



# BORN TO SURVIVE BUILT TO THRIVE

*2020 Annual Report*







## *Vision*

To be an indispensable partner  
in the journey of everyone  
whose life we touch

## *Mission*

We deliver the best value  
in products and services to  
our business partners.

We conduct our business  
with respect, integrity,  
and excellence.

We provide maximum returns to  
our shareholders and investors.

We create opportunities for learning,  
growth, and recognition  
to the Phoenix family.

We build programs to nurture  
the environment and the welfare  
of the communities we serve.

## *Values*

### TEAMWORK

We value relationships.  
We achieve goals  
through collaborative  
efforts.

### EXCELLENCE

We aim to be  
the best in  
everything  
we do.

### SERVICE

We value all our  
stakeholders and  
provide unrivaled  
customer experience.

### STEWARDSHIP

We nurture  
our resources  
responsibly.

### INTEGRITY

We adhere to the highest  
standards of ethics and  
conduct. Our reputation  
defines who we are.

### INNOVATION

We welcome opportunities  
to create, at all times,  
new and better products,  
services, and ideas.



## *Inside the Report*

02	About Phoenix	88	Management Team
04	Financial Highlights	92	Corporate Governance
06	Industry Highlights	102	Statement of Management's Responsibility for Financial Statements
08	Message from the Chairman	103	Report of Independent Auditors
10	Message from the President	108	Consolidated Financial Statements
14	Operational Highlights	112	Management's Discussion and Analysis of Financial Condition and Results of Operations
58	Awards and Recognition	114	Our Products
60	Sustainability		
76	Phoenix SUPER LPG Fuel Masters		
80	Board of Directors		
87	Executive Committee		

### *About the Report*

The year 2020 was one like no other.

It proved to be a time of highs and lows, of ebbs and flows, and of challenges and rewards. How we managed to survive and thrive through all these is a testament to the dedication and resiliency of the men and women behind the organization; our ability to cope and innovate to adapt to whatever is demanded by the emerging situations and ever changing times; and a strong and determined drive to come together to collectively achieve our goals and business objectives.

At Phoenix, we are "Born to Survive and Built to Thrive".





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# *We are Phoenix.*

PHOENIX PETROLEUM PHILIPPINES, INC.

More than being the fastest-growing and leading independent oil company in the Philippines, we have evolved into the formidable, multi-industry institution that we are today, serving the varied needs of our growing market.

From our humble beginnings in Davao, we have grown to be a national brand, driven by our clear vision, entrepreneurial spirit, and aspiration to be an indispensable partner of our customers.

We are the first oil company to be publicly listed on the Philippine Stock Exchange in July 2007 after the oil industry was deregulated in 1998.

We are part of Udenna Corporation, our parent company with a business portfolio that includes interests in petroleum, shipping and logistics, real estate, education, infrastructure and development, and hospitality and gaming.



We are a dynamic and multi-industry company that owns and operates businesses in the Philippines, Singapore, and Vietnam dealing in:

**Trading and distribution**

- Distribution of refined petroleum products such as fuels, liquefied petroleum gas, and lubricants to retail, commercial, and industrial channels
- Trading and supply of refined petroleum products

**Terminaling and hauling services**

- Operation of depots and terminals
- Leasing of storage space
- Hauling and into-plane services of Jet-A1 fuels for airports and airlines

**Convenience store retailing**

- Ownership and management of the FamilyMart franchise in the Philippines

**Asphalt**

- Operation, marketing, and distribution of asphalt and asphalt-related products in the Philippines

**Digital transactions**

- Bills payment, money remittance, reloading of cellphone and gaming credits, bank deposits, and other transactions through the Possible platform
- Lifestyle rewards program enjoyed through the free downloadable LIMITLESS app that lets users earn and redeem points from participating merchants, and access exclusive promos and privileges

**Car Repair and Maintenance**

- Light to medium car repairs and maintenance work, such as oil change, engine tune-up, electrical servicing, auto detailing, and car wash



# Financial Highlights

## INCOME STATEMENT DATA

(In Php millions, unless otherwise stated)	2016	2017	2018*	2019*	2020
Revenues	30,577	44,543	88,611	97,823	78,300
Cost of Sales, Services, and Expenses	29,484	43,022	86,274	96,379	78,237
Net-Profit-Total	1,092	1,521	2,336	1,444	63
Non-Recurring Income/Expenses	-	-	-	-	-
Excess of fair value over acquisition cost/FV gains on investment properties	-	(650)	(10)	0	(43)
Pre-Acquisition Income	-	-	-	-	-
Net Income Excluding Non-Recurring Income	1,092	871	2,327	1,445	20
Provision for Preferred Dividends	195	195	320	683	591
EBITDA	1,092	2,923	2,904	6,222	2,876

## FINANCIAL RATIOS

	2016	2017	2018	2019	2020
Current Ratio <sup>1</sup>	1.2 : 1	1.2 : 1	1.1 : 1	0.8 : 1	0.8 : 1
Debt to Equity <sup>2</sup>	1.7 : 1	2.7 : 1	3 : 1	3 : 1	2.9 : 1
Return on Equity <sup>3</sup>	11.04%	14.01%	16.73%	7.62%	0.29%
Return on Assets <sup>4</sup>	3.53%	4.05%	4.29%	1.90%	0.07%
Return on Sales	3.57%	3.42%	2.64%	1.48%	0.08%
Net Book Value per Share <sup>5</sup>	5.08	6.60	8.55	9.36	9.51
Earning Per Share-(Adjusted) <sup>6</sup>	0.64	0.97	1.42	0.57	-0.34
Return of Equity-Common <sup>7</sup>	12.7%	15.4%	45.6%	17.3%	-4.2%

### Notes

1. Total current assets divided by current liabilities

2. Total liabilities divided by tangible net worth

3. Net income divided by average total stockholders' equity

4. Net income divided by average total assets

5. Total stockholders equity - (Common) divided by the total number of shares issued and outstanding

6. Net income after tax (Net of Preferred Stock Dividend Allocation) divided by weighted average number of outstanding common shares

7. Net income after tax (Net Preferred Stock allocation) divided by stockholders' equity-common

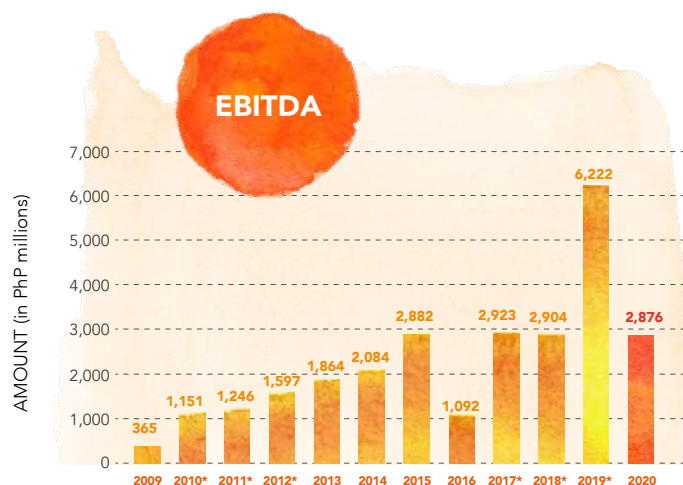
\* Re-stated figures

## BALANCE SHEET DATA

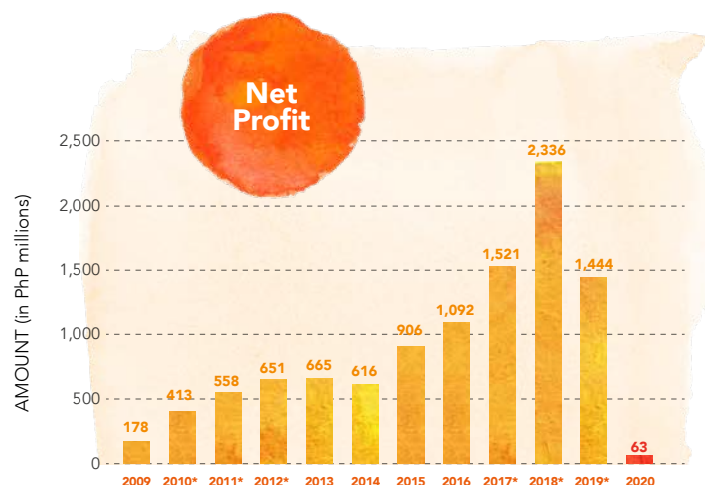
(In Php millions, unless otherwise stated)	2016	2017	2018	2019	2020
Current Asset	17,012	24,906	37,260	42,357	33,402
Non-Current Asset	9,526	19,267	27,401	44,600	49,131
Total Assets	30,927	44,173	64,660	86,957	82,532
Current Liabilities	14,596	20,385	33,844	50,499	39,727
Total Liabilities	16,776	32,489	48,687	65,035	61,371
Stockholders' Equity	9,762	11,952	15,974	21,923	21,161
Bank Debts	13,184	28,171	39,900	49,896	48,243

## STOCK INFORMATION

(In Php millions, except per share)	2016	2017	2018	2019	2020
Weighted Average No. of Shares-Adjusted of Stock Dividends	1,410.96	1,372.49	1,426.59	1,405.61	1,438.19
Number of Shares Issued	1,428.78	1,431.54	1,403.30	1,406.20	1,438.98
Total Number of Shares Outstanding-Yearend	1,428.78	1,431.54	1,403.30	1,406.20	1,438.98
Market Capitalization (Yearend)	8,058.30	18,610	15,071.49	16,790.08	17,987.22
Stock Price-Closing (Yearend)	5.64	13.00	10.74	11.94	12.50
Treasury Stock-Shares	54	-	-	-	-



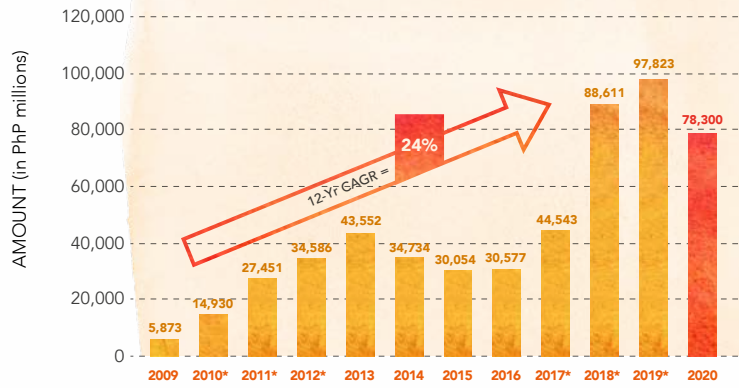
\*Re-stated figures



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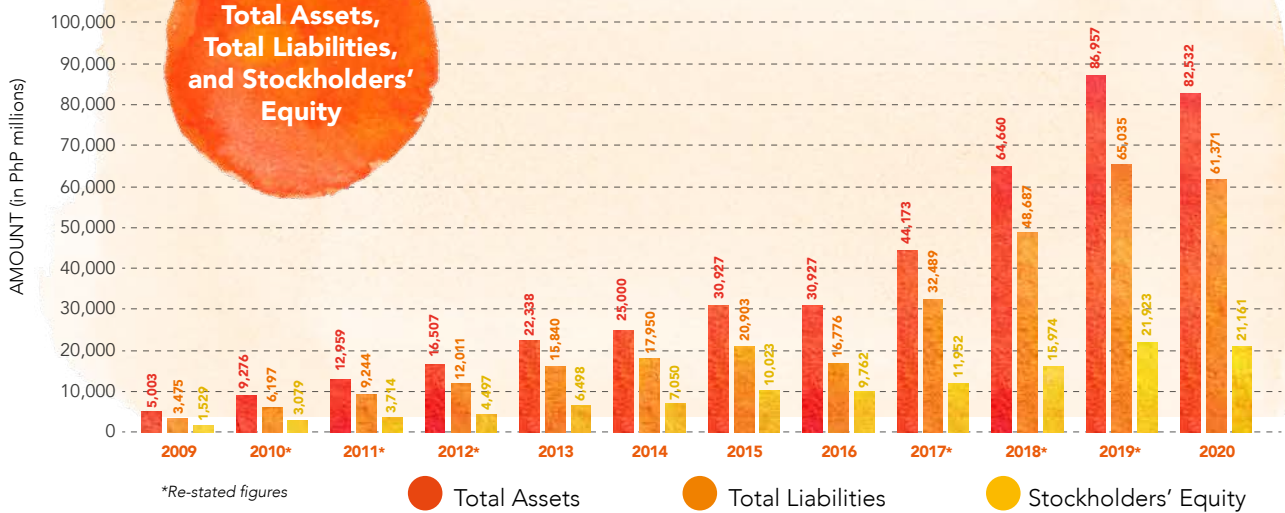


## Revenues



\*Re-stated figures

## Total Assets, Total Liabilities, and Stockholders' Equity



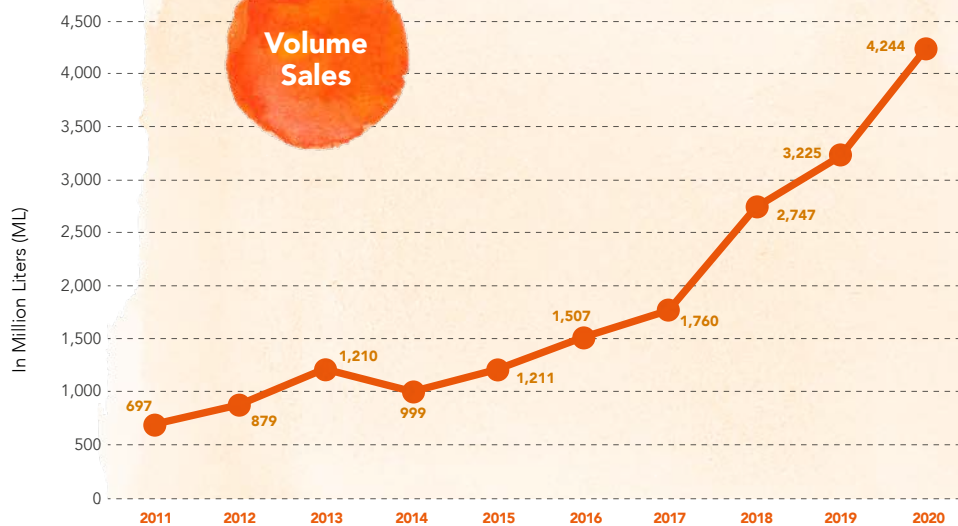
\*Re-stated figures

● Total Assets

● Total Liabilities

● Stockholders' Equity

## Volume Sales



\*Re-stated figures

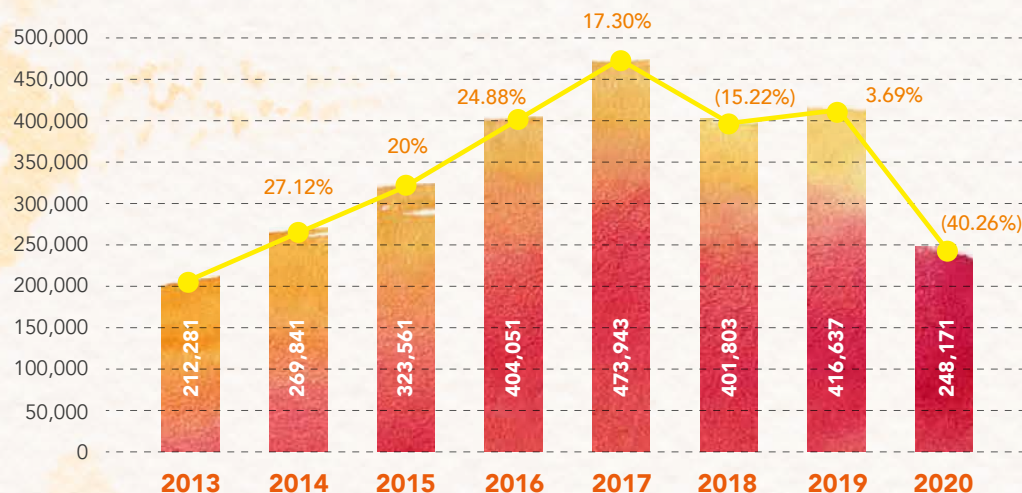


# Industry Highlights

## CAR SALES GROWTH

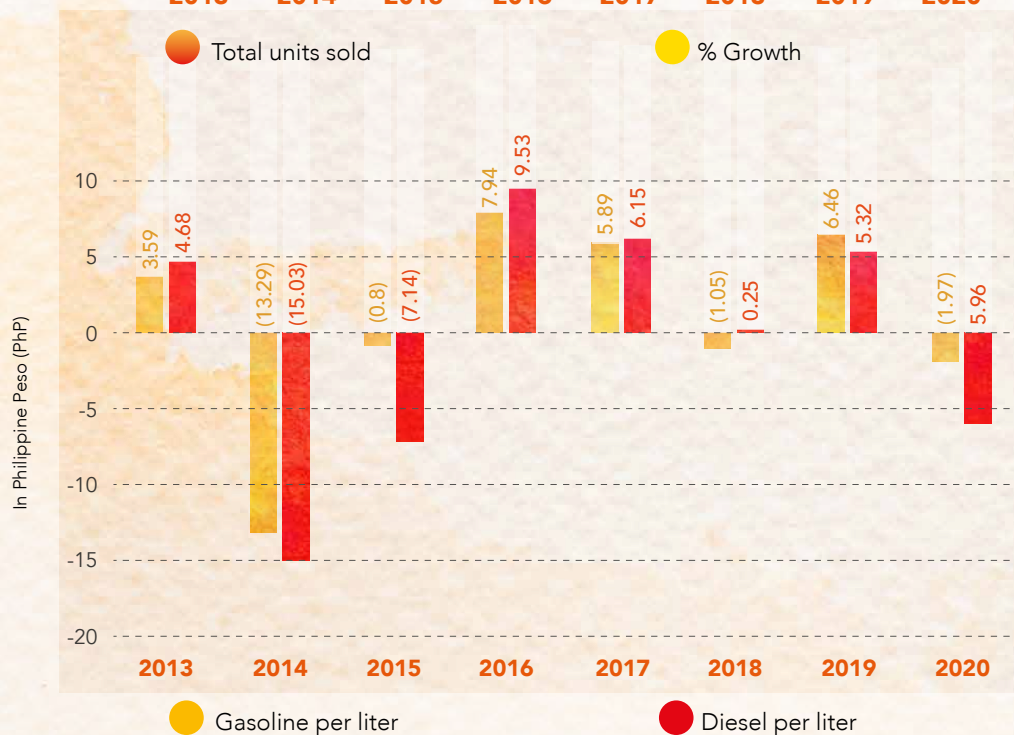
The auto industry posted a 40.26% decline in car sales growth in 2020.

Sources:  
Chamber of Automotive Manufacturers of the Philippines, Inc. (CAMPI), Association of Vehicle Importer and Distributors (AVID), Truck Manufacturers Association (TMA), autoIndustriya.com



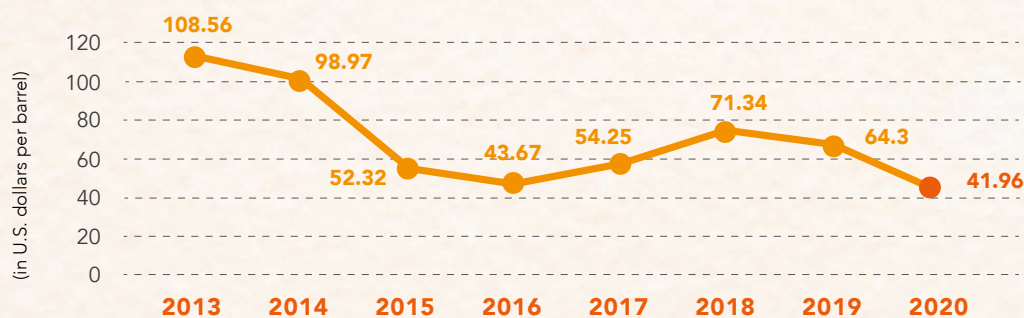
## OIL PRICE ADJUSTMENTS

Source:  
Department of Energy



## AVERAGE ANNUAL BRENT CRUDE OIL PRICE

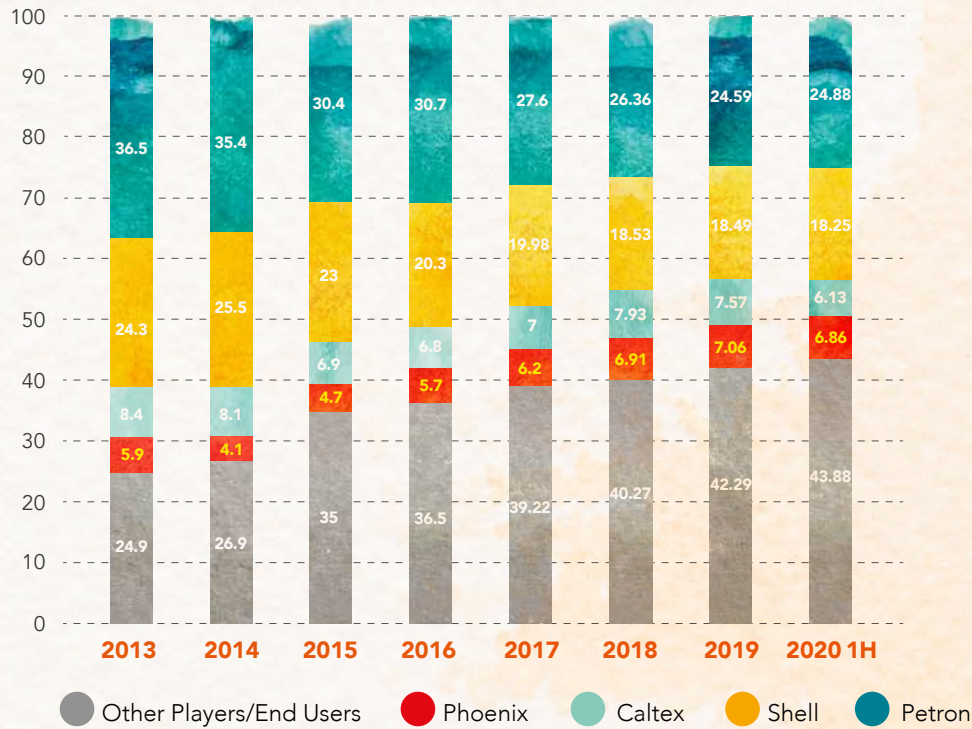
Source:  
Worldwide; EIA; 2013 to 2020



## RETAIL PRICES

in Metro Manila (peso/liter)	As of 2013, Dec. 31		As of 2014, Dec. 16		As of 2015, Dec. 29	
PRODUCTS	Price Range	Common Price	Price Range	Common Price	Price Range	Common Price
Diesel	42.20-47.05	45.25	29.20-32.55	31.40	20.55-23.95	21.85
Gasoline (RON 95)	50.00-56.35	55.5	37.85-43.95	42.00	33.20-40.65	39.90
LPG, P/11-kg cylinders	850.00-967.00		570.00-711.00		470.00-680.00	

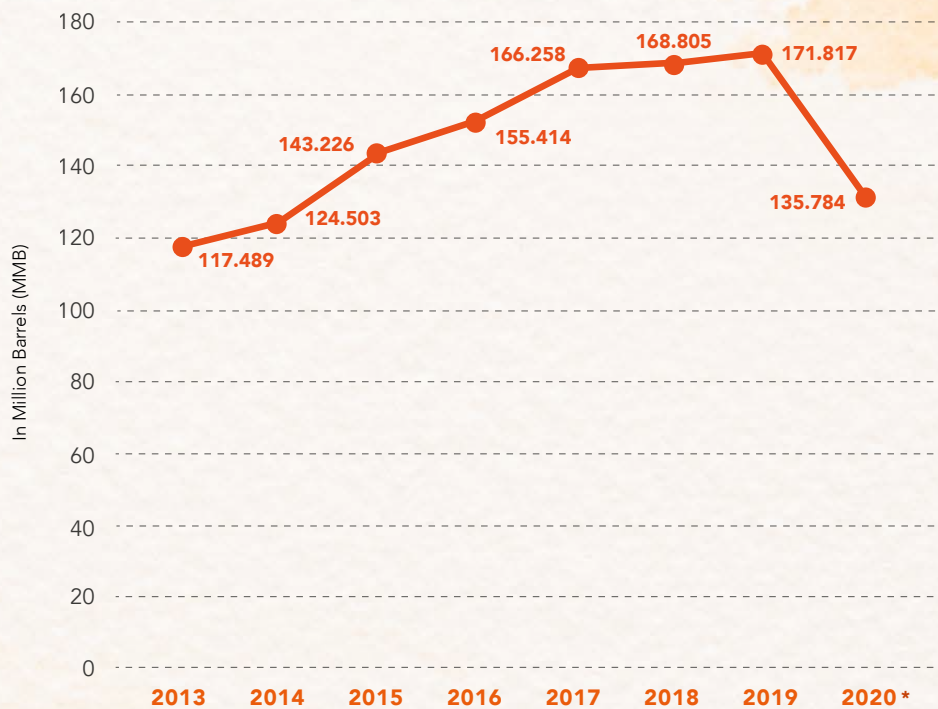




## OIL INDUSTRY MARKET SHARE

Independent oil companies continue to expand their share of the market.

Source:  
Department of Energy



## PETROLEUM PRODUCT DEMAND

Demand for petroleum products decreased by 22.8% in the first half of 2020, from 13,978 ML of the same period in 2019 to 10,794 ML. The decline is due to the reduced economic activity and travel restrictions brought about by the COVID-19 pandemic.

Source:  
Department of Energy

\*Annualized estimate  
based on 2020 first half's 67.892 MMB

As of 2016, Dec. 27		As of 2017, Dec. 19		As of 2018, Dec. 28		As of 2019, Dec. 27		As of 2020, Dec. 30	
Price Range	Common Price	Price Range	Common Price	Price Range	Common Price	Price Range	Common Price	Price Range	Common Price
28.25-30.10	30.10	32.15-37.30	36.35	35.20-39.54	36.75	39.05-45.60	44.00	31.55-38.01	36.95
36.90-47.90	46.30	43.05-52.95	47.85	41.05-51.72	46.95	45.40-56.60	53.89	42.55-51.67	44.45
425.00-650.00		550.00-777.00		531.00-715.00		596.75-797.75		550.00-816.00	



# *Message from the Chairman*

Indeed, it was a year like no other, and it will go down in history as one of the most challenging periods of our time—as a company, and as a generation. We weathered calamities such as the eruption of Taal, the COVID-19 pandemic, and the typhoons that ravaged the country. These events have been trying and difficult, to say the least, upending our livelihood, our health, and our way of life in general.

Unsurprisingly, the resulting lockdowns from the pandemic caused an economic downturn that affected the global economy. In the Philippines, the quarantines, along with the calamities that occurred, resulted in our GDP growth rate dipping by 9.5% by the end of 2020. It was inevitable as the country, like much of the rest of the world, plunged into a recession by the second quarter.

But despite setbacks, those trials presented opportunities, as well, and even made way for milestones. We continued to innovate and it served as a key to our adaptability, allowing us to prevail rather than fail. Just when most businesses were suffering all-time lows, our LPG business thrived and showed that even during a pandemic, when the lifestyle of many abruptly shifted, we can continue to serve and empower the community, all the while ensuring their safety and convenience. As transportation and travel were crippled, we offered other ways to be a partner to Filipinos, and leveraged the





diversity of our portfolio. While experiencing the value of having a diversified portfolio.

Aside from achieving significant growth in our LPG segment, we also introduced ground-breaking innovations last year. Having set up our company for the inevitable digital revolution, we can attribute much of our coping strategies to our digital-driven investments. Besides being convenient, this channel provided greater safety at a time when it was more vital of a concern than ever. From setting up pop-up stores in neighborhoods, offering deliveries, retailing our goods online, and encouraging contactless transactions, we adapted, innovated, and found ways to address the needs of our customers. We even launched our app-based lifestyle rewards program—LIMITLESS, a project that bannered our digital transformation, and brings together our businesses for cross-marketing opportunities.

These are only some of the ways that we turned a year of crisis and uncertainty into one rife with opportunities. Innovation being one of our core values, having the capacity to adapt and rise above adversity is true to our nature. As a team, it was also innovation that allowed us to continue being functional amid the challenges through alternative work arrangements.

Safety, above all, has always been a vital element in our business. Hence, right from the onset of the pandemic, we have been steadfast in championing safety at any aspect of our operations, and have continued to proactively implement and support measures that protect all our stakeholders.

To strengthen our rally to remain sustainable against a harsh economic backdrop, we developed a comprehensive strategic and financial management program that narrowed down our priorities, to make way for the utmost returns. We faced unprecedented circumstances, but were also quick enough to identify operational efficiencies, while shifting our focus to capital-light growth initiatives. In fact, we were back in profitability by the third quarter of 2020, and have ever since been relentless in ensuring the long-term viability of the company. By preserving our resources, we have been able to continually strengthen our balance sheet and tread the path towards stability.

Without a doubt, 2020 was an extraordinary year for all of us. Personally, having taken up the mantle of Chairman of the Board of Directors and Chief Strategy Officer last year, my new role came with especially unusual challenges. However, I embrace the lessons this new function comes with, and continue to steer Phoenix towards the right direction with fortitude and optimism, while supporting long-term strategies that create more value for all stakeholders.

More than mere predicaments, I view last year's challenges as catalysts for reflection and innovation triggers that forced us to reflect and innovate. The emergence of the new normal also served as an opportunity to make our presence felt when it was needed the most as we stayed true to our vision of being an indispensable partner.

We have survived, and even thrived in the midst of what has been a tremendously tumultuous period—and I know that we

will soon celebrate even more triumphs. After all, adversity is nothing new to us. Phoenix has already overcome so much, and as we progress into 2021, we are prepared to continue to create more milestones, while affecting positive change in society. We have been blessed to have supportive stakeholders, and we are inspired and grateful to have you remain by our side as our journey continues.

First and foremost, I want to thank our Phoenix team—especially our very own frontliners and those in operations—for soldiering on, and working hard despite the risks and difficulties. I also immensely appreciate the leadership of our president, Bong Fadullon, who was instrumental in steering the team and company to a more promising state, and keeping us united, and grounded to our purpose.

Of course, I also have so much gratitude for partners like you. Thank you for your invaluable support and trust. As we continue to tread our path to recovery, may we have the same determination and optimism that saw us through the hard times. Let us all remain safe, healthy, and resilient.

*Dennis*  
**Dennis A. Uy**  
 Chairman and Chief  
 Strategy Officer

# Message from the President

The year 2020 marks the world's shift to a new reality with no less than a pandemic causing effects that resonated throughout the world. The oil sector was not spared as multiple industries were crippled, disrupting the value chain, while petroleum demand fell dramatically.

Due to the pandemic and the subsequent community quarantine measures that were imposed to prevent the spread of the virus, our economy suffered, leading to the lowest GDP since 1947. Coupled with the eruption of Taal Volcano and typhoons that wreaked havoc on communities in various areas of the country, a downturn was inevitable.

Phoenix, like most institutions, whether big or small, also experienced the detrimental effects of the pandemic. As the country went under government-imposed quarantine restrictions starting March, plans for the year were derailed, effectively hampering operations, reducing demand, and delaying fundraising activities. Furthermore, the uncertainties of a full recovery hovered and put a damper on market confidence.

With low demand, restricted operations, and limited resources—on top of the health and safety threats that abound—we were faced with a network of challenges that demanded critical decisions and a shift in priorities.

## THE GAME PLAN

Taking into account the abrupt changes that the pandemic caused, there was a need to re-strategize in order to keep the business sustainable, while continuing to deliver value to stakeholders amid an unprecedented phenomenon. With this, we identified three key priorities; safety, business-as-usual operations, and preservation of resources.

At the core of our 2020 strategy was the safety of our people and workplace. Recognizing early on the need to balance the continuity of our operations in order to keep providing customers with essential products and services, and the safety of our employees, we implemented work-from-home and other alternative work arrangements as soon as community quarantine measures were announced.

At the depots and terminals, we were one of the first companies to create a bubble by implementing a two-weeks-on and two-weeks-off shifting scheme for our personnel, which allowed us to keep our facilities operating, while keeping employees and their families safe.

We also carried out the early crediting of a portion of the 13th month pay and Christmas bonus, as well as additional benefits for qualified employees, to further help mitigate the impact of the pandemic on our workforce, and keep the team motivated.

The company employed the use of digital platforms to keep the team engaged, informed, and connected through regular

emailers, online town hall meetings, and segmented digital huddles meant to monitor the welfare of employees.

To strengthen our commitment to safety, regular email communication and a video presentation showing our heightened safety protocols were shared with partners. These were supported by materials sent via messaging apps and presentations during online engagements, further highlighting our end-to-end approach to safety.

Through discipline and strict compliance to protocols, we continue to be blessed by Our Higher Being with a healthy workforce, shielded from any major health issues. There have been no casualties, and we intend to keep it this way through consistent safety measures. In fact, we have been monitoring the wellbeing of our employees through an app-based health check, which everyone is required to accomplish daily.

Even at the height of the ECQ in 2020, 95% of our stations remained open, while 65% of FamilyMart stores were operating and supported by Grab and Angkas for delivery services. As consumers stayed and dined at home, we made it easier for them to replenish LPG by keeping all our hubs open, and offered further convenience through online channels that facilitated ordering and delivery. On the commercial side, delivery reliability was maintained.

Our business continuity plan was complemented by cost and productivity initiatives that led to pivotal efficiencies and savings.



As we focused on our customers, we stepped up our efficiency programs within the company. We prudently reduced OPEX to essentials and gave priority to undertakings that are light on capital needs. We also tightly managed our inventories and receivables resulting in a shorter cash cycle.

Our focus on cost and productivity maximization was planned and implemented pre-pandemic, giving us a good head start in achieving savings and efficiencies. Structural in nature, the impacts to operations and bottomline are expected to be enduring and long-term.

We minimized risks that come with the expiration of leases by integrating real estate management used for storage and prime locations of stations

under Duta, Inc., which now manages our existing real estate assets, and also handles future purchases of strategic properties. In road transport, we created a subsidiary that focuses on establishing partnerships, and outsourced services to reputable road transport operators, allowing us to focus on our businesses' fundamental activities.

We also outsourced our supply chain for lubricants and FamilyMart, leading to cost savings of Php 88 million.

## RISING ABOVE OBSTACLES

Our commitment to safety, sustained business operations, and resource preservation proved to be worthwhile, effectively protecting our people, and our company.

Aside from the positive media coverage, our implementation of alternative work arrangements and special benefits for employees also yielded a similar reception internally. This was evident in glowing internal survey results, which had a 99.46% response rate. On a 5 point scale, overall satisfaction rating among employees was



## MESSAGE FROM THE PRESIDENT

a 4.36, while Motivation and Loyalty was at 4.53, both higher than the marks achieved the previous year. These results are crucial as the healthiest and the most motivated and engaged workforce will be best positioned once we are out of this crisis.

In spite of the harsh realities brought by global industry factors, and the added strain of COVID-19, we ended the year with a remarkable performance. Our financial standing was buoyed by improved liquidity and lengthened maturity profile, while our Php 158 million net income for Q4 of the year allowed us to regain previous losses, ultimately resulting in a Php 63 million net income for FY 2020.

The company charted a 32% year-on-year growth delivered by overseas business and domestic recovery in the fourth quarter as business activities began to pick up. By rationalizing our OPEX (with OPEX per liter reduced at 32%) and CAPEX, we were able to save Php 2 billion in expenses, consistent with 2020 targets adjusted for COVID-19.

By and large, our overseas volume remained impervious to the pandemic. In fact, it more than doubled for 2020 as evidenced by the outcomes from our operations abroad. PNX Petroleum Singapore expanded its external fuels and LPG sales by using to its advantage Phoenix's

domestic operations. It was able to reach a volume growth of 28%, and increased third-party sales by 120% compared to 2019. The supply arm had a turnover of USD 1 billion.

Through Phoenix Gas Vietnam, our overseas LPG volume increased three-fold as Vietnam was among the countries that quickly mended from the pandemic. Our LPG subsidiary continues to perform as it exceeded monthly volumes in 2020, posting a 162% annual growth for the year, and even surpassing its business plan by 6%.

Our domestic volume picked up in Q4 when lockdown measures continued to ease up, helping relieve our full-year decline to 20%, and brought our volume to 90% pre-COVID levels. This was caused by several factors.

Momentum is growing in the Commercial and B2B sectors. Driven by the recovery of domestic business, Q4 volume growth was at 51% compared to Q3. It benefited from the resumption of key industries, such as power and manufacturing, as well as industries unaffected by the pandemic, such as fishing.

In an industry that is contracting, our LPG segment stood out with a stellar performance. Domestic LPG is in a good position to capture opportunities not yet fully penetrated by the retail and commercial market, as well as take advantage of changing post-pandemic consumer demands. Though sizeable growth has not been registered for the Luzon business, we continue to widen our distribution network. Meanwhile, Visayas and Mindanao sustained double-digit growth.

Employing sound liability management, we have, thus far, been able to achieve an improved liquidity position, though not yet at optimal levels; longer maturity horizon as over Php 17 billion in maturities was moved to 2025 and beyond; and reduced high-cost financing by settling Php 3 billion in STCPs and Php 1.25 billion in preferred shares in December 2020.

As we remained to be of service, we continued our rise as the third-largest oil company in the country as declared by the Department of Energy. With a market share of 6.86% for the first half of 2020, we placed a notch higher from our fourth place in 2019 during the same period.

### ADAPTING TO CHANGE

The COVID-19 pandemic may have changed our business landscape and the rest of the world, but along with the challenges that persist, there remain opportunities, and we were able to position ourselves to take advantage of these. Adaptability and agility allowed us not only to withstand a turbulent year, but most importantly, enabled us to prosper and evolve.

Digital transformation has always been on our agenda, and the pandemic gave us the opportunity to pilot and refine this strategy, while keeping our brick-and-mortar operations at optimal levels amid restrictions.

After launching it in July, our app-based lifestyle rewards program, LIMITLESS, now has over 110,000 members, and 216,000 transactions processed, offering loyal customers exclusive perks and privileges, while taking



advantage of the shift to cashless payments and e-commerce. It has also provided us with a consolidating digital sales platform to go with our B2B and B2C channels.

Amid safety concerns, we made contactless payment available in our gas stations nationwide by partnering with AliPay, GCash, GrabPay, and WeChat Pay.

We also offered online ordering and delivery for fuel, Phoenix SUPER LPG, and for FamilyMart items through Grab and Angkas. To bring our offerings to even more Filipinos, we brought FamilyMart to Cebu and introduced a new retail format.

Pursuing opportunities in infrastructure, our asphalt business made headway through the completion and full operation of our new asphalt plant in Batangas, and had a successful product trial introduction for the Northern Luzon Expressway. Meanwhile, our agenda to make gas, as a cleaner fuel alternative, more integrated in the power-generating solutions in the country is sustained with the arrival of three units of gas-powered generators which were pilot tested in an exclusive island resort in Quezon.

### BREAKTHROUGHS AMID LIMITATIONS

Despite challenges, our company achieved major accomplishments, all the more fulfilling in light of the difficulties we faced, garnering citations here and abroad.

We were awarded a Gold Stevie by the International Business Awards for Phoenix SUPER

LPG's 'Sarap Pala Magluto' campaign, and for FamilyMart's launch of Coffee Creations. We also bagged a Silver Stevie for 'Tulong Para Sa Taal', our CSR project that helped those affected by the volcano eruption at the beginning of last year. At the Anvil Awards, the same LPG campaign earned a Silver Anvil together with FamilyMart's #WeSupportSMEs project, and our Kwentong Phoenix Facebook page.

At the Philippine Quill Awards, the Phoenix SUPER LPG 'Sarap Pala Magluto' campaign was recognized with an Award of Excellence. The same top honor was given to FamilyMart's Convenience Store Retailing campaign while an Award of Merit was each given to Kwentong Phoenix under the Social Media Programs category, and to the #WeSupportSMEs campaign under the Marketing, Advertising, and Brand Communication category.

Always striving for excellence, our company earned our third ISO certification for Occupational Health and Safety Management System (ISO 45001:2018), adding yet another notch in recognition of our effective and efficient framework and processes.

### FORGING A NEW PATH

In my first year as president, it is with much enthusiasm and confidence that I take up the duty of setting the vision, strategies, and direction of the company so that together, we may realize our shared goals against all odds.

As we move towards the future, we have developed a solid business plan built on three

strategic pillars that will take us closer to our vision of being an indispensable partner. We will build the brand by delighting customers through the best offers and experiences. By driving more value from our resources and investments, we will sustain operational excellence. Lastly, we intend to accelerate growth, leveraging on our more than 19,000 touchpoints, which will carry the full breadth of our offers, while developing partnerships with individuals and organizations that share the same vision of growth and value.

Though the year proved to be challenging at all fronts, we made pivotal headways in the business, which would not have been possible if not for a strong, determined, and unified team.

Guided by our TESSII (Teamwork, Excellence, Service, Stewardship, Innovation, and Integrity) core values, and our culture of 5H (Hungry, Hardworking, Honest, Humble, and Holy), we will continue to inch closer to our vision and fulfill our greater purpose. Challenges remain present, but with the fortitude, determination, and loyalty that this team has displayed last year, I am confident that there is nothing we cannot overcome. Indeed, kayang kaya, basta't sama-sama.

Thank you for being with us all this time. We have survived and thrived, and I am excited as we continue a fruitful journey together.



**Henry Albert R. Fadullon**  
President



# *Operational Highlights*









## OPERATIONAL HIGHLIGHTS



### RIISING ABOVE THE ODDS

As various industries and businesses grappled with the events of 2020, we were confronted with unusual realities that made the year nothing short of challenging. Phoenix was in no way spared from the ill effects of the COVID-19 pandemic, but with the innovations that we've invested in, and the proper contingency strategies, we managed to survive, and even thrived, boldly finding our way through the uncertain environment of the new normal.

70%

of our workforce have adopted a work from home set-up since March 2020

Adopting three key principles that guided us through the dark times, the plan was to keep people safe, maintain business-as-usual operations, and preserve resources. From receiving supplies to delivering the end-product to customers, we adopted a new set of heightened safety protocols that highlighted regular sanitation and disinfection as part of daily operations. We also made sure to continue operating as much of the business as possible in order to address the needs of customers, especially during a time when numerous restrictions were in place. Since resources were limited, we identified

key areas for efficiency and preservation as additional protection against business uncertainties.

### PROTECTING OUR PEOPLE

#### The new normal workplace

Right at the onset of community quarantine, the Phoenix management announced that employees would be working from home until the end of the year. As much as 70% of our workforce have been functioning on this set-up since March last year, and where necessary, a connectivity allowance was given.





All stay-in Phoenix depot, security, and maintenance personnel undergo antigen testing for COVID-19 every 15 days or as required by our HSE Team.

Meanwhile, employees assigned at the terminals have been on rotating, two-week on, two-week off shifts, and have been given supplements to help maintain good health.

To further cushion the impact of the pandemic, we extended financial assistance through the early crediting of a portion of the Christmas bonus and 13th month pay.

### Apart but together

Our personnel have also been under monitoring to make sure everyone is at optimum health and well-being. Aside from the daily health checks, regular virtual "kumustahan" sessions were held per business unit to keep everyone motivated and engaged.

While working remotely or in isolation, we also have been able to cope through regular online meetings, webinars, virtual partnership signings, and other digital engagements. Events, such as company town

halls and the Phoenix Engage series have been taken online to keep communication lines open without the health risks. We even successfully held a Virtual PhoenixXtreme, our first-ever digital sportsfest, and a virtual Christmas party, which gathered all employees in one Zoom call. These ways of coping have allowed us to adapt to the changes that the pandemic brought about, while remaining on-course towards our individual goals and organizational objectives.

### SUSTAINING BUSINESS IN THE NEW NORMAL

#### Keeping ourselves and others going

Despite the threats of the COVID-19 virus, and the consequences of lockdowns, our businesses remained operational. In fact, even at the height of government-imposed quarantine restrictions, 100% of our terminal and depots were in full operation, 90% of retail sites continued serving motorists, 93% of LPG

100%

of our terminal and depots were in full operation during the lockdowns





## OPERATIONAL HIGHLIGHTS

outlets remained open, while 60% of FamilyMart stores continued to operate. However, end-to-end health and safety protocols were immediately put in place in order to minimize risks and hazards, while continuing to deliver excellent products and services.

### Our digital transformation

As mobility was hindered by community quarantine restrictions, movement was limited, leaving most with no choice but to do business online. As a response, we fast tracked our digital transformation, and made our products and services available online, which made doing business with Phoenix safer and more convenient.

- **New LPG online order and delivery form**

The pandemic brought a lot of uncertainty, but it also opened opportunities for

people to explore cooking as a hobby, or to turn it into a budding business. Either way, one of the challenges to cooking during this pandemic is getting sufficient LPG supply because of quarantine restrictions. We were able to address this concern with the continuous supply of Phoenix SUPER LPG readily made available through online and mobile delivery services. In fact, there are now four ways to order—via call, text, Facebook Messenger chat, and the new and improved web form, which were all launched last year. We even now accept cashless payment, another first in the industry.

Whether it's by calling, sending a text message, accessing the brand's official Facebook page, or by accessing the web form,

customers have been able to conveniently order LPG from the comforts of their homes despite mobility concerns.

- **FamilyMart delivery services**

With the lockdown enforced, people stayed at home to minimize the risk of viral exposure. The company responded by providing support services without compromising their safety. One way was through the 'Fam on Wheels' rolling stores, which catered to several communities in Metro Manila.

The rolling stores were strategically set up near Phoenix gas stations, offering essential food items and other essentials, which were then within easy reach to customers in the neighborhood.







Additionally, several FamilyMart stores offered delivery services in partnership with Angkas, Grab, and Lalamove. This afforded customers the convenience of getting items safely and swiftly while on lockdown.

#### - Fuel delivery service

As a company, we always explore ways to provide better customer experience, and we took this commitment a notch higher when we launched the fuel delivery service to help SME customers. With this innovation, customers have been able to simply order fuel products online, safely and conveniently, eliminating the need to go to the stations.

#### - Contactless payment

Everyone's health and safety remain to be a pressing priority. To help prevent

the spread of the virus, the company sprang into action and introduced contactless payment options. Now available across more than 200 gas stations nationwide, we were the first in the industry to launch this feature with four partners; GCash, GrabPay, Alipay, and WeChat Pay.

Contactless payment is considered a secure and reliable payment method, with transactions processed quickly and seamlessly. Through this, customers have been able to enjoy the convenience of paying fuel purchases safely and hassle-free.

#### A world with no limits

Harnessing the power of technology, we introduced the Limitless lifestyle rewards program as a new way to value customer loyalty, and

as an innovative marketing and promotional platform. Offering premium perks and distinct rewards to its members, the lifestyle app caters to different target groups, while promoting our brands through functionalities, such as earning and redemption of points, ordering of LPG, shopping for and gifting of e-vouchers, locating partner merchants, and even playing in-app games.

Points are earned through valid purchases, and such points entitle customers to exclusive privileges, including discounts and promos, which are now exceptionally easier and more convenient to avail of since transactions are done online. In fact, one of the highlights last year was during the holiday season when we offered Phoenix fuel vouchers at 80% off through the #GiveLimitlessJoy campaign.



## OPERATIONAL HIGHLIGHTS



The competition Phoenix SUPER LPG Kalderoke was launched in July 2020 to celebrate the common passion of Filipinos for cooking and singing.

It gave members the opportunity to shop for and give gifts through the app, and without them having to leave home. This proved to be a massive success, and significantly contributed to our member base, which now exceeds the 100,000 mark.

### Igniting passions

Capitalizing on the Filipinos' love for singing, cooking, and enjoying great meals, the company, together with ABS-CBN, launched last July Phoenix SUPER LPG Kalderoke: The Singing and Cooking Showdown. The cooking and singing extravaganza is a competition that did not only celebrate the common passions of Filipinos, but also helped those who were left unemployed and disenfranchised by the pandemic, giving them the chance to entertain others, while vying for the grand title to bring home a cash prize of Php 100,000.

Over 100 entries were submitted by singing cooks from across the country, representing the National Capital Region, Luzon, Visayas, and Mindanao, but only 16 made it as official contestants.

Aired every weekend, the show got viewers hooked on the Kapamilya Channel, the Kapamilya Facebook page, and the Phoenix SUPER LPG Facebook page. For the final episodes, Popstar Royalty and Phoenix SUPER LPG endorser Sarah Geronimo-Guidicelli and Phoenix Integrated Marketing and Strategies Vice President Celina Matias joined celebrity chef, Rolando 'Chef Lau' Laudico; actress, comedienne, and singer, Tuesday Vargas; and Star Music composer and songwriter, Jonathan Manalo, in the judging panel, and declared Francis Anne Virtudazo from Muntinlupa as the grand champion.

### Conquering a new arena

From the fiery race tracks, racing is now in the virtual setting. To help sustain motorsports interest despite the ongoing pandemic, the company, together with Tuason Racing, mounted the 2020 Phoenix Pulse Formula V1 Virtual Cup, a trailblazing project that highlights innovation amid a crisis.

More than providing entertainment and diversion, the initiative was also for a cause as it extended help through 'Race for Frontliners', a special spin-off that raised more than Php 400,000 for the purchase of PPEs, medical supplies, and food and toiletry packs for frontliners and local government units.

The virtual cup was launched in April and concluded in December 2020 with the championship title claimed by Inigo Anton from Baguio City.







### #WeGotchuBai

Even in the midst of a pandemic, FamilyMart continued to expand, opening three new branches towards the last quarter of 2020 as we brought the brand to Cebu. With a broad range of food and everyday essentials made available to cater to the various needs of customers, the new branches adopted a new retail format, which features a store design ideal for smaller spaces, and a capital expenditure requirement that's 90% lower than the regular franchise package.

Besides convenience items and Japanese food favorites like onigiri and ramen, the new stores also offer contactless, digital payments through Posible.

Through these new stores, we have been able to serve new communities by bringing a piece of Japan to the locality,

and provide partners a new revenue source, while growing our own business in spite of the challenges of the pandemic.

### The future of energy

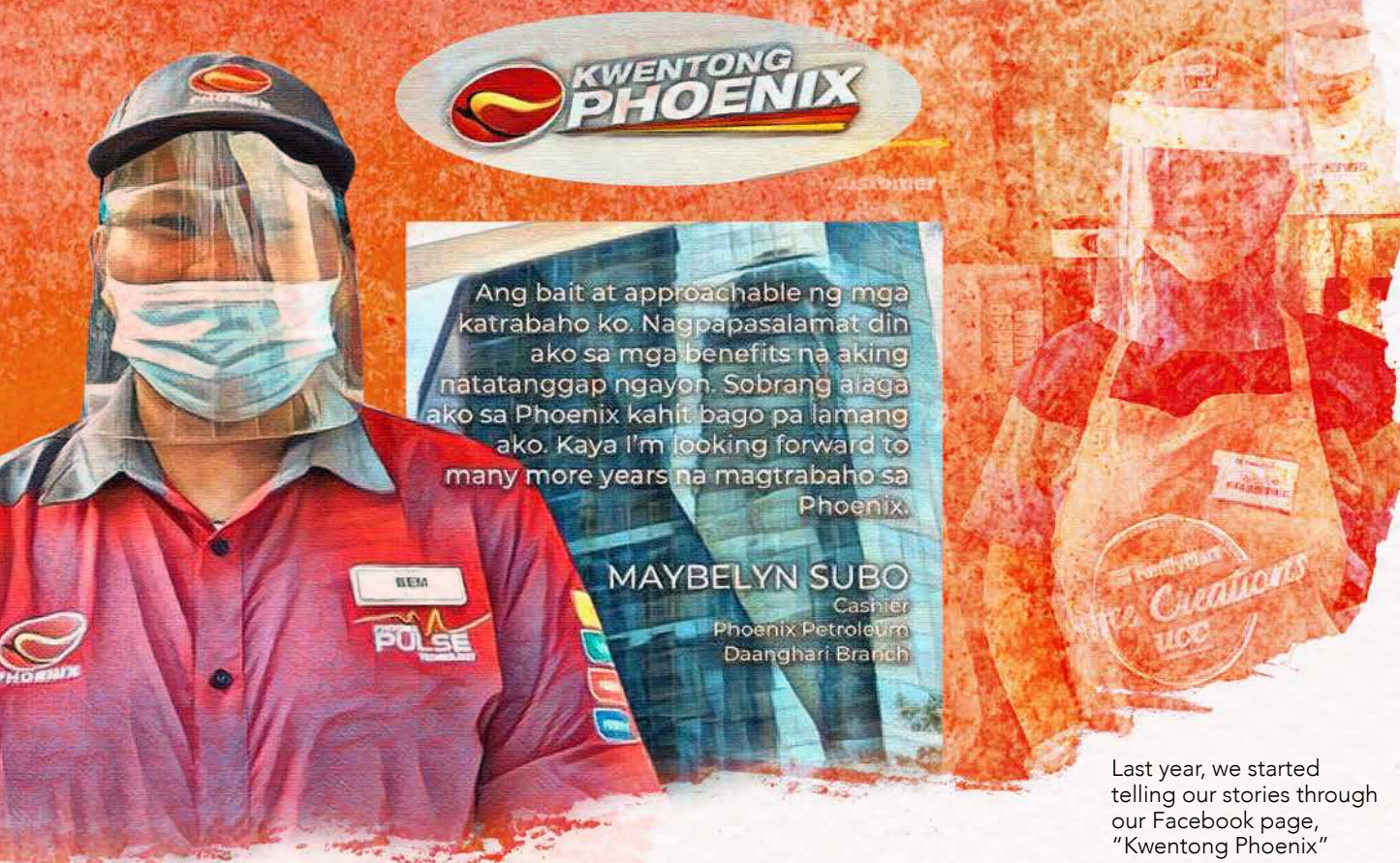
We carried out a 30-day proof-of-concept trial of three gas-powered gensets at an exclusive island resort in Polilio, Quezon. The place is a renowned premium resort known for eco-tourism and sustainability efforts. We supported the resort's environmental initiatives by offering a cleaner and more efficient power generation solution using propane-rich LPG, a fuel that produces less than 20% CO<sub>2</sub> as compared to the island's diesel-fed generator sets.

The gensets are part of an agreement between Phoenix Pilipinas Gas & Power, Inc. (PPGPI) and US-based Mesa Natural Gas Solutions, LLC.





## OPERATIONAL HIGHLIGHTS



Last year, we started telling our stories through our Facebook page, "Kwentong Phoenix"

### Pursuing opportunities

We inked a strategic partnership with Pertamina International Marketing and Distribution Pte. Ltd. (PIMD), a Singapore-based subsidiary of Indonesia's state-owned energy company PT Pertamina (Persero). With this, PIMD began supplying petroleum products to us in the Philippines and Singapore. The partnership also allows the two companies to explore and co-develop other international downstream business opportunities in the region.

### Our untold stories

Unbeknownst to many, there are different compelling narratives that involve our brand and

our team. To celebrate these inspiring tales, especially those that transpired during the peak of quarantine, we created a Facebook page dedicated to the touching stories that feature the different aspects of our business, and, of course, the varying stakeholders that have been making a difference in the community.

Called 'Kwentong Phoenix', the posts showcase a variation, ranging from profiles of frontline personnel and partner testimonies, to trivia, and nuggets of information about the company. Since it was created in June, the page has garnered over 47,000 followers.

### A historic celebration

From our homes to the workplace, the 'new normal' is intrinsically part of last year's annual convention. Called 'Winnovation: Partner, Kayang Kaya Basta't Sama-Sama', the historic function is the company's first-ever Digital National Convention, which gathered valued suppliers, key distributors, dealers, franchise owners and brand partners nationwide for a two-day affair.

Aptly anchoring on the theme 'Winning Through Innovation', we utilized a digital live streaming platform for the different components. The gathering featured a great



lineup of speakers, and breakout sessions were held, while a recognition ceremony for key shareholders and top business performers for outstanding sales served as one of the highlights. More than 2,200 unique log-ins by guests and attendees were recorded during the span of the annual business gathering.

## SHIFTING PRIORITIES

### Efficiency is key

As we strategized ways in which we could optimize resources, we pursued a cost and productivity program that effectively led to leaner supply chain and logistics, improved productivity, and lower expense base.

We created a road transport subsidiary that minimized CAPEX through strategic partnerships with outsourced road transport operators, allowing us to focus on core sales activities.

Meanwhile, we consolidated real estate management into Duta, Inc. to enhance asset use and maximize yields. We also rationalized lubricants and convenience store retailing supply chains. The shift from in-house operations for lubricants and FamilyMart to third party services resulted in OPEX savings of Php 88 million from both businesses foreseen for the next few years. Working capital release for lubricants is pegged at Php 230 million. OPEX savings consisted of permanent fixed cost reductions in warehouse rentals, staffing, and elimination of pilferages. Our savings from marketing, advertising, and travel were redirected to digital initiatives.

With demand low, inventory levels were kept at 50% of terminal capacity, reducing the burden of working capital.

Ultimately, efforts to rationalize OPEX and CAPEX resulted in a combined 38% decrease year-on-year.

## HOPE IN THE HORIZON

### Phenomenal growth

Considered to be an essential product for households, the demand for LPG increased during the lockdown. The company's partnership with Hengyi Industries ensured continuous supply as more people stayed home to prepare their own meals.

Even with strict lockdown measures in place for the most part of the year, we ended 2020 with a growth of 32% against 2019, while overseas, Phoenix Gas Vietnam achieved a whopping annual growth of 162%.

### Regaining momentum

By half of the year, we started to reap the rewards of all the hard work we have invested. Based on the fuel market share data from the Department of Energy, Phoenix achieved a 6.86% market share, securing the third-place position among petroleum companies for the first half of 2020. We moved up from our position from fourth place in the same period in 2019, showing that even in the midst of difficulties, we can excel, and become an even more formidable brand.

## Upping the standards

In 2020, Phoenix Petroleum was awarded additional International Organization for Standardization (ISO) certifications by Bureau Veritas. Proving the company's commitment to health and safety, high quality of service, environmental stewardship, compliance, and continuous improvement, we earned two ISO certifications on Quality Management System (ISO 9001:2015) and on Environmental Management System (ISO 14001:2015).

## A positive conclusion

We ended the year on a high note with the settlement of Php 3 billion short term commercial papers (STCP) last December 5, and the redemption of Php 1.25 billion preferred shares last December 18. Achieved through an effective financial management program, it is attributed to a capital-light expansion strategy, key partnerships, and a cohesive franchising model across fuel and LPG products, convenience stores, and payments.

Through the program, the company's liquidity profile improved, and the redemption of preferred shares led to company savings on cost of capital.

The company's Php 158 million net income in the fourth quarter of 2020 has effectively reversed prior losses, leading to a Php 63 million net income by the end of the year.



# Retail BUSINESS

94%

volume growth  
recorded in  
the start of 2020



## WEATHERING THE STORM

The Phoenix Retail Business started 2020 strong with a 94% volume growth recorded in the first quarter of the year. This is despite the eruption of Taal Volcano and other natural calamities that affected the business. Volume growth dropped in the second quarter to 66% due to the enhanced community quarantine. As quarantine restrictions were slowly lifted, our retail business also started to slowly recover. By the third quarter of 2020, we were at 135%, and slightly dipped to 99% by the end of the year. The year also saw the opening of the first Phoenix retail station in Baguio City and 35 other stations across the country.





### Giving back, giving thanks

As our way of giving back to the community, and to celebrate our winning the Marketing Company of the Year award at the 40th Agora Awards, Phoenix Petroleum rolled out the Php 20 per liter offering in February and March.

Tagged 'Twenty on Twenty', the Phoenix stations that participated in the February promo included Lanang 1 in Davao, SRP Talisay in Cebu, C3 Road in Caloocan, Marcos Highway in Antipolo, Bahay Toro and Dahlia in Quezon City, San Pablo 2 in Laguna, Sucat Skyway in Paranaque, Lalaan in Cavite, and Malvar in Batangas.

The March run of the promo was held in Phoenix stations in Parklane Square Almanza

Dos, Las Piñas; DRT Highway in Sabang and Tangos, Baliuag, Bulacan; Centennial Road, Tabon I, Kawit, Cavite; Mabini, Bauan, Batangas; Pagsawitan, Pagsanjan, Laguna; Pitogo, Consolacion, Cebu; Naga-Naga, Tacloban; Barra Opol, Misamis Oriental; and Marbel, South Cotabato.

We sold over 210 KL of fuels, and served about 9,000 motorists during the promo duration.

9,000

motorists availed  
of the TWENTY on  
TWENTY promo





*Racing dreams!*

*Php 408,906*

was raised to purchase  
PPEs and medical  
supplies for frontliners

### Racing for fun and for a cause

With the pandemic forcing car racing enthusiasts to stay home, we came up with an alternative that fuels passion but also observes safety. We partnered with Tuason Racing, the premier racing school in the country, to introduce the Young Drivers' E-Sports Program. Launched in April 2020, this paved the way for an online racing competition that would allow racing and gaming enthusiasts to compete against each other in the comforts of their homes.

Aside from offering fun and entertainment, it also promoted national pride as the winner will represent the Philippines at the FIA Motosport Games in France.

Besides the competition proper, Phoenix and Tuason Racing also organized 'Race for Frontliners', which was able to raise Php 408,906 in donations. The amount was used to purchase PPEs and medical supplies for frontliners. These and FamilyMart meals were donated to various LGUs in Metro Manila. A second race was able to raise enough money to purchase 500 packs of food and toiletries, which were donated to the PNP Maritime Group and the Philippine Coast Guard.





### Safer transactions

There are now 217 Phoenix Petroleum gas stations nationwide that adopted contactless transactions as part of our campaign to prevent the spread of the COVID-19 virus.

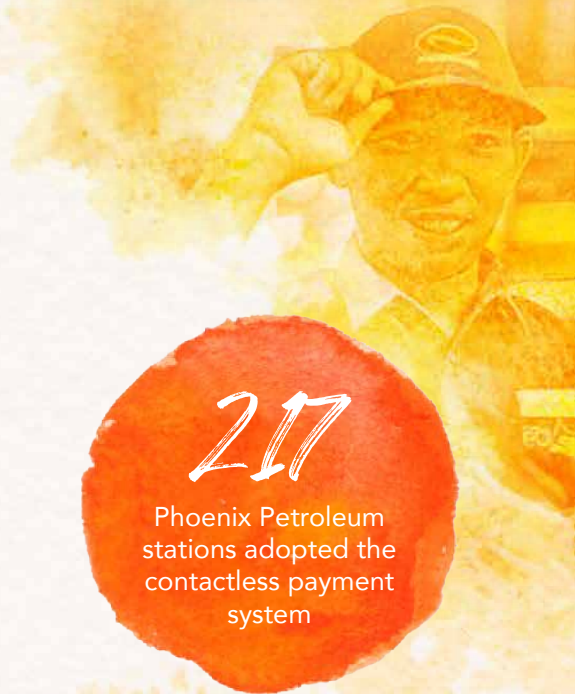
We are the first retail company to accept four merchants—GCash, Grabpay, Alipay, and WeChat Pay—for payment through QR code. Since the service was launched in June 2020, Phoenix has, so far, processed around 30,000 contactless payment transactions in our stations.

### Driving help to those in need

To help alleviate the effects of the COVID-19 pandemic, Phoenix Petroleum launched the Bangon Tsuper program for drivers of

public utility vehicles (PUV) and Transport Network Vehicle Services (TNVS).

Under the program, drivers who are active members of the Phoenix Tsuper Club (PTC) can use their earned points to redeem exclusive Phoenix offerings like POSSIBLE digital transaction services (20,000 points), 11 kg Phoenix SUPER LPG (1,625 points), 1L Phoenix Zoelo Extreme Lubricant (88 points), 1L Phoenix Accelerate Fully Synthetic Lubricant (82 points), 1L Phoenix Cyclomax Racing 4T Lubricant (75 points), Php 50 Phoenix Petroleum gift certificate (125 points), and Php 100 FamilyMart gift certificate (250 points).



217  
Phoenix Petroleum  
stations adopted the  
contactless payment  
system



## OPERATIONAL HIGHLIGHTS



79,000

Lalamove and foodpanda riders now have Phoenix Tsuper Club benefits

The Bangon Tsuper program ran from June to August 2020 at over 50 participating stations in Luzon.

Phoenix Tsuper Club is our loyalty and rewards membership program for PUV drivers. It grants members redeemable reward points for every purchase of Phoenix fuels. The card also gives drivers Tsuper Advantage, a special inclusion that recognizes the drivers' outstanding contribution to society.

### Driver discounts

We partnered with Lalamove to provide its drivers with a specialized discount card. The Phoenix Tsuper Club-Lalamove loyalty and rewards card gives Lalamove drivers discounted rates for Phoenix fuels blended with Phoenix PULSE Technology at 69 participating retail stations nationwide, allowing them to spend less on gas and earn more from deliveries.

The card also entitles Lalamove drivers to TRIP benefits, which include Tsuper Hero Advantage,

a special inclusion that recognizes the drivers' outstanding contributions to the betterment of society, exclusive insurance coverage, and other privileges. Lalamove has 65,000 members operating nationwide.

We also extended our loyalty program to foodpanda riders. The Phoenix Tsuper Club (PTC)-foodpanda loyalty and rewards card gives the same TRIP benefits to more than 14,000 registered Food Panda riders across the country. The PTC-foodpanda card is available in 95 Phoenix stations nationwide.

These two partnerships are in addition to the previously established Phoenix Tsuper Club-Grab that rewards Grab drivers with special discounts and benefits.

While 2020 was a difficult time, our Retail Business managed to overcome the challenges, and finished the year on a strong rebound following quarter-on-quarter volume improvement.









# Commercial & Industrial BUSINESS



## A BUSINESS FOR OTHER BUSINESSES

During a year when many industries slowed down their operations, our Commercial and Industrial Business group continued to serve, and implemented various critical measures to keep our business operational.

Commercial continued to be a reliable and dependable business partner to our customers amidst the COVID-19 pandemic, delivering fuels and lubricants to customers despite restrictions and challenges. Most affected by the COVID-19 crisis were major industries like land and marine transport, power, and manufacturing, which comprise 68% of the commercial market. These industries operated from only 25% to 60% of their capacity, while fishing, mining, and agriculture continued to thrive in 2020.

Revenue generation was also our key focus, and our financial initiatives paid off, generating contribution margins higher than the 2019 contribution. The higher yield was a result of programs initiated to improve contribution margins, and the prioritization of product allocation to higher-margin accounts and various financial initiatives.

Strict safety protocols were put in place to keep our people, our customers, and business operations safe as we continued to fulfill our commitments to our stakeholders. The business operated with zero incidents relating to HSE.

In spite of the limited face-to-face sales activities, we implemented various customer solicitation





and retention initiatives to grow our business. We solicited 104 new commercial and industrial accounts, and 82 new fleet card accounts, above the targeted 100 for the year. We also solicited 11 key accounts when we secured the renewal of our supply contracts, leveraging on good customer relationships, competitive pricing, and good-quality products and services.

Through our terminal in General Santos City, we offered direct bunkering facilities, which generated considerable fuel volume by the end of 2020. Addressing the pilferage concerns of some of our partners, we successfully introduced Auto DD, a dyed diesel, in the market, which improved our margins and our hold on key customers.

We also expanded our business portfolio by offering allied products, such as asphalt, and sold 1,000 metric tons in 2020. We also started the proof of concept trial for the LPG-fired generator sets at an exclusive island resort in Quezon on August 31, 2020.

Other financial results included a significant amount of collection of excise tax refund after documentation and BIR collection processes were developed and implemented. There was also an increase in cash sales transactions. We also implemented Early Payment Discount (EPD) programs which was our strategy shift to support and address the company cash generation initiatives. Furthermore, we established a

**1,000**

metric tons of asphalt  
were sold in 2020  
under the Commercial  
Business







Demurrage Process Program for timely billing and collection to our customers.

Aside from fuels, our lubricant business also generated valuable margin and sales support to the Commercial Team. Proactive technical support to our customers was maintained through webinars, virtual meetings, and teleconferences to address technical queries, product applications, and quality issues. Quality concerns of some customers, like Western Mindanao Power Corp., Asia Brewery, Inc., and Power One Corp., on the low density of IFO, were resolved through technical presentation and virtual meetings. The upgrading of our laboratories in Calaca, Batangas; Villanueva, Misamis Oriental; and Cebu generated savings in service fees. The Villanueva laboratory, rehabilitated in March

2020, is now the main laboratory for product recertification of our terminals and depots in Visayas and Mindanao, eliminating the need for the services of SGS and Intertek.

One of the key milestones for this year was when the American Petroleum Institute (API) Engine Oil Licensing Division gave its seal of approval and certification on the quality and performance specification of Phoenix Top Tier Passenger Car Motor Oils (PCMO) and Heavy Duty Diesel Engine Oils (HDO). The Japanese Automotive Standards Organization (JASO) has also certified Phoenix Premium Motorcycle oils.

All our hard work was rewarded as partners showed their appreciation through accolades given to us. We are the 'Most Outstanding Supplier of 2020

for the Oil Business Unit' by Aboitiz Power, and were also recognized as 'Preferred Supplier' by Pilmico, while Trans-Asia Shipping Fleet Management, the Alsons Group, and AC Energy have expressed appreciation for our continued service despite difficulties.





# *Lubricants & Distribution*

## BUSINESS



### UNFAZED EXCELLENCE

While challenges were aplenty, our lubricants sector persisted and concluded 2020 with a considerable number of new accounts. In fact, we added 597 retail trade outlets, 38 independent workshops, 175 Ka-Phoenix outlets, two Autoworx Plus outlets, and 19 retail sanitation hubs to our 20 distribution points last year.

Recognizing the value of efficiency during the pandemic, Project Lubes Supply Chain yielded in 2020 a significant amount of savings, which is higher than the projected figure. The increase in savings is attributed to the early closure of our central warehouse in August, resulting in a monthly savings of approximately



Php 1.3 million on monthly rent. New Direct-to-Distributor (D2D) and Vendor-managed inventory (VMI) business models have been adapted, replacing the lubricants distribution model. These new business models resulted in close to Php 1.00/liter in trans-shipment differentials and inventory cost went down to approximately Php 85.47 million compared to 2019.

Attesting to our commitment to excellence, our lubricant products secured seven American Petroleum Institute (API) and six Japanese Automotive Standards Organization (JASO) certifications, ensuring customers of the quality that we can deliver.

Accelerate Super G 15W-40, Accelerate Racing 5W-30 (API SN), Accelerate Syntech 5W-40 (API SN), Phoenix Zoelo Extreme 15W-40 (API CI-4/SL), Phoenix Zoelo Syntech 10W-30 (API CI-4), Zoelo Max 15W-40 (API CH-4/SL), and Zoelo Powertech 5W-40 (API CJ-4/SN) have been recognized by API, and are now listed in its Licensee Directory. Meanwhile, six of our motorcycle oils, namely Cyclomax Racing 4T 10W-50, Cyclomax Syntech 4T 10W-40, Cyclomax Titan 4T 20W-40, Cyclomax Force 4T 20W-50,

Cyclomax Scooter Syntech 10W-30, and Cyclomax Scooter Titan 20W-40, have been registered and certified by JASO.

With these affiliations, the aforementioned products will soon don the emblems of the respective standards classification and certifying entities, putting us in line with the world's major oil brands.





# Aviation

## BUSINESS



### SOARING TO NEW HEIGHTS

The COVID-19 pandemic put the aviation industry to a halt for the most part of 2020. In spite of this, Phoenix Aviation reported notable achievements. For one, our new commercial account volumes increased. This was achieved by increasing our business with the flag carrier Philippine Airlines, and winning, for the first time, the AirAsia account.

These achievements can be attributed to the significant improvements in our airport staging areas and operational controls as we leveled up our standards to international caliber.

All these measures enabled Phoenix Aviation to soar high in a year that was wrought with uncertainty.



# CME

## BUSINESS

### OPPORTUNITY AMIDST UNCERTAINTY

With the proper strategies, our coco methyl ester (CME) venture managed to regain momentum during a particularly tough year for many businesses.

The decision to maximize the potential of the CME manufacturing plant in Cagayan de Oro paid off. In 2020, our CME Business recorded an increase in total volume compared to the previous year.

With the increase in total volume, CME was able to bounce back in the second half of 2020 after suffering a net loss in revenues during the first half. This came amidst the COVID-19 pandemic that has caused businesses to close, and thousands of people to lose their source of livelihood.

Cost discipline, an optimized production plan, and improved efficiency in plant operation are the factors that contributed to the growth in production.

Additionally, the Phoenix CME Business is now into the export of crude glycerin, acid oil, and Coconut Fatty Acid Distillate (CFAD), which contributed to the total volume and gross margin.

With such notable achievements in 2020, the Phoenix CME Business is one step closer to achieving its goal of being a globally competitive brand as it prepares to widen its market reach locally, as well as internationally.





## OPERATIONAL HIGHLIGHTS



229

additional LPG  
SUPER HUBS were  
opened by end  
of 2020

### FROM ADVERSITY TO OPPORTUNITY

While most businesses endured the blow of the pandemic, our LPG business emerged as a more resilient segment amid the unusual circumstances that most had to adapt to. The year 2020 saw Phoenix SUPER LPG expand to new communities as 229 additional SUPER hubs and 334 dealer-exclusive partners were opened across the country. The business also managed to win 28 new franchises and 942 commercial accounts, on top of 12 new sub-dealer appointments.

Our franchise selling was intensified last year with the Bangon Negosyo Package to help those who were affected by the pandemic to have their own Phoenix SUPER LPG Hub franchise at a discounted price of Php 350,000, from the original package of Php 620,000. We also promoted our German-made SRG Reserve Indicator Regulator, an innovative device that allows the users to see the content level of their LPG, which resulted in more Phoenix SUPER LPG conversions.



With the threats of the virus and the subsequent community quarantine guidelines imposed, Filipinos rediscovered how fun, convenient, and economical it is to cook their own food while staying safe at home. Others even started their own food businesses to cater to the needs of their community, while enjoying a new source of income. This resulted in the increase in sales and demand for Phoenix SUPER LPG, which is the ideal partner in the kitchen.

To quickly adapt LPG operations to the new normal, novel digital-based programs

were introduced. We launched a new and improved online order form on our official Facebook page through the 'SHOP NOW' tab, and on the website through the 'ORDER NOW' button. We have also started to accept orders through call and text. On top of the convenience of our online and mobile ordering and delivery services, we also enabled online payments for the purchase of our products so that Visa and Mastercard debit and credit cardholders can pay for Phoenix SUPER LPG orders via our online portal, which makes for safer and more convenient transactions.





## OPERATIONAL HIGHLIGHTS



PHOENIX  
SUPER LPG

**KALDEROKE**

*Sarap pala magluto!*

Singing and Cooking  
**SHOWDOWN**

HOSTED BY  
**SHERYN  
REGIS &  
WACKY  
KIRAY**

**EVERY SATURDAY 8:30 AM KAPAMILYA CHANNEL**

Kundiman singer Francis Anne Virtudazo from Muntinlupa was crowned as the first Phoenix SUPER LPG Kalderoke Grand Royalty during the finale of the singing and cooking competition aired on February 27, 2021 on the Kapamilya Channel.



Last year, we partnered with the Kapamilya Network to produce Phoenix SUPER LPG's Kalderoke: The Singing and Cooking Showdown. A combination of two of Filipinos' passions—singing and cooking, the nationwide contest featured 16 contestants who showed off their cooking skills, mouthwatering dishes, and stellar singing voices. The show was hosted by Wacky Kiray, while the judging panel was composed of celebrity chef, Rolando 'Chef Lau' Laudico; actress, comedienne, and singer, Tuesday Vargas; Star Music composer and songwriter, Jonathan Manalo; and Phoenix SUPER LPG's Category Marketing Manager, Marc Salboro. Launched in July, it was aired every weekend on the Kapamilya Channel, Kapamilya Facebook page, and the Phoenix SUPER LPG Facebook page.



MAGLUTO, KUMANTA  
MANALO!

GrabKitchen

### SIGNING CEREMONY



**MEMORANDUM  
OF AGREEMENT**  
Phoenix LPG Philippines, Inc.  
Grab Transport Company

GrabKitchen

### SIGNING CEREMONY



**MEMORANDUM  
OF AGREEMENT**  
Phoenix LPG Philippines, Inc.  
Grab Transport Company

GrabKitchen

### SIGNING CEREMONY



**MEMORANDUM  
OF AGREEMENT**  
Phoenix LPG Philippines, Inc.  
Grab Transport Company

Phoenix SUPER LPG is now the exclusive partner of two new GrabKitchens that were opened in Metro Manila. Under this partnership, Phoenix SUPER LPG installed the LPG system and supplied the LPG requirements of the cooking facilities. GrabKitchen brings together different restaurants in one central location, as it equips restaurant operators with basic needs, and affords merchants the ability to expand without high overhead costs such as infrastructure build-up.

Our programs and innovations helped us achieve an LPG market share of 6.87% as of the third quarter of 2020, 1.26% higher compared to our 2019 market share of 5.61%. We ended 2020 with a growth of 32% against 2019.







**28%**  
increase in  
volume growth  
vs. 2019

### INCREASING REGIONAL PRESENCE

Now on its third year, PNX Petroleum Singapore Pte. Ltd. continues to grow the regional presence of the Phoenix group in Southeast Asia.

PNX Singapore performed creditably with a volume growth of 28% versus 2019, despite the muddled business environment engendered by the COVID-19 pandemic. Sales of Vietnam accounted for 19% of overall sales, up from 7% in 2019, while sales to the Philippines weighted 64% of the total volume, down from 90% in 2019. The goal is to continue to develop a bigger customers' base and regional diversification, with less dependency on a single market. As a consequence, third-party sales increased 120% versus 2019, and represented 63% of total traded volume.

Amid the challenges of global health and economic crises, PNX Singapore registered a turnover above USD 1 billion despite the downtrend in the prices of refined fuel products.





**350 kw**  
of power supplied by  
gensets that can run  
Phoenix SUPER LPG



Gas-fired generator units manufactured by Mesa Natural Gas Solutions LLC. were delivered to the island resort in Quezon from Casper, Wyoming.

## POWERING THE FUTURE

Treading the path towards energy diversity, a joint project development was undertaken by Phoenix Pilipinas Gas & Power, Inc. with Mesa Natural Gas Solutions, LLC, paving the way for innovation in conventional power generation projects. Three units of gas-powered gensets were brought to the country for a pilot run at an exclusive island resort in Quezon. Supporting the baseload power required in September 2020, the genset units supplied 560 kilowatts of additional power using Phoenix propane-rich LPG. Despite logistical challenges caused by

the pandemic, Phoenix Pilipinas Gas & Power, Inc. continued to forge the way towards a more sustainable energy future.

The genset units will not only bring down greenhouse gas emissions, but also provide reliable and dependable power to off-grid users and power security to island-grid customers. Compact and mobile, the units are custom-engineered for use in remote areas, and are expected to cater to the power-generation needs of B2B customers and remote communities in the Philippines.

Aside from propane-rich LPG, the gensets can be powered using natural gas, LNG, compressed gas, and wellhead gas. With the use of such technology, LPG is positioned as a transition fuel to bring cleaner and more efficient fuel such as LNG, making this type of gensets a viable alternative to coal, diesel, and bunker fuel-fed power generation units.

To formally introduce this innovative technology and highlight its value to businesses and communities, a livestreamed, virtual launch was held, participated in by potential partners.





PGV achieved an annual growth of

162%

The year 2020 was a crisis-laden period with many businesses suffering from the blow of the global pandemic. Almost, if not all, businesses from various industries were challenged with unprecedented losses, and continue to experience setbacks. Only a handful stood tall and bullish with resilience. Phoenix Gas Vietnam LLC (PGV) is one of the fortunate few that thrived and flourished despite the odds.

Team Phoenix Gas Vietnam turned over a calamity aid for two schools severely affected by storms that hit Vietnam in October 2020.

### THRIVING IN CHALLENGING TIMES

Phoenix Gas Vietnam LLC employed a pricing strategy in retail, while wholesale kept the business afloat, overall achieving annual growth of 162%.

The implementation of stringent cylinder monitoring and management programs, along with distributor assessment processes, joint venture, and cylinder injection processes contributed largely to the growth of the household segment (12kg cylinder) year-on-year.

For the beginning of the first half of 2020, branded volume comprising the HORECA (hotel, restaurant, cafe) segment (45kg cylinder), retail and household segment (12kg cylinder), and industrial bulk segment (B2B), garnered a decline. The pandemic lockdown caused production and trade activities to slow down. However, the business volume gradually improved, ending the year with growth year-on-year despite the price war in the second half of 2020. The strong demand for import cargo paved the way for the wholesale segment to astronomically rise by 374%. The importation of 38 cargoes with an aggregate volume of 94.3 KT for 2020 successfully met the supply requirements.



PGV took part in various outreach programs for Overseas Filipino Workers (OFWs) in Vietnam who were greatly affected by the COVID-19 pandemic.



PGV ended the year with a 127% increase in revenue, from USD 28,382,695 in 2019 to USD 64,520,553 in 2020. Total assets also increased by 21% with USD 15,449,686 in 2020 from USD 12,738,515 in 2019.

## RESILIENCE ON THE RISE

With the ongoing pandemic, discipline was key in adhering to strict safety protocols. With this at hand, no confirmed COVID-19 cases were reported in all areas of business operations.

Adding more value to the compensation and rewards policy resulted in a better workforce environment and positive employee work performance. PGV continues to effect changes for better efficiency and transparency. The company has improved 13 company policies and internal regulations with the

goal to achieve ISO certification in 2023. Cost-cutting measures, reducing risks, and increased sales were achieved through the PGV Supply, Sales, and Inventory Optimization Program.

With a heart to serve the community, PGV played a significant role in several outreach programs. The company was part of 'Ibahagi ang Buhay', a food donation program for affected OFWs, 'Shelter Program', an initiative that provided temporary housing for stranded OFWs waiting for repatriation flights, and the 'PGV Calamity Aid', which donated financial assistance to selected schools affected by severe calamities in Central Vietnam.

38

cargoes imported with an aggregate volume of 94.3KT

127%

increase in revenue from USD 28.4 million to USD 64.5 million



## OPERATIONAL HIGHLIGHTS



6,200

metric tons of bitumen asphalt 60/70 can be accommodated in the new asphalt plant

### ON THE ROAD TO SUCCESS

Phoenix Asphalt Philippines, Inc. achieved a major milestone in the business with the completion and full operation of a dedicated asphalt plant in Calaca, Batangas. The plant will help us achieve our goal to be the main supply point of quality bitumen products. This came two years after the company's groundbreaking ceremony in 2018.

The plant features two vertical storage tanks that can accommodate 6,200 metric

tons of bitumen asphalt 60/70, a penetration grade bitumen for hot mix asphalt used in road constructions. It also features a loading gantry equipped with two loading bays, and with a weighbridge capacity of 80 metric tons. It also has a 2.5 million kilocalorie-capacity hot oil unit, and a back-up generator set unit with 350 kilovolt-ampere capacity.

The next phase of the plant's construction is expected to start in late 2021, and this will include



The newly built asphalt facility of Phoenix Asphalt Philippines, Inc. in Batangas started operations, offering high-quality bitumen products for road constructions.



the Polymer Modified Bitumen and Emulsion facilities, important ingredients for producing high-quality performance asphalt products for roads, expressways, and runways.

Phoenix Asphalt closed 2020 with an overall market share of 16% even though the asphalt industry declined by 64,000 MT.

Furthermore, the company had a successful trial introduction of our polymer modified

bitumen (PMB) for the Northern Luzon Expressway after a year of negotiations. We also improved our presence in the Visayas region through the implementation of our asphalt bitutainer units.

With these gains in 2020, Phoenix Asphalt is expected to make its presence even stronger in the years to come.





### ALL MOTORING NEEDS UNDER ONE ROOF

Since its inception in February 2019, Autoworx Plus (AWP) has established itself as a one-stop automotive facility for reliable car care and repair at the best value. The car servicing shop is equipped to handle a broad range of car care needs with dedicated and well-trained service technicians, and the business was only further cultivated in 2020.

With the intent to streamline the delivery of services, AWP was subdivided into three workgroups; Service Center for the one-stop shop, Home Car Care for the provision of home services, and Sanitation Hubs

for satellite sanitation services that were put up in a number of Phoenix retail stations.

With the opening of two more AWP Service Centers at Multinational Road, Parañaque, and Dahlia Road, Quezon City, we closed the year 2020 with five operating AWP Service Centers. On top of the regular services, we now also sell auto parts and accessories like wiper blades, engine flush, oil filters, and engine cleaners.

Addressing the mobility issues of motorists amidst travel restrictions, we launched Home Car Care services initially in

Autoworx Plus launched antibacterial car treatment that can disinfect the car's interior without posing health hazard to motorists.

**Pay contactless and get a  
FREE certified anti-bacterial  
car treatment!**

Alipay GCash GrabPay WeChat Pay

Applicable for Limitless members with a P1,000 worth of single or accumulated fuel purchase using Contactless Payments  
Per DTI Fair Trade Permit No. FTEB-101502 Series of 2020

LIMITLESS



\*See Terms for more details

**PROMO PERIOD: JULY 6 TO AUGUST 8, 2020**



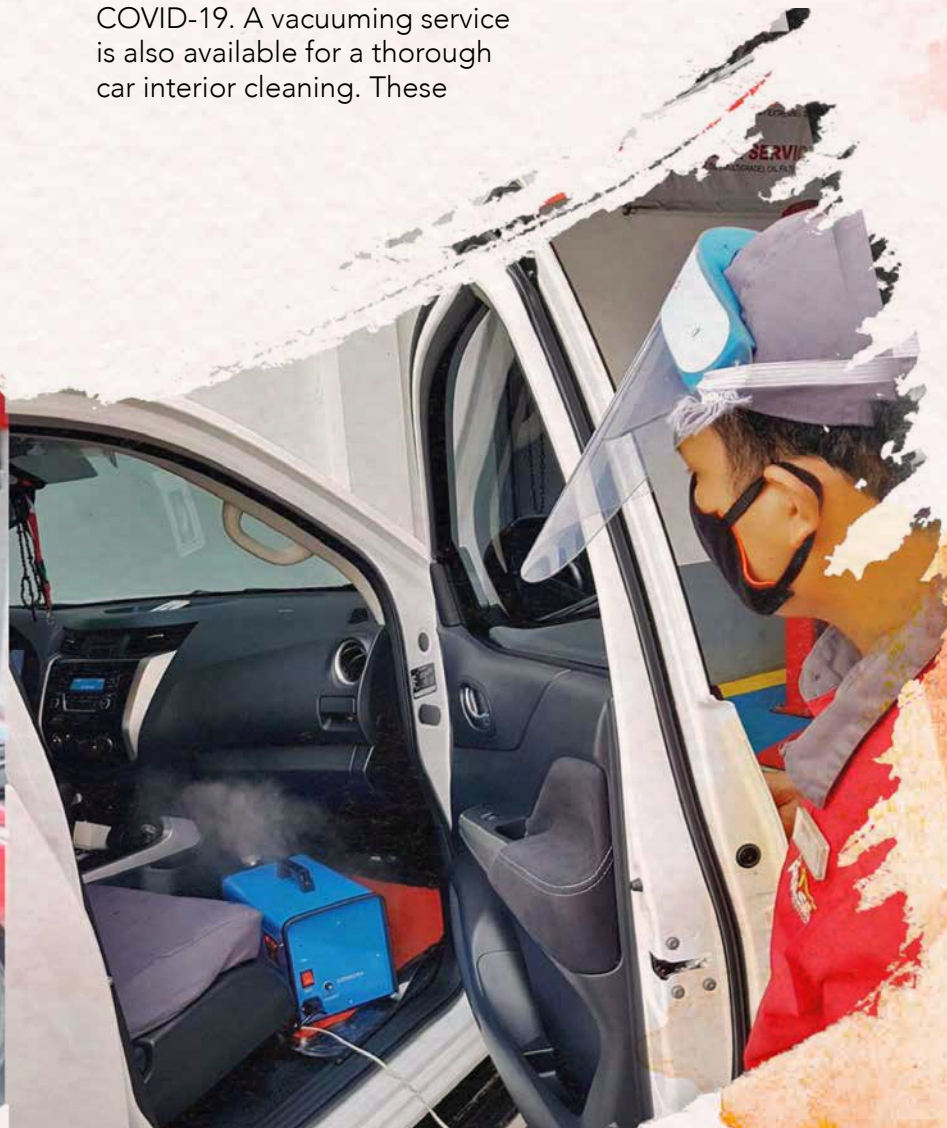
Muntinlupa City. Quick repairs, car wash, and sanitation services are provided in the comfort of the customer's home. Meanwhile, our Sanitation Hubs offer an additional layer of safety through a TUV-certified antibacterial treatment that can kill 99.9% of bacteria, eliminate unpleasant odor, and improve the car's cooling system. The hubs also provide a vehicle sanitation service that cleans and disinfects vehicles from viruses like COVID-19. A vacuuming service is also available for a thorough car interior cleaning. These

Sanitation Hubs are found in ten Phoenix stations in Mega Manila, Olongapo, Zambales, Cavite, and Cebu.

To offer more value to customers, we launched a promo where motorists could avail of a Php 150 discount on the Certified Antibac Treatment for every Php 1,000 single purchase of Phoenix fuels, helping customers have safe and worry-less drives.

10

Phoenix Petroleum  
stations offer  
sanitation hubs



WORX



## OPERATIONAL HIGHLIGHTS



FamilyMart's rolling stores, Fam on Wheels, opened at participating locations, providing alternative convenience to customers wanting to get their basic supplies without the long lines during transactions.



### GOOD TIMES OR OTHERWISE, #WEGOTCHUFAM

Innovate and reinvent. These best describe what FamilyMart had to do in order to keep serving the community. When quarantine restrictions hindered movement for many, FamilyMart devised a plan that would bring our products and services to where our market is in the safest, most convenient ways possible.

Residents in select communities in Metro Manila had the option to purchase basic essential items and a selection of FamilyMart goodies through Fam on Wheels, a pop-up store located at Phoenix gas stations.





# Safety First

1

Only 5 customers at a time are allowed inside our stores

2

QR Code for contract tracing



3

Social distancing is observed at all times

4

Placement of social distancing foot graphics

5

Updated retail space planning in all stores

6

All our store crew adhere to wearing face masks and disposable gloves





## OPERATIONAL HIGHLIGHTS

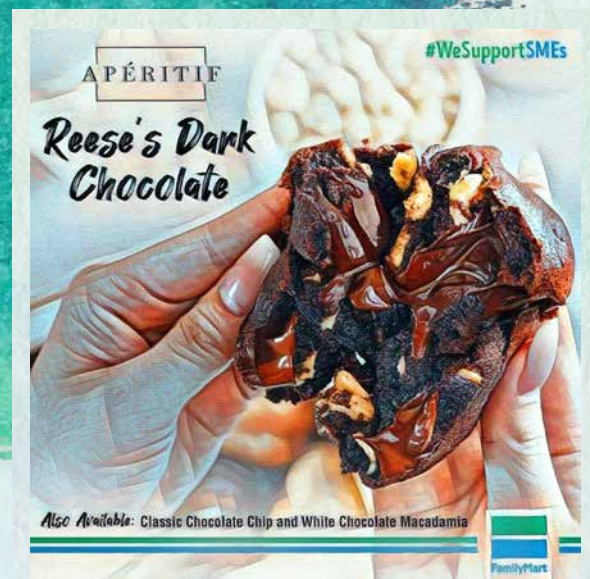
Contactless transactions and payment options were also introduced to ensure everyone's safety. For better access to FamilyMart items, especially our well-loved Japanese treats, we accommodated orders through Facebook Messenger, and partnered with Lalamove, GrabMart, and ANGKAS, bringing our products to even more households.

Meanwhile, we expanded our menu by introducing five new onigiri variants; Grilled Salmon, Beef Yakiniku, Umami Spicy Pork, Pork Sisig, and Bagoong. We also started offering the famous Premium Kani Sushi Bake in partnership with a small local business, Baked by Machew, as part of our #WeSupportSMEs campaign. Also part of this

project is our partnership with APÉRITIF whose beloved cookies have been available in our stores since June 2020.

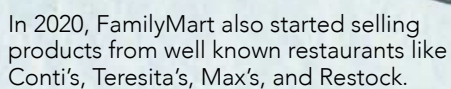
Additionally, we have been carrying items from famed restaurants, including Conti's, Teresita's, and Max's, as well as cookies from Restock, making our food selection even more

*What's New?*



Philippine FamilyMart expanded its menu in 2020 with five new onigiri variants (Grilled Salmon, Beef Yakiniku, Umami Spicy Pork, Pork Sisig, and Bagoong), the famous Premium Kani Sushi Bake in partnership with Baked by Machew, and the beloved APÉRITIF cookies.





For our ever-growing beverage line, we launched the Coffee Creations Coffee Jelly to give our customers even more variety and

True to our purpose of delighting more Filipinos, we brought FamilyMart to Cebu through a new retail format. The compact version of the full-option concept store that we launched in November 2019 opened in three branches



## OPERATIONAL HIGHLIGHTS

*Php 500,000*

investment cost  
for the new FamilyMart  
store format

in strategic locations; Phoenix V Rama, Phoenix Banilad, and a standalone store in Banawa, catering to motorists and the surrounding communities. These new stores in Cebu are focused on curated offerings, highlighting our best-selling products, such as onigiri, ramen, and yakiniku. The stores are also each equipped with Posible digital-based payment services for safer, contactless transactions, and bills payment.

We developed the new FamilyMart store format to bring our brand to more communities, while offering a more attractive proposition to investor-franchisees with a smaller investment cost of Php 500,000, which is up to 90% lower than regular FamilyMart franchise packages.







## DIGITAL TRANSACTIONS MADE POSSIBLE

The pandemic may have brought uncertainty to the business climate, but it has also opened doors of opportunity for digital transactions to take the spotlight. It even became a catalyst for Posible to make milestone strides in the business.

Posible heeded the government's clamor for contactless payment by serving as cash in/cash out agents for payment channels such as GCash and Paymaya. Bills payment and other micro-financial services have also been offered onsite. In addition to these offerings, RFID (radio-frequency identification) reloading service was made available last December at Phoenix stations. Motorists can easily avail of the reloading service through Easytrip and Autosweep.

The rise of digital transactions in the form of bills pay, e-money cash in/out, and remittance services rose in 2020, and Posible alone was able to process Php 7 billion worth of transactions. Our network base increased, forging strong partnerships with over 8,000 community-based partner agents, Phoenix outlets, and FamilyMart retailers. The successful introduction of the mobile-based application POSIBLE NEXT further expanded our reach to 1,500 points of presence.

8,000

community-based  
partner agents,  
Phoenix outlets, and  
FamilyMart retailers





# LIMITLESS

**DOWNLOAD NOW  
& UNLOCK LIFE  
MADE LIMITLESS.**



**FREE MEMBERSHIP**



**EARN POINTS**



**EXCITING GIFTS**



**AWESOME REWARDS**

## **A NEW WORLD OF POSSIBILITIES**

In the midst of changes brought about by the so-called new normal, we underwent a major digital transformation, and one of the highlights is the introduction of LIMITLESS, an app-based lifestyle rewards program.

Consolidating all our brands, LIMITLESS facilitates cross-marketing opportunities, while offering customers more value with every valid purchase through points, rewards, and exclusive perks.

Members can earn points through transactions with accredited merchants, such as Phoenix Petroleum, Phoenix SUPER LPG, and FamilyMart Philippines. For further convenience, members only need to show their QR code on the app during transactions. Every Php 200 worth of purchase earns 1 point, which is equal to Php 1, and can be used towards purchases and vouchers.

Downloadable for free on Google Play, the App Store, and the Huawei App Gallery, the





*Php 62M*

worth of sales by the  
end of 2020, 6 months  
after its initial  
launch



LIMITLESS app also offers other fun and useful features, including a game that allows members to earn even more points.

Over the holidays, LIMITLESS members were treated to an online flash sale, featuring Phoenix fuel vouchers at 80% off. Unlike similar promos in the past, members were able to avail of the discount in the comfort and safety of their home, and without having to line up at the stations. The digital fuel vouchers also do not expire, and can be used anytime at participating Phoenix

stations, giving those who were able to avail of the promo further convenience.

The online sale held for two days generated over Php 1 million worth of Phoenix fuel vouchers. LIMITLESS membership raked in 2,200 new members.

By the end of 2020, just about six months after it was launched, LIMITLESS already had more than 100,000 members and over 216,000 transactions amounting to Php 62 million worth of sales.

*100,000*

LIMITLESS  
members by the  
end of 2020



# Awards and Recognition

## REAPING WHAT WE HAVE SOWN

In spite of all the unfortunate events last year, there were still highlights that celebrated Phoenix, and recognized our community-serving projects. Such honors only show that it pays to invest in worthwhile campaigns that serve our purpose, and stay true to our values.



**GOLD STEVIE WINNER:**  
FAMILYMART COFFEE CREATIONS  
Achievement in Sales or Revenue Generation



**GOLD STEVIE WINNER:**  
PHOENIX SUPER LPG 'SARAP PALA MAGLUTO'  
PR Campaign of the Year-Marketing-Consumer Products



**SILVER STEVIE WINNER:**  
PHOENIX PETROLEUM 'TULONG PARA SA TAAL'  
PR Campaign of the Year-Corporate Social Responsibility



We continued our winning streak at the prestigious International Business Awards (IBA) by bagging three more trophies from the awards organization. Since first joining the annual competition in 2017, we have collected six Stevie trophies.

We earned a Gold Stevie for Phoenix SUPER LPG's 'Sarap Pala Magluto', which enticed a new generation of home cooks, especially millennials, to prepare their own meals. With Popstar Royalty Sarah Geronimo-Guidicelli as brand ambassador, the campaign was able to drum





up awareness for the brand, and helped increase our market share. The launch even topped the Twitter trending list.

Another Gold Stevie went to the FamilyMart Coffee Creations project for its significant contribution to overall revenues. From a mere seven cups a day, the new coffee line was able to dramatically increase FamilyMart's coffee sales to an average of 70 cups a day.

Meanwhile, we earned a Silver Stevie for our 'Tulong Para Sa Taal' initiative, which made use of all Phoenix brands, products, stakeholders, and partners. Highlighting our extensive and consolidated approach to addressing the needs of 10,000 families affected by the Taal Volcano eruption, it was recognized under the PR Campaign of the Year-Corporate Social Responsibility category.

After five years since we won our first Anvil Award, Phoenix Petroleum is back in the spotlight, bagging one Gold and three Silver Anvils at the 56th Anvil Awards.

Together with PAGEONE Group, our entry, "#WeSupportSMEs: FamilyMart Champions The Filipino Entrepreneur," was given the top recognition for the Public Relations Program Directed at Specific Stakeholders—Suppliers category for empowering small to medium entrepreneurs by carrying their products in our stores. We also received a Silver Anvil for 'Kwentong Pinoy, Kwentong Phoenix' for our Facebook page dedicated to Phoenix-related human interest stories, which was entered under the Digital Public Relations Program—Good Governance/ Social Responsibility/ Responsible Citizenship category. Under the Specialized Public Relations Program—COVID-related PR programs with tools category, #WeSupportSMEs campaign also won a silver award, while the same honor was given to "Spreading Happiness in Households: Phoenix SUPER LPG's 'Sarap Pala Magluto'" under the Public Relations Program Directed at Specific Stakeholders—Consumers category.

For the third consecutive year, we were also recognized by the 18th Philippine Quill Awards with two Awards of Excellence and two Awards of Merit.

Phoenix SUPER LPG's 'Sarap Pala Magluto' campaign bagged an Award of Excellence in the Marketing, Advertising, and Brand Communication category. Another Award of Excellence recipient is FamilyMart's Convenience Store Retailing campaign that topped the Customer Relations category.

Meanwhile, co-created with our agency PAGEONE, our entry for Kwentong Phoenix, bagged an Award of Merit for the Social Media Programs category, while FamilyMart's #WeSupportSMEs project also won an Award of Merit for the Marketing, Advertising, and Brand Communication category.

At the 2020 PANATA Awards, the "Spreading the Joys of Cooking: Phoenix SUPER LPG's Sarap Pala Magluto" campaign was shortlisted in the Excellence in Brand Positioning category.





# *Sustainability*









## A HEART FOR HELPING

Last year was an extraordinarily intense year for the Phoenix Philippines Foundation, Inc. In addition to helping those who were badly affected by the lockdown brought about by the COVID-19 pandemic, the foundation also extended an extra hand to those ravaged by the eruption of Taal Volcano, and the series of typhoons that hit the provinces of Albay, Bicol, and Cagayan, among others.

The foundation had to re-strategize to give way for more immediate concerns. Activities

for our advocacy in education were set aside since classes were switched to online lectures and learning modules. Other projects that had to take the backseat were the nationwide medical and dental missions, tree planting activities, international coastal clean-ups, and Christmas gift-giving due to the imposed safety protocols. However, we found other ways to empower different communities, and help those who were in most need.







10,000

individuals benefitted  
from the 'Tulong Para  
Sa Taal' campaign

TULONG PARA SA TAAAL

REFUEL  
RELIEF

## RISING FROM THE ASHES

Phoenix Petroleum launched the 'Tulong para sa Taal' campaign when the Taal Volcano erupted in January 2020, and extended assistance to affected communities, primarily in Batangas and Cavite. Phoenix stations in the areas offered free ash wash-off for vehicles, and gave free refueling for vehicles utilized in official donations and rescue activities, food and donation drives, and outreach initiatives, which were

done in partnership with other organizations, including Red Cross Cavite, Grab Philippines, TV 5, and ABS-CBN. Additionally, a total of 20 Phoenix stations in Metro Manila served as drop-off points for in-kind donations like bottled water, blankets, canned goods, hygiene kits, sleeping mats, medicines, and clothes. We also assembled 'Bangon Bags' containing essential survival items, which were then distributed in evacuation centers.

Phoenix employees agreed to reallocate one week's worth of the company's lunch budget to relief efforts to raise funds for the affected families, while one of the company's business partners, Tipco Asphalt, also extended financial help.

With the participation of different stakeholders, over 10,000 individuals were able to benefit from various relief efforts of the 'Tulong Para Sa Taal' campaign.





### **PUTTING SMILES ON CHILDREN'S FACES**

Operation Smile Philippines provides surgeries for those born with cleft lip and cleft palate, counting more than 30 years of extending help to others.

Phoenix Petroleum partnered with Operation Smile Philippines in February, and helped finance the surgery and treatment of 11 children who have cleft palate, cleft lip, and other oral deformities. The procedures were carried out in a private hospital in Davao City.





*100,000*

liters of fuel were donated  
for the Red Cross relief  
efforts in Albay and Cagayan

## THROUGH THE STORM

In addition to an ongoing pandemic, the last quarter of 2020 saw the country suffer successive weather disturbances with Typhoon Rolly and Typhoon Ulysses.

In coordination with the Philippine Red Cross, Phoenix donated over 100,000 liters of fuel for the Red Cross relief efforts for typhoon survivors in

Albay and Cagayan. Together with ABS-CBN's Lingkod Kapamilya Foundation, 11 Phoenix SUPER LPG tanks were also donated and used for the roving soup kitchen that fed evacuees in Rizal province.

Phoenix also donated cooking sets, rice, canned goods, and other packaged food items for over 1,500 affected individuals

in Albay, Rizal, Cagayan, and Isabela. Showing even more selflessness, company employees also raised cash donations for 49 Phoenix workers who were affected by the floods in the Cagayan region.





### KEEPING LIFE FLOWING

As there is a constant need for blood in medical facilities across the country, bloodletting activities were conducted at Udenna Tower and at the Phoenix Headquarters in Davao last year. Employees in Manila were able to donate 46 bags of blood to the Philippine Red Cross, while our colleagues in Davao City produced 37 bags. Since 2008, we conduct regular bloodletting activities to help ensure that safe blood will be available whenever and wherever it is needed.

83

bags of blood were donated by Phoenix to the Philippine Red Cross



## WINGS OF HOPE

Phoenix, our adopted eagle at the Philippine Eagle Foundation (PEF) in Davao since 2012, has found a new partner. Initially, Phoenix was paired with a female eagle named Marikit with the hopes of increasing their population. However, Phoenix was paired last year with another eagle named Mayumi, and the two have been showing favorable interaction.

Producing an offspring between two eagles in captivity would be considered a great milestone for the country, and a step towards environmental preservation as it is believed that there are only 800 of the endemic bird left in the wild. Pag-asa, the first Philippine eagle to be bred in captivity, died in January of 2021.



*Php 100,000*

was donated to the Missionaries of Charity (Gasa sa Gugma) in Cebu City

## COMPASSION FOR THE NEEDY

Phoenix Foundation responded to the call for help from the Missionaries of Charity (Gasa sa Gugma), a community organization for the aged, dying, and abandoned in Cebu City, with a Php 100,000 donation in cash. Gasa sa Gugma currently houses 42 elders.

We also donated Php 100,000 worth of Phoenix SUPER LPG, heavy duty iron burner, digital audio system, and wooden double-deck, single-sized for 100 resident drug dependents at the Davao City Treatment and Rehabilitation Center for Drug Dependents in Tugbok, Davao City.





## COVID-19:

# *Fighting the Battle of a Generation*

If there is one phenomenon that the world would remember about 2020, it would be the COVID-19 pandemic, which crippled industries, shut down businesses, and took millions of lives.

In the Philippines, the worsening spread of the virus resulted in government-imposed community quarantine measures, which started barely two months after the eruption of Taal Volcano. Then, in November, in the midst of a battle against an invisible enemy, two of the year's strongest typhoons blasted the country, worsening the suffering of Filipinos, who, by then, have already been enduring months of economic turmoil, and mental and emotional anguish.

Through it all, Phoenix managed to not only continue operating and support communities, we also extended assistance to Filipinos nationwide. As the pandemic and its inevitable economic effects challenged our businesses, we also had to learn to adapt and respond to the needs of our own employees, our customers, our partners, and the government.

Under such unprecedented circumstances, one of the first tasks we accomplished was securing our employees. Majority of the Phoenix workforce adopted a work-from-home set-up, while essential on-site personnel worked in shifting schedules, and were given special benefits.



Having secured the welfare of our employees, we proceeded to help alleviate the ill effects of the pandemic in other communities, initially allocating Php 100 million for COVID-19-related relief efforts.

The company participated in a number of programs and partnered with local government units (LGUs) and non-government organizations (NGOs) in order to provide relief to frontliners, health workers, and affected communities. We donated almost 180,000 liters of fuel, which were given to more than ten different organizations all over the country. We also donated Phoenix SUPER LPG to more than 16,000 households through dealers and franchisees nationwide.

Since mass transportation was not available during enhanced community quarantine (ECQ), we partnered with the Department of Transportation (DOTr) in Luzon for its Libreng Sakay Program. Free fuel was donated to a total of 2,245 vehicles that provided free shuttle service to health workers all over Metro Manila. Phoenix also provided free fuel to a total of 114 vehicles from the Philippine Disaster Recovery Agency's Libreng Sakay program.

Fuel vouchers, on the other hand, were given to 58 GrabBayanihan vehicles that were used to deliver essential medical goods to hospitals and the Philippine Red Cross. Meanwhile, the MV Amazing Grace Humanitarian

Since the onset of the COVID-19 pandemic, over 16,000 households have received Phoenix SUPER LPG-filled donations, serving as a reliable cooking partner to communities nationwide.

*Php 100M*

was initially allocated for COVID-19 relief programs





20,000

liters of Phoenix fuel  
were donated to  
facilitate the transport of  
COVID-19 testing kits

Ship received a donation of 20,000 liters of Phoenix fuel to enable it to transport COVID-19 testing kits from Manila to other parts of the country.

To help give the agriculture industry a boost, Phoenix also provided fuel for the Sagip Saka program, which transported fresh farm produce from Batangas and Benguet farmers, and donated them to communities in Metro Manila. Phoenix also supported Makati City's rolling market and grocery store called Makati Mart. In cooperation with the Department of Agriculture (DA) and the Department of Energy (DOE), Phoenix helped farmers and fisherfolk in South and Central Luzon by providing an area in participating stations where they could sell produce

Php 4.00

per liter fuel discounts  
were extended to farmers  
and fisherfolk

IN PARTNERSHIP WITH  
**KADIWA NI ANI AT KITA  
SA PHOENIX**

TULONG-TULONG SA PA  
NG AGRIKULTURA



under the 'Kadiwa ni Ani at Kita sa Phoenix' project. Fuel discounts of up to Php 4 per liter were also extended to farmers and fisherfolk, and an additional Php 50,000 worth of fuel was donated.

With food drives operating across the country, we provided over 16,000 tanks worth of LPG to help feed frontliners and communities in need. We supported several entities and initiatives, including the Pasig City Mobile Kitchen, Chef Go of Davao City, the AFP Mobile Kitchen, the Pilar Municipality Kitchen in Sorsogon, and seven sites of the Philippine Red Cross Kitchen, among many others. These are on top of our LPG dealers and franchisees who also extended help on their own.



16,000

tanks worth of LPG were provided to help feed frontliners and communities

6,400

FamilyMart meals were donated to frontliners in both public and private sectors









Further providing sustenance, we also donated over Php 800,000 of FamilyMart meals and goods to both the private and public sectors, including the Makati, Pasig, and Taguig local government units, Camp Crame, and St. Luke's Medical Center - Global City. Mostly benefiting frontliners, these donations were instrumental in supporting members of society with critical roles in safeguarding the public as the number of cases rapidly increased.

Even our Philippine Basketball Association team, the Phoenix SUPER LPG Fuel Masters, did their part by donating a portion of their salaries for use in relief efforts. The team distributed food packs to frontliners in Pateros, Pasig, Quezon City, and San Juan,

and donated rice and PPEs to the Bilibid Hospital in Muntinlupa and Ospital ng Makati.

In Visayas, we fueled up for free the ambulances of West Visayas Medical Center and Iloilo LGU vehicles, which transported medical supplies and frontliners.



## BARANGAY VALENCIA

BARANGAY VALENCIA, CALABARZON

BARANGAY VALENCIA, CALABARZON

BARANGAY VALENCIA, CALABARZON

BARANGAY VALENCIA, CALABARZON

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2,000

liters of free fuel were provided to ambulances and LGU vehicles transporting medical supplies and frontliners



A total of 69 vehicles received a total of 2,000 liters of free fuel from Phoenix. Further south, Phoenix provided fuel for six Vallacar Transit buses for their Libreng Sakay services in Davao City. Cash, on the other hand, was donated to a Facebook group called Pinoy Tsuper Helping Hands to extend assistance to public utility drivers affected by the mass transportation suspension.

Phoenix Petroleum and Udenna Foundation, through its UCARE or Community Care program, worked together to help NGO AGREa complete a bayanihan run from Batangas to Malabon City, delivering 6,000 kilograms





of fresh food packs. Worklink of Chelsea Logistics provided the trucks, drivers, and helpers, while we provided fuel.

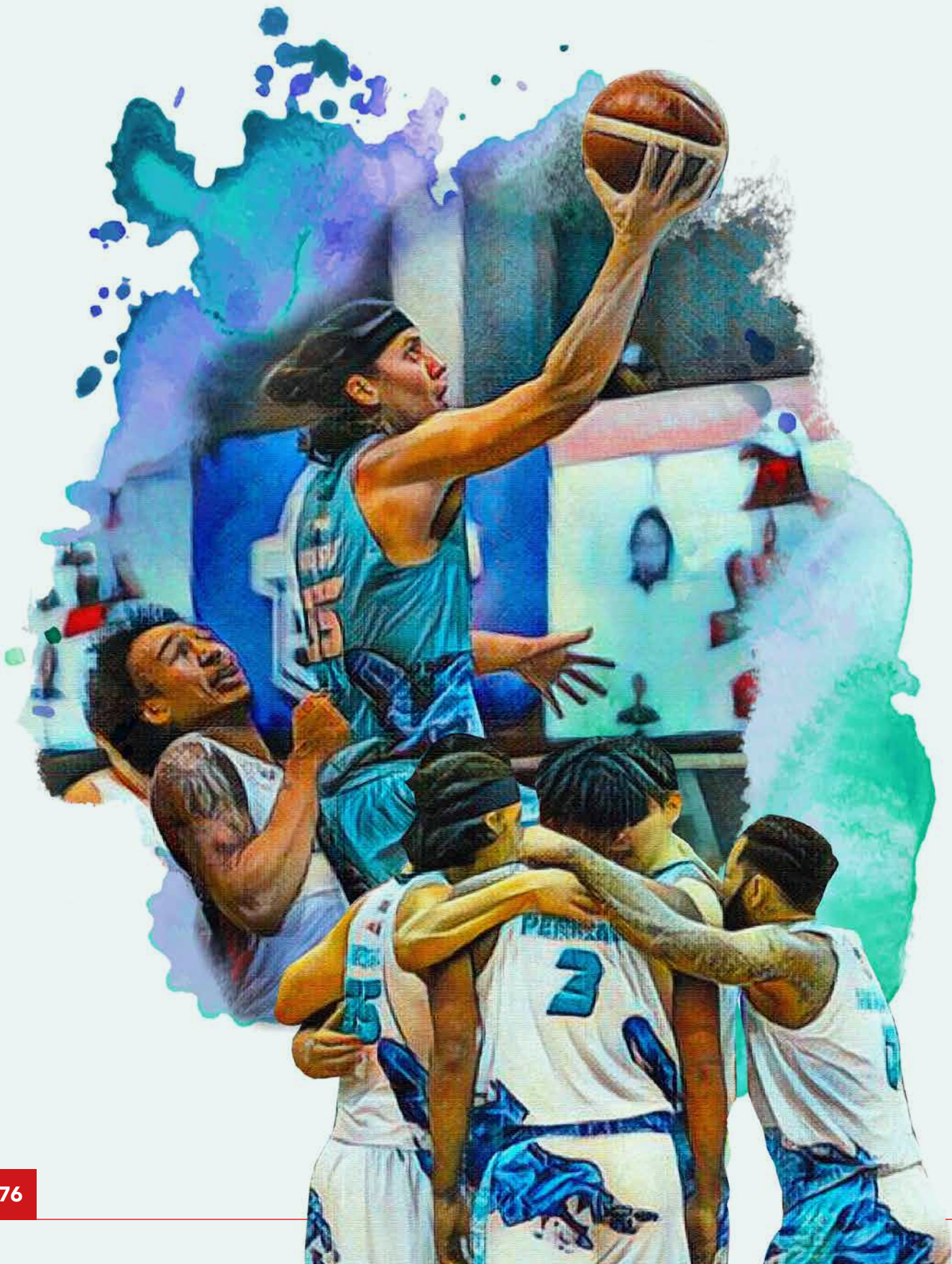
The battle against the pandemic is far from over, but as what the events of the previous year showed, any adversity can be conquered when there is unity. Many may remember 2020 as a year of loss and tragedy; however, through the participation of everyone in the Phoenix team, there are families and communities that will also look back to it as a time filled with compassion and selflessness, and look forward to a 2021 that is teeming with hope and optimism.







**PHOENIX  
SUPER LPG**  
FUELMASTERS





# Phoenix Rises in the Bubble

## 2020 PBA SEASON 45 HIGHLIGHTS

Against the backdrop of the unusual playing environment, the Phoenix SUPER LPG Fuel Masters played in the PBA bubble with much to prove. Under the able mentorship of Coach Topex Robinson, the team finished with an 8-3 record, and second place at the end of the elimination round.

With a twice-to-beat advantage, the Fuel Masters would move on to beat Magnolia in the quarterfinal series, 3-2. They would, however, succumb to Talk n Text in the semifinals, thus missing the chance at a first-ever PBA Finals appearance.

Nonetheless, the Fuel Masters left Clark with their heads held high as they gained the support of thousands of fans with their gritty and inspiring play in the bubble. With their exciting windup in the Philippine Cup, things are certainly looking up for the Phoenix Fuel Masters in Season 46 of the PBA.

45th  
Season

### MARCH

Phoenix begins its PBA 45th Season on March 8 under a new name—Phoenix SUPER LPG Fuel Masters. On opening day, the team marches with Sarah Geronimo-Guidicelli, team muse and Phoenix SUPER LPG endorser.

The PBA season is suspended indefinitely on March 15 as the National Capital Region is placed under Enhanced Community Quarantine. All practices and games are likewise suspended.







## MAY

The Fuel Masters pledge a portion of their monthly salary to donate to local government units. Calvin Abueva and JC Intal ably represented the team in the turnover of relief goods to San Juan, and the turnover of PPEs to Pasig City.

Players are also engaged in promoting the company's brands through social media postings. Each player posts for each of the Phoenix brands every other day.

## JUNE

The Fuel Masters pledge anew a portion of their salary; this time, to purchase and cook meals for frontliners and military personnel deployed around the city. Calvin Abueva, Dave Marcelo, and Justin Chua personally help cook and prepare the meals, while JC Intal and RJ Jazul are tasked to handle distribution.

Other players, such as Jay-R Reyes and RR Garcia, are tapped to deliver more PPEs to various hospitals around the metro as part of this round's donations.

## AUGUST

The PBA enters into a joint agreement with the DOH, GAB, and IATF to allow professional sports to start with "small group workouts" as efforts to resume the season. Talks of a PBA "Bubble" conference immediately resurface.

## SEPTEMBER

Phoenix announces the appointment of Topex Robinson as interim head coach. He brings in collegiate champion coach Jamike Jarin as his deputy.

The 2020 PBA Philippine Cup resumes at the historic PBA Bubble in Clark, Pampanga. The Fuel Masters are housed at a hotel for the full duration of the conference.

## OCTOBER

The PBA finally lifts the suspension of Calvin Abueva after a 16-month hiatus from the league. He joins the team in his first game back against NLEX, and immediately gets the Player of the Game award in the win with a near triple-double of 21 points, 14 rebounds, and 7 assists.

## NOVEMBER

The Phoenix Fuel Masters formalize the appointment of Topex Robinson as full-time head coach effective November 1, 2020. He is inked to a fresh two-year deal. Foremost on the agenda of the youthful mentor is to further harness the potential of the team, and nurture a franchise with a winning culture.





## Way to Go

The PBA nominated several Fuel Masters to the year-ending individual awards:

**Best Player of the Conference:** Matthew Wright, Calvin Abueva

**Elite 5:** Matthew Wright, Calvin Abueva, Jason Perkins

**Most Improved Player:** Justin Chua, Jason Perkins

**Sportsmanship Award:** Calvin Abueva

The Fuel Masters finish the Philippine Cup eliminations phase with an 8-3 record to tie Ginebra in the top spot of the standings. The team earns a twice-to-beat advantage in the quarterfinal round against a streaking Magnolia Pambansang Manok.

The Fuel Masters barge into the semifinal round after a huge win against Magnolia, thanks to Matthew Wright's running three pointer that put Phoenix up by a solitary point with only seconds remaining.

In the best-of-five semifinal series, Phoenix takes a commanding 2-1 series lead against Talk N Text, just one win away from the franchise's first-ever PBA Finals

appearance. Despite the odds, TNT would, however, win the next two games to grab the series.

## DECEMBER

The Fuel Masters play their hearts out to finish the conference with a flourish to put themselves in a good position for Season 46 of the PBA.

### "The Wright Stuff"

Matthew Wright had the best season of his career where he averaged 22.82 points, and was on his way to being a candidate for the Best Player of the Conference award. Wright started the Bubble on a high note after erupting for 36 points in an emphatic win over Meralco. Another memorable game was in the quarterfinals where he hit

the winning 3-pointer against Magnolia that sent the Fuel Masters to the semifinals.

### "The Beast" is resurrected

After a stellar performance in the season-ending Philippine Cup, the Fuel Masters rewarded star Calvin Abueva with a three-year contract before the end of 2020. He was also in contention for the Best Player of the Conference award.

### Justin's breakout performance

Center Justin Chua was among the breakout performers for the Fuel Masters inside the PBA Bubble. Understandably, he was in contention for the Most Improved Player of the Year award.



# Board of Directors

**Domingo T. Uy**  
Director

**Dennis A. Uy**  
Director, Chairman,  
and Chief Strategy  
Officer

**Henry Albert R. Fadullon**  
Director and President



**Cherylyn C. Uy**  
Director

**Romeo B. De Guzman**  
Director



Minoru Takeda  
Independent Director

Consuelo Ynares-Santiago  
Independent Director

Stephen T. CuUnjieng  
Director



Nicasio I. Alcantara  
Independent Director

Monico V. Jacob  
Director

Atty. Jose Victor Emmanuel A. De Dios  
Director



## BOARD OF DIRECTORS

### *Dennis A. Uy*

Director, Chairman, and Chief Strategy Officer

Mr. Dennis A. Uy is the founder of the Company and served as President and Chief Executive Officer from inception until 2020, when he became the Chairman and Chief Strategy Officer. He is the Founder, Chairman, and CEO of Udenna Corporation, the parent company, with a diverse business portfolio that includes interests in petroleum retail and distribution, shipping and logistics, property development, education, food, tourism and gaming, infrastructure, telecommunications, and energy.

Mr. Uy is the Chairman of Chelsea Logistics Holdings Corporation, a dominant player in the shipping and logistics industry, and Chairman of 2GO Group Inc., the country's largest logistics provider.

He is Chairman of Udenna Land, which develops and manages real estate projects such as Clark Global City, Calaca Industrial Seaport Park, and Udenna Tower. He is Chairman and President of Udenna Infrastructure Corp., Chairman of PH Resorts Group Holdings Corp., developer of the soon-to-be-launched The Emerald in Mactan, Cebu, and Chairman of Enderun Colleges, Inc.

He is Chairman and Chief Executive Officer of Dito Telecommunity Corporation, the third major telco in the Philippines.

He is Chairman and Chief Executive Officer of Dito CME Holdings Corporation, Udenna's foray into the media and entertainment space.



He is Chairman and Director of UC38 LLC which has a 45% participating interest in the Malampaya Deep Water to Gas Project which is the largest producing gas field in the Philippines.

Mr. Uy is also Chairman of Phoenix Philippines Foundation, Udenna Foundation, Siklab Atleta Pilipinas Sports Foundation, and LIFE Fund.

He serves as Director of Alphaland Corporation and Vice-Chairman of Atok-Big Wedge Co., Inc.

He was appointed Presidential Adviser on Sports in 2016, and Honorary Consul of Kazakhstan to the Philippines in 2011. Mr. Uy is a graduate of De La Salle University with a degree in Business Management.



### *Domingo T. Uy*

Director

Mr. Domingo T. Uy is a co-founder and has been a member of the Board of Directors of the Company since 2002. Mr. Uy was elected Chairman of the Board of Directors of the Company on February 15, 2007. He is also a Director of Granland Resources Corporation, a corporation involved in real estate development. Mr. Uy is actively involved in socio-civic programs and is a Director of the Philippine National Red Cross, Davao Chapter. He is also a Past President of the Davao City Sta. Ana Lions Club and the Kang Ha Uy Association - Davao Chapter.





*Henry Albert R. Fadullon*  
Director and President

Henry Albert R. Fadullon was appointed Chief Operating Officer of the Company on April 17, 2017, and was consequently named as President on June 1, 2020. Prior to this, he served Shell Shared Services (Asia) B.V. as General Manager for its global businesses. He has over 25 years of experience in the petroleum industry, having held various roles at Pilipinas Shell Petroleum Corp., a decade of which were spent overseas with postings in Malaysia, Oman, and London. He has a wealth of experience in Retail and B2B performing a variety of frontline and functional roles leading into General Management positions. He completed his BS Industrial Management Engineering, minor in Mechanical Engineering, from De La Salle University.

*Romeo B. De Guzman*  
Director

Mr. Romeo B. De Guzman was elected Director of the Company in 2009. He is the Vice Chairman and Senior Strategic Adviser, and previously was Chief Operating Officer of the Company, bringing over 40 years of outstanding experience in the oil industry. Before joining the Company, he was with Pilipinas Shell Petroleum Corporation, where he was Vice President for External Affairs for Asia Pacific, and a member of the Board of Directors up to December 2006. He was with the said company holding various management and executive positions. Prior to that, he worked at Getty Oil Philippines, Inc. for 10 years. Mr. De Guzman is also the Chairman of the Board of Directors of Mirait Philippines, Inc. He holds degrees in Marketing Management and MBA from San Sebastian College – Manila.



*Cherylyn C. Uy*  
Director

Ms. Cherylyn Chiong-Uy is a graduate of Business and Finance from Ateneo de Davao University. Ms. Uy is one of the pioneers/incorporators of Udenna Corporation, the ultimate parent company of Phoenix Petroleum and which has subsidiaries engaged in the petroleum, shipping, logistics, services, and real estate businesses, among others. She is the Corporate Treasurer of Udenna Corporation and a member of the Board of Director of PH Resorts Group Holdings, Inc. Ms. Uy is also one of the Executive Directors of Phoenix Philippines Foundation, Inc., the corporate social responsibility arm of the Company. She is the Corporate Treasurer of Udenna Management and Resources Corporation and Chelsea Shipping Corp.





### *Atty. Jose Victor Emmanuel A. De Dios*

Director

Atty. J.V. Emmanuel A. De Dios was elected regular director of Phoenix Petroleum in 2018, after being an independent director since 2007. He is the CEO of GE Philippines, and prior to that was President and CEO of Nido Petroleum Pty Ltd., an Australian Stock Exchange-listed oil and gas company. He was Managing Director of Merritt Advisory Partners, Inc. and was a member of the Board of Directors of Davies Energy Systems, Inc. He also served as Chairman of the Board of the Philippine National Oil Company Exploration Corporation and was former Undersecretary of the Philippine Department of Energy. Atty. De Dios obtained his Master of Laws degree from Harvard Law School and completed his Bachelor of Laws at the Ateneo School of Law.



### *Stephen T. CuUnjieng*

Director

Mr. Stephen T. CuUnjieng was elected as a Director of the Company on January 15, 2018, after being a long-time adviser to the Board. He is Chairman of Evercore Asia Limited, and has substantial and wide experience in investment banking. He has acted as Financial Adviser to several financial transactions of companies involving initial public offerings, major and strategic acquisitions, and mergers of various companies from various industries. He is a member of the Executive Advisory Board for Asia of the Wharton School of Business, and an Independent Director of Century Properties Group and Aboitiz Equity Ventures. He has received several awards and distinctions, such as the Best Independent Advisory Firm in Asia in 2016 for Evercore, and Deals of the Year for various acquisitions. He graduated from Ateneo de Manila University and Ateneo School of Law, and completed an MBA in Finance from the Wharton School of Business.





*Monico V. Jacob*

Director

Monico V. Jacob has been a Director of the Company since March 7, 2008. He is President and Chief Executive Officer of the STI Education Systems Holdings, Inc., a publicly listed company; of STI Education Services Group, Inc.; and of West Negros University. He is also the Chairman of Philplans First, Inc., a pre-need company; of Philippine Life Financial, Inc., a life insurance company, and of Republic Surety and Insurance Co., a non-life insurance Company. He likewise sits as an independent director of Jollibee Foods, Inc., Century Properties, Lopez Holdings, Inc. and 2GO Shipping. He sits as Director of Asian Terminals, Inc., Philhealthcare Systems, Inc., an HMO, Philippine Women's University and I Academy.

*Minoru Takeda*

Independent Director

Minoru Takeda, Japanese, is the Chairman of aNew Energy (an advisory company for Renewables/LNG), Senior Advisor of GLX LNG (LNG Trading Platform Company), Director of Oxalis Chemicals KK, and Sr. Advisor of Uyeno Kosan KK. Mr. Takeda was with ExxonMobil for 22 years and with Royal Dutch Shell group for 14 years. He was the Chairman of the Board of Showa Shell KK, Country Chairman of Shell Group of Companies in Japan, and GM of Shell Upstream International in charge of the ASEAN/India LNG Market Development. For Mobil Oil Corporation, in addition to holding key positions in Japan, he was Director of Mobil Oil New Zealand, and has experience in Global HQ Downstream Corporate Planning. He also spent over four years in Deloitte as Partner of Deloitte Tohmatsu Consulting, and served as CEO of Deloitte Tohmatsu Corporate Finance. He holds BS and MS from Keio University and MS from MIT Sloan School of Management. He was a Visiting Researcher at Harvard University, Energy and Environmental Policy Center.



## BOARD OF DIRECTORS

### *Nicasio I. Alcantara*

Independent Director

Nicasio I. Alcantara is the Chairman of the Board of Directors and President of Alsons Consolidated Resources, Inc. (ACR). He is the Chairman and President of ACR Mining Corp., Alsons Development and Investment Corp., Sarangani Agricultural Company, Inc., Conal Holdings Corp., Alsons Thermal Energy Corp., Alto Power Management Corp., and many other subsidiaries under the Alcantara Group. He is the Chairman of the Board of SITE Group International, Ltd. He also serves as the Chairman of both the Corporate Governance Committee and Related Party Transactions Committee of BDO Private Bank, Inc. and a member of the Bank's Audit Committee. He is the Vice-Chairman of Aviana Development Corp. Currently, he is a Director of Seafront Resources Corp., The Philodrill Corp., Enderun Colleges, Inc., Sagittarius Mines, Inc., and Phoenix Petroleum Philippines, Inc. Prior to this, Mr. Alcantara held the position of Chairman and President in various corporations, namely, Petron Corp., Igan Cement Corp., Alsons Cement Corp., Northern Mindanao Power Corp., and Refractories Corporation of the Philippines. He was also the Chairman of Alsons Prime Investments Corp. until recently and served as Director of Bank One Savings, Bancasia Capital Corporation C. Alcantara & Sons, Inc., and Alsons Corp. He holds a Master's degree in Business Administration (MBA) from Sta. Clara University in California, and a Bachelor of Science degree in Business Administration from the Ateneo de Manila University.



### *Consuelo Ynares-Santiago*

Independent Director

Ms. Consuelo Ynares-Santiago is a Retired Justice of the Philippine Supreme Court. Justice Santiago (Ret) is currently an independent director of Anchor Insurance Brokerage Corp., a leading insurance brokerage company based in New York, USA, SMC Global Power Holdings, Inc., one of the country's leading power companies, which is the power generation unit of San Miguel Corporation, South Luzon Tollway Corp., and Top Frontier Investment Holdings, Inc. She is the Chair Advisory Council of the Office of Alternative Dispute Resolution under the Department of Justice. She earned her Law Degree at the University of the Philippines. After being admitted to the bar, she started her career as a Legal Officer of the Securities and Exchange Commission (SEC). After 5 years of legal practice, she decided to enter the Judiciary and spent 36 years of her career as Municipal Judge, Metropolitan Trial Court judge, Regional Trial Court judge, and Associate Justice of the Court of Appeals, before becoming an Associate Justice of the highest court of the country, the Supreme Court. During her time in the Supreme Court, she became the chairperson of the Supreme Court's 3rd Division and also joined various committees, among them the Justice on Wheels Program as Chairperson, the Foreign Travel Committee as Chairperson, the House of Representative Electoral Tribunal (HRET) as Chairperson, and member of the Presidential Electoral Tribunal. She was also a consultant of the Judicial and Bar Council (JBC) and a Bar Examiner of Labor Law and Social Legislation during the 1996 Bar Examination and Taxation Law in the 1998 Bar Examination.



# *Executive Committee*

PHOENIX PETROLEUM PHILIPPINES, INC.

Alan Raymond T. Zorrilla  
Senior Vice President

Ma. Concepcion F. de Claro  
Chief Finance Officer



Henry Albert R. Fadullon  
President



# Management Team

**Charlie R. Valerio**  
Chief Digital Officer

**Ma. Celina I. Matias**  
Vice President for Integrated  
Marketing and Strategies



**Socorro T. Ermac-Cabrerros**  
Vice President for Corporate Legal



**Roy O. Jimenez**  
General Manager for  
Commercial and  
Industrial Business

**Richard C. Tiansay**  
Vice President for  
Supply Chain, Pricing,  
and HSE

**Ericson S. Inocencio**  
General Manager for  
Retail Sales



**Joven Jesus G. Mugar**  
General Manager for  
Distribution Business

**Chonabeth I. Nazario**  
Vice President for  
Internal Audit



**Lester C. Khan**  
General Manager for  
Strategy and Portfolio,  
and Aviation Business



**Maria Rita A. Ros**  
General Manager  
for CME

**Joriz B. Tenebro**  
General Manager  
for Joint Ventures

**Magtanggol C. Bawal**  
General Manager for  
Shared Services



## MANAGEMENT TEAM

**Evelyn T. Gerodias**  
General Manager for  
PLPI Visayas and Mindanao

**Julgin Anthony G. Villanueva**  
General Manager  
for PLPI Luzon

**Elmer A. Baguioro**  
General Manager  
for LPG Trading

**John Joseph Gabriel C. Puzon**  
Possible.net President and CEO

**Julius Jerry M. Aguas**  
General Manager for  
Phoenix Asphalt Philippines, Inc.

**Bernard C. Suiza**  
General Manager for  
Philippine FamilyMart



**Stefano Angelocola**  
Managing Director for  
PNX Petroleum Singapore

**Nghia Dung Duong**  
General Director for  
Phoenix Gas Vietnam

**Arnel G. Alban**  
Asst. Vice President for Retail  
Operations, Network Development,  
and Real Estate



**Jonarest Z. Sibog**  
Asst. Vice President  
for Comptrollership

**Jaime T. Diago, Jr.**  
Asst. Vice President for  
Technical Services and QAPD



**Ignacio Raymund S. Ramos, Jr.**  
Asst. Vice President  
for Engineering

**Celeste Marie G. Ong**  
Asst. Vice President for  
Human Resources



# *Revised Code of Corporate Governance*

P-H-O-E-N-I-X Petroleum Philippines, Inc.

The Board of Directors, officers, management, executives, and employees of **P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC.** (the "Corporation") hereby commit themselves to comply and observe the fundamental principles of sound corporate governance and best practices contained in this Code of Corporate Governance ("CCG") which are necessary components in the attainment of its corporate goals and enhancing the value of the Corporation to all its stakeholders.

This CCG is adopted pursuant to Securities and Exchange Commission (SEC) Memorandum Circular No. 24, Series of 2019 issued on 18 December 2019. It supersedes the Corporation's Code of Corporate Governance adopted last May 30, 2017.

## **DEFINITION OF TERMS**

**Board of Directors** - the governing body elected by the shareholders/members that exercises the corporate powers of a corporation, conducts all its business, and controls its properties. For purposes of this Code, reference to Board of Directors and/or Directors shall also include reference to Board of Trustees and/or Trustees, respectively, in applicable cases.

**Corporate Governance** - the system of stewardship and control to guide organizations in fulfilling their long-term economic, moral, legal, and social obligations towards their shareholders/members and other stakeholders.

Corporate Governance is a system of direction, feedback, and control using regulations, performance standards, and ethical guidelines to hold the board of directors and Senior Management accountable for ensuring ethical behavior and reconciling longterm customer satisfaction with shareholder/member value to the benefit of all stakeholders and society. Its purpose is to maximize the organization's long-term success, thereby creating sustainable value for its shareholders/members, other stakeholders, and the nation.

**Enterprise Risk Management** - a process, effected by an entity's Board of Directors, Management, and other personnel, applied in strategy setting and across the enterprise that is designed to identify potential events that may affect the entity, manage risks to be within its risk appetite, and provide reasonable assurance regarding the achievement of entity objectives.

**Executive Director** - a director who has executive responsibility of day-to-day operations of a part or the whole of the corporation.

**Independent Director** - a person who is independent of Management and the controlling shareholder, and is free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.

**Internal control** - a process designed and effected by the entity's Board of Directors/ Trustees, Senior Management, and all levels of personnel to provide reasonable assurance on the achievement of objectives through efficient and effective operations; reliable, complete, and timely financial and management of corporate information; and compliance with applicable laws, regulations, and the organization's policies and procedures.

**Management** - a group of executives given the authority by the Board of Directors/Board of Trustees to implement the policies it has laid down in the conduct of the business of the corporation.

**Members** - the members of non-stock corporations.

**Non-executive Director** - a director who has no executive responsibility and does not perform any work related to the day-to-day operations of the corporation.

**Non-Proprietary Right** - an interest, participation, or privilege over a specific property of a corporation that allows the holder to use such



property under certain terms and conditions. The holder, however, shall not be entitled to dividends from the corporation or to its assets upon its liquidation.

**Proprietary Right** - an interest, participation, or privilege in a corporation which gives the holder the right to use the facilities and to receive dividends or earnings from the corporation. Upon the liquidation of the corporation, the holder shall have proportionate ownership rights over its assets.

**Public Company** - a company with assets of at least Fifty Million Pesos (Php 50,000,000.00) and having two hundred (200) or more shareholders holding at least one hundred (100) shares each of equity securities.

**Registered Issuer** - a company that: (1) issues proprietary and/or non-proprietary shares/certificates; (2) issues equity securities to the public that are not listed in an Exchange; or (3) issues debt securities to the public that are required to be registered to the SEC, whether or not listed in an Exchange.

**Related parties** - covers the covered entity's directors, officers, substantial shareholders and their spouses and relatives within the fourth civil degree of consanguinity or affinity, legitimate or common-law, and other persons if these persons have control, joint control, or significant influence over the covered entity. It also covers the covered entity's parent, subsidiary, fellow subsidiary, associate, affiliate, joint venture or an entity that is controlled, jointly controlled or significantly influenced or managed by a person who is a related party.

**Related Party Transactions** - a transfer of resources, services, or obligations between a reporting entity and a related party, regardless of whether a price is charged. It should be interpreted broadly to include not only transactions that are entered into with related parties, but also outstanding transactions that are entered into with an unrelated party that subsequently becomes a related party.

**Significant Influence** - The power to participate in the financial and operating policy decisions of the company but has no control or joint control of those policies.

**Stakeholders** - any individual, organization, or society at large who can either affect and/or be affected by the company's strategies, policies, business decisions, and operations, in general. This includes, among others, non-proprietary certificate holders, customers, creditors, employees, suppliers, investors, as well as the government and the community in which the company operates.

## DECLARATION OF CORPORATE PRINCIPLES

The Corporation adheres to the highest standards and principles of Integrity, Excellence, Service, Innovation, Teamwork, and Stewardship to serve the best interest of its stakeholders.

This Code of Corporate Governance reflects that commitment of the Board of Directors ("the Board") of the Corporation to guide and assist them including management in effectively performing of its duties and responsibilities in order to achieve and enhance long-term success of the Corporation and shareholder value.

As the Corporation progresses, the CCG shall be kept under constant review and revision to keep up with the recent and emerging standards of good corporate governance.

## THE BOARD OF GOVERNANCE RESPONSIBILITIES

### PRINCIPLE 1: THE CORPORATION SHALL BE GOVERNED BY A WORKING, COMPETENT, AND EFFECTIVE BOARD OF DIRECTORS

The Corporation shall be headed by a competent, working Board of Directors ("the Board") to foster the long-term success of the Corporation, and to sustain its competitiveness



and profitability in a manner consistent with its corporate objective and the long-term best interest of its shareholders and other stakeholders.

- 1.1 The Board of Directors (the "Board") of the Corporation shall be primarily responsible for the governance of the Corporation. It shall independently act and make its decision with full knowledge of the facts on the objective of enhancing shareholder value.
- 1.2 It shall be composed of directors possessing expertise and/or experience in their respective fields or sectors that may be relevant to the industry of the Corporation in order to properly fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.
- 1.3 Directors shall be pre-qualified before they are nominated to the Board. Nominations may be made by any member of the Board, stockholder, officer, or employee in accordance with the By-laws to ensure the qualification of the nominee and enable them to effectively participate in the deliberations of the Board and carry out their roles and responsibilities.
- 1.4 The Corporation shall ensure to formulate a policy on regular training of its directors, including orientation program for first time directors particularly on corporate governance to ensure compliance and adherence to standards.
- 1.5 The Board shall be assisted by its duly elected or appointed, as the case may be, Corporate Secretary who should be a separate individual from the Compliance Officer. The Corporate Secretary shall not be a member of the Board and shall likewise comply with the trainings for corporate governance.

- 1.6 The Board shall ensure that it is assisted in its duties by a Compliance Officer who shall be part of management in charge of compliance function. The Compliance Officer shall be primarily liable to the Corporation and its shareholders.

### **PRINCIPLE 2: ESTABLISHING CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD**

The fiduciary roles, responsibilities, and accountabilities of the Board as provided under the law, the Corporation's articles and by-laws and other legal pronouncements and guidelines should be clearly made known to all directors as well as to shareholders and other stakeholders.

- 2.1 It is imperative that each of the director or member of the Board shall observe two key elements of the fiduciary duty: the duty of care and duty of loyalty.
  - 2.1.a **Duty of Care** - each director shall be required to act on a fully informed basis, in good faith, with due diligence and care.
  - 2.1.b **Duty of Loyalty** - each director is expected to act in the interest of the Corporation and all its shareholders. Hence, it is imperative that directors shall have no conflicting businesses or interest inimical to the interest of the Corporation.
- 2.2 The Board shall oversee, monitor, and approve the development of the Corporation's business objectives, plans of action, policies and procedures, annual budgets and business strategies, and monitor their implementation and corporate performance, capital expenditures in order to sustain the Corporation's viability and strength.
- 2.3 The Board shall be headed by a competent and qualified Chairperson who shall be elected among the members of the Board in



accordance with the Corporation's By-laws. The Chairperson's role and responsibilities shall include among others:

- 2.3.a Ensures that agendas during regular and special meetings involve strategic matters which shall include and discuss risks, governance concerns, issues, environmental effects.
  - 2.3.b Ensures that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions.
  - 2.3.c Facilitates healthy, relevant, and constructive discussion on key issues to aid the Board in reaching a sound decision.
  - 2.3.d Ensures periodic or regular evaluation of the performance of the Board.
- 2.4 The Board shall be responsible in adopting a reasonable and viable succession plan program for the directors, key officers, and management to ensure growth, continuous and smooth operation of business at the same enhance shareholders' value. To maintain dynamism and adaptability to change and development, the Board shall likewise adopt a policy on retirement for directors and key officers as part of the management succession.
- 2.5 The Board shall set and approve remuneration or compensation plan of key officers including directors based on performance. However, no director should participate in discussions or deliberations involving his own remuneration.
- 2.6 The Board shall have sufficient disclosure on the procedure or process of nomination as well as election policy which shall include nominations from minority shareholders. The policy should include an assessment of the effectiveness of the Board's processes and procedures in nominations, elections and replacement of a director as well as process of identifying quality directors which should be aligned with strategic direction of the Corporation.
- 2.7 The Board shall be responsible for ensuring an approved group-wide policy and system governing Related-Party Transactions (RPT) and other unusual and infrequently occurring transactions, particularly those which pass certain thresholds of materiality. It shall be imperative that a potential RPT must at all times guarantee fairness valuation and transparency of transaction such as risk profile, complexity of operations and structure.
- 2.8 The Board shall be primarily responsible for approving the selection and performance of management led by the Chief Executive Officer (CEO) and other control function such as Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive.
- 2.9 The Board shall establish an effective performance management framework to ensure that management including its key officers such as the CEO is at par with the standards set by the Board.
- 2.10 The Board shall set in place, oversee, and establish the appropriate internal control system in the Corporation in order to monitor and manage potential conflicts of interest of management, the Board, and shareholders. It shall approve upon recommendation of the audit committee an Internal Audit Charter.
- 2.11 The Board shall set in place, establish, and oversee a sound Enterprise Risk Management (ERM) framework to effectively identify, monitor, assess, and manage key business risks.
- 2.12 The Board shall likewise establish and formulate a Board Charter that will state, formalize, and define its roles, responsibilities, and accountabilities in carrying out fiduciary duties. The Board Charter shall guide the directors in the performance of their functions and should be publicly available and posted on the Company's website.



### **PRINCIPLE 3: ESTABLISHING BOARD COMMITTEES**

Board Committees are set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns. Each committee shall have its respective Committee Charter.

- 3.1 There shall be established committees within the Board such as (a) Audit Committee (AC), (b) Corporate Governance Committee (CGC), (c) Board Risk Oversight Committee (BROC), and (d) Related Party Transaction Committee (RPTC) to support the Board in the effective performance of its functions. The establishment of the BROC and RPTC shall be duly assessed and evaluated by the Board depending on the Corporation's size, risk profile, complexity of operations, and its necessity.
- 3.2 The Audit Committee shall have oversight capability over the Corporation's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. The Committee shall be composed of at least three (3) appropriately qualified non-executive directors, preferably majority of whom are independent. All members must have relevant background, knowledge, and experience in areas of accounting, finance, and audit. The Chairman of the Audit Committee shall not be chairman of any other committees or the Board.
- 3.3 The Corporate Governance Committee shall have the responsibility in assisting the Board in the performance of and compliance with corporate governance responsibilities including the functions that formerly belongs to Nominations and Remuneration Committee. The Committee shall be composed of at least three (3) members, all of whom preferably independent directors, including the Chairperson.
- 3.4 Subject to the assessment and approval of the Board on its establishment depending on Corporation's size, risk profile, and complexity of operations, the Board Risk Oversight Committee (BROC) shall be responsible for the oversight of the Corporation's Enterprise Risk Management system to ensure its functionality and effectiveness. The BROC shall be composed of at least three (3) members, majority of whom shall be independent directors, including the Chairman. The Chairman shall not be a Chairman of the Board or of any other committee. At least one member of the committee must have relevant knowledge and/or experience on risk and risk management.
- 3.5 Subject to the assessment and approval of the Board on its establishment depending on Corporation's size, risk profile, and complexity of operations, the Related Party Transaction (RPT) Committee shall be primarily tasked to review all material related party transactions of the Corporation. The RPTC shall be composed of at least three (3) non-executive directors, two of whom shall be independent directors including the Chairman.
- 3.6 All established committee shall have their respective Committee Charters stating in plain terms their purpose, memberships, structures, operations, reporting processes, resources, and other relevant information. Each Charter shall include and provide standards for evaluating the performance of the Committees and shall be fully disclosed in the Corporation's website.

### **PRINCIPLE 4: FOSTERING COMMITMENT**

The directors must devote time and attention necessary to properly and effectively perform their duties and responsibilities in order to show their commitment to the Corporation and to be familiar with the Corporation's business.

- 4.1 The directors shall attend and actively participate in all meetings of the Board, Committees, and Shareholders in person in



a manner acceptable to the Corporation in accordance with the rule of the Commission except on justifiable causes. It shall be the duty of the directors to review meeting materials and if called for, ask necessary relevant questions or clarifications and explanation.

- 4.2 The non-executive directors may concurrently serve as directors of other publicly-listed companies (PLC) up to a maximum number of five (5) PLCs to ensure sufficient time to prepare and attend meetings and fully oversee and monitor its long term strategy.
- 4.3 It is incumbent upon each director to notify the Board before accepting a directorship in other Corporation.

#### **PRINCIPLE 5: REINFORCING BOARD INDEPENDENCE**

The Board should endeavor at all times to exercise an objective and independent judgment on all corporate affairs.

- 5.1 The Board shall have at least three (3) independent directors or such number as to constitute at least one-third of the members of the Board, whichever is higher.
- 5.2 The Board shall ensure that its independent directors possess the necessary qualifications and none of the disqualifications for an independent director to hold the position.
- 5.3 Independent directors shall serve for a maximum cumulative term of nine years. After serving the maximum term, the director shall be perpetually barred from re-election as independent director of the Corporation. In the event, the Corporation decides to retain an independent director who has served for nine (9) years, the Board shall provide meritorious justification/s and seek shareholders' approval during the annual stockholders' meeting.

- 5.4 The Chairman of the Board as well as the Chief Executive Officer shall be held separately by individuals with their respective roles and responsibilities clearly defined.
- 5.5 The Board shall designate a "lead director" among the independent directors if the Chairman of the Board is not independent and in cases where the Chairman and the CEO are held by one person.
- 5.6 The director with a material interest in any transaction affecting the Corporation shall abstain from taking part in the deliberations of the transaction or corporate affair.
- 5.7 The non-executive directors shall have separate meetings with the external auditor and heads of internal audit, compliance and risk functions, without any executive directors present to ensure proper checks and balances within the Corporation. The lead independent director shall chair the meetings.

#### **PRINCIPLE 6: ASSESSING BOARD PERFORMANCE**

The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

- 6.1 The Board shall conduct an annual self-assessment of its performance including the performance of the Chairman, individual members, and committees. Every three (3) years, the assessment should be supported by an external facilitator.
- 6.2 The Board shall establish a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees, and such system that will allow feedback mechanism from the shareholders.



## CORPORATE GOVERNANCE

### **PRINCIPLE 7: STRENGTHENING BOARD ETHICS**

Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

- 7.1 The Board shall adopt a Code of Business Conduct and Ethics which shall provide and set the standards for professional and ethical behavior, as well as regulate and define acceptable conducts and practices in internal and external dealings. The Code shall be disclosed and made available to the public through the Corporation's website.
- 7.2 The Board shall monitor proper and efficient implementation and compliance with the Code of Business Ethics and internal policies.

### **DISCLOSURE AND TRANSPARENCY**

#### **PRINCIPLE 8: ENHANCING COMPANY DISCLOSURE POLICIES AND PROCEDURES**

The Corporation should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

- 8.1 The Board shall establish corporate disclosure policies and procedures to ensure comprehensive, accurate, reliable, and timely report to shareholders and other stakeholders that gives a fair and complete picture of the Corporation's financial condition, results, and business operations.
- 8.2 The Company should have a policy requiring all directors and officers to disclose/report to the company any dealings in the company's shares by the said directors and officers within five (5) business days.
- 8.3 The company's corporate governance policies, programs, and procedures should be contained in its Manual on Corporate

Governance, which should be submitted to the Commission and posted on the company's website.

- 8.4 The company should disclose all relevant information on its corporate governance policies and practices in the Annual Corporate Governance Report, which should be submitted to the Commission, and continuously updated and posted on the company's website.
- 8.5 Policies on Related Party Transactions and other unusual or infrequently occurring transaction shall be disclosed in their Manual on Corporate Governance while the material or significant RPTs which were reviewed and approved during the year shall be disclosed in the Annual Corporate Governance Report.
- 8.6 There shall be a full, fair, accurate, and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders. An independent third party shall be engaged to evaluate the fairness of the transaction price on the acquisition or disposal of assets.
- 8.7 Corporate Governance policies, programs, and procedures of the Corporation should be contained in its Code on Corporate Governance, which should be submitted to the regulators and posted on the Corporation's website.

#### **PRINCIPLE 9: STRENGTHENING THE EXTERNAL AUDITOR'S INDEPENDENCE AND IMPROVING AUDIT QUALITY**

The Corporation shall establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.



- 9.1 The Audit Committee shall establish a process for approving and recommending the appointment, reappointment, removal, and fees of the external auditor. The appointment, reappointment, removal, and fees of the external auditor should be recommended by the Audit Committee, approved by the Board, and ratified by the shareholders. For removal of the external auditor, the reasons for removal or change should be disclosed to the regulators and the public through the company website and required disclosures.
- 9.2 The Audit Committee Charter shall include the Committee's responsibility on assessing the integrity and independence of external auditors and exercising effective oversight to review and monitor the external auditor's independence and objectivity, and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. The Charter should also contain the Audit Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.
- 9.3 There shall be a disclosure on the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest. The Audit Committee should be alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.

**PRINCIPLE 10:  
INCREASING FOCUS ON NON-FINANCIAL  
AND SUSTAINABILITY REPORTING**

The Corporation shall ensure that the material and reportable non-financial and sustainability issues are disclosed.

- 10.1 The Board should have a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental,

social, and governance (EESG) issues of its business, which underpin sustainability. Companies should adopt a globally recognized standard/framework in reporting sustainability and non-financial issues.

**PRINCIPLE 11:  
PROMOTING A COMPREHENSIVE  
AND COST-EFFICIENT ACCESS TO  
RELEVANT INFORMATION**

The Corporation shall maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders, and other interested users.

- 11.1 The company should have a website to ensure a comprehensive, cost-efficient, transparent, and timely manner of disseminating relevant information to the public.

**INTERNAL CONTROL AND RISK  
MANAGEMENT FRAMEWORKS**

**PRINCIPLE 12:  
STRENGTHENING THE INTERNAL  
CONTROL SYSTEM AND ENTERPRISE  
RISK MANAGEMENT FRAMEWORK**

The Corporation shall have a strong and effective internal control system and enterprise risk management framework to ensure the integrity, transparency, and proper governance in the conducts of its business and affairs.

- 12.1 Subject to the assessment and approval of the Board as it may deem necessary taking into consideration the Corporation's size, risk profile, and complexity of operations, the Corporation shall have an adequate and effective internal control system and an enterprise risk management framework in the conduct of its business.



12.2 The Board shall set in place an independent internal audit function for the Corporation that will provide an independent and objective assurance, and consulting services designed to add value and improve the Corporation's operations.

12.3 Subject to a company's size, risk profile, and complexity of operations upon assessment and approval by the Board, the Corporation shall have a qualified Chief Audit Executive (CAE) appointed by the Board to oversee for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider.

12.4 Subject to its size, risk profile, and complexity of operations upon assessment and approval by the Board, the Corporation shall have a separate risk management function to identify, assess, and monitor key risk exposures.

12.5 In managing the company's Risk Management System, the company should have a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM) and has adequate authority, stature, resources, and support to fulfill his/her responsibilities, subject to a company's size, risk profile, and complexity of operations.

### **PRINCIPLE 13: CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS**

The Corporation shall treat all shareholders fairly and equitably, and also recognize, protect, and facilitate the exercise of their rights.

13.1 The Board shall ensure that basic shareholder rights are disclosed in the Manual on Corporate Governance and on the Corporation's website.

13.2 The Board shall encourage active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.

13.3 The Board shall encourage active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting should be available on the Corporation's website within five business days from the end of the meeting.

13.4 The Board shall make available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. This shall be included in the Corporation's Manual on Corporate Governance.

13.5 The Board should establish an Investor Relations Office (IRO) to ensure constant engagement with its shareholders. The IRO should be present at every shareholders' meeting.

## **DUTIES TO STAKEHOLDERS**

### **PRINCIPLE 14: RESPECTING RIGHTS OF STAKEHOLDERS AND EFFECTIVE REDRESS FOR VIOLATION OF STAKEHOLDERS RIGHTS**

The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. The stakeholders shall have the opportunity to obtain prompt effective redress for the violation of their rights.

14.1 The Board shall identify the Corporation's various stakeholders and promote cooperation between them and the company in creating wealth, growth, and sustainability.

14.2 The Board shall establish clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.



14.3 The Board shall adopt a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.

**PRINCIPLE 15:  
ENCOURAGING EMPLOYEES' PARTICIPATION**

A mechanism for employee participation shall be developed to create a symbiotic environment, realize the Corporation's goals, and participate in its corporate governance processes.

15.1 The Board shall establish policies, programs, and procedures that encourage employees to actively participate in the realization of the Corporation's goals and in its governance.

15.2 The Board shall set the tone and make a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. Further, the Board should disseminate the policy and program to employees across the organization through trainings to embed them in the Corporation's culture.

15.3 The Board shall establish a suitable framework for whistle blowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of the Board or a unit created to handle whistle blowing concerns. The Board shall be conscientious in establishing the framework, as well as in supervising and ensuring its enforcement.

**PRINCIPLE 16:  
ENCOURAGING SUSTAINABILITY  
AND SOCIAL RESPONSIBILITY**

The Corporation shall be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a

positive and progressive manner that is fully supportive of its comprehensive and balanced development.

16.1 The Corporation recognizes and places importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the Corporation to grow its business, while contributing to the advancement of the society where it operates.

**EFFECTIVITY**

This Code of Corporate Governance is approved and adopted this 30th day of July 2020 by the Board of Directors. It supersedes the previous Code on Corporate Governance that was approved and adopted by the Corporation on 30 May 2017.

Signed:

**DENNIS A. UY**  
Chairman of the Board

**SOCORRO ERMAC CABREROS**  
Acting Compliance Officer



# Financial Statements

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **P-H-O-E-N-I-X Petroleum Philippines, Inc. and Subsidiaries** (the Group) is responsible for the preparation and fair presentation of the consolidated financial statements, including the schedules attached therein, for the years ended December 31, 2020 and 2019, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

The Board of Directors reviews and approves the financial statements, including the schedules attached therein, and submits the same to the stockholders.

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the financial statements of the Group in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

Sgd.  
**DENNIS A. UY**  
Chairman of the Board

Sgd.  
**HENRY ALBERT R. FADULLON**  
President

Sgd.  
**MA. CONCEPCION F. DE CLARO**  
Chief Finance Officer

*Signed this 29th day of March 2021*





## REPORT OF INDEPENDENT AUDITORS

**The Board of Directors and Stockholders**  
**P-H-O-E-N-I-X Petroleum Philippines, Inc. and Subsidiaries**  
 Stella Hizon Reyes Road, Barrio Pampanga, Davao City

### **Opinion**

We have audited the consolidated financial statements of P-H-O-E-N-I-X Petroleum Philippines, Inc. and subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the three years in the period ended December 31, 2020, and notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2020 in accordance with Philippine Financial Reporting Standards (PFRS).

### **Basis for Opinion**

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audits of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

We draw attention to Note 1 to the financial statements, which describes management's assessment of the continuing impact on the Group's financial statements of the business disruption brought by the COVID-19 pandemic. Our opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **(a) Revenue Recognition**

##### **Description of the Matter**

The Group's revenue is primarily generated from the sale of goods [fuels, liquefied petroleum gas (LPG), lubricants and other petroleum products], which is recognized as the goods are delivered. The Group's total revenue for the year ended December 31, 2020 amounted to Php 78,299.5 million, of which, Php 76,771.4 million or 98.0% pertains to sale of goods.

The Group focuses on revenue as a key performance measure, which could create an incentive for management to overstate revenues, particularly from sale of goods. In our view, revenue recognition is a key audit matter due to its significance to profit and high volume of revenue transactions. Relative to this, we consider that there is a higher risk associated with revenue occurrence and appropriate recognition of sales in the correct accounting period.



## FINANCIAL STATEMENTS

The Group's revenue recognition policy and disaggregation of revenues are disclosed in Notes 2 and 24, respectively, to the consolidated financial statements.

### *How the Matter was Addressed in the Audit*

Our audit procedures to address the risk of material misstatement relating to revenue recognition included, among others, the following:

- Updating our understanding of the Group's revenue recognition policy and procedures;
- Assessing the design effectiveness and testing the operating effectiveness of internal controls related to revenue recognition process;
- Reviewing the existing contracts with customers and evaluating the appropriateness of the Group's revenue recognition policies and application in accordance with PFRS 15, *Revenue from Contracts with Customers*;
- Performing sales cut-off procedures immediately before and after the year-end by testing the sales invoices to evidence of delivery to ensure that revenue was recognized in the correct period;
- Confirming trade receivables, on a sample basis, as of the end of the reporting period;
- Performing detailed transaction testing by agreeing sample revenue items to supporting documents, including sales invoices, contracts and third party correspondence; and,
- Performing substantive analytical review procedures over revenues such as, but not limited to, yearly and monthly analyses of revenues, verifying validity of the underlying data used in the analyses, and following up variances from our expectations.

### **(b) Impairment of Goodwill**

#### *Description of the Matter*

The Group has recognized goodwill amounting to Php 4,632.4 million as of December 31, 2020. Under Philippine Accounting Standard 36, *Impairment of Assets*, the Group is required to annually test the amount of its goodwill for impairment. The annual impairment testing of goodwill is considered to be a key audit matter due to the complexity of management process in assessing the recoverability of goodwill. In addition, the assumptions used in determining the cash-generating units (CGUs) where the goodwill is allocated and estimating the recoverable amount involves significant judgment. The recoverable amount of the CGUs has been computed using discounted cash flows method. This valuation method uses several key assumptions, including estimated of future sales volume and prices, operating costs, terminal value, growth rates and discount rate.

The Group's disclosures about Goodwill and the policy are included in Notes 15 and 2, respectively.

### *How the Matter was Addressed in the Audit*

Our audit procedures to address the risk of material misstatement relating to goodwill included, among others, the following:

- Involving our own valuation specialist to assist in evaluating the appropriateness of assumptions used in estimating the recoverable amount of CGUs;
- Evaluating the appropriateness of assumptions and methodologies used by the management, in particular, those relating to the estimated of future sales volume and prices, and operating costs as well as the discount rate used; and,
- Evaluating the adequacy of the financial statement disclosures, including disclosures of key assumptions and judgments.



**(c) Evaluation on Impairment of Investments in Joint Ventures, Property, Plant and Equipment, Investment Properties, Right-of-Use Assets, and Intangible Assets Other than Goodwill**

*Description of the Matter*

In view of the community quarantine and travel restrictions imposed by the government in response to the COVID-19 pandemic, the Group's operations were significantly affected by lower fuel consumption of airlines, shipping lines, land transportation, and among others which resulted in the decrease in revenues by Php 19,523.6 million or 20.0% and substantial drop in net profit by Php 1,381.6 million or 95.7% in 2020. These events and conditions are possible impairment indicators requiring evaluation of possible impairment of investments in joint venture, property, plant and equipment, investment properties, right-of-use assets, and intangible assets other than goodwill, which involves judgement, estimation and assumptions on future operating results and cash flows, such as sales volume and prices, and the determination of a suitable discount rate to calculate the present value of those cash flows.

In addition, because of the continuing impact of the pandemic, there is higher uncertainty on the future economic outlook and market outlook of the Group. Accordingly, evaluation on impairment of investments in joint ventures, property, plant and equipment, investment properties, right-of-use assets, and intangible assets other than goodwill with carrying values as of December 31, 2020 of Php 1,635.4 million, Php 32,707.6 million, Php 596.0 million, Php 792.8 million and Php 278.7 million, respectively, is a key audit matter.

The disclosures in relation to management's assessment of impairment of investments in joint venture, property, plant and equipment, investment properties, right-of-use assets, and intangible assets other than goodwill are included in Note 3.

*How the Matter was Addressed in the Audit*

Our audit procedures to address the risk of possible impairment of investments in joint venture, property, plant and equipment, investment properties, right-of-use assets, and intangible assets other than goodwill included, among others, the following:

- Reviewing management's assessment of possible indicators of impairment on investments in joint venture, property, plant and equipment, investment properties, right-of-use assets, and intangible assets other than goodwill in accordance with the requirements of PAS 36;
- Evaluating the appropriateness and reasonableness of assumptions used in estimating recoverable amounts of non-financial assets, such as projected cash flows, discount rate and length of forecast period;
- Comparing key assumptions against industry forecasts and with historical information, adjusted to take into consideration the impact associated with the COVID-19 pandemic; and,
- Reviewing the appropriateness of the Group's disclosures on impairment assessment of investments in joint ventures, property, plant and equipment, investment properties, right-of-use assets, and intangible assets other than goodwill.

**(d) Conduct of Audit Remotely**

*Description of the Matter*

As disclosed in Note 1, the COVID-19 pandemic started to become widespread in the Philippines in early March 2020. The general community quarantine and social distancing measures implemented by the government resulted in performing a significant portion of our audit remotely.

The change in working conditions is relevant and significant to our audit since it creates an increased risk of misstatements due to less in-person access to the Group's management and personnel, and lack of access to the physical records and original documents. Given the changes in how the audit will be performed, the audit requires exercising enhanced professional skepticism.

*How the Matter was Addressed in the Audit*

Our audit procedures to address the risk of performing audit remotely included the following:

- Considering the nature of the engagement and the engagement team's knowledge of the entity and its environment when determining whether it is possible to perform a significant portion, if not all, of the engagement remotely;



## FINANCIAL STATEMENTS

- Following the requirements of PSA including providing proper supervision and review, even when working remotely;
- Obtaining information through electronic means, which includes sending and receiving of confirmation electronically, obtaining calculation in electronic form to check mathematical accuracy, scanning of hard-copy items for review and using real-time inspection technology such as video and screen-sharing;
- Determining the reliability of audit evidence provided electronically with professional skepticism;
- Performing inquiries through video call in order to judge body language and other cues and to have a more interactive audit engagement;
- Reviewing workpapers of component auditors remotely either through screen sharing or review of relevant workprograms sent to the engagement team, and constant communication; and,
- Examining critical electronic copy documents (e.g., contracts, sales invoices, delivery receipts and collection receipts) in response to the risk in revenues and costs, which is considered to be significant.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the Group's Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report, which are expected to be made available to us after the date of the auditors' report, for the year ended December 31, 2020, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

If, based on the work performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

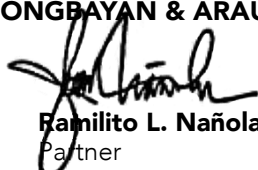
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audits resulting in this independent auditors' report is Ramilito L. Nañola.

#### **PUNONGBAYAN & ARAULLO**

By:

  
**Ramilito L. Nañola**  
Partner

CPA Reg. No. 0090741

TIN 109-228-427

PTR No. 8533235, January 4, 2021, Makati City

SEC Group A Accreditation

Partner - No. 0395-AR-4 (until Sept. 16, 2022)

Firm - No. 0002 (until Dec. 31, 2024)

BIR AN 08-002511-019-2020 (until Dec. 21, 2023)

Firm's BOA/PRC Cert. of Reg. No. 0002 (until Jul. 24, 2021)

March 29, 2021



# FINANCIAL STATEMENTS

P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020 AND 2019

(With Corresponding Figures as of January 1, 2019)

(Amounts in Philippine Pesos)

	Notes	December 31, 2020	December 31, 2019 (As Restated - see Note 2)	January 1, 2019 (As Restated - see Note 2)
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	6	P 5,788,390,677	P 9,810,770,115	P 7,889,708,807
Trade and other receivables - net	7	17,514,071,043	15,973,133,966	15,030,714,704
Inventories	8	4,769,315,701	11,679,616,905	11,135,494,286
Due from related parties - net	30	30,903,191	1,986,811	937,904,172
Restricted deposits	9	-	54,462,326	52,719,265
Input value-added tax - net		2,762,965,882	2,905,878,621	1,517,537,410
Prepayments and other current assets	10	2,536,270,438	1,931,536,398	695,698,779
Total Current Assets		33,401,916,932	42,357,385,142	37,259,777,423
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment - net	11	32,707,550,060	29,019,518,456	20,284,604,061
Right-of-use assets - net	12	792,829,159	1,142,726,144	-
Investment properties - net	16	595,990,275	268,319,279	170,411,649
Intangible assets - net	13	278,730,290	310,277,916	328,054,350
Investments in joint ventures	14	1,635,399,566	1,432,709,636	455,436,370
Goodwill - net	15	4,632,397,418	4,632,397,418	4,418,842,831
Deferred tax assets - net	29	494,377,468	155,781,031	147,484,516
Other non-current assets	17	7,795,489,101	7,638,262,244	1,595,667,530
Total Non-current Assets		48,932,763,337	44,599,992,124	27,400,501,307
NON-CURRENT ASSET CLASSIFIED AS HELD FOR DISPOSAL	18	197,783,908	-	-
<b>TOTAL ASSETS</b>		<b>P 82,532,464,177</b>	<b>P 86,957,377,266</b>	<b>P 64,660,278,730</b>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Interest-bearing loans and borrowings	19	P 29,804,188,527	P 38,143,058,891	P 26,309,487,284
Trade and other payables	21	9,107,280,269	11,841,661,093	7,434,839,252
Derivative financial liabilities	22	623,144,735	311,019,650	-
Lease liabilities	12	135,787,395	153,360,799	-
Income tax payable		56,610,267	49,872,393	99,380,682
Total Current Liabilities		39,727,011,193	50,498,972,826	33,843,707,218
<b>NON-CURRENT LIABILITIES</b>				
Interest-bearing loans and borrowings	19	18,439,188,606	11,753,129,172	13,590,520,166
Lease liabilities	12	848,613,622	1,096,852,276	-
Deferred tax liabilities - net	29	1,053,700,775	748,398,599	631,776,224
Other non-current liabilities	23	1,302,616,194	937,269,144	620,602,265
Total Non-current Liabilities		21,644,119,197	14,535,649,191	14,842,898,655
Total Liabilities		61,371,130,390	65,034,622,017	48,686,605,873
<b>EQUITY</b>				
Equity attributable to parent company	31			
Capital stock		1,453,477,232	1,119,904,232	1,112,004,232
Additional paid-in capital		10,862,198,461	12,042,788,045	7,233,692,486
Revaluation reserves		1,992,470,928	1,288,062,275	1,283,201,322
Retained earnings		6,815,756,881	7,395,270,327	6,381,719,736
		21,123,903,502	21,846,024,879	16,010,617,776
Non-controlling interests		37,430,285	76,730,370	( 36,944,919 )
Total Equity		21,161,333,787	21,922,755,249	15,973,672,857
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>P 82,532,464,177</b>	<b>P 86,957,377,266</b>	<b>P 64,660,278,730</b>

For further notes and discussions, see our Audited FS Report on our website.



## P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018

(Amounts in Philippine Pesos)

	Notes	2020	2019 (As Restated - see Note 2)	2018 (As Restated - see Note 2)
<b>REVENUES</b>				
Sale of goods	24	P 76,771,358,402	P 96,501,653,189	P 87,672,722,663
Fuel service and other revenues	24, 34	1,398,596,723	1,205,744,987	824,182,312
Rent income	16, 34	129,555,791	115,711,069	113,863,129
		<u>78,299,510,916</u>	<u>97,823,109,245</u>	<u>88,610,768,104</u>
<b>COST AND EXPENSES</b>				
Cost of sales and services	24	71,253,970,239	86,811,287,081	78,838,964,820
Selling and administrative expenses	25	5,801,940,104	6,518,065,904	5,741,750,297
		<u>77,055,910,343</u>	<u>93,329,352,985</u>	<u>84,580,715,117</u>
<b>OTHER CHARGES (INCOME)</b>				
Finance costs	26	2,036,728,910	2,838,294,987	1,449,247,671
Finance income	26	( 359,793,768 )	( 86,595,790 )	( 73,374,342 )
Equity share in net income of joint ventures	14	( 94,862,696 )	( 16,510,018 )	( 7,342,245 )
Fair value losses (gains) on investment properties	16	( 42,779,542 )	474,325	( 9,566,000 )
Others - net	7, 27	( 131,406,532 )	( 12,100,025 )	( 87,267,127 )
		<u>1,407,886,372</u>	<u>2,723,563,479</u>	<u>1,271,697,957</u>
<b>PROFIT (LOSS) BEFORE TAX</b>		( 164,285,799 )	1,770,192,781	2,758,355,030
<b>TAX INCOME (EXPENSE)</b>	29	226,846,303	( 326,046,033 )	( 421,975,821 )
<b>NET PROFIT</b>		<u>P 62,560,504</u>	<u>P 1,444,146,748</u>	<u>P 2,336,379,209</u>
<b>NET PROFIT ATTRIBUTABLE TO:</b>				
Parent company		P 101,579,114	P 1,486,908,296	P 2,345,493,052
Non-controlling interests		( 39,018,610 )	( 42,761,548 )	( 9,113,843 )
		<u>P 62,560,504</u>	<u>P 1,444,146,748</u>	<u>P 2,336,379,209</u>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
<b>Item that will be reclassified subsequently to profit or loss</b>				
Translation adjustment related to foreign subsidiaries	2	( P 87,219,875 )	( P 69,712,613 )	P 28,719,880
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Gain on revaluation of land	11	1,194,480,257	217,423,972	1,835,221,043
Remeasurements of post-employment defined benefit obligation	27	( 63,984,467 )	( 39,889,840 )	( 34,393,933 )
Tax expense	29	( 339,148,737 )	( 53,260,240 )	( 540,248,133 )
		<u>791,347,053</u>	<u>124,273,892</u>	<u>1,260,578,977</u>
<b>Other Comprehensive Income - net of tax</b>		<u>704,127,178</u>	<u>54,561,279</u>	<u>1,289,298,857</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>P 766,687,682</u>	<u>P 1,498,708,027</u>	<u>P 3,625,678,066</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Parent company		P 805,987,767	P 1,541,454,672	P 3,634,791,909
Non-controlling interests		( 39,300,085 )	( 42,746,645 )	( 9,113,843 )
		<u>P 766,687,682</u>	<u>P 1,498,708,027</u>	<u>P 3,625,678,066</u>
<b>Basic Earnings (Loss) per share</b>	32	( P 0.34 )	P 0.57	P 1.42
<b>Diluted Earnings (Loss) per share</b>	32	( P 0.34 )	P 0.57	P 1.42

For further notes and discussions, see our Audited FS Report on our website.



## P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018**  
 (Amounts in Philippine Pesos)

		Capital Stock									
Notes		Preferred Stock		Preferred Treasury Stock-At Cost		Common Stock		Common Treasury Stock-At Cost		Total	
		(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)
2	Balance at January 1, 2020	37,000,000	10,000,000	10,000,000	1,437,204,232	1,437,204,232	344,300,000	344,300,000	1,119,904,232	1,119,904,232	21,846,024,879
	As previously reported	37,000,000	10,000,000	10,000,000	1,437,204,232	1,437,204,232	344,300,000	344,300,000	1,119,904,232	1,119,904,232	21,846,024,879
	As restated	37,000,000	10,000,000	10,000,000	1,437,204,232	1,437,204,232	344,300,000	344,300,000	1,119,904,232	1,119,904,232	21,846,024,879
	Transactions with owners:										
31	Cash dividends	-	-	-	-	-	-	-	-	-	-
31	Issuance of shares during the year	-	-	-	1,773,000	1,773,000	-	-	1,773,000	1,773,000	683,341,723
31	Redemption of shares during the year	(12,500,000)	-	-	-	-	-	-	-	-	10,070,639
31	Sale of treasury shares	-	-	-	-	-	-	-	-	-	1,250,000,000
27	Share-based compensation	-	-	-	-	-	-	-	-	-	387,500,000
	Total comprehensive income for the year:	-	-	-	-	-	-	-	-	-	7,661,940
	Net profit	-	-	-	-	-	-	-	-	-	39,018,610
	Other comprehensive income	-	-	-	-	-	-	-	-	-	704,408,653
	Balance at December 31, 2020	24,500,000	10,000,000	10,000,000	1,438,977,232	1,438,977,232	-	-	1,453,477,232	1,453,477,232	21,123,903,502
2	Balance at January 1, 2019	32,000,000	10,000,000	10,000,000	1,434,304,232	1,434,304,232	344,300,000	344,300,000	1,112,004,232	1,112,004,232	16,010,617,776
	As previously reported	32,000,000	10,000,000	10,000,000	1,434,304,232	1,434,304,232	344,300,000	344,300,000	1,112,004,232	1,112,004,232	16,010,617,776
	As restated	32,000,000	10,000,000	10,000,000	1,434,304,232	1,434,304,232	344,300,000	344,300,000	1,112,004,232	1,112,004,232	16,010,617,776
	Transactions with owners:										
31	Cash dividends	-	-	-	-	-	-	-	-	-	-
31	Issuance of shares during the year	7,000,000	-	-	2,900,000	2,900,000	-	-	9,900,000	9,900,000	523,046,503
31	Redemption of shares during the year	(2,000,000)	-	-	-	-	-	-	(2,000,000)	(2,000,000)	6,808,143,122
27	Share-based compensation	-	-	-	-	-	-	-	-	-	8,855,812
1	Business combination	-	-	-	-	-	-	-	-	-	8,855,812
31	Transfer to retained earnings	-	-	-	-	-	-	-	-	-	156,421,934
	Total comprehensive income for the year:	-	-	-	-	-	-	-	-	-	49,685,423
	Net profit	-	-	-	-	-	-	-	-	-	1,486,908,296
	Other comprehensive income	-	-	-	-	-	-	-	-	-	54,546,376
	Balance at December 31, 2019 - As Restated (see Note 2)	37,000,000	10,000,000	10,000,000	1,437,204,232	1,437,204,232	-	-	1,456,538,232	1,456,538,232	21,846,024,879
2	Balance at January 1, 2018	30,000,000	5,000,000	5,000,000	1,431,538,232	1,431,538,232	-	-	1,456,538,232	1,456,538,232	11,606,812,057
	As previously reported	30,000,000	5,000,000	5,000,000	1,431,538,232	1,431,538,232	-	-	1,456,538,232	1,456,538,232	11,606,812,057
	As restated	30,000,000	5,000,000	5,000,000	1,431,538,232	1,431,538,232	-	-	1,456,538,232	1,456,538,232	11,606,812,057
	Transactions with owners:										
31	Cash Dividends	-	-	-	-	-	-	-	-	-	-
31	Issuance of shares during the year	2,000,000	-	-	2,766,000	2,766,000	-	-	4,766,000	4,766,000	409,640,735
31	Acquisition of shares during the year	-	(5,000,000)	-	-	-	-	-	-	-	2,015,710,879
27	Share-based compensation	-	-	-	-	-	-	-	-	-	844,300,000
1	Business combination	-	-	-	-	-	-	-	-	-	7,243,666
	Total comprehensive income for the year:	-	-	-	-	-	-	-	-	-	27,831,076
	Net profit	-	-	-	-	-	-	-	-	-	2,345,493,052
	Other comprehensive income	-	-	-	-	-	-	-	-	-	9,113,843
	Balance at December 31, 2018 - As Restated (see Note 2)	32,000,000	10,000,000	10,000,000	1,434,304,232	1,434,304,232	-	-	1,456,538,232	1,456,538,232	15,973,672,857

For further notes and discussions, see our Audited FS Report on our website.



## P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

FOR THE YEARS ENDED DECEMBER 31, 2020, 2019 AND 2018

(Amounts in Philippine Pesos)

	Notes	2020	2019 (As Restated - see Note 2)	2018 (As Restated - see Note 2)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit (loss) before tax		( P 164,285,799 )	P 1,770,192,781	P 2,758,355,030
Adjustments for:				
Interest expense on bank loans and other borrowings	26	1,849,005,676	2,582,918,502	1,376,994,786
Depreciation and amortization	25	1,361,592,449	1,436,858,783	1,056,749,318
Fair value loss (gain) on financial liabilities at fair value through profit or loss	22	( 262,796,899 )	464,161,271	-
Interest expense from lease liabilities	26	159,714,001	80,990,270	-
Share in net income of indirectly-owned joint ventures	14	( 94,862,696 )	( 16,510,018 )	( 7,342,245 )
Impairment losses on trade and other receivables	25	82,210,745	26,176,493	65,696,528
Interest income	26	( 78,752,622 )	( 35,417,469 )	( 34,370,501 )
Fair value losses (gains) on investment properties	16	( 42,779,542 )	474,325	( 9,566,000 )
Provision for loss on lost cylinders	11	42,528,021	-	24,290,486
Translation adjustment	2	24,263,078	( 69,712,613 )	28,719,880
Unrealized foreign exchange currency gain - net		( 18,244,247 )	( 32,188,301 )	( 30,577,666 )
Loss (gain) on disposal of property, plant and equipment		14,093,822	5,238,151	( 1,006,348 )
Employee share options	27	7,661,940	8,855,812	7,243,666
Gain on termination of right-of-use assets		( 3,426,114 )	-	-
Operating profit before working capital changes		2,875,921,813	6,222,037,987	5,235,186,934
Increase in trade and other receivables		( 1,622,362,838 )	( 5,153,075,401 )	( 7,415,944,495 )
Decrease in inventories		26,235,449,246	24,578,136,862	26,812,185,929
Decrease (increase) in restricted deposits		56,202,661	-	( 1,437,706 )
Decrease (increase) in input value-added tax		142,912,739	( 1,388,341,211 )	363,028,626
Increase in prepayments and other current assets		( 683,987,827 )	( 1,522,485,193 )	( 549,914,871 )
Increase (decrease) in trade and other payables		( 2,716,136,577 )	4,293,563,280	3,555,861,541
Increase in other non-current liabilities		331,140,744	175,194,648	607,880,833
Cash generated from operations		24,619,139,961	27,205,030,973	28,606,846,791
Cash paid for income taxes		( 59,605,034 )	( 99,380,682 )	( 29,603,287 )
Net Cash From Operating Activities		24,559,534,927	27,105,650,291	28,577,243,504
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisitions of property, plant and equipment	11	( 3,398,192,198 )	( 8,257,359,794 )	( 4,517,753,320 )
Proceeds from disposal of property, plant and equipment		552,321,556	78,850,768	22,618,656
Acquisitions of investment properties	16	( 285,056,535 )	( 14,025,825 )	-
Increase in other non-current assets		( 128,877,777 )	( 614,008,547 )	( 1,698,692,056 )
Investments in joint ventures	14	( 120,635,538 )	( 960,763,248 )	( 448,094,125 )
Interest received		48,663,207	24,007,195	29,022,512
Advances to related parties	30	( 45,286,252 )	( 2,073,627 )	( 524,778,830 )
Collections from related parties	30	15,584,888	6,716,432	25,952,983
Acquisitions of intangible assets	13	( 14,529,820 )	( 43,332,685 )	( 58,062,513 )
Dividends received from joint ventures	14	12,808,304	-	-
Acquisition of subsidiaries	1	-	( 628,933,314 )	( 397,455,037 )
Net Cash Used in Investing Activities		( 3,363,200,165 )	( 10,410,922,646 )	( 7,567,241,730 )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayments of interest-bearing loans and borrowings and lease liabilities	20	( 52,758,976,358 )	( 88,838,174,724 )	( 71,873,587,858 )
Proceeds from additional interest-bearing loans and borrowings	20	31,915,354,260	( 72,552,323,218 )	57,798,571,804
Interest paid		( 2,839,321,018 )	( 2,772,911,450 )	( 1,638,604,940 )
Redemption of shares of stock	31	( 1,250,000,000 )	( 2,000,000,000 )	-
Payments of cash dividends	31	( 683,341,723 )	( 523,046,503 )	( 409,640,735 )
Proceeds from sale of treasury shares	31	387,500,000	-	-
Proceeds from issuance of shares of stock	31	10,070,639	6,808,143,122	2,015,710,879
Acquisition of treasury shares	31	-	-	( 844,300,000 )
Net Cash Used in Financing Activities		( 25,218,714,200 )	( 14,773,666,337 )	( 14,951,850,850 )
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		( 4,022,379,438 )	1,921,061,308	6,058,150,924
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		9,810,770,115	7,889,708,807	1,831,557,883
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		P 5,788,390,677	P 9,810,770,115	P 7,889,708,807

## Supplemental Information on Non-cash Investing and Financing Activities:

1. In 2020 and 2019, the Group recognized right-of-use assets and lease liabilities both amounting to P40.7 million and P403.1 million, respectively (see Notes 12 and 20). Further, the Group terminated certain leasehold rights with carrying value of P245.2 million in 2020 (see Note 12)

2. Interest payments amounting to P1,183.5 million, P695.7 million and P261.6 million in 2020, 2019 and 2018, respectively, were capitalized as part of the cost of property, plant and equipment (see Notes 11 and 19).

3. In 2020, the Group transferred certain retail service stations with carrying amount of P197.8 million, previously classified as Property, Plant and Equipment to Non-current Asset Classified as Held for Disposal (see Notes 11 and 18).

4. The Group availed trust receipts from certain banks to settle its importation of inventories amounting to P18,634.6 million, P25,251.7 million and P25,371.0 million in 2020, 2019 and 2018, respectively (see Notes 8 and 20).

5. Certain software development cost acquired in 2019 amounting to P1.0 million was transferred from property, plant and equipment to intangible assets in the same year (see Note 13).

6. In 2018, the Parent Company acquired certain land from a related party amounting to P92.9 million, of which, P19.9 million remained unpaid as of December 31, 2018 (see Note 28).



### MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Comparable discussion on Material Changes in Results of Operations for the Year Ended December 31, 2020 vs. December 31, 2019 (as re-stated).

The Group's **Revenues** during the year 2020 declined 20% to Php 78.300 billion mainly due to lower fuel prices. The average peso per liter price of petroleum products was 36% lower in 2020 on the back of the 35.5% drop in Dubai crude average to USD 42.24 per barrel, as well as the 4.2% appreciation of the peso to Php 49.64:USD 1. Volume, meanwhile, was up by 31.6% driven by the volume sold by its foreign-based subsidiaries, PNx Singapore and PNx Vietnam, which partly offset the 42% decline in domestic operations as the pandemic slowed down the local economy. **Cost of Sales and Services** decreased by 17.9% to Php 71.252 billion in 2020 amidst the decline in fuel prices and growth in volume. Consequently, Gross Margin fell 36% resulting from the volatile prices of petroleum products and lower domestic volume.

**Selling and Administrative Expenses** were higher by 11% at Php 5.801 billion and OPEX per liter improved by 47% to Php 1.37 as the company continued to implement cost-effective programs aimed to streamline its processes and reduce cost. **Net Non-operating Charges** were lower by 48% at Php 1.407 billion as interest expenses decreased and as recognized fair value gains on investment properties, finance income, equity share in the JV income, and other income increased.

**Operating Income** was lower by 72.3% at Php 1.244 billion, while **Net Income After Tax (NIAT)** declined by 95.7% to Php 62.56 million. **Comprehensive Income** was 49% down at Php 0.767 billion attributable to higher translation adjustment losses related to PNx SG's operations offset by the Php 1.194 billion gain on revaluation of land.

#### Financial Condition

(As of December 31, 2020 versus December 31, 2019)

Consolidated resources stood at Php 82.532 billion, which were 5% lower than prior year mainly due to the reduced inventory value as a result of the decline in the fuel prices.

**Cash and Cash Equivalents** decreased by 41% to Php 5.788 billion on outflows from settlement of loans and trade payables and redemption of preferred shares. **Trade and Other Receivables** increased by 10% to Php 17.514 billion due to the reclassification of certain non-current accounts. **Inventory** was 59% lower at Php 4.769 billion due to lower prices of petroleum products, the slowdown of domestic volume, and the inventory management initiatives to optimize the use of working capital.

**Property and Equipment**, net of accumulated depreciation, increased to Php 32.708 billion of which Php 1.194 billion represented the fair value appraisal of certain land properties of Duta leased by PLPI. **Investment Properties** was 1221% higher at Php 0.596 billion following market revaluation of the real estate properties leased to external customers in compliance with accounting standards. **Intangible Assets** were 10% lower at Php 0.279 billion as a result of normal amortization. **Right of Use assets** decreased to Php 0.793 billion resulting from the cancellation of several lease contracts during the pandemic. **Investment in Joint Ventures** was 14% higher at Php 1.635 billion driven by cumulative increase from the equity share in the JVs net income and retail expansion via retail Joint Venture Agreements. **Deferred Tax Asset** was 217% higher at Php 0.494 billion resulting from certain subsidiaries reporting losses.

**Interest-bearing Loans and Borrowings**, both current and non-current, were lower by 3% at Php 48.243 billion mainly from the settlement of debts. **Trade and Other Payables** decreased by 23% to Php 9.107 billion due to the timing and reduced value of purchases of petroleum products. **Deferred Tax Liabilities** were up by 41% to Php 1.054 billion as a result of the related fair value gains on land and investment properties.

**Total Stockholders' Equity** decreased to Php 21.161 billion as preferred shares were redeemed and Treasury Shares were sold during the year and as retained earnings declined by 8% due to payment of dividends on preferred shares. These were offset by the Php 0.063 billion net income and the increase in the revaluation reserves driven by fair value gains of certain assets.



### Key Performance Indicators and Relevant Ratios

The Group's key performance indicators and relevant ratios, and how they are computed are listed below:

	December 31, 2020	December 31, 2019 (re-stated)
Current Ratio <sup>1</sup>	0.85x : 1x	0.84x : 1x
Debt to Equity Ratio <sup>2</sup>	2.87x : 1x	2.95x : 1x
Net Book Value per Share <sup>3</sup>	Php 9.48	Php 9.19
Earnings per Share <sup>4</sup>	(Php 0.34)	Php 0.57

Notes:

1 - Total current assets divided by current liabilities net of derivative financial liabilities

2 - Total liabilities net of derivative financial liabilities divided by Total stockholder's equity

3 - Total stockholder's equity (net of Preferred) divided by the total number of shares issued and outstanding

4 - Period or Year Net income after tax divided by weighted average number of outstanding common shares

The Interest Bearing Debt to Equity ratio improved in 2020 due to the decline in overall debt level. Current ratio was, meanwhile, stable from the previous year amidst the pandemic. The negative earnings per share was largely a result of the losses incurred in the first three quarters of the year.

### SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Registrant **P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC.**

By:

**HENRY ALBERT FADULLON**

President

**MA. CONCEPCION DE CLARO**

Chief Finance Officer

**JONAREST SIBOG**

Controller



# Our Products



## FUELS

### RETAIL

Premium 98 Gasoline with Phoenix PULSE Technology  
Premium 95 Gasoline with Phoenix PULSE Technology  
Super Regular 91 Gasoline with Phoenix PULSE Technology  
Biodiesel with Phoenix PULSE Technology

### COMMERCIAL AND INDUSTRIAL

Premium 98 Gasoline  
Premium 95 Gasoline  
Super Regular 91 Gasoline  
Biodiesel  
Jet A-1  
IFO (Bunker Oil)  
SFO 60, 200, 400, 1100  
LSFO

## LPG

Phoenix SUPER LPG in these quantities:

- 11 Kg Compact-Valve
- 11 Kg Pol-Valve
- 22 Kg Pol-Valve
- 50 Kg Pol-Valve
- 120 Kg Big Tank

Autogas  
Special Blends

## LUBRICANTS

### PASSENGER CAR MOTOR OILS

ACCELERATE RACING 5W30 SN/CF C3 12X1L -1  
ACCELERATE RACING 5W30 SN/CF C3 4X4L -1  
ACCELERATE SYNTECH 5W40 SN/CF A3/B4 12X1L -3  
ACCELERATE SYNTECH 5W40 SN/CF A3/B4 4X4L -3  
ACCELERATE SUPER G 20W40 SL/CF 12X1L -1  
ACCELERATE SUPER G 20W40 SL/CF 4X4L -1  
ACCELERATE SUPER G 20W40 SL/CF 1X18L -1  
ACCELERATE SUPER G 20W40 SL/CF 1X200L -1  
ACCELERATE EXTRA 30 SF/CF 12X1L -3  
ACCELERATE EXTRA 30 SF/CF 4X4L -3  
ACCELERATE EXTRA 40 SF/CF 12X1L -4  
ACCELERATE EXTRA 40 SF/CF 4X4L -4  
ACCELERATE EXTRA 40 SF/CF 1X18L -4  
ACCELERATE EXTRA 40 SF/CF 1X200L -4





## HEAVY-DUTY DIESEL ENGINE OILS

ZOELO POWERTECH 5W40 CJ-4/SL ACEAE9 12X1L -3  
 ZOELO POWERTECH 5W40 CJ-4/SL ACEAE9 3X6L -3  
 ZOELO SYNTECH 10W30 CI-4/SL ACEAE7 12X1L -3  
 ZOELO SYNTECH 10W30 CI-4/SL ACEA E7 3X6L -3  
 ZOELO EXTREME 15W40 CI-4/SL ACEA E7 12X1L -4  
 ZOELO EXTREME 15W40 CI-4/SL ACEA E7 3X6L -5  
 ZOELO EXTREME 15W40 CI-4/SL ACEA E7 1X18L -4  
 ZOELO EXTREME 15W40 CI-4/SL ACEA E7 1X200L -4  
 ZOELO EXTREME HVI 15W40 CI-4/SL 1X200L -4  
 ZOELO MAX DEO 15W40 CH4/SL ACEA E3 12X1L -2  
 ZOELO MAX DEO 15W40 CH4/SL ACEA E3 3X6L -2  
 ZOELO MAX DEO 15W40 CH4/SL ACEA E3 1X18L -2  
 ZOELO MAX DEO 15W40 CH4/SL ACEAE3 1X200L -2  
 ZOELO 30 CF/SF 1X18L -4  
 ZOELO 30 CF/SF 1X200L -4  
 ZOELO EXTRA 40 CF/SF 12X1L -4  
 ZOELO EXTRA 40 CF/SF 3X6L -4  
 ZOELO EXTRA 40 CF/SF 1X18L -4  
 ZOELO EXTRA 40 CF/SF 1X200L -4  
 ZOELO 10W CF/SF 1X18L -4  
 ZOELO 10W CF/SF 1X200L -4  
 ZOELO 15W40 CD/SF 12X1L -3  
 ZOELO 15W40 CD/SF 3X6L -3  
 ZOELO 15W40 CD/SF 1X18L -3  
 ZOELO 15W40 CD/SF 1X200L -3

## MOTORCYCLE OILS

CYCLOMAX RACING 4T 10W50 MA2/SN 12X1L -3  
 CYCLOMAX SYNTECH 4T 10W40 MA2/SL 12X1L -4  
 CYCLOMAX SYNTECH 4T 10W40 MA2/SL 12X0.8L -4

CYCLOMAX TITAN 4T 20W40 MA2/SJ 12X1L -1  
 CYCLOMAX TITAN 4T 20W40 MA2/SJ 12X0.8L -1  
 CYCLOMAX FORCE 4T 20W50 MA2/SG 12X1L -1  
 CYCLOMAX FORCE 4T 20W50 MA2/SG 12X0.8L -1  
 CYCLOMAX 2T 12X1L  
 CYCLOMAX 2T 60X200ML  
 CYCLOMAX FORK OIL 60X200ML  
 CYCLOMAX 4T JASOMA2 40 60X200ML  
 CYCLOMAX SCTR SYNTECH 10W30 MB/SL 12X1L -3  
 CYCLOMAX SCTR TITAN 20W40 MB/SL 12X1L -3  
 CYCLOMAX SCTR TITAN 20W40 MB/SL 12X0.8L -3  
 CYCLOMAX SCOOTER GEAR OIL 80W90 36x100ML

## GEAR OILS

PHOENIX GEAR OIL 90 GL-4 12X1L -4  
 PHOENIX GEAR OIL 90 GL-4 1X18L -4  
 PHOENIX GEAR OIL 90 GL-4 1X200L -4  
 PHOENIX GEAR OIL 140 GL-4 12X1L -4  
 PHOENIX GEAR OIL 140 GL-4 1X18L -4  
 PHOENIX GEAR OIL 140 GL-4 1X200L -4  
 PHOENIX GEAR OIL 80W90 GL-5 1X200L -4  
 PHOENIX GEAR OIL 85W40 GL-5 1X18L -4  
 PHOENIX GEAR OIL 85W40 GL-5 1X200L -4  
 PHOENIX GEAR FSYN 75W90 GL-5 12X1L -3  
 PHOENIX GEAR FSYN 75W90 GL-5 1X18L -3  
 PHOENIX ATF & PWRSTR FLUID DIII 12X1L  
 PHOENIX ATF & PWRSTR FLUID DIII 1X18L  
 PHOENIX ATF & PWRSTR FLUID DIII 1X200L  
 PHOENIX ATF MV & PWRSTR FLUID DVI 12X1L -3



## OUR PRODUCTS

### GREASES

PHOENIX EP2 LITHIUM GREASE NLGI2 24X500G -4  
PHOENIX EP2 LITHIUM GREASE NLGI2 1X16KG -4  
PHOENIX EP2 LITHIUM GREASE NLGI2 1X180KG -4  
PHOENIX MP3 LITHIUM GREASE NLGI3 24X500G -4  
PHOENIX MP3 LITHIUM GREASE NLGI3 1X16KG -4  
PHOENIX MP3 LITHIUM GREASE NLGI3 1X180KG -4  
PHOENIX HT2 LiCa-COMGREASE NLGI2 320X10G -4  
PHOENIX EP2 Li-COM GREASE NLGI2 1X16KG -3  
PHOENIX EP2 Li-COM GREASE NLGI2 1X180KG -3

### AUTOMOTIVE SPECIALTIES

PHOENIX RADIATOR COOLANT 12X1L  
PHOENIX RADIATOR COOLANT 1X200L  
PHOENIX BRAKE AND CLUTCH FLUID 12X900ML  
PHOENIX BRAKE AND CLUTCH FLUID 36X250ML  
PHOENIX BRAKE AND CLUTCH FLUID 36X150ML  
PHOENIX BRAKE & CLUTCH FLUID DOT 4 12X1L -3

### INDUSTRIAL GEAR OILS

PHOENIX INDUSTRIAL GEAR OIL 150 1X18L -4  
PHOENIX INDUSTRIAL GEAR OIL 220 1X18L -4  
PHOENIX INDUSTRIAL GEAR OIL 220 1X200L -4  
PHOENIX INDUSTRIAL GEAR OIL 320 1X18L -4

### HYDRAULIC OILS

ATLAS HYDRAULIC OIL AW 32 1X18L -4  
ATLAS HYDRAULIC OIL AW 32 1X200L -4  
ATLAS HYDRAULIC OIL AW 46 1X18L -4  
ATLAS HYDRAULIC OIL AW 46 1X200L -4  
ATLAS HYDRAULIC OIL AW 68 1X18L -4  
ATLAS HYDRAULIC OIL AW 68 1X200L -4  
ATLAS HYDRAULIC PREMIUM OIL AW 68 1X200L -4  
ATLAS HYDRAULIC OIL AW 100 1X200L -4

### MARINE OILS

MANTA MARINE ENGINE OIL 1030 1X200L -4  
MANTA MARINE ENGINE OIL 1040 1X200L -4  
MANTA MARINE ENGINE OIL 1240 1X200L -4  
MANTA MARINE ENGINE OIL 1530 1X200L -4  
MANTA MARINE ENGINE OIL 1540 1X200L -4  
MANTA MARINE ENGINE OIL 2040 1X200L -4  
MANTA MARINE ENGINE OIL 3040 1X200L -4  
NAUTILUS CYLINDER OIL 5050 1X200L -4  
NAUTILUS CYLINDER OIL 7050 1X200L -4

### TURBINE OILS

PHOENIX TURBINE OIL 46 1X200L -4  
PHOENIX TURBINE OIL 68 1X18L -4  
PHOENIX TURBINE OIL 68 1X200L -4

### COMPRESSOR OILS

PHOENIX COMPRESSOR OIL 68 1X18L -4  
PHOENIX COMPRESSOR OIL 100 1X18L -4  
PHOENIX COMPRESSOR OIL 100 1X200L -4  
PHOENIX COMPRESSOR OIL 150 1X18L -4

### OTHER OILS

PHOENIX SMO SAE 30 12X1L  
PHOENIX SMO SAE 40 12X1L  
PHOENIX ALL PURPOSE OIL 36X120ML  
PHOENIX HEAT TRANSFER OIL 32 1X200L -4  
PHOENIX HEAT TRANSFER OIL 64 1X200L -4  
PHOENIX TRANSFORMER OIL 1X200L -4

## SPECIALTY CHEMICALS

PHOENIX BRAKE PARTS CLEANER&DEG 24x500ML -3  
DISINFECTANT FLUID 36X80mL  
CAR REVITALISER MACHINE  
NOVAX AdBlue DEF 6x2L  
NOVAX AdBlue DEF 1x20L  
NOVAX AdBlue DEF 1x200L  
NOVAX AdBlue DEF 1x1000L

## ASPHALT

Phoenix Asphalt Bitumen 60/70  
Phoenix Asphalt Polymer Modified Bitumen  
Phoenix Cold Patch

### Legend:

- 1 - viscosity update
- 2 - performance upgrade
- 3 - new product
- 4 - brand name/material description update
- 5 - change in bottle size



# Contact Us

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#SUPER (#78737)

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## STOCK TRADING INFORMATION

Phoenix Petroleum Philippines,  
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