PriceSmart Announces February Net Merchandise Sales and Earnings Release and Conference Call Details for the Second Quarter of Fiscal 2021

Net Merchandise Sales Grew 1.3% after Negative 3.1% FX impact
Comparable Net Merchandise Sales Increased 2.8% after Negative 3.0% FX Impact
E-Commerce Penetration Was 3.2% of Total Net Merchandise Sales
PriceSmart Pharmacy Launched in Costa Rica

SAN DIEGO, March 5, 2021 /PRNewswire/ -- PriceSmart, Inc. (NASDAQ: PSMT) today announced that for the month of February 2021, net merchandise sales grew 1.3% to $258.7 million from $255.5 million in February a year earlier. Foreign currency exchange fluctuations impacted net merchandise sales negatively by 3.1%, or $7.8 million, versus the same one-month period in the prior year. There were 47 warehouse clubs in operation at the end of February 2021 and 45 warehouse clubs in operation at the end of February 2020.

For the five weeks ended February 28, 2021, comparable net merchandise sales for the 45 warehouse clubs open at least 13 ½ full months increased 2.8% when compared to the same period last year. Foreign currency exchange rate fluctuations impacted comparable net merchandise sales negatively by 3.0%, or $9.3 million, versus the same period in the prior year.

Sherry S. Bahrambeygui, Chief Executive Officer, commented:

"In February, net merchandise sales and comparable net merchandise sales grew despite pandemic-related restrictions in some markets and one less sales day in February this year vs. last year, which was a leap year. Sales for the month were adversely affected by our decision to temporarily reduce levels of merchandise we import into Trinidad due to continued limitations on our ability to convert local currency into U.S. dollars. Our global team of approximately 10,000 associates has continued to focus on sourcing exciting, distinctive, carefully curated merchandise that we can deliver at a great value to our Members in a safe and clean manner and environment. Our Click & Go™ service, including curbside pickup and delivery, contributed approximately 3.2% of total net merchandise sales for the month, and our delivery option continued to grow as a portion of total Click & Go™ sales. During the month of February, we launched our first PriceSmart Pharmacy in Costa Rica. We believe that this incremental membership benefit will be well received in this first market."

Fiscal year to date, which includes the six months ended February 28, 2021, net merchandise sales increased 5.2% to $1,736.8 million from $1,650.5 million for the six months ended February 29, 2020. Foreign currency exchange rate fluctuations impacted net merchandise sales negatively by 3.4% or $54.7 million versus the same six-month period in the prior year.

For the twenty-six-week period ended February 28, 2021, comparable net merchandise sales increased 2.3% compared to the same twenty-six-week period a year ago. Foreign currency exchange rate fluctuations impacted comparable net merchandise sales negatively by 3.3% or $53.2 million versus the same prior year period.

Second Quarter 2021 Earnings Announcement Details:

PriceSmart plans to release second quarter fiscal year 2021 financial results on Thursday, April 8, 2021, after the market closes. PriceSmart management will host a conference call at 12:00 p.m. Eastern time (9:00 a.m. Pacific time) on Friday, April 9, 2021, to discuss the financial results. Individuals interested in participating in the conference call may do so by dialing (855) 209-8211 toll free or (412) 317-5214 for international callers and asking to join the PriceSmart, Inc. call. A digital replay will be available through April 16, 2021, following the conclusion of the call by dialing (877) 344-7529 for domestic callers, or (412) 317-0088 for international callers, and entering replay passcode 10152415.

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 and services at low prices to PriceSmart Members. PriceSmart operates 47 warehouse clubs in 12 countries and one U.S. territory (eight in Costa Rica and Colombia; seven in Panama; five in the Dominican Republic, four in Trinidad and Guatemala; three in Honduras; two each in El Salvador and Nicaragua; and one each in Aruba, Barbados, Jamaica and the United States Virgin Islands). The Company also plans to open new warehouse clubs in Guatemala City, Guatemala and Bucaramanga, Colombia in the fall of 2021, and in Portmore, Jamaica in the spring of 2022. Once these three new clubs are open, the Company will operate 50 warehouse clubs.

The Company reports comparable net merchandise sales on a "same week" basis with 13 weeks in each quarter beginning on a Monday and ending on a Sunday. The periods are established at the beginning of the fiscal year to provide as close a match as possible to the calendar month and quarter that is used for financial reporting purposes. This approach equalizes the number of weekend days and weekdays in each period for an improved sales comparison, as the Company experiences higher merchandise club sales on the weekends. Each of the warehouse clubs used in the calculations was open for at least 13 ½ calendar months before its results for the current period were compared with its results for the prior period.

The term "currency exchange rates" refers to the currency exchange rates the Company uses to convert net merchandise and comparable net merchandise sales for all countries where the functional currency is not the U.S. dollar into U.S. dollars. The Company calculates the effect of changes in currency exchange rates as the difference between current period activities translated using the current period's currency exchange rates and the comparable prior year period's currency exchange rates. The Company believes the disclosure of the effects of currency exchange rate fluctuations on the Company's results permits investors to understand better the Company's underlying performance.

This press release may contain forward-looking statements concerning the Company's anticipated future revenues and earnings, adequacy of future cash flows, omni-channel initiatives, proposed warehouse club openings, the Company's performance relative to competitors, the outcome of tax proceedings and related matters. 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: adverse changes in economic conditions in the Company's markets, natural disasters, compliance risks, volatility in currency exchange rates, competition, consumer and small business spending patterns, political instability, increased costs associated with the integration of online commerce with our traditional business, whether the Company can successfully execute strategic initiatives, cybersecurity breaches that could cause disruptions in our systems or jeopardize the security of member or business information, cost increases from product and service providers, interruption of supply chains, COVID-19 related factors and challenges, including among others, the duration of the pandemic, the unknown long-term economic impact, the impact of government policies and restrictions that have limited access for our Members, and shifts in demand away from discretionary or higher priced products to lower priced products, exposure to product liability claims and product recalls, recoverability of moneys owed to PriceSmart from governments, and other important factors discussed in the Risk Factors section of the Company's most recent Annual Report on Form 10-K, and other factors discussed from time to time in other filings with the SEC, which are accessible on the SEC's website at www.sec.gov, including Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Forward-looking statements speak only as of the date that they are made, and the Company does not undertake to update them, except as required by law.

For further information, please contact Michael L. McCleary, EVP, Chief Financial Officer and Principal Accounting Officer (858) 404-8826 or send an email to ir@pricesmart.com.

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