

4 August 2017

Securities & Exchange Commission

Secretariat Building, PICC Complex
Roxas Blvd, Metro Manila

Philippine Stock Exchange

Disclosure Department
3/F PSE Plaza, Ayala Triangle Plaza
Makati City, Metro Manila

Attention: Hon. Vicente Graciano P. Felizmenio, Jr.
Director, Market and Securities Regulation Department
Securities & Exchange Commission

Mr. Jose Valeriano B. Zuño III
OIC - Disclosure Department
Philippine Stock Exchange

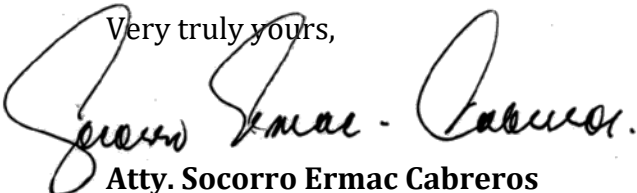
Sirs:

We would like to submit the attached press statement regarding the approval of the Philippine Competition Commission (PCC) to acquisition of PETRONAS Energy Philippines, Inc. (PEPI) by P-H-O-E-N-I-X Petroleum Philippines, Inc. (the Company).

This disclosure is submitted in compliance with the Securities Regulation Code (SRC) and the Revised Disclosure Rules.

Thank you and warm regards.

Very truly yours,



Atty. Socorro Ermac Cabreros
Corporate Secretary

August 4, 2017

Phoenix Petroleum gets PCC approval to acquire Petronas' Philippine operation

Phoenix Petroleum Philippines, Inc. has secured approval from the Philippine Competition Commission (PCC) to acquire the entire equity interest of PDB (Netherlands) B.V. (PDBN) in PETRONAS Energy Philippines, Inc. (PEPI), consisting of 100% of the total issued and outstanding capital stock of PEPI.

Upon completion of the acquisition, Phoenix Petroleum will acquire PDBN's entire liquefied petroleum gas (LPG) business in the Philippines. Phoenix Petroleum will also acquire 100% shareholding in Duta, Inc. Duta and its subsidiary manage and hold the various parcels of land used in relation to the business operations of PEPI.

The acquisition of PEPI expands Phoenix Petroleum's portfolio to LPG as it aims to grow its presence in the petroleum industry. PEPI is principally engaged in the LPG business in the Philippines particularly in the Visayas and Mindanao regions.

"By its acquisition, Phoenix Petroleum is able to broaden our portfolio of products and services, deliver excellent service, and enhance operational efficiency. This is part of our commitment to be an indispensable partner to our customers," said Phoenix Petroleum President and CEO Dennis Uy.

Phoenix Petroleum is the leading independent oil company in the Philippines, engaged in the trading and marketing of refined petroleum products and lubricants, operation of oil depots and storage facilities, and hauling and into-plane services. Currently, it is not engaged in any LPG business.

PEPI and its related companies comprise PDBN's entire LPG business in the Philippines. PDBN is an investment holding company organized under the laws of the Netherlands, with Petroliam Nasional Berhad (PETRONAS) as its ultimate parent entity. The decision of PDBN to exit from the LPG business in the Philippines is part of its ongoing portfolio rationalization strategy.

In its decision on August 3, 2017, PCC's Mergers and Acquisitions Office (MAO) found that the acquisition does not result in the lessening of competition in the relevant market.

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



“The transaction does not result in substantial lessening of competition in the relevant market,” the PCC said.

The Philippine Competition Act requires merger and acquisition deals that reach the threshold of at least Php1 billion to be reviewed by the PCC, the country’s anti-trust body, to ensure that these deals will not prejudice the interest of the consumers.