



## COMPANY ANNOUNCEMENT

The following is a Company Announcement by MaltaPost p.l.c. pursuant to the Capital Market Rules of the Malta Financial Services Authority

### QUOTE

Following upon the MaltaPost plc ("the Company ") Announcement of the 18 May 2022 when the Interim Financial Statements for the six months ended 31 March 2022 were published, the Company deems it appropriate to update the market as follows.

Since a number of years, the Company has been highlighting the negative impact on its financials of the Universal Service Obligation (USO) while it was also requesting the approval of the Malta Communications Authority (MCA) to review certain postal tariffs.

Repeated requests to the MCA have been made to redress this unsustainable situation as the USO services are being delivered at a loss and stand to contribute towards a material negative impact on the Company's profitability at year end.

Following these representations, the MCA has, with effect from 01 July 2022, approved select tariff revisions. While these are of course welcome, they still do not fully address the core issue; namely that the Company continues to deliver a number of USO services at a loss. This also comes at a time when the Company had to contend with the adverse conditions brought about by the COVID-19 Pandemic, including, among others, supply chain issues and rising airfreight costs, together with the negative impact brought about by Brexit and the introduction of VAT on low-value purchases made from outside the EU - all of which required robust and effective mitigants.

The Directors of the Company will continue with their duty to impress upon the MCA that MaltaPost plc rightly expects to make a fair and reasonable return on all the services that it provides and this also in the best interest of all its stakeholders, not least its nation-wide customer base, its circa 2,000 shareholders and its quasi 800 employees.

UNQUOTE

A handwritten signature in black ink, appearing to read "Graham A. Fairclough".

Graham A. Fairclough  
Company Secretary

5 July 2022