AGM Q&A

Q1	**InPost indicated that the acquisition of Mondial Relay will be immediately accretive to earnings and cash flow. When does InPost expect the transaction to be value accretive (i.e. ROIC > WACC)?**
A1	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. In FY 2020, Mondial Relay generated adjusted EBITDA of EUR 60 million with healthy cash conversion. As previously communicated, we have identified approximately EUR 100-150 million of incremental EBITDA enhancements over the medium term driven by commercial enhancements, network design and operational improvements Hence, we are confident that the expected value accretion from the proposed acquisition is going to become increasingly visible over the short and medium-term.
Q2	**The Mondial Relay acquisition is financed with a 12 months bridge facility (with an extension option for an additional 12 months). Why didn't InPost opt for a permanent solution?**
A2	We view the decision to finance the proposed acquisition with a committed 12-month bridge facility as a short-term measure, which we plan to ultimately replace through longer-term debt facilities. On 11 May 2021, we announced the establishment of a Polish bond program of up to PLN 1 billion with a tenor of 6 years to partially refinance the bridge facility.
Q3	**What are the terms of this financing arrangement, i.e. financial covenants, interest rate, interest margin (in case of a margin grid) and covenant testing moments?**
A3	The specific terms of the bridge facility have not been disclosed but are subject to certain conditions that are customary for this type of instrument. As we announced on May 11, 2021, we have established a Polish bond program of up to PLN 1 billion. The Bonds issued under the Programme may bear a floating or fixed interested rate with a maturity of up to 6 years. The final parameters of each series of Bonds will be determined in the book building process, subject to markets conditions and required corporate approvals.
Q4	**We assume courier providers such as DPD, UPS or DHL deliver to Mondial Relay PUDO points. What share of Mondial Relay's revenues relies on deliveries by these parties? Does InPost believe these competitors will continue to deliver to Mondial Relay PUDO points?**
A4	Mondial Relay does not generate any revenue from rendering services to any of its direct last mile competitors.
Q5	**The e-commerce business in general is characterized by cost advantages being passed on to the end consumer. Why does InPost believe it will succeed in avoiding margin erosion?**
A5	At a high level, we have historically been able to reduce our cost in excess of the average price reductions we have experienced. This has ultimately enabled us to expand our margins. More broadly, we have re-defined the last mile delivery experience with an agnostic consumer-centric offering. The combination of our scale, investments in technology

	and continuous focus on innovation, with our unrivalled convenience and speed of delivery, has created a best-in-class consumer experience and e-commerce ecosystem. This “flywheel” effect drives our financial performance, allowing us to achieve lower unit costs. These costs savings enable us to further roll out the APM network and invest in technology to enhance our offering. This, in turn, results in greater convenience for both consumers and merchants. The flywheel therefore creates a virtuous cycle. In a market where first mover advantage is key, we believe we have established significant barriers to entry. Looking ahead, we are accelerating the pace of our investments and remain focused on capturing the significant long-term growth opportunity ahead of us and delivering on our medium-term commitments, which include adjusted EBITDA margin expansion in all our regions
Q6	**Allegro is the company’s largest customer (in total approximately 47 percent of revenue as per FY2020). Larger merchants are able to negotiate lower prices with InPost. How will InPost strike a balance between volume and pricing?**
A7	We are very proud of the ecosystem we have created and the compelling value proposition we offer consumers, merchants and landlords. The combination of our scale, investments in technology and continuous focus on innovation, with our unrivalled convenience and speed of delivery, has created a best-in-class consumer experience. For merchants, our offering is typically 20-25% cheaper than alternative to-door delivery services. Our financial model and ongoing productivity enhancements provides with unique unit economics that supports our value proposition. Historically, we have been able to increase the share of sales for larger and strategic customers, most notably Allegro. Although these large merchants typically enjoy lower-than-average pricing, we have managed to improve our profitability due to the characteristics of our operating model. Moreover, as we disclosed in our IPO prospectus, we have a 7-year contract with Allegro until 2027, during which pricing will increase with minimum volume commitments.
Q7	**InPost acknowledges the risk of increasing competition, for example coming from merchants or logistic players that start rolling out APMs themselves. Why would the necessary investments in logistics and technology, as cited by InPost, be an obstacle for such financially strong parties?**
A7	First of all, we have always believed that a number of operators can co-exist in Poland given the attractive growth opportunity and the success we have achieved. That said, we are very proud of the ecosystem we have created and the compelling value proposition we offer consumers, merchants and landlords. This is very hard for anyone else to replicate and is about so much more than just deploying machines. While investments in logistics are not unique, it is the combination of our consumer centric offering, with its unrivalled convenience, speed of delivery and continually improving user experience that underscore our leadership position. With more than 6.5 million active users, the InPost mobile app has quickly become the most downloaded mobile application in Poland, driving user engagement and brand

	loyalty. By leveraging the unique insights and data we have gained, this also provides multiple opportunities to further differentiate and extend our leadership position Overall, we are very confident in our position and are accelerating investments to further strengthen our ecosystem.
Q8	**InPost relies on lease contracts for its APM locations. Given the fact that the company realizes substantial ROICs on APM locations, how does InPost mitigate the risk that landlords will demand higher rents when contracts are renegotiated?**
A8	Part of our strategy is to secure the most attractive locations for our APMs, which provides a significant competitive advantage. We believe that our leading market position and agnostic offering are highly attractive for our landlords. While there is a risk that landlords may terminate existing leases or seek to change the terms when contracts end, the value we offer them in terms of continual and repeat foot fall, or being strategically agnostic, far outweighs this. We increasingly find that landlords want to work with us on a pan-European basis, which we expect to support our international growth strategy.
Q9	**External parcel delivery services make up the largest part of InPost's operational costs. Does InPost expect these costs (as % of revenue) to decrease further over time? Why wouldn't InPost's courier partners demand higher prices?**
A9	We expect to continue to expand our adjusted EBITDA margin through the combination of targeted gross margin expansion and operating cost leverage. We offer a highly attractive opportunity for our courier partners, given our scale and leading market position. Over the medium term, we expect that salary inflation will be an important driver of operating costs for InPost and its competitors across the whole market. Given our scale and the ongoing productivity improvement potential embedded in our operating model, we expect will be able to offset these potential cost pressures
Q10	**The e-Grocery segment is considered a growth opportunity. Could InPost elaborate on the experiences in this segment to date, the price points compared to traditional parcels as well as anticipated capex for the near term?**
A10	We see a significant opportunity for growth in the e-Grocery segment. The Polish e-Grocery market is accelerating but remains largely underpenetrated compared to other European markets. e-Grocery penetration in 2019 was 1.9%, compared to 6.9% in the United Kingdom and 5.4% in France. Further acceleration is expected due to COVID-19. We are already active in the home delivery e-Grocery segment and are currently working on an e-Grocery pilot with a dedicated application that also allows home delivery or office address. The consumer will be able to choose the desired service level: one-hour delivery, same day delivery or next day delivery. We have more than 50 refrigerated locker machines "RLM" in Krakow and Warsaw to facilitate e-Grocery delivery to machines as well as offering catering delivery services with door to door deliveries being tested. It is too early to provide specific metrics or targets for our e-grocery offering as it is currently a pilot scheme but look forward to be able to provide more details as our offering develops and we consider the broader commercial launch of the offering.