

→ MRSGL ASM File

**MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING
of METRO RETAIL STORES GROUP, INC.**

Held via remote communication under the platform of
Zoom Video Communications
May 6, 2022 (Friday) at 9:00 AM

Stockholders Present

No. of Outstanding and Voting Shares: **2,659,642,502**
Percentage of Total: **79.91%**

Directors Present:

- 1. Frank S. Gaisano Chairman of the Board and Chief Executive Officer
- 2. Manuel C. Alberto President and Chief Operating Officer
- 3. Margaret G. Ang Director
- 4. Edward S. Gaisano Director
- 5. Jack S. Gaisano Director
- 6. Guillermo L. Parayno, Jr. Independent Director
- 7. Ricardo Nicanor N. Jacinto Independent Director

Officers Present:

Sherisa P. Nuesa	Senior Adviser to the Board
Arthur Emmanuel	Senior Adviser to the Board
Joselito G. Orense	Treasurer and Chief Financial Officer
Vincent E. Tomaneng	Corporate Secretary and Chief Legal Counsel
Theresa Marie C. Puno-dela Peña	Assistant Corporate Secretary and Compliance Officer

1. Call to Order

Before the start of the program, the Corporate Secretary, Atty. Vincent E. Tomaneng, asked the Zoom Video Communications Host, Mr. Jayson E. Golez, whether the attendees present today at the 2022 Annual Stockholders' Meeting of Metro Retail Stores Group, Inc. ("MRSGL" or the "Corporation") held via remote communication (the "ASM") can clearly hear and/or see the entire proceedings, the speakers and their corresponding presentations. Mr. Golez replied in the affirmative and confirmed the same. The Corporate Secretary then informed the assembly that today's virtual ASM will be recorded pursuant to the existing rules and regulations of the Securities and Exchange Commission.

Thereafter, MRSGL Chairman and Chief Executive Officer, Mr. Frank S. Gaisano, welcomed all the stockholders, investors, officers and guests to the ASM. He then introduced to the body the directors and officers of MRSGL. He stressed that the virtual ASM was necessitated by the continuing presence of the Covid19 pandemic where physical gatherings are still highly discouraged. He then formally called the meeting to order.

1


2. Proof of Notice of the Meeting, Voting Procedures, and Existence of Quorum

The Corporate Secretary certified that written notices of the date, time, platform, and agenda of the ASM were sent to all stockholders of record as of April 11, 2022 by the following modes of notification to the stockholders in compliance with the SEC Notice dated March 16, 2021:

- a. Publication of the Notice of the ASM in the Business Sections of the Philippine Daily Inquirer and the Philippine Star (both newspapers of general circulation in the Philippines) in both print and online format on April 13 and 14, 2022;
- b. Disclosure of the ASM Notice on the Philippine Stock Exchange Edge portal; and
- c. Posting on the Corporation's website at www.metroretail.com.ph

He also told the body that the stockholders have been duly informed about the guidelines for participating via remote communication and the voting procedures as contained in the Notice of the ASM, and as indicated in the Definitive Information Statement dated April 12, 2022 which was made available to the stockholders through the PSE Edge portal and the Corporation's website.

He then certified that out of the 3,328,092,000 total outstanding common shares of MRS GI as of the record date April 11, 2022, 2,659,642,502 shares or 79.91% thereof are present via remote communication, either personally or represented by proxies. The Corporate Secretary certified that there was a quorum for the transaction of all the matters on the agenda.

3. Chairman's Message

The Chairman and CEO then proceeded to deliver his message. He started by thanking everyone for taking time to attend the 3rd virtual ASM of MRS GI and expressed his heartfelt gratitude and appreciation for the unwavering support given to MRS GI. He then reported to the stockholders, MRS GI's accomplishments for 2021, to wit:

- a. MRS GI was able to pare down its net loss and ended the year with a positive operating income and EBITDA mainly due to reduced operating expenses.
- b. MRS GI incessantly took steps to ensure the safety of its employees, customers, and business partners by implementing health and safety protocols set by the government, which led to having all 61 stores in 2021 attain 100% compliance with the DTI Safety Seal.
- c. MRS GI continued to uphold its commitment to best practices in quality and food safety, with four of its supermarkets re-certified for Good Manufacturing Practices (GMP) and Hazard Analysis and Critical Control Points (HACCP).
- d. MRS GI continued to pursue its expansion plans and managed to open new stores in strategic areas.
- e. MRS GI also acquired a property in Sta. Rosa City, Laguna, to serve as a new distribution center, to cater to the growing demand for warehousing and logistics requirements in Luzon.
- f. MRS GI continued to invest in its technology infrastructure as part of the omnichannel strategy.
- g. MRS GI ramped up its e-commerce and mobile commerce initiatives and established presence through its own online store, Call-Text-Viber service, and partnerships with third-party platforms.

He ended his message by saying that while MRS GI may have gone through setbacks over the past 2 years, its leadership team and the whole Metro family believe that the Corporation can overcome the challenges and adversities that it is facing and rise above them.



4. Approval of the Minutes of the Annual Meeting of the Stockholders held on May 7, 2021

The Chairman proceeded with the approval of the minutes of the Annual Stockholders' Meeting held on May 7, 2021. The Corporate Secretary certified that copies of the said minutes were made available to the stockholders at the Corporation's website at www.metroretail.com.ph.

The Chairman asked the Corporate Secretary if the proposed resolution has been approved by the shareholders. The Corporate Secretary disclosed the number of votes in favor of the said agenda item as validated by its Stock and Transfer Agent, *Stock Transfer Service Inc.* ("STSI"). The Chairman then confirmed the shareholders' approval on the matter as follows:

Resolution No. S01-2022

"RESOLVED, that the minutes of the previous Annual Stockholders' Meeting of Metro Retail Stores Group, Inc. held last May 7, 2021, be approved as it is hereby approved in toto."

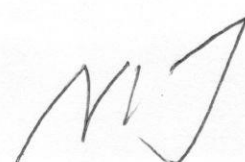
Vote	Number of Votes (One share-One vote)	Percentage of Shares Represented
Approve	2,659,642,502	79.91%
Disapprove	0	0%
Abstain	0	0%

5. President's Message

The Corporation's President and Chief Operating Officer, Mr. Manuel C. Alberto, reported on the performance of MRS GI for 2021 as follows:

- a. MRS GI trimmed down its net loss by 29.2% to PhP318.1 million from PhP449.6 million in 2020. This was mainly driven by the decline in operating expenses as a result of the Company's continuous efforts in increasing efficiency and economizing its costs.
- b. MRS GI's sales from both food retail and general merchandise businesses experienced a slight decline of 0.2% compared to 2020 as its stores still faced low customer traffic. General merchandise business remained challenged as consumers continued to prioritize basic essentials. Also, operations of some of its stores in the Visayas region were disrupted due to typhoon Odette's onslaught in December 2021.
- c. In 2021, MRS GI fully reopened its flagship store Metro Ayala Cebu and added four (4) new stores in the Visayas to further strengthen its brand's foothold in the region. MRS GI now has a total of 63 stores, with 2 new stores opened in 2022.
- d. The Company continuously upgraded its own e-commerce platform, shopmetro.ph, and pursued partnerships with 3rd party platforms to broaden its online presence.
- e. For sustainability efforts, the Company has installed solar panels in some of its stores and plan to add more this year.

MRS GI is optimistic towards recovery as Covid restrictions relaxed, vaccine rollout accelerated, and the economy began to rebound. The Company has seen an improvement in its operations in the past few months and will further demonstrate breakthrough performance as it becomes more agile beyond these challenging times.



Mr. Alberto then thanked the Corporation’s partners, shareholders and customers, our own people – the retail front liners, for their continuing support, hard work and dedication as we head towards recovery and walk towards success.

6. Management Presentations and Approval of the Annual Report and the Audited Financial Statements for CY 2021

The Chairman continued by calling on MRS GI’s Treasurer and Chief Financial Officer, Mr. Joselito G. Orense, to present the highlights of the Annual Report and the Audited Financial Statements of MRS GI for 2021.

Mr. Orense started by discussing the financial highlights of MRS GI for the year 2021. He then reported on the results of MRS GI operations for the period ended December 31, 2021. He further reported the statement of financial position as of December 31, 2021. He ended the presentation by sharing the Corporation’s key financial ratios for 2021.

The Chairman asked the Corporate Secretary if the proposed resolution has been approved by the shareholders. The Corporate Secretary disclosed the number of votes in favor of the said agenda item as validated by STSI. The Chairman then confirmed the shareholders’ approval on the matter as follows:

Resolution No. S02-2022

“**RESOLVED**, that the Annual Report and the Audited Financial Statements of Metro Retail Stores Group, Inc. for the period ended December 31, 2021, as audited by the Corporation’s external auditor, SyCip Gorres Velayo & Co, be approved as it is hereby approved.”

Vote	Number of Votes (One share-One vote)	Percentage of Shares Represented
Approve	2,659,642,502	79.91%
Disapprove	0	0%
Abstain	0	0%

7. Appointment of SyCip Gorres Velayo & Co. as External Auditor of the Corporation for the year 2022

The Chairman called on Mr. Guillermo L. Parayno Jr., Chairman of MRS GI’s Audit and Risk Committee, to announce the firm nominated as the Corporation’s external auditor for the year ending December 31, 2022.

Mr. Parayno then nominated and requested for approval on the appointment of the firm Sycip Gorres Velayo & Co. as MRS GI’s external auditor for the year ending December 31, 2022.

The Chairman asked the Corporate Secretary if the resolution has been approved by the shareholders. The Corporate Secretary disclosed the number of votes in favor of the said agenda item as validated by STSI. The Chairman then confirmed the shareholders’ approval on the matter as follows:

Resolution No. S03-2022

“**RESOLVED**, to approve the appointment of SyCip Gorres Velayo & Co. as the external auditor of Metro Retail Stores Group, Inc. (the “Corporation”) for the year 2022, as endorsed by the Corporation’s Audit and Risk Committee.”

Vote	Number of Votes (One share-One vote)	Percentage of Shares Represented
Approve	2,659,642,502	79.91%
Disapprove	0	0%
Abstain	0	0%

8. General Ratification and Approval of Previous Acts of the Directors, Committees, Officers, and Management of the Corporation

The Chairman advised the stockholders that the next item on the agenda is the approval and confirmation of all acts, resolutions, and proceedings of the Board of Directors, its Committees, Officers, and Management in the exercise of their duties and responsibilities during the intervening year, subsequent to last year’s ASM.

The Chairman asked the Corporate Secretary if the resolution has been approved by the shareholders. The Corporate Secretary disclosed the number of votes in favor of the said agenda item as validated by STSI. The Chairman then confirmed the shareholders’ approval on the matter as follows:

Resolution No. S04-2022

“**RESOLVED**, to approve all acts and resolutions of the Board of Directors and its Committees, Officers, and Management of Metro Retail Stores Group, Inc., since the last annual stockholders’ meeting up to the date of this meeting.”

Vote	Number of Votes (One share-One vote)	Percentage of Shares Represented
Approve	2,659,642,502	79.91%
Disapprove	0	0%
Abstain	0	0%

9. Election of Directors

The next item in the agenda was the election of seven (7) members of the Board to fill up the seven (7) seats of the Board of Directors as provided in the Articles of Incorporation of the Corporation, who shall occupy their respective positions for one year and until their successors are duly elected and qualified.

The Chairman requested the Corporate Secretary to read out the names of the nominees for the current year's Board of Directors.

The Corporate Secretary informed the assembly that in accordance with the previously sent Proxy Statement and the Corporation's Amended Manual on Corporate Governance, the following are the individuals pre-screened, and determined to be qualified to be elected as members of the Board in accordance with the Corporation's By-Laws, and named in the Final List of Candidates for Directors submitted by the Nomination and Compensation Committee:

1. Mr. Frank S. Gaisano
2. Mr. Manuel C. Alberto
3. Ms. Margaret G. Ang
4. Mr. Jack S. Gaisano
5. Mr. Edward S. Gaisano
6. Mr. Ricardo Nicanor N. Jacinto
7. Mr. Guillermo L. Parayno, Jr.

The Chairman asked the Corporate Secretary if the proposed resolution has been approved by the shareholders. The Corporate Secretary disclosed the number of votes in favor of the said agenda item as validated by STSI, as follows:

	Approve	Disapprove	Abstain
Frank S. Gaisano	2,656,341,502	3,926,300	0
% of Shares Voted	79.82%	0.12%	0%
Manuel C. Alberto	2,658,091,202	1,551,300	0
% of Shares Voted	79.87%	0.05%	0%
Margaret G. Ang	2,654,790,202	5,477,600	0
% of Shares Voted	79.77%	0.16%	0%
Jack S. Gaisano	2,658,091,202	1,551,300	0
% of Shares Voted	79.87%	0.05%	0%
Edward S. Gaisano	2,658,091,202	1,551,300	0
% of Shares Voted	79.87%	0.05%	0%
Ricardo Nicanor N. Jacinto (Independent Director)	2,659,642,502	0	0
% of Shares Voted	79.91%	0%	0%
Guillermo L. Parayno, Jr. (Independent Director)	2,659,642,502	0	0
% of Shares Voted	79.91%	0%	0%

Based on the above voting results and there being no other nominees to the Board, the Chairman formally announced and confirmed that all of the above seven (7) individuals are duly elected as Directors of MRSGI for the ensuing year and until their successors are duly elected and qualified, after the following resolution was passed:

Resolution No. S05-2022

“**RESOLVED**, to elect the following directors of the Corporation to serve as such beginning today until their successors are duly elected and qualified:

- 1) Frank S. Gaisano
- 2) Manuel C. Alberto
- 3) Margaret G. Ang
- 4) Jack S. Gaisano
- 5) Edward S. Gaisano
- 6) Ricardo Nicanor N. Jacinto – Independent Director
- 7) Guillermo L. Parayno, Jr. – Independent Director”

Messrs. Jacinto and Parayno were elected as independent directors in accordance with the rules of the Securities and Exchange Commission on the requirements on nomination and election of independent directors.

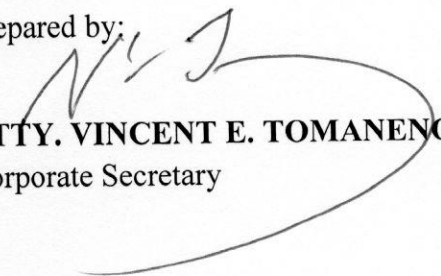
10. Other Matters

The Chairman then proceeded to discuss the transaction of other matters. The Corporate Secretary stated that there was nothing of particular importance that the Board has conveyed to discuss. Further, the Corporate Secretary informed the body that there will be no open forum during the ASM as indicated in the Definitive Information Statement. The stockholders may, however, send their questions about the ASM and about the Corporation to its Investor Relations Officer at arnold.leoncio@metroretail.ph. He will reply accordingly.

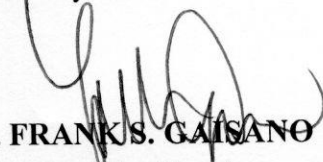
11. Adjournment

There being no other matters to be discussed, the meeting was thereupon adjourned.

Prepared by:


ATTY. VINCENT E. TOMANENG
Corporate Secretary

Attested By:


MR. FRANK S. GAISANO
Chairman of the Board

