



9M23 appendix



02 November 2023

Disclaimer

DISCLAIMER

This document has been prepared by CTT – Correios de Portugal, S.A. (the “Company” or “CTT”) exclusively for use during the presentation of the 9 months of 2023 results (9M23). As a consequence thereof, this document may not be disclosed or published, nor used by any other person or entity, for any other reason or purpose without the express and prior written consent of CTT. This document (i) may contain summarised information and be subject to amendments and supplements, and (ii) the information contained herein has not been verified, reviewed nor audited by any of the Company’s advisors or auditors.

Except as required by applicable law, CTT does not undertake any obligation to publicly update or revise any of the information contained in this document. Consequently, the Company does not assume liability for this document if it is used for a purpose other than the above. No express or implied representation, warranty or undertaking is made as to, and no reliance shall be placed on, the accuracy, completeness or correctness of the information or the opinions or statements expressed herein. Neither the Company nor its subsidiaries, affiliates, directors, employees or advisors assume liability of any kind, whether for negligence or any other reason, for any damage or loss arising from any use of this document or its contents. Neither this document nor any part of it constitutes a contract, nor may it be used for incorporation into or construction of any contract or agreement.

This document has an informative nature and does not constitute, nor must it be interpreted as, an offer to sell, issue, exchange or buy any financial instruments (namely any securities issued by CTT or by any of its subsidiaries or affiliates), nor a solicitation of any kind by CTT, its subsidiaries or affiliates. Distribution of this document in certain jurisdictions may be prohibited, and recipients into whose possession this document comes shall be solely responsible for informing themselves about, and observing any such restrictions. Moreover, the recipients of this document are invited and advised to consult the public information disclosed by CTT on its website (www.ctt.pt) as well as on the Portuguese Securities Market Commission’s website (www.cmvm.pt). In particular, the contents of this presentation shall be read and understood in light of the financial information disclosed by CTT, through such means, which prevail in regard to any data presented in this document. By attending the meeting where this presentation is made and reading this document, you agree to be bound by the foregoing restrictions.

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements. All the statements herein which are not historical facts, including, but not limited to, statements expressing our current opinion or, as applicable, those of our directors regarding the financial performance, the business strategy, the management plans and objectives concerning future operations and investments are forward-looking statements. Statements that include the words “expects”, “estimates”, “foresees”, “predicts”, “intends”, “plans”, “believes”, “anticipates”, “will”, “targets”, “may”, “would”, “could”, “continues” and similar statements of a future or forward-looking nature identify forward-looking statements.

All forward-looking statements included herein involve known and unknown risks and uncertainties. Accordingly, there are or will be important factors that could cause our actual results, performance or achievements to differ materially from those indicated in these statements. Any forward-looking statements in this document reflect our current views concerning future events and are subject to these and other risks, uncertainties and assumptions relating to the results of our operations, growth strategy and liquidity, and the wider environment (specifically, market developments, investment opportunities and regulatory conditions).

Although CTT believes that the assumptions beyond such forward-looking statements are reasonable when made, any third parties are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of CTT, what could cause the models, objectives, plans, estimates and / or projections to be materially reviewed and / or actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

Forward-looking statements (in particular, the objectives, estimates and projections as well as the corresponding assumptions) do neither represent a commitment regarding the models and plans to be implemented, nor are they guarantees of future performance, nor have they been reviewed by the auditors of CTT. You are cautioned not to place undue reliance on the forward-looking statements herein.

All forward-looking statements included herein speak only as at the date of this presentation. Except as required by applicable law, CTT does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Appendix

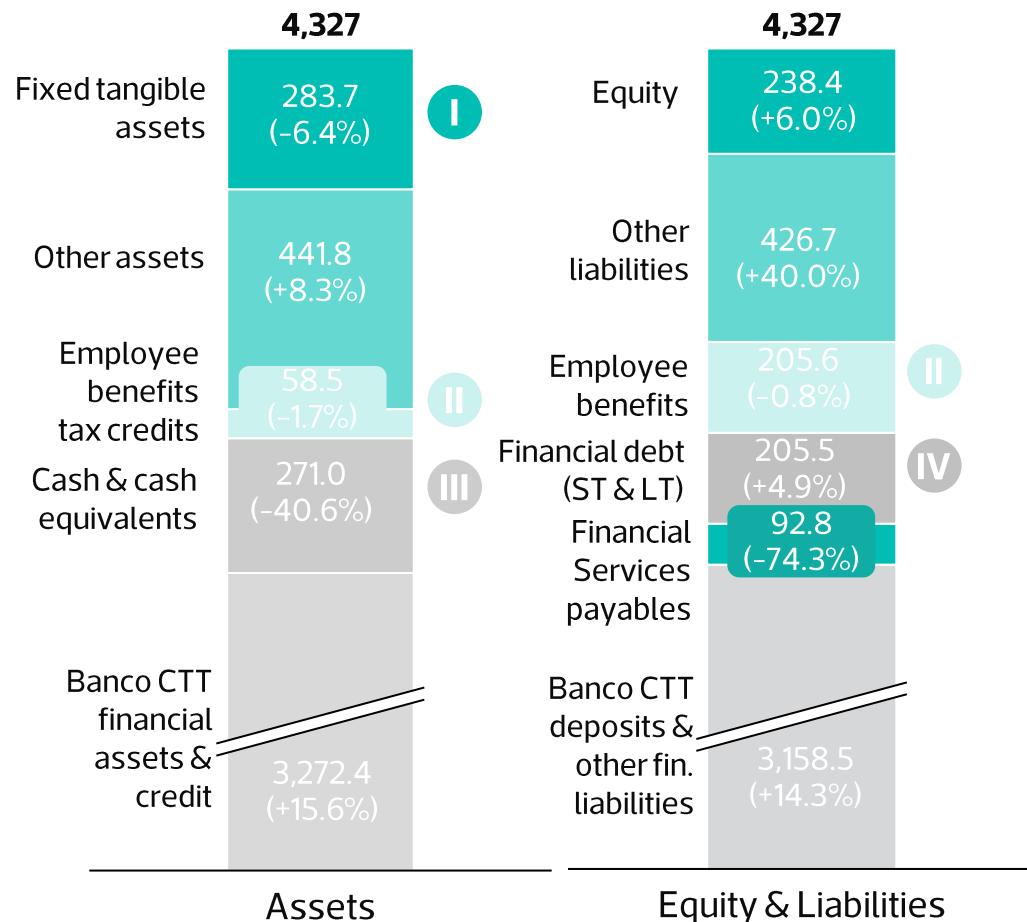


ctt

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

30 September 2023 Balance sheet

€ million; % change vs. 31 dec. 2022



I Fixed tangible assets

(+) Rights of use (leases)	102.2
(+) Other fixed tangible assets	181.5
(=) Fixed tangible assets	283.7

Rights of use decrease €12.2m vs. Dec22 (-10.7%)

II Net employee benefits

(+) Employee benefits (liabilities) *	205.6
(+) Employee benefits (equity) ¹	1.7
(-) Employee benefits tax credit	58.5
(=) Net employee benefits	148.8

* Of which **€189.7m related to healthcare**

III Adjusted cash²

(+) Adjusted cash Banco CTT	200.8
(+) Adjusted cash CTT	26.3
(=) Adjusted cash	227.2

IV Financial debt

(+) Bank loans	91.1
(+) Lease liabilities	114.4
(=) Financial debt	205.5

¹Corresponding to stock option remuneration plan; ²Proforma due to Payshopt transaction

Continued growth in E&P



Express & Parcels – Revenues 9M23

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

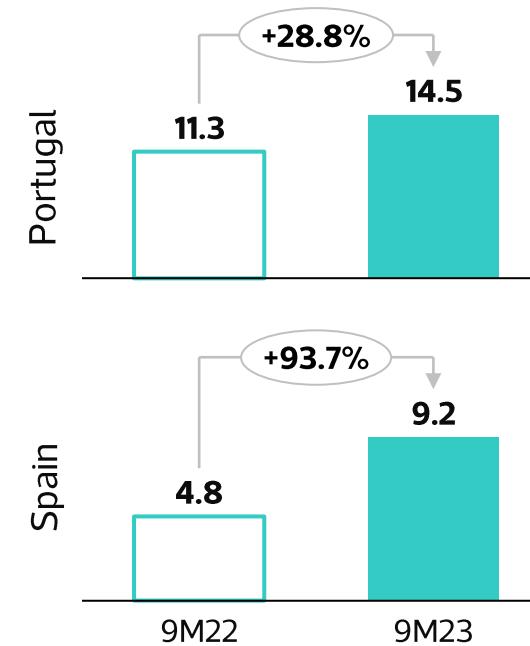
Portugal	106.2 (+12.6%)
Parcels	96.4 (+14.4%)
Cargo	3.0 (-19.5%)
Banking network	3.2 (+1.1%)
Logistics	2.9 (+17.1%)
Other	0.7 (+13.8%)
Spain	119.9 (+32.2%)
Mozambique	3.4 (+22.1%)
Total	229.5 (+22.2%)

Volumes by region (m items)

Metric	Total
9M23	67.3
vs. 9M22	+27.5%

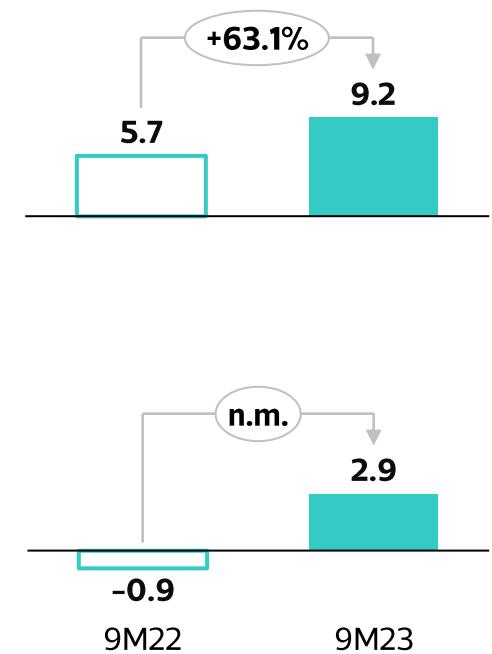
EBITDA^{1,2}

€ million



Recurring EBIT^{2,3}

€ million



Metric	Portugal
9M23	27.8
vs. 9M22	+18.9%

of which 27.5 (+19.3%) CEP

Metric	Spain
9M23	39.5
vs. 9M22	+34.4%

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

Softer volumes offsetting price increase

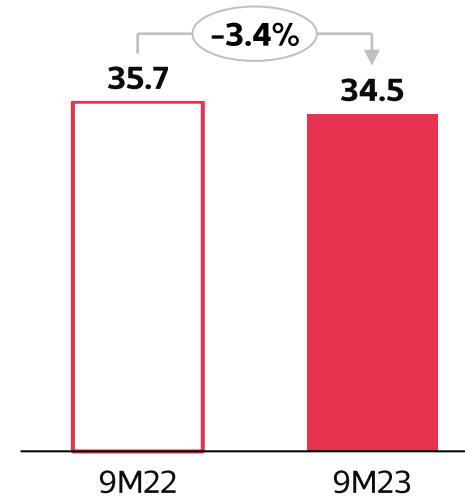
Mail & other – Revenues 9M23

€ million; % change vs. prior year

Transactional	257.4 (+0.2%)
Advertising	9.3 (-27.9%)
Editorial	8.7 (-4.1%)
Business solutions	32.7 (-36.7%)
USO parcels	5.5 (+2.0%)
Philately & other	6.7 (+4.5%)
Mail	320.3 (-6.4%)
Central Structure	2.7 (-15.5%)
Mail & other	323.0 (-6.5%)

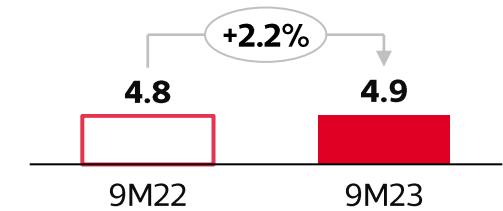
EBITDA¹

€ million



Recurring EBIT²

€ million



Volumes by type (m items)

Metric	Avg. mail prices	Addressed mail	Transactional	Advertising	Editorial	Unaddressed mail
9M23	N.A.	319.6	278.9	21.9	18.7	198.0
vs. 9M22	+6.28%	-8.0%	-6.7%	-22.3%	-8.0%	-37.1%

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

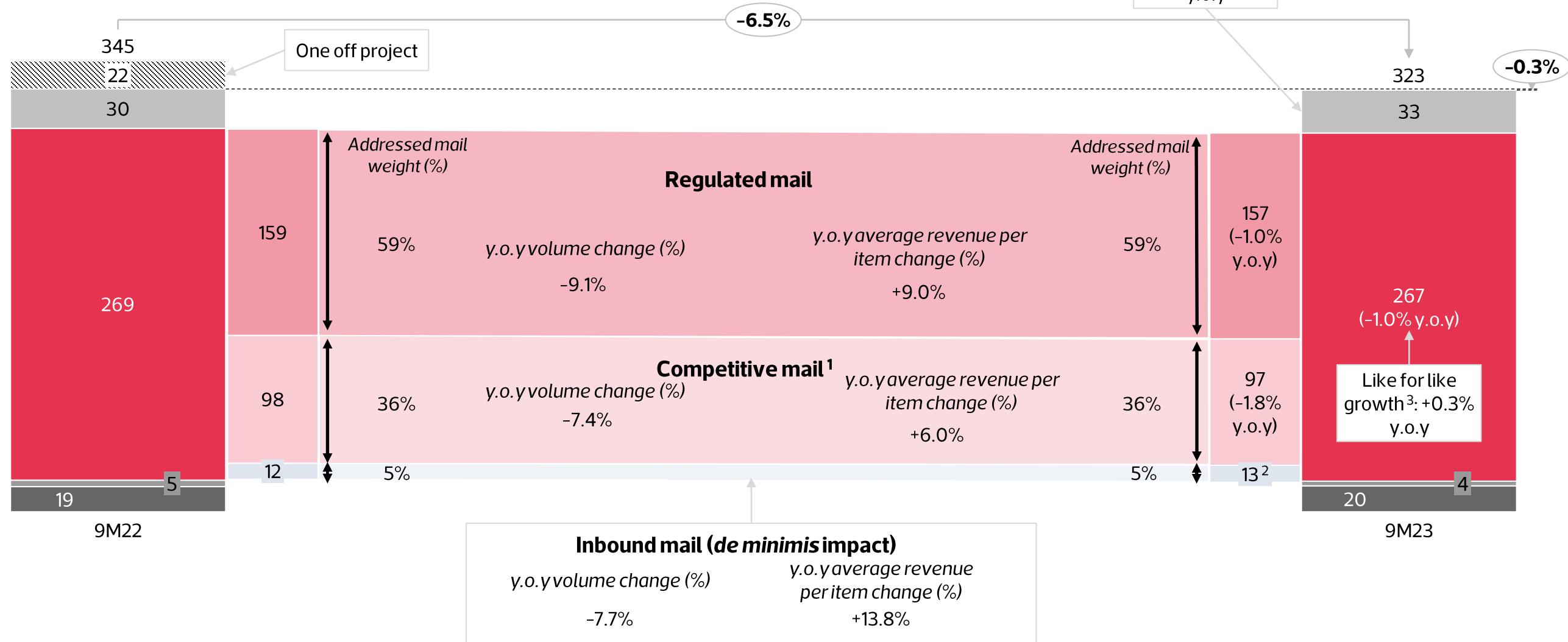
Both regulated and competitive mail with lighter volumes



Revenues

€ million; % change vs. prior year

Laptop Project
 Addressed
 Other
 Business solutions
 Unaddressed



¹Includes bulk and advertising mail; ²+5.0% y.o.y; ³excluding elections impact in 1Q22

Strict ceilings on debt placements are restricting placement until year end

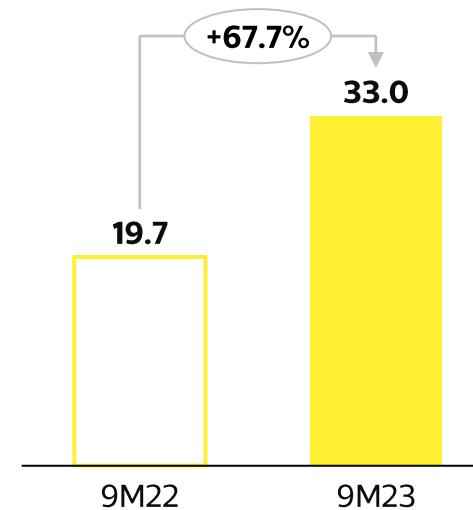
Financial Services & Retail – Revenues 9M23

€ million; % change vs. prior year

Savings & insurance	41.1(+101.9%)
Money orders	3.1(-29.1%)
Payments	1.1(+1.0%)
Retail products & services	8.2 (-35.1%)
Other	1.3 (+19.9%)
Total	54.8 (+38.6%)

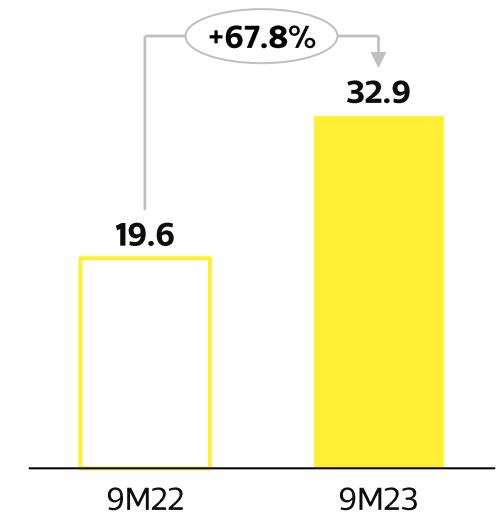
EBITDA¹

€ million



Recurring EBIT²

€ million



Financial Services volumes by type

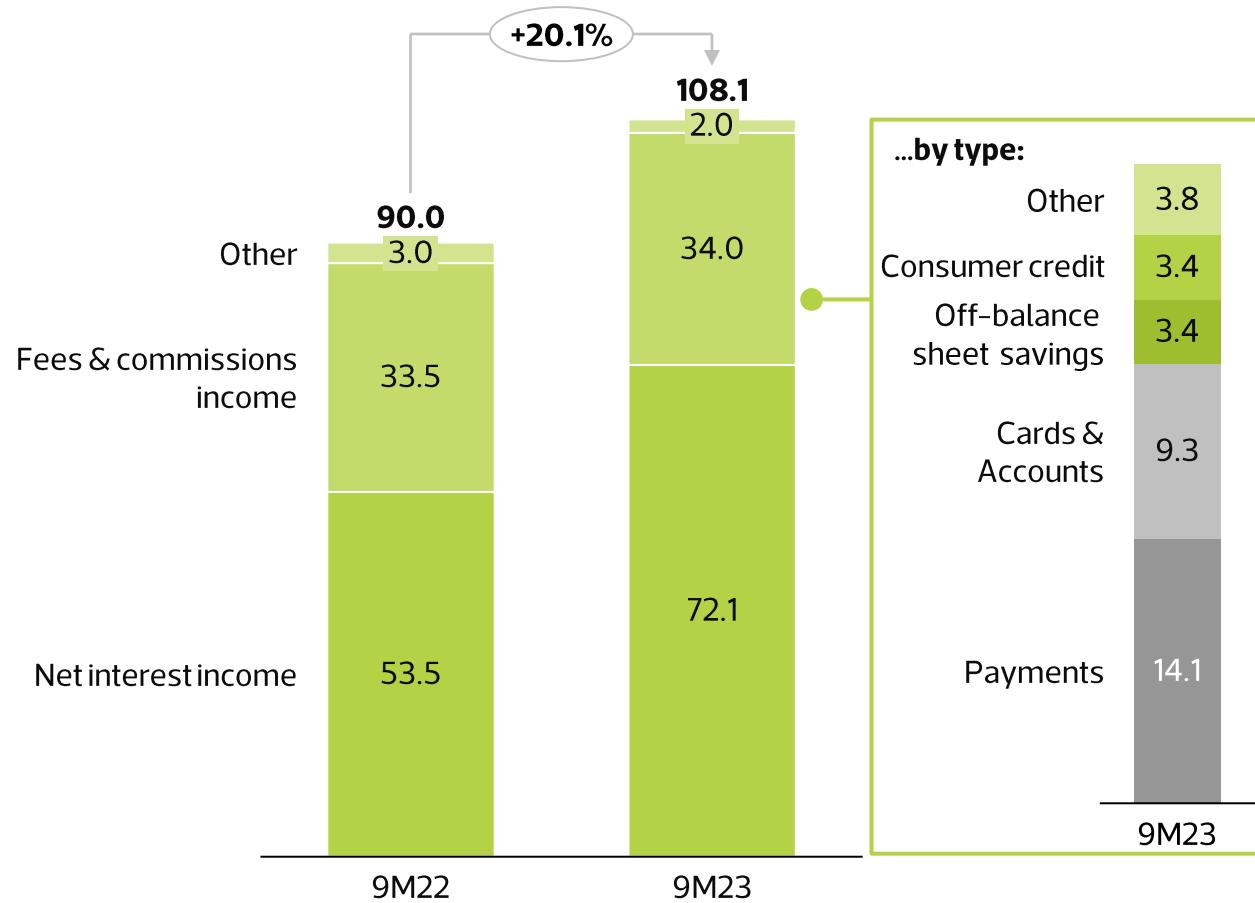
Metric	Savings flows (€bn)	Placements	Redemptions	Money orders (m ops.)
9M23	15.5	12.3	3.2	7.2
vs. 9M22	>>	>>	>>	-31.4%

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

Delivering strong growth

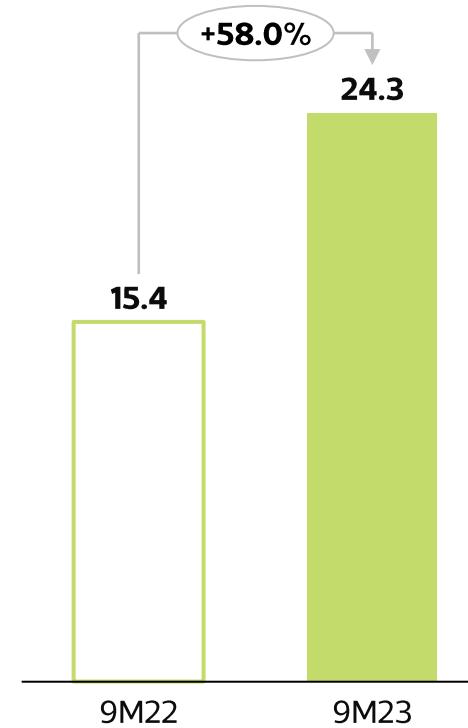
Banco CTT - Revenues 9M23

€ million; % change vs. prior year



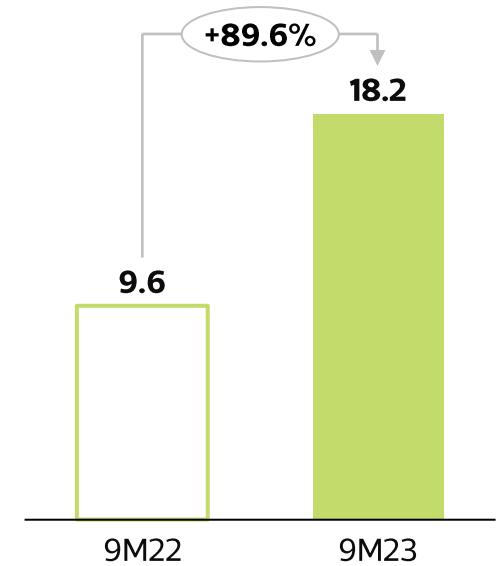
EBITDA¹

€ million; % change vs. prior year



Recurring EBIT²

€ million; % change vs. prior year

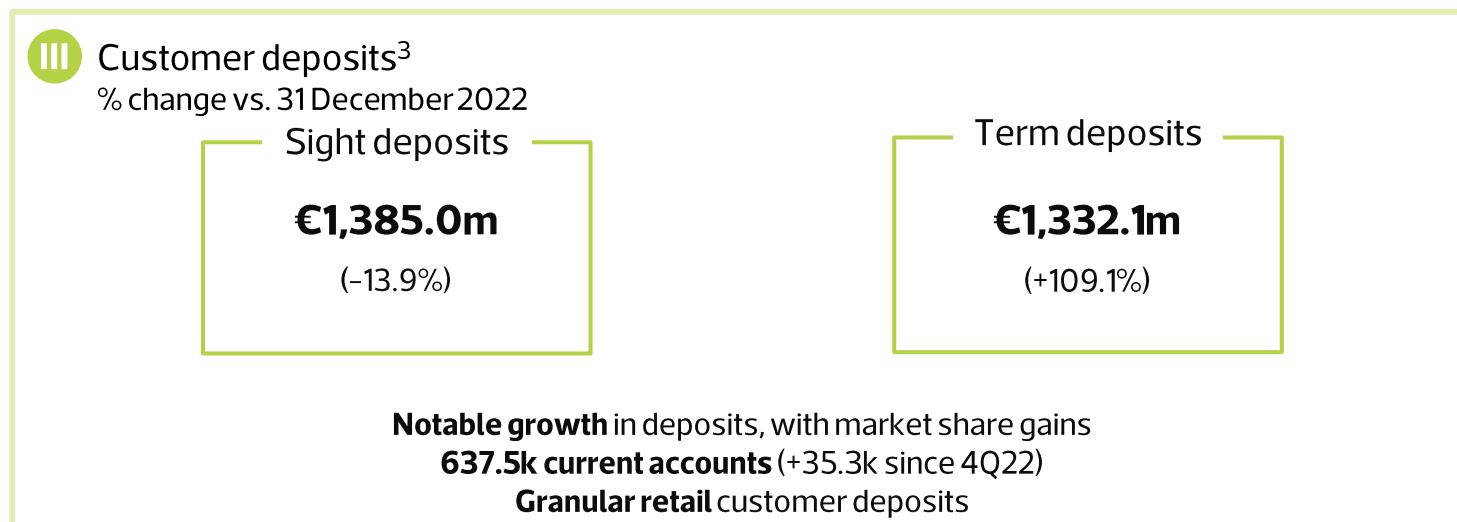
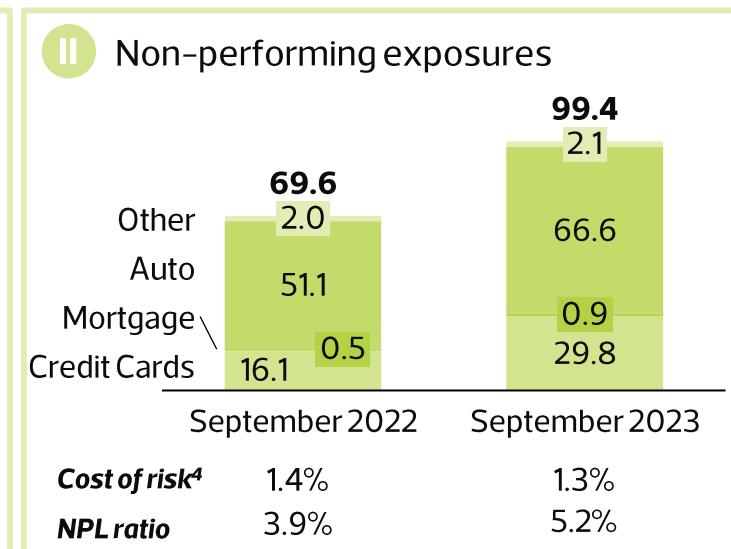
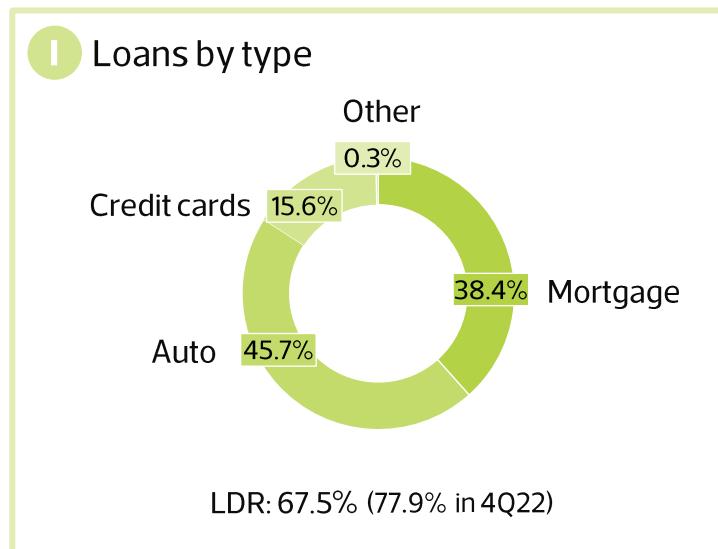
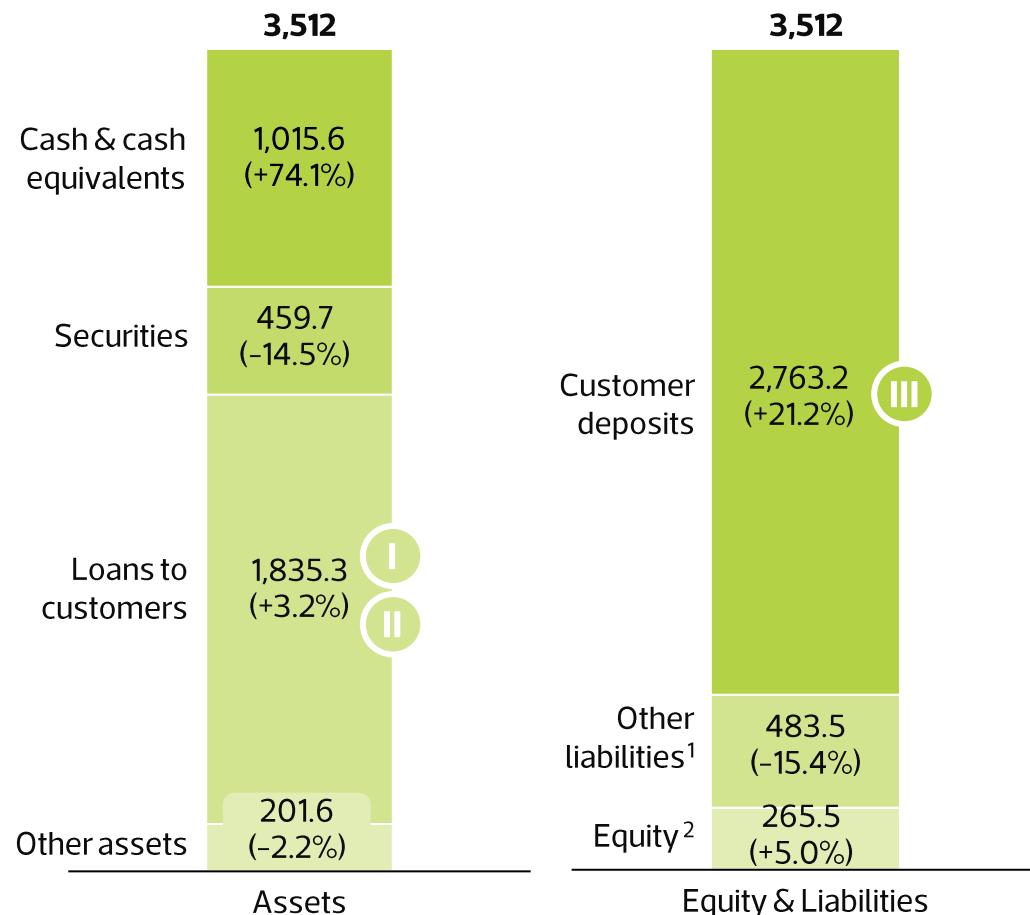


¹Excluding Specific items, depreciation & amortisation; ²Excluding Specific items

Balance sheet mix benefiting from higher interest rates

Banco CTT Balance Sheet- 30 September 2023

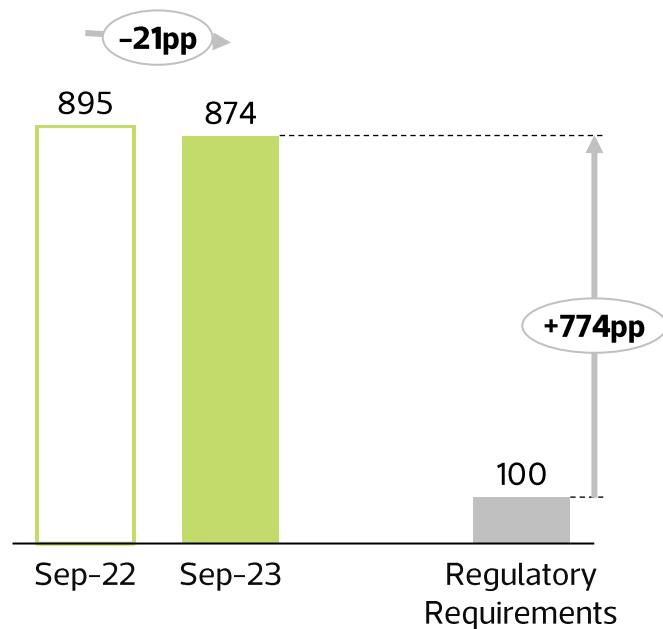
€ million; % change vs. 31 December 2022



¹ Includes 374.0 million€ of debt securities/securitisation; ² Includes 177.2 million€ of tangible equity; ³ Excludes deposits from intragroup companies; ⁴ Cumulative, consolidated

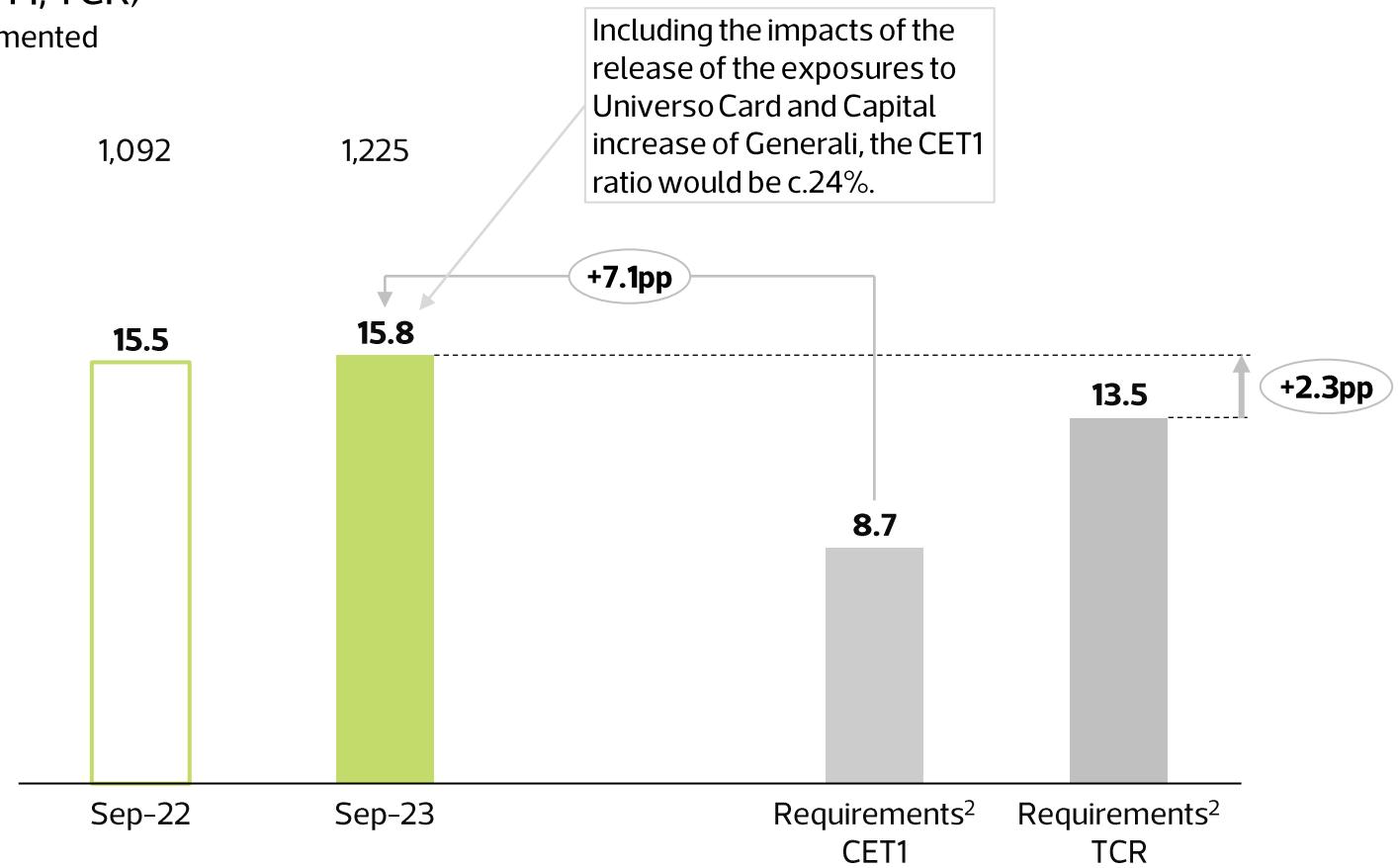
Solid balance sheet with ample flexibility

Liquidity (LCR) %



Capital (CET1, TCR)¹ %, Fully implemented

RWA 1,092



¹Provisional, includes 9M23 net income. CET1: Common Equity Tier 1. TCR: Total Capital Ratio. In the case of Banco CTT both ratios, as at the end of 9M22 and 9M23, were the same. ²CET1 requirements of 4,50% Pillar 1 + 1,69% Pillar 2 + 2,50% Conservation Buffer. TCR requirements of 8,00% Pillar 1 + 3,00% Pillar 2 + 2,50% Conservation Buffer

Consolidated Income statement



Income statement

€ million

	Reported		With Banco CTT under equity method ¹	
	9M22	9M23	9M22	9M23
Revenues	662.8	715.4	591.9	626.3
Operating costs	576.0	599.8	515.8	531.2
of which Impairments & provisions	17.4	20.6	-0.1	1.6
EBITDA	86.8	115.6	76.1	95.1
Depreciation & amortisation	48.1	47.5	43.4	42.2
of which IFRS 16 impact	21.9	21.4	21.3	20.5
Recurring EBIT	38.8	68.1	32.7	52.9
Specific items	-4.3	11.0	6.6	10.8
EBIT	43.0	57.1	26.1	42.1
Net financial income / (costs)	-6.9	-11.6	-7.0	-11.2
of which IFRS 16 impact	-2.4	-2.6	-2.4	-2.6
Associated companies – gains / (losses)	-0.2	0.0	12.5	11.4
Earnings before taxes	35.9	45.4	31.5	42.3
Net profit attributable to equity holders	28.3	35.5	29.2	35.5

¹Proforma due to Payshop transaction

Consolidated Balance sheet



Balance sheet

€ million

	Reported		With Banco CTT under equity method ¹	
	31-Dec-22	30-Sep-23	31-Dec-22	30-Sep-23
Non-current assets	2,253.3	2,323.2	683.2	686.3
Current assets	1,804.2	2,004.2	577.9	451.6
Assets	4,057.5	4,327.4	1,261.0	1,137.9
Equity	224.9	238.4	225.2	238.6
Liabilities	3,832.6	4,089.1	1,035.9	899.4
Non-current liabilities	789.4	736.4	331.7	350.5
Current liabilities	3,043.1	3,352.7	704.2	548.8
Equity and Liabilities	4,057.5	4,327.4	1,261.0	1,137.9
Net financial debt	29.8	-21.7	185.7	176.1

¹Proforma due to Payshop transaction

Consolidated Cash flow statement



Cash flow

€ million

	Reported			With Banco CTT under equity method ³		
	9M22	9M23	Δ 23/ 22	9M22	9M23	Δ 23/ 22
EBITDA	86.8	115.6	28.7	76.1	95.1	18.9
Non-cash items	-7.8	-3.2	4.6	-24.7	-21.0	3.7
Specific items affecting EBITDA	4.3	-11.0	-15.2	-6.6	-10.8	-4.2
Capex	-19.9	-16.6	3.3	-17.1	-12.7	4.3
Change in working capital	-4.4	-8.6	-4.2	14.0	-4.1	-18.0
Operating cash flow	59.0	76.2	17.2	41.8	46.5	4.7
Employee benefits	-11.4	-12.7	-1.3	-11.4	-12.7	-1.3
Tax	-15.6	1.1	16.7	-15.4	0.8	16.2
Free cash flow	31.9	64.5	32.7	14.9	34.5	19.6
Debt (principal + interest)	-15.4	19.1	34.5	-15.4	19.1	34.5
Dividends	-17.7	-17.9	-0.2	-17.7	-17.9	-0.2
Acquisition of own shares	-21.6	-4.5	17.1	-21.6	-4.5	17.1
Financial investments & other	-0.6	-0.2	0.4	-0.6	-11.3	-10.7
Net change in adjusted cash	-23.4	61.0	84.4	-40.4	19.9	60.3
Change in liabilities FS & other & Banco CTT (net) ¹	-557.9	-234.2	323.7	62.0	-168.2	-230.2
Change in other ²	13.3	-12.2	-25.5	0.0	0.0	0.0
Net change in cash	-568.0	-185.4	382.6	21.6	-148.3	-169.9

¹The change in net liabilities of Financial Services and Banco CTT reflects the evolution of credit balances with third parties, depositors or other banking financial liabilities, net of the amounts invested in credit or investments in securities / banking financial assets, of entities of the CTT Group providing financial services, namely the financial services of CTT, Payshop, Banco CTT and 321 Crédito; ²The change in other cash items reflects the evolution of Banco CTT's sight deposits at Bank of Portugal, outstanding cheques / clearing of Banco CTT cheques, and impairment of sight and term deposits and bank applications; ³Proforma due to Payshop transaction

Specific items

Specific items

€ million

	Reported		
	9M22	9M23	
Recurring EBIT	38.8	68.1	
Specific items	-4.3	11.0	Primarily restructuring costs, namely suspension agreements of employment contracts (€ 4.2m).
Staff costs	2.6	4.5	
ES&S	2.0	2.0	
Other op. costs & other gains	-8.9	4.5	Primarily reinforcement of the impairment loss relative to the former headquarters and the cost savings associated with the change of head office building.
EBIT	43.0	57.1	

ctt

committed to deliver

Investor Relations

Phone: +351210 471087

E-mail: investors@ctt.pt

ctt.pt

Deliver the future
connecting people and businesses
in a sustainable way

