

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

Held via remote communication under the platform of
Zoom Video Communications
February 7, 2023 (Tuesday) at 9:00 AM

Stockholders Present

No. of Outstanding and Voting Shares:	2,657,662,110
Percentage of Total:	80.99%

Directors Present:

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| 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. Nueva	Senior Board Adviser
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
Arnold M. Leoncio	VP - Business Development and Investor Relations
Antonio P. Jacomina, Jr.	VP - Human Relations

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 2023 Special Stockholders' Meeting of Metro Retail Stores Group, Inc. ("MRS GI" or the "Corporation") held via remote communication (the "SSM") 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 SSM will be recorded pursuant to the existing rules and regulations of the Securities and Exchange Commission.

Thereafter, MRS GI Chairman and Chief Executive Officer, Mr. Frank S. Gaisano, welcomed all the stockholders, investors, officers and guests to the SSM. He then introduced to the body the directors and officers of MRS GI. He then formally called the meeting to order.



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 SSM were sent to all stockholders of record as of January 18, 2023 by the following modes of notification to the stockholders in compliance with the SEC Notice dated February 16, 2022:

- a. Publication of the Notice of the SSM in the Business Sections of the Business World and the Manila Times (both newspapers of general circulation in the Philippines) in both print and online format on January 16 and 17, 2023;
- b. Disclosure of the SSM 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 SSM, and as indicated in the Definitive Information Statement dated January 17, 2023 which was made available to the stockholders through the PSE Edge portal and the Corporation's website.

He then certified that out of the 3,281,446,000 total outstanding common shares of MRS GI as of the record date January 18, 2023, 2,657,662,110 shares or 80.99% 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. Ratification of the MRS GI Executive Stock Option Plan

The Chairman informed the stockholders that the sole agenda for this SSM is the ratification of the MRS GI Executive Stock Option Plan ("MESOP"). According to the Chairman, the MESOP is designed to inculcate among the leaders and key managers of MRS GI a sense of ownership over the business and will help build a corporate culture anchored on meritocracy and results-based performance. The MESOP is a tool for performance awards based on merit and will certainly help in attracting and retaining talents. The MESOP will motivate and inspire the leaders to deliver better results in terms of enhanced revenues and net income, increasing market share, share price appreciation, and cash dividend distribution, which will benefit all stockholders of the Company. He then called MRS GI's Treasurer and Chief Finance Officer, Mr. Joselito G. Orense, to present the keypoints of the MESOP.

Mr. Orense then proceeded to present the salient features of the MESOP as contained in Annex "A" hereof consisting of 5 pages. After the presentation, 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 ratification of the MESOP as validated by the Stock and Transfer Agent, *Stock Transfer Service Inc.* The Chairman then confirmed the shareholders' approval on the matter as follows:

Resolution No. S01-2023

"RESOLVED, that the MRS GI Executive Stock Option Plan ("MESOP"), as approved by the Board of Directors on December 23, 2022, is hereby ratified by the stockholders owning at least 2/3 of total outstanding capital stock of the Corporation."

Vote	Number of Votes (One share-One vote)	Percentage of Shares Represented
Approve	2,652,228,810	80.83%
Disapprove	5,433,300	0.17%
Abstain	0	0%

The Corporate Secretary also relayed to the stockholders a particular query received from a minority shareholder, to wit:

Minority Stockholder Query: “What would be the benefit of the MESOP to the minority stockholders?”

MRS GI Reply (through its Investor Relations Officer): “The MESOP aims to encourage exemplary professional leaders and managers to build their careers with MRS GI and foster commitment and affiliation with the Company. It is also a tool for attracting and retaining talents needed by the business and the Company in sustaining its growth objectives and building adequate organizational capability.

A Company with exemplary and loyal leaders, highly motivated and committed to the Company, will result in a better-performing Company especially in terms of share price appreciation and cash dividend distribution, which will benefit all stockholders of the Company, including the minority stockholders.”

4. 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 SSM as indicated in the Definitive Information Statement. The stockholders may, however, send their questions about the SSM and the MESOP to MRS GI’s Vice President for Business Development and Investor Relations at arnold.leoncio@metroretail.ph. He will reply accordingly.

5. 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





Executive Stock Option Plan

07 February 2023

Nature of the Plan

1. Part of MRSGL's long-term Reward System to promote a corporate culture that is values-based, performance-driven, results-oriented and upholds Meritocracy.
2. A privilege and not a right or an entitlement; neither a benefit nor a guaranteed incentive.
3. Discretionary and viable form of reward, and dispensed/ awarded by owners/ majority shareholders of MRSGL.
4. Take the nature and form or a Restricted Stock Option Plan, with provisions limiting the scope of ownership and transaction of awarded shares as provided in the provisions of the plan.



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Objectives of the Plan

1. Instill amongst its Executives and Corporate Talents the entrepreneurial mindset, marked by innovation and calculated risk-taking.
2. Inculcate among the leaders and key managers a sense of belonging and ownership over the business.
3. Build a corporate culture anchored on meritocracy.
4. Tool for attracting and retaining corporate talents.
5. Encourage exemplary professional managers to build their careers and personal equity with MRSGI and foster commitment and affiliation.
6. Help executives build personal equity in MRSGI and align this to company growth.



Conditions for Participation

1. Individuals eligible to participate
 - ☀ Executives, Managers, and Employees of the Group
 - ☀ Continuous employment is a pre-requisite for qualification
2. Selection of participants
 - ☀ Sole discretion over the selection of participants by the Chairman
 - ☀ Consider the position and responsibilities, the nature and value of services and accomplishments, present and potential contribution to the success of the Company
3. Subscription price
 - ☀ Market price or at a discount to the market price, not to exceed 15% of the market price
 - ☀ Subject to the performance of the Company, and prevailing market conditions
 - ☀ Exercise price to be fixed at the option grant date, and valid for the duration of the option period

Subscription price cannot be lower than the par value of shares



Restrictions (Parameters) of the Options

1. Vesting
 - ☀ Option may be exercised in accordance with the vesting percentage and vesting schedule
2. Option period
 - ☀ An option shall lapse automatically (to the extent not yet exercised) upon the occurrence of any of the following circumstances, whichever comes first:
 - a. The end of the option expiration date, defined as the end of the 5th year period from the date the option is granted in writing
 - b. The date the Option Holder ceases to be an employee of the Company
 - c. The date of the effectivity of the Company's dissolution
 - d. The date on which the Option Holder commits any of the prohibited acts



Exercise of the Options

1. Date of exercise: Option Holder may exercise in whole or in part his vested option provided that an option that is exercisable but not actually exercised within a given year shall accrue and may be exercised at any time thereafter but prior to the Option Expiration Date.
2. Method of exercise: Option Holder (or heirs or legal representative) shall exercise option in whole or in part by completing, signing, and submitting the Option Exercise Form.
3. Settlement: Payment in cash or check for the full amount of the subscribed shares based on the stipulated Subscription Price.
4. Allotment: Company shall issue and allot shares subscribed and shall issue the certificate of stock of fully paid and issued shares to Option Holder within thirty (30) days of receipt of full payment for the subscribed shares.
5. Holding period: Six (6) month holding period (not to sell the exercised/subscribed shares) shall apply from the date the exercised shares have been fully paid
6. Right of first refusal: MRSGI shall have the right of first refusal to buy back the exercised shares from the Option Holder



Handwritten signature

Grant and Acceptance of Options

1. Restriction of grant: No Option shall be granted thirty (30) calendar days immediately preceding the date of announcement of the Company's financial results. In the event that an announcement of any matter of an exceptional nature involving unpublished price-sensitive information is made, Option may only be granted on or after the third (3rd) Market Trading Day after the date or which such statement is released.
2. Share options allotment: Chairman shall recommend the Participants using the BOD-approved parameters.
 - Chairman shall determine the number of Share Options to be offered a Participant; grant size may typically represent anywhere from 2 to 5 months equivalent of his annual guaranteed cash compensation.
 - Chairman shall consider the position, responsibilities, nature and value of his services and accomplishments, his present and potential contribution to the long-term success of the Company and such other factors that the Chairman may deem relevant.
3. Grant: Offer of grant of option to a Participant shall be through an Option Offer Letter.
4. Acceptance: Participant shall signify acceptance of the offer within thirty (30) calendar days from receipt of option offer letter or such shorter period as may be specified in the offer letter by completing, signing and submitting the Award Agreement and accompanied by the payment of PHP1,000.00 as offer acceptance consideration.
5. Voting and dividend rights: Shall vest upon issuance of the exercised/subscribed shares.



Termination of Eligibility for Options

1. Voluntary resignation: Non-vested option shares immediately terminate and Participant shall forfeit any rights or interest to non-vested Stock Options. Should Participant have exercisable vested stock option prior to resignation, such options can be exercised up to the effectivity date of resignation.
2. Termination for just cause: Right to exercise options and rights over vested or non-vested stock options shall terminate immediately.
3. Involuntary separation / Not for cause / Redundancy: All Stock Options, whether vested or non-vested then unexercised and outstanding shall become fully exercisable on a one-time basis. Participant has the right to exercise within 90 days following such separation.
4. Retirement and permanent disability: If termination of employment due to (compulsory) retirement at age 60 or Permanent Disability, all Stock Options whether vested or non-vested then unexercised and outstanding shall become fully exercisable as of the date of termination. Participant has the right to exercise such Stock Options at any time up to the maximum of two (2) years following such termination due to Retirement and Permanent Disability.
5. Death: If termination is due to death, all Stock Options whether vested or non-vested, then unexercised and outstanding shall become fully exercisable as of the date of termination. Participant's legal heirs, designated beneficiary (ies), estate or any other legal representative shall have the right to exercise such Stock Options at any time within one (1) year of such Participant's death.



Capital Stock Subject to the Plan

1. Term: The plan shall take effect upon approval by the SEC, and shall terminate after the end of 5 years from the option grant date. Thereafter, no further awards shall be granted.
2. Maximum number of shares: 1% of the total outstanding stock of the Company as of December 20, 2022, or 32,832,230 common shares, to be sourced from its treasury shares for the MESOP.
3. Computation of available shares: If an option shall expire for any reason without having been exercised in full, such shares covered thereby shall be added to the shares otherwise available for option grants under the plans.
4. Change of common stock: In the event of a change in the corporate structure or capitalization affecting the Company' shares, corresponding adjustments shall be made as may be warranted in the aggregate number and kind of shares for which options may be granted, the number and kind of shares and the price per share subject to the outstanding options, and the method of exercise of options under the plan.

