

The financial results of Omniva were still affected by the war in Ukraine

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The half-year turnover and profit of the Omniva Group were below expectations, impacted by lower volumes in international services, rising energy prices, lower consumer confidence, and one-off costs.

In the first half of the year, the operating revenue of the group totalled 63.2 million euros, decreasing by 15.3 million euros compared to the same period last year. Revenues fell in all service groups with international services revenues falling most, affected by the crisis caused by the war between Ukraine and Russia. In the first half of the year, the operating expenses of the group totalled 62.5 million euros, decreasing by 3.7 per cent compared to the same period last year. The decrease in direct costs is linked to lower volumes of international shipments, while the increase in labour costs was driven by the wage increase at the primary level. The group earned a total operating profit of nearly 700 thousand euros, which was below expectations. Excluding the loss resulting from the closing down of the affiliated company Post11 OÜ (393 thousand euros), the operating profit of Omniva was 156 thousand euros, and including the impact resulting from the closing down of Post11, the overall result was a loss of 237 thousand euros.

According to Mart Mägi, Chairman of the Management Board of Omniva, the volumes of international logistics and transit services, which have fallen due to the war between Ukraine and Russia, are slowly recovering. As a result of the sanctions imposed on Russia and Belarus, Omniva ceased commercial cooperation with them, which has had a negative impact on the financial results of Omniva. 'Despite the difficult situation in international services due to the war, we have quickly adapted to the changed market. In addition, we are actively looking for new transit markets and investing in new environmentally friendly technologies that will increase profitability in the coming periods,' said Mart Mägi.

In order to expand international operations and increase efficiency, more than 40 million euros will be invested in the construction of the most modern and environmentally friendly parcel sorting terminal in the region in Kaunas. This is the largest investment of the group to date and the new terminal will be used to sort both Lithuanian domestic

and international shipments.

In Estonia, close cooperation with local authorities will continue to modernise the organisation of postal services, to support the wider implementation of the personal mail carrier service, and to install new parcel machines. This autumn, their total number will rise to over 300 in Estonia and nearly 950 in the Baltics. According to the latest survey, the parcel machines of Omniva remain the market leader with a market share of 39% (the share of the service provider in the number of times a parcel is received). Omniva stands out in the market with the widest network of parcel machines and is also a leader in terms of easy accessibility by car and the ability to track your shipment. The Vormsi virtual parcel delivery service was extended to several other small islands. The car fleet of Omniva will become more environmentally friendly – mail is delivered with 16 electric cargo bikes and 10 electric cars in different regions across Estonia. We are renovating our post offices and will find a partner for the reconstruction of the offices through a procurement. The first refurbished post office will be opened at the end of the year. Over the next three years, all post offices across Estonia will be refurbished.

As a new option for international purchases, when shopping from Aliexpress across the Baltics, customers can now choose the nearest Omniva parcel machine to pick up their goods, supported by the wide network

of parcel machines. At the end of June, the Ukrainian market was reopened for ordering from Aliexpress and Omniva, in cooperation with a local partner, is facilitating the delivery of these shipments to customers. In addition, Omniva signed contracts with a number of international customers for the delivery of parcels in the Baltics and other countries in the second quarter.

The sale of Maksekeskus to a new strategic investor, Luminor Bank, was finalised and the joint undertaking Post11, which provides comprehensive international logistics solutions to e-merchants, ceased operations on 1 July.

Between March and August, Omniva delivered more than 70 tonnes of humanitarian aid from private individuals to Ukraine free of charge.

The unconsolidated interim report for the first half of 2022 has been published on the website of Omniva.

Omniva (AS Eesti Post) is a state-owned company, the main activity of which is the provision of logistics services (parcel and postal services), digital services, and international transit services. The main activity of SIA Omniva and UAB Omniva LT is the provision of parcel machine and courier services in the Latvian and Lithuanian markets. UAB Omniva LT Sorting was established for the construction of a new logistics centre in Kaunas. The main area of

activity of OÜ Finbite is information business services (e-invoices). The group employs

2,472 employees across the Baltics.

Source: [Omniva](#)

