GULF & PACIFIC EQUITIES CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

Quarterly Report for the three months ended March 31, 2020

This Management Discussion and Analysis ("**MD&A**") of Gulf & Pacific Equities Corp (the "**Company**") provides analysis of the Company's financial results for the three months ended March 31, 2020. The following information should be read in conjunction with the accompanying unaudited condensed interim financial statements and the related notes for the three months ended March 31, 2020 and the audited financial statements and the related notes for the year ended December 31, 2019.

The unaudited condensed interim financial statements and related notes of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). Refer to the Notes of the March 31, 2020 unaudited condensed interim financial statements for disclosure of the Company's significant accounting policies. The Company's functional and reporting currency is the Canadian dollar.

The Company is publicly traded on the TSX Venture Exchange (TSX-V: **GUF**).

International Financial Reporting Standards

The Company's unaudited condensed interim financial statements for the quarter ended March 31, 2020 and the December 31, 2019 audited financial statements have been prepared in accordance with IFRS as published by the International Accounting Standards Board.

Date of Report

This report is prepared as of May 21, 2020.

Forward Looking Statements

This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address the Company's ability to lease vacant property units, collect minimum rents, diversify its tenant base, undertake land intensification projects, refinance loans and mortgages at their maturity, complete accretive acquisitions and other events that impact the growth of the Company are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include interest rates, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

Additional information including press releases have been filed electronically through the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and are available online under our profile at www.sedar.com or the Company's website at www.gpequities.com.

Company Overview

The Company was incorporated under the *Business Corporations Act* (Alberta) on April 8, 1998 and on June 17, 1998 filed Articles of Amendment to remove certain private corporation restrictions. The Company is listed on the TSX Venture Exchange (TSX-V: GUF). The Company commenced active operations during the 1999 fiscal year and is focused on the acquisition, management and development of anchored shopping centres in Western Canada.

The Company's current portfolio consists of three properties located in Alberta. The three properties consist of Tri-City Mall located in Cold Lake, Alberta with gross lease area of 141,289 sq. ft., St. Paul Shopping Centre, in St. Paul, Alberta with gross lease area of 79,042 sq. ft. and a stand-alone property in Three Hills, Alberta with 9,003 sq. ft. of lease space. The Company still holds a vacant lot in Merritt, B.C..

First Quarter 2020 Highlights

In the first quarter 2020:

- At **Tri-City Mall**, the Company continues to negotiate with new national & local tenants for the remaining vacancies and working to fully lease the mall.

- At **St. Paul Shopping Centre**, management is pleased to report that the St. Paul Shopping Centre is fully leased in its current configuration.

- In **Three Hills**, Red Apple Stores Inc. continues to operate the premises as The Bargain Shop with reduced rent.

- In **Merritt**, the Company still holds a vacant lot with nominal value.

- The Company has a revolving unsecured loan agreement with Ceyx Properties Ltd. ("**Ceyx**") for up to $6 million at an annual interest rate of 6% with no fixed terms for repayment (the "**Loan**"). As of March 31, 2020, the balance outstanding is $4,347,000.

Overall Performance

Condensed Interim Statements of Financial Position

On the Condensed Interim Statements of Financial Position, total assets were $40,255,165 at March 31, 2020, compared to $40,228,443 as of December 31, 2019. The increase of $26,722 in total assets during the quarter is primarily due to increase in cash offset by decreases in other amounts receivable, right-of-use asset, and investments.

The Company's cash balance increased by $48,468 during the quarter to $332,093 at March 31, 2020, from $283,625 as of December 31, 2019. The increase is mostly due to reduced use of funds for regular property management expenses, mortgage payments, and administration, offset by cash provided from the Company's normal operations.

Other amounts receivable decreased to $188,003 at March 31, 2020 from $196,679 as of December 31, 2019 due to collection of the Company's outstanding receivables in common area and property taxes.

Total prepaid expenses for the Company is unchanged at $38,469 for March 31, 2020 and for December 31, 2019.

Effective January 1, 2019, in accordance with IFRS 16, the Company recorded a right-of-use asset of $80,590 for its corporate office lease. As at March 31, 2020, the right-of-use asset has a remaining balance of $55,920.

Investment properties is unchanged at $39,600,000 as of March 31, 2020 and as of December 31, 2019.

The Company holds common shares of a related company. The value of the shares is $40,680 as of March 31, 2020 compared to $48,816 as of December 31, 2019.

With respect to liabilities, accounts payable and accrued liabilities increased to $1,981,521 as of March 31, 2020 from $1,961,124 as of December 31, 2019 due to normal operations such as property taxes, common area expenses, and loan interest.

Mortgages payable decreased to $17,631,047 as of March 31, 2020 from $17,836,171 as of December 31, 2019 due to the amounts paid on the principal during the quarter.

Effective January 1, 2019, in accordance with IFRS 16, the Company recorded a lease liability of $82,470 for its corporate office lease. As at March 31, 2020, the lease liability has a remaining balance of $59,071.

As March 31, 2020, the Company had an outstanding loan obligation of $4,347,000 from a related corporation, Ceyx Properties Ltd. The loan is unsecured, with access to a maximum value of up to

$6,000,000 and interest payable of 6% per annum. Interest is accrued but not compounded. The companies are related by virtue of the fact that they have the same President. The related corporation is not a subsidiary.

The purchase price payable of $658,776 represents an agreement whereby the Company is obliged to pay the amount if the Tri-City Mall becomes fully leased subsequent to the purchase. As at March 31, 2020, the property was not fully leased. Since the Company expects to fully lease the property in the future, this obligation has been fully provided for.

The deferred income tax liability of $1,097,000 as of March 31, 2020 represents the Company's future obligations due to the net of items including temporary differences between the accounting basis and the tax basis of the assets and liabilities, and tax loss carry forwards.

Total liabilities decreased to $25,774,415 as of March 31, 2020 from $25,935,945 as of December 31, 2019. This decrease is primarily due to decrease in mortgages.

Shareholders' equity was $14,480,750 as of March 31, 2020 compared to $14,292,498 as of December 31, 2019. The increase in shareholder's equity was mainly due to the paying down of the mortgages outstanding.

Condensed Interim Statements of Income and Comprehensive Income

For the quarter ended March 31, 2020 revenue decreased to $907,191 from $993,166 for the quarter ended March 31, 2019. The decrease was mostly due to decrease in percentage rent, departure of a tenant in the second quarter of 2019, and common area and realty tax recoveries, offset by the change in step rent.

Accordingly, rental income decreased by $95,402 or 12.3% as a result of decreases in percentage rent and departure of a tenant in the second quarter of 2019. Step rent revenue improved from negative $48,084 in the quarter ended March 31, 2019 to negative $14,227 in the quarter ended March 31, 2020, a non-cash amount representing the straight-line recognition of future rent increase for the new leases. Common area and realty tax recoveries decreased by $24,430 or 9.13% for the quarter compared to the same period last year.

Expenses for the quarter decreased to $743,637 as of March 31, 2020 from $900,050 for the quarter ended March 31, 2019, a decrease of $156,413 or 17.4%. The primary reason for the decrease in expenses is due to the completion of the changes in property management in 2019 resulting in reduced property management expenses, operating cost and realty taxes, and administration.

In detail, decrease in interest of $19,752 or 6.17% due to decrease interest on mortgages and loans payable. Decreases in operating costs and realty taxes of $101,508 or 27.1% due to the high cost in 2019 during the transition in property management in the quarter ended March 31, 2019. Administration expenses decreased by $35,153 or 17.5% due to the decreased cost in the corporate office associated with salaries and professional and fees.

Overall, within the normal operations of the Company, excluding one-time items, expenses are holding steady and management remains focused on controlling costs and operating efficiently.

Net income before fair value adjustment and income taxes for the quarter ended March 31, 2020 was $163,554 compared to net income of $93,116 for the quarter ended March 31, 2019. As a result, basic and diluted net income per share before fair value adjustment and income taxes was a loss of $0.01 per share for the quarter ended March 31, 2020 and $Nil for the quarter ended March 31, 2019.

Net income and comprehensive income for the quarter ended March 31, 2020 was an income of $188,252 compared to income of $75,359 for the quarter ended March 31, 2019. As a result, basic and diluted income per share was a loss of $0.01 per share for the quarter ended March 31, 2020 and $Nil for the quarter ended March 31, 2019.

Condensed Interim Statements of Cash Flow

On the statements of cash flows, cash provided by operations totaled $495,310 for the quarter ended March 31, 2020 compared to cash provided by operations of $658,186 for the quarter ended March 31, 2019.

Financing activities for the quarter ended March 31, 2020 recorded funds used of $445,009 compared to funds used of $445,009 for the quarter ended March 31, 2019.

As at March 31, 2020, the Company had cash of $332,093 compared to cash of $568,815 as at March 31, 2019.

Selected Annual Information

The following selected financial data for each of the three most recently completed financial years are derived from the audited annual financial statements of the Company, which were prepared in accordance with International Financial Reporting Standards ("IFRS") and presented for the years ended December 31, 2019, 2018 and 2017.

For the Years Ended December 31,	**2019**	**2018**	**2017**
	$	$	$
Revenue	3,838,060	3,992,607	3,870,165
Net Income (Loss) before fair value adjustment and income taxes	215,716	427,473	653,258
Net Income (Loss) before fair value adjustment and income taxes, per share - basic and diluted	0.01	0.02	0.03
Net Income (Loss) and Comprehensive Income (Loss)	(197,218)	367,292	(168,588)
Net Income (Loss) and Comprehensive Income (Loss), per share - basic	(0.01)	0.02	(0.01)
Net Income (Loss) and Comprehensive Income (Loss), per share - fully diluted	(0.01)	0.02	(0.01)
Total Assets	40,228,443	40,928,951	40,863,892
Total Liabilities	25,935,945	26,437,355	26,739,588
Cash Dividends	-	-	-

Summary of Quarterly Results

The following selected financial data are derived from the unaudited quarterly financial statements of the Company, which were prepared in accordance with IFRS for the results from April 1, 2018 to March 31, 2020.

	2020	**2019**				**2018**		
For the Quarters Ended	**Mar 31**	**Dec 31**	**Sep 30**	**Jun 30**	**Mar 31**	**Dec 31**	**Sep 30**	**Jun 30**
	$	$	$	$	$	$	$	$
Revenue (i)	907,191	941,671	1,103,183	800,040	993,166	1,000,789	1,005,051	1,021,065
Net Income (Loss) before fair value adjustment and income taxes (i)	163,554	97,047	46,743	(21,190)	93,116	189,861	57,870	83,856
Net Income (Loss) before fair value adjustment and income taxes, per share - basic and fully diluted	0.01	0.01	-	-	-	0.02	-	-
Net Income (Loss) and Comprehensive Income (Loss)	188,252	(428,218)	65,935	89,706	75,359	298,888	(66,480)	90,673
Net Income (Loss) and Comprehensive Income (Loss), per share - basic	0.01	(0.01)	-	-	-	0.02	-	-
Net Income (Loss) and Comprehensive Income (Loss), per share – fully diluted	0.01	(0.01)	-	-	-	0.02	-	-

* Not presented as effect of dilutive items are anti-dilutive

(i) Certain amounts from the unaudited quarterly financial statements of the Company have been reclassified in this table to conform with current period presentation. These reclassifications did not have any impact on the total net income (loss) and comprehensive income (loss). Amounts may not agree with the previously filed financial statements.

Liquidity and Capital Resources

The Company had cash of $332,093 as of March 31, 2020 which is sufficient to cover the Company's near-term cash requirements. If additional capital resources are required, management believes that it has the ability to raise sufficient funds for the continuation of operations. While management has been historically successful in raising the necessary capital, it cannot provide assurance that it will be able to obtain the required financing.

The Company has commitments for capital expenditures related to the landlord's work in securing the new tenants. The Company currently has access of up to $6,000,000 in loan proceeds from a related party. As at March 31, 2020, $4,347,000 is outstanding on this loan.

The Company is committed under lease contract for the rental of its office premises in Toronto.

To date, the Company has not paid any dividends on its shares and as of the date of this MD&A does not plan to pay dividends in the immediate future.

The Company's objectives when managing capital are:

a) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders, and

b) to provide adequate return to shareholders by obtaining an appropriate amount of debt commensurate with the level of risk, to reduce after-tax cost of capital.

First Quarter 2020

Major events and results relating to the quarter ending March 31, 2020 are covered in the section "First Quarter 2020 Highlights".

Changes in Accounting Policies

There were no changes in accounting policies effective January 1, 2020.

Financial Instruments

All of the Company's financial instruments are initially measured at fair value, with subsequent measurements dependent on the classification of each financial instrument as follows:

Asset/Liability	Classification under IFRS 9
Investments	FVTPL
Other amounts receivable	Amortized cost
Cash	Amortized cost

Mortgages	Amortized cost
Purchase price payable	Amortized cost
Loan payable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares without par value. As of March 31, 2020, the Company had issued and outstanding 21,290,685 common shares with a recorded value of $7,453,322.

The Company is also authorized to issue an unlimited number of preference shares without par value, of which none have been issued.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet transactions for the three months ended March 31, 2020 or the year ended December 31, 2019.

Related Party Transactions

During the three months ended March 31, 2020, the Company:

a) Charged rent at 1240 Bay Street to related parties, Plato Gold Corp., $600 (March 31, 2019 - $600) and Ceyx Properties Ltd., $900 (March 31, 2019 - $900). The companies are related parties of the Company by virtue of the fact that they both have the same President of the Company. As at March 31, 2020, included in accounts receivable is an amount of $11,900 (December 31, 2019 - $11,300) due from these related parties.

b) Was charged consulting fees for financial and management services of $28,594 (March 31, 2019 - $28,594) by Greg K. W. Wong, an officer of the Company. As at March 31, 2020, accounts payable and accrued liabilities included $12,654 (December 31, 2019 - $Nil) of consulting fees payable to this officer.

c) Incurred accounting fees for bookkeeping and financial statement preparation of $15,000 (March 31, 2019 - $15,000) with an accounting firm, Forbes Andersen LLP, in which Paul Andersen, one of the Company's officers, is a partner. As at March 31, 2020, accounts payable and accrued liabilities included $41,380 (December 31, 2019 - $42,396) payable to this accounting firm.

d) Other related party transactions are disclosed in note 8 & 9 to the accompanying financial statements.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the particular related parties and the Company.

Contractual Obligations and Commitments

The Company's contractual obligations and commitments consists of loans and mortgages which are disclosed in the notes to the unaudited condensed interim financial statements ended March 31, 2020 and in the notes to the audited financial statements ended December 31, 2019. In February 2018, the Company moved to new offices and has lease obligations for its new offices until 2023.

Internal Control over Financial Reporting

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the audited annual financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited annual financial statements and (ii) the audited annual financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the audited annual financial statements.

In contrast to the certificate required under Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**MI 52-109**"), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in MI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's GAAP.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer (such as the Company) to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk and Uncertainties

The Company depends on several national retail chains for a significant part of its income. If any of these chains were adversely affected by economic or business conditions, it would have a negative impact on the Company. The Company would also be adversely affected by a long-standing large increase in interest rates or a severe economic slowdown.

COVID 19

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures which include the implementation of travel bans, self-imposed quarantine periods, and social distancing have caused material disruption to businesses resulting in a global economic disruption. At the same time, global equity markets have experienced historic volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize domestic economic conditions. The duration and eventual impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation in future periods.

For the Company, COVID-19 has no physical impact on the three properties located in northern Alberta. However, COVID-19 does significantly impact the daily operations of the company, the operations of the tenants, the rental payments by tenants, the cost of operations at each property and the Company's ability to access funds in the capital markets for financing, all of which is difficult to measure at this time.

OUTLOOK

COVID-19 has crashed the economies for nations from China to Europe to North America and has started to crash the economies of nations in the southern hemisphere. The result is that economic uncertainty will be with us for the rest of the year and likely into 2021.

Governments have been focused on social isolation to “flatten the curve” to ensure that current health care capacity is not overwhelmed, but with huge negative economic impact. Until a vaccine is developed, the duration of the social isolation will be long, given that a second wave of the COVID-19 is anticipated in the fall of 2020.

Terms such as recession and depression have been used by economists, and governments worldwide are reacting to the economic downtown with historic decreases in interest rates and monumental government spending to keep domestic economies afloat.

In Canada, the Bank of Canada dropped the interest rate to a historic low of 0.25% and as of this writing the Canadian Government announced an economic package of over $250 billion with an additional $500 billion plus for credit and liquidity support through financial Crown corporations. In the US, the economic package is in the trillions of dollars.

The economic future is uncertain for every sector of the economy, including commercial real estate holdings.

In Alberta, the oil price war between Russia and the Middle East has resulted in historic low oil price in Canada with a devasting impact on the oil sector in Alberta. The price war, occurring at the same time as the economic crash due to COVID-19, has hit the Alberta economy particularly hard. At of this writing, there is talk of a decrease oil production in the Middle East which helped to stabilize the decline in oil price.

The Alberta government has embarked on an austerity program in the province and is putting pressure on Ottawa to make policy changes to revitalize the oil sector in the province. In recent weeks, the Alberta government has invested in the Keystone XL pipeline to start the construction and boost the Alberta economy.

Given the impact of COVID-19 and low oil prices, the retail sector will face an uphill challenge which will impact negatively on the properties held by the Company. At of this writing, the Alberta government is embarking on stage one of Alberta’s Relaunch Strategy to reopen Alberta’s economy from COVID-19.

For the Company, our properties are in regions with diverse economies and do not solely depend on the oil sector. While it’s anticipated that continuing low oil prices will have an impact on local economies, it will be mitigated somewhat in these two regions due to their diversification, with agriculture, tourism, and the Canada Forces Base in Cold Lake, in addition to the oil and gas industry. As well, there have been very few cases of COVID-19 reported in Cold Lake or in St. Paul.

The low interest rate environment will be around for a long time which is an advantage for the Company as it should reduce the interest cost for future refinancing. The Company regularly monitors interest rates and in the first quarter of 2018 the Company locked in a 5-year mortgage for its two key properties. On April 2, 2020, the Company completed a $3 million financing for 5 years with a fixed rate of 4.48%.

Operationally, our business model has enabled the Company to weather the past economic downturns better than most sectors, as our anchor tenants and national retailers are key retailers in the region. In addition, groceries, pharmacies, and some of our other tenants are deemed essential services during COVID-19.

While the Canadian retail market will be facing a major reorganization after COVID-19, the Company has historically been able to renew leases when due and secure new tenants when opportunities arise.

Management is continuing its efforts to fully lease the remaining vacancies at Tri-City Mall.

Tri-City Mall, Cold Lake, Alberta

The Tri-City Mall remains the flagship mall in the Company's portfolio and represents a major portion of the revenue generated for the Company.

In the quarter ended March 31, 2020, the Company continued to negotiate with new national tenants at the mall and is in ongoing discussions with other local tenants for the remaining space in Tri-City Mall and working to fully lease the mall.

With the changes noted above, the current tenant profile remains stable with Ardene, ATB Financial, Government of Alberta Infrastructure, Bootlegger, Bross Hair, Dollar Tree, Easy Financial, Pet Valu, Pizza Hut, Sobeys, Sportchek, V-Nails & Spa, Value Drug Mart, Warehouse One, and Winners. When fully leased, the mall will add substantial value to the Company's investment portfolio.

St. Paul Shopping Centre, St. Paul, Alberta

St. Paul Shopping Centre continues to be fully leased in its current configuration. The current tenant profile consists of Peavey Mart, Ardene, Dollar Tree, Marks, and Giant Tiger Stores occupying the mall. The two pad sites are leased by Tim Hortons and Petro Canada.

Three Hills, Alberta

Our Three Hills property is operating as a Bargain! Shop and is deemed an essential service.

In Merritt, British Columbia, the Company still holds a vacant lot.

Our long-term financing consists of mortgages and an unsecured loan with a related party. As of March 31, 2020, the mortgages outstanding for the Cold Lake and St. Paul properties stand at $17,332,806 for these two properties bearing interest at 5.26% and maturing on September 1, 2023.

The Three Hills property has a mortgage balance of $316,662 as at March 31, 2020, paying interest at 5.85% and maturing on December 1, 2023.

The Company has access to the loan with Ceyx of up to $6 million to finance the redevelopment of the two malls and general operation of the Company of which $4,347,000 is outstanding as of March 31, 2020 and with accumulated interest of $1,433,014. On April 2, 2020, the Company repaid $3,000,000 on the loan leaving a balance of $1,347,000.

The Company had cash of $332,093 as of March 31, 2020 with 21,290,685 shares outstanding. The closing price of the Company's common shares on the TSXV on March 31, 2020 was $0.23.

Management continues to reduce costs at the corporate level and, when appropriate, to maintain or reduce Common Area Maintenance expenses on all properties.

As noted above, particularly due to COVID-19, the current economic situation remains challenging for new financing. Financing will be difficult to obtain in the small markets where our properties are located.

We are focused on maintaining a strong relationship with our many quality tenants such as Ardene, ATB Financial, Government of Alberta Infrastructure, Bootlegger, Dollar Tree, Easy Financial, Giant Tiger Stores, Mark's Work Warehouse, Peavey Mart, Pet Valu, Petro Canada, Pizza Hut, Sobeys, Sportchek, The Bargain Shop, Tim Hortons, V-Nails & Spa, Value Drug Mart, Warehouse One, and Winners. To view a complete list of our tenants please visit our website at www.gpequities.com.

Our business model of investing in anchored shopping centres, with a focus on everyday needs, remains our competitive advantage during good and difficult economic conditions.

In the past year, the Company continues to focus on securing new leases based on the current interest by national and local tenants. Looking forward to 2020 management hopes to fully lease Tri-City Mall which will provide a substantial increase in valuation of the investment portfolio based on external appraisals. The Company is pleased to report that St. Paul Shopping Centre continues to be fully leased based in the current configuration.

However, uncertainty related to economic changes during and after COVID-19 will impact on the performance of the company in the coming quarters.

On a personal note, I want to thank all of the healthcare, frontline and essential workers, custodians, and property managers who are true heroes today, keeping Canadians fed, safe, and with the ability to see an end to this major disruption to our economy and way of life. We will emerge on the other side of this pandemic stronger and better prepared than we were before, and all Canadians will have a better appreciation of the important part that retail workers, and the aforementioned workers, play in giving some normality to all of our lives during such a difficult time and keeping us supplied with life's basic needs. I think all would agree that the importance of frontline retail workers to our way of life should not be underestimated. Thank you again on behalf of Gulf &

Pacific for the important role that all of you play.

Yours truly,

(signed) "Anthony J. Cohen"
Anthony J. Cohen
President & CEO
May 21, 2020