

***Metro Retail posts strong recovery with PhP218.9 million net income in first half of 2022***

**12 August 2022, Manila, Philippines** – Metro Retail Stores Group, Inc. (MRSGL) sustains its strong 2022 performance amid supply chain disruptions and elevated commodity prices induced by the ongoing threats of the Russia-Ukraine conflict and COVID-19 pandemic.

MRSGL capped its second quarter of 2022 with a net income of PhP185.6 million, which is reflective of the significant upward trend in the Company’s sales. This brings the net income in the first half of 2022 to PhP218.9 million, a significant reversal from the net loss of PhP181.9 million a year ago.

The Company posted PhP8.9 billion net sales in the second quarter of 2022, which is higher by 29.0% than the PhP6.9 billion net sales from the same period in 2021. This brings MRSGL’s net sales to PhP17.4 billion in the first half of 2022, increasing by 26.1% from PhP13.8 billion in the same period last year and by 5% compared to the pre-pandemic sales level in 2019.

The growth was mainly attributable to the recovery of comparable store sales by 24.7% and the contribution of newly-opened stores. With increasing store traffic and improving consumer spending buoyed by further reopening of the economy, both its food retail and general merchandise businesses grew by 21.3% and 44.0%, respectively.

MRSGL continued to benefit from its efforts in cost-saving measures and optimization initiatives as the Company’s operating expense to sales ratio improved to 18.2% for the first half of 2022 versus 21.0% from the same six-month period last year.

The Company’s earnings before interest, taxes, depreciation, and amortization (EBITDA) for the first half of 2022 expanded by a high 81.7% to PhP1.0 billion compared to the prior year’s PhP550.5 million. Moreover, MRSGL remained in a strong cash and liquidity position at PhP3.9 billion.

To further strengthen the Company’s footprint, MRSGL opened two new stores – Metro Paseo Supermarket in Cebu City and Metro Hilongos Supermarket in Leyte. However, the Company has decided to close a non-performing store last April – bringing its current store network to 62.

“The positive results in the first half of this year set Metro Retail Stores on a strong trajectory as the Company celebrates forty years in retail operations this year,” said MRSGL President and COO Manuel Alberto. “While we remain cautious of the current domestic and global risks, we continue to be hopeful for a better outlook in the coming months as opportunities for recovery and growth present themselves.”

\* \* \*

