

2016 Annual General Meeting Chairman's Address

The 2016 financial saw a continuation of the transformation of PGC.

As set out in the annual report there was a small deterioration in Net Tangible Assets predominantly as a result of accepting Torchlight Fund LP partnership interests as satisfaction for amounts owing to the Group by Torchlight (amounts owing related to both direct loans made to Torchlight and the participations in Residential Community Limited debt).

The Board remains confident in our long-term strategy of patiently executing the exit and realisation of non-core assets and building a sustainable long term business.

As we have previously outlined, the commitment to the growth of Torchlight is central to this strategy and is expected to deliver significant long term value to our shareholders.

Our focus remains unchanged as we patiently execute this strategy, remaining disciplined and focussed on long term value creation.

The near-term focus is on finalising the successful exit of the remaining non-core assets, including the realisation of the outstanding receivable from the sale of Perpetual Trust Limited.

As announced, shareholders would be aware that PGC and Bath Street Capital agreed to the immediate and unconditional discontinuance of their respective High Court claims, without costs, in relation to PGC's demand for payment of further consideration due to PGC from its sale of PTL to Bath Street Capital in January 2014. Bath Street is proceeding with plans to float Complectus, which owns PTL. Whilst

initial expectations were that this would be completed during this calendar year, recent announcements in respect of timing of float have deferred listing until 2017. Once final settlement terms have been agreed with Bath Street Capital a further announcement will be made.

During the year, London-based Paul Dudley was appointed to the Board as an independent director.

We welcome Paul's contribution to date and look forward to his ongoing input as we focus on delivering against our long-term plan for value creation for all shareholders.

I will now hand over to the Managing Director, George Kerr who will provide an update on how we are progressing with our strategy.

ends

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