METRO RETAIL STORES GROUP, INC.

2Q & 1H 2026 Earnings Call and Analysts' Briefing

18 August 2026

General rules

1. This Earnings Call will be recorded. A recording may be made available upon request.
2. The call will run for approximately 30 minutes, beginning with the presentation followed by a Q&A session.
3. Participants will remain muted during the presentation.
4. Questions and clarifications will be entertained after the presentation.

New OIC for Investor Relations

Kareen A. Tablizo
Vice President for Corporate Planning and OIC for Investor Relations

- Currently MRSGI's Vice President for Corporate Planning.
- Recently appointed as OIC for Investor Relations, following the retirement of Mr. Arnold Leoncio (former VP for BD & IR).
- Served as the Group Internal Audit Head of VDC and its subsidiaries, prior to joining MRSGI.
- Other background:
    - Former Director of Assurance and External Audit at Sycip Gorres Velayo & Company
    - A Certified Public Accountant with in depth knowledge and experience in international standards, local regulatory requirements, process improvement, and project management.
    - Ateneo-Regis MBA, Ateneo Graduate School of Business
    - Bachelor of Science in Accountancy at the University of Santo Tomas

Presenters

Ms. Kareen A. Tablizo
Vice President for Corporate Planning
and OIC for Investor Relations

Ms. Lucille S. Malazarte
Chief Finance Officer
and Treasurer

METRO
RETAIL STORES GROUP, INC.

1H 2026 Financial and Operational Highlights

Net sales increased by
3.1%
to PhP19.36 billion

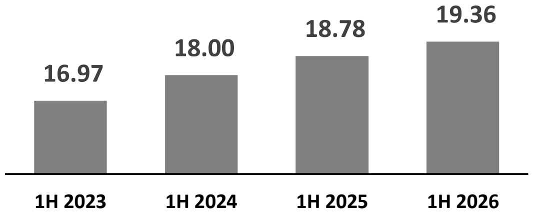
Gross profit increased by
6.7%
to PhP4.37 billion

EBITDA increased by
10.7%
to PhP1,122.9 million

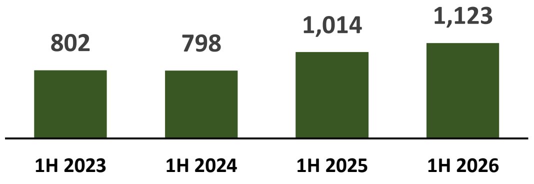
Net income increased by
45.1%
to PhP212.24 million

vs. historical financials

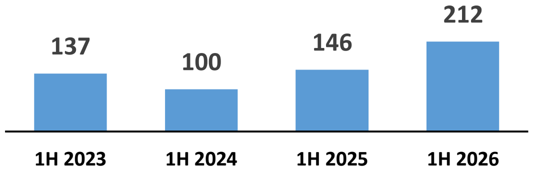
Net sales *(PhP billions)*



EBITDA *(PhP millions)*



Net income *(PhP millions)*



Total assets
PhP24.50B

Total equity
PhP10.04B

Store network
84 stores
As of end-Jun 2026

54 Supermarket
18 Department store
12 Hypermarket

Market perspective
(as of 30 June 2026)

Share price
PhP 1.08

Book value per share
PhP 3.11

Earnings per share
PhP 0.07

Market Capitalization
PhP 3.49B

As of 17 August 2026:
*Market capitalization of **PhP3.33B**;*
*Share price closed at **PhP1.03***

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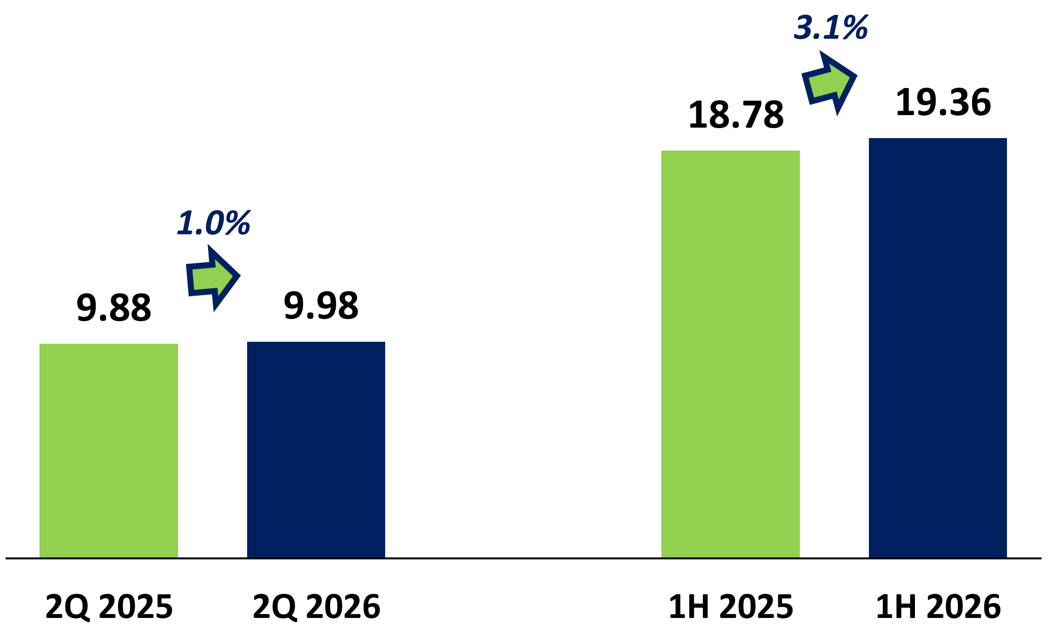
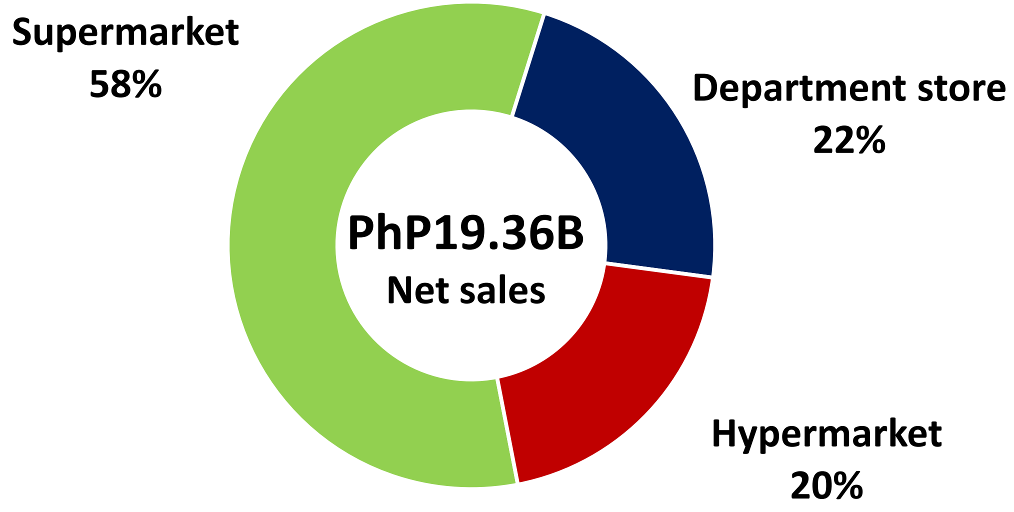
Results of operations | Sales

Net sales *(in PhP billion)*

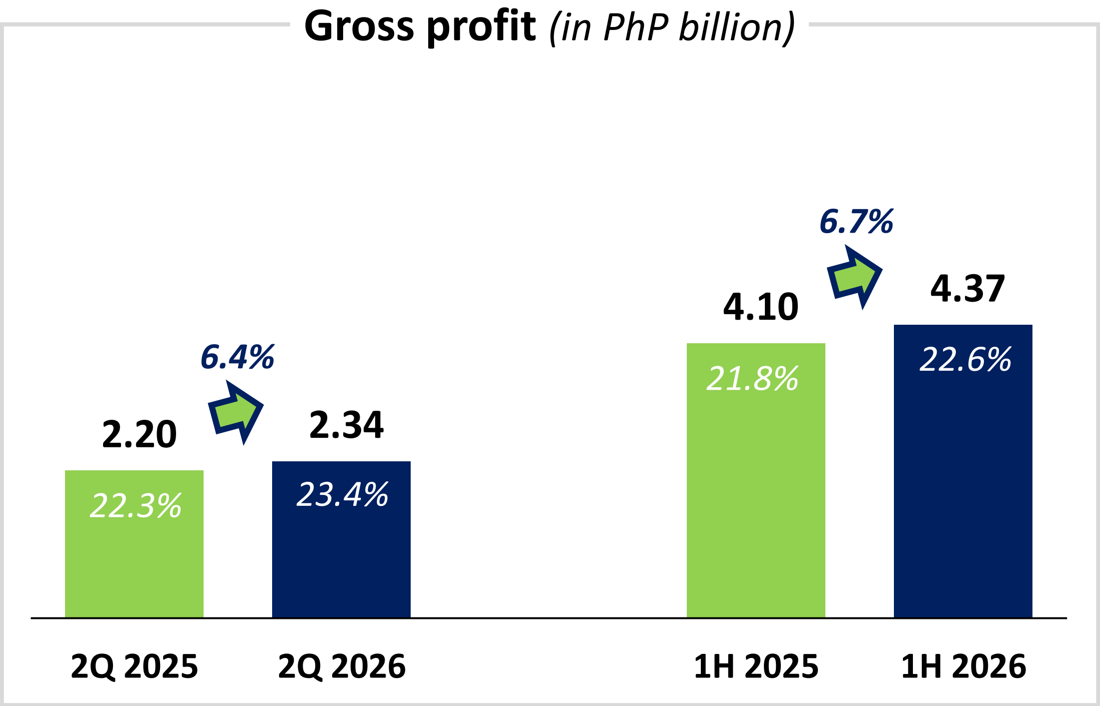


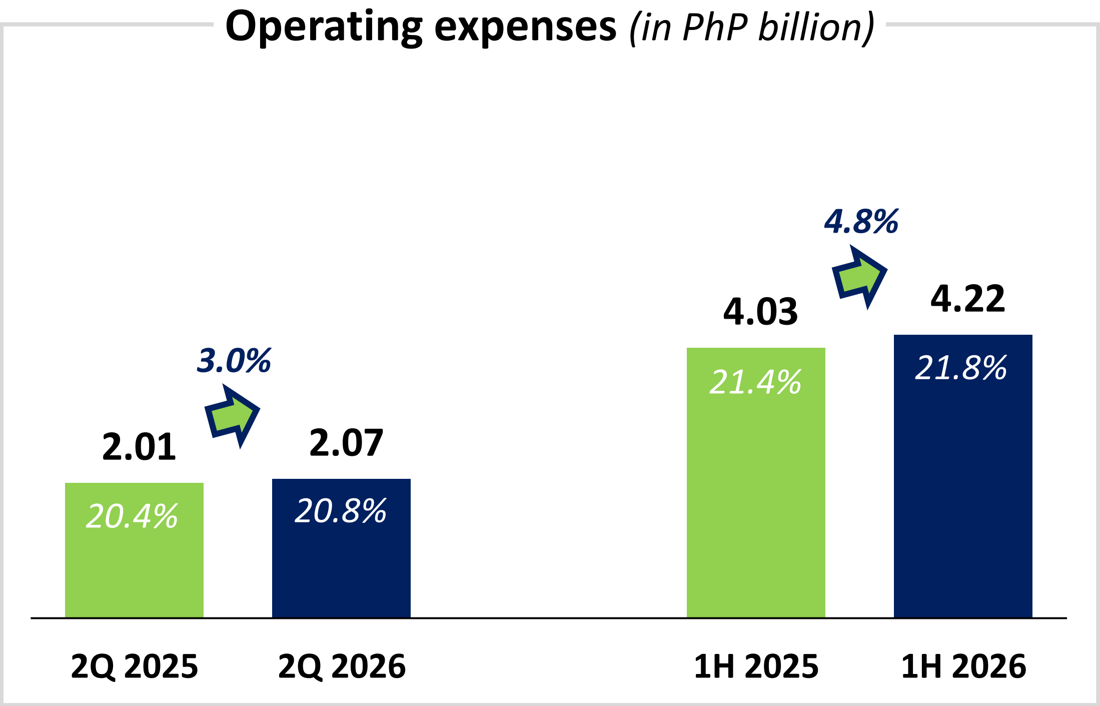
Share to Business *(in % of net sales)*



- ❑ First-half consolidated net sales increased by 3.1% year-on-year to PhP19.36 billion, driven by strategic store network expansion.
- ❑ By category, food retail expanded by 3.8% and general merchandise up 1.2%.

Results of operations | Profit and Opex

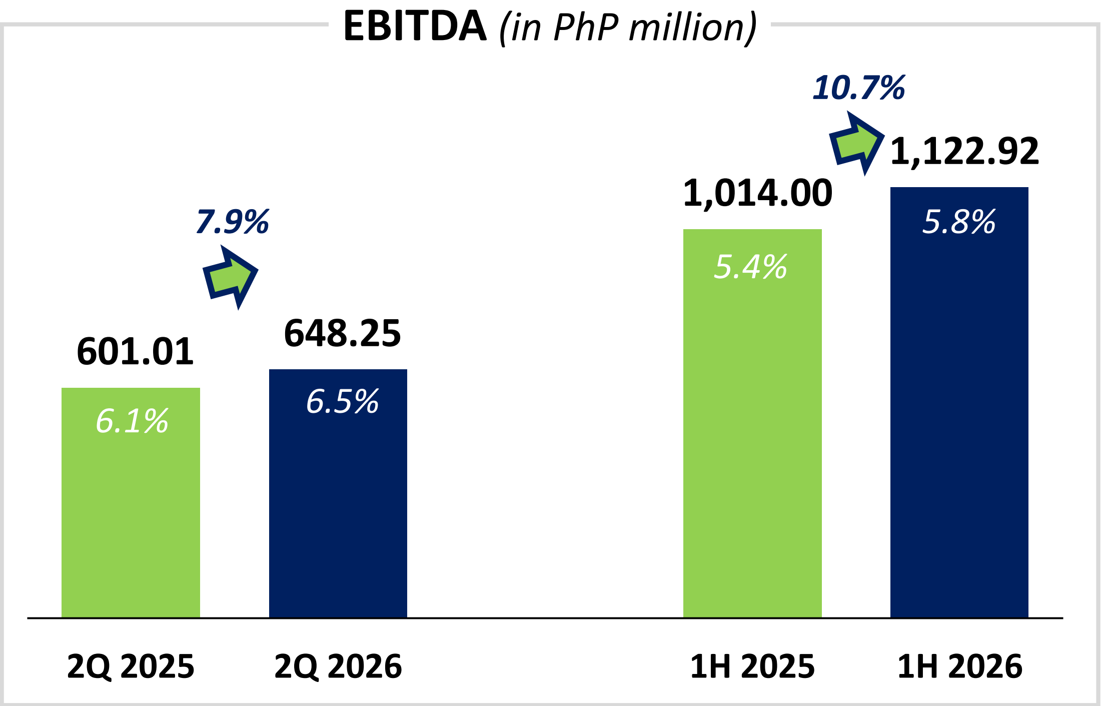


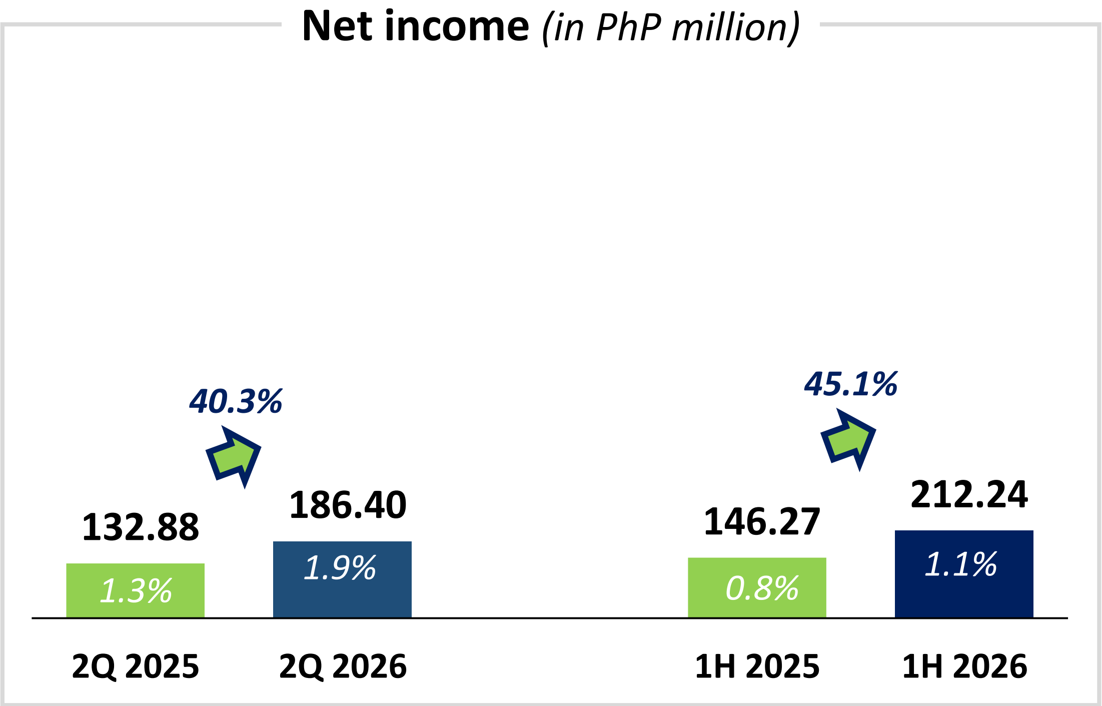


- Blended gross profit improved to 22.6% (up from 21.8% in H1 2025), benefited by margin gains across both food retail and general merchandise through improved sales mix between categories.
- On the other hand, operating expenses were kept to a controlled 4.8% increase despite the ongoing Middle East conflict, reflecting inflationary overhead and costs from new store openings.

METRO RETAIL STORES GROUP, INC.

Results of operations | EBITDA and Net Income

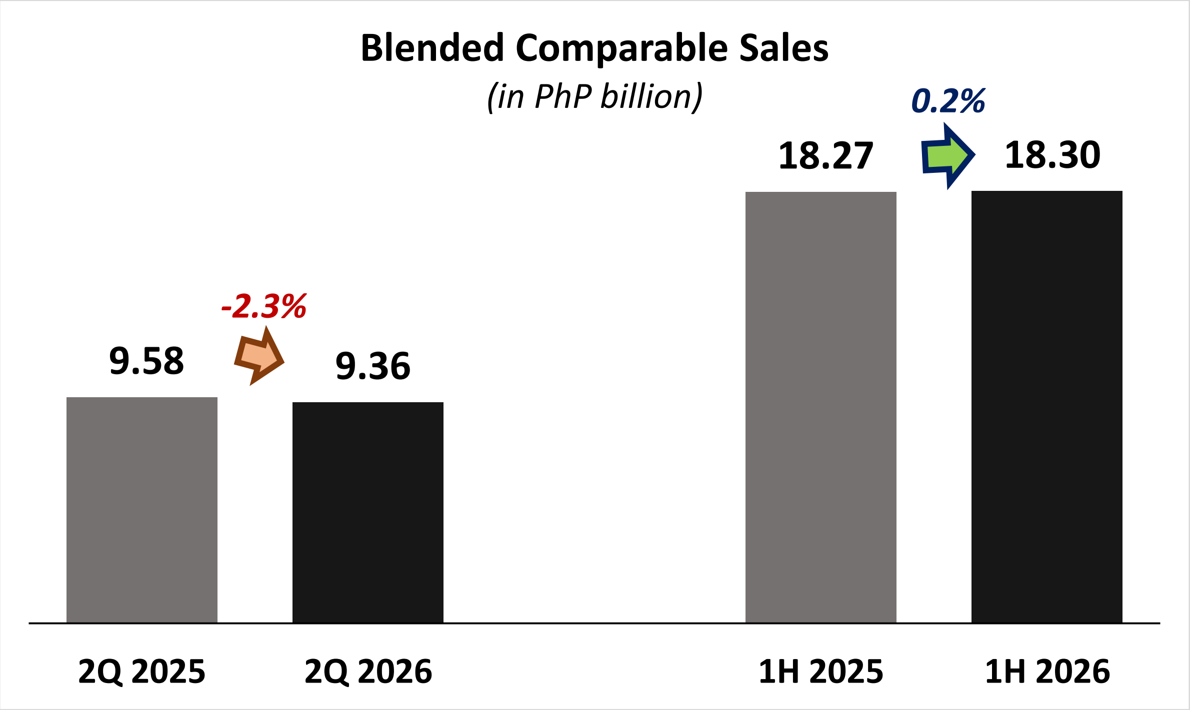




- Driven by top-line gains and disciplined cost control, EBITDA rose 10.7% to PhP1.12 billion.
- Net income recorded 45.1% year-on-year surge to reach PhP212.2 million for the first half of 2026, driven by continued strategic network expansion, continuous store renovation, and sharper assortment curation.

Results of operations | Comparable store sales

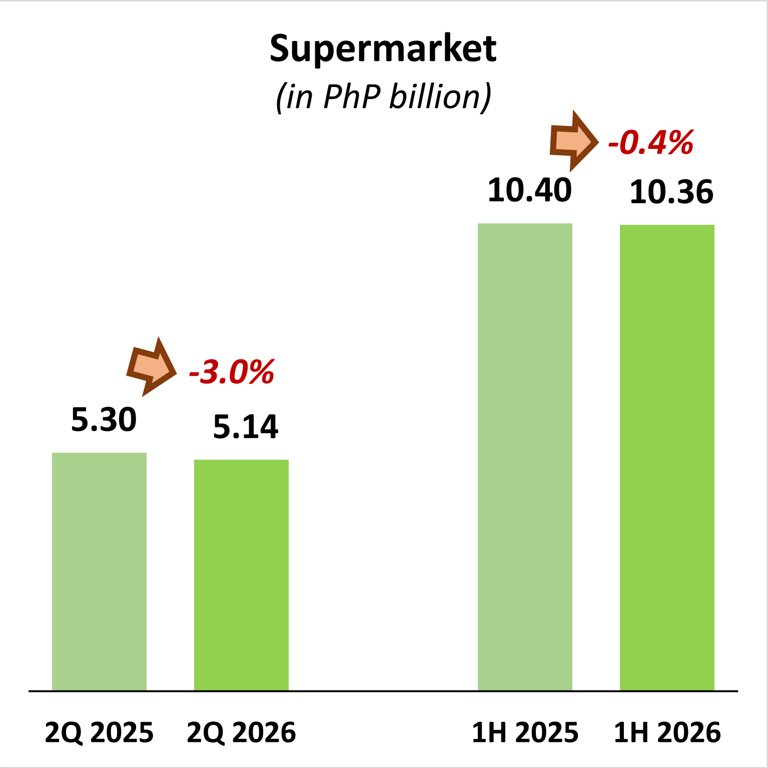
Blended comparable sales is flattish in first half

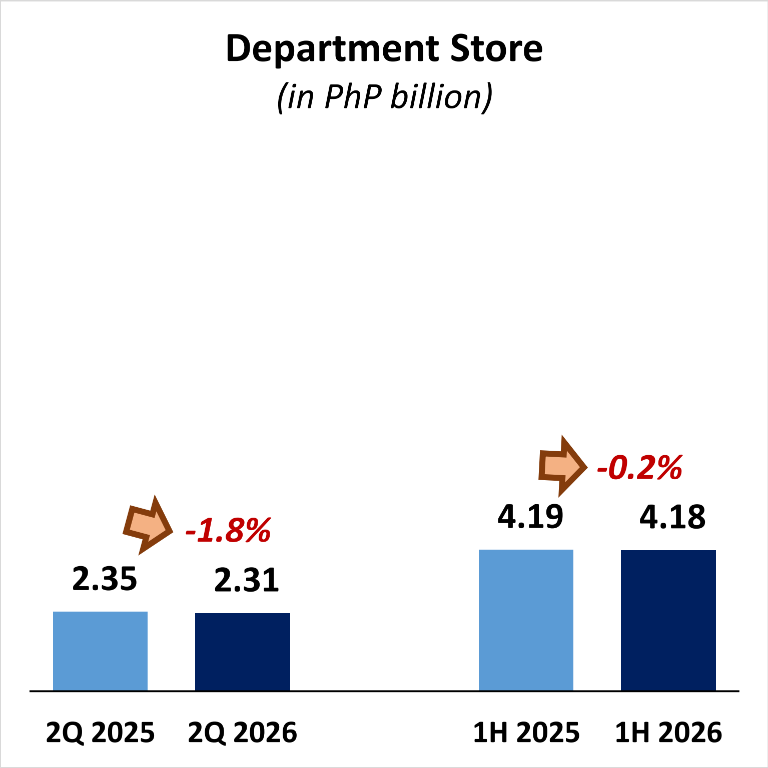


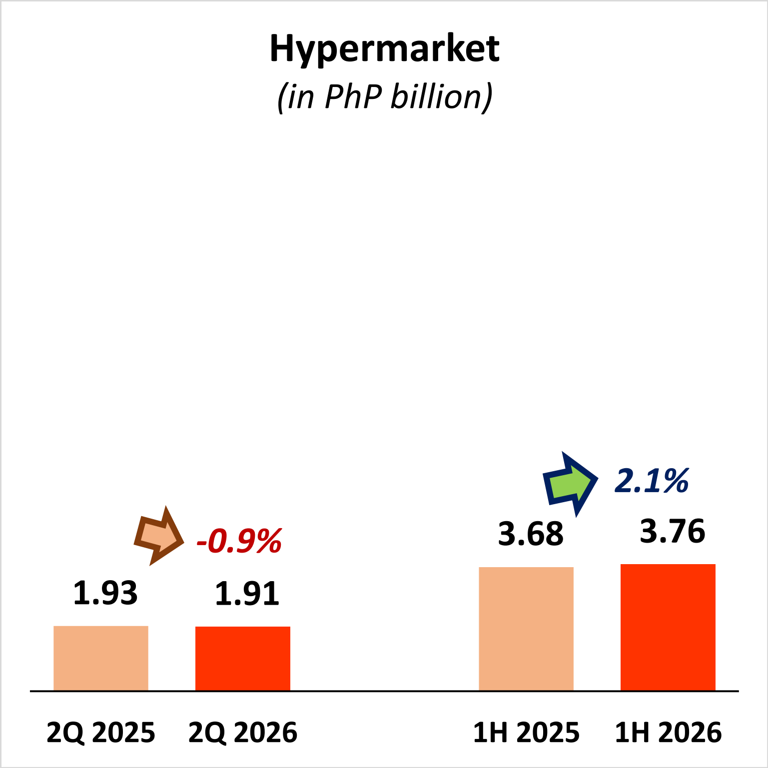
- Comparable sales growth for first half 2026 remained positive at 0.2%, inclusive of the low margin wholesale business which was being deliberately scaled down and optimizing selling spaces based on productivity.
- For the second quarter, comparable sales slightly declined year-on-year.

Results of operations | Comparable store sales by format

Hypermarket improved; Supermarket and Department Store flattish







- Comparable sales of Hypermarket improved in the first half 2026, while Supermarket and Department Store remained flat year to date; despite consumers curbing their spending due to higher prices of goods as a direct result of the conflict in the Middle East.

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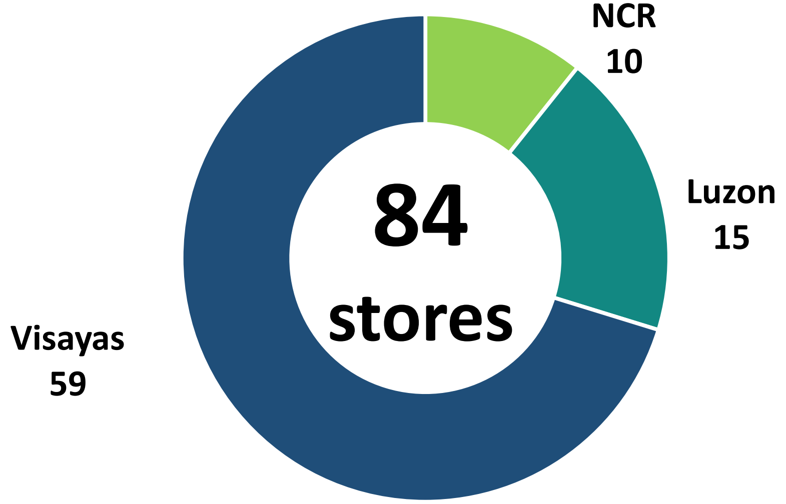
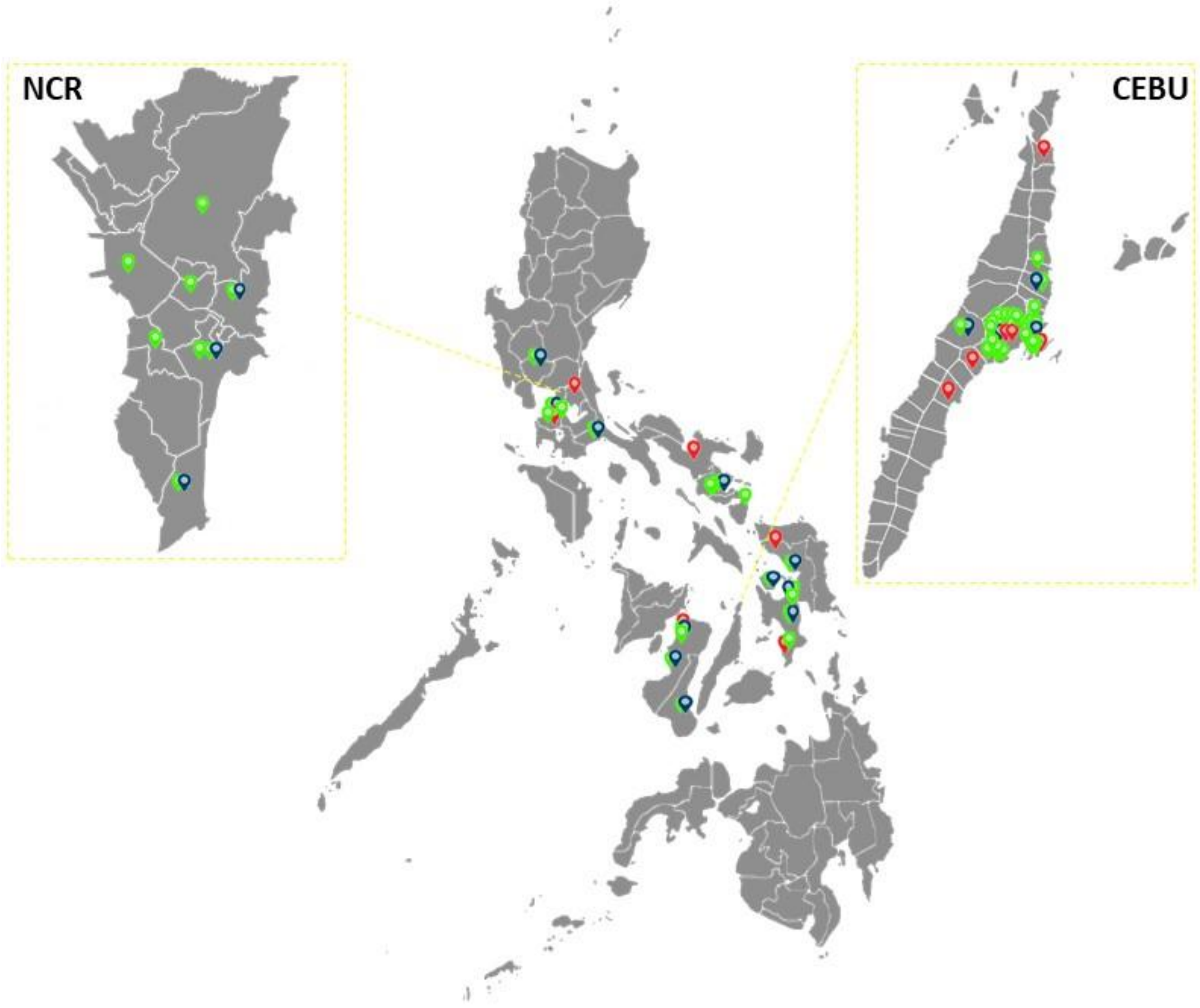
MRSGI existing store network

Geographical composition of store network

(as of 17 August 2026)





Supermarket

NCR	8
Luzon	8
Visayas	38
Total	**54**

Department Store

NCR	2
Luzon	4
Visayas	12
Total	**18**

Hypermarket

NCR	-
Luzon	3
Visayas	9
Total	**12**

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MRSGI network expansion:
Opened Metro Market and Compact Dept Store in Naval, Biliran | May 2026

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MRSGI network expansion:
Opened Metro Supermarket in Banilad, Mandaue City | June 2026

Through a partnership with Cebu Landmasters Inc., Metro Supermarket serves as the anchor tenant of the Astra Lifestyle Centre in Mandaue City.

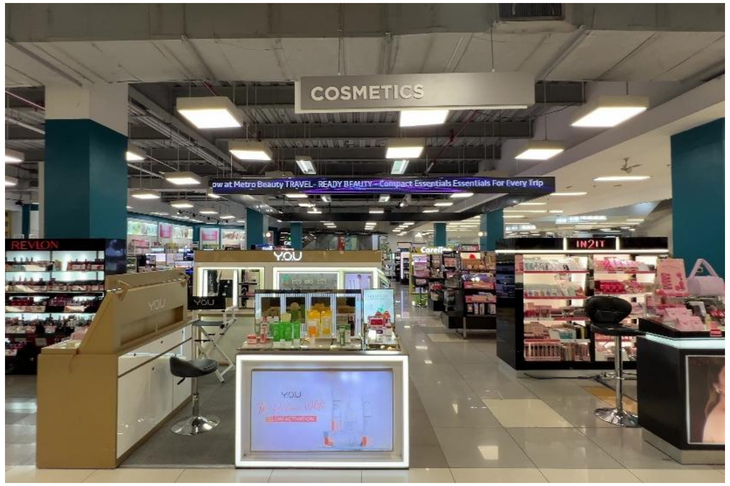
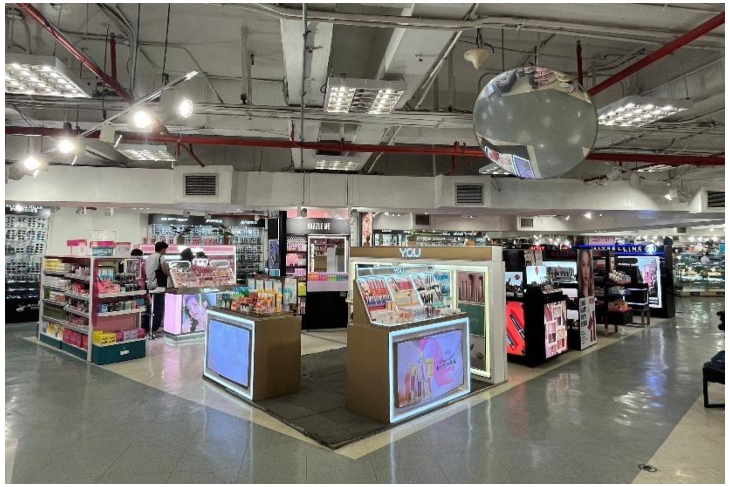
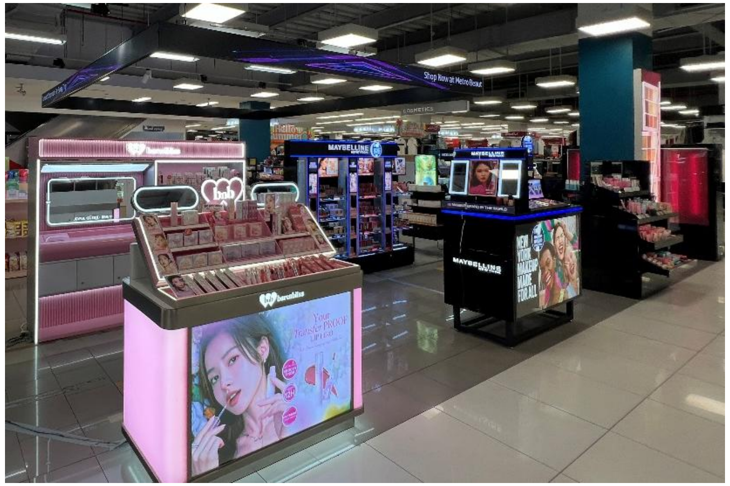
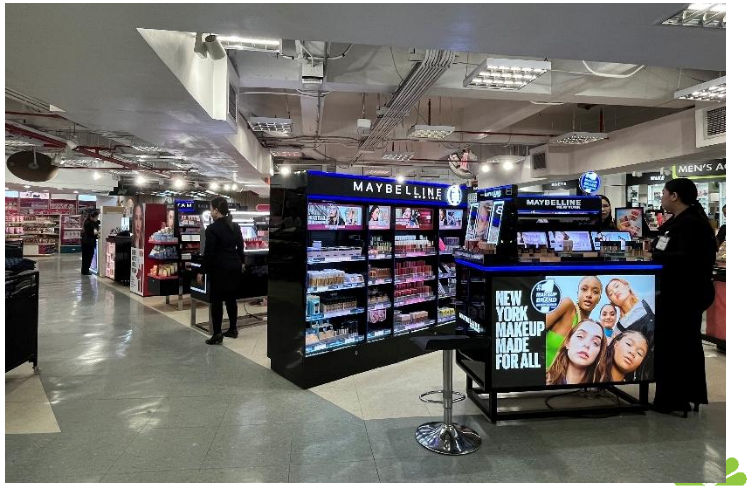
MRSGI business expansion:
In partnership with Generika, MRSGI through ADC currently operates 11 Generika Drugstores inside Metro Retail locations

MRSGI is expanding the role of its stores in everyday life through a new partnership with Generika Drugstore, bringing affordable medicines and basic healthcare services closer to Filipino communities.

As part of its continued commitment to convenience, accessibility, and value, MRSGI (through its subsidiary Apple Drugstore Corp.) will introduce Generika Drugstore branches within select Metro Retail locations. The initiative reflects the company's broader goal of making essential products and services more accessible through a single, convenient shopping destination.

To date, Generika Drugstore is present in 11 Metro stores across Luzon and the Visayas.

MRSGI store renovation:
Launched the Cosmetics department refresh in 3 flagship stores | May 2026

Metro Market! Market!	Metro Ayala Center Cebu	Metro Colon
		
		

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MRSGI store renovation:

Recently relaunched the upgraded pioneer store Metro Colon | July 2026

Key financial indicators

Currency: PhP million	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	1H 2026
Financial highlights											
Net sales	34,411	35,016	33,050	36,790	31,286	31,211	38,102	38,273	39,617	41,556	19,362
EBITDA	1,547	1,877	1,781	2,785	1,273	1,220	2,680	2,167	2,337	2,629	1,123
Net income	789	977	965	776	(450)	(318)	917	618	609	683	212
Financial soundness indicator											
Current Ratio	2.14	2.41	2.01	1.47	1.45	1.71	2.34	2.04	1.62	1.61	1.54
Debt to Equity Ratio	-	-	-	-	0.18	0.18	0.33	0.30	0.28	0.37	0.33
Net Debt to Equity Ratio	(0.46)	(0.47)	(0.41)	(0.31)	(0.09)	(0.02)	(0.24)	(0.14)	0.04	0.12	0.22
Earnings per share (PhP)	0.23	0.28	0.28	0.23	(0.13)	(0.09)	0.28	0.19	0.19	0.21	0.07
Earnings per share – TTM (PhP)											0.24
Stock data											
Share price (PhP) – EOP	4.05	3.90	2.49	2.11	1.50	1.44	1.41	1.27	1.20	1.15	1.08
Market capitalization – EOP	13,889	13,375	8,539	7,236	5,144	4,833	4,628	4,125	3,891	3,720	3,492
Valuation metrics (EOP)											
P/B ratio	1.94	1.68	0.98	0.78	0.60	0.60	0.51	0.44	0.41	0.37	0.35
P/E ratio	17.61	13.93	8.89	9.17	(11.54)	(16.00)	5.04	6.68	6.32	5.48	5.14*
P/E ratio – TTM											4.50
EV/Sales – TTM	0.31	0.28	0.15	0.12	0.14	0.15	0.06	0.07	0.10	0.10	0.14
EV/EBITDA – TTM	6.84	5.15	2.77	1.55	3.45	3.82	0.91	1.30	1.78	1.61	2.09

Note:
*Using 2025 EPS

METRO RETAIL STORES GROUP, INC.

Q&A

Investor Relations Office

Ms. Kareen A. Tablizo

Vice President for Corporate Planning and OIC for Investor Relations

email: kareen.tablizo@metroretail.ph

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METRO RETAIL STORES GROUP, INC.

Annex:
Financial Statements

Statement of Comprehensive Income

METRO RETAIL STORES GROUP, INC. AND SUBSIDIARY

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2026	2025	2026	2025
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
REVENUE				
Net sales (Note 15)	₱9,981,688,793	₱9,884,367,725	₱19,361,925,174	₱18,783,469,798
Rental (Note 22)	91,851,809	102,993,269	188,764,083	206,728,595
	10,073,540,602	9,987,360,994	19,550,689,257	18,990,198,393
COSTS AND EXPENSES				
Cost of sales (Note 17)	7,642,162,218	7,684,538,581	14,991,422,793	14,686,284,640
Operating expenses (Note 18)	2,074,321,640	2,014,276,872	4,219,880,524	4,027,450,737
	9,716,483,858	9,698,815,453	19,211,303,317	18,713,735,377
OPERATING INCOME	357,056,744	288,545,541	339,385,940	276,463,016
OTHER INCOME (CHARGES) (Note 16)				
Interest and other income	18,119,770	14,332,371	200,568,672	161,651,711
Finance costs	(127,747,883)	(127,407,800)	(257,984,362)	(247,415,103)
	(109,628,113)	(113,075,429)	(57,415,690)	(85,763,392)
INCOME BEFORE INCOME TAX	247,428,631	175,470,112	281,970,250	190,699,624
PROVISION FOR INCOME TAX (Note 21)				
Current	50,895,885	47,279,164	96,431,202	88,335,616
Deferred	10,134,209	(4,687,623)	(26,705,510)	(43,902,134)
	61,030,094	42,591,541	69,725,692	44,433,482
NET INCOME	186,398,537	132,878,571	212,244,558	146,266,142
OTHER COMPREHENSIVE INCOME				
Not to be reclassified to profit or loss in subsequent periods				
Remeasurement gains (losses) on defined benefit obligation	–	–	–	–
Income tax effect	–	–	–	–
	–	–	–	–
TOTAL COMPREHENSIVE INCOME	₱186,398,537	₱132,878,571	₱212,244,558	₱146,266,142
Basic/Diluted Earnings Per Share (Note 23)	₱0.06	₱0.04	₱0.07	₱0.04

METRO
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Statement of Financial Position

METRO RETAIL STORES GROUP, INC AND SUBSIDIARY

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2026

(With Comparative Audited Figures as at December 31, 2025)

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 3 and 25)	₱1,115,713,106	₱2,485,143,661
Short-term investments (Notes 4 and 25)	150,000,000	150,000,000
Receivables (Notes 5 and 25)	983,130,165	1,397,587,185
Merchandise inventories (Note 6)	7,044,984,538	6,575,303,686
Other current assets (Notes 7 and 25)	550,276,470	568,033,662
Total Current Assets	9,844,104,279	11,176,068,194
Noncurrent Assets		
Property and equipment (Note 8)	9,064,434,316	8,643,786,538
Right-of-use ("ROU") assets (Note 22)	4,143,623,940	3,840,141,521
Deferred tax assets - net (Note 21)	525,629,913	498,924,403
Other noncurrent assets (Notes 9 and 25)	923,832,887	940,280,628
Total Noncurrent Assets	14,657,521,056	13,923,133,090
TOTAL ASSETS	₱24,501,625,335	₱25,099,201,284
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Notes 10 and 25)	₱4,944,613,179	₱5,402,370,447
Contract liabilities (Note 11)	102,413,200	122,667,863
Income tax payable	49,871,130	51,769,296
Short-term loans payable (Note 12)	600,000,000	700,000,000
Loans payable – current portion (Note 12)	476,736,111	489,236,111
Lease liabilities - current portion (Notes 22 and 25)	227,423,517	182,564,725
Total Current Liabilities	6,401,057,137	6,948,608,442
Noncurrent Liabilities		
Lease liabilities – net of current portion (Notes 22 and 25)	5,257,852,004	5,058,478,598
Loans payable – net of current portion (Note 12)	2,278,163,064	2,516,638,035
Retirement benefit obligation (Note 19)	497,330,862	535,868,507
Other noncurrent liabilities (Notes 13 and 25)	26,100,065	14,721,133
Total Noncurrent Liabilities	8,059,445,995	8,125,706,273
Total Liabilities	14,460,503,132	15,074,314,715
Equity		
Capital stock (Note 14)	3,429,375,000	3,429,375,000
Additional paid-in capital (Note 14)	2,455,542,149	2,455,542,149
Treasury stock (Note 14)	(272,077,050)	(270,153,426)
Retained earnings (Note 14)	4,307,076,223	4,288,916,965
Share-based equity (Note 14)	14,237,523	14,237,523
Remeasurement gain on defined benefit obligation (Note 19)	106,968,358	106,968,358
Total Equity	10,041,122,203	10,024,886,569
TOTAL LIABILITIES AND EQUITY	₱24,501,625,335	₱25,099,201,284

METRO RETAIL STORES GROUP, INC.

Statement of Cash Flows

METRO RETAIL STORES GROUP, INC. AND SUBSIDIARY

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Six-month Periods Ended June 30	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱281,970,250	₱190,699,624
Adjustments for:		
Depreciation and amortization - PPE (Note 8)	369,605,345	386,456,507
Finance costs (Note 16)	257,984,362	247,415,103
Amortization of leasehold rights (Note 9)	2,329,547	–
Depreciation - ROU assets (Note 22)	223,968,074	206,409,810
Retirement benefits costs (Note 19)	39,692,567	39,381,411
Provision for expected credit losses and write-off of receivables (Note 18)	–	71,007
Loss on retirement/disposal of fixed assets (Note 16)	598,982	417,486
Foreign currency exchange gains (Note 16)	(577,380)	589,950
Gain on lease modifications (Notes 16 and 22)	(157,206,212)	–
Interest income (Note 16)	(12,903,340)	(16,943,864)
Operating income before working capital changes	1,005,462,195	1,054,497,034
Decrease (increase) in:		
Receivables	412,458,399	385,548,060
Merchandise inventories	(469,680,852)	(10,475,138)
Other current assets	41,767,252	(58,863,852)
Increase (decrease) in:		
Trade and other payables	(455,757,458)	(965,227,504)
Contract liabilities	(20,254,663)	(15,252,879)
Other current liabilities	11,378,932	(3,445,087)
Cash flows generated from operations	525,373,805	386,780,634
Income tax paid	(122,339,428)	(120,358,220)
Interest received	14,901,961	18,193,870
Retirement benefits paid	(78,230,211)	(8,696,150)
Net cash generated from operating activities	339,706,127	275,920,134
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment (Note 8)	(745,946,458)	(695,368,819)
Decrease in short-term investments	–	139,919,638
Interest from financial asset at FVOCI (Note 9)	3,125,000	–
Increase in other noncurrent assets	(33,912,453)	(141,836,156)
Net cash used in investing activities	(776,733,911)	(697,285,337)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan availment (Note 12)	600,000,000	350,000,000
Purchase of treasury stocks (Note 14)	(1,923,624)	(866,997)
Payment of:		
Dividends payable (Note 14)	(194,085,300)	(194,535,900)
Loans payable (Note 12)	(952,430,556)	(436,805,556)
Lease liabilities (Note 22)	(295,297,458)	(412,335,288)
Interest	(89,243,213)	(76,051,241)
Net cash used in financing activities	(932,980,151)	(770,594,982)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,370,007,935)	(1,191,960,185)
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE (Note 16)	577,380	(589,950)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,485,143,661	2,299,422,529
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 3)	₱1,115,713,106	₱1,106,872,394

METRO RETAIL STORES GROUP, INC.

Press release

MEDIA RELEASE
August 12, 2026

Metro Retail delivers strong first half 2026 results as net income jumps 45% to PhP212.2 million

12 August 2026, Manila, Philippines – Driven by sustained strategic network expansion, continuous store renovation, and sharper assortment curation, Metro Retail Stores Group, Inc. (MRSGI) reported a 45% year-on-year increase in net income after tax (NIAT) to PhP212.2 million for the first half of 2026. In the second quarter, NIAT expanded 40.3% over the same period last year.

First-half consolidated net sales grew 3.1% year-on-year to PhP19.36 billion, with comparative store sales up 0.2%. By category, food retail expanded by 3.8% and general merchandise increased by 1.2%.

Gross profit improved to 22.6% (up from 21.8% in H1 2025), benefited by margin gains across both food retail and general merchandise through improved sales mix between categories. On the other hand, operating expenses were kept to a controlled 4.8% increase despite the ongoing Middle East conflict, reflecting inflationary overhead and costs from new store openings.

Driven by top-line gains and disciplined cost control, six-month operating income climbed 22.8% to PhP339.4 million.

MRSGI continues to deepen its Visayas footprint with additional locations in Naval, Biliran and Lapu-Lapu City and Mandaue City, Cebu, reaching a total 84 stores as of today.

Parallel to store expansion, MRSGI is actively elevating customer experience through renovations across stores and categories. The Company has started store upgrades on its big stores and hypermarkets; and just this July, MRSGI celebrated a milestone of relaunching its pioneer store Metro Colon, modernizing the shopping experience while honoring the brand's legacy in downtown Cebu.

"Our strong performance in the first half of 2026 demonstrates the effectiveness of our strategic growth initiatives and the resilience of our core business," said President & COO Joselito Orense. "As we move into the second half of the year, we remain committed to bringing goods closer to communities, creating local jobs, and continuing operational efficiency to deliver sustained value to our customers and shareholders."

To date, Metro Retail operates a total of 84 branches across Luzon and the Visayas under the formats Metro Supermarket, Metro Department Store, Super Metro Hypermarket, Metro Value Mart, and Metro Home Improvement and Lifestyle. In line with its commitment to sustainable growth and strong corporate governance, MRSGI continues to expand its retail network.

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