

24 May 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

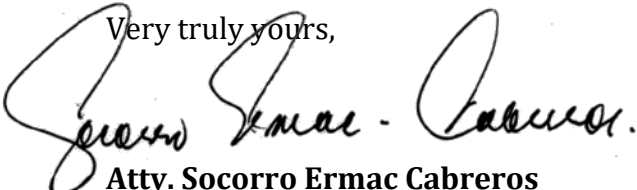
**Sirs:**

We would like to submit the attached press statement regarding the disclosure we recently submitted particularly on the execution of the Memorandum of Understanding between PDB (Netherlands) B.V. and Phoenix Petroleum Philippines, Inc. (the Company) in relation to the planned acquisition of 100% share of Petronas Energy Philippine, Inc. and Duta, Inc.

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

## PRESS RELEASE FINAL

# Phoenix Petroleum set to acquire PDB's LPG business in the Philippines

Publicly-listed leading independent oil company Phoenix Petroleum Philippines, Inc. (**PSE:PNX**) ("**Phoenix**") announced today its plans to acquire the Liquefied Petroleum Gas ("**LPG**") business of PETRONAS Dagangan Berhad ("**PDB**") in the Philippines. PDB is a Malaysian oil & gas company listed on the Bursa Malaysia.

In its disclosure to the Philippine Stock Exchange, a Memorandum of Understanding was entered on 24 May 2017 between the Company and PDB (Netherlands) B.V. (a wholly-owned subsidiary of PDB) in relation to the planned 100% share acquisition of PETRONAS Energy Philippines, Inc. ("**PEPI**") and its affiliate, Duta, Inc. The acquisition will be subject to the approval of the Philippine Competition Commission.

Operating in the Philippines for over 20 years, PEPI is engaged in the business of selling LPG in cylinders for household and commercial use as well as LPG in bulk for industrial use and autogas, an environmentally-friendly alternative fuel for vehicles. According to Dennis Uy, President and CEO of Phoenix, "We are very excited about this asset not only because it represents a new product that Phoenix can offer but also because we know that it has been operated in line with the operating standard of PETRONAS, a Fortune 500 company. PEPI's level of excellence, professionalism and adherence to the highest of global standards is impressive."

The potential acquisition of the LPG business is consistent with Phoenix's goal of becoming one of the leading oil & gas players in the Philippines. With the foray into the LPG space, Phoenix aims to build significant presence in the non-fuel petroleum markets which currently account for about 1% of the company's business. PEPI generates most of its sales in Visayas and Mindanao – underpenetrated regions, with increasing disposable incomes, and attractive demand prospects. This will allow Phoenix to further grow this business in its home market, where there is room for profitable industry expansion and less competition (versus Luzon). The Company views the LPG business as a strong strategic fit as it broadens its product portfolio and petroleum presence with a particular emphasis in Visayas and Mindanao.

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, hauling and into-plane services.