



CTT – Correios de Portugal, S.A.
Public Company
Avenida D. João II, 13
1999-001 LISBON
Lisbon commercial registry and
fiscal no. 500 077 568
Share Capital EUR 75,000,000.00

Announcement – Lisbon, 30 September 2021

Material information

CTT – Correios de Portugal, S.A. (“CTT” or “Company”) informs that it held today in Madrid a meeting with analysts and investors regarding its Spanish Express and Parcels operations (“CTT Express”), having been underlined that the transformation occurring there reflects a set of actions completed since 2019, including:

- The setting of a new management team.
- The rebranding of the CTT brand in Spain.
- A shift in operational model from a franchise network to an own operation model.
- The investment in automation and software to increase capacity and
- The improvement of quality of service and the capturing of large e-tailers, allowing for gains of scale.

CTT will proceed with the development of its Express and Parcels operation in Spain, promoting the diversification of its customer base to smaller and more profitable B2B clients and reducing operational costs to improve profitability, while keep increasing market share in B2C.

For CTT, having an Iberian presence through a leading platform its key to develop a competitive offer, both in Portugal and in Spain. Being the market leader and having the highest capillarity Express and Parcels network in Portugal, allows CTT Express in Spain to be the operator best prepared to manage Iberian flows, thus further consolidating CTT’s leadership position in Portugal.

The ambition of CTT for its operation in Spain aims at increasing market share and profitability. More specifically CTT aims at:

- Growing in the B2C market with a more efficient delivery network, based on own operations.
- Capturing B2B market share, outperforming the B2B competitors with a more competitive business model, namely in its relationship with franchisees.
- Becoming the company of reference for Iberian flows.

Consequently, **CTT aims at increasing its market share in Spain to high single digit.**

Regarding profitability, the aim is to proceed with the development of scale to enable dilution of structure costs and improve operational leverage, to refine pricing dynamics and to deploy a set of Iberian projects to improve productivity. In this context, **CTT aims to increase its EBIT margin to mid-to-high single digit.**



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This information to the market and the general public is made under the terms and for the purposes of article 248-A of the Portuguese Securities Code and other legislation in force in Portugal. It is also available on CTT website at:

https://www.ctt.pt/grupo-ctt/investidores/comunicados/index?language_id=1.

CTT – Correios de Portugal, S.A.

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