



**CTT – Correios de Portugal, S.A.**  
Av. dos Combatentes, no. 43 – 14<sup>th</sup> Floor  
1643-001 LISBOA  
Lisbon commercial registry and  
fiscal no. 500 077 568  
Share Capital EUR 69,220,000.00

**Announcement** – Lisbon, 19 December 2024

## **Material information**

*CTT and DHL establish a strategic partnership for e-commerce in Iberia*

- Transaction announcement

CTT – Correios de Portugal, S.A. ("CTT") hereby informs that on this date CTT and Deutsche Post International, B.V. ("DHL" or "DHL Group"), to be jointly referred as "Parties" and individually as "Party", established a joint venture partnership ("Agreement", "Transaction", "Joint Venture") with a view to joining forces in Portugal and Spain and establish a high-performing parcel venture for e-commerce – in B2C and B2B segments – with an estimated daily capacity exceeding one million shipments and out-of-home services in Iberia. This strategic partnership is poised to generate efficiencies and address the growth opportunities of the e-commerce and parcel delivery markets across Spain and Portugal which, combined, form the fourth largest market in Europe<sup>1</sup>. This collaboration is set to create a comprehensive pick-up and delivery network in Portugal and Spain. For this purpose, the Parties will set-up specialised joint venture.

To crystallise the partnership, (i) CTT Expresso – Serviços Postais e Logística, S.A. ("CTT Expresso")<sup>2</sup> will fully acquire DHL Parcel Portugal, Unipessoal Lda ("DHL Parcel Portugal"); (ii) CTT will further acquire an indirect 25% stake in DHL Parcel Iberia SL ("DHL Parcel Iberia"), through its holding company Danzas SL ("Danzas"), which is the sole shareholder of DHL Parcel Iberia and (iii) DHL will acquire a 25% stake in CTT Expresso. Both DHL Parcel Iberia and DHL Parcel Portugal are part to the e-commerce division of the DHL Group. Both Parties will grant each other an option to increase, in the future and upon the fulfilment of certain conditions, their mutual shareholdings up to a stake of 49% in the respective companies.

As part of this Agreement, the DHL e-commerce business in Portugal will fully be transferred to CTT Expresso. In Spain, the focus will be on enhancing both B2C and B2B services, with the aim to create a highly efficient network for parcel processing and last-mile delivery, enhancing customer experience across Iberia. CTT Expresso, including the CEP and lockers businesses in Portugal and in Spain and DHL Parcel Portugal, will continue to be fully consolidated by CTT, which will retain a 75% controlling stake, while DHL Parcel Iberia will be equity accounted by CTT with a 25% stake.

---

<sup>1</sup> Euromonitor International, 2023 data

<sup>2</sup> CTT Expresso operates CTT's Courier, Express and Parcels ("CEP") and locker businesses in Portugal and in Spain. As announced on 18 December 2024, CTT Expresso entered into an agreement to fully acquire Compañía Auxiliar al Cargo Expres, S.A.U. ("CACESA"), a Spanish company well-established in the European cross-border e-commerce customs market. Prior to the Closing, CTT Expresso's logistics business will be carved out from CTT Expresso.



**CTT – Correios de Portugal, S.A.**  
Av. dos Combatentes, no. 43 – 14<sup>th</sup> Floor  
1643-001 LISBOA  
Lisbon commercial registry and  
fiscal no. 500 077 568  
Share Capital EUR 69,220,000.00

In 2023, DHL Parcel in Iberia, including Portugal and Spain, had revenues of €385 million and €8 million of EBIT.

The Transaction values CTT Expresso at an Enterprise Value of €482 million, DHL Parcel Iberia at an Enterprise Value of €106 million and DHL Parcel Portugal at an Enterprise Value of €12 million. In addition, the Parties have agreed on value levers for CTT and DHL, not included in the Enterprise Value, that result in a net amount of €15 million to be paid by CTT in favour of DHL. Upon closing of the initial phase of the Transaction and considering the Enterprise Values and the value levers, CTT is estimated to receive a net cash proceed from DHL amounting to c. €69 million, on a debt free / cash free basis. This amount will be confirmed, according to the accounts, at closing of the Transaction. This amount does not consider the acquisition of Cacesa, through CTT Expresso, as announced to the market and the general public on 18 December 2024<sup>3</sup>.

The Joint Venture and corresponding transactions are subject to customary closing conditions, including applicable regulatory approvals. The Transaction will only be implemented after obtaining clearance under the relevant merger control legal requirements. The Transaction is expected to close in 2H25.

- Rationale of the Transaction

This Transaction represents a transformational milestone in CTT's journey to become a leading e-commerce logistics player in the Iberian Peninsula.

The Joint Venture will combine (i) the network of CTT Expresso, the leading parcel delivery company in Portugal and the fastest growing in Spain, which includes 20,000 service stations (PUDOs), 22 hubs and 257 depots across Iberia, along with more than 1,000 parcel lockers under the Locky brand and (ii) DHL eCommerce footprint in Spain, with over 3,000 service points, 7 hubs, and 73 depots. The integration of both networks is aimed at enhancing customer convenience by allowing them, for example, to drop off and receive packages at parcel stations or service stations from either partner. It's planned to expand the joint out-of-home network by deploying 10,000 new parcel lockers over the next years. Additionally, leveraging DHL eCommerce's European network and expertise in cross-border parcel shipping, the collaboration will offer optimised solutions not only for domestic but also for international e-commerce businesses. In Spain, the new partnership will operate under the brand labels "CTT Express, a partnership with DHL" in the B2C segment and "DHL, a partnership with CTT Express" in the B2B segment.

The Transaction will further enhance CTT's leading position in the Iberian e-commerce, while enacting clear value levers in the following key areas:

---

<sup>3</sup> Announcement available on CTT's website at [https://www.ctt.pt/grupo-ctt/investidores/comunicados/index?language\\_id=1](https://www.ctt.pt/grupo-ctt/investidores/comunicados/index?language_id=1) and on CMVM's website at [www.cmvm.pt](http://www.cmvm.pt)



CTT – Correios de Portugal, S.A.  
Av. dos Combatentes, no. 43 – 14<sup>th</sup> Floor  
1643-001 LISBOA  
Lisbon commercial registry and  
fiscal no. 500 077 568  
Share Capital EUR 69,220,000.00

1. Cross-border, a key source of future e-commerce growth, will leverage inbound flows by combining DHL's cross border expertise with CTT's wide Iberian e-commerce last mile network;
2. Iberian B2C: in Spain, the combination of DHL well recognised brand with CTT's competitive B2C operation will fuel additional penetration in large Iberian accounts;
3. High complementarity: DHL and CTT are highly complementary in customer segments and last mile networks, the first is strong in B2B segment and the latter is strong in the B2C segment.

The Transaction will generate significant operational and commercial synergies in Portugal and Spain as well as synergies at the level of corporate structure. Operational synergies include the areas of (i) facilities and sorting, (ii) linehaul and (iii) last mile. The EBIT impact of run-rate synergies is estimated to reach an annual amount of >€35 million, for the Joint Venture.

Post conclusion of the Transaction and considering the impact of the consolidation of Cacesa, CTT will become a significantly larger group. On a comparable basis, proforma for both transactions, consolidated 2023 revenues and EBIT of CTT would have been approximately €1.1 billion and €110m, respectively, and more geared towards e-commerce logistics.

Post completion of this Transaction and also considering a successful completion of the acquisition of a 100% shareholding in Cacesa by CTT Expresso, CTT will have a leverage ratio (measured by net debt to EBITDA, considering Banco CTT under the equity method of accounting) below 2.0x.

- Closing remarks and other observations

CTT reiterates its ambition for 2024, as follows: (i) to continue to grow, with consolidated revenues increasing by "mid-single digit"; (ii) the strong growth of the Iberian Express & Parcels and Banco CTT business units will enable recurring EBIT, excluding Financial Services, to grow from €51m in 2023 to above €70m in 2024 (>36% y.o.y); and (iii) consolidated recurring EBIT between €80m and €90m is therefore reiterated.

CTT remains committed to its capital allocation and financial flexibility principles, as announced in June 2022 during the Capital Markets Day: (1) enable CTT to continue to pursue its objectives of investing in business growth and to being a reference Iberian player in logistics and e-commerce; (2) implement an attractive shareholder remuneration policy, constituting an adequate source of income for its shareholders and (3) within the content of specific market conditions, combine recurrent, dividend-based, with opportunistic shareholder remuneration, based on share buy-backs and subsequent cancellation of shares. Within this context, CTT will continue to execute its ongoing €25m share buyback<sup>4</sup>, as announced on 19 July 2024, of which €9.5m have already been acquired.

---

<sup>4</sup> This Share Buyback Programme, amounting to the overall value of €25m, is to be implemented until 22 July 2025, and has the exclusive objectives of: (i) repurchasing a maximum of up to 8,500,000 shares, representing a maximum nominal value of €4,250,000 (which corresponds to 6.14% of the share capital at the present date) in any case not exceeding the referred maximum overall amount of investment; and (ii) decreasing the same amount of the share capital through the cancellation of the acquired own shares. For further information, please



**CTT – Correios de Portugal, S.A.**  
Av. dos Combatentes, no. 43 – 14<sup>th</sup> Floor  
1643-001 LISBOA  
Lisbon commercial registry and  
fiscal no. 500 077 568  
Share Capital EUR 69,220,000.00

This information to the market and the general public is disclosed pursuant to the terms and for the purposes of Article 17 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014, on market abuse (market abuse regulation), Article 29-Q 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](https://www.ctt.pt/grupo-ctt/investidores/comunicados/index?language_id=1).

**CTT – Correios de Portugal, S.A.**

Guy Pacheco

**Market Relations Representative of CTT**

Nuno Vieira

**Head of Investor Relations of CTT**

**Contacts:**

Email: [investors@ctt.pt](mailto:investors@ctt.pt) | Phone: + 351 210 471 087

---

refer to the Material Information announcement that was made on 19 July 2024 and subsequent communications.

## ANNEX

### Detailed terms and conditions of the Transaction

- Phase 1 of the Transaction:

#### Structure

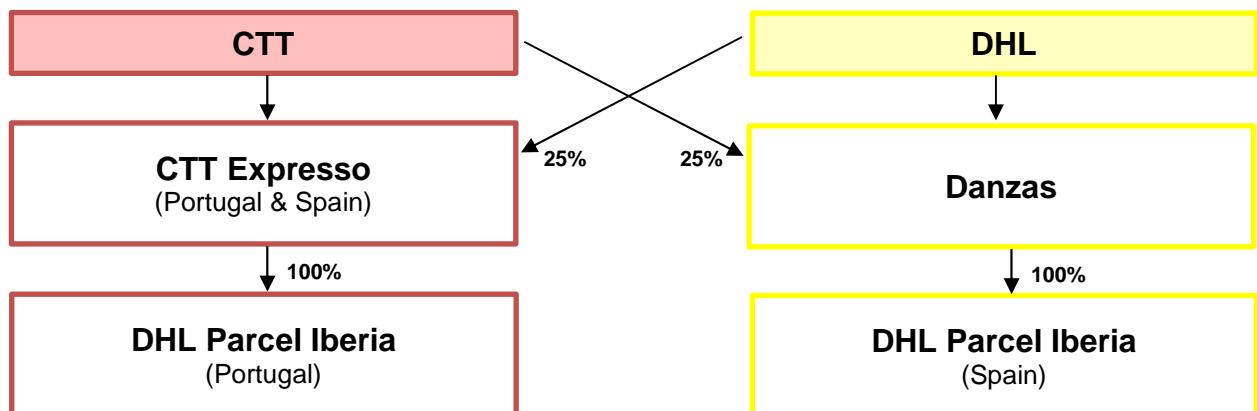
- Acquisition of 100% of DHL Parcel Portugal by CTT Expresso
- Acquisition of 25% indirect stake in DHL Parcel Iberia by CTT, through its sole shareholder Danzas
- Acquisition of 25% of CTT Expresso by DHL group

#### Valuation

- DHL Parcel Portugal valued at an Enterprise Value of €12 million
- DHL Parcel Iberia valued at an Enterprise Value of €106 million
- CTT Expresso valued at an Enterprise Value of €482 million
- Value Levers for CTT and DHL, that result in a net amount of €15 million to be paid by CTT to DHL
- Cash contribution from DHL, for Phase 1 transaction amounts to c.€69m assuming debt free/cash free basis
  - This amount does not consider the acquisition of Cacesa, which will be owned by CTT Expresso

#### Phase 1

- During Phase 1



- Phase 2 of the Transaction:

#### Call Option scheme (exercise following close of FY27 accounts)

- CTT is granted an option to acquire 10% of Danzas and DHL to acquire 10% in CTT Expresso.
- Upon the fulfilment of certain conditions<sup>5</sup> related with operational performance and assuming that the option above is exercised, CTT will be granted an option to

<sup>5</sup> Trigger: Consolidated FY 2027 EBIT of the JV (Sum of the actual FY 2027 EBIT from DHL Parcel Iberia and CTT Expresso), to be above €96 million



**CTT – Correios de Portugal, S.A.**  
Av. dos Combatentes, no. 43 – 14<sup>th</sup> Floor  
1643-001 LISBOA  
Lisbon commercial registry and  
fiscal no. 500 077 568  
Share Capital EUR 69,220,000.00

acquire up to 49% of Danzas (14% additional stake) and DHL to acquire up to 49% of CTT Expresso (14% additional stake).

- Danzas will be valued at 11.5x FY2027 EBIT and CTT Expresso will be valued at 12.5x FY2027 EBIT. If EBIT FY27 stands above current Business Plan, only 50% of the delta between actual and target EBIT FY2027 will be considered for valuation

