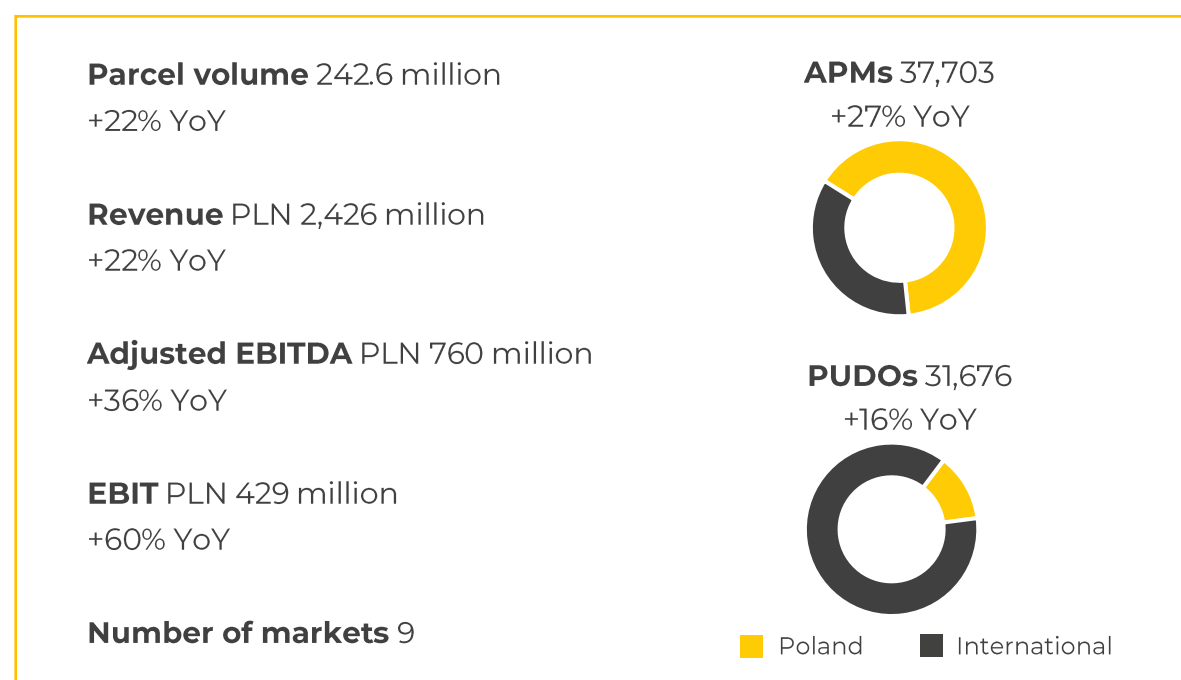


InPost Group publishes Q1 2024 results

A strong start to 2024 with broad based market share gains and confirmation of the full-year outlook

InPost Group, the leading e-commerce logistics enabler in Europe, has reported a strong quarter with notable improvements across sales, profitability and free cash flow generation.

Q1 2024 HIGHLIGHTS



Audio Webcast

Rafał Brzoska (Founder and CEO), Michael Rouse (CEO International) and Javier van Engelen (CFO) will host a conference call for analysts and investors at 10:00 AM CET on 15 May at: https://brrmedia.news/IP_Q1_24

Executive summary Q1 2024

- ✓ **Group volume increase:** The Group parcel volume reached 242.6 million, representing a significant YoY increase of 22%. Both Poland and InPost's international markets¹ contributed to this growth, recording YoY improvements of 20% and 26%, respectively.
- ✓ **Group revenue growth:** The Group delivered another quarter of substantial revenue growth, reaching PLN 2,425.7 million and marking a 21.5% YoY improvement (a 25.6% increase excluding FX effect). Particularly robust performances have been observed in Poland and the UK as well as in the B2C segment in Mondial Relay markets.
- ✓ **Significant Adjusted EBITDA increase:** Group Adjusted EBITDA reached PLN 760.1 million in Q1 2024, representing an increase of 36.4% YoY. Adjusted EBITDA margin reached 31.3%, a rise of 340bps vs Q1 2023. The higher nominal profit was primarily driven by Poland, while the significant improvement in margins was mainly attributed to the enhanced profitability in both the UK and Italy.
- ✓ **Positive Free Cash Flow and further deleverage:** InPost achieved positive Free Cash Flow (FCF) of PLN 213.2 million at the Group level. In Poland, FCF amounted to PLN 459.3 million, corresponding to a 68% FCF/Adjusted EBITDA conversion (56% in Q1 2023), which allows for financing the Group's rapid expansion in rest of Europe. The Group's net leverage decreased from 2.2x at 2023 YE to 2.0x at the end of Q1 2024.
- ✓ **Poland's volume exceeds market growth:** In Poland, during Q1 2024, InPost volume was 159.0 million parcels, up by 20% YoY, exceeding the pace of e-commerce market volume, which was 12%². Adjusted EBITDA reached PLN 673.0 million and was 26.5% higher YoY.
- ✓ **Mondial Relay gaining market share through strong B2C:** Mondial Relay parcel volume amounted to 61.6 million, showed a 9% YoY growth in volumes during Q1 2024, which was primarily driven by further dynamic increase in the B2C segment. Adjusted EBITDA margin slightly improved YoY despite gaining market share³ and investing in future growth.
- ✓ **UK & Italy improved profitability:** In the UK and Italy, InPost successfully delivered 22.0 million parcels in Q1 2024 (+114% YoY). The UK and Italy recorded another profitable quarter on the Adjusted EBITDA level that for the total

¹ Countries included: France, United Kingdom, Italy, Spain, Portugal, Belgium, The Netherlands and Luxembourg.

² Company estimate based on market statistics and reports.

³ Ibidem

segment reached PLN 14.7 million in Q1 2024 vs a loss of PLN 46.2 million a year earlier.

- ✓ **Trading update Q2:** So far in Q2 2024 we are running at volume growth of c. 20% at the Group level, with volume in Poland growing mid-teens and total international volume growing at a faster rate than Q1.

// Rafał Brzoska, Founder and CEO of InPost Group, commented:

InPost Group has had an encouraging start to 2024 in line with our ambitions and expectations. Volume growth in Q1, significantly outpaced the market across all our geographies, while also delivering strong year-on-year progress in EBITDA and cash flow generation. We remain very much on track in implementing our strategic priorities. These include continuing to expand our Pan-European locker network with a particular focus on APM deployment levels in the UK and France. In parallel, we are making good progress in building our B2C business in Mondial Relay, in driving profitable growth in the UK and Italy and in enhancing our already market leading position in Poland with the launch of new services such as InPost Pay. Looking ahead we remain confident in our full-year outlook.

Out-of-home (OOH) network by segment

	Q1 2024	Q1 2023	YoY growth
Total OOH points	69,379	57,135	21%
No. of APMs (#)	37,703	29,765	27%
Poland	22,654	20,025	13%
Mondial Relay	6,210	3,326	87%
UK + Italy	8,839	6,414	38%
No. of lockers (000s)	4,674	3,776	24%
Poland	3,348	3,009	11%
Mondial Relay	727	405	80%
UK + Italy	598	361	66%
No. of PUDOs (#)	31,676	27,370	16%
Poland	3,596	3,665	(2%)
Mondial Relay	21,573	19,893	8%
UK + Italy	6,507	3,812	71%

Q1 2024 results by segment

PLN million unless otherwise specified	Q1 2024	Q1 2023	YoY change
Parcel volumes (million)	242.6	198.7	22%
Poland	159.0	132.0	20%
Mondial Relay	61.6	56.3	9%
Intl. (UK and Italy) ⁴	22.0	10.3	114%
Segment Revenue⁵	2,425.7	1,995.9	21.5%
Poland	1,483.1	1,175.4	26.2%
Mondial Relay	706.3	717.1	(1.5%)
Intl. (UK and Italy)	236.3	103.4	128.6%
Adjusted EBITDA	760.1	557.3	36.4%
Poland	673.0	531.9	26.5%
Mondial Relay	72.4	71.6	1.1%
Intl. (UK and Italy)	14.7	(46.2)	n/a
Adjusted EBITDA Margin	31.3%	27.9%	340bps
Poland	45.4%	45.3%	10bps
Mondial Relay	10.3%	10.0%	30bps
Intl. (UK and Italy)	6.2%	(44.7%)	5,090bps
CAPEX	245.8	222.6	10.4%
% of revenue	10.1%	11.2%	(100bps)
Net Leverage⁶	2.0x	3.0x	(1.0)x
FCF Group	213.2	117.3	81.8%
FCF Poland	459.3	300.1	53.0%
FCF International	(246.1)	(182.8)	(34.6%)

⁴ Reporting segment: Other international.

⁵ Revenue and Other Operating Income.

⁶ Leverage calculated based on the Last Twelve Months Adjusted EBITDA.

Poland: Strengthening leadership position while maintaining high profitability

In Q1 2024, our parcel volumes in Poland reached 159.0 million (+20% YoY). As in previous quarters, we outpaced the domestic e-commerce market growth, which was of 12% YoY⁷. APMs volumes improved by 18% YoY, with both marketplaces and merchants from the fashion segment serving as the main drivers of this growth. 'To-door' deliveries grew dynamically by 34%, which were propelled by the marketplaces.

The revenue generated in Poland in Q1 2024 was 26.2% higher YoY and reached PLN 1,483.1 million due to higher volume YoY and single digit repricing. Adjusted EBITDA rose in line with revenues by 26.5% to PLN 673.0 million.

The strength of our Polish business was reflected in free cash flow generation. FCF for the Q1 2024 amounted to PLN 459.3 million (+53.0% YoY), and FCF conversion reached 68% (vs 56% a year earlier). This highly cash generative business model in Poland is expected to continue to provide the Group with the necessary financial funds to fuel its international expansion.

InPost continued its network development in Poland, reaching a total of 22,654 APMs (+13% YoY) with almost 700 machines added in the last quarter. This maintains our undisputed leading position in Poland in terms of network coverage.

Continued expansion led to more APM users rising to 18.3 million at the end of Q1, gaining over 1 million users in the last 12 months. Our top-rated mobile app, a key tool in enhancing customer experience reached 12 million users.

Mondial Relay: Gaining market share and consumer trust

In Q1 2024, Mondial Relay's parcel volumes totalled 61.6 million, representing a YoY growth rate of 9%, and thereby significantly surpassing the e-commerce market which decreased by 4%⁸. In the returns and B2C segment, which is our strategic focus, we attained an encouraging 28% YoY rise in volumes.

Total revenue reported by Mondial Relay in Q1 2024 reached PLN 706.3 million, reflecting a +7.1% increase in local currency and a 1.5% decrease in PLN. Adjusted EBITDA amounted to PLN 72.4 million, which translated into a +10.7% YoY in EUR and a +1.1% YoY in PLN.

⁷ Company estimate based on market statistics and reports.

⁸ Ibidem

In Mondial Relay, our focus is on building scale, improving consumer trust, enhancing logistics quality and increasing network density. Our out-of-home (OOH) points reached nearly 27,800 by the end of Q1 2024 (+20% YoY). In France, we boast the largest network of APMs, which has been a key driver of our higher volume.

Mondial Relay's most recent customer NPS continued to improve, reaching 27. This score is industry-leading among our peers in France and is clear proof of customers' trust in our high-quality service.

UK & Italy: Maintaining profitable top line momentum

In Q1 2024, the UK parcel volumes again more than doubled YoY (+147%) to 17.2 million. Revenue rose even stronger by 194.1% YoY to PLN 175.3 million driven by the C2C segment and product mix. In Q1 2024, InPost's UK network expanded to over 8,460 OOH points (+59% YoY), including 6,800 locker machines, which further solidifies InPost's position as the leading APM network in the UK.

In Italy in Q1 2024, parcel volumes went up to 4.8 million (+41% YoY) and revenues reached PLN 61.0 million marking a 39% increase YoY, driven mainly by B2C volume and marketplaces. Our OOH network widened to over 6,800 points (+40% YoY).

Adjusted EBITDA in the Other international segment (UK and Italy) improved to PLN 14.7 million, which is a significant development from a loss of PLN 46.2 million as reported in Q1 2023.

Outlook FY 2024 & Q2 2024 trading update

Market E-commerce volume growth	<p>High single digit e-commerce market volume growth in Poland.</p> <p>Mid-single digit e-commerce parcel market volume growth in our main international markets: France and the UK.</p>
Group Volume and Revenue growth	<p>Parcel volume to outperform market growth in all geographies; increase market share in all our geographies.</p> <p>At the Group level, the revenue growth rate is to exceed the volume growth rate by a low to mid-single digit.</p>
Adjusted EBITDA and Adjusted EBITDA margin	<p>At the Group level, we expect Adjusted EBITDA growth in line with revenue increase: (i) Adjusted EBITDA margin in Poland slightly softening and stabilising at mid-40s and (ii) Adjusted EBITDA margin from total international markets expected to be visibly higher YoY at low double digits. We expect Mondial Relay Adjusted EBITDA margin to increase by 100-200 bps, while in the UK, we expect sustained Adjusted EBITDA margin vs Q4 2023.</p> <p>We expect to be profitable in all our key markets⁹ on an Adjusted EBITDA level.</p>
Capex & APM network expansion	<p>We will continue to consolidate our leadership footprint, by focusing on increasing the density and proximity of our APM network in Poland as well as by continuing to further develop our coverage in France and the UK.</p> <p>We expect total capex to amount to approx. PLN 1.3 billion (ex-M&A expenditures) with the increased weight of total international markets' capex.</p> <p>Capex intensity (vs revenue) is expected at low double digits.</p>
Debt levels and Leverage	<p>We expect stable, positive FCF at the Group level as well as continued deleveraging.</p> <p>As previously communicated, we are always looking for strategic non-organic options of accelerating growth and consolidating our footprint/value chain in our key international geographies.</p>
Q2 2024 trading update	<p>So far in Q2 2024 we are running at volume growth of c. 20% at the Group level, with volume in Poland growing mid-teens and total international volume growing at a faster rate than Q1.</p>

⁹ Poland, France, UK, Italy

Consolidated financial information

Consolidated Statement of Profit or Loss and Other Income

PLN million unless otherwise specified	Q1 2024	Q1 2023	Difference	YoY Change
Revenue	2,418.8	1,987.6	431.2	21.7%
Other operating income	6.9	8.3	(1.4)	(16.9%)
Depreciation and amortisation	311.2	277.8	33.4	12%
Raw materials and consumables	55.5	65.0	(9.5)	(14.6%)
External services	1,257.3	1,097.9	159.4	14.5%
Taxes and charges	3.8	3.4	0.4	11.8%
Payroll	242.4	186.1	56.3	30.3%
Social security and other benefits	77.9	63.4	14.5	22.9%
Other expenses	31.6	14.3	17.3	121.0%
Cost of goods and materials sold	12.5	9.9	2.6	26.3%
Other operating expenses	2.9	4.4	(1.5)	(34.1%)
Impairment loss on trade and other receivables	1.9	6.0	(4.1)	(68.3%)
Total operating expenses	1,997.0	1,728.2	268.8	15.6%
Operating profit	428.7	267.7	161.0	60.1%
Finance income	23.4	0.4	23.0	5750.0%
Finance costs	90.5	93.9	(3.4)	(3.6%)
Share of results from associates accounted for using the equity method	4.5	-	4.5	n/a
Profit before tax	366.1	174.2	191.9	110.2%
Income tax expense	109.8	58.3	51.5	88.3%
Profit from continuing operations	256.3	115.9	140.4	121.1%
Loss from discontinued operations	(1.5)	-	(1.5)	n/a
Net profit	254.8	115.9	138.9	119.8%
Other comprehensive income – item that may be reclassified to profit or loss				
Exchange differences from the translation of foreign operations, net of tax	13.2	(1.4)	14.6	n/a
Share of other comprehensive income/(loss) of associates accounted for using the equity method	(2.2)	-	(2.2)	n/a
Other comprehensive income, net of tax	11.0	(1.4)	12.4	n/a
Total comprehensive income	265.8	114.5	151.3	
Net profit (loss) attributable to owners:				
From continued operations:	256.3	115.9	140.4	121.1%
From discontinued operations:	(1.5)	-	(1.5)	n/a
Total comprehensive income, attn. to owners:				
From continued operations:	265.7	114.5	151.2	132.1%
From discontinued operations:	0.1	-	0.1	n/a
Basic/diluted earnings per share (in PLN)	0.51	0.23	0.28	120.0%
Basic/diluted earnings per share (in PLN) - Continuing operations	0.51	0.23	0.28	120.0%
Basic/diluted earnings per share (in PLN) - Discontinued operations	-	-	-	n/a

Consolidated Statement of Financial Position

PLN million unless otherwise specified	Balance as at 31/03/2024	Balance as at 31/12/2023
Goodwill	1,365.0	1,379.9
Intangible assets	1,012.0	1,002.1
Property, plant and equipment	4,953.5	4,802.2
Investments in associates accounted for using the equity method	215.2	211.5
Other receivables	29.2	26.6
Deferred tax assets	149.3	175.1
Other assets	49.9	43.3
Non-current assets	7,774.1	7,640.7
Inventory	12.8	13.0
Other financial assets	24.6	7.9
Trade and other receivables	1,503.6	1,439.9
Income tax asset	15.4	14.5
Other assets	106.0	51.6
Cash and cash equivalents	697.8	565.2
Current assets	2,360.2	2,092.1
TOTAL ASSETS	10,134.3	9,732.8
Share capital	22.7	22.7
Share premium	35,122.4	35,122.4
Retained earnings/(accumulated losses)	1,796.2	1,541.4
Reserves	(35,369.7)	(35,392.5)
Total equity	1,571.6	1,294.0
Loans and borrowings	4,749.7	4,769.2
Employee benefits and other provisions	14.6	14.0
Government grants	1.1	1.1
Deferred tax liability	347.3	297.4
Other financial liabilities	1,099.1	1,127.4
Total non-current liabilities	6,211.8	6,209.1
Trade payables and other payables	1,130.5	1,074.7
Loans and borrowings	91.7	87.6
Current tax liabilities	119.6	124.7
Employee benefits and other provisions	163.5	128.6
Other financial liabilities	698.6	664.2
Other liabilities	147.0	149.9
Total current liabilities	2,350.9	2,229.7
TOTAL EQUITY AND LIABILITIES	10,134.3	9,732.8

Consolidated Statement of Cash Flows

	Q1 2024	Q1 2023
Cash flows from operating activities		
Net profit	254.8	115.9
Adjustments:	497.1	448.9
Income tax expense	109.8	58.3
Financial cost/(income)	66.8	96.3
(Gain)/loss on sale of property, plant and equipment	0.1	0.2
Depreciation and amortisation	311.2	277.8
Impairment losses	1.9	10.5
Group settled share-based payments	11.8	5.8
Share of results of associates	(4.5)	-
Changes in working capital:	(46.3)	(32.1)
Trade and other receivables	(52.4)	(47.7)
Inventories	0.2	0.5
Other assets	(54.7)	(48.4)
Trade payables and other payables	28.1	16.1
Employee benefits, provisions and contract liabilities	35.5	23.9
Other liabilities	(3.0)	23.5
Cash generated from operating activities	705.6	532.7
Interest and commissions paid	(83.6)	(68.9)
Income tax paid	(49.4)	(36.9)
Net cash from operating activities	572.6	426.9
Cash flows from investing activities		
Purchase of property, plant and equipment	(208.0)	(194.0)
Purchase of intangible assets	(37.8)	(28.6)
Proceeds from acquisition of shares in associated company	4.5	-
Net cash from investing activities	(241.3)	(222.6)
Cash flows from financing activities		
Proceeds from loans and borrowings	0.2	70.1
Repayment of the principal portion of loans and borrowings	(4.4)	(34.2)
Payment of principal of the lease liability	(197.2)	(155.9)
Net cash from financing activities	(201.4)	(120.0)
Net change in cash and cash equivalents	129.9	84.3
Cash and cash equivalents as at 1 Jan	565.2	435.8
Effect of movements in exchange rates	2.7	(0.4)
Cash and cash equivalents as at 31 Mar	697.8	519.7

Free cash flow bridge

	Q1 2024	Q1 2023	YoY
Group Adjusted EBITDA	760.1	557.3	36%
Group Change in NWC	(46.3)	(32.1)	44%
Income tax	(49.4)	(36.9)	34%
Lease payments	(197.2)	(155.9)	26%
Group CF from Operations	467.2	332.4	41%
Maintenance Capex: Poland	(3.3)	(5.2)	(37%)
Expansion Capex: Poland	(97.6)	(116.3)	(16%)
International Capex	(144.9)	(101.1)	43%
Adjusted cash cost	(10.3)	(6.0)	72%
FX effects	2.1	13.5	(84%)
Group FCF	213.2	117.3	82%
Cash conversion	28.0%	21.0%	700bps

Net Debt and Leverage

	31/03/2024	31/12/2023	Difference	% change
(+) Gross debt	6,639.1	6,648.4	(9.3)	(0.1%)
Borrowings & financial instruments at amortised cost	4,841.4	4,856.8	(15.4)	(0.3%)
Depots and APM locations IFRS16 lease liabilities	1,442.5	1,446.1	(3.6)	(0.2%)
Other IFRS16	355.2	345.5	9.7	2.8%
(-) Cash	(697.8)	(565.2)	(132.6)	23.5%
(-) Interest Rate SWAP	(24.6)	(7.9)	(16.7)	211.4%
Net debt	5,916.7	6,075.3	(158.6)	(2.6%)
Adjusted EBITDA LTM	2,935.9	2,733.1	202.8	7.4%
Net Leverage (Actual)	2.0x	2.2x	(0.2)x	n/a

Definitions and numerical reconciliations of Alternative Performance Measures¹⁰

InPost S.A. is the parent company of the InPost Group ("InPost", the "Company" or the "Group").

Operating EBITDA facilitates the comparisons of the Group's operating results from period to period and between segments by removing the impact of, among other things, its capital structure, asset base and tax consequences. Operating EBITDA is defined as net profit for the period adjusted for profit (loss) from discontinued operations, income tax expense (benefit), profit on sales of an organised part of an enterprise, share of profits of equity-accounted investees, finance costs and income as well as depreciation and amortisation.

Adjusted EBITDA facilitates the comparisons of the Group's operating results from period to period and between segments by removing the impact of, among other things, its capital structure, asset base and tax consequences as well as one-off and non-cash costs not related to its day-to-day operations. Adjusted EBITDA is defined as net profit (loss) for the period adjusted for profit (loss) from discontinued operations, income tax expense (benefit), profit on sales of an organised part of an enterprise, share of profits of equity-accounted investees, finance costs and income, depreciation and amortisation adjusted with non-cash (Share-based payments) and one-off costs (IPO, Restructuring and Acquisition costs). Restructuring costs refer to legal and advisory costs of the standardisation of the operating, administration and business processes of Mondial Relay to reflect the processes in Polish entities.

CAPEX is defined as the total of Purchase of property, plant and equipment and Purchase of intangible assets presented in the Cashflow Statement. This measure is used to assess the total amount of cash outflows invested in the Group's non-current assets.

Operating EBITDA Margin is defined as Operating EBITDA divided by the total of Revenue and Other operating income.

Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by the total of Revenue and Other operating income.

PLN m, unless otherwise stated	Q1 2024	Q1 2023
Net profit/(loss) from continuing operations	256.3	115.9
Income tax	109.8	58.3
Profit/(loss) from continuing operations before tax	366.1	174.2
adjusted by:		
Net financial costs	67.1	93.5
Depreciation	311.2	277.8
Share of result from associates	(4.5)	-
Operating EBITDA	739.9	545.5
MIP Valuation	1.1	0.8
LTIP Valuation	8.8	5.0
Restructuring costs	10.3	6.0
Adjusted EBITDA	760.1	557.3
Total CAPEX	245.8	222.6
Purchase of property, plant and equipment	208.0	194.0
Purchase of intangible assets	37.8	28.6
Revenue and other operating income	2,425.7	1,995.9
Operating EBITDA	739.9	545.5
Operating EBITDA margin	30.5%	27.3%
Revenue and other operating income	2,425.7	1,995.9
Adjusted EBITDA	760.1	557.3
Adjusted EBITDA margin	31.3%	27.9%

¹⁰ More information about Alternative Performance Measures can be found in note 8.1. of the FY 2023 Integrated Annual Report (p.214). <https://inpost.eu/investors/integrated-annual-report>

About InPost S.A.

InPost (Euronext Amsterdam: INPST) has revolutionised e-commerce parcel delivery in Poland and is now one of the leading out-of-home e-commerce enablement platforms in Europe. Founded in 1999 by Rafał Brzoska, InPost provides delivery services through our network of more than 37,000 Automated Parcel Machines ("APMs") in nine countries across Europe as well as to-door courier and fulfilment services to e-commerce merchants. InPost's locker machines provide consumers with a cheaper and more flexible, convenient, environmentally friendly and contactless delivery option.

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Disclaimer

This press release contains inside information relating to the Company within the meaning of Article 7(1) of the EU Market Abuse Regulation.

This press release contains forward-looking statements. Other than the reported financial results and historical information, all the statements included in this press release, including, without limitation, those regarding our financial position, business strategy as well as management plans and objectives for future operations, are, or may be deemed to be, forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, including but not limited to the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements are based on the Company's beliefs, assumptions and expectations regarding future events and trends that affect the Company's future performance, taking into account all the information currently available to the Company, and are not guarantees of future performance. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future, and the Company cannot guarantee the accuracy or completeness of forward-looking statements. A number of important factors, not all of which are known to the Company or are within the Company's control, could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of the risks and uncertainties facing the Company. Readers are cautioned not to place undue reliance on these forward-looking statements, which relay information only as of the date of this press release and are subject to change without notice. Other than as required by applicable law or the applicable rules of any exchange on which our securities may be traded, we have no intention or obligation to update forward-looking statements.

The reported financial results are presented in Polish Zloty (PLN) and all values (including operational data) are rounded to the nearest million unless otherwise stated. As a consequence, rounded amounts and figures may not add up to the rounded total in all cases.