

Summer Roadshow



ctt

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An aerial photograph of a road bridge crossing a large body of water. The bridge is a multi-lane road with a central median and side lanes. A red car is visible on the bridge. The water is a deep blue-green color. The surrounding area includes green grass and trees. A large red shape is overlaid on the top left of the image.

Equity story in brief

The logo for ctt, consisting of the lowercase letters 'ctt' in a white, bold, sans-serif font, set against a red background.

ctt

Our positioning: a company in transformation, exposed to sustained growth



Strategy review

Leveraging strategic assets...

- Strong and trusted **brand** for people and businesses
- Unique **sales force**, underpinned by **universal access to B2B** customers
- Unique **last-mile distribution network**, increasingly integrated at Iberian level
- Unparalleled **retail network** in Portugal

... as a highly synergic platform

- Retail network **shared by bank, FS, mail and parcels**
- **Mail workforce delivering E&P**
- **Integration** between logistic networks of **mail and E&P**

For companies (B2B)¹

For people (B2C)¹

Revenues²: 409 | 41%

45 | 5%

341 | 35%

63 | 6%

129 | 13%

M€ | wgt

Strategy by business unit³

Mail

Our legacy business and **cash generator** leveraging a new **USO contract**

Business and commerce services

Integrated one-stop-shop Iberian player offering **business solutions** in the digital economy

Parcel and e-commerce solutions

First **growth engine** with exposure to **international markets**

Financial services and retail

Crucial **profitability driver**, leveraging proximity, and the **one-stop-shop** for customer services

Banco CTT

Fast growing **predominantly digital retail bank** expanding **core retail franchise** and bancassurance

Faster, Better and Greener

¹ Predominantly; ² FY23, € million, % weight of total revenues, % growth yoy;

³ Mail and Business and commerce services corresponds to Mail & Others business unit and Parcel and e-commerce solutions corresponds to Express & Parcels.

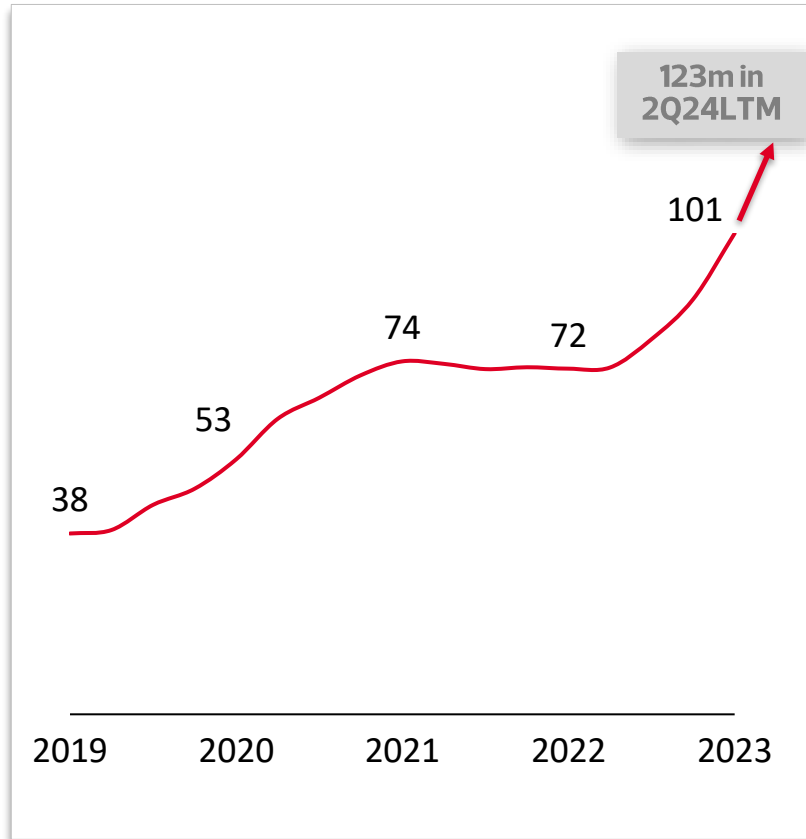
E&P is increasingly contributing to topline and margin



Strategy review

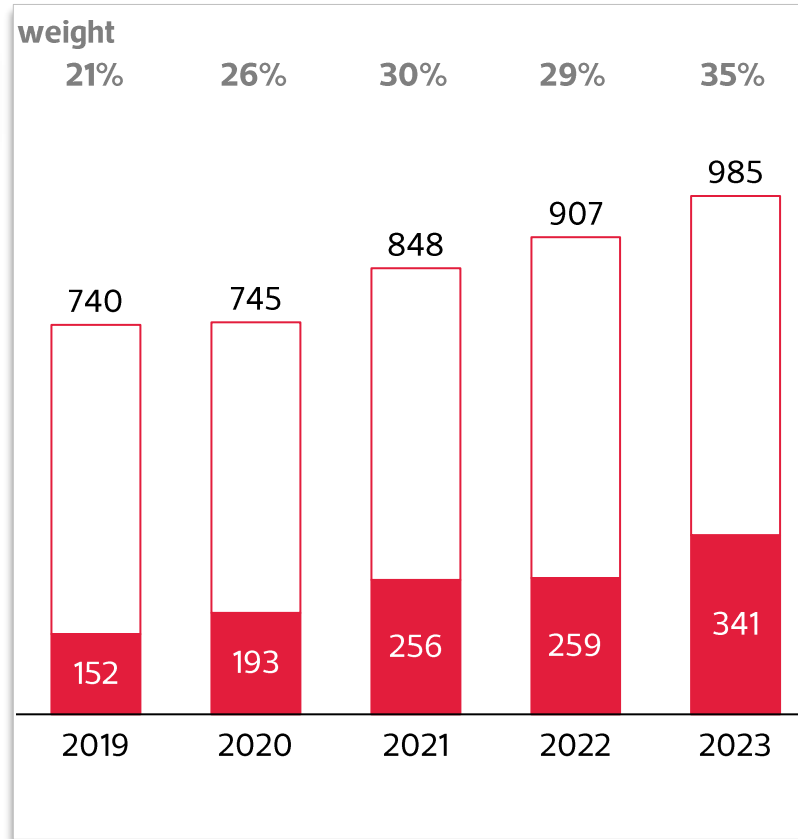
E&P volumes

million objects; LTM



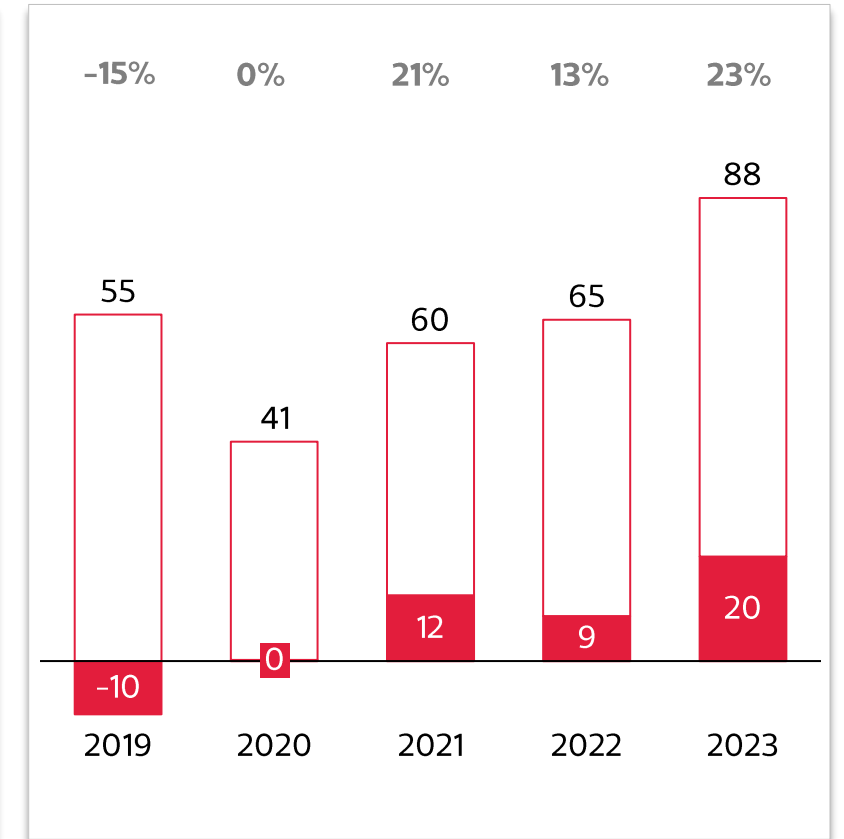
Revenues

€ million



Recurring EBIT

€ million



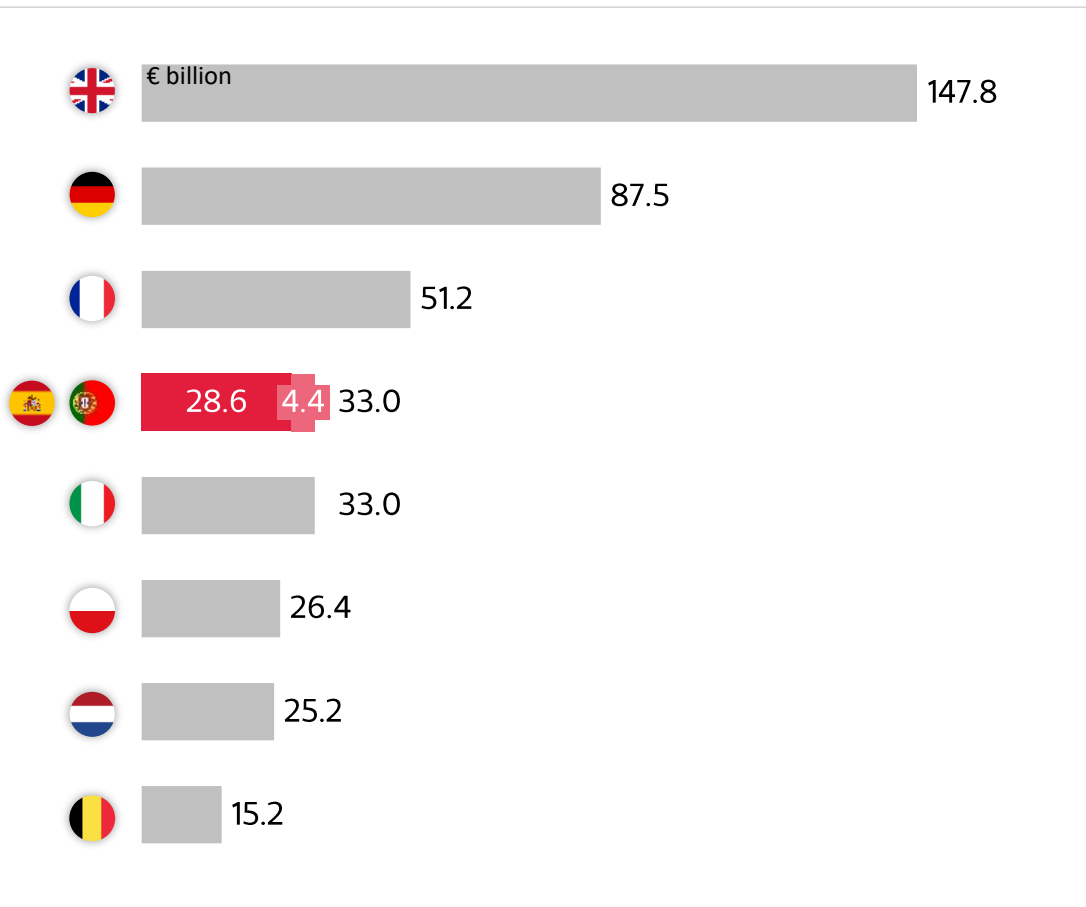
Successful transformation with growth

CTT is transforming itself in a leading e-commerce logistics player in Iberia

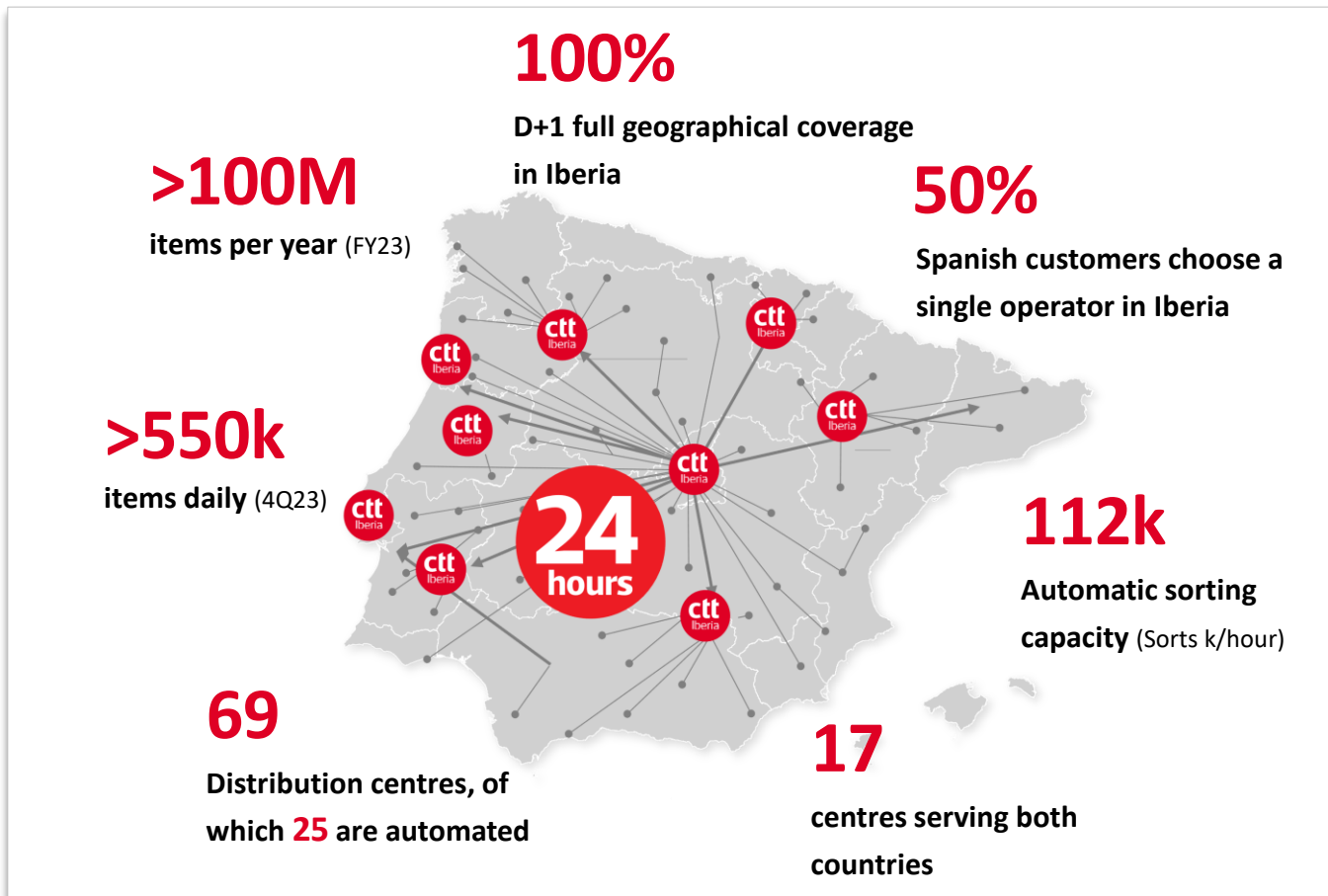


Express & Parcels

Iberia is the 4th largest e-commerce market in Europe¹



CTT is the fastest growing player in Iberia



Growth leader in an increasingly larger market

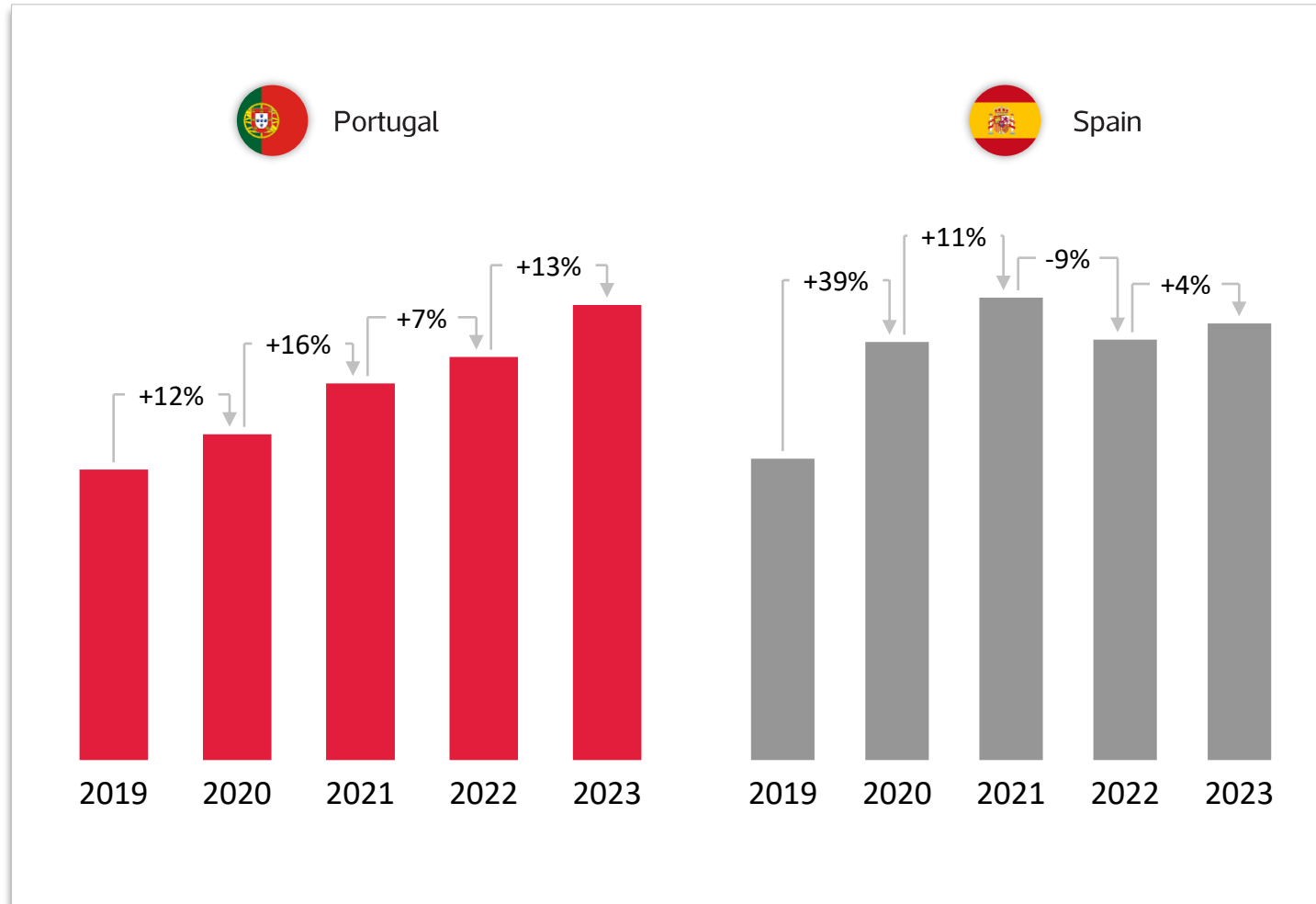
¹Source: Euromonitor International, 2023 data

Given low penetration, Iberian e-commerce market has significant potential

Express & Parcels

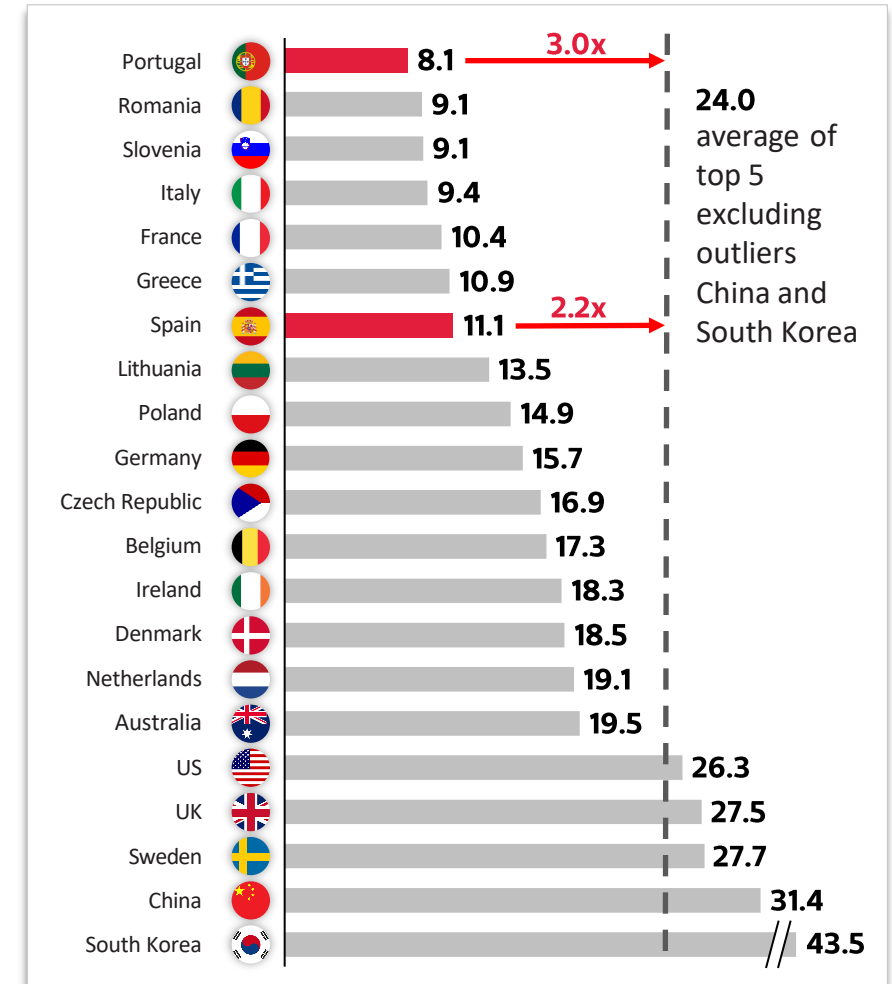
Iberian e-commerce is growing¹

% growth of e-commerce



... but e-commerce² penetration is still low, 2022

e-commerce share of total retail, %



Growth and upside

¹Eurostat, retail sales via mail order houses or via Internet;
²IPC market study, source: Euromonitor International, IMF, IPC analysis;

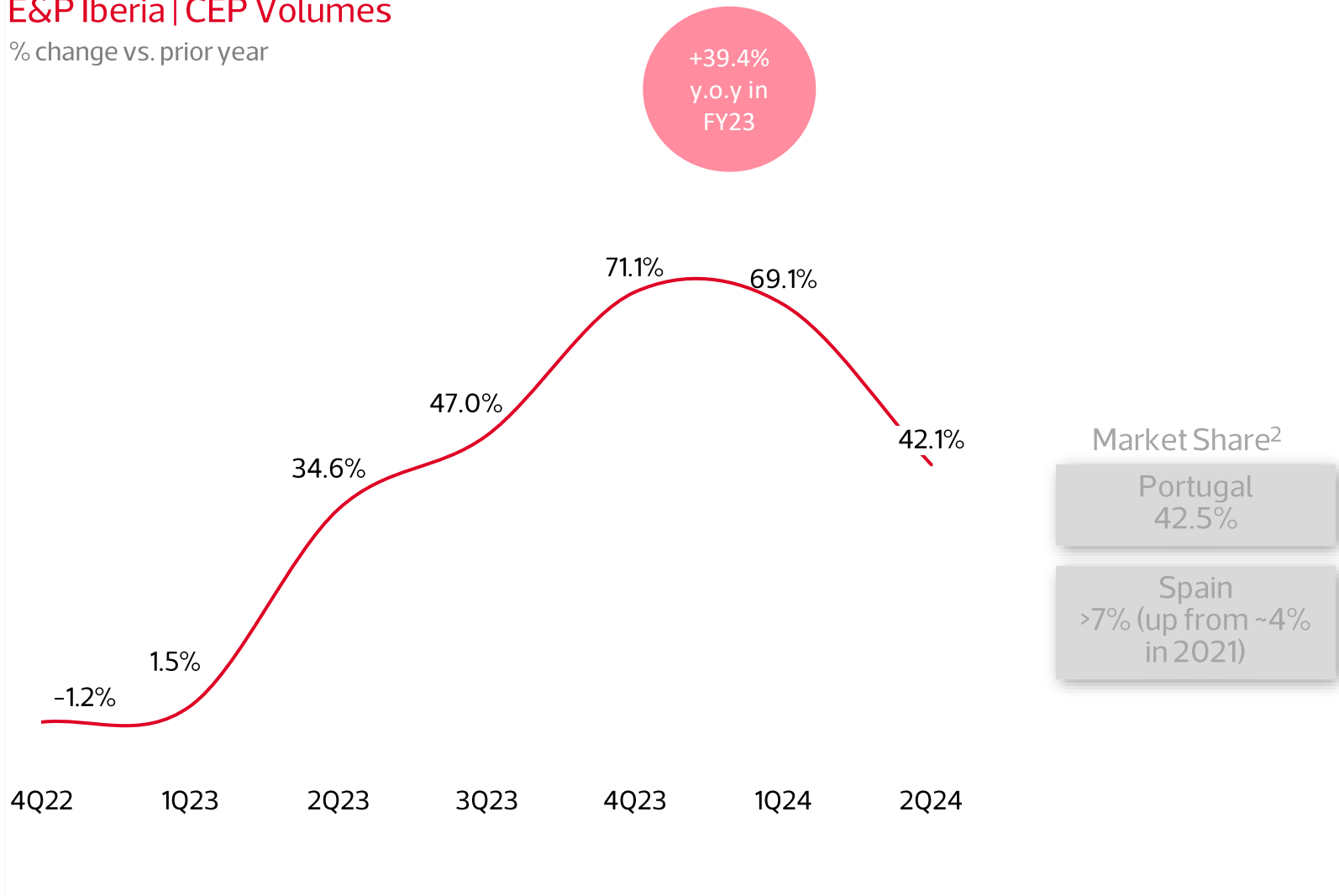
High quality and added services are paramount for attracting new customers in Spain



Express & Parcels

E&P Iberia | CEP Volumes

% change vs. prior year



High quality and efficiency

- Maintain a quality service with high delivery efficiency rates despite an increase in daily volumes

Adding new services

- New customs clearance unit in Madrid significantly reducing cost and delivery times for out-of-EU volumes
- Handling returns
- ~1,000 lockers in Portugal and >13,000 convenience points in Spain

Onboarding of relevant new customers & increasing volumes from existing customers

- New large international e-sellers
- Focus on diversifying towards smaller clients¹ continued during 2023

CTT is capturing market share

¹Clients with daily volumes below 20,000 items

²E-commerce market share in 2023, estimated by CTT. In Spain, excludes Amazon Logistics. In Portugal considers domestic volumes.

Record E&P recurring EBIT margin in 2Q24

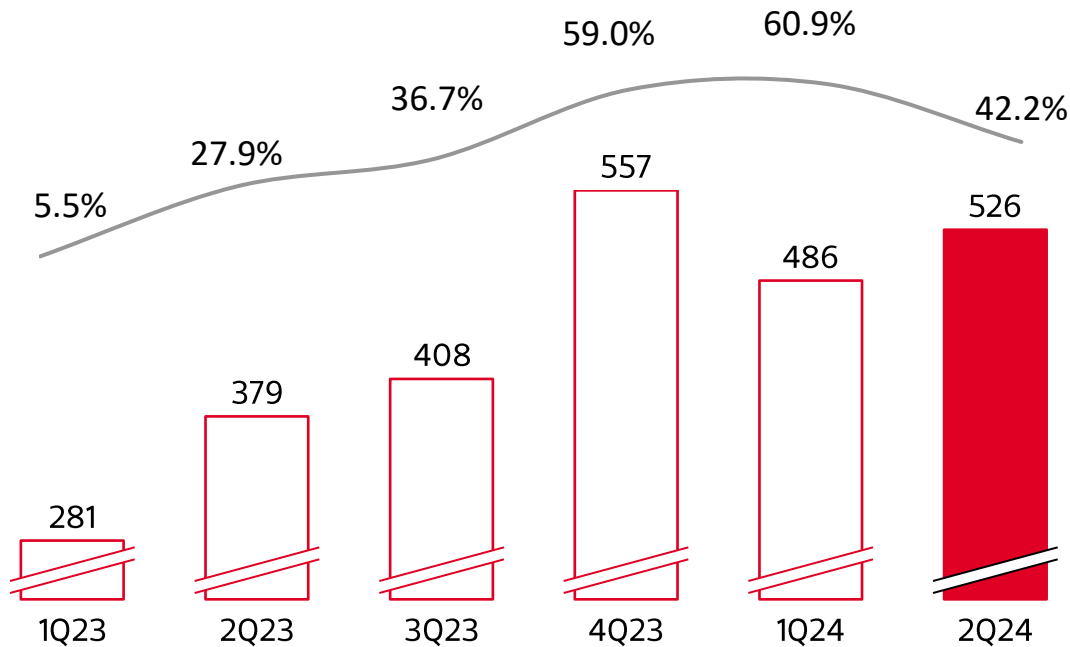


Express & Parcels

E&P Iberia | CEP Volumes

thousand items per working day

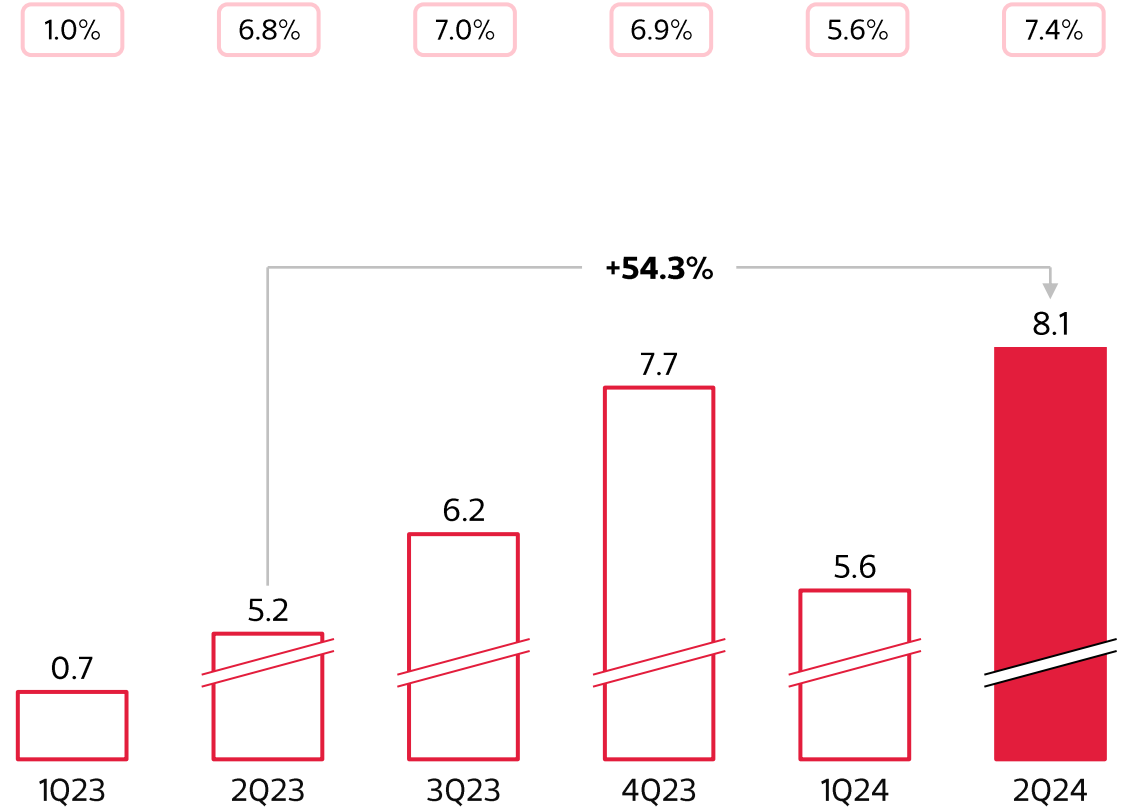
— Revenue growth; y.o.y



E&P | Recurring EBIT

€ million; % change y.o.y.

Margin:



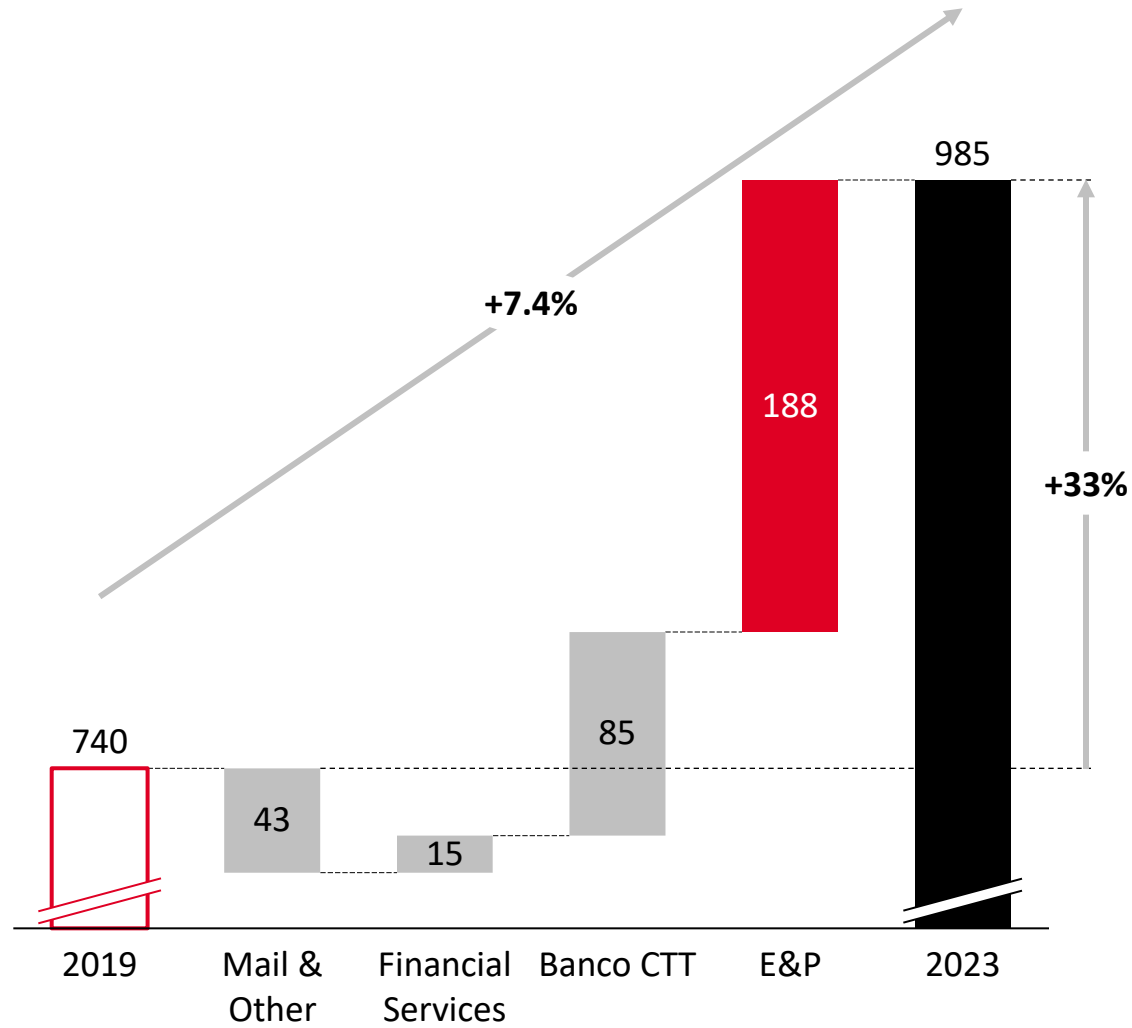
Growth in volumes is driving operational leverage

CTT is a growth company driven by rising e-commerce trend



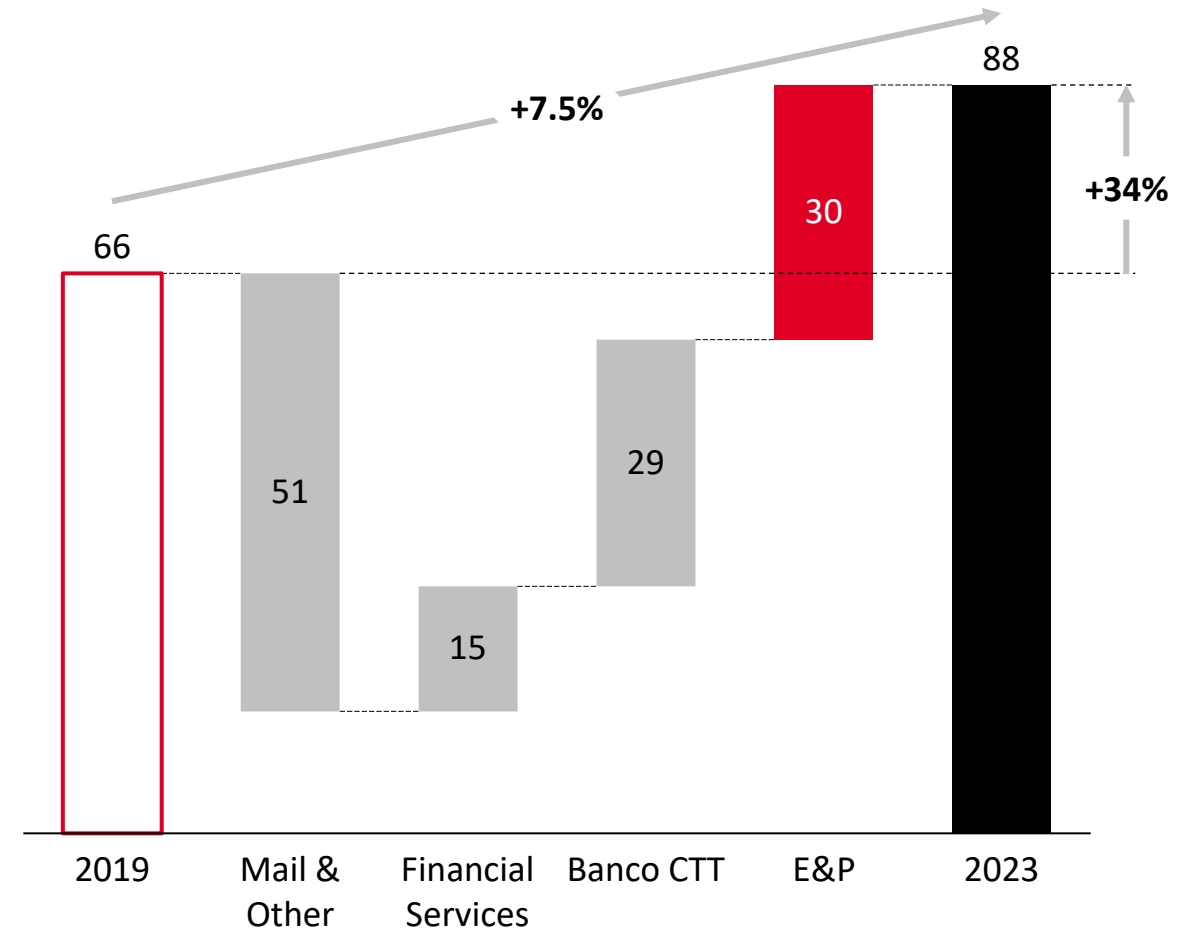
Revenues

€ million; % CAGR



Recurring EBIT

€ million

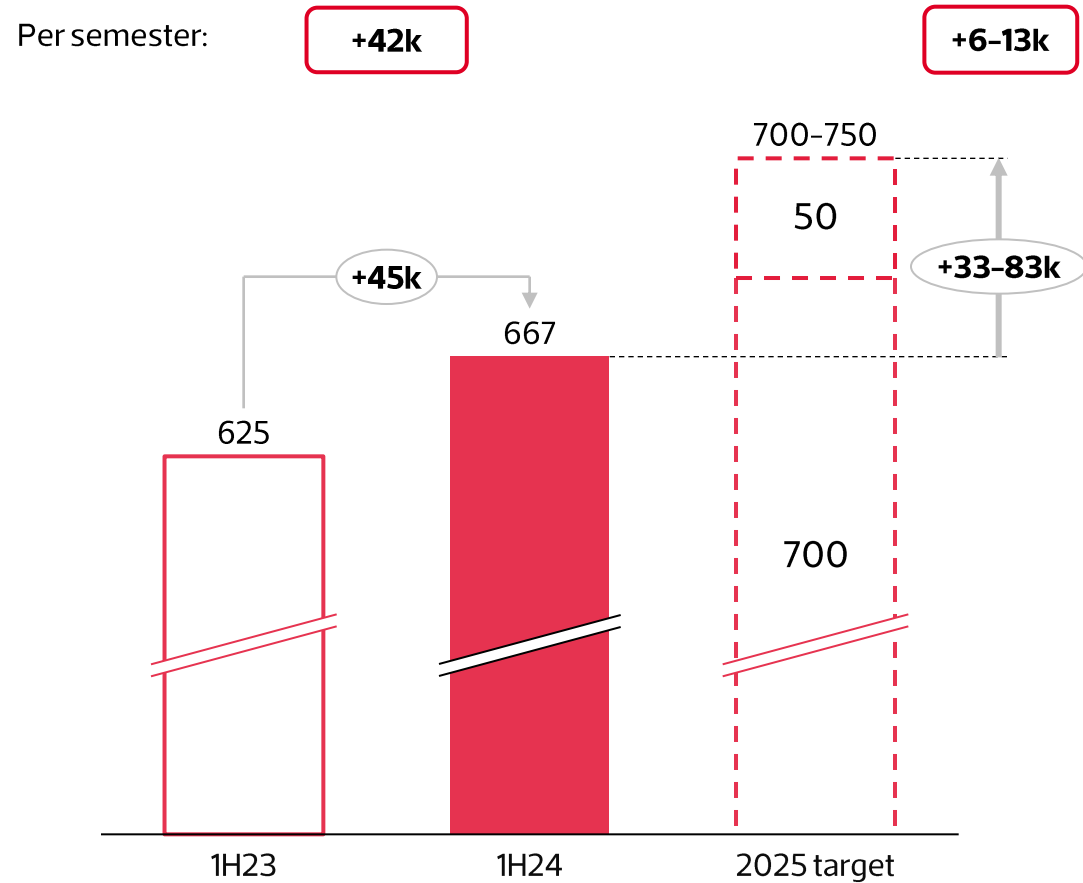


Steady growth towards medium-term targets

Bank

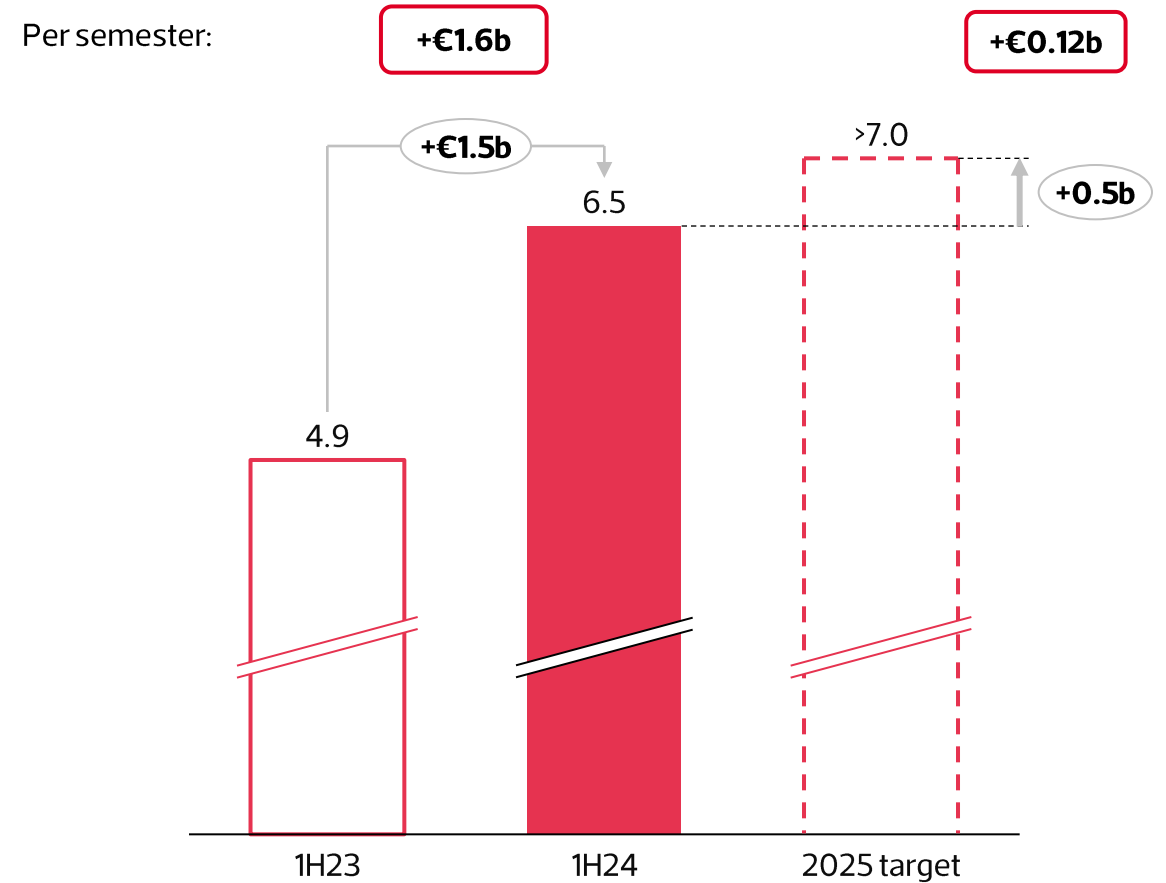
Number of Accounts

thousands, EoP



Business volumes (loans and resources)

€ billion; EoP

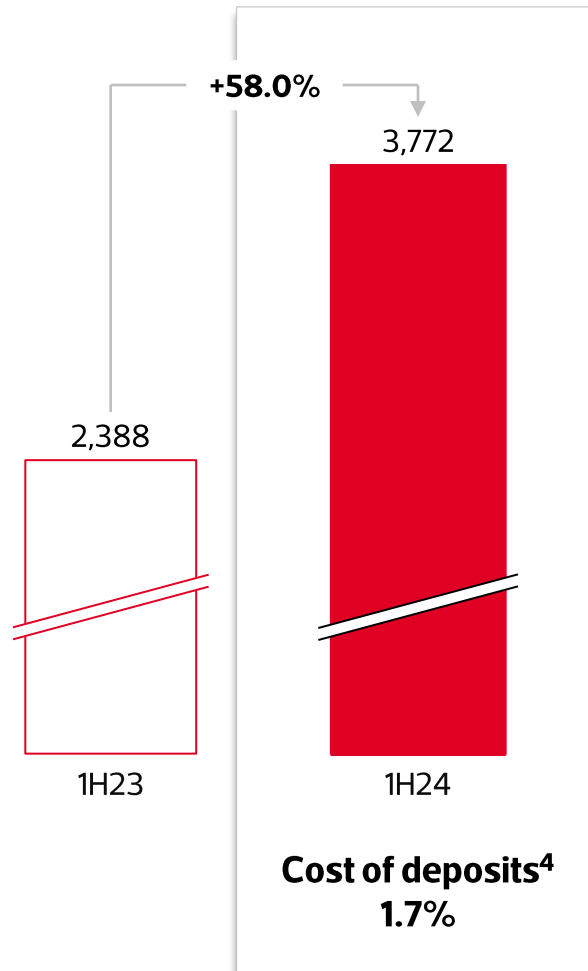


Improved client engagement by BCTT driving business resources

Bank

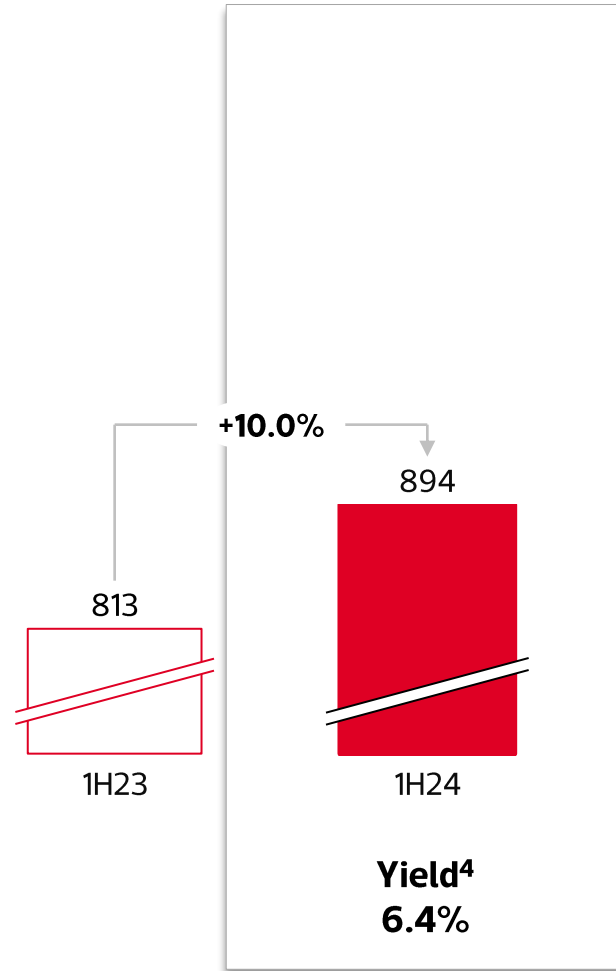
Customer deposits¹

€ million, EoP



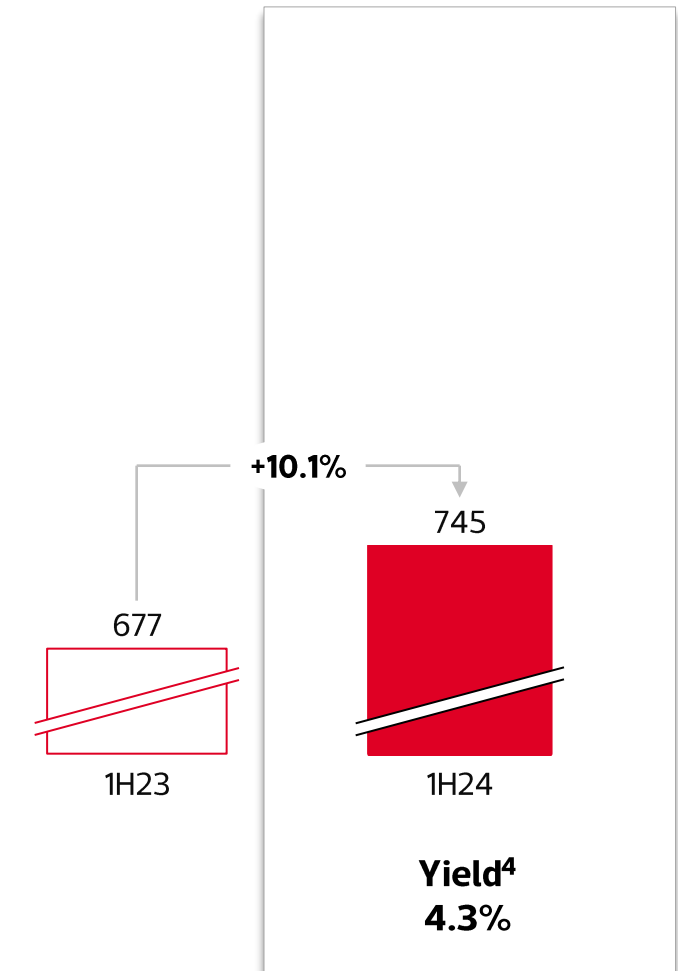
Auto Loans volumes^{2,3}

€ million, EoP



Loans volumes²

€ million, EoP



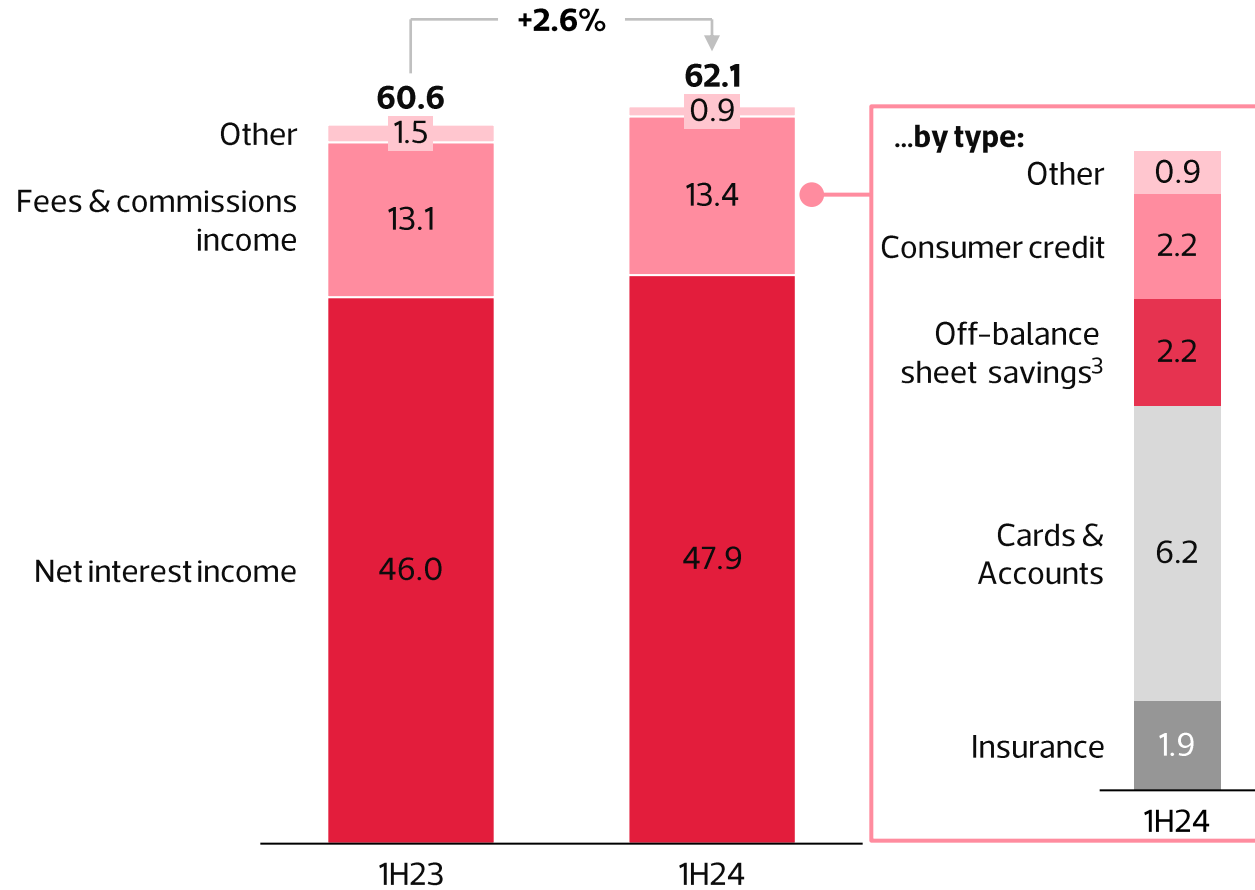
¹Retail Deposits, consolidated accounts; ²Net of impairments; ³Consolidated contribution; ⁴Cumulative; ⁵Deposits and deposit-like instruments; information from Banco de Portugal

Delivering strong growth

Bank

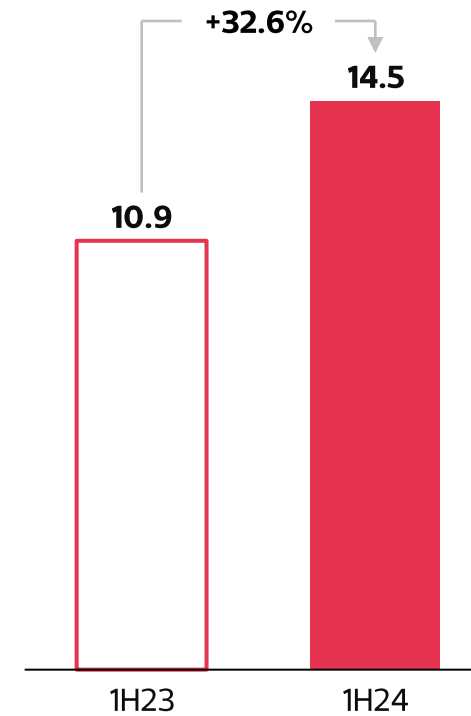
Banco CTT – Revenues 1H24

€ million; % change vs. prior year



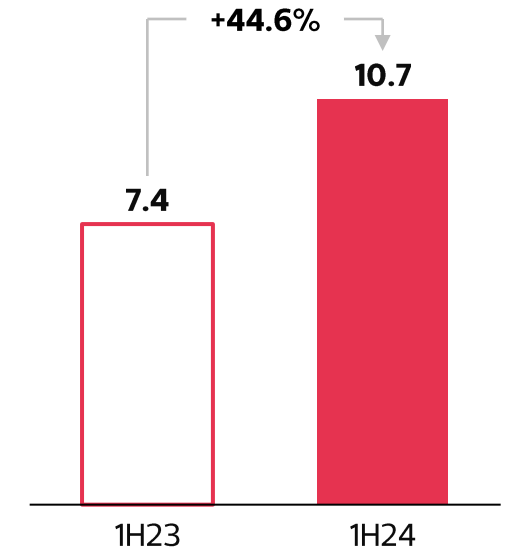
EBITDA¹

€ million; % change vs. prior year



Recurring EBIT²

€ million; % change vs. prior year



¹Excluding Specific items, depreciation & amortisation;

²Excluding Specific items; ³Financial Insurance

Ample liquidity and strong solvency levels



Bank

Banco CTT Balance Sheet- 30 June 2024

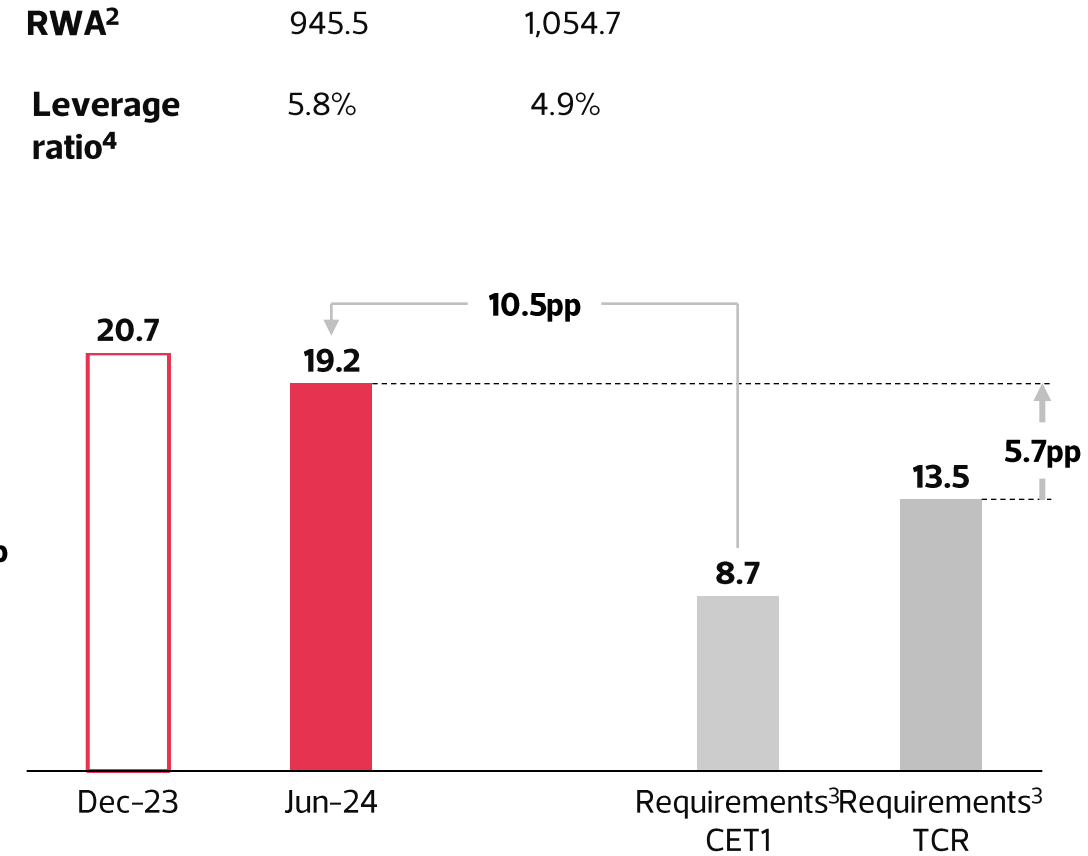
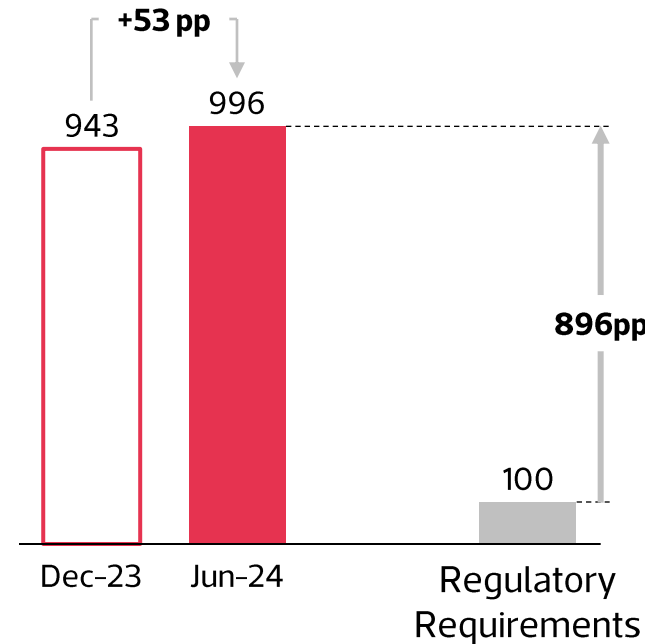
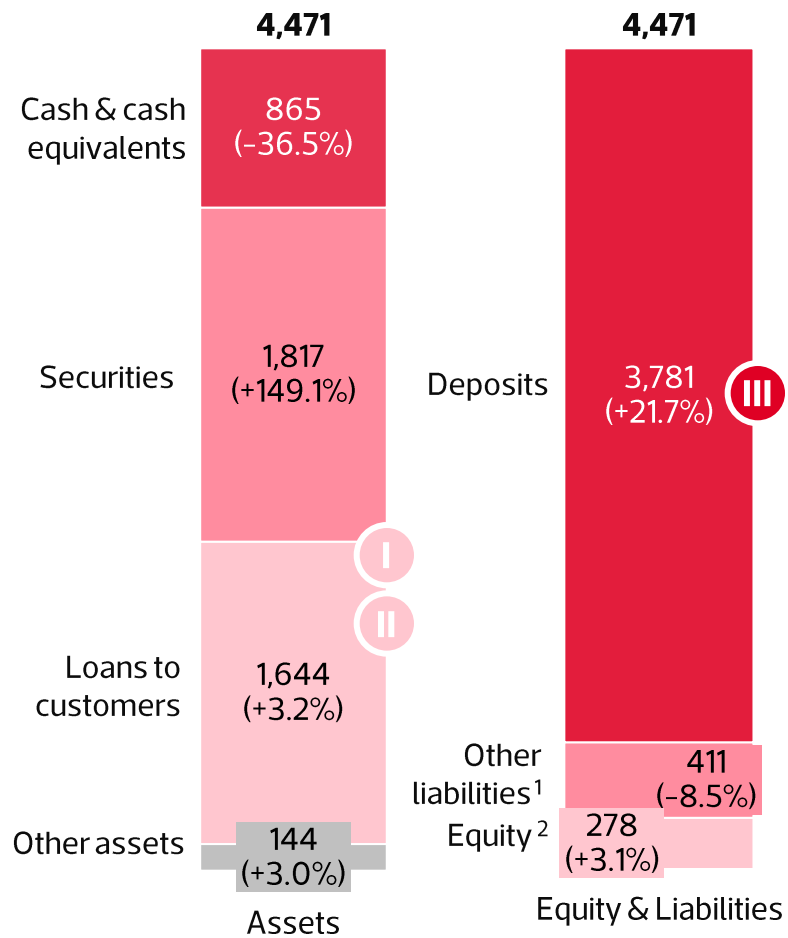
€ million; % change vs. 31 Dec 2023

Liquidity (LCR)

%

Capital (CET1, TCR)¹

%, Fully implemented



¹Provisional, includes 1H24 net income. CET1: Common Equity Tier 1. TCR: Total Capital Ratio. In the case of Banco CTT both ratios, as at the end of FY23 and 1H24, were the same; ²Fully implemented

³CET1 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

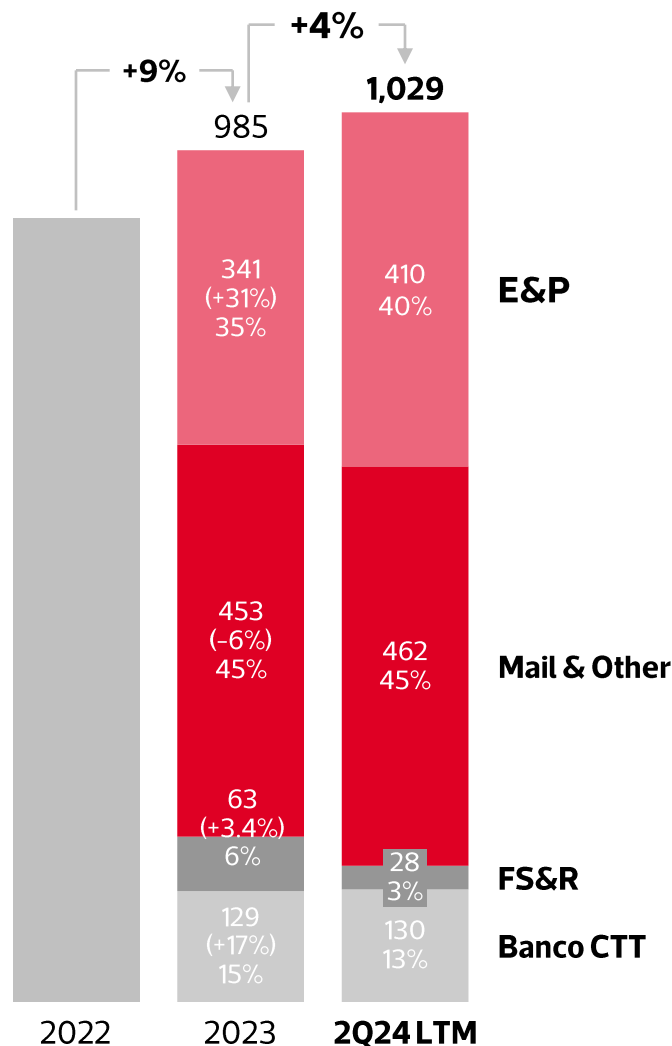
⁴Tier 1 capital divided by leverage ratio exposure

Portfolio transformed to embrace growth, with increasing e-commerce exposure



Revenues

€ million; % change vs prior year; % weight



Iberian e-commerce growth engine

Growing towards another record year



Leveraging new USO contract

Stabilising revenues through price increase and mix



Profitability enhancer

Delivering on insurance distribution
Prepare for improved conditions on public debt products

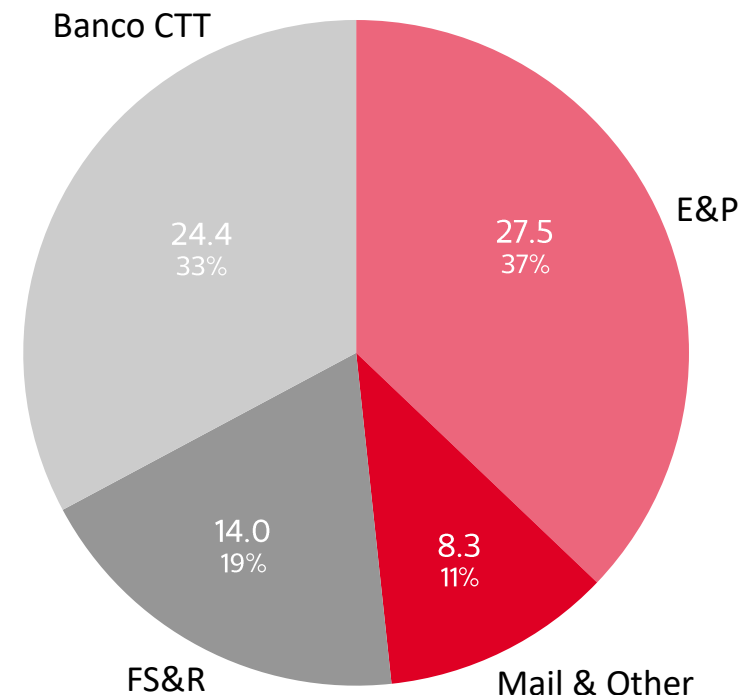


Fastest growing retail bank franchise in Portugal

Continue to grow driven by higher engagement with clients

Recurring EBIT 2Q24 LTM

€ million; % weight



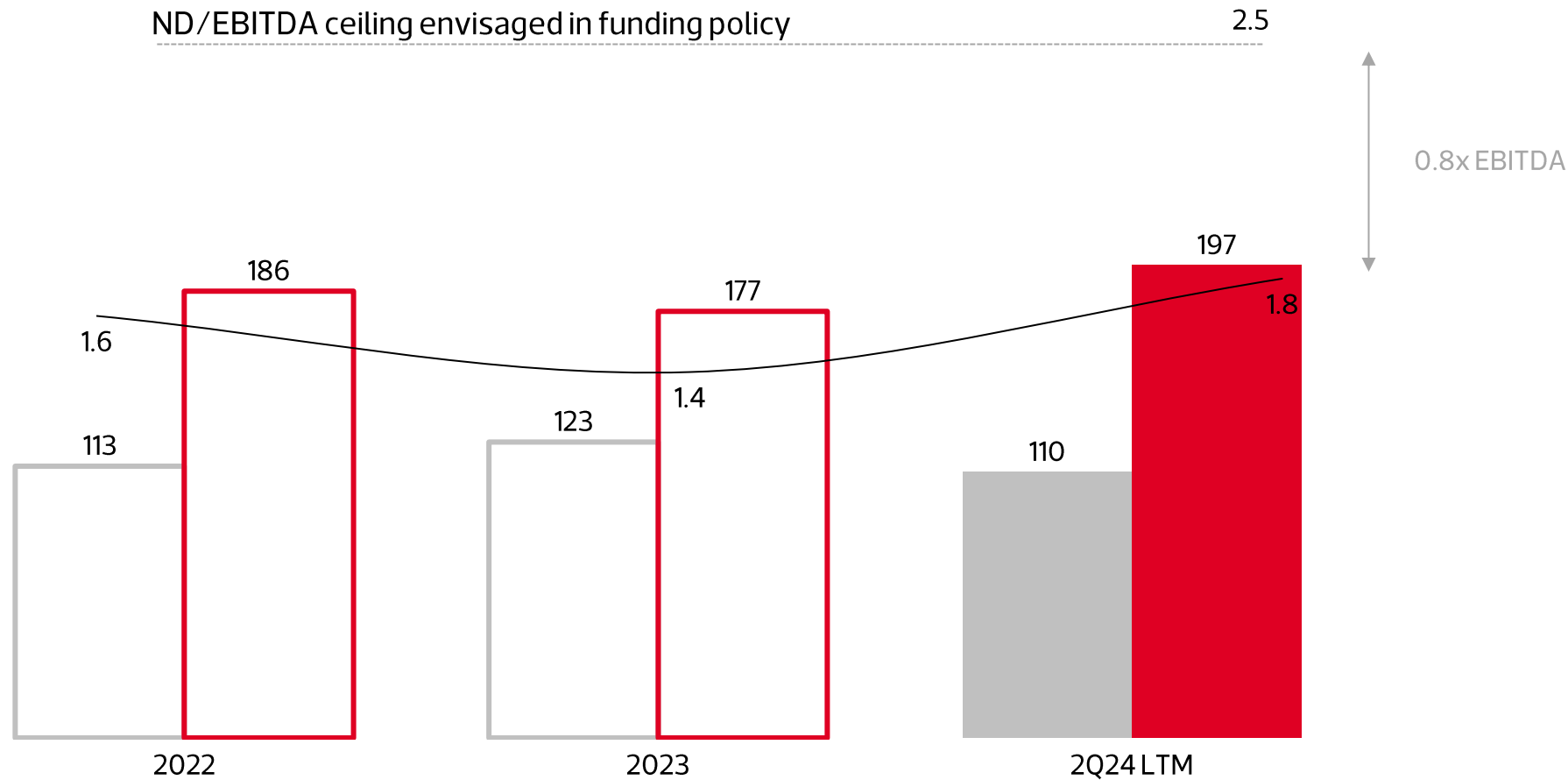
Prudent gearing and high balance sheet flexibility enable significant expansion buffer



EBITDA and leverage with Banco CTT under equity method¹

€ million

EBITDA
 Net Debt
 — Net Debt/EBITDA



Consolidated indicators

FCF	€57m
EBITDA	€143m
Net Debt	-€25m

2Q24 LTM

¹Includes Payshop, which was previously part of Banco CTT

1. Investment in business growth



Organic growth: transformation, technology, capacity and maintenance capex



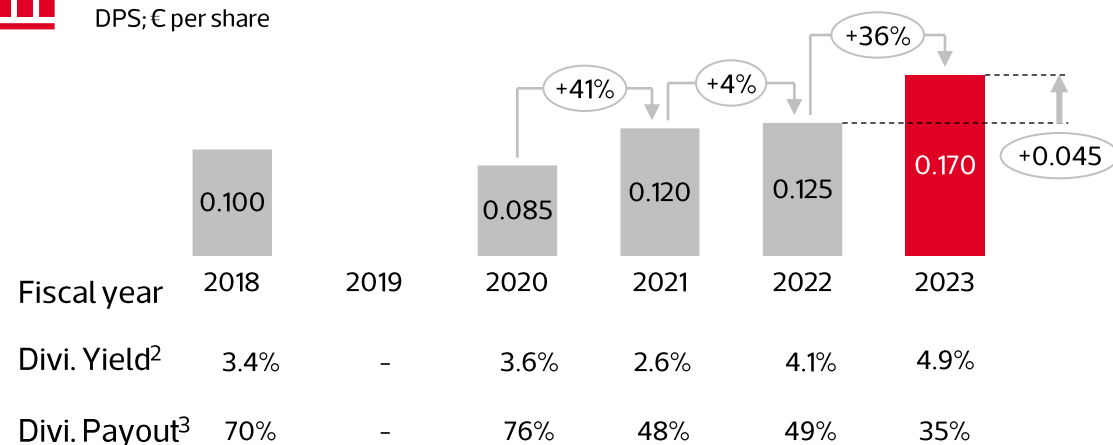
Inorganic growth: M&A opportunities in e-commerce related verticals

2. Attractive shareholder remuneration



Recurrent dividends¹

DPS; € per share

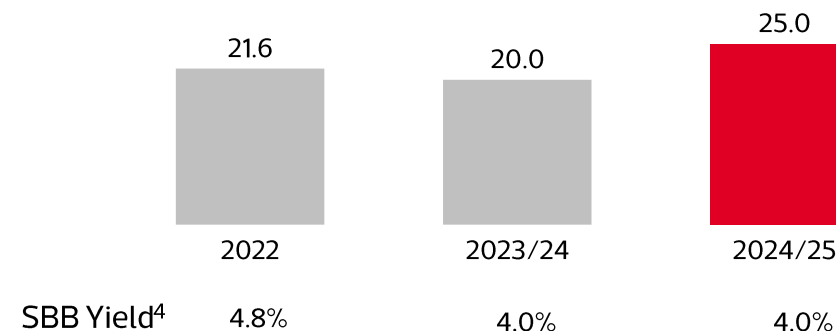


- ✓ Dividend of €0.17 per share proposed for the AGM of April 2024
- ✓ Fulfilling pay-out target: between 35% and 50% of net profit



Opportunistic share buyback

€ million



- ✓ SBB of €25m in execution
- ✓ SBB of €20m executed in 2023/24; 5.475 m shares acquired and cancelled
- ✓ SBB of €21.6m carried out in 2022; 6.085m shares acquired and cancelled

¹For detailed information on CTT's Financial Policy, including its shareholder's remuneration principles, please refer to CTT's investor relations website and to the announcement disclosed on 23 June 2022;

²Yield calculated taking as a reference the year end share price of each year;

³Based on individual accounts;

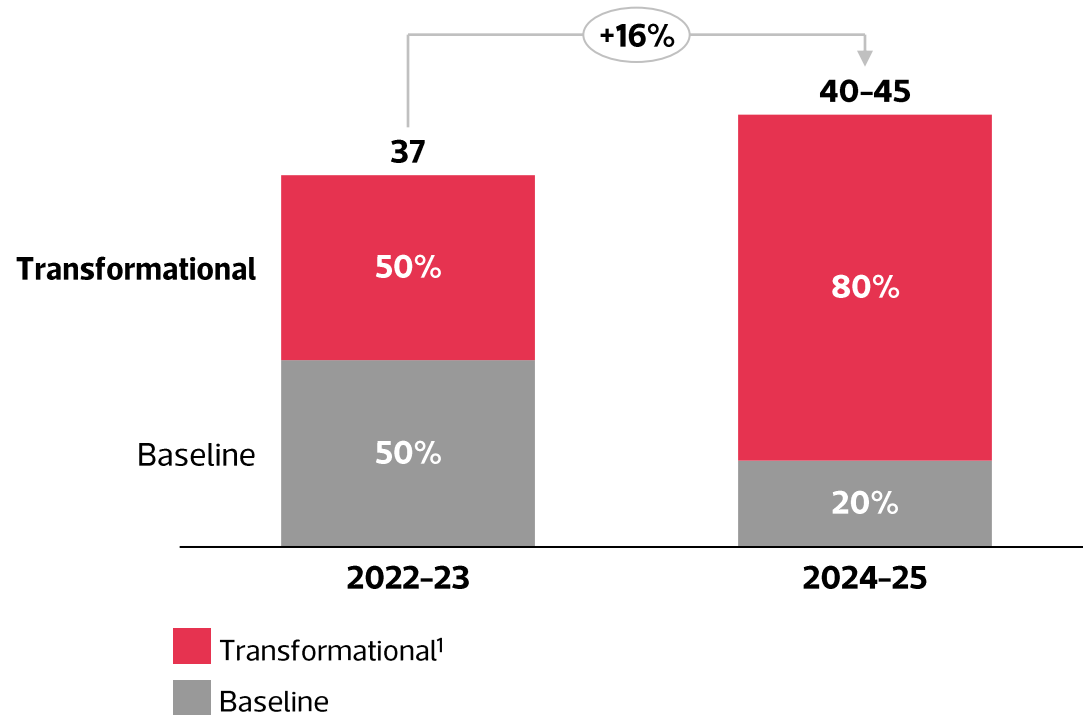
⁴Yield calculated taking as a reference the year end market cap of 2022 and 2023 respectively, and for 2024/25 the market cap at end of 1H24

To support our growth, we will continue to invest in our business

Outlook 2024-25

Annual average Capex

€ million



Key areas of investment



Increasing **sorting capacity** across Iberia



Developing **lockers network** in Portugal and initiating expansion to Spain



Investing in IT to drive customer experience and operations efficiency



Reinforcing **quality of service**



Revamp Banco CTT hubs and **upgrade core platform** and **digital channels**

¹Transformational includes Express & Parcels, Financial Services & Retail, Banco CTT and Business Solutions.

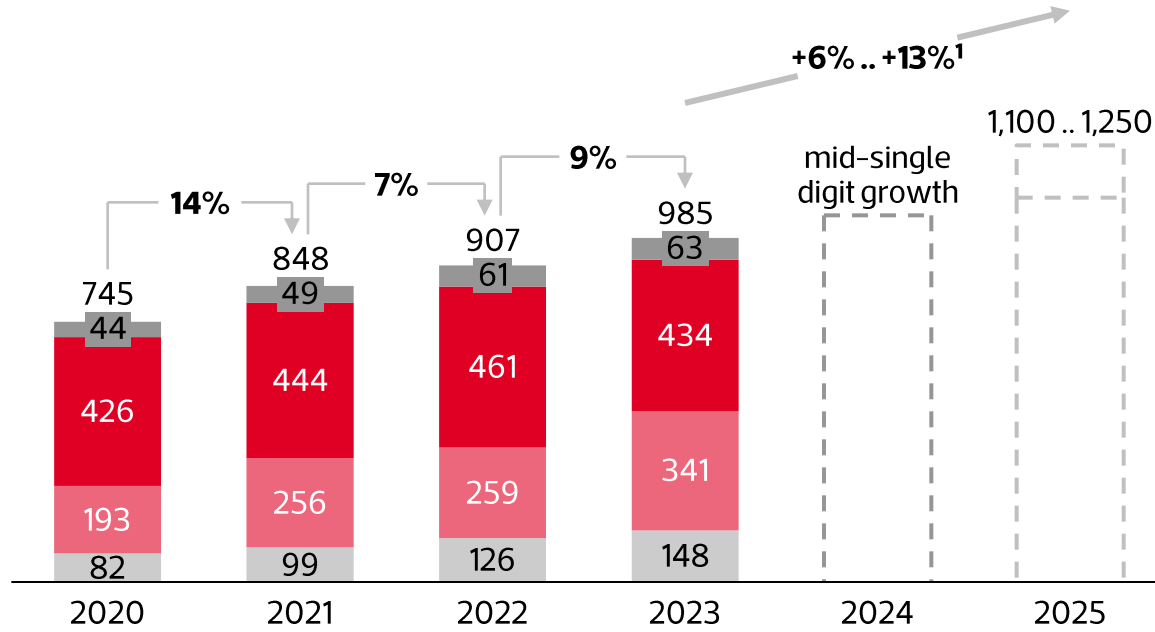
Growing revenues and EBIT towards the CMD 2025 ambition



Outlook 2024-25

Revenues

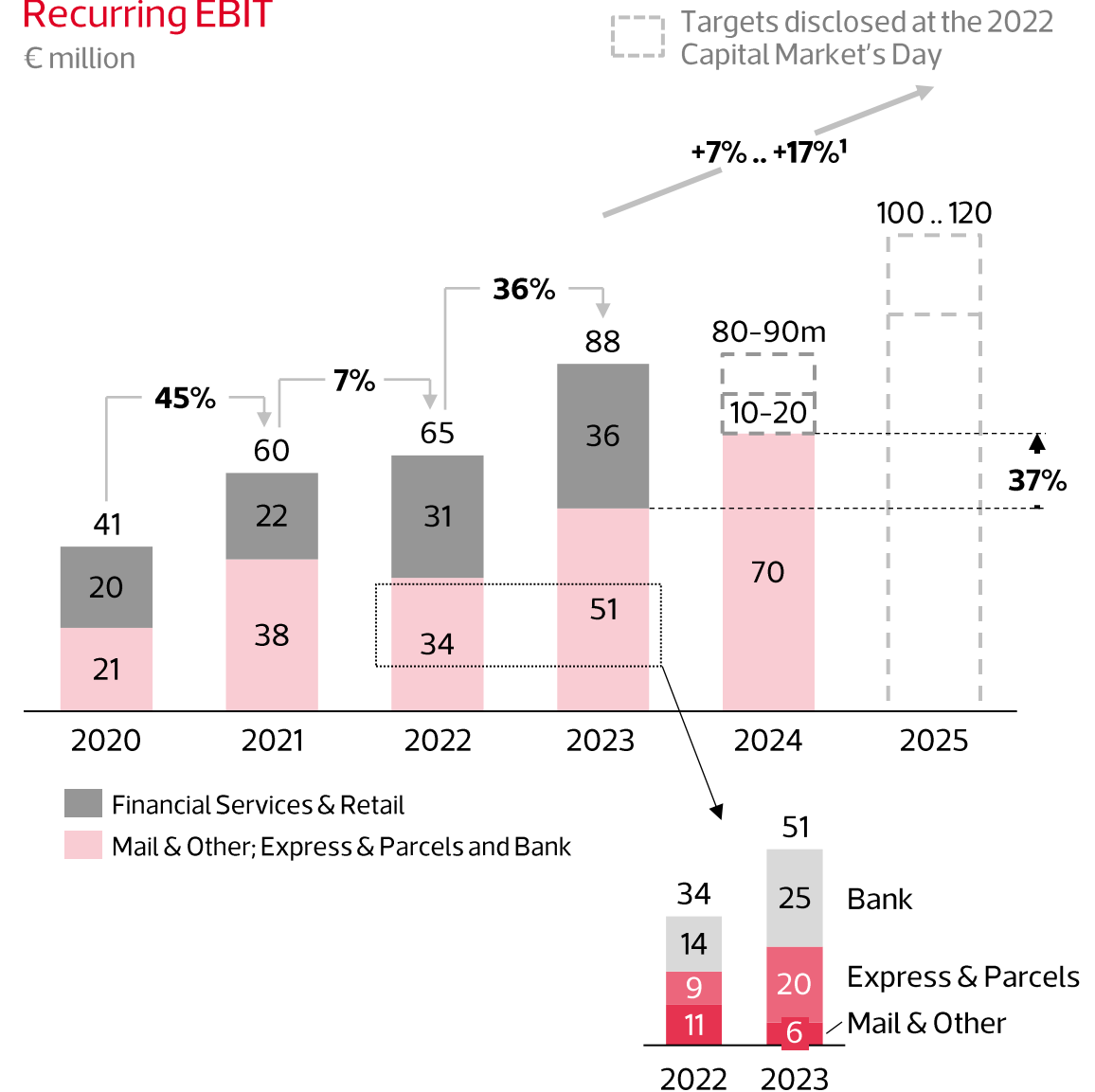
€ million



- Financial Services & Retail
- Mail & Other
- Express & Parcels
- Bank

Recurring EBIT

€ million



Targets disclosed at the 2022 Capital Market's Day

Growing like no one in Iberian E&P

Outlook



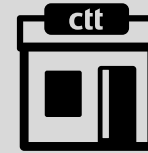
Express & Parcels

- ✓ Beating records of volumes and margin



Mail & Other

- ✓ Stabilising revenues through price increase and mix



Financial Services

- ✓ Prepare for improved conditions on public debt products



Bank

- ✓ Continued profitable growth

Logistics

Bank and Financial Services

FY24 Recurring EBIT guidance excluding financial services improved to > €70 m, i.e., >36% growth vs 2023 (€51 m)
If placement levels remain subdued, Recurring EBIT of financial services to be in circa of €10 m, instead of the normalised €20m
Against the current backdrop of public debt placements, we set guidance range of €80–90m for consolidated EBIT Recurring

Reinforced focus on costs and profitability
Stepping up investment in E&P in Iberia to keep improving competitive position
Balance sheet leverage¹ offers organic and inorganic growth optionality
Announced new SBB of €25 m, equivalent to circa 4% of market cap

¹ 1.8x net debt/EBITDA with Banco CTT equity accounted



Express & Parcels

Fastest growing Logistic player in Iberia

- 4th Largest market in Europe
- Strong volume and revenue growth opportunity leveraging on market convergence
- Market share expansion due quality and efficiency, commercial proactivity and new and differentiated service
- Margin expansion via operational leverage of investments already executed.



Banco CTT

Fastest growing retail Bank in Portugal

- Already sizeable client base that keeps on growing.
- Main growth opportunity comes from growing balance sheet increasing engagement with clients
- Partnership with Generali results in additional capital to keep growing in and off-balance sheet offer (bancassurance).



Mail

Stable business with regulated mail price mechanism and efficiency measures

- Aiming at revenues stabilisation via price increases and better product mix.
- Working on offsetting normal labour cost should inflation through additional cost saving measures



Financial Services

High margin savings and insurance business leveraging on the retail network

- Continue to broaden the services offering in CTT retail network.
- Performance of public debt placements this year remains, at this point, below normal runrate.



Balance Sheet & Future Prospects

Solid balance sheet provides inorganic growth optionality while maintaining an attractive shareholder remuneration

- Solid balance sheet to provide attractive shareholder remuneration and enable organic and inorganic growth
 - Inorganic growth to be primarily focused on e-commerce and Spain
- Guidance points towards mid-single digit revenue growth which should enable an expansion of recurring EBIT

ctt

We make our path fully
committed to deliver

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