

# 2021

Capturing growth, delivering value

Preliminary FY 2021 results

The Hague — 25 January 2022



## Additional information

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# Strong operational performance in Q4 2021 due to well-managed execution peak season

€250m share buyback programme announced

## 2021 key takeaways

- Again an exceptional year, impacted by the pandemic
- Strong business performance Parcels and Mail in the Netherlands
- Very strong cash flow performance, strengthening our financial position
- Share buyback programme of €250m announced, following our capital allocation framework
- Continued focus on value creation for all stakeholders
- Confidence in the successful execution of our strategy going forward
- Recognising efforts and hard work of our people, partners and retailers
- Continuing to take our responsibility and deliver special moments



# Strong operational performance in Q4 2021



- Busy Q4 accelerates already strong performance of first three quarters
- Strong performance in last weeks of the year mainly driven by Mail in the Netherlands



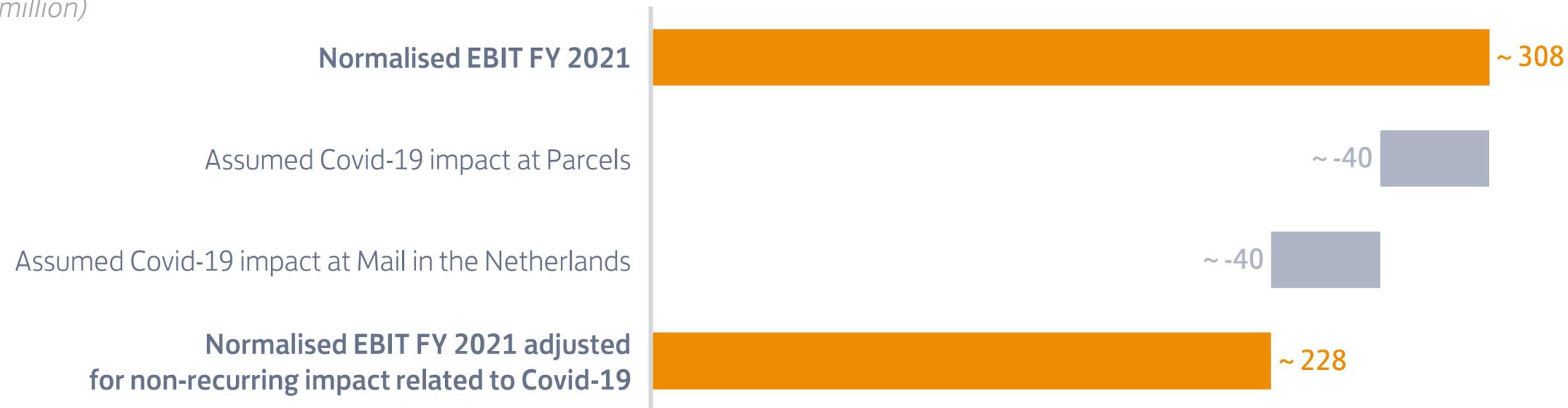
## Key financial metrics for 2021

- Revenue expected to be ~€3,466m, up 6.5% (2020: €3,255m)
- Normalised EBIT expected to come in at ~€308m, with outlook at €280m - €310m (2020: €245m), margin at 8.9%
  - of which ~€80m is qualified as non-recurring and related to Covid-19
- Free cash flow at ~€288m, with outlook of €250m - €280m (2020: €186m)
- Normalised comprehensive income ~€277 which is the basis for dividend\*
- ROIC expected to be ~16%-17%

# Solid performance FY 2021

## Breakdown of normalised EBIT

(in € million)



### Parcels

- 384m parcels delivered in 2021, volume growth of ~14%
- Revenue of ~€2,363m
- Normalised EBIT ~€229m, of which ~€40m non-recurring and related to Covid-19

### Mail in the Netherlands

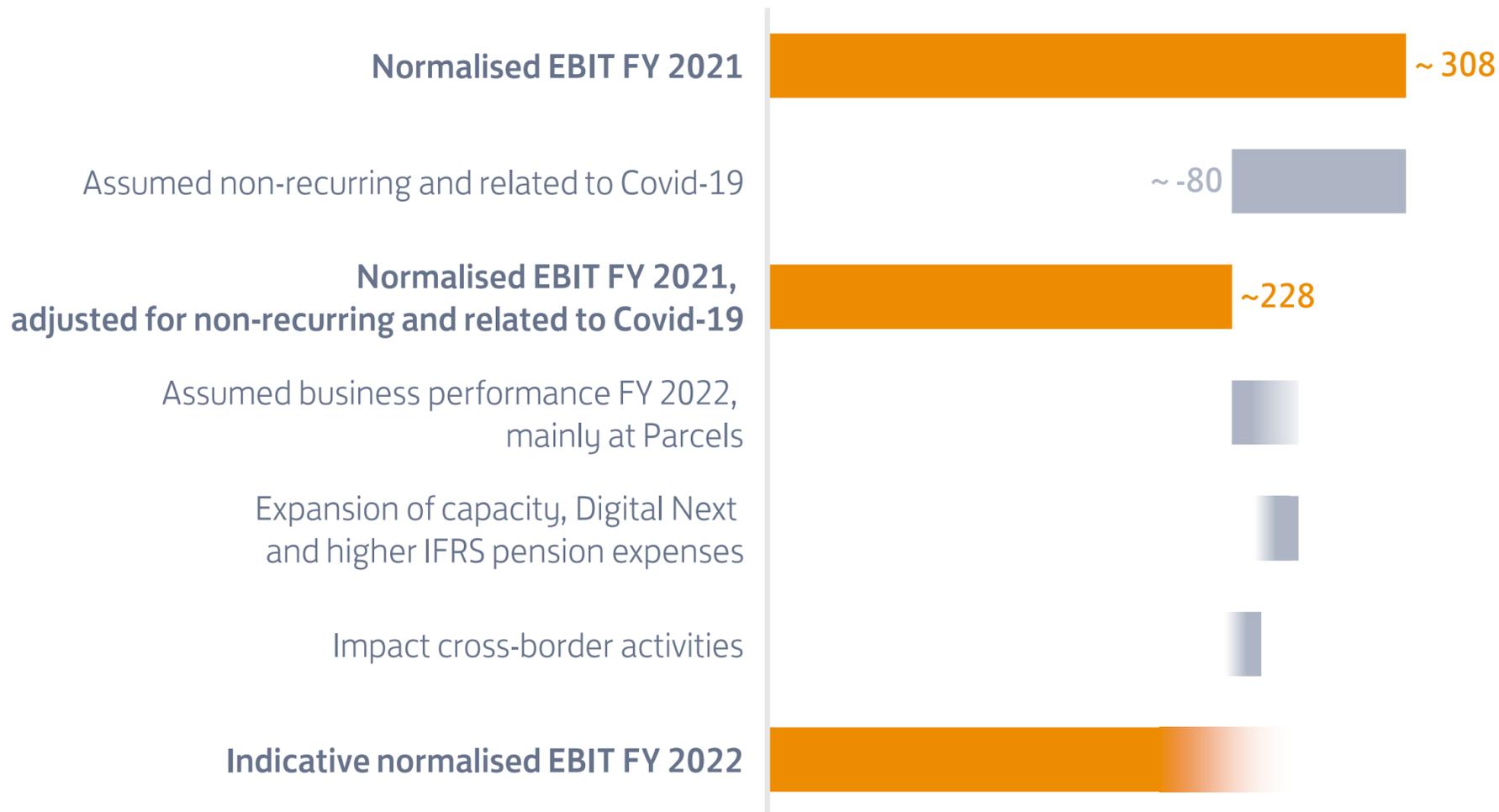
- 2,048 m mail items delivered in 2021, volume decline of 0.3%
- Underlying substitution was ~5% in 2021
- Revenue of ~€1,683m
- Normalised EBIT ~€160m, of which ~€40m non-recurring and related to Covid-19



# Into 2022 – FY outlook to be provided on 28 February 2022

Based on preliminary results 2021 and current assumptions

(indicative only, in € million)



- Normalised EBIT: broadly in line with FY 2021 after adjusting for the assumed non-recurring impact related to Covid-19
  - Better performance at Parcels partially offset by lower result at Mail in the Netherlands
    - including additional inflationary cost pressure, for example energy and transportation costs
    - limited impact of Covid-19
  - Start-up costs of new facilities, acceleration of digital transformation and higher IFRS related pension expenses
  - Limited recovery in cross-border activities expected in HY1 2022 versus HY2 2021, resulting in FY step-down
- Free cash flow below FY 2021: lower reported EBIT, step-up in investments, expected larger settlements of terminal dues and non-recurring cash proceeds related to divestures in 2021
- Normalised comprehensive income to develop in line with normalised EBIT
- Uncertainty related to Covid-19, developments in cross-border activities and overall global market conditions remains

# Share buyback programme of €250m

Execution first tranche of €160m - €170m starts to start after 28 February 2022

## Well-positioned to launch share buyback programme

- ✓ Free cash flow performance in 2021 stronger than expected
- ✓ Further improvement of already strong financial position, with leverage ratio 2021 expected to be ~0.5
- ✓ Following steps in capital allocation framework:



- ✓ Continuing focus on value creation for all stakeholders
- ✓ Confidence in successful execution of strategy gives comfort around the longer-term business performance and cash generation perspective

## Purpose

- Intention to neutralise the assumed dilutive impact from shares issued (split shares/cash ~40%/60%) related to the dividends over the years 2021-23
- Dividend to develop in line with business performance

## Execution

- First tranche to neutralise assumed impact 2021-22 dividends, expected to be completed no later than October 2022
  - ~ 9.5% of outstanding shares based on closing share price of 24 January 2022
- Second tranche to neutralise impact 2023 dividend to follow in 2023
- Positive impact on EPS/DPS
- Using cash on balance sheet

# Q&A

## Preliminary FY 2021 results

- Publication Q4 & FY 2021 results on 28 February 2022
- Full details Q4 & FY 2021
- Progress execution of strategy
- Outlook FY 2022