PriceSmart Announces 7.0% Increase to Semi-Annual Dividend; Voting Results from the 2023 Annual Meeting of Stockholders; Appointment of New Director

SAN DIEGO, Feb. 3, 2023 /PRNewswire/ -- PriceSmart, Inc. (NASDAQ: PSMT), operator of 50 warehouse clubs in 12 countries and one U.S. territory, today announced a 7.0% increase to its annual dividend, the results of the Company's 2023 annual meeting of stockholders that was held on February 3, 2023 and the appointment of a new director to the Company's Board of Directors.

Comments from Robert Price, Interim Chief Executive Officer:
"Driven by the strength of our business and cash flows from operations, the Board of Directors has increased the annual dividend by approximately 7.0%. We remain focused on accelerating our investments to drive growth, and we believe that our increase in the dividend reflects the Board's confidence in our club business model.

"I am excited to be re-engaging in the Company's day-to-day affairs again as the Interim Chief Executive Officer. I will not be receiving compensation in my role as Interim CEO, and I am looking forward to working with the other officers and leaders of the Company to execute on our three major drivers of growth as we strive to improve the lives and businesses of our Members, our employees and our communities through the responsible delivery of the best quality goods and services at the lowest possible prices.

"Additionally, I am excited to welcome John Thelan to the Board of Directors. John's extensive warehouse club experience at Costco, his expertise with operations and logistics and his experience with real estate transactions will be very beneficial to the Board and the operation of our clubs."

Declaration of Cash Dividend
On February 3, 2023, the Company's Board of Directors declared an annual cash dividend in the total amount of $0.92 per share, with $0.46 per share payable on February 28, 2023 to stockholders of record as of February 16, 2023 and $0.46 per share payable on August 31, 2023 to stockholders of record as of August 15, 2023.

PriceSmart anticipates the ongoing payment of semi-annual dividends in subsequent periods, although the actual declaration of future dividends, if any, the amount of such dividends, and the establishment of record and payment dates is subject to final determination by the Board of Directors at its discretion after its review of the Company's financial performance and anticipated capital requirements, taking into account the uncertain macroeconomic conditions on our results of operations and cash flows.

Annual Meeting Results
At the annual meeting of stockholders, ten nominees were elected to the PriceSmart, Inc. Board of Directors. 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: Sherry S. Bahrambeygui, Jeffrey R. Fisher, Gordon H. Hanson, Beatriz V. Infante, Leon C. Janks, Patricia Márquez, David N. Price, Robert E. Price, David R. Snyder and Edgar Zurcher.

Stockholders did not approve, on an advisory basis, the compensation of the Company's executive officers for fiscal year 2022. Stockholders approved an amendment to the Company's Amended and Restated 2013 Equity Incentive Award Plan to increase the number of shares of Common Stock available for the grant of awards by 750,000 shares and ratified the selection of Ernst & Young, LLP as the Company's independent registered public accounting firm for the fiscal year ending August 31, 2023. 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.

Appointment of New Director

The Company announced that following the annual meeting of stockholders, the Board of Directors expanded the number of seats on the Board from ten to eleven and appointed John D. Thelan to fill the newly created vacancy. Mr. Thelan recently retired from his position as Senior Vice President, Depots and Traffic of Costco Wholesale Corporation, a position he held since 1992. The Board determined that Mr. Thelan would be a helpful addition to the Board in light of his familiarity with the warehouse club concept, his expertise with operations and logistics and his experience with real estate transactions.

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 50 warehouse clubs in 12 countries and one U.S. territory (nine in Colombia; eight in Costa Rica; seven in Panama; five in the Dominican Republic and Guatemala, four in Trinidad; three in Honduras; two each in El Salvador, Nicaragua, and Jamaica; and one each in Aruba, Barbados and the United States Virgin Islands). In addition, the Company plans to open a warehouse club in San Miguel, El Salvador in the spring of 2023 and a warehouse club in Medellín, Colombia in the summer of 2023. Once these two new clubs are open, the Company will operate 52 warehouse clubs.

This press release may contain forward-looking statements concerning PriceSmart, Inc.'s ("PriceSmart", the "Company" or "we") anticipated future revenues and earnings, adequacy of future cash flows, omni-channel initiatives, proposed warehouse club openings, the Company's performance relative to competitors 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," "intend," 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: various political, economic and compliance risks associated with our international operations, adverse changes in economic conditions in our markets, natural disasters, volatility in currency exchange rates and illiquidity of certain local currencies in our markets, 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, our reliance on third party service providers, including those who support transaction and payment processing, data security and other technology services, 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, novel coronavirus (COVID-19) related factors and challenges, exposure to product liability claims and product recalls, recoverability of moneys owed to PriceSmart from governments, risks associated with our leadership transition, 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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