February 2, 2024

Elizabeth Wamsa
General Manager
PNGX Markets Limited
PO Box 1531
Port Moresby 121
National Capital District

Subject: Update on CPL Share Suspension and Recent Event

Dear Ms. Wamsa,

This letter follows our previous communication on January 12th regarding the trading halt of CPL shares. We aim to provide an update on the recent event and its impact.

Loss from Recent Event:
On January 10th, 2024, CPL incurred a significant loss due to the civil unrest. This resulted in damage to stock, store fixtures, and equipment, with an estimated value of K40 million, or roughly 16% of our total inventory.

Impact Assessment:
The full financial and operational implications of this event are still under evaluation. We are assessing potential revenue losses and operational disruptions.

Mitigation Efforts:
CPL is actively seeking government support and pursuing insurance claims to minimize the financial impact. We are confident in our ability to secure assistance and rebuild our inventory and operations.

Trading Suspension:
To accurately assess the event's financial impact and determine our financial position, CPL share trading on the PNGX remains suspended. We apologize for any inconvenience this may cause our valued investors. CPL remains committed to transparency with our stakeholders. We will issue another announcement once the full financial impact is determined, and the trading suspension is lifted.

Yours sincerely

Stanley Joyce - CSM
Chairman
City Pharmacy Limited Group

This announcement includes forward-looking statements subject to inherent risks and uncertainties. Actual results may differ materially from those projected. This information does not constitute financial advice and should not be solely relied upon for investment decisions. Investors are encouraged to conduct their due diligence.