PriceSmart Announces Voting Results from 2019 Annual Meeting of Stockholders and a Semi-Annual Dividend

SAN DIEGO, Jan. 31, 2019 /PRNewswire/ -- PriceSmart, Inc. (NASDAQ: PSMT) today announced the results from the Company's 2019 annual meeting of stockholders held on January 30, 2019 in San Diego.

At yesterday's annual meeting of stockholders, 10 nominees were elected to the PriceSmart board. Each director elected will continue to hold office until the next annual meeting of stockholders of PriceSmart, or until the director resigns or a successor is elected or appointed. The following directors were elected yesterday:
Sherry S. Bahrambeygui,
Gonzalo Barrutieta,
Gordon Hanson,
Beatriz Infante,
Leon Janks,
Mitchell Lynn,
Gary Malino,
Pierre Mignault,
Robert Price and
Edgar Zurcher.

Stockholders also approved, on an advisory basis, the compensation of the Company's executive officers for fiscal year 2018 and ratified the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending August 31, 2019. A final report on voting results will be filed with U.S. Securities and Exchange Commission within four business days following the date of the annual meeting of stockholders.

On January 30, 2019, the Company's Board of Directors declared a cash dividend in the total amount of $0.70 per share, with $0.35 per share payable on February 28, 2019 to stockholders of record as of close of business on February 15, 2019 and $0.35 per share payable on August 30, 2019 to stockholders of record as of the close of business on August 15, 2019. The Company anticipates the ongoing payment of semi-annual dividends in subsequent periods, although the actual declaration of future dividends, the amount of such dividends, and the establishment of record and payment dates is subject to final determination by the Board of Directors in its discretion, after its review of the Company's financial performance and anticipated capital requirements.

About PriceSmart

PriceSmart, headquartered in San Diego, owns and operates U.S.-style membership shopping warehouse clubs in Latin America and the Caribbean, selling high quality merchandise at low prices to PriceSmart members. PriceSmart now operates 41 warehouse clubs in 12 countries and one U.S. territory (seven each in Colombia and Costa Rica; five in Panama; four each in Trinidad and Dominican Republic; three each in Guatemala and Honduras; two each in El Salvador and Nicaragua; and one each in Aruba, Barbados, Jamaica and the United States Virgin Islands). The Company has acquired property and is currently constructing warehouse clubs in Santiago, Panama and Santo Domingo, Dominican Republic that are expected to open in the spring of 2019. The Company also plans to open warehouse clubs in San Cristobal, Guatemala and an additional club in Panama City, Panama, in the fall of 2019. Once these four new clubs are open, the Company will operate 45 warehouse clubs. PriceSmart also operates a cross-border logistics and e-commerce business through Aeropost, Inc. ("Aeropost"), which was purchased in March 2018. PriceSmart is utilizing and building on the technology and talent it acquired through Aeropost to invest in and further develop omni-channel capabilities to

allow its members alternative ways to shop. Aeropost operates certain segments of its business directly or via agency relationships in 38 countries in Latin America and the Caribbean, many of which overlap with markets where PriceSmart operates its warehouse clubs, and has distribution and administration facilities in Miami, Florida.

This press release may contain forward-looking statements concerning the Company's future performance. These forward-looking statements include, but are not limited to, statements containing the words "expect," "believe," "will," "may," "should," "project," "estimate," "anticipated," "scheduled," and like expressions, and the negative thereof. These statements are subject to risks and uncertainties that could cause actual results to differ materially including, but not limited to, the following risks:

International operations, which exposes us to various risks;

Significant weather events and other natural disasters that might cause damages that might not be adequately compensated by insurance;

Negative macroeconomic conditions;

Additional tax liabilities or increased reserves on the recoverability of tax receivables:

Operational interruptions related to union work stoppages;

Volatility in foreign currency exchange rates and limitations on our ability to convert foreign currency to U.S. dollars;

Changes in, and inconsistent enforcement of, laws and regulations in countries where we operate, including those related to tariffs and taxes;

Compliance risks;

Crime and security concerns, which can adversely affect the economies of the countries in which we operate and which require us to incur additional costs to provide additional security at our warehouse clubs;

Recoverability of moneys owed to PriceSmart from governments in countries where we do business;

The possibility of operational interruptions related to union work stoppages;

Political instability, such as recent unrest in Honduras, the ongoing anti-government protests in Nicaragua that have disrupted our operations there, and a general strike in Costa Rica led by public-sector unions that disrupted normal commerce in September 2018;

Any substantial reduction by the U.S. government of aid to Guatemala, Honduras, El Salvador or Nicaragua could adversely impact our sales and our ability to receive timely tax refunds owed to us by some of these countries and could lead to further political instability.

A failure to timely identify and respond to changes in consumer shopping preferences could adversely affect our sales and market share;

Significant competition, including from international online retailers;

Limitations on the availability of appropriate sites for new warehouse clubs could adversely affect growth;

Delays in the opening of planned new warehouse clubs could adversely affect growth;

Increased costs due to delays or failure in our efforts to integrate our online commerce with our traditional brick and mortar business;

Acquisitions, such as our acquisition of Aeropost, Inc. in March 2018, may expose us to additional risks, such as retention of key personnel, previously undisclosed liabilities or compliance issues, integration challenges, impairment of goodwill or intangible assets, and diversion of management resources;

Cost increases from product and service providers;

Interruption of supply chains, which might adversely impact on our ability to import merchandise;

Failure to maintain our brand's reputation;

Exposure to product liability claims and product recalls;

Failure to maintain our computer systems and/or disruption in those systems;

Cybersecurity risks, such as a failure to maintain the security of the information we hold relating to our company, our members, employees and suppliers;

Risks associated with executive leadership and organizational transition, failure to attract and/or retain other qualified employees, increases in wage and benefit costs, changes in laws and other labor issues;

Changes in accounting standards affecting management's financial assumptions, projections, estimates and judgments; and

A few of our stockholders own approximately 24.7% of our voting stock as of November 30, 2018, which may make it difficult to complete some corporate transactions without their support and may impede a change in control.

The risks described above as well as the other risks detailed in the Company's U.S. Securities and Exchange Commission ("SEC") reports, including the Company's Annual Report on Form 10-K filed for the fiscal year ended August 31, 2018 filed on October 25, 2018, pursuant to the Securities Exchange Act of 1934, see "Part I - Item 1A - Risk Factors," could materially and adversely affect our business, financial condition and results of operations. These risks are not the only risks that the Company faces. The Company could also be affected by additional factors that apply to all companies operating globally and in the U.S., as well as other risks that are not presently known to the Company or that the Company currently considers to be immaterial.

For further information, please contact
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