

Letter from the President

Season's greetings to all employee-owners,

2020 has certainly been an unusual year. We have all dealt with the life changes that Covid-19 has brought to us and our nation. The use of face masks, disinfectants and plexiglass partitions are only the minor changes in comparison to the impact that Covid-19 has had on our personal and social interactions. These changes are going to be a way of life for the foreseeable future. We may never go back to the way we once felt was normal.

2020 was also our first year as a new ESOP company. 1,061 employees became owners of this great company. We started the year with 20 stores and proudly added 2 new stores to our ESOP family and have an additional store on the horizon for mid-year 2021. We valiantly handled the craziness and extreme shopping activity during the early days of the pandemic, and have continued to do so for the months that followed.

As essential workers, we rallied to support our communities. We kept our stores open, clean and safe. Our buying team worked tirelessly to source as much product as could be found. This was no small task as suppliers struggled to provide the product that once was readily available. Our warehousing and transportation departments worked long days for several weeks with record order volume levels to ensure our stores had product available. Additionally, our retail support team made every effort to make sure our store teams were supported.

While there have been challenges this year, there have been also been blessings. The crisis of the pandemic brought our team closer together. We worked as a cohesive unit to minimize the impact on each other and on the communities we serve. This pandemic also reinforced the importance of quality time with love ones. I saw more families walking in neighborhoods and cooking at home as the crisis realigned our collective priorities.

In closing, I would like to thank you all for your hard work and service to our community. I would also like to wish all of you and your families, good health, happiness and a prosperous new year. Let's continue to make PAQ, Inc. a great employee-owned company.

Warmest regards,

Bill Cote

President & CEO