



A member of PG Group

PG GROUP, HEAD OFFICE, PAMA SHOPPING VILLAGE,
VALLETTA ROAD, MOSTA, MST 9017, MALTA

T. (+356) 2349 6100 F. (+356) 2349 6600 E. info@pggroup.com.mt

SHAREHOLDERS' CIRCULAR

Dated 3 October 2024

This circular is being issued by PG p.l.c. (C-78333) with registered office at PG Group Head Offices, PAMA Shopping Village, Valletta Road, Mosta MST 9017, Malta (the "**Company**") and sent to those shareholders appearing on the register of members of the Company as at the close of business on 27 September, 2024, and is intended to provide an explanation on two of the resolutions that are being proposed as special business to shareholders at the 8th Annual General Meeting of the Company (the "**Circular**").

1. IMPORTANT INFORMATION

This Circular, containing information about two of the resolutions to be proposed for approval at the forthcoming Annual General Meeting (the "**AGM**") scheduled to be held on 28 October 2024, at the Westin Dragonara Resort, St Julian's, Malta, is being dispatched to all persons appearing on the Company's register of members as at close of business on 27 September 2024 (the "**Members**").

This Circular is being issued in compliance with the Capital Markets Rules of the Malta Financial Services Authority, in particular the requirements set out in Capital Markets Rule 6.1.11 for circulars relating to any business to be considered at an annual general meeting which does not constitute ordinary business, and Capital Markets Rule 6.2 on the contents of all circulars.

All the directors of the Company as at the date hereof, namely Charles Borg, Gianluca Borg, Claire Borg Gauci, Paul Gauci, William Spiteri Bailey, Maria Micallef, Lawrence Zammit and John Zarb (together the "**Directors**") accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything which is likely to affect the import of such information.

Where any or all of the shares in the Company held by a recipient of this Circular have been sold or transferred by the date of receipt of this document, a copy of this Circular should be passed on to the person through whom the sale or transfer was affected for transmission of the Circular to the purchaser or transferee.

This Circular is important and requires your immediate attention as you shall be required to vote at the AGM. If you remain in doubt as to what voting action to take, you are advised to consult an appropriate independent adviser.

2. INTRODUCTION

In addition to the resolutions relating to the ordinary business of the Company being placed before the Members at the AGM, the Directors are also placing before the Members:

- an ordinary resolution for the approval of the Remuneration Report of the Company, through an advisory vote, for the financial year ended 30 April 2024; and
- an ordinary resolution for the approval of the Directors' Remuneration Policy of the Company in terms of Capital Markets Rule 12.26i.

EXTRAORDINARY BUSINESS: PROPOSED ORDINARY RESOLUTION (ADVISORY VOTE) – APPROVAL OF REMUNERATION REPORT

The proposed resolution reads as follows:

“That the Remuneration Report of the Company for the year ended 30 April 2024 be and is hereby approved.”

Explanatory Note: In accordance with Capital Markets Rule 12.26L, the Company’s AGM shall have a right to hold an advisory vote on the Remuneration Report of the Company (the **“Report”**) for the financial year ended 30 April 2024. This advisory vote shall give Shareholders the opportunity to express their opinion on the Report. The Report has been drawn up in accordance with Capital Markets Rule 12.26K and forms part of the Company’s Annual Report for the year ended 30 April 2024. The Report, which is available on the Company’s website (www.pggroup.com.mt) provides, amongst other things, a comprehensive overview of the nature and quantum of remuneration paid to the Directors, inclusive of the Chief Executive Officer and the deputy Chief Executive Officer, during the period under review, and details how this complies with the Company’s Remuneration Policy.

The Report is intended to provide increased accountability, corporate transparency and enhanced shareholder oversight with regard to the remuneration paid to the Directors and members of the senior executive team of the Company.

EXTRAORDINARY BUSINESS: PROPOSED ORDINARY RESOLUTION – APPROVAL OF REMUNERATION POLICY

The proposed resolution reads as follows:

“That the Remuneration Policy of the Company, in the form as enclosed and explained in the Shareholder’s Circular dated 3 October 2024 and circulated together with the notice convening this meeting, be and is hereby approved.”

Explanatory Note: Following amendments made to Chapter 12 of the Capital Markets Rules in July 2019 for the purpose of transposing Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017, or the Shareholder Rights Directive II, the Company drew up a remuneration policy relating to the remuneration payable to the Directors, Chief Executive Officer (the **“CEO”**) and Deputy Chief Executive Officer (the **“Deputy CEO”**) of the Company (the **“Remuneration Policy”**), which Remuneration Policy was approved on 15 October 2020 during the Company’s 4th Annual General Meeting.

The overarching objective of the proposed Remuneration Policy remains that of promoting the long-term success and development of the Company, and attracting, motivating and retaining individuals with an apt combination of skills, knowledge, experience and expertise. Furthermore, the Remuneration Policy is formulated on the general principle of upholding integrity and good governance in the conduct of the affairs and business of the Company, by establishing clear, comprehensive, and objective parameters upon which decisions on the remuneration that may be paid to the Directors, CEO and the Deputy CEO of the Company are to be made, together with the decision-making process involved.

In terms of Capital Markets Rule 12.21, the Company is obliged to submit the Remuneration Policy to a vote by the general meeting for every material change and in any case at least every four (4) years. With the Company’s Remuneration Policy having been approved for the first time in 2020, the Remuneration Policy is now being put forward to the shareholders for approval at the Company’s 8th Annual General Meeting. It is to be noted that following recommendations made by the Company’s Remuneration and Nominations Committee, minor amendments to the same Remuneration Policy were approved by the Board on 27 August 2024. The amendments are intended to ensure that the wording of the Policy remains current, and that it reflects, inter alia, the importance attached by the group in attaining ESG objectives, whilst simultaneously clarifying the role of the Remuneration and Nominations Committee in reviewing the Remuneration Policy on an annual basis.

Should the approval by the shareholders of the Company be forthcoming, the effective date of the revised Remuneration Policy shall be the date of approval by the Company in general meeting, that is 28 October 2024, and the Directors, CEO and the Deputy CEO of the Company shall be remunerated in accordance with this Remuneration Policy with effect from such date.

The proposed updated Remuneration Policy is attached under Annex I of this Circular.

3. DIRECTORS’ RECOMMENDATION

The Directors, having made the necessary considerations, are of the view that the proposed resolutions are in the best interests of the Company and its shareholders as a whole. The Directors therefore recommend that the Shareholders approve the proposed resolutions at the forthcoming AGM of the Company.

4. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents or certified copies thereof will be available for inspection at the Company's registered office situated at PG Group Head Offices, PAMA Shopping Village, Valletta Road, Mosta MST 9017, Malta, for at least fourteen (14) days from the date of publication of this Circular:

- a) The Company's last Annual Financial Statements, together with the Directors' Report and Auditors' Report thereon, for the financial year ended 30 April 2024, incorporating the Remuneration Report; and
- b) The Directors' Remuneration Policy (revised).

Date: 3 October 2024

Approved and issued by the Board of Directors of PG p.l.c., with registered office situated at PG Group Head Offices, PAMA Shopping Village, Valletta Road, Mosta MST 9017, Malta.

