

May 3, 2021

**Philippine Stock Exchange, Inc.**

PSE Tower 1, Bonifacio Highstreet  
28<sup>th</sup> Street corner 5<sup>th</sup> Avenue  
Bonifacio Global City  
Taguig City 1634

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

**Philippine Dealing & Exchange Corporation**

37<sup>th</sup> Floor, Tower 1, The Enterprise Center  
6766 Ayala Avenue, corner Paseo de Roxas  
Makati City

Attention: Atty. Marie Rose M. Magallen-Lirio  
*Head - Issuer Compliance and Disclosure Department (ICDD)*

Dear All:

Please be advised of the results of the Annual Stockholders' Meeting ("Meeting") of Metropolitan Bank & Trust Company ("Metrobank") held on April 28, 2021. Due to the COVID-19 pandemic, there was no physical meeting, and it was instead held electronically, through video conference:

- I. ATTENDANCE AT THE MEETING.** Present in person or by proxy were 3,027,167.206 common shares or 67.31% of the outstanding capital stock of 4,497,415,555 as of the Meeting Record Date.

There was 100% attendance by the following members of the Board of Directors nominated and elected to their respective positions.

- |                                      |                        |
|--------------------------------------|------------------------|
| 1. Mr. Arthur Ty                     | - Chairman             |
| 2. Mr. Francisco C. Sebastian        | - Vice Chairman        |
| 3. Mr. Fabian S. Dee                 | - President            |
| 4. Mr. Alfred V. Ty                  | - Director             |
| 5. Mr. Edmund A. Go                  | - Director             |
| 6. Mr. Vicente R. Cuna, Jr.          | - Director             |
| 7. Mr. Solomon S. Cua                | - Director             |
| 8. Mr. Francisco F. Del Rosario, Jr. | - Independent Director |
| 9. Mr. Edgar O. Chua                 | - Independent Director |
| 10. Atty. Angelica H. Lavares .      | - Independent Director |
| 11. Mr. Philip G. Soliven            | - Independent Director |
| 12. Mr. Marcelo C. Fernando, Jr.     | - Independent Director |

## II. RESOLUTIONS APPROVED:

1. Approval of the Minutes of the Annual Stockholders' Meeting held on May 28, 2020:

*99.87% of shareholders virtually present and represented voted in favor of the proposal, none voted against while 0.13% abstained.*

### **RESOLUTION NO. 071- MBTC-SH-2021**

**RESOLVED**, that the Minutes of the Annual Stockholders' Meeting held on May 28, 2020 be, as they are hereby approved.

2. Ratification of All Acts and Resolutions of Management, Board and Management Committees, including among others, the approval of loans, investments, new Bank products and services and related party transactions, from May 28, 2020 to April 27, 2021.

*99.89% of shareholders virtually present and represented voted in favor, none voted against while 0.11% abstained.*

### **RESOLUTION NO. 072 - MBTC-SH-2021**

**RESOLVED**, that all acts, transactions and resolutions of Management, Board and Management Committees, and the Board of Directors, including among others, the approval of loans, investments, new Bank products and services and related party transactions, from May 28, 2020 to April 27, 2021, are hereby ratified and confirmed.

3. Election of Twelve (12) Directors for the year 2021 - 2022

*Each Director received at least 97.28% votes from shareholders virtually present and represented.*

### **RESOLUTION NO. 073 - MBTC-SH-2021**

**RESOLVED**, that the following are hereby elected as directors of Metrobank effective immediately and until the successors are elected and qualified:

1. Arthur Ty
2. Francisco C. Sebastian
3. Fabian S. Dee
4. Alfred V. Ty
5. Edmund A. Go
6. Vicente R. Cuna, Jr.
7. Solomon S. Cua

8. Francisco F. Del Rosario, Jr. (Independent Director)
9. Edgar O. Chua. (Independent Director)
10. Atty. Angelica H. Lavares (Independent Director)
11. Philip G. Soliven (Independent Director)
12. Marcelo C. Fernando, Jr. (Independent Director)

4. Appointment of External Auditor

*97.96% of shareholders virtually present and represented voted in favor, 2.04% voted against while none abstained.*

**RESOLUTION NO. 074- MBTC-SH-2021**

**RESOLVED**, that, as recommended by the Audit Committee and approved by the Board of Directors, SGV & Co. is hereby appointed as the External Auditors of Metrobank for the year 2021.

The proxies, attendance and votes cast at the Meeting were tabulated by the Bank's Stock Transfer Agent (the Metrobank -Trust Banking Group), and validated by SGV & Co. in its capacity as third-party validator.

**III. QUESTIONS AND COMMENTS FROM THE STOCKHOLDERS**

During the Meeting, the Host-Moderator Minda A. Olonan selected questions received via email and/or sent via the Q&A panel at [https://conveneagm.com/ph/metrobank\\_asm2021](https://conveneagm.com/ph/metrobank_asm2021)

1. From *Antonio C. Acpal (PHILSTOCKS)*:

- a. Considering the impact of this COVID 19 pandemic and the corresponding economic recession, how much is the worst possible write-off in total loans?
- b. When do we expect the economy to start to recover to pre-COVID levels?

President Dee replied that currently, it is encouraging to note that the Bank's NPL formation has thus far remained manageable at 2.4% as of the end of 2020. However, with the COVID-19 pandemic still ongoing, it is also possible that it could peak to 5% by the end of this year. He opined that the true NPL picture would not really be seen until the 2<sup>nd</sup> half of 2021 as the nation is still undergoing stricter quarantines these days. The amount of write-offs will then actually depend on the trajectory of the NPL.

On the second query, he mentioned that Metrobank expects GDP to rebound by 5.5% from the 9.6% decline in 2020. Hopefully, the economy should recover back to pre-COVID levels by 2022 and the Bank can return to its normal trajectory. However, such recovery will depend on how the progress of the nationwide vaccination program and easing of quarantine restrictions play out.

2. From *Molave Erik G. Nazaret (COL)*:

One of the biggest sources of income for some of the banks during the pandemic is securities trading. Are there any plans to boost MBT's securities trading in the short term?

President Dee explained that for the whole industry basically, the favorable trading results that came out last year were attributed largely to the 200bps drop in interest rates as BSP loosened monetary policy to support the economy and enabled most players in the industry to realize trading gains. Going forward, the move is not likely to be replicated this year as trading gains are expected to be more normal and will primarily be steered from customer-driven demand.

3. From *Ishmael Sam D. Canua (COL)*:

- a. Is Metrobank interested in the retail and consumer banking operations of Citibank Philippines?
- b. How many employees will be given COVID-19 vaccines and what are COVID 19 vaccine brands?
- c. There are several Amendment Bills in Congress such as (1) the amendment of the PDIC Charter that proposes to increase the deposit insurance from PhP500,000 to PhP1,000,000; (2) The Foreign Investment Act and the economic provisions in the 1987 Constitution including the 60/40 (Filipino to Foreign Equity Rule). There are also bills that have been passed into law such as the CREATE and FIST laws.

What is the bank's response to these amendments and proposals?

President Dee replied that the Bank is open to seeking opportunities that will expand the overall business and the sale of Citibank's consumer assets offers that unique opportunity. The bank is currently evaluating the business case for this transaction as it anticipates a lot of other interested parties exploring the potentials of acquiring that business.

For the vaccination program of the Bank, survey results show 90% of the employee population expressed willingness to be inoculated. Vaccines shall be procured through the bank's parent holding company, GT Capital which will basically involve Astra Zeneca, Moderna and Covovax/Novavax brands. Gradual deliveries are expected to arrive starting June of 2021.

In closing, President Dee conveyed that Metrobank has always been supportive of banking laws and regulations as well as any amendments to the PDIC Charter as long as it will be for the greater good. Also noteworthy is that based on the PhP500,000 insurance coverage, 97% of the Bank's deposit accounts in 2020 are already covered. The Bank also welcomes the amendments regarding easing of foreign ownership now that potential investors are thinking of diversifying localities where they establish their manufacturing bases. Given that traditional sources and bases for manufacturing are likewise experiencing labor cost increases, this presents a very good opportunity for the country to generate substantial job openings aside from the prospects of a great amount

of technology transfer. With the CREATE law, the lower tax rate should provide the much-needed relief to corporations and will help spur economic recovery. Finally, the FIST law is viewed as a positive break to the banking sector as this will facilitate transfer of non-performing assets to third parties, hence easing burden of NPLs on capital and improving the bank's ability to lend.

There being no further questions or comments from the shareholders, the meeting adjourned at 3:00 P.M.

Thank you.

Very truly yours,

  
**JANELLA MARIE R. PANLILIO-AMORANTO**  
Assistant Corporate Secretary