# Billionaire Daniel Kretinsky Plans £3.5 Billion Takeover of Royal Mail



Billionaire Daniel Kretinsky is reportedly planning a £3.5 billion takeover of Royal Mail, potentially marking the first time the UK's postal service comes under full foreign ownership. Known as the 'Czech Sphinx' for his enigmatic nature, Kretinsky aims to reduce the delivery of second-class mail to just three days a week while retaining first-class service six days a week. His company, EP Group, proposes paying 370p per share to Royal Mail's parent company, International Distributions Services (IDS) Ltd, up from a previous bid of 320p per share.

The proposal is made at a challenging time for Royal Mail, which faces financial difficulties and criticism over service reductions. Moving second-class delivery to an every-other-day schedule could potentially save the company £300 million annually but would require approval from the regulatory body Ofcom. The postal service has struggled with significant losses, reporting a £1 billion deficit in the year to March 2023 and losing nearly £1 million daily, due in part to competition from other couriers and worker strikes over pay disputes.

If the takeover proceeds, EP Group commits to maintaining the company's headquarters and taxation in the UK, protecting employee rights, and recognizing existing unions. The UK government, while monitoring the developments, emphasizes the need for Royal Mail to provide the service that customers expect, regardless of ownership.