

InPost S.A. provides Q1 2021 trading update and raises FY 2021 outlook

InPost reports stronger-than-expected Q1 2021 results, plans to accelerate APM deployments in Poland in FY 2021 to support long-term growth

- **Total Revenue of PLN 793 million, increased by 93% YOY**
- **Adjusted EBITDA of PLN 332 million (41.9% margin), increased by 144% YOY, with Adjusted EBITDA margin expanding by 880 basis points compared to Q1 2020**
- **In Poland, parcel volumes increased by 97% YOY to 97 million parcels, supported by a 46% YOY increase in the number of APMs and a 77% YOY increase in the number of lockers**
- **Adjusted EBITDA in Poland of PLN 350 million increased by 141% YOY; Adjusted EBITDA margin of 44.8% expanded by 940 basis points YOY**
- **International parcel volumes increased by 600% YOY to 1.4 million parcels, supported by a 76% YOY increase in the number of APMs deployed in the UK**
- **Revised FY 2021 Outlook: now expect to reach 15.5-16K APMs in Poland (versus prior outlook of 14.5-15.5K). YoY APM parcel volume growth in Poland now expected to be 50-57% (versus prior outlook of 45-50%) and Adjusted EBITDA margin in Poland now expected to be 45-47% (versus prior outlook of 43-45%)**

Rafal Brzoska, Founder and CEO of InPost

“InPost had a great start to 2021. Parcel volumes almost doubled in the first quarter of the year and we continued to deliver exceptional financial results. Given our stronger-than-expected Q1, particularly in Poland, we have increased our outlook for the full year and remain focused on capturing the significant long-term growth opportunity ahead of us and delivering on our medium-term commitments.

Over the course of the quarter, we further enhanced the scale of our ecosystem and overall value proposition to consumers and merchants. For example, we accelerated the pace of APM and locker deployments in both Poland and the U.K., and continued to launch and ramp new consumer experiences such as label-less returns. By the end of the quarter, there were more than 6.3 million active users of the “InPost Mobile” app in Poland, driving continuous user engagement and enhancing brand loyalty.

In addition, we were delighted to announce the proposed acquisition of Mondial Relay, which provides multiple levers to create shareholder value. The proposed acquisition would transform our international growth strategy and is a major step to fulfil our ambition of becoming Europe’s leading out-of-home automated solution for e-commerce.

On a year-on-year basis, total revenue increased by 93% and adjusted EBITDA increased by 144% in Q1 as we continue to leverage the benefits of our operating model while investing to support our longer-term growth. In the U.K. first quarter revenues surpassed the revenues achieved in the

combined first three quarters of 2020 and underscores the strong momentum we have in Europe's largest e-commerce market.

Looking ahead, we plan to further accelerate the pace of our APM deployments in Poland to capture incremental long-term growth and have pulled forward our investments to support this. Coupled with our unique consumer offering and clear mission, we look forward to the future with increased confidence. //

Financial Highlights

| PLN million unless otherwise specified | Q1 2021 | Q1 2020 | YoY growth |
|-------------------------------------------|--------------|--------------|----------------|
| Revenue and other operating income | 793.2 | 412.0 | 93% |
| Of which Poland | 782.1 | 410.0 | 91% |
| Of which International | 11.1 | 2.0 | 455% |
| Adjusted EBITDA¹ | 332.2 | 136.3 | 144% |
| Of which Poland | 350.2 | 145.1 | 142% |
| Of which International | (18.0) | (8.8) | |
| Adjusted EBITDA Margin | 41.9% | 33.1% | +880bps |
| Of which Poland | 44.8% | 35.4% | +940bps |
| Of which International | (162.1%) | (440.0%) | nm |

Operational Highlights

| | Q1 2021 | Q1 2020 | YoY growth |
|-----------------------------------------------|---------------|--------------|--------------|
| No. of APMs (#) | 13,553 | 9,236 | +47% |
| Of which Poland | 11,743 | 8,060 | +46% |
| Of which International | 1,810 | 1,176 | +54% |
| No. of lockers (000s) | 1,746 | 994 | +76% |
| Of which Poland | 1,652 | 935 | +77% |
| Of which International | 94 | 59 | +59% |
| Poland parcel volumes (million) | 96.6 | 49.0 | +97% |
| Of which APM | 79.9 | 37.4 | +114% |
| Of which to-door | 16.7 | 11.6 | +44% |
| International parcel volumes (million) | 1.4 | 0.2 | +600% |

¹ Defined as Operating EBITDA adjusted for share based compensation, IPO transaction costs and non-recurring costs related to the proposed acquisition of Mondial Relay

Revenue and other operating income

For the three months ended 31 March 2021, total revenue and other operating income reached PLN 793.2 million, an increase of PLN 381.2 million, or 93% versus the Q1 of the prior year. The increase was driven by strong growth in Poland and, to a lesser extent, growth in the International segment.

Poland

As of 31 March 2021, the Company had 11,743 Automated Parcel Machines (APMs) in Poland, an increase of 3,683, or 46%, versus Q1 of the prior year. In addition, the Company had 1.65 million lockers in Poland as of 31 March 2021, an increase of 0.72 million, or 77% versus Q1 of the prior year.

For the three months ended 31 March 2021, the Company's total parcel volume in Poland reached 96.6 million, an increase of 47.6 million, or 97%, versus Q1 of the prior year. Total APM parcel volumes in Poland reached 79.9 million in the first quarter of 2021, an increase of 42.5 million, or 114%, versus the first quarter of 2020. This increase is due to 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.

Total to-door parcel volumes in Poland amounted to 16.7 million in the first quarter of 2021, an increase of 5.1 million, or 44%, versus Q1 of the prior year.

Revenue and other operating income of PLN 782.1 million in Poland increased by PLN 372.1 million, or 91%, versus the first quarter of 2020, driven by strong growth in both the APM and to-door segments. APM revenue of PLN 588.4 million increased by PLN 309.5 million, or 111%, versus the first quarter of 2020. The year-on-year increase in APM revenue was driven by the 114% increase in APM parcel volumes, with moderate decline in average price per parcel.

To-door revenue of PLN 174.4 million increased by PLN 50.5 million, or 41%, versus the first quarter of 2020. The year-on-year increase in to-door revenue in Poland was driven by the 44% to-door parcel volume growth, partially offset by a moderate decline in average price per parcel.

International

As of 31 March 2021, the Company had a network of 1,810 APMs outside of Poland. The number of APMs outside of Poland increased by 634, or 54%, versus Q1 of the prior year. All new APMs outside of Poland were installed in the UK, where APMs increased by 76% versus Q1 of the prior year.

In the first quarter of 2021, the Company's international parcel volumes reached 1.4 million, an increase of 1.2 million, or 600%, versus the first quarter of 2020. All parcels were delivered to APMs. The increase in parcel volume in the UK is primarily driven by the ongoing expansion of the Company's merchant base, as well as the increase in APM network coverage.

In the first quarter of 2021, Revenue and other operating income of PLN 11.1 million, increased by 9.1 million, or 455%, versus Q1 of the prior year.

InPost S.A.

Société anonyme
Registered office: 2-4, rue Beck,
L-1222 Luxembourg

Luxembourg Register of Commerce and Companies
(R.C.S. Luxembourg) under number B 248669
Share capital 31 000,00 EUR

Adjusted EBITDA

In the first quarter of 2021, Adjusted EBITDA reached PLN 332.2 million, an increase of PLN 195.9 million, or 144%, versus Q1 of the prior year. This was driven by strong year-on-year Adjusted EBITDA growth in Poland.

Adjusted EBITDA margin of 41.9% in the first quarter of 2021 increased by 880 basis points year-on-year. This increase was primarily driven by a higher proportion of APM segment revenue, which has a higher gross margin compared to the to-door segment, as well as overall productivity gains driven by the Company's enhanced scale. In addition, Adjusted EBITDA margin benefitted from operating leverage as general costs decreased as a percentage of revenue.

Poland

For the three months ended 31 March 2021, Adjusted EBITDA in Poland reached PLN 350.2 million, an increase of PLN 205.1 million, or 142%, versus Q1 of the prior year. This resulted in an Adjusted EBITDA margin of 44.8% for the first quarter of 2021, a year-on-year increase of 940 basis points. This increase was driven by a combination of an increase in gross margin, as well as operating leverage, as general costs decreased as a percentage of revenue.

International

For the three months ended 31 March 2021, Adjusted EBITDA for the international segment was a loss of PLN 18.0 million, a decline of PLN 9.2 million versus Q1 of the prior year.

Updated 2021 Outlook

The Company has also updated its full year 2021 outlook, following its stronger-than-expected first quarter performance and expectations for the balance of the year. This outlook updates the full year 2021 outlook as was provided in the 30 March 2021 press release regarding the FY 2020 financial results.

Note that the Company's pro-forma metrics includes the expected full year 2021E contributions from the proposed acquisition of Mondial Relay (as outlined in its press release dated 15 March 2021). The Company's expectations for the full year 2021 contributions from the proposed acquisition of Mondial Relay to the pro-forma outlook remain unchanged.

For the full year 2021, the Company now expects:

- 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, 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 (Updated) | FY 2021E (Prior) | FY2021E pro-forma ² (updated) | FY 2021E pro-forma ¹ (prior) |
|----------------------------------------|--------------------|------------------|------------------------------------------|-----------------------------------------|
| Number of APMs (#) | 18,250-19,000 | 16,500-18,500 | 18,250-19,000 | 16,500-18,500 |
| Parcel volumes (million) | 455-485 | 445-465 | 625-665 | 615-645 |
| Revenue | 3,700-3,850 | 3,460-3,610 | 5,900-6,150 | 5,665-5,910 |
| Adjusted EBITDA margin (%) | 41-43% | Low 40s | 32-34% | Low 30s |
| Total Capex | 865-920 | 700-745 | 1,015-1,120 | 850-945 |
| Cash Conversion %³ | Low 40s | Mid 40s | Low 40s | Mid 40s |

^{2,3} Assumes expected full year contribution of Mondial Relay for 2021

⁴ Defined as Adjusted EBITDA – Change in Net Working Capital – Maintenance and Expansion Capex, before IFRS-16 lease payments/Adjusted EBITDA

InPost S.A.

Société anonyme
Registered office: 2-4, rue Beck,
L-1222 Luxembourg

Luxembourg Register of Commerce and Companies
(R.C.S. Luxembourg) under number B 248669
Share capital 31 000,00 EUR

Outlook: Poland Segment

| PLN million unless otherwise specified | FY 2021E (Updated) | FY 2021E (Prior) |
|----------------------------------------|-----------------------|---------------------|
| Number of APMs (#) | 15,500-16,000 | 14,500-15,500 |
| APM parcel volume growth | 50-57% | 45-50% |
| To-Door parcel volume growth | 25-30% | 25-30% |
| APM revenue growth | 50-55% | 40-45% |
| To-Door revenue growth | 25-30% | 25-30% |
| Adjusted EBITDA margin (%) | 45-47% | 43-45% |
| Total Capex | 740-780 | 600-625 |

Outlook: International Segment

| PLN million unless otherwise specified | FY 2021E (Updated) | FY 2021E (Prior) | FY2021E pro-forma ⁴ (updated) | FY 2021E pro-forma ⁵ (prior) |
|----------------------------------------|----------------------------|----------------------------|------------------------------------------------|-----------------------------------------------|
| Number of APMs (#) | 2,750-3,000 | 2,000-3,000 | 2,750-3,000 | 2,000-3,000 |
| Parcel volumes (million) | 10-15 | 10-15 | 180-195 | 180-195 |
| Total Revenue | 70-90 | 60-80 | 2,270-2,390 | 2,260-2,380 |
| Adjusted EBITDA margin (%) | Break-even by mid- 2022 | Break-even by mid- 2022 | Low teens | Low teens |
| Total Capex | 125-140 | 100-120 | 275-340 | 250-320 |

^{5, 6} Assumes expected full year contribution of Mondial Relay for 2021



Conference call and audio webcast

Rafal Brzoska (Founder and CEO), Adam Aleksandrowicz (Group CFO) will host a conference call for analysts and institutional investors at 10am CET on Wednesday 19 May 2021 via the following links:

Audio webcast: <https://webcasting.brrmedia.co.uk/broadcast/6099751a576c9638976d55dd>

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: | 5594682 |

About InPost S.A.

In-Post SA ("InPost") is the leading e-commerce enablement platform. Founded in 1999 by Rafal Brzoska in Poland, InPost provides delivery services through its network of more than 13,500 Automated Parcel Machines ("APMs"), including over 1,400 in the UK as of the end of Q1 2021, as well as to-door couriers and fulfilment services to e-commerce merchants. In 2020, InPost handled 249 million parcel deliveries through its APMs, working with over 26,000 merchants. Strategically positioned in the fast-growing e-commerce ecosystems, InPost benefits from supportive market trends which drives further APM adoption. APMs provide consumers with a lower cost, flexible, convenient, environmentally friendly and contactless delivery option. Through its APM delivery services, InPost is creating a greener solution for e-commerce, as locker delivery results in a reduction of CO2 emissions by two-third compared to to-door deliveries in urban areas and 90% in rural areas as well as significant reduction in congestion. In addition, APMs provide a more convenient solution to parcel delivery for consumers, allowing for 24/7 access without the need for consumers to remain at home. Highly efficient IT infrastructure and rapid adoption of new technology underpin InPost's operations and growth. InPost's mobile application 'InPost Mobile' is one of the most successful apps in Poland with more than 6.5 million active users.

InPost S.A.

Société anonyme
Registered office: 2-4, rue Beck,
L-1222 Luxembourg

Luxembourg Register of Commerce and Companies
(R.C.S. Luxembourg) under number B 248669
Share capital 31 000,00 EUR

inpost.eu

OUT
OF
THE
BOX

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.

Enquiries:

InPost

Sherief Bakr, Investor Relations

sbakr@inpost.pl

+44 7756 205 027

Wojciech Kądziołka, Spokesman

wkadziolka@inpost.pl

+48 725 25 09 85

Powerscourt

James White and Elly Williamson

inpost@powerscourt-group.com

+44 7855 432 699 / +44 7970 246 725

InPost S.A.

Société anonyme
Registered office: 2-4, rue Beck,
L-1222 Luxembourg

Luxembourg Register of Commerce and Companies
(R.C.S. Luxembourg) under number B 248669
Share capital 31 000,00 EUR

[inpost.eu](https://www.inpost.eu)

OUT
OF
THE
BOX