



CTT – Correios de Portugal, S.A.
Public Company
Avenida D. João II, 13
1999-001 LISBON
Lisbon commercial registry and
fiscal no. 500 077 568
Share Capital EUR 75,000,000.00

Announcement – Lisbon, 25 February 2021

Material information

CTT – Correios de Portugal, S.A. (“CTT” or “Company”) hereby informs that, notwithstanding the recent creation of a governmental working group to analyze the Postal Act and the universal postal service needs in the national territory which will shape the next Universal Postal Service Concession Agreement (“Concession Agreement” or “Agreement”), on this date it has sent the Portuguese Government a proposal to create a negotiation committee mandated to resolve the issues related to the sustainability of the current Concession Agreement.

The reasons for this proposal are, firstly, the fact that CTT has always made it clear that, regardless of the impacts of the health crisis, considering the adversity and the imbalance of the current Concession Agreement, the Company was not willing to be the provider of the universal postal service, even for a short and transitional period of time, should its terms remain unchanged. However, given the unilateral decision to extend the Agreement without amendments until 31.12.2021, it is now necessary to regulate the contractual effects resulting therefrom, namely in financial terms.

Secondly, the profound change in the circumstances caused by the COVID-19 pandemic, with serious economic and financial consequences, as well as the fact that the situation represents a force majeure event which has hindered CTT from fully complying with its obligations from March 2020 onwards, require the adoption of the measures foreseen in the Agreement for these exceptional circumstances. CTT had already had the opportunity to formally report this situation to the grantor of the concession, and to trigger the mechanisms to reach an agreed solution which includes the revision of the Concession Agreement and the mitigation of the impacts that the pandemic had, and still has, in the execution of the referred Agreement. As no progress has been made so far in this process, and because it is imperative to establish the corresponding compensation measures, CTT is now proposing a joint reflection on all the factors under consideration.

Hence, through the proposal to create a negotiation committee, CTT has launched a formal and comprehensive procedure aimed at resolving the issues mentioned above, hoping to obtain a fair and balanced result within a reasonable timeframe.



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This information to the market and the general public is made under the terms and for the purposes of article 248-A of the Portuguese Securities Code and other legislation in force. It is also available on CTT website at: https://www.ctt.pt/grupo-ctt/investidores/comunicados/index?language_id=1.

CTT – Correios de Portugal, S.A.

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