

An Post grows revenue, EBITDA and bottom-line profit in 2023

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Launch of Green Light 2028 five-year strategy

- Revenue up 4%, EBITDA doubled to €38.5m and net profit of €9m (before exceptions) in 2023
- Repaid €30m transformation loan to government from positive cashflow
- Move to world class HQ at The EXO Building, a key statement of intent
- Breakthrough pension agreement – pensioners’ earnings restored; Company’s contribution reduced to a sustainable level and a healthy surplus maintained in the fund
- New Green Light 2028 strategy will grow An Post to a €1bn business with €100m EBITDA

At this morning’s AGM held at their new HQ in The Exo Building, An Post announced commercial growth in 2023, the completion of phase one of its transformation (2017-2023), and the launch of its new five-year Green Light 2028 business strategy. Green Light 2028 envisages a triple-digit growth in eCommerce business, a drive to grow the Circular Economy, reaching An Post’s 2025 target of 50% emissions reduction ahead of target and achieving net-zero carbon emissions target by 2030, continued growth in Financial Services and Next Generation mail services, and delivery on An Post’s Digi Corp vision connecting customers digitally in every community.

Reporting on its 2023 financial statement, An Post announced revenue growth of 4% from €888.1m in 2022 to €922.9m in 2023, driven by strong eCommerce parcel growth of 14%, increased Post Office network footfall

and retail income growth of 11%, and carefully managed price increases. These moves offset a 6.1% decline in traditional letter volumes in 2023.

EBITDA doubled from €18.6m in 2022 to €38.5m in 2023 delivering a net profit for the year of €9m before exceptional items, without any state subsidy. An Post also repaid an important €30m transformation loan to government from the Company’s positive cash flow, reducing overall debt from €82m to €39m. The An Post Balance Sheet ended the year on a sound financial footing with total equity of €735m. This puts An Post in a robust position to execute phase two of its transformation strategy between 2024-2028 and fulfil its purpose.

Ireland’s largest retailer, with 901 post offices providing Everyday Agency Banking transactions on behalf of AIB and Bank of Ireland customers six days a week, delivered €2.4bn in transaction value across 6m customer transactions, up 13% on 2022 and fulfilling a critical community role. Over 23,000 new An Post current account customers were on-boarded while the volume of An Post Money Loans rose by 23%. State Savings holdings, on behalf of the NTMA, remained strong at €25bn.

Irish and international e-commerce continued to grow in 2023, with An Post delivering 52.7m parcels, an increase of 14% and an average of 23 parcels per address (compared to 10 parcels per address in 2019). Likewise, An Post handled 27% more parcel returns from customers back to e-tailers in 2023, and

reports a 98% Customs compliance for parcels from outside the EU, while €60m was collected in Customs revenue on behalf of the State.

2024 is already seeing parcel growth of 18%, with Irish companies now accounting for the same parcel volume as Amazon, the largest global e-tailer. An Post continues to support Irish SMEs in developing their eCommerce business through shipping discounts, bespoke services, expert research and advice.

An Post completed phase one of its transformation strategy, becoming a leader in eCommerce and sustainability, firmly established in financial services, showing innovation and agility by delivering the world's first trackable digital stamp, and being amongst the most trusted and reputable companies in Ireland.

Green Light 2028 strategy to expand An Post to a €1bn business with €100m EBITDA
An Post announced its Green Light 2028 strategy for the next five years 2024-2028. Building on 2023 revenue growth, a positive trading outlook for 2024 and meeting rapidly evolving consumer's needs, the strategy encompasses several strategic initiatives, including:

- Growth in eCommerce business - Building on large international eCommerce contract wins in 2023, become an expert in international trade for Irish companies, with triple digit percentage growth anticipated across B2C, C2C and B2B channels over the next five years.
- Next Generation mails services, building on the success of Digital Stamps with guaranteed next day delivery while a major strategy to drive the Circular Economy is expected to further increase eCommerce parcel volumes by 15%. By establishing re-use and re-sale as everyday practice for

people of all ages, the post office and postal service will be the engine for selling and sending, reusing and recycling, using great-value products and services and emission-free deliveries.

- Now the largest EV fleet operator in Ireland, An Post will achieve net-zero target by 2030 and reach their 2025 target of 50% emissions reduction ahead of time. The majority of the HGV fleet will be converted to cleaner HVO fuel with a 91.8% reduction in carbon. A further 750 electric vehicles are already on order for 2024, to replace diesel vans.
- Moving Financial Services from start-up to powerful challenger through partnerships, technology and best products. This will include a first in Ireland & UK 'Dynamic CVV' facility to help protect An Post current account customers against financial fraud.
- Deliver on An Post's Digi Corp vision, building the most sustainable, data-driven and future-looking networks; becoming expert on workforce design and delivery, leveraging AI to benefit customers, transforming operations and creating more capability for the market.

An Post will invest €200m from internally generated resources in its new Green Light 2028 strategy over the next five years. The Company envisages new revenue generation of €260-€300m to offset declining letter volumes. An Post is on target to become a €1bn company with €100m EBITDA by 2028.

Commenting on the results and Green Light 2028 Strategy, David McRedmond, CEO, An Post said:

"An Post is a vibrant commercial business that I am proud to say has returned to growth and positive cash-flow with improved profitability, having completed the first phase of our Company transformation, delivering on our key strategic objectives, and all with no State subsidy.

“I’m excited to embark on phase two of our transformation with our new Green Light Strategy 2028. This will focus our activities for the next five years and see an acceleration of An Post’s transformation into a Digi Corp as we leverage our digitally connected workforce in every community, our rich data, and the Company’s increasing technology capability. We intend to continue to deliver for the people and businesses in Ireland while remaining committed to our core purpose to act for the common good, now and for generations to come.”

Peter Quinn, CFO, An Post said:
“Financial year 2023 shows a doubling of the EBITDA operating performance. This represents a return to more normalised profit in the post pandemic period. An Post Group revenue of €922.9m is a real increase and reflects the important role of the Company in the economy, servicing Ireland’s national and international business, keeping critical networks open and ensuring service quality standards to meet customer requirements. By keeping the customer at the centre of all its activities throughout the year, the Company has successfully transformed its product offerings, and this is reflected in the increased turnover. In the next phase of our transformation, we intend to become a brilliantly useful public service, the engine of trade in Ireland and across the globe for customers and businesses of all sizes.”
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Additional Note to Editor on 2023 Financial Review:

- An exceptional pension agreement of 2022 was implemented in 2023, with pensioners’ earnings restored; the Company’s contribution rate reduced from 14% to a sustainable level of 8% and a healthy surplus of €640m reported in the Pension Fund by year-end 2023.
- An Post sold its investment in the National Lottery in 2023, along with other shareholders, for €17.4m. Originally the investment was €25m and over the course of the life of the investment the company received €46m in cash dividends. The accounting loss of €16.7m in these financial statements reflects a deficit against a carrying value at the time of the disposal.
- Decent Work continues to be a core value for An Post and the relocation of its HQ and 900 staff from the GPO to the brand-new EXO Building at North Wall Quay, Dublin 1 was a key strategic move.
- The disruption of Brexit, coinciding with new EU Customs regulations in 2021/22, was largely turned around through significant investment by An Post in systems, infrastructure and intelligence, keeping Ireland trading with vastly improved customer experiences and a substantial €60m in customs charges collected by An Post on behalf of the State in 2023.

Source: [An Post](#)