

April 13, 2018

**THE PHILIPPINE STOCK EXCHANGE**

Philippine Stock Exchange Plaza  
6<sup>th</sup> Floor, PSE Tower  
Bonifacio Global City, Taguig

Attention: Ms. Janet A. Encarnacion  
Head, Disclosure Department

Subject: 2018 First Quarter Progress Report on  
the Disbursement of Proceeds from the  
Initial Public Offering ("IPO") of Metro  
Retail Stores Group, Inc. ("MRSGI")

Dear Ms. Encarnacion,

We are pleased to submit our Progress Report on the Application of Proceeds for the First Quarter of 2018, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

Please be advised that as of March 31, 2018, the remaining balance of the proceeds from the MRSGI common shares IPO amounts to One Billion Six Hundred Thirty One Million Two Hundred Sixty Four Thousand One Hundred Thirty Pesos and Thirty Three Centavos (Php 1,631,264,130.33).

The details of the disbursement for the First Quarter of 2018 are as follows:

Balance of IPO Proceeds as of December 31, 2017	Php	1,853,644,038.41
Less: Capital Expenditure for Store Network Expansion		222,379,908.08
<b>Balance of IPO Proceeds as of March 31, 2018</b>	<b>Php</b>	<b><u>1,631,264,130.33</u></b>

Thank you.

Very truly yours,

  
**JOSELITO G. ORENSE**  
Treasurer / Chief Financial Officer

  
Vicsal Building corner of C.D. Seno and W.O Seno Sts.  
Guizo, North Reclamation Area, Mandaue City, Cebu