

Report of the 2021 Annual General Meeting of PG p.l.c.

The following is a report of the 5th Annual General Meeting (the “AGM”) of PG p.l.c. (C-78333) (the “Company”) held remotely on 21 October 2021 at 1700hrs.

Present:

Members representing 83,483,753 votes were present by proxy.

The meeting was chaired by Mr John Zarb (Chairman).

In attendance:

Mr John Zarb	Chairman
Mr Charles Borg	Chief Executive Officer
Mr William Spiteri Bailey	Director
Mr Lawrence Zarb	Director
Mr Gianluca Borg	Director
Mr Paul Gauci	Director
Mr Stefan Bonello	Partner – PwC – External Auditors
Mr David Gafa	Senior Manager – PwC – External Auditors
Dr Emma Grech	Company Secretary

Apologies for absence:

Mrs Claire Borg Gauci	Director
Ms Maria Micallef	Director

Quorum

It was confirmed that more than fifty percent (50%) of the shareholders of the Company were represented at the AGM (83,483,753 votes – 77.3% of the shares entitled to vote at the meeting were represented).

There being a quorum represented in terms of the Company's Articles of Association, the AGM was called to order.

Chairman Address

The Chairman welcomed the Company's shareholders, and explained, as had been so outlined in the Notice to Shareholders and Circular as previously sent to the Company's shareholders, that, for reasons of public health associated with COVID-19, the Company's AGM this year was once again being held remotely in accordance with the relevant provisions of the Companies Act (Public Companies – Annual General Meeting) Regulations, 2020 (Subsidiary Legislation 386.23 of the Laws of Malta). Shareholders were previously requested to send their proxy to the Chairman and could also indicate how they wished the Chairman to vote on their own behalf. Shareholders were also asked to submit any questions which they wished to be answered during the AGM.

The Chairman explained how the AGM was going to be conducted.

The Chairman proceeded to read the Chairman's Statement found on pp. 4-5 of the Company's Annual Report 2020-2021.

Questions from Shareholders and replies

The CEO set forth the various questions received by shareholders to be answered during the meeting, and accordingly provided answers, as follows:

1. To what extent does the recent development involving the creation of the Welbee's Supermarket brand, which also follows the transaction between Lidl Malta and Scotts Supermarkets, have any bearing on the PG Group's aim at extending its presence across the market?

The retail sector is a very competitive and dynamic one, therefore developments such as these come as no surprise.

It is important to bear in mind, however, that this transaction between Lidl Malta and Scotts Supermarkets is not new. Legally, the amalgamation had already taken place.

The same applies with respect to Welbee's. What has happened recently is a rebranding exercise which has drawn the public's attention to the newly created supermarket brand, Welbee's. On this note, our business has not been affected in any manner. In fact, we are reporting very positive results which we continue to maintain. Performance has improved in practically all areas within our supermarkets.

Going forward, we do not expect this transaction to have any impact on our business.

2. Can the Board explain the overdue trade receivables in the latest financial statements that were not impaired, which amount to the tune of €1,737,000?

Primarily, it is important to note that last year, the amount of trade receivables was of €2M – this year, it has been brought down to €1.7M. These debtors are essentially concessionaries and suppliers that have gondolas in our supermarkets which owe us money and are naturally required to pay us back. It is also important to bear in mind that our books close at the end of April due to our financial year end being 30 April; however, many of these debtors typically settle monies due at the end of the calendar year, which means that there is generally an overlap of debt from one financial year to the next.

We wish to reassure shareholders that, as a Group, we have practically no bad debtors. Usually, we receive all monies owing in a timely manner. If a debtor is dragging his feet and taking long to pay, we will reach out to him as is required.

3. PG Group has implemented / is in the process of implementing a new IT system. What effect is this going to have on profitability?

The roll-out of the new IT system is an important milestone for the Group. Today, technology has become a fundamental cornerstone of successful businesses. The new system implemented by the PG Group effectively integrates the supermarkets, the administrative and purchasing arms of the Group, as well as the supermarket stores, and this in order to consolidate the various elements of our supermarket operation and to ensure that there is continuity between the front-end of our services as well as the back-end. It is important to point out that the Group has successfully managed to implement the first phase of the new system, which mainly consisted in an overhaul to the back-end of the Group's IT infrastructure, without any disruption to its business whatsoever.

The implementation of the second phase is now in full swing and will mainly impact the front-end / client-facing aspect of the IT overhaul. For instance, we shall soon be implementing the self-checkout system at our supermarkets. We are also working on the mobile app, which will see our supermarket customers receive data such as offers, loyalty card related information, such as information about points, and so on. Another important aspect was the introduction of our new and improved website earlier this month, primarily intended to allow our supermarket customers to shop from the supermarkets online.

We look forward to the continued successful implementation of the IT project.

4. Will PG p.l.c. consider publishing interim directors' statements to provide information about the performance of the Company between the publication of the half-yearly results and the annual financial statements? Other local companies listed on the MSE are publishing interim directors' statements to keep the shareholders updated regarding their performance on a quarterly basis.

As a publicly listed company, we have reporting obligations at least twice a year at interim stage and at the end of the financial year. These are normally in August (as at end April) and December (as at end October – i.e. interim financial statements).

The Board of Directors generally declares and distributes dividends during these periods as well, the amount of which also provides an indication of the performance of the Company.

The Board feels that reporting back to its shareholders and the general public twice a year is adequate at this moment in time and has no intention of increasing the frequency of such reporting at present. Nonetheless, every time there is an important development which we believe to be price-sensitive, we issue company announcements in line with our obligations under the Capital Markets Rules.

5. Does PG p.l.c. intend to be 'debt-free' by April 2022?

This question cannot be answered with a categorical 'yes' or 'no', as, if there is an investment opportunity that adds shareholder value, we will consider it and possibly go for it. Thus, one cannot simply say that, because the Group has healthy liquidity levels, then we should pay off our loans. Furthermore, it is important to bear in mind that the debt we have in place with the bank has been procured at very favourable rates and is not in any manner posing a burden on our operation.

6. Are there any updates regarding the Pama extension / addition of another floor at Pavi?

The Group is always on the look-out for growth opportunities that will add shareholder value. When we are able to provide this type of information, we will be sure to publish it via press release, or, if so required by the Capital Markets Rules, company announcement.

7. Is the Group considering the installation of solar panels on any of its buildings in order to have more cost-effective energy bills?

The Group has always taken its Corporate Social Responsibility (CSR) – which has today has been expanded upon at an EU level as Environmental Social Governance (ESG) – very seriously. The Group is very conscious of its obligations as a corporate citizen and strives to enhance its contribution to the green economy. We have installed solar panels on the roof of Pama Supermarket and the Pama Shopping Mall. We have not as yet decided whether we shall be installing solar panels on the roof of Pavi (this is pending further developments of the possibility of our introducing another floor on the Pavi supermarket). With respect to Zara Sliema, we do not have enough space on the roof for a PV

system. However, we wish to reassure our shareholders that we are doing as much as we can in a bid to ensure that our environmental footprint is reduced.

Resolutions

The Chairman stated that the AGM would then proceed to the approval of the Resolutions as set out in the Notice to Shareholders.

Ordinary Business: Ordinary Resolutions

1. Audited Financial Statements

The Chairman read out the First Resolution:

That the Audited Financial Statements of the Company for the financial year ended 30 April 2021, together with the Directors' Report and Auditors' report thereon, be hereby received and approved.

The Chairman stated that the following votes were received by proxy in relation to the First Resolution:

83,483,753 votes – in favour
0 votes – against
0 votes – abstentions.

IT WAS RESOLVED that the Audited Financial Statements of the Company for the financial year ended 30 April 2021, and the Directors' Report and Auditors' report thereon, be and are hereby approved.

2. Re-appointment of Auditors

The Chairman read out the Second Resolution:

That the re-appointment of PricewaterhouseCoopers as auditors of the Company be hereby approved and that the Directors be and are hereby authorised to fix their remuneration.

The Chairman stated that the following votes were received by proxy in relation to the Second Resolution:

83,386,953 votes – in favour
96,800 votes – against
0 votes – abstentions.

IT WAS RESOLVED that the reappointment of PricewaterhouseCoopers as auditors of the Company, be hereby approved and that the Directors be and are authorised to fix their remuneration.

Election of Directors

The Chairman then explained, prior to moving onto the resolutions relating to the Company's Extraordinary Business, that in terms of article 17 of the Company's present Articles of Association, three members of the Board of Directors of the Company are to retire from office at the present AGM. The three Directors in question are Mr Paul Gauci, Mrs Claire Borg Gauci and Ms Maria Micallef (the "Retiring Directors"). In terms of the Articles of Association, the Retiring Directors are eligible for re-appointment, and the Retiring Directors have each offered themselves for re-election. In view of the fact that: (i) other than the Retiring Directors, the Company received no recommendations and nominations for the appointment of directors at this AGM in accordance with the provisions of article 14.2.1 and article 14.2.2 of the Company's Articles of Association; and (ii) the number of Approved Candidates (as defined in the Company's Articles of Association) is equal to the number of vacancies on the Board of Directors, then pursuant to article 14.4 of the Company's Articles of Association, no election of directors shall take place, and the Retiring Directors shall take office as Directors together with the remaining Directors presently sitting on the Board of Directors. Accordingly, no resolution relative to the appointment of directors is required at this AGM, and the Board of Directors is fully constituted pursuant to the Articles of Association of the Company.

Extraordinary Business: Ordinary Resolution

3. Remuneration Report

The Chairman read out the Third Resolution:

That the Remuneration Report of the Company for the year ended 30 April 2021 be and is hereby approved.

It was noted that this is the first time that the Remuneration Report, as is required in terms of Chapter 12 of the Capital Markets Rules, is being submitted to the Annual General Meeting for an advisory vote.

An advisory vote is a nonbinding vote which allows shareholders to express their opinion regarding the issue at hand. That said, we always take our shareholders' feedback into consideration.

The Chairman stated that the following votes were received by proxy in relation to the Third Resolution:

83,483,753 votes – in favour

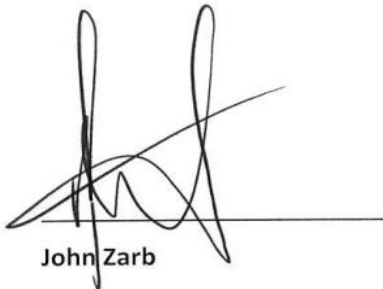
0 votes – against

A member of PG Group

0 votes – abstentions.

IT WAS RESOLVED that the Remuneration Report as explained in the Shareholders' Circular dated 27 September 2021 be hereby approved.

There being no further business to discuss, the Chairman declared the AGM closed at 1745hrs.

A handwritten signature in black ink, appearing to read 'John Zarb', written over a horizontal line.

John Zarb
Chairman

21 October 2021