242,458</b>	<b>200,179</b>
Home	74,602	70,249
Others	167,857	129,929
<b>Companies</b>	<b>1,577,331</b>	<b>1,045,432</b>
Equipment	161,061	139,367
Real Estate	1,416,271	906,065
	<b>1,819,790</b>	<b>1,245,611</b>

#### Fair Value

The "Credit to banking clients" fair value, on 31 December 2023, amounted to 1,559,416 thousand euros (a negative difference of 6,202 thousand euros in relation to its book value).

The "Credit to banking clients" fair value, on 30 June 2024, amounted to 1,625,928 thousand euros (a negative difference of 17,791 thousand euros in relation to its book value).

## Impairment losses

During year ended on 31 December 2023 and the six-months period ended 30 June 2024, the movement under the Accumulated impairment losses caption (Note 13) was as follows:

31.12.2023							
	Opening balance	Increases	Reversals	Utilisations	Transfers	Other movements	Closing balance
<b>Non-current assets</b>							
Credit to banking clients	22,074,965	29,865,366	(15,637,839)	(18,335,628)	9,084,969	168,623	27,220,455
	<b>22,074,965</b>	<b>29,865,366</b>	<b>(15,637,839)</b>	<b>(18,335,628)</b>	<b>9,084,969</b>	<b>168,623</b>	<b>27,220,455</b>
<b>Current assets</b>							
Credit to banking clients	32,661,202	22,596,738	(11,831,904)	(13,873,106)	(9,084,969)	127,583	20,595,544
	<b>32,661,202</b>	<b>22,596,738</b>	<b>(11,831,904)</b>	<b>(13,873,106)</b>	<b>(9,084,969)</b>	<b>127,583</b>	<b>20,595,544</b>
	<b>54,736,167</b>	<b>52,462,104</b>	<b>(27,469,743)</b>	<b>(32,208,734)</b>	<b>—</b>	<b>296,206</b>	<b>47,815,999</b>

30.06.2024							
	Opening balance	Increases	Reversals	Utilisations	Transfers	Other movements	Closing balance
<b>Non-current assets</b>							
Credit to banking clients	27,220,455	18,860,214	(14,596,112)	(51,596)	244,867	95,402	31,773,228
	<b>27,220,455</b>	<b>18,860,214</b>	<b>(14,596,112)</b>	<b>(51,596)</b>	<b>244,867</b>	<b>95,402</b>	<b>31,773,228</b>
<b>Current assets</b>							
Credit to banking clients	20,595,544	13,974,646	(10,815,121)	(38,231)	(244,867)	70,689	23,542,661
	<b>20,595,544</b>	<b>13,974,646</b>	<b>(10,815,121)</b>	<b>(38,231)</b>	<b>(244,867)</b>	<b>70,689</b>	<b>23,542,661</b>
	<b>47,815,999</b>	<b>32,834,860</b>	<b>(25,411,233)</b>	<b>(89,827)</b>	<b>—</b>	<b>166,091</b>	<b>55,315,889</b>

The impairment losses of Credit to banking clients (net of reversals) for the period ended 30 June 2024 amounted to 7,423,627 Euros (12,387,139 Euros as at 30 June 2023) was booked in the caption "Impairment of other financial banking assets."

The decrease in impairment losses in the period is essentially explained by: i) Credit cards: net increase of 7,454 thousand euros in the first half of 2023, which portfolio was sold at the end of 2023; ii) Auto Loan: net increase of 6,873 thousand euros in the first half of 2024 (30 June 2023: 4,973 thousand euros), which represents an increase of 1,900 thousand euros.

The movements in impairment losses by stages, in the year ended on 31 December 2023 and the six-months period ended 30 June 2024, they are detailed as follows:

31.12.2023				
	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>7,512,642</b>	<b>6,955,009</b>	<b>40,268,516</b>	<b>54,736,167</b>
<b>Change in period:</b>				
Increases due to origination and acquisition	1,331,542	1,416,045	961,291	3,708,878
Changes due to change in credit risk	(5,673,996)	2,324,258	26,532,908	23,183,170
Decrease due to derecognition repayments and disposals	(1,106,458)	(2,500,481)	(29,152,813)	(32,759,752)
Write-offs	—	—	(1,348,669)	(1,348,669)
Transfers to:				
Stage 1	2,606,546	(1,456,726)	(1,149,820)	—
Stage 2	(702,546)	2,620,554	(1,918,007)	—
Stage 3	(279,413)	(2,931,365)	3,210,779	—
Foreign exchange and other	10,032	17,398	268,777	296,206
<b>Impairment</b>	<b>3,698,349</b>	<b>6,444,691</b>	<b>37,672,959</b>	<b>47,815,999</b>
<i>Of which: POCI</i>	—	—	578,523	578,523

	30.06.2024			
	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>3,698,349</b>	<b>6,444,691</b>	<b>37,672,959</b>	<b>47,815,999</b>
<b>Change in period:</b>				
Increases due to origination and acquisition	826,288	372,278	93,924	1,292,490
Changes due to change in credit risk	(1,277,858)	3,469,651	4,703,758	6,895,551
Decrease due to derecognition repayments and disposals	(183,633)	(182,016)	(398,766)	(764,415)
Write-offs	—	—	(89,827)	(89,827)
Transfers to:				
Stage 1	1,816,767	(1,154,859)	(661,908)	—
Stage 2	(152,544)	1,169,266	(1,016,721)	—
Stage 3	(38,679)	(2,005,878)	2,044,556	—
Foreign exchange and other	(52,268)	81,821	136,537	166,090
<b>Impairment</b>	<b>4,636,423</b>	<b>8,194,955</b>	<b>42,484,512</b>	<b>55,315,889</b>
<i>Of which: POCI</i>	—	—	388,245	388,245

The reconciliation of accounting movements related to impairment losses is presented below:

	31.12.2023			
	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>7,512,642</b>	<b>6,955,009</b>	<b>40,268,516</b>	<b>54,736,167</b>
<b>Change in period:</b>				
ECL income statement change for the period	(5,127,980)	3,438,509	26,681,832	24,992,361
Stage transfers (net)	1,624,587	(1,767,538)	142,951	—
Disposals	(320,931)	(2,198,687)	(27,517,324)	(30,036,942)
Utilisations during the period	—	—	(823,123)	(823,123)
Write-offs	—	—	(1,348,669)	(1,348,669)
Foreign exchange and other	10,032	17,398	268,777	296,206
<b>Impairment</b>	<b>3,698,349</b>	<b>6,444,691</b>	<b>37,672,959</b>	<b>47,815,999</b>

	30.06.2024			
	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>3,698,349</b>	<b>6,444,691</b>	<b>37,672,959</b>	<b>47,815,999</b>
<b>Change in period:</b>				
ECL income statement change for the period	(635,203)	3,659,914	4,398,915	7,423,626
Stage transfers (net)	1,625,545	(1,991,471)	365,927	—
Write-offs	—	—	(89,827)	(89,827)
Foreign exchange and other	(52,268)	81,821	136,537	166,090
<b>Impairment</b>	<b>4,636,423</b>	<b>8,194,955</b>	<b>42,484,512</b>	<b>55,315,889</b>

### Sensitivity Analysis

Given the high uncertainty of macroeconomic projections and considering that deviations from the presented scenarios may have an impact on the value of estimated expected losses, sensitivity analyses were carried out on the distribution of the portfolio by stage and the respective impact on impairment.

The Group considers that the parameters assumed to be more sensitive or susceptible to changes in the economic cycle are the Probability of Default (PD – Probability of Default) for most portfolios and the Loss Given Default (LGD – Loss Given Default) for the case of the Auto Loan portfolio.



In this context, a sensitivity analysis was carried out to determine what would be the impairment of the global portfolio if those parameters suffered a relative deterioration of 10%, conclude that the increase in impairment would be 4,756 thousand euros, corresponding to about 9.0%.

## 11. Prepayments

As at 31 December 2023 and 30 June 2024, the Prepayments included in current assets and current and non-current liabilities showed the following composition:

	31.12.2023	30.06.2024
<b>Deferred Assets</b>		
Current		
Rents payable	389,421	235,382
Meal allowances	1,315,703	1,315,703
Other	8,241,648	13,149,602
	<b>9,946,772</b>	<b>14,700,687</b>
<b>Deferred Liabilities</b>		
Non-current		
Investment subsidy	671,689	668,228
	<b>671,689</b>	<b>668,228</b>
Current		
Investment subsidy	11,201	11,201
Contractual liabilities	2,212,896	3,452,056
Other	2,886,001	2,001,591
	<b>5,110,098</b>	<b>5,464,848</b>
	<b>5,781,787</b>	<b>6,133,076</b>

The change in the caption "Other deferred assets" essentially results from the renewal of software license contracts and insurance contracts.

The caption "Contractual liabilities" results from the application of IFRS 15 - Revenue from Contracts with Customers and stands for the amount already invoiced, but not yet recognised as revenue because the performance obligations have not yet been met as recommended by the standard.

The "Contractual liabilities" essentially refer to amounts related to stamps and prepaid postage of priority mail in the amount of 815,411 Euros (792,237 Euros on 31 December 2023), whose revenue is expected to be recognised in July 2024 (estimate of 80% of the item's value) and the remaining during 2024, and to objects invoiced and not delivered on 30 June 2024 in the express segment, in the amount of 2,636,645 Euros (1,420,660 Euros as at 31 December 2023), whose revenue is recognised upon delivery in the following month.

The revenue recognised in the period, included in the balance of Contractual liabilities at the beginning of the period amounted to 2,212,896 Euros.

No "Assets resulting from contracts" associated with the application of IFRS 15 - Revenue from contracts with customers were recognised.

## 12. Cash and cash equivalents

As at 31 December 2023 and 30 June 2024, cash and cash equivalents correspond to the amount of cash, sight deposits, term deposits and cash investments on the monetary market, net of bank overdrafts and equivalent short-term bank financing, and is detailed as follows:

	31.12.2023	30.06.2024
Cash	86,139,678	75,111,606
Demand deposits	93,256,266	68,869,466
Deposits at Central Banks	29,095,592	36,777,084
Deposits at other credit institutions	36,068,548	27,966,841
Term deposits	107,049,550	61,497,506
<b>Cash and cash equivalents (Statement of Financial Position)</b>	<b>351,609,634</b>	<b>270,222,503</b>
Demand deposits at Banco de Portugal	(28,625,500)	(36,335,800)
Checks for collection / Checks clearing	(7,758,807)	(3,652,926)
Impairment of Demand and term deposits	3,988	967
<b>Cash and cash equivalents (Cash Flow Statement)</b>	<b>315,229,314</b>	<b>230,234,744</b>

The caption “Sight deposits at Bank of Portugal” includes mandatory deposits in order to meet the legal requirements to maintain a minimum cash reserve in accordance with the provisions of Regulation (EU) No. 1358/2011 of European Central Bank of 14 December 2011, which states that the minimum cash requirements kept as demand deposits at Bank of Portugal amounts to 1% of the average amount of deposits and other liabilities, over each reserve maintenance period. As at 30 June 2024, the daily average of the minimum mandatory availability for the period in force was 36,335,800 Euros.

Therefore, the caption Demand deposits at Bank of Portugal includes, as at 30 June 2024, a total amount of demand deposits of 36,777,084 Euros (31 December 2023: 29,095,592 Euros).

The Eurozone banks are required to hold a certain amount of funds in their current accounts with the national central bank. These funds are called “mandatory minimum reserves”. The amount of funds to be held as minimum reserves is calculated based on banks' balance sheets before the start of each maintenance period. Currently, banks are obliged to hold, at their respective national central bank, a minimum of 1% of specific liabilities, mainly customer deposits of up to 2 years.

From the reserve counting period starting on 30 October 2019, the ECB introduced the tiering regime, which exempted part of the excess reserves deposited by credit institutions with the central bank from the negative remuneration then associated with the deposit facility rate. This tiering regime ceased to apply on 27 July 2022, following the Governing Council's decision to increase the deposit facility rate to a non-negative amount. Until October 2022, the interest rate paid was linked to the interest rate on main refinancing operations. It was then reduced to reflect the deposit facility rate, and in July 2023 it was set at 0%.

The caption “Outstanding checks/ Checks clearing” represents checks drawn by third parties on other credit institutions, which are in collection.

## Impairment

In the year ended on 31 December 2023 and the six-months period ended 30 June 2024, the movement recorded under the caption “Impairment of sight and term deposits” (Note 13) related to the Group is detail as follows:

31.12.2023					
Group	Opening balance	Increases	Reversals	Utilisations	Closing balance
Sight and term deposits	7,917	38	(3,967)	—	3,988
	<b>7,917</b>	<b>38</b>	<b>(3,967)</b>	<b>—</b>	<b>3,988</b>

30.06.2024					
Group	Opening balance	Increases	Reversals	Utilisations	Closing balance
Sight and term deposits	3,988	127	(3,148)	—	967
	<b>3,988</b>	<b>127</b>	<b>(3,148)</b>	<b>—</b>	<b>967</b>

The Impairment losses (increases net of reversals) for the period ended 30 June 2024 in the amount of (3,021) Euros (11,462 Euros as at 30 June 2023) were recorded under the caption “Impairment of accounts receivable (losses/reversals)”.

## 13. Accumulated impairment losses

During the year ended on 31 December 2023 and the six-months period ended 30 June 2024, the following movements occurred in the impairment losses:

31.12.2023							
Group	Opening balance	Increases	Reversals	Utilisations	Transfers	Other movements	Closing balance
<b>Non-current assets</b>							
Tangible fixed assets	3,652,127	5,176,860	(8,815,181)	—	—	—	13,806
Investment properties	253,181	60,000	(60,788)	—	—	—	252,393
	<b>3,905,309</b>	<b>5,236,860</b>	<b>(8,875,970)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>266,199</b>
Debt securities at amortised cost	121,927	20,146	(43,919)	—	(30,497)	—	67,657
Other non-current assets	2,906,847	6,458	(1,841,299)	—	(691,512)	—	380,493
Credit to banking clients	22,074,965	29,865,366	(15,637,839)	(18,335,628)	9,084,969	168,623	27,220,455
Other banking financial assets	274	—	—	—	(274)	—	—
	<b>25,104,013</b>	<b>29,891,969</b>	<b>(17,523,057)</b>	<b>(18,335,628)</b>	<b>8,362,686</b>	<b>168,623</b>	<b>27,668,606</b>
	<b>29,009,322</b>	<b>35,128,829</b>	<b>(26,399,026)</b>	<b>(18,335,628)</b>	<b>8,362,686</b>	<b>168,623</b>	<b>27,934,805</b>
<b>Current assets</b>							
Accounts receivable	41,409,047	6,063,033	(1,580,637)	(614,647)	—	(1,140)	45,275,655
Credit to banking clients	32,661,202	22,596,738	(11,831,904)	(13,873,106)	(9,084,969)	127,583	20,595,544
Debt securities at amortised cost	9,674	8,851	(19,296)	—	30,497	—	29,726
Other current assets	11,547,796	337,814	(809,586)	(118,126)	691,512	—	11,649,410
Other banking financial assets	1,807,339	39,061	(10,607)	(6,450)	274	—	1,829,618
Sight and term deposits	7,917	38	(3,967)	—	—	—	3,988
	<b>87,442,978</b>	<b>29,045,535</b>	<b>(14,255,998)</b>	<b>(14,612,329)</b>	<b>(8,362,686)</b>	<b>126,443</b>	<b>79,383,940</b>
Non-current assets held for sale	638	—	—	—	—	—	638
	<b>638</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>638</b>
Merchandise	2,747,401	—	(283,414)	(229,068)	—	—	2,234,919
Raw, subsidiary and consumable	922,313	92,783	—	(113,152)	—	—	901,944
	<b>3,669,714</b>	<b>92,783</b>	<b>(283,414)</b>	<b>(342,220)</b>	<b>—</b>	<b>—</b>	<b>3,136,863</b>
	<b>91,113,329</b>	<b>29,138,317</b>	<b>(14,539,412)</b>	<b>(14,954,549)</b>	<b>(8,362,686)</b>	<b>126,443</b>	<b>82,521,443</b>
	<b>120,122,649</b>	<b>64,267,146</b>	<b>(40,938,438)</b>	<b>(33,290,178)</b>	<b>—</b>	<b>295,066</b>	<b>110,456,246</b>

Group	30.06.2024						Closing balance
	Opening balance	Increases	Reversals	Utilisations	Transfers	Other movements	
<b>Non-current assets</b>							
Tangible fixed assets	13,806	—	(697)	—	—	—	13,109
Investment properties	252,393	—	—	—	—	—	252,393
	<b>266,199</b>	<b>—</b>	<b>(697)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>265,502</b>
Debt securities at amortised cost	67,657	22,753	(11,970)	—	(13,374)	—	65,066
Other non-current assets	380,493	—	—	—	(19,731)	—	360,762
Credit to banking clients	27,220,455	18,860,214	(14,596,112)	(51,596)	244,867	95,402	31,773,228
	<b>27,668,606</b>	<b>18,882,966</b>	<b>(14,608,082)</b>	<b>(51,596)</b>	<b>211,761</b>	<b>95,402</b>	<b>32,199,057</b>
	<b>27,934,805</b>	<b>18,882,966</b>	<b>(14,608,779)</b>	<b>(51,596)</b>	<b>211,761</b>	<b>95,402</b>	<b>32,464,559</b>
<b>Current assets</b>							
Accounts receivable	45,275,655	2,354,205	(116,652)	(2,529,152)	—	649	44,984,705
Credit to banking clients	20,595,544	13,974,646	(10,815,121)	(38,231)	(244,867)	70,689	23,542,661
Debt securities at amortised cost	29,726	18,066	(9,504)	—	13,375	—	51,662
Other current assets	11,649,410	118,509	(94,977)	(35,047)	19,731	—	11,657,627
Other banking financial assets	1,829,618	1,031	(9,394)	—	—	—	1,821,256
Sight and term deposits	3,988	127	(3,148)	—	—	—	967
	<b>79,383,940</b>	<b>16,466,583</b>	<b>(11,048,796)</b>	<b>(2,602,429)</b>	<b>(211,761)</b>	<b>71,337</b>	<b>82,058,874</b>
Non-current assets held for sale	638	—	—	—	—	—	638
	<b>638</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>638</b>
Merchandise	2,234,919	—	(202,162)	(12,558)	—	—	2,020,199
Raw, subsidiary and consumable	901,944	54,323	—	(1,842)	—	—	954,426
	<b>3,136,863</b>	<b>54,323</b>	<b>(202,162)</b>	<b>(14,400)</b>	<b>—</b>	<b>—</b>	<b>2,974,625</b>
	<b>82,521,443</b>	<b>16,520,907</b>	<b>(11,250,957)</b>	<b>(2,616,829)</b>	<b>(211,761)</b>	<b>71,337</b>	<b>85,034,139</b>
	<b>110,456,246</b>	<b>35,403,873</b>	<b>(25,859,736)</b>	<b>(2,668,425)</b>	<b>—</b>	<b>166,739</b>	<b>117,498,696</b>

## 14. Equity

At the Annual General Meeting held on 20 April 2023, a share capital reduction of 717,500 Euros was approved, within the scope of the own share buyback programme implemented in 2022. On 21 April 2023, the capital reduction of the aforementioned amount was registered in the Commercial Register, through the extinction of 1,435,000 shares representing 0.997% of the share capital of CTT.

Thus, on 31 December 2023 and 30 June 2024, CTT's share capital was 71,957,500 Euros, represented by 143,915,000 shares with a nominal value of fifty cents per share, and the Company's Articles of Association were consequently amended. The capital was fully subscribed and paid up.

The information regarding shareholders with holdings equal to or greater than 2% can be found in chapter 5.4 of the Integrated Report.

## 15. Own shares, Reserves, Other changes in equity and Retained earnings

### Own shares

As at 31 December 2023, the following movements were made in the caption "Own Shares":

	Quantity	Amount	Average Price
Balance 31 December 2022	2,935,000	10,826,390	3.69
Acquisitions	3,031,168	10,541,092	3.48
Cancellation (due to share capital reduction)	(1,435,000)	(5,293,313)	3.69
Shares Delivery - Long-term variable remuneration ("LTVR")	(121,868)	(449,537)	3.69
<b>Balance at 31 December 2023</b>	<b>4,409,300</b>	<b>15,624,632</b>	<b>3.54</b>

During the six-months period ended 30 June 2024, the following movements were made in the caption "Own Shares":

	Quantity	Amount	Average Price
Balance 31 December 2023	4,409,300	15,624,632	3.54
Acquisitions	2,443,832	9,437,053	3.86
Shares Delivery - Long-term variable remuneration ("LTVR")	(89,649)	(327,844)	3.66
<b>Balance at 30 June 2024</b>	<b>6,763,483</b>	<b>24,733,841</b>	<b>3.66</b>

At the General Meeting held on 20 April 2023, the capital reduction was approved for the cancellation of 1,435,000 shares acquired under the buyback program approved and implemented in 2022. On 21 April 2023, it was registered in the register commercial the reduction of capital in the aforementioned amount, through the extinction of 1,435,000 shares representing 0.997% of CTT's share capital.

Also on 21 April 2023, 121,868 of own shares were delivered to the Board of Directors and Top Management of CTT, corresponding to the first tranche of the Long-Term variable remuneration relating to the 2020-2023 term, as explained in detail in note 24 - Staff Costs.

On 23 April 2024, 89,649 own shares were delivered to the Board of directors and Top Management of CTT, corresponding to the second tranche of Long-Term Variable Remuneration relating to the 2020-2023 term, as explained in detail in note 24 - Staff Costs.

At the Company's Board of Directors meeting held on 21 June 2023, and as communicated to the market on the same date, it was decided to approve the implementation of a new buy-back programme of the Company's own shares, in the global amount of up to 20,000,000 euros.

This programme, which began on 26 June 2023 and had the implementation period of the following 12 months, ending on 25 June 2024 at the latest, but may end on an earlier date if the maximum number of shares to be acquired or the amount pecuniary benefits were achieved, with the following objectives:

1. Repurchasing a maximum of up to 7,650,000 shares, representing a maximum nominal amount of 3,825,000 Euros, which corresponds to 5.3% of the share capital, and
2. Reducing the same amount of the share capital through cancellation of the acquired shares.

On 9 May 2024, with the company having acquired the announced 20 million euros, in accordance with the terms and conditions of the buy-back programme, it was concluded on this date, ending before the end of its maximum period duration (from 26 June 2023 to 25 June 2024).



At the Annual General Meeting held on 23 April 2024, it was decided to reduce CTT's share capital by up to 3,825,000 Euros corresponding to the extinction of up to 7,650,000 own shares already acquired or that would be acquired, within the scope of the aforementioned program, until 25 June 2024, and are extinguished, with the other terms and conditions for executing the share buy-back and corresponding reduction in share capital being established by the Board of Directors.

As at 31 December 2023, the Company held, as a result of the acquisition and cancellation operations indicated herein, an accumulated amount of 4,409,300 own shares, representing 3.064% of the share capital, with par value of 0.50 Euros, with all inherent rights related to suspended shares, with the exception of those relating to the receipt of new shares in the case of capital increase by incorporation of reserves, as provided for in article 324(1)(a)) of the Commercial Companies Code.

As at 30 June 2024, the Company held an accumulated amount of 6,763,483 own shares, representing 4.70% of the share capital, with par value of 0.50 Euros, with all inherent rights related to suspended shares, with the exception of those relating to the receipt of new shares in the case of capital increase by incorporation of reserves, as provided for in article 324(1)(a)) of the Commercial Companies Code.

Own shares held by CTT are within the limits established by the Articles of Association of the Company and by the Portuguese Companies Code. These shares are recorded at acquisition cost.

### Reserves

As at 31 December 2023 and 30 June 2024, the caption "Reserves" showed the following composition

<b>31.12.2023</b>				
	<b>Legal reserves</b>	<b>Own shares reserves</b>	<b>Other reserves</b>	<b>Total</b>
Opening balance	15,000,000	10,826,391	28,017,666	53,844,057
Share capital decrease	—	(5,293,313)	717,500	(4,575,813)
Own shares acquisitions	—	10,541,092	(10,541,092)	—
Own shares attribution	—	(449,537)	449,537	—
Share Plan (share delivery)	—	—	(1,155,000)	(1,155,000)
<b>Closing balance</b>	<b>15,000,000</b>	<b>15,624,633</b>	<b>17,488,611</b>	<b>48,113,244</b>

<b>30.06.2024</b>				
	<b>Legal reserves</b>	<b>Own shares reserves</b>	<b>Other reserves</b>	<b>Total</b>
Opening balance	15,000,000	15,624,633	17,488,611	48,113,244
Own shares acquisitions	—	9,437,053	(9,437,053)	—
Own shares attribution	—	(327,844)	327,844	—
Assets fair value	—	—	—	—
Share Plan (share delivery)	—	—	(840,000)	(840,000)
Share Plan	—	—	259,960	259,960
<b>Closing balance</b>	<b>15,000,000</b>	<b>24,733,841</b>	<b>7,799,362</b>	<b>47,533,203</b>

### Legal reserves

The commercial legislation establishes that at least 5% of the annual net profit must be allocated to reinforce the legal reserve, until it represents at least 20% of the share capital. This reserve is not distributable except in the event of the liquidation of the Company but may be used to absorb losses after all the other reserves have been depleted or incorporated in the share capital.

### Own shares reserve

The commercial legislation Code obliges, within the scope of the own shares regime provided in article 324, the existence of a reserve equal to the amount for which the shares are accounted for, which becomes unavailable as long as these shares remain in the company's possession. Additionally,

applicable accounting standards determine that gains or losses on the sale of own shares are booked in reserves.

As at 30 June 2024, this caption includes the amount of 24,733,841 Euros related to the creation of an unavailable reserve for the same amount of the acquisition price of the own shares held.

#### *Other reserves*

This caption records the profits transferred to reserves that are not imposed by the law or articles of association, nor constituted pursuant to contracts signed by the Company.

On 31 December 2023, an amount of reserves of (1,155,000) Euros was derecognised, corresponding to the proportional amount of the options awarded in 2023 within the scope of the long-term variable remuneration, as described in note 24 - Staff Costs.

On 30 June 2024, an amount of reserves of (840,000) Euros was derecognised, corresponding to the proportional amount of the options awarded during 2024 of the long-term variable remuneration, as described in note 24 - Staff Costs.

In the six-months period ended 30 June 2024, a reserve was booked in the amount of 259,960 Euros related to the new share plan, as described in note 24 - Staff Costs.

#### Retained earnings

During the year ended on 31 December 2023 and the six-months period ended 30 June 2024, the following movements were made in caption "Retained earnings":

	31.12.2023	30.06.2024
Opening balance	64,647,067	83,269,152
Application of the net profit of the prior year	36,406,519	60,511,368
Distribution of dividends (Note 16)	(17,817,109)	(23,315,758)
Adjustments from the application of the equity method	32,674	10,792
Shareholdings acquisition	—	(504,747)
<b>Closing balance</b>	<b>83,269,152</b>	<b>119,970,809</b>

#### Other changes in equity

The actuarial gains/losses associated to post-employment benefits, as well as the corresponding deferred taxes, are recognised in this caption.

During the year ended on 31 December 2023 and the six-months period ended 30 June 2024, the movements occurred in this caption were as follows:

	31.12.2023	30.06.2024
Opening balance	6,857,207	3,402,039
Actuarial gains/losses	(5,716,054)	—
Tax effect (Note 26)	1,555,423	—
Share Plan (share delivery)	705,463	512,156
Other movements	—	(505,194)
<b>Closing balance</b>	<b>3,402,039</b>	<b>3,409,002</b>

As at 31 December 2023, the amount of 705,463 Euros related to the Share Plan, refers to the difference between the amount of 1,155,000 Euros derecognized under the caption "Reserves", corresponding to the proportional value of the options attributed (note 15) and the amount of own shares delivered within the scope of this operation amounting to 449,537 Euros. As of 30 June 2024, the amount relating to the Share Plan amounting to 512,156 Euros, corresponds, again, to the difference between the amount of 840,000 Euros, derecognized from the "Reserves" caption, relating to

the proportional value of the options attributed in 2024 (note 15) and the value of own shares delivered within the scope of this operation in the amount of 327,844 Euros. The difference between the two amounts is recognized under the caption “other changes in equity”, in accordance with the provisions of IFRS.

## 16. Dividends

According to the dividend distribution proposal included in the 2022 Annual Report, at the General Meeting of Shareholders, which was held on 20 April 2023, a dividend distribution of 17,817,109 Euros, corresponding to a dividend per share of 0.125 Euros (amount that excludes the dividend attributable to own shares in the portfolio at that date), regarding the financial year ended 31 December 2022 was proposed and approved. The dividend amount assigned to own shares was transferred to Retained earnings, amounting to 172,267 Euros.

According to the dividend distribution proposal included in the 2023 Annual Report, at the General Meeting of Shareholders, which was held on 23 April 2024, a dividend distribution of 24,465,550 Euros, corresponding to a dividend per share of 0.17 Euros, regarding the financial year ended 31 December 2023 was proposed and approved. The dividend amount attributable to own shares was transferred to retained earnings, amounting to 1,149,792, so the dividends distributed amounted to 23,315,758 Euros.

## 17. Earnings per share

During the six-months periods ended 30 June 2023 and 30 June 2024, the earnings per share were calculated as follows:

Group	30.06.2023	30.06.2024
Net income for the period	26,048,833	19,812,335
Average number of ordinary shares	142,461,465	137,857,245
Earnings per share		
Basic	0.18	0.14
Diluted	0.18	0.14

The average number of shares is detailed as follows:

	30.06.2023	30.06.2024
Shares issued at beginning of the period	145,350,000	143,915,000
Effect of extinction of shares during the period	(562,901)	—
<b>Average number of actions taken</b>	<b>144,787,099</b>	<b>143,915,000</b>
Own shares effect	2,325,635	6,057,755
<b>Average number of shares during the period</b>	<b>142,461,465</b>	<b>137,857,245</b>

The basic earnings per share are calculated dividing the net profit attributable to equity holders of the parent company by the average ordinary shares, excluding the average number of own shares held by the Group.

As at 30 June 2024, the number of own shares held is 6,763,483 and its average number for the period ended 30 June 2024 is 6,057,755, reflecting the fact that there were not only acquisitions, but also the extinction of own shares in that period, as mentioned in note 15.

There are no dilutive factors of earnings per share.

## 18. Debt

As at 31 December 2023 and 30 June 2024, the Debt caption showed the following composition:

	31.12.2023	30.06.2024
Non-current liabilities		
Bank loans	33,390,061	26,257,168
Commercial Paper	34,947,466	34,963,605
Lease liabilities	92,742,578	108,796,585
	<b>161,080,105</b>	<b>170,017,357</b>
Current liabilities		
Bank loans	82,395,558	19,245,444
Commercial Paper	22,067	463,702
Lease liabilities	25,517,227	28,655,704
	<b>107,934,852</b>	<b>48,364,850</b>
	<b>269,014,957</b>	<b>218,382,207</b>

As at 30 June 2024, the interest rates applied to bank loans were between 4.682% and 5.557% (31 December 2023: 4.861% and 5.736%).

### Bank loans and Commercial Paper

As at 31 December 2023 and 30 June 2024, the details of the bank loans were as follows:

	31.12.2023			30.06.2024		
	Limit	Amount used		Limit	Amount used	
		Current	Non-current		Current	Non-current
Bank loans						
Millennium BCP	12,028,704	8,176,561	456,482	11,867,593	322,222	295,370
BBVA / Bankinter	26,125,000	7,069,572	18,943,702	26,125,000	7,077,152	18,966,070
Novo Banco	21,000,000	7,196,811	13,989,877	14,000,000	7,124,116	6,995,728
Commercial Paper						
BBVA / Bankinter	15,000,000	8,886	14,976,038	15,000,000	198,150	14,983,605
Novo Banco	20,000,000	13,181	19,971,429	20,000,000	265,551	19,980,000
Bank overdrafts						
Novo Banco	—	59,952,614	—	—	4,721,954	—
	<b>94,153,704</b>	<b>82,417,625</b>	<b>68,337,527</b>	<b>86,992,593</b>	<b>19,709,146</b>	<b>61,220,773</b>

On 27 September 2017, a loan contract between CTT and BBVA and Bankinter was signed, for an initial period of 5 years and for a total amount of 90 million Euros, with the possibility of using the funds until September 2018. As no amount was used until the mentioned date, the contract was renegotiated on 27 September 2018, having the total amount been altered to 75 million Euros, while maintaining the one-year term for the use of the funds. Subsequently, due to the non-use of all the funds, the limit was reduced throughout the contract period. As at 30 June 2024, the referred used amount, net of commissions and added by the amount of interests to be paid in the following period corresponded to 26,043,222 Euros. By the Group decision, the remaining available amount will not be used.

On 22 April 2019, a simple credit agreement was signed between CTT and Novo Banco for a period of 60 months, with a grace period of two years, and may be extended for a period of 24 months, for a total amount of 35 million Euros. In subsequent periods, the limit was reduced due to non-use of all funds. As at 30 June 2024, the amount presented in the statement of financial position net of commissions and added by the amount of interests to be paid in the following period, in the total amount of 14,119,844 Euros.

As disclosed to the market on 7 March 2023, CTT contracted 35 million euros in bank loans in the form of commercial paper, indexed to sustainability goals, maturing in 2026, with two financial institutions - Novo Banco, S.A. and Banco Bilbao Vizcaya Argentaria S.A. - Portuguese Branch.

These bank loans are set within CTT's Sustainability Related Financing Reference Framework that was the subject of a Second Party Opinion disclosed by S&P Global Ratings. Therefore, the referred financing lines are indexed to the goal of reducing carbon emissions of CTT's activity (scopes 1, 2 and 3 emissions) by at least 30% by 2025 in relation to 2013, which is validated by the Science Based Targets initiative and aligned with the best practices of the sector.

As at 30 June 2024, the amount used presented in the statement of financial position, net of commissions and plus the amount of interest to be paid in the following period, amounts to 15,181,755 Euros in the case of BBVA/Bankinter and 20,245,551 Euros in Novo Banco. These commercial paper programmes are shown in non-current liabilities, since the Group's practice/expectation will be to use the contracts during their period of validity and having the right to roll-over these loans.

On 31 December 2023, the **Group** presented a bank overdraft with Novo Banco Bank, in the amount of 59,952,614 Euros, corresponding to short-term financing to meet specific treasury needs, regularised at the beginning of January 2024.

Bank loans obtained are subject to compliance with financial covenants, namely clauses of Cross default, Negative Pledge and Assets Disposal's limits. Additionally, the loans obtained also require compliance with ratios of Net Debt over EBITDA and financial autonomy. Compliance with financial covenants is regularly monitored by the Group and is measured by counterparties on an annual basis based on the Financial Statements as at 31 December. As at 31 December 2023, the Group is in compliance with financial covenants.

#### Lease Liabilities

The Group presents lease liabilities which future payments, undiscounted and discounted amounts presented in the financial position, are detailed as follows:

	31.12.2023	30.06.2024
Due within 1 year	29,181,190	32,802,794
Due between 1 to 5 years	66,930,170	79,939,001
Over 5 years	37,807,781	40,994,342
<b>Total undiscounted lease liabilities</b>	<b>133,919,141</b>	<b>153,736,137</b>
Current	25,517,227	28,655,704
Non-current	92,742,578	108,796,585
<b>Lease liabilities included in the statement of financial position</b>	<b>118,259,806</b>	<b>137,452,289</b>

The discount rates used in lease contracts range between 0.68% and 11.50%, depending on the characteristics of the contract, namely their duration.

The amounts recognised in the income statement are detailed as follows:

	30.06.2023	30.06.2024
Lease liabilities interests (note 25)	1,723,543	2,227,574
Variable payments not included in the measurement of the lease liability	639,382	1,524,762

The amounts recognised in the Cash flow statement are as follows:

	30.06.2023	30.06.2024
Total of lease payments	(18,821,618)	(17,977,281)



The movement in the rights of use underlying these lease liabilities can be analysed in note 4.

#### Reconciliation of Changes in the responsibilities of Financing activities

The reconciliation of changes in the responsibilities of financing activities as at 31 December 2023 and 30 June 2024, is detailed as follows:

	31.12.2023	30.06.2024
Opening Balance	195,954,666	269,014,957
Movements without cash	32,312,979	38,984,909
<i>Contract changes</i>	25,679,408	35,023,340
<i>IFRS 16 Interests</i>	3,396,453	2,149,541
<i>Others</i>	3,237,118	1,812,029
<b>Loans:</b>		
Inflow	94,757,177	10,724,543
Outflow	(16,964,205)	(82,364,922)
<b>Lease liabilities:</b>		
Outflow	(37,045,659)	(17,977,280)
<b>Closing balance</b>	<b>269,014,957</b>	<b>218,382,207</b>

The amounts of payments and receivables from loans obtained in the period related to the commercial paper and cash-pooling programs are reported on a net basis, in accordance with paragraph 22 of IAS 7 - Statement of Cash Flows.

## 19. Provisions, Guarantees provided, Contingent liabilities and commitments

#### Provisions

For the year ended on 31 December 2023 and the six-months period ended 30 June 2024 the caption "Provisions", showed the following movement:

Group	31.12.2023					Closing balance
	Opening balance	Increases	Reversals	Utilisations	Transfers	
Litigations	3,145,696	988,027	(744,147)	(118,951)	(9,082)	3,261,544
Onerous contracts	160,148	—	(75,162)	(84,986)	—	—
Other provisions	6,019,982	1,000,439	(89,788)	(495,249)	9,082	6,444,466
Commitments provisions	124,457	103,423	(74,189)	—	—	153,691
<b>Sub-total - caption "Provisions (increases)/reversals"</b>	<b>9,450,283</b>	<b>2,091,889</b>	<b>(983,286)</b>	<b>(699,185)</b>	<b>—</b>	<b>9,859,701</b>
Investments in subsidiary and associated companies	168,972	6,480	—	(175,452)	—	—
Restructuring	199,386	13,441,228	—	—	—	13,640,614
Other provisions	2,813,626	25,924	—	(1,000)	—	2,838,550
	<b>12,632,267</b>	<b>15,565,521</b>	<b>(983,286)</b>	<b>(875,637)</b>	<b>—</b>	<b>26,338,865</b>

Group	30.6.2024					
	Opening balance	Increases	Reversals	Utilisations	Transfers	Closing balance
Litigations	3,261,544	697,457	(347,090)	(19,389)	(21,791)	3,570,731
Other provisions	6,444,466	735,105	(17,240)	(3,313,839)	332,374	4,180,865
Commitments provisions	153,691	28,489	(87,285)	—	—	94,895
<b>Sub-total - caption "Provisions (increases)/reversals"</b>	<b>9,859,701</b>	<b>1,461,051</b>	<b>(451,615)</b>	<b>(3,333,228)</b>	<b>310,583</b>	<b>7,846,491</b>
Restructuring	13,640,614	—	(1,553,673)	(210,147)	(7,376,896)	4,499,897
Other provisions	2,838,550	606,846	—	(186,565)	—	3,258,831
	<b>26,338,865</b>	<b>2,067,897</b>	<b>(2,005,288)</b>	<b>(3,729,940)</b>	<b>(7,066,313)</b>	<b>15,605,220</b>

The net amount between increases and reversals of provisions was recorded in the consolidated income statement under the caption Provisions, net and amounted to 272,886 Euros as at 30 June 2023 and 1,009,436 Euros as at 30 June 2024.

A provision should only be used for expenditures for which the provision was originally recognised, so the Group reverse the provision when it is no longer probable that an outflow of resources that incorporate future economic benefits will be necessary to settle the obligation.

#### Litigations

The provisions for litigations were set up to face the liabilities resulting from lawsuits brought against the Group and are estimated based on information from their lawyers as well as on the termination of the mentioned lawsuits. The final amount and the timing of the outflows regarding the provision for litigations depend on the outcome of the respective proceedings.

The reversal of the provision for litigations, in the amount of (744,147) Euros as at 31 December 2023 and (347,090) Euros as at 30 June 2024, essentially results from lawsuits whose decision, which was made known in the course of 2023 or 2024, respectively, proved to be favourable to the Group, or, not being favourable, resulted in the condemnation to pay amounts that proved to be lower than the estimated amounts (and reflected in this provision caption).

#### Other provisions

In previous years, a provision was recognised in CTT Espresso branch in Spain to face the notification issued by the Spanish National Commission on Markets and Competition ("CNMC"). This process was originated during the year 2016, based on the alleged contrary action to article 1 of the Law 15/2017 ("Law on Competition Defense") and article 101<sup>o</sup> of the Treaty on the Functioning of the European Union ("TFUE"). This notification amounted to 3,148,845 Euros and, in previous years, has already been subject of an appeal to the Spanish Audiencia Nacional (National High Court). Regarding this matter, CTT Espresso branch in Spain submitted a formal request to the coercive measure suspension, and the request was accepted under the condition of a guarantee presentation – a procedure that was duly and timely adopted. During 2022, the Spanish Audiencia Nacional dismissed the appeal and ratified the fine of 3,148,845 Euros plus final and unappealable costs. Regarding this subject, the provision booked in previous years, which amounted to 3,200,000 Euros, resulted from the evaluation carried out by the Group's legal advisors. On 7 July 2023, CTT Espresso, a branch in Spain, filed an appeal with the Federal Supreme Court in Spain against the decision of the National High Court and on 17 November 2023, a public hearing of the appeal was scheduled for 20 February 2024. On 8 May 2024, the Supreme Court issued an order in which the appeal filed was not granted. On 20 May 2024, the CNMC requested payment of the sanction in the amount of 3,148,845 Euros, which was settled, which justifies the use of the recorded provision.

The amount provisioned in 321 Crédito amounting to 892,636 Euros as at 30 June 2024 (879,205 Euros at 31 December 2023) mainly results from the management assessment regarding the possibility of materialising tax contingencies and other processes.

As at 30 June 2024, in addition to the previously mentioned situations, this caption also includes:

- the amount of 202,262 Euros to cover costs of dismantlement of tangible fixed assets and/or removal of facilities and restoration of the site;
- the amount of 664,872 Euros, which results from the assessment carried out by management regarding the possibility of materialising contingent amounts to be paid to third parties under the scope of contracts entered into;
- the amount of 309,007 Euros regarding the liability, recognised in the company CTT Espresso, with a labour legal proceeding;
- the amount of 2,658,436 Euros to cover costs of operational vehicles restoration;
- the amount of commitments for guarantees provided to third parties to cover promotional contests in the amount of 900,643 Euros.

#### Restructuring

It is essential for the **Group** to implement policies that promote rationalisation, adaptation and increased productivity of all available resources, with reflection in the organisational management model of its human resources. In this context, in the previous year, actions were taken leading to the reorganisation of services, which led to the approval of a Human Resources optimisation programme. This programme is based on the conclusion of Suspension Agreements, Pre-Retirements and Termination Agreements by Mutual Agreement, and on 31 December 2023, a provision in the amount of 13,441,229 Euros was created for the respective operationalisation. This provision was recognised under the caption Staff Costs. As of 30 June 2024, regarding the agreements performed during 2024, an amount of 7,376,896 Euros was transferred to the caption employee benefits in the statement of financial position.

### Guarantees provided

As at 31 December 2023 and 30 June 2024, the Group has provided bank guarantees to third parties as follows:

	31.12.2023	30.06.2024
Wiiv Portugal - SIC Imobiliária Fechada, S.A.	5,089,792	5,089,792
Contencioso Administrativo da Audiência Nacional (National Audience Administrative Litigation) and CNMC - Comissão Nacional de los Mercados y la Competencia - Espanha (National Commission on Markets and Competition - Spain)	3,148,845	3,148,845
Autoridade Tributária e Aduaneira (Portuguese Tax and Customs Authority)	2,974,242	2,899,242
LandSearch, Compra e Venda de Imóveis (Real estate company)	1,792,886	1,792,886
Fidelidade, Multicare, Cares - (Glintt BPO)	1,500,000	1,500,000
BVK Europa-Immobilien (Real estate company)	—	1,203,881
Absolute Miracle, Lda (Real estate company)	—	938,025
AMBIMOBILIÁRIA- INVESTIMENTOS E NEGÓCIOS, S.A. (Real estate company)	480,000	480,000
MARATHON (Closed investment fund)	432,000	432,000
O Feliz - Real State Company	378,435	378,435
Courts	339,230	339,230
EUROGOLD (Real estate company)	318,299	318,299
CIVILRIA (Real estate company)	224,305	224,305
TRANSPORTES BERNARDO MARQUES, S.A.	220,320	220,320
Repsol (Oil and Gas Company)	215,000	215,000
TIP - Transportes Intermodais do Porto, ACE (Oporto intermodal transport)	150,000	150,000
Via Direta	150,000	150,000
Municipalities	79,362	78,991
EPAL - Empresa Portuguesa de Águas Livres (Multi-municipal System of Water Supply and Sanitation of the Lisbon Area)	68,895	68,895
INCM - Imprensa Nacional da Casa da Moeda (Portuguese Mint and Official Printing Office)	68,386	68,386
ANA - Aeroportos de Portugal (Airports of Portugal)	34,000	34,000
Águas do Norte (Water Supply of the Northern Region)	23,804	23,804
Instituto de Gestão Financeira Segurança Social (Social Security Financial Management Institute)	21,557	21,557
EMEL, S.A. (Municipal company managing parking in Lisbon)	19,384	19,384
Serviços Intermunicipalizados Loures e Odivelas (Inter-municipal Services of Water Supply and Sanitation of the Loures and Odivelas Areas)	17,000	17,000
Direção Geral do Tesouro e Finanças (Directorate General of Treasury and Finance)	16,867	16,867
Alegro Alfragide	16,837	16,837
Portugal Telecom, S.A. (Telecommunication Company)	16,658	16,658
Refer (Public service for the management of the national railway network infrastructure)	16,460	16,460
Other entities	16,144	16,144
SMAS de Sintra (Services of Water Supply and Sanitation of the city of Sintra)	15,889	15,889
DOLCE VITA TEJO (Real State Company)	13,832	13,832
Águas do Porto, E.M (Services of Water Supply and Sanitation of the city of Porto)	10,720	10,720
ADRA - Águas da Região de Aveiro (Services of Water Supply and Sanitation of the city of Aveiro)	10,475	10,475
SMAS Torres Vedras (Services of Water Supply and Sanitation of the city of Torres Vedras)	9,910	9,910
ACT Autoridade Condições Trabalho (Authority for Working Conditions)	9,160	9,160
Consejería Salud ( Local Health Service/Spain)	4,116	4,116
PLANINOVA - Soc. Imobiliária, S.A. (Real estate company)	2,033,582	—
Garantia KTP Packaging Solutions (Packaging Solutions Supplier)	211,740	—
	<b>20,148,131</b>	<b>19,969,343</b>

### Bank guarantees

As at 30 June 2024, the bank guarantees provided in favour of “Autoridade Tributária e Aduaneira” (Portuguese Tax and Customs Authority), in a global amount of 2,899,242 Euros, were essentially provided for the suspension of tax enforcement proceedings.

On 31 December 2023, a bank guarantee was provided to the entity Wiiv Portugal in the amount of 5,089,792 as part of the costs to be settled with the early termination of the lease contract with the former Head Office.

#### Guarantees for lease Contracts

According to the terms of some lease contracts of the buildings occupied by the Company's services, the Portuguese State ceased to hold the majority of the share capital of CTT, bank guarantees on first demand had to be provided. These guarantees amount to 1,792,886 Euros as at 30 June 2024 (31 December 2023: 3,826,468 Euros) .

CTT provided a bank guaranty, in previous years, on behalf of CTT Expresso branch in Spain, to the Sixth Section of the National Audience Administrative Litigation and to the Spanish National Commission on Markets and Competition ("Comisión Nacional de los Mercados y la Competencia") in the amount of 3,148,845 Euros, regarding the legal proceedings of CTT Expresso branch in Spain with the National Audience in Spain. As previously mentioned, the CNMC requested payment of the sanction in the amount of 3,148,845 Euros, which was settled. Therefore, the cancellation of the bank guarantee is underway.

#### Commitments

The Group engaged guarantee insurances in the total amount of 7,805,479 Euros(31 December 2023: 5,985,951 Euros), with the purpose of guaranteeing the fulfilment of contractual obligations assumed by third parties.

In addition, the Group also assumed commitments relating to real estate rents under lease contracts and rents for other leases.

The Group contractual commitments related to Tangible fixed assets and Intangible assets are detailed respectively in Notes 4 and 5.

## 20. Accounts payable

As at 31 December 2023 and 30 June 2024, the caption "Accounts payable" showed the following composition:

	31.12.2023	30.06.2024
Current		
Advances from customers	1,877,771	36,275,780
CNP money orders	106,269,099	110,442,557
Suppliers	114,269,770	142,059,676
Invoices pending confirmation	12,368,179	11,363,369
Fixed assets suppliers	5,334,120	4,005,833
Invoices pending confirmation (fixed assets)	8,165,808	3,628,238
Values collected on behalf of third parties	17,707,682	22,743,785
Postal financial services	80,227,690	56,188,301
Deposits	678,080	610,089
Charges	14,664,320	15,355,628
Compensations	669,708	1,116,466
Postal operators - amounts to be settled	538,979	245,237
Amounts to be settled to third parties	1,229,091	204,197
Amounts to be settled in stores	765,242	77,751
Other accounts payable	9,195,564	6,145,264
	<b>373,961,102</b>	<b>410,462,170</b>



#### Advances from customers

The captions advances from customers (and suppliers) had a significant increase in the period, which essentially resulted from the segregation of amounts advanced by (and to) postal operators due to annual terminal dues accounts.

These amounts began to be recorded in specific customer (and supplier) advance accounts, making the flows more transparent within the captions, and allowing the accounting process to be aligned with other types of advances received.

A similar impact is observed in the caption suppliers.

#### CNP money orders

The amount of CNP money orders refers to the money orders received from the National Pensions Center (CNP), whose payment date to the corresponding pensioners will occur in the month after the closing of the period.

#### Postal financial services

This caption records mainly the amounts collected related to taxes, insurance, savings certificates and other money orders, whose settlement date should occur in the month following the end of the period. The variation in the item is related, above all, to the limitation of the type of payment methods available in stores, for the payment of taxes for corporate customers, as well as a decrease in subscriptions to savings certificates, related to the change in marketing conditions in June 2023, namely lower interest rates, and the reduction in maximum limits per application per subscriber, which reduced the attractiveness of these savings products.

## 21. Debt Securities issued at amortised cost

This caption showed the following composition:

	31.12.2023	30.06.2024
<b>Non current liabilities</b>		
Debt securities issued	347,131,609	297,950,660
	<b>347,131,609</b>	<b>297,950,660</b>
<b>Current liabilities</b>		
Debt securities issued	243,468	276,575
	<b>243,468</b>	<b>276,575</b>
	<b>347,375,077</b>	<b>298,227,235</b>

As at 31 December 2023 and 30 June 2024, the Debt securities issued are analysed as follows:

31.12.2023					
Issue	Issue date	Maturity date	Remuneration	Nominal value	Book value
Ulisses Finance No.2 – Class A	September 2021	September 2038	Euribor 1M + 70 bps	140,142,471	141,123,335
Ulisses Finance No.2 – Class B	September 2021	September 2038	Euribor 1M + 80 bps	6,879,846	6,878,045
Ulisses Finance No.2 – Class C	September 2021	September 2038	Euribor 1M + 135 bps	13,759,693	13,757,142
Ulisses Finance No.2 – Class D	September 2021	September 2038	Euribor 1M + 285 bps	7,774,226	7,774,405
Ulisses Finance No.2 – Class E	September 2021	September 2038	Euribor 1M + 368 bps	2,545,543	2,545,895
Ulisses Finance No.2 – Class F	September 2021	September 2038	Euribor 1M + 549 bps	894,380	894,729
Ulisses Finance No.3 - Class A	June 2022	June 2039	Euribor 1M + 90 bps	147,128,975	147,012,162
Ulisses Finance No.3 - Class B	June 2022	June 2039	Euribor 1M + 200 bps	7,006,142	6,902,717
Ulisses Finance No.3 - Class C	June 2022	June 2039	Euribor 1M + 370 bps	10,509,212	10,352,450
Ulisses Finance No.3 - Class D	June 2022	June 2039	Euribor 1M + 525 bps	5,254,606	5,052,713
Ulisses Finance No.3 - Class E	June 2022	June 2039	Euribor 1M + 650 bps	4,378,839	4,232,861
Ulisses Finance No.3 - Class F	June 2022	June 2039	Euribor 1M + 850 bps	875,768	848,624
				<b>347,149,701</b>	<b>347,375,077</b>

30.06.2024					
Issue	Issue date	Maturity date	Remuneration	Nominal value	Book value
Ulisses Finance No.2 – Class A	September 2021	September 2038	Euribor 1M + 70 bps	119,089,444	119,885,956
Ulisses Finance No.2 – Class B	September 2021	September 2038	Euribor 1M + 80 bps	5,846,315	5,846,439
Ulisses Finance No.2 – Class C	September 2021	September 2038	Euribor 1M + 135 bps	11,692,631	11,694,128
Ulisses Finance No.2 – Class D	September 2021	September 2038	Euribor 1M + 285 bps	6,606,336	6,609,109
Ulisses Finance No.2 – Class E	September 2021	September 2038	Euribor 1M + 368 bps	2,163,137	2,164,394
Ulisses Finance No.2 – Class F	September 2021	September 2038	Euribor 1M + 549 bps	760,021	760,730
Ulisses Finance No.3 - Class A	June 2022	June 2039	Euribor 1M + 90 bps	127,497,732	127,435,376
Ulisses Finance No.3 - Class B	June 2022	June 2039	Euribor 1M + 200 bps	6,071,321	5,997,276
Ulisses Finance No.3 - Class C	June 2022	June 2039	Euribor 1M + 370 bps	9,106,981	8,995,921
Ulisses Finance No.3 - Class D	June 2022	June 2039	Euribor 1M + 525 bps	4,553,490	4,408,150
Ulisses Finance No.3 - Class E	June 2022	June 2039	Euribor 1M + 650 bps	3,794,575	3,690,114
Ulisses Finance No.3 - Class F	June 2022	June 2039	Euribor 1M + 850 bps	758,915	739,641
				<b>297,940,898</b>	<b>298,227,235</b>

During the year ended on 31 December 2023 and the six-months period ended 30 June 2024, the movement of this item is as follows:

31.12.2023					
	Opening balance	Issues	Repayments	Other movements	Closing balance
Ulisses Finance No.1	11,350,744	—	(11,333,007)	(17,736)	—
Ulisses Finance No.2	234,868,353	—	(61,351,441)	(543,362)	172,973,550
Ulisses Finance No.3	199,358,764	—	(25,446,459)	489,222	174,401,527
	<b>445,577,861</b>	<b>—</b>	<b>(98,130,907)</b>	<b>(71,876)</b>	<b>347,375,077</b>

30.06.2024					
	Opening balance	Issues	Repayments	Other movements	Closing balance
Ulisses Finance No.2	172,973,550	—	(25,838,276)	(174,519)	146,960,756
Ulisses Finance No.3	174,401,527	—	(23,370,527)	235,479	151,266,479
	<b>347,375,077</b>	<b>—</b>	<b>(49,208,803)</b>	<b>60,961</b>	<b>298,227,235</b>

As at 31 December 2023, the credit securitisation operation Ulisses No1, originated by 321 Crédito in 2017, included a consumer credit portfolio amounting to 141.2 million euros. The operation included a clean-up call option clause that could be exercised by the originator when the securitised portfolio

dropped by 10% of the initial amount, i.e., 14.1 million euros. This occurred after the IPD (“interest payment date”) of June 2023, with the clean-up call being exercised at the IPD of July 2023, with the Company reacquiring the entire securitised portfolio, closing the operation.

The scheduling by maturity regarding this caption is as follows:

31.12.2023							
	Current			Non-current			Total
	Due within 3 months	Over 3 months and less than 1 year	Total	Over 1 year and less than 3 years	Over 3 years	Total	
Securitisations	243,468	—	243,468	—	347,131,609	347,131,609	347,375,077
	<b>243,468</b>	<b>—</b>	<b>243,468</b>	<b>—</b>	<b>347,131,609</b>	<b>347,131,609</b>	<b>347,375,077</b>

30.06.2024							
	Current			Non-current			Total
	Due within 3 months	Over 3 months and less than 1 year	Total	Over 1 year and less than 3 years	Over 3 years	Total	
Securitisations	276,575	—	276,575	—	297,950,660	297,950,660	298,227,235
	<b>276,575</b>	<b>—</b>	<b>276,575</b>	<b>—</b>	<b>297,950,660</b>	<b>297,950,660</b>	<b>298,227,235</b>

### Asset securitisation

#### **Chaves Funding No.8**

This private securitisation operation was issued in November 2019 by Tagus, Sociedade de Titularização de Créditos, S.A., it included a Consumer Credit portfolio originated by 321 Crédito. The operation was set up with the collaboration of Sociedade de Advogados PLMJ. The operation's structure includes a Tranche A and a Tranche B in the notes issued, both of which are fully owned by the Group.

This operation includes an optional early amortisation clause that allows the Issuer to redeem the Notes of all Classes issued, when the residual value of the credits represents 10% or less of the value of the Credit Portfolio on the date of setting up the securitisation operation.

The underlying assets of Chaves Funding No.8 operation were not derecognised from the Statement of Financial Position, as the Group substantially maintained the risks and benefits associated with their holding.

#### **Ulysses Finance No.2**

This securitisation operation was created in September 2021 and issued by Tagus - Sociedade de Titularização de Créditos, S.A. and corresponds to a public credit securitisation programme (Ulysses) with the Ulysses Finance No.2 operation being placed on the market. The operation was set up with the collaboration of Sociedade de Advogados PLMJ and Banco Deutsche Bank, and included a consumer credit portfolio originated by 321 Crédito, whose initial total amount was 250,000 thousand euros, to be maintained over the 12 months of revolving period.

The structure of the transaction includes six collateralised Tranches from A to F and additionally tranches G and Z. All tranches are dispersed in the capital market, with the exception of class Z, whose initial value was 1.5 million euros and which presents the 30 September 2022 a value of 1,000 euros.

This operation obtained ratings from DBRS and Moody's for the tranches placed on the market, that is, Tranches A to G.

The Ulisses Finance No.2 operation has the characteristics of STS (simple, transparent and standardised) and SRT (significant risk transfer).

For the purposes of calculating the capital ratio, as the Ulisses Finance No.2 operation complies with article 244.1 (b) of European Regulation 575/2013 (full capital deduct approached), the company reduced its "Risk Weight Assets" with regard to the contracts securitised within the scope of this operation.

The operation has incorporated an interest rate cap, an interest rate risk mitigation mechanism for the operation and its investors, including the Group, but which was not contracted directly by the Group, but by the issuer. of the securitisation operation (Tagus – STC, S.A.).

The underlying assets of the Ulisses Finance No.2 operation were not derecognised from the Consolidated Statement of Financial Position, as the Group substantially maintained the risks and benefits associated with their holding.

### **Ulisses Finance No. 3**

This securitisation operation was created in June 2022 and issued by Tagus - Sociedade de Titularização de Créditos, S.A. and corresponds to a public credit securitisation programme (Ulisses) with the Ulisses Finance No.3 operation being placed on the market. The operation was set up with the collaboration of "Sociedade de Advogados PLMJ" and "Banco Deutsche Bank", and included a consumer credit portfolio originated by 321 Crédito, whose initial total amount was 200,000 thousand euros, to be maintained over the 12 months of revolving period.

The structure of the Transaction includes six collateralised Tranches from A to F and additionally tranches G and Z. All tranches are dispersed in the capital market, with the exception of class Z, whose initial value was 1.8 million euros.

This operation obtained ratings from DBRS and Moody's for the tranches placed on the market, that is, Tranches A to G.

The Ulisses Finance No.3 operation has the characteristics of STS (simple, transparent and standardised) and SRT (significant risk transfer).

For the purposes of calculating the capital ratio, as the Ulisses Finance No.3 operation complies with article 244.1 (b) of European Regulation 575/2013 (full capital deduct approached), the company reduced its "Risk Weight Assets" regarding to the contracts securitised within the scope of this operation.

The operation incorporates an interest rate swap, an interest rate risk mitigation mechanism for the operation and its investors, including the Group, but which was not contracted directly by the Group, but by the issuer. of the securitisation operation (Tagus – STC, S.A.).

The underlying assets of the Ulisses Finance No.3 operation were not derecognised from the Consolidated Statement of Financial Position, as the Group substantially maintained the risks and rewards associated with their holding.

Additionally, the Group, through 321 Crédito, maintained, as at 30 June 2024, the Fénix operation as the only live unrecognised securitisation operation. The Group's involvement in this operation is limited to providing servicing services.

## 22. Banking clients' deposits and other loans

As at 31 December 2023 and 30 June 2024, the composition of the caption Banking clients' deposits and other loans in the **Group** is as follows:

	31.12.2023	30.06.2024
Sight deposits	1,343,297,943	1,359,790,130
Term deposits	1,409,082,838	2,076,118,459
Savings deposits	338,581,770	336,116,431
	<b>3,090,962,551</b>	<b>3,772,025,020</b>

The above-mentioned amounts relate to Banco CTT clients' deposits. Savings deposits are deposits associated with current accounts and which allow the client to obtain a remuneration above the sight deposits, which can be mobilised at any time, with no subscription limit, and it is possible to schedule transfers from and for this account. These deposits are different from term deposits as they have a definite date of constitution and maturity, and the savings accounts are fully mobilisable without penalty on remuneration.

For the six-months period ended 30 June 2024 the average rate of return on customer funds was 3.48% (31 December 2023: 0.86%).

As at 31 December 2023 and 30 June 2024, the residual maturity of banking client deposits and other loans, is detailed as follows:

	31.12.2023					
	No defined maturity	Due within 3 months	Over 3 months and less than 1 year	Over 1 year and less than 3 years	Over 3 years	Total
Sight deposits and saving accounts	1,681,879,712	—	—	—	—	1,681,879,712
Term deposits	—	359,591,003	1,049,491,831	—	—	1,409,082,838
<b>Banking clients' deposits</b>	<b>1,681,879,712</b>	<b>359,591,003</b>	<b>1,049,491,831</b>	<b>—</b>	<b>—</b>	<b>3,090,962,551</b>

	30.06.2024					
	No defined maturity	Due within 3 months	Over 3 months and less than 1 year	Over 1 year and less than 3 years	Over 3 years	Total
Sight deposits and saving accounts	1,695,906,561	—	—	—	—	1,695,906,561
Term deposits	—	931,271,034	1,144,847,421	—	—	2,076,118,459
	<b>1,695,906,561</b>	<b>931,271,034</b>	<b>1,144,847,421</b>	<b>—</b>	<b>—</b>	<b>3,772,025,020</b>

## 23. Income taxes receivable /payable

As of 30 June 2024, this caption reflects the income tax estimate for the six-months period ended 30 June 2024.



## 24. Staff costs

During six-months period ended 30 June 2023 and 30 June 2024, the composition of the caption Staff Costs was as follows:

	30.06.2023	30.06.2024
Remuneration	153,208,390	161,739,940
Employee benefits	4,247,541	1,340,224
Indemnities	676,375	(1,066,268)
Social Security charges	32,598,561	34,988,935
Occupational accident and health insurance	1,896,609	1,820,118
Social welfare costs	4,110,930	3,433,605
Other staff costs	77,520	109,957
	<b>196,815,925</b>	<b>202,366,512</b>

The increase in staff costs in the period is mainly explained by salary increases, including the increase in the national minimum wage.

### Remuneration of the statutory bodies of CTT, S.A.

During the six-months period ended 30 June 2023 and 30 June 2024, the fixed and variable remunerations attributed to the members of the statutory bodies of CTT, S.A., were:

	30.06.2023				
	Board of Directors	Audit Committee	Remuneration Board	General Meeting of Shareholders	Total
Short-term remuneration					
Fixed remuneration	1,254,036	80,976	9,900	14,000	1,358,912
	<b>1,254,036</b>	<b>80,976</b>	<b>9,900</b>	<b>14,000</b>	<b>1,358,912</b>
Long-term remuneration					
Defined contribution plan RSP	94,817	—	—	—	94,817
	<b>94,817</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>94,817</b>
	<b>1,348,853</b>	<b>80,976</b>	<b>9,900</b>	<b>14,000</b>	<b>1,453,729</b>

	30.06.2024				
	Board of Directors	Audit Committee	Remuneration Board	General Meeting of Shareholders	Total
Short-term remuneration					
Fixed remuneration	960,801	125,000	32,550	14,000	1,132,351
	<b>960,801</b>	<b>125,000</b>	<b>32,550</b>	<b>14,000</b>	<b>1,132,351</b>
Long-term remuneration					
Defined contribution plan RSP	77,250	—	—	—	77,250
Long-term variable remuneration	346,613	—	—	—	346,613
	<b>423,863</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>423,863</b>
	<b>1,384,664</b>	<b>125,000</b>	<b>32,550</b>	<b>14,000</b>	<b>1,556,214</b>

### Long-term variable remuneration ("LTVR")

#### **2020/2022 Term**

The Long-term variable remuneration model for the 2020/2022 term of office was based on the participation of the executive Directors in the Options Plan.

Similarly, the Board of Directors put in place a Options Plan programme addressed to CTT's top management, using the same terms of the programme approved for the governing bodies members.

The aforementioned Option Plan provided for the attribution of options to its participants that conferred the right to attribution of shares representing CTT's share capital. The Options Plan established five tranches of options that are distinguished only by their different exercise price or strike price. In the case of management, the Board of Directors approved the granting of a global number of 1,200,000 options, subject to the conditions defined for the corporate bodies.

The exercise date of all the options was 1 January 2023, given the end of the 3-year term of office 2020/2022.

The Executive Committee Options Plan provides for the financial settlement of 25% of the options (cash settlement) and the physical settlement of 75% of the options (equity settlement). The plan for CTT's Top Management provides for the physical settlement of 100% of the options.

The plan's settlement conditions were defined as follows: 50% of the LTVR was settled on the fifth trading day immediately following the date of the annual general meeting of the Company approving the accounts for the 2022 financial year that took place in 20 April 2023, half by way of financial settlement in cash, in the case of the Executive Committee, (i.e. 25% of the options) and the other half (i.e. 25% of the options) by way of physical settlement through the delivery of CTT shares. In the case of Top Management, the 50% of the LTVR settled on this date will be settled through the physical delivery of CTT shares; The remaining 50% of the LTVR (i.e. 50% of the options) are settled through the delivery of CTT shares (physical settlement), in 2 tranches of 1/2 of the shares retained, respectively: (i) on the fifth trading day immediately following the end of the month after the date of approval of the accounts relating to financial year 2023 at an annual general meeting of the Company that took place in 30 April 2024 and subject to the positive performance of the Company in each of the financial years 2021 to 2023; and (ii) on the fifth trading day immediately following the end of the month after the date of approval of the accounts for the financial year 2024 at an annual general meeting of the Company to be held in 2025, or on 31 May 2025 (whichever date occurs later) and subject to the positive performance of the Company in each of the financial years 2021 to 2024, respectively for each tranche.

Taking into account the end of the three-year term of office 2020/2022, the Remuneration Committee, in accordance with the Options Plan, has determined, on 1 January 2023, the number of shares to be attributed to each participant as LTVR (which attribution and settlement being subject to the rules set out in the Options Plan, described above). This determination was made through a study carried out by an independent entity.

Considering the above, the allocation of the following number of shares to each participant by way of LTVR was determined:

Participant	CEO	CFO	Other executive directors (three members)	Total
Shares	81,629	46,645	104,949	233,226

In the case of Top Management, a total of 127,103 shares to be awarded were calculated.

As of 31 December 2023 the amount was paid and the liabilities were settled on 20 April 2023. In the case of the physical settlement component, considering that this was fully recognised in 2021 and 2022, with reference to 31 December 2023, an amount of 1,155,000 Euros was derecognised in the caption "Reserves" in equity, corresponding to the proportional amount of the physical liquidation that occurred (note 15). This amount was derecognised against to the amount of the own shares delivered within the scope of this operation. The difference in the amount of 705,463 Euros, was recognised under the caption "Other changes in equity" (Note 15), pursuant to the provisions of the IFRS. As of

30 June 2024, considering the delivery of the second tranche, an amount of 840,000 Euros was derecognized under the caption “Reserves” in equity, corresponding to the proportional value of the physical settlement that occurred (note 15). This amount was derecognized in exchange for the value of own shares delivered within the scope of this operation. The difference between the two amounts, amounted to 512,156 Euros.

## 2023/2025 Term

The long-term variable remuneration model for the 2023/2025 term is based on the participation of executive Directors in the Option Plan, which is reflected in the remuneration policy approved by the General Shareholders' Meeting on 23 April 2024, based on in the Remuneration Committee's proposal.

The aforementioned Option Plan provides for the following main rules applicable to the attribution and exercise of options and the financial settlement and delivery and retention of shares under the LTVR:

- a. The Options Plan regulates the attribution to its participants of options that confer the right to attribution of shares representing CTT's share capital, subject to certain conditions applicable to the exercise and settlement of the options;
- b. The Option Plan establishes the number of options attributed to be exercised by the Plan's participants (differentiated between CEO, CFO and CCO), as per the table below, with the date of attribution corresponding to the date of approval of said plan at the General Meeting;
- c. Each Participant will be entitled to receive three distinct tranches of Options, each with a different Exercise Price:

Tranche	Number of options per participant			Strike Price
	CEO	CFO	CCO	
1	1,166,667	833,334	833,334 €	4.00
2	1,166,667	833,333	833,333 €	6.00
3	1,166,666	833,333	833,333 €	8.00

- d. The exercise date of all options corresponds to 1 January 2026, taking into account the end of the 3-year term 2023/2025;
- e. The number of Shares to be settled for each tranche of Options will be calculated based on the application of the following formula:

$$\text{No. of Shares} = \text{No. of Options exercised} \times [(\text{Share Price} - \text{Strike Price}) / \text{Share Price}]$$

Where:

Strike Price: corresponds to the Strike Price determined in the table above; It is,

Share Price: corresponds to the arithmetic average of the prices, weighted by the respective volumes, of the Company's share transactions occurring on the Euronext Lisbon regulatory market, in Stock Exchange sessions that take place in the 120 days prior to the Exercise Date.

- f. The Options Plan provides for the financial settlement of 25% of the options (cash settlement) and the physical settlement of 75% of the options (equity settlement), without prejudice to, exceptionally and in a scenario where the number of own shares held by CTT it is not enough, to determine that the Remuneration Committee establishes a compensation mechanism

through the allocation of a cash amount and financial settlement of options whose physical settlement is not possible;

- g. If shares are allocated based on stock market performance and verification of the Company's positive performance under the terms defined in the plan, the options will be subject to settlement over a deferral/retention period;
- h. 50% of the RVLP is settled on the fifth trading day immediately following the date of the Company's annual general meeting approving the accounts for the 2025 financial year to be held in 2026, subject to verification of positive performance in relation to each of the financial years. 2023, 2024 and 2025, half via financial settlement in cash (i.e., 25% of the options on a proportional basis with respect to each of its 3 tranches) and the other half (i.e., 25% of the options equally on a proportional in relation to each of its 3 tranches) via physical settlement through the delivery of CTT shares;
- i. The remaining 50% of the RVLP (i.e., 50% of the options equally on a proportional basis in relation to each tranches) are settled through the delivery of CTT shares (physical settlement), in 2 tranches of 1/2 of the shares retained, respectively: (i) on the fifth trading day immediately following the end of the month after the date of approval of the accounts for the 2026 financial year at the Company's annual general meeting to be held in 2027, or on 31 May 2027 (depending on the later date) and subject to the positive performance of the Company in each of the financial years from 2023 to 2026; and (ii) on the fifth trading day immediately following the end of the month after the date of approval of the accounts for the 2027 financial year at the Company's annual general meeting to be held in 2028, or on 31 May 2028 (depending on the date occurring later) and subject to the positive performance of the Company in each of the financial years from 2023 to 2027, respectively for each tranche;
- j. The exercise of options and their settlement are also subject to eligibility conditions, which are, as a rule, remaining in office during the term, the absence of situations of material non-compliance with the Options Plan and the failure to verify situations that give rise to application of adjustment mechanisms;

On the date of attribution, the determination of the fair value of the options attributed was carried out through a study carried out by an independent entity on the date of attribution of the benefit. The model used to value the action plan was the Monte Carlo simulation model.

The amount relating to the share plan relating to corporate bodies, recognized on 30 June 2024, amounted to 346,613 Euros, with the financial settlement component, recognized under the caption "Employee Benefits", in the amount of 86,653 Euros and the settlement in instruments recognized under the caption "other reserves", in the amount of 259,960 Euros (note 15).

For the financial settlement component, the liability amount is updated at the end of each reporting period, depending on the number of shares or options on shares attributed and their fair value at the reporting date, based on a study carried out by an independent entity .

#### Annual variable remuneration ("AVR"):

In the period ended 31 December 2023, the amount of 980,387 Euros was recognised as an estimated annual variable remuneration for members of the Governing Bodies. In 2024, the final amount to be settled was calculated, with 50% of the amount having already been settled, as stipulated in the Remuneration Regulations.

For the six-months period ended 30 June 2024, the caption Staff costs includes the amount of 451,302 Euros related to expenses with workers' representative bodies (30 June 2023: 470,644)

For six-months period ended 30 June 2024, the average number of staff of the Group was 13,651 (13,007 employees for the period ended 30 June 2023).

## 25. Interest expenses and Interest income

For the six-months period ended 30 June 2023 and 30 June 2024, the caption Interest Expenses had the following detail:

	30.06.2023	30.06.2024
Interest expenses		
Bank loans	2,151,751	2,940,815
Lease liabilities	1,723,543	2,227,574
Other interest	—	90
Interest costs from employee benefits	3,581,717	2,953,068
Other interest costs	279,054	244,064
	<b>7,736,065</b>	<b>8,365,610</b>

During the six-months period ended 30 June 2023 and 30 June 2024, the caption Interest income was detailed as follows:

	30.06.2023	30.06.2024
Interest income		
Deposits in credit institutions	596,284	141,326
Other supplementary income	12,318	32,555
	<b>608,602</b>	<b>173,881</b>

## 26. Income tax for the period

Companies with head office in Portugal are subject to tax on their profit through Corporate Income Tax ("IRC") at the normal tax rate of 21%, whilst the municipal tax is established at a maximum rate of 1.5% of taxable profit, and State surcharge is 3% of taxable profit between 1,500,000 Euros and 7,500,000 Euros, 5% of taxable profit between 7,500,000 and to 35,000,000 Euros and 9% of the taxable profit above 35,000,000 Euros. CTT – Expresso, S.A., Spain branch is subject to income taxes in Spain, through income tax (Impuesto sobre Sociedades - "IS") at a rate of 25%, and the subsidiary CORRE is subject to corporate income tax in Mozambique ("IRPC") at a rate of 32%.

Corporate income tax is levied on CTT and its subsidiaries CTT – Expresso, S.A., Payshop Portugal, S.A., CTT Contacto, S.A. and Banco CTT, S.A., 321 Crédito – Instituição Financeira de Crédito, S.A., CTT Soluções Empresariais, S.A., CTT IMO – Sociedade Imobiliária, S.A., NewSpring Services, S.A., MedSpring, S.A., CTT IMO Yield, S.A. and CTT Services, S.A. as a result of the option for the Special Regime for the Taxation of Groups of Companies ("RETGS") application. The remaining companies are taxed individually. The entities NewSpring Services, S.A., MedSpring, S.A., CTT IMO Yield, S.A. and CTT Services, S.A. integrated the RETGS in 2023. In the 2024 financial year, taking into account that it no longer complies with all the requirements set out in that regime, CTT IMO Yield, left the RETGS.



### Reconciliation of the income tax rate

For the six-months period ended 30 June 2023 and 30 June 2024, the reconciliation between the nominal rate and the effective income tax rate was as follows:

	31.03.2023	31.03.2024
Earnings before taxes (a)	32,139,519	24,239,931
Nominal tax rate	21.0%	21.0%
	<b>6,749,299</b>	<b>5,090,385</b>
Tax Benefits	(95,508)	(328,917)
Accounting capital gains/(losses)	(3,273)	(6,723)
Tax capital gains/(losses)	1,637	3,362
Provisions not considered in the calculation of deferred taxes	35,422	92,728
Impairment losses and reversals	88,599	14,414
Compensation for insurable events	36,320	48,741
Depreciation and car rental charges	12,782	60,463
Credits uncollectible	60,775	48,113
Difference between current and deferred tax rates	4,790	156,147
Fines, interest, compensatory interest and other charges	40,052	27,199
Tangible fixed assets sale & leaseback	—	261,803
Early termination of contracts	—	2,241,459
Amounts not subject to taxation	—	(646,564)
Other situations, net	(322,770)	(168,489)
Adjustments related with - autonomous taxation	268,806	283,503
SIFIDE tax credit	(1,953,017)	(500,404)
Insufficiency / (Excess) estimated income tax	(311,487)	(3,814,582)
Subtotal (b)	4,612,427	2,862,638
(b)/(a)	14.35%	11.81%
Adjustments related with - Municipal Surcharge	510,864	381,178
Adjustments related with - State Surcharge	994,259	807,164
<b>Income taxes for the period</b>	<b>6,117,550</b>	<b>4,050,980</b>
Effective tax rate	19.03%	16.71%
Income taxes for the period		
Current tax	8,921,481	3,350,894
Deferred tax	(539,426)	5,015,071
SIFIDE tax credit	(1,953,017)	(500,404)
Insufficiency / (Excess) estimated income tax	(311,487)	(3,814,582)
	<b>6,117,550</b>	<b>4,050,980</b>

For the six-month period ending on 30 June 2023, the caption "SIFIDE Tax Credit" essentially refers to the remaining amount of the SIFIDE tax credit for the years 2020 and 2021 (1,618,016 Euros).

### Deferred taxes

As at 31 December 2023 and 30 June 2024, the balance related to deferred tax assets and liabilities was composed as follows:

	31.12.2023	30.06.2024
Deferred tax assets		
Employee benefits - healthcare	43,185,623	42,854,251
Employee benefits - pension plan	66,831	63,069
Employee benefits - other long-term benefits	5,338,079	6,286,741
Impairment losses and provisions	6,417,768	3,557,340
Tax losses carried forward	2,902,461	2,782,398
Impairment losses in tangible fixed assets	671,318	709,957
Long-term variable remuneration (Board of directors)	816,443	698,234
Land and buildings	51,529	51,529
Tangible assets' tax revaluation regime	527,549	395,662
Sale & Leaseback transactions	8,784,280	8,522,477
Early termination of contracts	2,241,459	—
Other	392,527	467,722
	<b>71,395,868</b>	<b>66,389,380</b>
Deferred tax liabilities		
Revaluation of tangible fixed assets before IFRS	484,578	401,978
Suspended capital gains	284,397	278,513
PPA Movements - New Spring Services	286,265	235,748
Fair value adjustments	3,420,343	3,554,873
Other	195,125	208,484
	<b>4,670,707</b>	<b>4,679,596</b>

The deferred tax liability relating to “fair value adjustments” essentially refers to the deferred tax associated with the caption “Financial assets and liabilities at fair value through profit or loss”.

As at 30 June 2024, the expected amount of deferred tax assets and liabilities to be settled within 12 months is 6.3 million Euros and 6.2 million Euros, respectively.

During the years ended 31 December 2023 and 30 June 2024, the movements which occurred under the deferred tax captions were as follows:

	31.12.2023	30.06.2024
Deferred tax assets		
Opening balances	67,823,608	71,395,868
Effect on net profit		
Employee benefits - healthcare	(11,716,520)	(331,372)
Employee benefits - pension plan	14,012	(3,762)
Employee benefits - other long-term benefits	247,619	948,662
Impairment losses and provisions	4,017,349	(2,860,429)
Tax losses carried forward	136,866	(120,063)
Impairment losses in tangible fixed assets	(923,508)	38,639
Long-term variable remuneration (Board of directors)	—	(118,209)
Share plan	(233,286)	—
Land and buildings	(281,081)	—
Tangible assets' tax revaluation regime	(434,598)	(131,887)
Sale & Leaseback Transaction	8,784,280	(261,803)
Early termination of contracts	2,241,459	(2,241,459)
Other	118,611	75,195
Effect on equity		
Employee benefits - healthcare	1,599,841	—
Employee benefits - pension plan	1,216	—
<b>Closing balance</b>	<b>71,395,868</b>	<b>66,389,380</b>

	31.12.2023	30.06.2024
Deferred tax liabilities		
Opening balances	9,847,476	4,670,707
Effect on net profit		
Revaluation of tangible fixed assets before IFRS adoption	(1,034,441)	(82,600)
Suspended capital gains	(347,496)	(5,884)
PPA Movements - New Spring Services	(101,035)	(50,517)
Fair value adjustments	(3,296,270)	143,764
Other	(378,345)	3,820
Effect on equity		
Other	(19,182)	305
<b>Closing balance</b>	<b>4,670,707</b>	<b>4,679,596</b>

During the year ended 31 December 2023 and in the six-months period ended 30 June 2024, the tax losses carried forward are detailed as follows:

Group	31.12.2023		30.06.2024	
	Tax losses	Deferred tax assets	Tax losses	Deferred tax assets
CTT – Espresso, S.A., branch in Spain	76,206,218	—	71,022,446	—
CTT Espresso/Transporta	12,535,630	2,632,482	12,003,980	2,512,420
CTT Soluções Empresariais/HCCM	1,285,613	269,979	1,285,613	269,978
<b>Total</b>	<b>90,027,461</b>	<b>2,902,461</b>	<b>84,312,039</b>	<b>2,782,397</b>

Regarding CTT – Espresso, S.A., branch in Spain, the tax losses of the years 2012, 2013 and 2014 may be carried forward in the next 18 years and the tax losses of the years 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022 have no time limit for deduction. No deferred tax assets associated with CTT Espresso branch in Spain's tax losses were recognised.

Regarding to CTT Expresso/ Transporta, the tax losses presented refer to the losses of Transporta for the years 2014 and 2015 and 2017 and 2018, since in 2019 this company was incorporated into CTT Expresso, which may be reported in one or more subsequent tax periods, in accordance with the rules established in the income tax code. The recognition of deferred tax assets related to Transporta's tax losses is supported by the estimate of future taxable profits of CTT Expresso, based on the company's business plan.

The sensitivity analysis performed allows us to conclude that a 1% reduction in the underlying rate of deferred tax would imply an increase in the income tax for the period of about 2.25 million Euros.

#### SIFIDE

The Group recognises an estimate of the tax credit that was submitted for certification by the competent authority (ANI – Agência Nacional de Inovação) in the period to which the investments relate.

Regarding R&D expenses incurred by the Group in the financial year of 2022, with the submission of the application, these amounted to 4,169,551 Euros, with the Group having the possibility of benefiting from a income tax deduction estimated at 1,648,062 euros.

As for the 2023 financial year, upon submission of the application, these amounts amounted to 5,990,704 Euros, with the Group being able to benefit from a deduction from IRC collection estimated at 3,155,385 Euros.

#### **Pillar II**

The transition of the world to a global village, the increasing speed of transactions, the streamlining of commercial relations, among other phenomena, challenge current tax rules, forcing an inevitable renewal and combination of efforts between jurisdictions, governments and national tax policies.

In this context, the OECD initiated the BEPS (Base Erosion and Profit Shifting) project, which resulted in the adoption of 15 actions/plans to be followed and which indicate tax standards to be adopted and implemented by national governments in order to abolish avoidance and evasion. tax, aiming at the effective taxation of economic activities in the jurisdiction(s) where the respective profits are generated and in which the added value is actually generated.

In 2021, an agreement was reached between the members of the G20 to implement what is commonly known as Pillar II, referring to the method and criteria for taxing profits obtained by multinational entities, as well as the way in which tax collection power is allocated between states of tax revenue.

According to Pillar II, companies included in multinational groups with an annual global turnover exceeding 750 million euros will be subject, regardless of the jurisdiction to which they belong, to a minimum corporate income tax rate of 15%.

The imposition of this minimum rate aims to prevent, based on abusive tax practices and policies, imbalances between tax rates and regimes in different jurisdictions or illicit exploitation due to lack of liability to or payment of tax.

Setting up an innovative regime, a transitional regime is foreseen, particularly in terms of deadline, for the application of the standards and allowing progressive adaptation to this new regime.

Furthermore, certain jurisdictions will be excluded from the scope of application of such standards.

On the other hand, safe-harbour clauses are provided for, which are characterised by waiving, as long as certain requirements and/or limits are met, the effective application of compliance with certain obligations and removing the subjection to the aforementioned minimum rate.

EU Directive 2022/2523 provided for its transposition by the acceding Member States by 31 December 2023, which did not occur in some jurisdictions, including Portugal.

The CTT Group, as it falls within the subjective scope of the Directive, is carrying out an analysis of the possible impact in each of the jurisdictions in which it is present (Portugal, Spain and Mozambique). As national diplomas are published, their specificities will be analysed and the tasks to be carried out in this context will be defined.

Compliance with tax and reporting obligations relating to Pillar II must be carried out in conjunction with the information reported in the CbCR (Country by Country Report) that has been submitted and prepared by the CTT Group.

The amendment to IAS 12 introduced a mandatory temporary exception to the recognition of deferred taxes within the scope of Pillar II.

#### Other information

Pursuant to the legislation in force in Portugal, income tax returns are subject to review and correction by the tax authorities for a period of four years (five years for Social Security), except when there have been tax losses, tax benefits have been received, or when inspections, claims or challenges are in progress, in which cases, depending on the circumstances, these years are extended or suspended. Therefore, CTT's income tax returns from 2020 and onwards may still be reviewed and corrected.

The Board of Directors believes that any corrections arising from reviews/inspections by the tax authorities of these income tax returns will not have a significant effect on the consolidated financial statements as at 30 June 2024.

## 27. Related parties

The Regulation on Assessment and Control of transactions with CTT related parties defines related party as: qualified shareholder, manager, subsidiaries companies' managers or third party with any of these related through relevant commercial or personal interest (under the terms of IAS 24) and also subsidiaries, associates and joint ventures of CTT. It is considered that there is a "relevant commercial or personal interest" in relation to (i) close family members of the managers, subsidiaries companies' managers and qualified shareholders who, at each moment, have significant influence on CTT, as well as (ii) controlled entities (individually or jointly), either by management, subsidiaries companies' managers qualified shareholders or by the persons referred to in (i). For this purpose, "control" is considered to exist when an investor is exposed or holds rights in relation to variable results through its relationship with it and has the capacity to affect those results through the power it exercises over the investee. Additionally, "close family members" are: (i) the spouse or domestic partner and (ii) the children and dependents of the person and persons referred to in (i).

According to the Regulation, the significant transactions with related parties, as well as transactions that members of the Board of Directors of CTT and/or its subsidiaries conduct with CTT and/or its subsidiaries, must be previously approved by resolution of Board of Directors, preceded by a prior favourable opinion of Audit Committee, except when included in the normal company's business and no special advantage is granted to the director directly or by an intermediary. Significant transaction is any transaction with a related party whose amount exceeds one million Euros, and / or carried out outside current activity scope of CTT and / or subsidiaries and / or outside market conditions.

The other related parties' transactions are approved by Executive Committee, to the extent of the related delegation of powers, and subject to subsequent examination by the Audit Committee.

For the six-months period ended 30 June 2024 and 30 June 2023, the following transactions took place and the following balances existed with related parties:

30.06.2023						
	Accounts receivable	Accounts payable	Revenues	Costs	Dividends	Financial investments / Increase in share capital
Shareholders	—	—	—	—	17,817,109	—
Group companies						
Associated companies	—	—	—	—	—	—
Jointly controlled	313,285	28	327,352	156	—	—
Members of the (Note 24)						
Board of Directors	—	—	—	1,254,036	—	—
Audit Committee	—	—	—	80,976	—	—
Remuneration Committee	—	—	—	9,900	—	—
General Meeting	—	—	—	14,000	—	—
	<b>313,285</b>	<b>28</b>	<b>327,352</b>	<b>1,359,068</b>	<b>17,817,109</b>	<b>—</b>

30.06.2024						
	Accounts receivable	Accounts payable	Revenues	Costs	Dividends	Financial investments / Increase in share capital
Shareholders	—	—	—	—	23,315,758	—
Group companies						
Associated companies	—	—	—	—	—	—
Jointly controlled	275,087	38,030	376,551	186,067	—	—
Members of the (Note 24)						
Board of Directors	—	—	—	960,801	—	—
Audit Committee	—	—	—	125,000	—	—
Remuneration Committee	—	—	—	32,550	—	—
General Meeting	—	—	—	14,000	—	—
	<b>275,087</b>	<b>38,030</b>	<b>376,551</b>	<b>1,318,418</b>	<b>23,315,758</b>	<b>—</b>

In the context of transactions with related parties, no commitments were made, nor were any guarantees given or received.

No provision was recognised for doubtful debts or expenses recognised during the period in respect of bad or doubtful debts owed by related parties.

The remunerations attributed to the members of the statutory bodies of CTT, S.A. are disclosed in note 24 – Staff Costs.

## 28. Other information

Within the regulatory framework in force since February 2022 and the Convention on the criteria to be met for the pricing of postal services that make up the basket of services within the universal service obligation (Universal Postal Service Price Convention) for the 2023-2025 period, of 27 July 2022, the prices of these services were updated on 1 February 2024. The update corresponds to an average annual price variation of 9.49%. The overall average annual price variation, also reflecting the effect of the update of special prices for bulk mail, is 8.91%.

According to the decision of 25 June 2024, ANACOM approved a 9.3943% cost of capital rate of CTT - Correios de Portugal (CTT), applicable to the cost accounting system in the 2024 financial year.



Regarding to the legal proceedings relating to ANACOM's Decision regarding the quality of service parameters and performance targets applicable to the universal postal service provision, of July 2018, the Government's appeal against the decision of the Arbitration Court continues, which acknowledges that ANACOM's decision constituted an abnormal and impressionable change in circumstances, causing damages amounting to 1,869,482 euros. The administrative actions against ANACOM, the first concerning the same decision and the second concerning the deliberation of December 2018 regarding the new measurement procedures to be applied to the indicators, had no relevant developments. On 24 January 2024, CTT was notified of the court decision ordering the Government to pay CTT the sum of 2,410,413 euros. The Government challenged the decision and the respective proceedings are ongoing.

In the administrative offense process initiated by ANACOM, on 30 July 2021, for alleged violation of the measurement procedure for quality of service indicators (IQS) in 2016 and 2017, CTT was notified, on 17 June 2024, of the decision end of accusation. Due to disagreement with the reasoning behind the decision, an appeal was filed on 16th July.

Following the proposal to apply contractual fines in the amount of 753 thousand euros, on 4 August 2022, CTT requested the constitution of an arbitration court, under the terms of the concession, and was notified of the tribunal's decision on 1 July 2024 to reduce the fine by 51 thousand euros. For the same facts relating to 2015 and 2016 (various situations concerning the distribution and publication of information in post offices), CTT had already been notified of the filing of an administrative offence proceeding on 30 August 2021, which is running its course, with no developments, following the presentation of the respective defences. On 19 April, CTT was notified of ANACOM's charge of administrative offences, and a fine of 398,750 Euros was imposed. As it disagrees with the grounds of the charge, CTT appealed against it and is awaiting the normal course of the proceedings.

On 23 February 2023, CTT was notified to comment on a new proposal for the application of contractual fines submitted by ANACOM to the Government, in relation to the alleged contractual breach of the quality of service obligation in the years 2016, 2017, 2018 and 2019. CTT submitted its statement on 6 April 2023, in which it defends there is no basis in fact or in law for establishing any contractual liability and requests additional evidence. The application of contractual fines and the respective amount depends on the further steps of the administrative procedure, which has not yet had further developments.

On 11 June 2021, CTT initiated arbitration proceedings against the Portuguese State to protect its rights, specifically: (a) the impacts and contractual effects, namely compensatory, of the COVID-19 pandemic, as well as of the public measures adopted in that context; and (b) the legal compatibility, impacts and contractual effects of the unilateral extension of the Concession Agreement. The State was ordered to pay the total amount of 23,555,645 euros, plus accrued civil interests, in the case of the amount relating to the first request and commercial, for the second, from the date of initiation of the process. The State filed a review appeal with the Supreme Administrative Court, which was admitted on 11 January 2024. On 2 May 2024, the Supreme Administrative Court revoked the arbitration decision under appeal and decided to acquit the State. CTT is analysing possible courses of action.

The lawsuit filed on 18 January 2022 by the companies Vasp Premium – Entrega Personalizada de Publicações, LDA. (Vasp) and Iberomail – Correio Internacional, S.A., (Iberomail) against CTT before the Competition, Regulation & Supervision Court, seeking the conviction of CTT for abuse of dominant position is ongoing, still awaiting the start of the evidence phase. CTT follows the best market practices and considers the request to be totally unfounded, as this lawsuit concern facts assessed by the Competition Authority (AdC) in the scope of a proceeding that was closed with the imposition of commitments, which CTT has implemented and reports annually to AdC.

### Strategic Partnership - Generali Seguros

On 6 November 2022, CTT - Correios de Portugal, S.A. and its subsidiary Banco CTT, S.A. entered into a strategic partnership agreement with Generali Seguros, S.A. (Tranquilidade/Generali Seguros).

The transaction concluded between the parties includes:

- Long-term distribution agreements, with 5-years exclusivity renewable periods, for the distribution by CTT and Banco CTT of life and non-life insurance products of Tranquilidade/Generali Seguros;
- Subscription by Tranquilidade/Generali Seguros of a 25 million euros reserved share capital increase in Banco CTT, in exchange for a shareholding of approximately 8.71%. A Shareholders' Agreement will provide Tranquilidade/Generali Seguros with minority interests with the size of the shareholding.

The agreement aims to combine the experience of Tranquilidade/Generali Seguros in the development and management of insurance products with the distribution capacity of CTT and Banco CTT through their nationwide networks coverage and digital channels. The insurance distribution agreements contemplate a fixed price by Tranquilidade/Generali Seguros of 1 million euros and 9 million euros to CTT and Banco CTT, respectively, to be settled in the initial six years, and additional contingent payments depending on the performance achieved over the term of the agreements.

The CTT Group expects that the transaction, which is subject to suspensive conditions, including approval by the banking and insurance regulatory authorities, will be completed during 2024.

## 29. Subsequent events

On 17 July 2024, the Company reduced its share capital in the amount of 2,737,500 Euros through the extinction of 5,475,000 own shares representing 3.80% of CTT's share capital and which were acquired within the framework of the share buyback program run from 26 June 2023 to 9 May 2024.

In this way, CTT's share capital now stands at 69,220,000 Euros, represented by 138,440,000 shares with a nominal value of fifty cents per share.

On 19 July 2024, the Executive Committee, based on the delegation of powers granted by the Board of Directors at the meeting of 20 June 2024 and within the maximum monetary amount defined in that delegation, in the amount of 25 million Euros, and in the deliberation adopted at the Annual General Meeting of Shareholders, held on 23 April 2024, approved a buyback program for the Company's own shares to be carried out from 22 July 2024, with the sole objective of reducing CTT's share capital through the extinction of own shares acquired within its scope, as communicated to the market on 19 July 2024.

With the exception of the above mentioned, after 30 June 2024 and up to the date that the financial statements were approved for issue, no relevant or material facts have occurred in the Group's activity that have not been disclosed in the notes to the financial statements.



## Declaration of conformity



## 7. DECLARATION OF CONFORMITY

For the purposes of article 29-J(1)(c) of the Portuguese Securities Code, the members of the Board of Directors and of the Audit Committee of CTT - Correios de Portugal, S.A. ("CTT") identified below hereby declare that, to the best of their knowledge, the interim condensed consolidated accounts relative to the first half of 2024 were prepared in compliance with the applicable accounting standards, providing a true and fair view of the assets and liabilities, the financial position and the results of CTT and the companies included in its consolidation perimeter, and that the interim report faithfully presents the important events which occurred in the first half of 2024 and their impact on the interim condensed consolidated financial statements, as well as the main risks and uncertainties for the second half of the year.

Lisbon, 29 July 2024

**The Board of Directors**

**The (non-executive) Chairman of the Board of Directors**

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Raul Catarino Galamba de Oliveira

**The Member of the Board of Directors and Chief Executive Officer (CEO)**

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João Afonso Ramalho Sopas Pereira Bento

**The Member of the Board of Directors and Chief Financial Officer (CFO)**

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Guy Patrick Guimarães de Goyri Pacheco

**The Member of the Board of Directors and of the Executive Committee**

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João Carlos Ventura Sousa

**The (non-executive) Member of the Board of Directors and Chair of the Audit Committee**

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Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia

**The (non-executive) Member of the Board of Directors**

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Steven Duncan Wood

**The (non-executive) Member of the Board of Directors**

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Duarte Palma Leal Champalimaud

**The (non-executive) Member of the Board of Directors and of the Audit Committee**

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Jürgen Schröder

**The (non-executive) Member of the Board of Directors**

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Margarida Maria Correia de Barros Couto

**The (non-executive) Member of the Board of Directors and of the Audit Committee**

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María del Carmen Gil Marín

**The (non-executive) Member of the Board of Directors**

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Susanne Ruoff

(SIGNED ON THE ORIGINAL)



## Audit report



*(Translation from the original document in the Portuguese language.  
In case of doubt, the Portuguese version prevails)*

## **Limited review report on the interim condensed consolidated financial statements**

### **Introduction**

We have performed a limited review on the interim condensed consolidated financial statements of CTT - Correios de Portugal, S.A. (the Group), which comprise the consolidated statement of financial position as at 30 June 2024 (showing a total of 5,391,625,109 Euros and a shareholder's equity total of 271,978,874 Euros, including a consolidated net profit of 19,812,335 Euros), consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six month period then ended, and the notes to the interim condensed consolidated financial statements.

### **Board of Directors responsibilities**

The Board of Directors is responsible for the preparation of the interim condensed consolidated financial statements in accordance with the International Financial Reporting Standards as endorsed by the European Union for Interim Financial Reporting (IAS 34), and for the design and maintenance of an appropriate system of internal control to enable the preparation of consolidated financial statements which are free from material misstatement due to fraud or error.

### **Auditor's Responsibilities**

Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review. We conducted our review in accordance with the International Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and other rules and technical and ethical requirements issued by the Institute of Statutory Auditors. Those standards require that our work is performed in order to conclude that nothing has come to our attention that causes us to believe that the condensed consolidated financial statements have not been prepared in all material respects in accordance with the International Financial Reporting Standards as endorsed by the European Union for Interim Financial Reporting (IAS 34).

A review of financial statements is a limited assurance engagement. The procedures performed consisted primarily of making inquiries of management and others within the Entity and its subsidiaries, as appropriate, and applying analytical procedures, and evaluating the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

## Conclusion

Based on our review procedures, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of CTT - Correios de Portugal, S.A., as at 30 June 2024, have not been prepared, in all material respects, in accordance with the International Financial Reporting Standards as endorsed by the European Union for Interim Financial Reporting (IAS 34).

Lisbon, 29 July 2024

Ernst & Young Audit & Associados - SROC, S.A.  
Sociedade de Revisores Oficiais de Contas  
Represented by:

(Signed)

Luís Pedro Magalhães Varela Mendes - ROC nr. 1841  
Registered with the Portuguese Securities Market Commission under license nr. 20170024



## Investor support

- 9.1 Contacts
- 9.2 Press releases and disclosure of financial information
- 9.3 Events
- 9.4 Financial calendar



## 9. INVESTOR SUPPORT

CTT investor support is carried out by the Investor Relations department, a team made up of five people.

### 9.1 Contacts

E-mail: [investors@ctt.pt](mailto:investors@ctt.pt)

Telephone: +351 210 471 087

### 9.2 Press releases and disclosure of financial information

During the 1<sup>st</sup> half of 2024, CTT's disclosure of material information to the market consisted of:

- The Integrated Report 2023, as well as consolidated results presentations and press releases regarding the 2023 financial year and the 1<sup>st</sup> quarter of 2024;
- 30 press releases with material information, including 20 on the transactions carried out in the context of the share buyback programme launched in 2023, six relative to the annual and quarterly results press releases and presentations, and four press releases with diversified material information, namely on the real estate strategy of the Company and the postal services price update;
- To be mentioned are also the communications on the resolutions of the 2024 Annual General Meeting, the payment of dividends, as well as various press releases on management transactions. In total, 36 communications were released to the market.

### 9.3 Events

Throughout the semester, CTT participated virtually and in person in several events organised by different banks and brokers, as follows:

- three conferences – the Santander Iberian Conference held in Madrid in January, the Value Spain Conference also in Madrid in March and the Portugal Capital Markets Day jointly organised by AEM - Association of Portuguese Issuers and Euronext Lisbon in June, in Lisbon;
- nine roadshows – organised by CaixaBank BPI in Madrid, Paris, Frankfurt, London, Milan, Porto and in the Nordic countries, by Phoenix IR in Switzerland and by JB Capital Markets in Dubai;
- three meetings with Portuguese and Spanish investors organised by CaixaBI and GVC Gaesco, as well as by CaixaBank BPI;
- several conference calls were also held with institutional investors from various countries.

All the events mentioned above resulted in more than a hundred contacts with various capital market stakeholders.

### 9.4 Financial Calendar

CTT financial calendar for the 2<sup>nd</sup> half of 2024 foresees the following corporate events:

#### Financial Calendar 2<sup>nd</sup> half of 2024

Event	Date
1 <sup>st</sup> half 2024 Results and Interim Integrated Report	29.07.2024*
XXI CaixaBank BPI Iberian Conference, Madrid	05.09.2024
9 months 2024 Results	29.10.2024*

\* After market close

CTT will continue to organise and participate in marketing activities aimed at conveying adequately the prospects and performance of its businesses and engage with market participants in a long-term relationship.

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