**PRESS RELEASE**
8 September 2021

# InPost S.A. announces Q2 2021 and H1 2021 Results with accelerated delivery of pan-European growth strategy

***InPost reports 54% year-on-year revenue growth in H1 2021 and 30% revenue growth in Q2 2021, with continued adjusted EBITDA margin expansion and improvement in cash conversion. Full year 2021 outlook unchanged***

Luxembourg – 8 September 2021. InPost S.A. ("InPost", " the Company" or together with its subsidiaries "the Group"), announces results for the six months ending 30 June 2021 and for the second quarter of 2021.

## H1 2021 Highlights

- Accelerated execution of pan-European growth strategy, benefitting the Company's "flywheel" effect" and enhancing its overall consumer proposition
- Completed the acquisition of Mondial Relay on 1 July to create Europe's leading out-of-home solution for e-commerce
- Established partnerships with 6 key cities in Poland as part of the "Green City" program, focused on a range of innovative environment initiatives including the first renewable energy solution for APMs in Poland. Received first ESG rating from ISS
- Total number of Automated Parcel Machines (APM) increased by 56% year-on-year to 15,572, with 2 million lockers deployed (+75% year-on-year)
- In Poland, APM parcel volumes increased by 61% year-on-year to 165 million. International parcel volumes increased by 314% year-on-year to 2.9 million
- Adjusted EBITDA of PLN 695 million (42.1% margin) increased by 73% year-on-year, with ~ 470 basis points of Adjusted EBITDA margin expansion compared to H1 2020
- Capex increased by 53% year-on-year to PLN 329 million, supported by a 7% reduction in APM production costs
- Free Cash Flow increased by 90% year-on-year to PLN 400 million with cash conversion improving to 58%, compared to 52% in H1 2020
- Ended H1 2021 with an LTM net leverage of 1.8x[1]. or ~3.0x on a pro-forma basis, including Mondial Relay acquisition

1 Defined as net debt of InPost S.A. Group as at Q2/2021 divided by the LTM Adjusted EBITDA of the InPost S.A. and Integer.pl Group (as InPost S.A. only acquired the Integer.pl Group in January 2021)



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Luxembourg Register of Commerce and Companies
(R.C.S Luxembourg) under number B 248669
Share capital: EUR 5.000.000

*"Following our exceptionally strong start to 2021, InPost had another great quarter in Q2. Following the unprecedented growth we saw in Q2 last year, we continued to outgrow the market, delivering 30% year-on-year revenue growth, expanded our margins and accelerated our progress on key initiatives to support our pan-European growth strategy.*

*While I expect the short term uncertainties from COVID-19 to continue, I am also certain that the accelerated shift to a digital economy is structural, driving an expanded e-commerce market opportunity, a greater focus on sustainability, and changing consumer preferences.*

*Over the course of the quarter, we further enhanced the scale of our ecosystem, with added convenience to consumers and improved the value proposition to our stakeholders. This included the continually growing number of "InPost Mobile" app users, reaching 7 million at the end of Q2, and our best-in-class net promoter score.*

*We also accelerated the pace of our APM deployments in both Poland and the U.K. as well as bringing new innovative solutions that enhance the overall consumer experience. Since the end of Q2, we deployed our 14,000th APM in Poland, having recently surpassed our 2,000th APM in the U.K.*

*I am also delighted with the progress of our "Green City" program, partnering with 6 of the leading cities in Poland to help reduce air pollution and enhance the wellbeing of our communities. This includes the deployment of our latest generation of APMs that will operate on renewable energy. In addition, I am proud that InPost has been recognized as one of the top employers in Poland as we continue to add top talent to support our longer-term objectives.*

*Immediately following the end of the quarter, we closed the acquisition of Mondial Relay, a major step in fulfilling our ambition to become Europe's leading out-of-home automated solution for e-commerce. We are executing our plan at pace and I am even more confident about the long-term value creation opportunities ahead of us."*

**Rafał Brzoska, Group Chief Executive Officer of InPost**

## Financial and Operational Review for the first half and the second quarter of 2021

Unless stated otherwise, the following discussion sets out the financial and operational performance of the Group and its reportable segments for the six months ended 30 June 2021, compared to the six months ended 30 June 2020 and for the three months from 1 April to 30 June 2021, compared to the three months from 1 April to 30 June 2020. Please note that the financial and operating performance of the Group does not include any contribution from the acquisition of Mondial Relay, which closed on 1 July 2021.

| PLN million unless otherwise specified | H1 2021 | H1 2020 | YOY growth |
|---|---|---|---|
| **Revenue and other operating income** | **1,650.7** | **1,071.9** | **+54%** |
| Of which Poland | 1,628.4 | 1,066.2 | +53% |
| Of which International | 22.3 | 5.7 | +291% |
| **Adjusted EBITDA** | **694.6** | **401.4** | **+73%** |
| Of which Poland | 742.1 | 418.8 | +77% |
| Of which International | (47.5) | (17.4) | |
| **Adjusted EBITDA margin** | **42.1%** | **37.4%** | **+470bps** |
| **Capex** | **329.0** | **215.3** | **+53%** |
| % revenue | 20% | 20% | |
| **Free Cash Flow**[2] | **399.7** | **210.4** | **+90%** |
| Cash Conversion[3] | 58% | 52% | |
| **Net Debt**[4] | **2,385.9** | **845.4** | |
| **LTM Net Leverage**[5] | **1.8x** | **1.4x** | |

| PLN million unless otherwise specified | Q2 2021 | Q2 2020 | YOY growth |
|---|---|---|---|
| **Revenue and other operating income** | **857.6** | **659.9** | **+30%** |
| Of which Poland | 846.3 | 656.2 | +29% |
| Of which International | 11.2 | 3.7 | +203% |
| **Adjusted EBITDA** | **362.4** | **265.1** | **+37%** |
| Of which Poland | 392.0 | 273.6 | +43% |
| Of which International | (29.6) | (8.5) | |
| **Adjusted EBITDA margin** | **42.3%** | **40.2%** | **+210bps** |
| **Capex** | **170.3** | **120.8** | **+41%** |
| % revenue | 20% | 18% | |
| **Free Cash Flow**[6] | **235.9** | **160.6** | **+47%** |

2 Defined as Adjusted EBITDA adjusted for changes in Working Capital
3 Defined as Adjusted EBITDA – Change in Net Working Capital – Maintenance and Expansion Capex, before IFRS-16 lease payments/Adjusted EBITDA
4 based on the consolidated financial information of InPost S.A. and Integer.pl adjusted by the effect of "Reorganisation and Refinancing Transactions" which took place in January 2021 as described in the IPO Prospectus
5 Defined as Net Debt ÷ Adjusted EBITDA
6 Defined as Adjusted EBITDA adjusted for changes in Working Capital

## Operational Highlights

| | H1 2021 | H1 2020 | YOY growth |
|---|---|---|---|
| **Number of APMs** | **15,572** | **9,967** | **+56%** |
| Poland | 13,347 | 8,728 | +53% |
| International | 2,225 | 1,239 | +80% |
| **Number of Lockers (in 000s)** | **2,001** | **1,145** | **+75%** |
| Poland | 1,887 | 1,083 | +74% |
| International | 114 | 62 | +85% |
| **Total Parcel Volumes (in millions)** | **202.0** | **130.9** | **+54%** |
| Poland APM | 164.8 | 102.6 | +61% |
| Poland to-door | 34.3 | 27.6 | +24% |
| International | 2.9 | 0.7 | +314% |

| | Q2 2021 | Q2 2020 | YOY growth |
|---|---|---|---|
| **Total Parcel Volumes (in millions)** | **104.0** | **81.7** | **+27%** |
| Poland APM | 84.9 | 65.2 | +30% |
| Poland to-door | 17.6 | 16.0 | +10% |
| International | 1.5 | 0.5 | +200% |

## Revenue and other operating income

| PLN million unless otherwise specified | H1 2021 | H1 2020 | YOY growth |
|---|---|---|---|
| **Poland** | **1,628.4** | **1,066.2** | **+53%** |
| APM segment | 1,216.1 | 749.6 | +62% |
| To-door segment | 360.0 | 292.3 | +23% |
| Other | 53.5 | 25.9 | +107% |
| Inter-segment elimination | (1.2) | (1.6) | |
| **International** | **22.3** | **5.7** | **+291%** |
| **Total** | **1,650.7** | **1,071.9** | **+54%** |

| PLN million unless otherwise specified | Q2 2021 | Q2 2020 | YOY growth |
|---|---|---|---|
| **Poland** | **846.3** | **656.2** | **+29%** |
| APM segment | 627.7 | 470.7 | +33% |
| To-door segment | 185.6 | 168.4 | +10% |
| Other | 33.6 | 18.0 | +87% |
| Inter-segment elimination | (0.6) | (0.9) | |
| **International** | **11.2** | **3.7** | **+203%** |
| **Total** | **857.6** | **659.9** | **+30%** |

For the six months ended 30 June 2021, total revenue and other operating income amounted to PLN 1,650.7 million, an increase of PLN 578.8 million, or 54% versus the six months ended 30 June 2020. In the second quarter of 2021, total revenue and other operating income reached PLN 857.6 million, an increase of PLN 197.7 million, or 30%, versus the second quarter of 2020.

Both the first half and second quarter of 2021 increases were driven by strong growth in Poland and, to a lesser extent, growth in the International segment. In addition, year-on-year growth in the first half of 2021 was also impacted by the unprecedented increase in demand related to initial period of COVID-19 restrictions, most notably in the second quarter of 2020.

### Poland

As of 30 June 2021, the Company had 13,347 Automated Parcel Machines (APMs) in Poland, an increase of 4,619, or 53%, versus the six months ended 30 June 2020. In addition, the Company had 1.89 million lockers in Poland as of 30 June 2021, an increase of 0.8 million, or 74% versus the prior year period.

The Company believes that increasing the scale and density of its network to increase population coverage with new APM rollouts is a key element of its strategy to continuously improve the user experience for both merchant and consumers. As of 30 June 2021, 53% of the Polish population was located within a 7 minute walk of an InPost APM, compared to 47% as of 30 June 2020, and 50% at the end of 2020.

For the six months ended 30 June 2021, the Company's total parcel volume in Poland reached 199.1 million, an increase of 68.9 million, or 53%, versus the six months ended 30 June 2020. Total APM parcel volumes in Poland reached 164.8 million in the six months ended 30 June 2021, an increase of 62.2 million, or 61%, versus the prior year period.

In the second quarter of 2021, the Company's total parcel volume in Poland reached 102.5 million, an increase of 21.3 million, or 26%, versus the prior year period. Total APM parcel volumes in Poland reached 84.9 million in the second quarter of 2021, an increase of 19.7 million, or 30%, versus the second quarter of 2020.

Both the first half and second quarter of 2021 increases were driven by the acceleration of e-commerce penetration in Poland as a result of the COVID-19 pandemic, the increase in APM network size and density, InPost's unique consumer experience, as well as the increasing popularity of APMs as the preferred delivery method for consumers.

For the six months ended 30 June 2021, to-door parcel volumes in Poland amounted to 34.3 million, an increase of 6.7 million, or 24%, versus the six months ended 30 June 2020. In the second quarter of 2021, to-door parcel volumes in Poland amounted to 17.6 million, an increase of 1.6 million, or 10%, versus the second quarter of 2020.

Revenue and other operating income of PLN 1,628.4 million in the six months ended 30 June 2021 increased by PLN 562.2 million, or 53%, versus the six months ended 30 June 2020, driven by strong growth in both the APM and to-door segments. APM revenue of PLN 1,216.1 million increased by PLN 466.5 million, or 62%, versus the prior year period. The year-on-year increase in APM revenue was driven by the 61% increase in APM parcel volumes, as well as a moderately higher average price per parcel. The increase in average price per parcel was driven by the absence of the Company's joint investment in the Allegro Smart promotional activity in the prior year period.

For the six months ended 30 June 2021, to-door revenue of PLN 360.0 million increased by PN 67.7 million, or 23%, versus the prior year period. The increase in to-door revenue was driven by 34% to-door parcel volume growth, partially offset by a moderate decline in average price per parcel.

In the second quarter of 2021, revenue and other operating income of PLN 846.3 million in Poland increased by PLN 190.1 million, or 29%, versus the second quarter of 2020, driven by strong growth in the APM segment and, to a lesser extent, growth in the to-door segment. APM revenue of PLN 627.7 million increased by PLN 157.0 million, or 33%, versus the prior year period. The year-on-year increase in APM revenue was driven by the 30% increase in APM parcel volumes, as well as a moderately higher average price per parcel.

To-door revenue of PLN 185.6 million increased by PLN 17.2 million, or 10%, versus the prior year period. The year-on-year increase in to-door revenue in Poland was driven by 10% to-door parcel volume growth.

### International

As of 30 June 2021, the Company had a network of 2,225 APMs outside of Poland. The number of APMs outside of Poland increased by 986 or 80%, versus the six months ended 30 June 2020. All new APMs outside of Poland were installed in the UK, where the number of APMs increased by 110% versus the prior year period.

For the six months ended 30 June 2021, the Company's international parcel volumes reached 2.9 million, an increase of 2.2 million, or 314%, versus the six months ended 30 June 2020. In the second quarter of 2021, international parcel volumes reached 1.5 million, an increase of 1.0 million, or 200%, versus the second quarter of 2021. All parcels were delivered to APMs. Both the first half and second quarter of 2021 increases in parcel volume in the UK was primarily driven by the ongoing expansion of the Company's merchant base, the introduction of new services such as "instant returns", as well as the significant increase in APM network coverage.

Revenue and other operating income of PLN 22.3 million in the six months ended 30 June 2021 increased by PLN 16.6 million, or 291% versus the six months ended 30 June 2020. In the second quarter of 2021, Revenue and other operating income of PLN 11.2 million, increased by PLN 7.5 million, or 203% versus the second quarter of 2020.

## Gross Profit

| PLN million unless otherwise specified | H1 2021 | H1 2020 | YOY growth |
|---|---|---|---|
| **Poland** | **937.6** | **543.2** | **+73%** |
| ***Gross margin (%)*** | ***57.6%*** | ***50.9%*** | ***+670bps*** |
| APM segment | 781.0 | 429.6 | +82% |
| *Gross margin (%)* | *64.2%* | *57.3%* | *+690bps* |
| To-door segment | 121.1 | 91.6 | +32% |
| *Gross margin (%)* | *33.6%* | *31.3%* | *+230bps* |
| Other | 35.9 | 22.9 | +57% |
| Inter-segment elimination | (0.4) | (0.9) | |
| **International** | **(8.0)** | **(3.6)** | |
| ***Gross margin (%)*** | ***(35.9%)*** | ***(63.2%)*** | |
| **Total** | **929.6** | **539.6** | **+72%** |
| ***Gross margin (%)*** | **56.3%** | **50.3%** | **+600bps** |

| PLN million unless otherwise specified | Q2 2021 | Q2 2020 | YOY growth |
|---|---|---|---|
| **Poland** | **497.8** | **343.3** | **+45%** |
| ***Gross margin (%)*** | ***58.8%*** | ***52.3%*** | ***650bps*** |
| APM segment | 409.0 | 273.5 | +50% |
| *Gross margin (%)* | *65.2%* | *58.1%* | *+710bps* |
| To-door segment | 64.6 | 54.4 | +19% |
| *Gross margin (%)* | *34.8%* | *32.3%* | *+250bps* |
| Other | 24.6 | 16.1 | +53% |
| Inter-segment elimination | (0.3) | (0.7) | |
| **International** | **(6.4)** | **(1.7)** | |
| ***Gross margin (%)*** | **(57.1%)** | **(45.9%)** | |
| **Total** | **491.5** | **341.6** | **+44%** |
| ***Gross margin (%)*** | ***57.3%*** | ***51.8%*** | ***+550bps*** |

For the six months ended 30 June 2021, Gross Profit amounted to PLN 929.6 million, an increase of PLN 390.0 million, or 72%, versus the six months ended 30 June 2020. In the second quarter of 2021, Gross Profit reached PLN 491.5 million, an increase of PLN 149.9 million, or 44%, versus the second quarter of 2020.

Both the first half and second quarter of 2021 increases were driven by strong Gross Profit growth in Poland. International segment Gross Profit decreased modestly.

For the six months ended 30 June 2021, Gross Margin increased to 56.3% or a 600 basis points increase versus the prior year period. In the second quarter of 2021, Gross margin increased to 57.3% or a 550 basis points increase versus the second quarter of 2020.

## Poland

For the six months ended 30 June 2021, Gross Profit in Poland amounted to PLN 937.6 million, an increase of PLN 394.4 million, or 73% versus the six months ended 30 June 2020. Gross margin increased to 57.6% for the six months ended 30 June 2021, an increase of 670 basis points versus the prior year period.

The year-on-year increase in Gross Profit for the six months ended 30 June 2021 was driven by strong Gross profit growth in both the APM and To-Door segments. APM Gross Profit of PLN 781.0 million increased by PLN 351.4 million, or 82% versus the prior year. This resulted in APM Gross Margin of 64.2%, for the six months ended 30 June 2021, or 690 basis points higher versus the prior year period. This improvement was primarily driven by strong volume growth, economies of scale benefits and lower costs per parcel and, to a lesser degree, by moderately higher average price per parcel.

As at 30 June 2021, the average APM utilization rate in Poland decreased to 77% across the 12 months, compared to an average of 85% as at 30 June 2020, which benefited from the unprecedented increase in demand for deliveries to APMs related to initial period of COVID-19 restrictions in Poland. In addition, the average APM utilization rate in Poland was impacted by the acceleration in locker capacity over the last 12 months.

Over the medium term, the Company continues to expect the average APM utilisation rate to increase in Poland, as its APM network matures, driving improved per parcel economics and supporting its gross margin development.

For the six months ended 30 June 2021, to-door gross profit of PLN 121.1 million increased by PLN 29.5 million, or 32% versus the six months ended 30 June 2020. This resulted in to-door gross margin of 33.6%, or 230 basis points higher versus the prior year period. The improvement was driven by volume growth, and increased courier efficiency, partially offset by moderately lower average price per parcel.

In the second quarter of 2021, Gross Profit in Poland of PLN 497.8 million increased by PLN 154.5 million, or 45% versus the second quarter of 2020. Gross margin increased to 58.8% in the second quarter of 2021, an increase of 650 basis points versus the prior year period.

The year-on-year increase in Gross Profit in the second quarter of 2021 was primarily driven by strong Gross profit growth in the APM segment, and to a lesser degree, from the growth in the to-door segment. APM Gross Profit of PLN 409.0 million increased by PLN 135.5 million, or 50% versus the second quarter of 2020. This resulted in APM Gross Margin of 65.2% for the second quarter of 2021, or 710 basis points higher versus the prior year period. This improvement was primarily driven by strong volume growth, economies of scale benefits and lower costs per parcel and, to a lesser degree, by moderately higher average price per parcel.

To-door Gross profit of PLN 64.6 million in the second quarter of 2021 increased by PLN 10.2 million, or 19% versus the prior year period. This resulted in to-door Gross margin of 34.8%, or 250 basis points higher than the second quarter of 2020. The improvement was driven by volume growth and increased courier efficiency, resulting in lower costs per parcel.

## International

For the six months ended 30 June 2021, Gross profit for the international segment was a loss of PLN 8.0 million, compared to a loss of PLN 3.6 million for the six months ended 30 June 2020. The higher loss was driven by higher initial logistics costs per parcel as a result of a new contract with the Group's courier partner as well as promotional initiatives related to the launch of instant returns, which more than offset higher revenues.

Gross profit for the international segment was a loss of PLN 6.4 million in the second quarter of 2021, compared to a loss of PLN 1.7 million in the second quarter of 2020. The higher loss was driven by higher initial logistics costs per parcel as a result of a new contract with the Group's courier partner, which more than offset higher revenues.

Over the medium term, and as parcel volumes increase, the Company continues to expect its logistics costs per parcel for the International segment to decline, and its gross profit per parcel to increase.

## Adjusted EBITDA

| PLN million unless otherwise specified | H1 2021 | H1 2020 | YOY growth |
|---|---|---|---|
| **Poland** | **742.1** | **418.8** | **+77%** |
| *Adjusted EBITDA margin (%)* | *45.6%* | *39.3%* | *+630bps* |
| **International** | **(47.5)** | **(17.4)** | **nm** |
| *Adjusted EBITDA margin (%)* | *nm* | *nm* | |
| **Total** | **694.6** | **401.4** | **+73%** |
| ***Adjusted EBITDA margin (%)*** | ***42.1%*** | ***37.4%*** | ***+470bps*** |

| PLN million unless otherwise specified | Q2 2021 | Q2 2020 | YOY growth |
|---|---|---|---|
| **Poland** | **392.0** | **273.6** | **+43%** |
| *Adjusted EBITDA margin (%)* | *46.3%* | *41.7%* | *+460bps* |
| **International** | **(29.6)** | **(8.5)** | **nm** |
| *Adjusted EBITDA margin (%)* | *nm* | *nm* | |
| **Total** | **362.4** | **265.1** | **+37%** |
| ***Adjusted EBITDA margin (%)*** | ***42.3%*** | ***40.2%*** | ***+210bps*** |

For the six months ended 30 June 2021, Adjusted EBITDA reached PLN 694.6 million, an increase of PLN 293.2 million, or 73%, versus the six months ended 30 June 2020. In the second quarter of 2021, Adjusted EBITDA reached PLN 362.4 million, an increase of PLN 97.3 million, or 37%, versus the second quarter of 2020.

Both the first half and second quarter of 2021 increases were driven by strong Adjusted EBITDA growth in Poland, partially offset by lower Adjusted EBITDA in the International segment.

For the six months ended 30 June 2021, Adjusted EBITDA Margin increased to 42.1% or a 470 basis points increase versus the six months ended June 2020. In the second quarter of 2021, Adjusted EBITDA margin increased to 42.3% or a 210 basis points increase versus the second quarter of 2020.

### Poland

For the six months ended 30 June 2021, Adjusted EBITDA in Poland reached PLN 742.1 million, an increase of PLN 323.3 million, or 77%, versus the six months ended 2020. This resulted in an Adjusted EBITDA margin of 45.6%, an increase of 630 basis points versus the prior year period.

In the second quarter of 2021, Adjusted EBITDA in Poland reached PLN 392.0 million, an increase of PLN 118.4 million, or 43% versus the second quarter of 2020. This resulted in an Adjusted EBITDA margin of 46.3%, an increase of 460 basis points versus the second quarter of 2020.

Both the first half and second quarter of 2021 increases in Adjusted EBITDA were driven by an increase in the proportion of APM segment revenue, which have lower logistics costs per parcel compared to to-door segment, as well as overall productivity gains driven by the Company's enhanced scale. This was partially offset by higher year-on-year general costs, particularly in the second quarter of 2021, to support the increase in revenues, as well as higher employee incentive, IT and public company costs.

### International

For the six months ended 30 June 2021, Adjusted EBITDA for the international segment was a loss of PLN 47.5 million, a decrease of PLN 30.1 million versus the six months ended 30 June 2020. This was primarily due to higher logistics costs per parcel as a result of a new contract with the Group's courier partner, as well as significantly higher general costs as the Company continued to invest in headcount and marketing initiatives to support its longer term growth.

## Summary of Cash Flows and Capital Expenditure

| PLN million unless otherwise specified | H1 2021 | H1 2020 | YOY growth |
|---|---|---|---|
| **Adjusted EBITDA** | **694.6** | **401.4** | **+73%** |
| Changes in Working Capital | 34.1 | 24.3 | |
| **Free Cash Flow From Operations**[7] | **728.7** | **425.7** | **+71%** |
| Capital Expenditure | (329.0) | (215.3) | +53% |
| **Free Cash Flow** | **399.7** | **210.4** | **+90%** |
| **Free Cash Flow Conversion Ratio**[8] | **58%** | **52%** | |

| PLN million unless otherwise specified | Q2 2021 | Q2 2020 | YoY growth |
|---|---|---|---|
| **Adjusted EBITDA** | **362.4** | **265.1** | **+37%** |
| Changes in Working Capital | 43.8 | 16.3 | |
| **Free Cash Flow From Operations**[9] | **406.2** | **281.4** | **+44%** |
| Capital Expenditure | (170.3) | (120.8) | +41% |
| **Free Cash Flow** | **235.9** | **160.6** | **+47%** |

For the six months ended 30 June 2021, the Company's Free Cash Flow From Operations totaled PLN 728.7 million, an increase of PLN 303.0 million, or 71%, versus the six months ended 30 June 2020. In the second quarter of 2021, the Company's Free Cash Flow From Operations totaled PLN 406.2 million, an increase of PLN 124.8 million, or 44%, versus the second quarter of 2020. Both the first half and second quarter of 2021 increases in the Company's Free Cash Flow From Operations was due to strong Adjusted EBITDA growth, and to a lesser degree, by cash inflows from working capital.

Capital Expenditure totaled PLN 329.0 million for the six months ended 30 June 2021, an increase of PLN 113.7 million, or 53%, versus the six months ended 30 June 2020. In the second quarter of 20201, Capital Expenditure totaled PLN 170.3 million, an increase of PLN 49.5 million, or 41%, versus the second quarter of 2020. Both the first half and second quarter of 2021 increases in Capital Expenditure were primarily to support the expansion of the Company's APM network in Poland and the U.K. In addition, the increases in Capital Expenditure were related to investments to expand sorting capacity and logistics depots, as well as the broader implementation of automation across its depot network.

For the six months ended 30 June 2021, the Company's Free Cash Flow (defined as Adjusted EBITDA adjusted for Changes in Working Capital and Capital Expenditure) totaled PLN 399.7 million, an increase of PLN 189.3 million versus the prior year period. This resulted in a Free Cash Flow conversion ratio of 58%, versus 52% in the prior year.

7 Defined as Adjusted EBITDA adjusted for changes in Working Capital
8 Defined as Adjusted EBITDA – Change in Net Working Capital – Maintenance and Expansion Capex. Before IFRS-16 lease payments)/Adjusted EBITDA
9 Defined as Adjusted EBITDA adjusted for changes in Working Capital

## Balance sheet highlights

| PLN million unless otherwise specified | H1 2021 | H1 2020 |
|---|---|---|
| **Debt** | **5,447.3** | **1,052.1** |
| Cash and Cash Equivalents | 3,061.4 | 206.7 |
| **Net debt** | **2,385.9** | **845.4** |
| **LTM Adjusted EBITDA** | **1,292.2** | **611.9** |
| **LTM Net leverage[10]** | **1.8x** | **1.4x** |
| **LTM Pro-Forma Net leverage[11]** | **~3.0x** | |

## Outlook 2021

The Company's outlook for full year 2021 is unchanged from the updated outlook provided in conjunction with its Q1 trading update on 19 May 2021.

For the full year 2021, the Company continues to expect:

- Total number of APMs of 18,250-19,000, with 15,500-16,000 in Poland
- Total parcel volumes of 455-485 million, with 445-470 million in Poland
- Total revenue to be in the range of PLN 3,700 million to PLN 3,850 million (46-52% YOY growth)
- On a pro-forma basis, including the expected full year contribution of Mondial Relay, total revenue to be in the range of PLN 5,900 million to PLN 6,150 million (31-37% YOY growth)
- Year-on-year APM revenue growth in Poland to be in the range of 50-55%
- Total adjusted EBITDA margin to be in the range of 41-43%
- On a pro-forma basis, total adjusted EBITDA margin to be in the 32-34% range
- Poland segment adjusted EBITDA margin to be in the range of 45%-47%Total Capex to be in the range of PLN 865 million to PLN 920 million.

| PLN million unless otherwise specified | FY 2021E | FY2021E pro-forma[12] |
|---|---|---|
| **Number of APMs (#)** | 18,250-19,000 | 18,250-19,000 |
| **Parcel volumes (million)** | 455-485 | 625-665 |
| **Revenue** | 3,700-3,850 | 5,900-6,150 |
| **Adjusted EBITDA margin (%)** | 41-43% | 32-34% |
| **Total Capex** | 865-920 | 1,015-1,120 |
| **Cash Conversion %[13]** | Low 40s | Low 40s |

10 Defined as net debt of InPost S.A. Group as at Q2/2021 ÷ Operating EBITDA.
11 Defined as Pro-forma Net Debt ÷ Pro-forma LTM Operating EBITDA, (Pro-forma has been calculated summarizing the EBITDA impact of the Mondial Relay)
12 Assumes expected full year contribution of Mondial Relay for 2021
13 Defined as Adjusted EBITDA – Change in Net Working Capital – Maintenance and Expansion Capex, before IFRS-16 lease payments/Adjusted EBITDA

## Outlook: Poland Segment

| PLN million unless otherwise specified | FY 2021E |
|---|---|
| Number of APMs (#) | 15,500-16,000 |
| APM parcel volume growth | 50-57% |
| To-Door parcel volume growth | 25-30% |
| APM revenue growth | 50-55% |
| To-Door revenue growth | 25-30% |
| Adjusted EBITDA margin (%) | 45-47% |
| Total Capex | 740-780 |

## Outlook: International Segment

| PLN million unless otherwise specified | FY 2021E | FY2021E pro-forma [14] |
|---|---|---|
| Number of APMs (#) | 2,750-3,000 | 2,750-3,000 |
| Parcel volumes (million) | 10-15 | 180-195 |
| Total Revenue | 70-90 | 2,270-2,390 |
| Adjusted EBITDA margin (%) | Break-even by mid- 2022 | Low teens |
| Total Capex | 125-140 | 275-340 |

14 Assumes expected full year contribution of Mondial Relay for 2021

## Consolidated Financial Information

The following tables set forth selected consolidated financial information of InPost SA and its subsidiaries as of the dates and for the periods indicated.

### Selected Consolidated Statement of Profit or Loss and Other Income

| PLN million unless otherwise specified | Period of 6 months ended on 30/06/2021 | Period of 6 months ended on 30/06/2020 | YOY change | Period of 3 months ended on 30/06/2021 | Period of 3 months ended on 30/06/2020 | YOY change |
|---|---|---|---|---|---|---|
| **Continued operations** | | | | | | |
| **Revenue** | **1,639.0** | **1,063.3** | **54%** | **849.6** | **654.1** | **30%** |
| **Other operating income** | **11.7** | **8.6** | **36%** | **8.0** | **5.8** | **38%** |
| Depreciation and amortization | 241.9 | 151.5 | 60% | 123.2 | 77.7 | 59% |
| Raw materials and consumables | 24.4 | 21.5 | 13% | 13.1 | 11.4 | 15% |
| External services | 786.0 | 527.1 | 49% | 413.6 | 316.8 | 31% |
| Taxes and charges | 1.1 | 1.1 | 0% | 0.6 | 0.4 | 50% |
| Payroll | 197.8 | 85.0 | 133% | 83.1 | 46.1 | 80% |
| Social security and other benefits | 32.9 | 21.0 | 57% | 16.8 | 11.1 | 51% |
| Other expenses | 15.0 | 7.9 | 90% | 5.2 | 4.2 | 24% |
| Cost of goods and materials sold | 10.6 | 4.4 | 141% | 7.5 | 2.5 | 200% |
| Other operating expenses | 4.3 | 3.5 | 23% | 3.4 | 0.4 | 750% |
| Impairment gain/ (loss) on trade and other receivables | 5.3 | 0.7 | 657% | 4.2 | 2.7 | 56% |
| **Total operating expenses** | **1,319.3** | **823.7** | **60%** | **670.7** | **473.3** | **42%** |
| **Operating profit** | **331.4** | **248.2** | **34%** | **186.9** | **186.6** | **0%** |
| Finance income | 0.3 | 0.2 | 50% | 0.0 | 0.0 | |
| Finance costs | 45.9 | 93.1 | (51%) | 37.5 | 23.8 | 58% |
| **Profit before tax** | **285.8** | **155.3** | **84%** | **149.4** | **162.8** | **(8%)** |
| Income tax expense | 97.7 | 40.5 | 141% | 59.1 | 36.8 | 61% |
| **Profit from continuing operations** | **188.1** | **114.8** | **64%** | **90.3** | **126.0** | **(28%)** |
| **Profit / (loss) from discontinued operations** | **(2.1)** | **2.6** | | **1.9** | **3.2** | **(41%)** |
| **Net profit / (loss)** | **186.0** | **117.4** | **58%** | **92.2** | **129.2** | **(29%)** |
| **Other comprehensive income** | | | | | | |
| Exchange differences from translation of foreign operations, net of tax | 8.9 | 12.6 | (29%) | 6.0 | 14.3 | (58%) |
| **Other comprehensive income, net of tax** | **8.9** | **12.6** | **(29%)** | **6.0** | **14.3** | **(58%)** |
| **Total comprehensive income[15]** | **194.9** | **130.0** | **50%** | **98.2** | **143.5** | **(32%)** |
| **Net profit (loss) attributable to owners:** | | | | | | |
| From continued operations: | 188.1 | 114.8 | 64% | 90.3 | 126.0 | (28%) |
| From discontinued operations: | (2.1) | 2.6 | | 1.9 | 3.2 | (41%) |
| **Total comprehensive income attributable to owners:** | | | | | | |
| From continued operations: | 191.4 | 131.1 | 46% | 96.2 | 137.3 | (30%) |
| From discontinued operations: | 3.5 | (1.1) | | 2.0 | 6.2 | (68%) |
| **Basic/diluted earnings per share (in PLN)** | **0.37** | **0.22** | **68%** | **0.18** | **0.25** | **(28%)** |
| **Basic/diluted earnings per share (in PLN) – Continuing operations** | **038** | **0.22** | **73%** | **0.18** | **0.24** | **(25%)** |
| **Basic/diluted earnings per share (in PLN) – Discontinued operations** | **(0.01)** | **0.00** | | **0.00** | **0.01** | |

15 The Net (loss) profit for the period and Total comprehensive income is attributable to the owners only

## Selected Consolidated Statement of Financial Position

| ASSETS<br>PLN million unless otherwise specified | Balance as at 30/06/2021 | Balance as at 31/12/2020 | Balance as at 30/06/2020 | YOY change |
|---|---|---|---|---|
| **Non-current assets** | **2,158.5** | **1,825.5** | **1,402.6** | **54%** |
| Intangible assets | 157.8 | 141.5 | 124.4 | 27% |
| Property, plant and equipment | 1,870.1 | 1,565.1 | 1,176.7 | 59% |
| Other receivables | 3.1 | 6.0 | 2.5 | 24% |
| Deferred tax assets | 111.2 | 112.1 | 98.3 | 13% |
| Other assets | 16.3 | 0.8 | 0.8 | 1,938% |
| **Current assets** | **3,462.2** | **655.3** | **493.9** | **601%** |
| Inventory | 4.5 | 5.7 | 1.6 | 190% |
| Other financial assets | 0.0 | 0.0 | 0.0 | |
| Trade and other receivables | 374.4 | 434.7 | 253.7 | 48% |
| Income tax asset | 1.9 | 0.3 | 4.5 | (58%) |
| Other assets | 20.0 | 70.2 | 27.4 | (27%) |
| Cash and cash equivalents | 3,061.4 | 144.4 | 206.7 | 1381% |
| **TOTAL ASSETS** | **5,620.7** | **2,480.8** | **1,896.5** | **196%** |

| LIABILITIES<br>PLN million unless otherwise specified | Balance as at 30/06/2021 | Balance as at 31/12/2020 | Balance as at 30/06/2020 | YOY change |
|---|---|---|---|---|
| **Equity** | | | | |
| **Equity attributable to owners of InPost** | **(307.1)** | **638.1** | **432.0** | |
| Share capital | 22.7 | 0.1 | 0.0 | |
| Share premium | 35,122.4 | 0.0 | 0.0 | |
| Share capital and share premium of Integer.pl | 0.0 | 686.8 | 947.1 | |
| Retained earnings/ (accumulated losses) | 130.0 | (56.0) | (526.9) | |
| Reserves | (35,582.2) | 7.2 | 11.8 | |
| **Non-controlling interests** | **0.0** | **0.0** | **(0.2)** | |
| **Total equity** | **(307.1)** | **638.1** | **431.8** | |
| **Liabilities** | | | | |
| Loans and borrowings | 4,160.8 | 743.4 | 686.9 | 506% |
| Employee benefits and provisions | 8.9 | 14.0 | 8.6 | 3% |
| Government grants | 1.2 | 9.2 | 9.7 | (88%) |
| Deferred tax liability | 38.0 | 35.0 | 32.3 | 18% |
| Other financial liabilities | 338.7 | 304.0 | 166.6 | 103% |
| **Total non-current liabilities** | **4,547.6** | **1,105.6** | **904.1** | **403%** |
| Trade payables and other payables | 307.1 | 292.3 | 223.4 | 37% |
| Loans and borrowings | 709.0 | 23.7 | 43.6 | 1,526% |
| Government grants | 0.0 | 4.2 | 2.9 | |
| Current tax liabilities | 15.2 | 22.4 | 14.7 | 3% |
| Employee benefits and provisions | 49.8 | 42.2 | 22.6 | 120% |
| Other financial liabilities | 238.8 | 232.7 | 155.0 | 54% |
| Other liabilities | 60.3 | 119.6 | 98.2 | (39%) |
| **Total current liabilities** | **1,380.2** | **737.1** | **560.6** | **146%** |
| **TOTAL LIABILITIES** | **5,927.8** | **1,842.7** | **1,464.7** | **305%** |
| **TOTAL EQUITY AND LIABILITIES** | **5,620.7** | **2,480.8** | **1,896.5** | **196%** |

## Consolidated Statement of Cash Flows

| PLN million unless otherwise specified | Period of 6 months ended on 30/06/2021 | Period of 6 months ended on 30/06/2020 | YOY change |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| **Net profit (loss)** | **186.0** | **117.4** | **58%** |
| **Adjustments:** | **410.9** | **278.3** | **48%** |
| Income tax expense | 97.7 | 40.5 | 141% |
| Financial (cost)/ income | 1.2 | 82.7 | (99%) |
| Gain / (loss) on sale of property, plant and equipment | (2.0) | (0.1) | 1,900% |
| Depreciation and amortization | 241.9 | 151.5 | 60% |
| Impairment losses | 11.3 | 2.0 | 465% |
| Grants | 2.7 | 0.0 | |
| Group settled share-based payments | 58.1 | 1.7 | 3,318% |
| **Changes in working capital:** | **34.1** | **24.3** | **40%** |
| Trade and other receivables | 57.3 | (35.9) | |
| Inventories | 1.3 | 0.7 | 86% |
| Other assets | (10.1) | 24.9 | |
| Finance liabilities other than loans and borrowings | 42.9 | (33.3) | |
| Employee benefits, provisions and contract liabilities | 2.0 | 0.1 | 1,900% |
| Other liabilities | (59.3) | 67.9 | |
| **Cash generated from operating activities** | **630.9** | **420.0** | **50%** |
| Interest and commissions paid | (105.7) | (40.5) | 161% |
| Income tax paid | (102.1) | (33.7) | 203% |
| **Net cash from operating activities** | **423.1** | **345.8** | **22%** |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | (295.2) | (196.4) | 50% |
| Purchase of intangible assets | (33.8) | (18.9) | 79% |
| Proceeds from financial leases | 0.0 | 4.3 | |
| **Net cash from investing activities** | **(329.0)** | **(211.0)** | **56%** |
| **Cash flows from financing activities** | | | |
| Proceeds from loans and borrowings | 2,639.8 | 82.1 | 3,115% |
| Repayment of principal portion of loans and borrowings | (649.5) | (2.4) | 26,963% |
| Proceeds from bonds | 2,215.2 | 0.0 | |
| Payment of principal portion of lease liability | (124.6) | (105.0) | 19% |
| Payment to shareholders | (1,238.1) | (15.9) | 7,687% |
| Government grants return | (18.7) | 0.0 | |
| **Net cash from financing activities** | **2,824.1** | **(41.2)** | |
| **Net increase/(decrease) in cash and cash equivalents** | **2,918.2** | **93.5** | **3,021%** |
| Cash and cash equivalents at 1 January | 144.2 | 113.0 | 28% |
| Effect of movements in exchange rates on cash held | (0.9) | (0.2) | 350% |
| Cash and cash equivalents at the end of the reporting period | 3,061.4 | 206.7 | 1,381% |

## Conference call and audio webcast

Rafal Brzoska (Founder and CEO) and Adam Aleksandrowicz (Group CFO) will host a conference call for analysts and institutional investors at 10.00 am CET on Wednesday 8 September 2021 via the following link:

Audio webcast: https://webcasting.brrmedia.co.uk/broadcast/611299f28f5b0057e0313996

Conference call details:

Netherlands dial-in: +31 (0)20 703 8259

Poland dial-in +48 22 583 9095

France dial-in +33 (0)1 76 77 25 07

UK dial-in: +44 (0)330 336 9434

Access code: 9717560

## About InPost S.A.

InPost (Euronext Amsterdam: INPST) is the leading out-of-home e-commerce enablement platform in Europe. Founded in 1999 by Rafal Brzoska in Poland, InPost provides delivery services through our network of more than 15,500 Automated Parcel Machines ("APMs"), including over 2,000 in the UK, as well as to-door courier and fulfilment services to e-commerce merchants. Strategically positioned in the fast-growing ecommerce market, InPost's strategy is further enhanced by our investments in technology, as well as the benefits of the "flywheel" effect that provide consumers, merchants and our planet a best-in-class, lower cost, more convenient and sustainable form of last mile delivery. Through our delivery services, InPost is creating a greener solution for e-commerce, as APM deliveries reduce $CO_2$ emissions by up to two-thirds compared to to-door deliveries in urban areas, and by up to 90% in rural areas, as well as significantly reducing traffic and noise pollution.

In the twelve months to 30 June 2021, InPost handled 381 million parcel deliveries through its networks in Poland, France, the U.K, Italy, Benelux and Iberia, generating PLN 3,111 million of revenue and other operating income and PLN 1,298 million of adjusted EBITDA.

In July 2021, InPost successfully completed acquisition of Mondial Relay to create Europe's leading out-of-home automated solution for e-commerce.

## 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 reported financial results and historical information, all statements included in this press release, including, without limitation, those regarding our financial position, business strategy and 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 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 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 and 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 risks and uncertainties facing the Company. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak 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.

This press release contains an outlook for the full year 2021. The Company's ability to meet these objectives is based on various assumptions and it may be unable to achieve these objectives.

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



**InPost S.A.**
Société anonyme
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L-1470 Luxembourg

Luxembourg Register of Commerce and Companies
(R.C.S Luxembourg) under number B 248669
Share capital: EUR 5.000.000

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