

**MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS OF**

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

Marco Polo Hotel

C.M. Recto Street, Davao City

March 07, 2014, 2:00 p.m.

Number of Shares Represented: 1,044,437,233

Number of Shares Outstanding: 1,433,777,232

Common Shares	1,428,777,232
Preferred Shares	5,000,000

Directors Present:

1. Domingo T. Uy, Chairman
2. Dennis A. Uy, President & Chief Executive Officer
3. Romeo B. De Guzman, Chief Operating Officer
4. Socorro T. Ermac-Cabreros, Corporate Secretary
5. Joseph John L. Ong, Chief Finance Officer
6. Cherylyn C. Uy
7. Paul Dominguez
8. Justice Consuelo Ynares-Santiago, Independent Director
9. Atty. Monico Jacob, Independent Director

PROCEEDINGS OF THE MEETING

I. Call to Order

The Chairman, Mr. Domingo T. Uy, called the meeting to order and presided over the proceedings. The Corporate Secretary, Atty. Socorro T. Ermac-Cabreros, recorded the minutes of the meeting.

II. Proof of Notice and Determination of Existence of Quorum

The Corporate Secretary certified that: (i) notice of the meeting, stating the time, date, venue and purpose thereof, together with the agenda and the Definitive Information Statement of the Company were duly sent beginning February 14, 2014 to all stockholders of record as of February 13, 2014 by courier with postage pre-paid, (ii) based on the record of attendance, present in the meeting in person or by proxy were

stockholders holding 1,044,437,233 common shares and preferred shares out of 1,428,777,232 outstanding capital stock of the Company, which constitutes about 70% of the total outstanding capital stock of the Company as of February 13, 2014, and (iii) there was, therefore, a quorum to transact business.

The Chairman therefore declared the existence of a quorum and the meeting duly constituted for the transaction of business. The Chairman also acknowledged the presence in the meeting of the other incumbent directors: (1) Mr. Dennis A. Uy, the President & CEO; (2) Mr. Romeo B. De Guzman, Chief Operating Officer; (3) Atty. Socorro Ermac Cabreros, the Corporate Secretary; (4) Mr. Joseph John L. Ong, Chief Finance Officer; (5) Mr. Jose Manuel R. Quimson; (6) Ms. Cherylyn C. Uy; (7) Mr. Paul Dominguez; (8) Atty. J.V. Emmanuel De Dios; (9) Justice Consuelo Ynares-Santiago, the Independent Director, and (10) Atty. Monico Jacob, another Independent Director in the meeting.

III. Approval of the Minutes of the Previous Annual Stockholders' Meeting Held on March 8, 2013

The next order of business was the approval of the minutes of the previous annual stockholders' meeting held on March 8, 2013, copies of which were sent and enclosed in with the Definitive Information Statement as of February 14, 2014 to all the stockholders of record as of February 13, 2014. Copies of the said minutes and Definitive Information Statement were likewise given to the stockholders together upon registration.

Upon the motion of Ma. Merceditas Barrios Talaver, and duly seconded by Maceste Uy, without any objections, the stockholders approved the minutes of the previous Annual Stockholders' Meeting held on March 8, 2013, as recorded.

IV. Update on the Operational and Financial Highlights

The Chairman then asked the President of the Company, Mr. Dennis A. Uy, to give an update on the operation and financial highlights for 2013.

Mr. Dennis Uy reported the following:

- 2014 marked the 7th year as a publicly listed Company
- The Company's revenue grew by 26% from 34.58 Billion Pesos in 2012 to 43.55 Billion Pesos in 2013, which was driven by the 31% increase in fuel sales volume in the retail and commercial segments.
- The Net Income grew 2% from 651 Million to 665 Million Pesos.
- Retail stations increased by 68 and now totals 368.
- The Company's total assets of 22.35 Billion Pesos in 2013 grew by 35% from 2012.
- In 2013, the Company raised approximately 1.22 Billion Pesos through a private placement of 130 million common shares, or 10% of the company at 9.40 pesos

per share. The offer was 1.7 times oversubscribed and was successfully placed with 34 institutional investors, 22 of which foreign-based.

- With the current ratio of 1.33:1; debt to equity ratio 2.43:1, and earnings per share at 0.45, the balance sheet ratios have clearly improved.
- Total shareholder's equity grew to 6.51 Billion pesos at the end of 2013 compared to 4.50 Billion Pesos in 2012.
- The Company ranks 36th corporation in the Philippines from being the top 473rd in 2007.
- From 2009 to 2013, a cumulative growth rate of revenue at 65% and net income at 39% were attained.
- As of first half of 2013, the Company serves 7.2% of the market, a percent away from the third biggest oil company.
- The Company targets 500 stations by 2015 to sustain the leading independent position and to become a major player in the industry.
- The Company's goal is to become the Number 3 player by 2017.

The Company's Chief Finance Officer, Mr. Joseph John L. Ong summarized the financial performance of the Company for 2013 with reference to the Audited Financial Statements of the Company for the year ended 31 December 2013.

- Revenue has grown by a Compounded Annual Growth Rate (CAGR) of 61% for the last 5 years while Net Income grew by a CAGR of 35% likewise for the last 5 years
- Historical Gross Margin showed as average of 7.64% from 2011-2013:
2011 - 7.74%
2012 - 7.59%
2013 - 7.59%
- Historical Return on Sales averages 1.81% from 2011 to 2013
2011 - 2.03%
2012 - 1.88%
2013 - 1.53%
- By end of 2013, Company's Total Assets was already at Php22,352,000,000 from Php12,959,000,000 in 2011 while Total Liabilities increased from Php9,244,000,000 in 2011 to Php15,840,000,000 by end of 2013.
- Total Stockholders' Equity by 2013 was at Php6,512,000,000 from Php3,715,000,000 in 2011.
- Debt to Equity ratio remains at 2.43 by end of 2013 from DE ratio of 2.49 in 2011 while Net Book Value per share is at Php4.55 per share by end of 2013 from a Php 5.61 per share in 2011

Stockholder Maripet Pantojan asked the underlying reason for the meager growth in net income of 2% by end of 2013 as compared to the growth in net income from the previous year of 12% of 2012. The Chairman referred the question to Mr. Joseph John L. Ong who explained that the 2013 margins were a challenge particularly

in the second half due to aggressive pricing from competitors, most likely as a reaction to their drop in market share and unexpected drop in the global prices in the second half. This caused a flat income despite the 27% growth in volume sales.

Stockholder Kenneth Dabi inquired if the Company's goal of being number 4 by 2017 still achievable or doable and the strategies to be taken by the Company. The Chairman referred the question to the Chief Operating Officer, Romeo de Guzman who clarified that the attainment level of 98%; or in the oil industry parlance, plus/minus 5% which is still considered at par. He pointed out that Mr. Dabi must have meant being number 3 and not number 4 and further explained that as per the 1st half data from the DOE, Phoenix was already in the no. 4 position in terms of market share. With only a difference of 1.2 percentage point from the current no. 3, there is no doubt, Phoenix can be no. 3 in the next 3 years.

Mr. de Guzman also pointed out that the strategies would be among others, more high volume stations in major cities and municipalities and good dealer network to improve the Company's network efficiency.

Stockholder Peter Paul Tombo asked how will the Company fund its expansion plans in 2014. The Chairman referred the question back to the Mr. Jojo Ong, CFO who answered that working capital will be funded as always by short term banklines while CAPEX can be funded by internally generated funds.

Stockholder Angela Librado Trinidad asked on the status of the cases filed by the Department of Justice against Mr. Dennis A. Uy. The Chairman referred the question to the Chief Legal Counsel Atty Ramon Edison C. Batacan who stated that the cases _____

The Chairman now asks the floor for any more questions when stockholder Giselle Gonzales-Talion moved to approve the President's Report and the Audited Financial Statements for the year ended December 31, 2013, duly seconded by Stockholder Peter Paul Tombo. There being no objections, the motion was approved:

"RESOLVED, the President's Report and the Audited Financial Statement for year ended December 31, 2013 as presented and appended in the Definitive Information Statement is hereby approved."

V. Approval, Confirmation and Ratification of All Acts and Resolutions of the Board of Directors, Management and Executive Committees during their term of office

The stockholders then proceeded to the next item in the agenda which was the ratification, confirmation and approval of all acts and resolutions of the Board of

Directors, Management and Executive Committees. The Chairman requested the Corporate Secretary to explain this item.

The Corporate Secretary explained that the acts and resolutions of the Board of Directors, Management and Executive Committee sought to be approved, confirmed and ratified at the meeting cover the period commencing from February 01, 2013 to January 31, 2014. The acts and resolutions consist of authorizations of the Corporation's representative to enter into contracts, such as but not limited to lease, sale and purchase of service vehicles and other real and personal properties, opening of bank accounts as well as bank credit facilities, acquisitions and investments and such other acts incidental and necessary to the purpose of the Corporation as well as advancement and protection of its interests. The Corporate Secretary added that these acts and resolutions are duly identified, enumerated and attached as Annex A of the Definitive Information Statement sent on February 14, 2014 to all stockholders of record as of February 13, 2014.

On motion made by stockholder Maceste Uy, which was duly seconded by Mr. Ken Dabi, without any objections, all the acts and resolutions of the Board of Directors, Management and Executive Committee from the period commencing from February 01, 2013 to January 31, 2014 were confirmed, approved and ratified.

“RESOLVED, as it is hereby resolved, that all acts and resolution passed and approved by the Board of Directors, Management and Executive Committee covering the period from February 01, 2013 to January 31, 2014, is hereby approved, confirmed and ratified.”

VI. Election of Directors

The Chairman moved to the next item of the agenda which was the election of directors for 2014-2015 and called Atty. Zorrilla, a member of the Nominations Committee, to state the list of nominees.

Atty. Zorrilla announced the following nominees for directorship for the ensuing term, 2014-2015:

1. Domingo T. Uy
2. Dennis A. Uy
3. Romeo B. De Guzman
4. J.V. Emmanuel A. De Dios
5. Atty. Socorro Ermac-Cabreros
6. Jose Manuel R. Quimson
7. Joseph John L. Ong
8. Paul Dominguez
9. Cherylyn C. Uy
10. Consuelo Ynares-Santiago (Independent Director)
11. Monico V. Jacob (Independent Director)

A motion was made by Stockholder Giselle Gonzales Talion moving that all votes be cast in favor of the eleven (11) directors and that they be declared elected to the Board.

Stockholder Maripet Pantojan seconded the motion.

VII. Appointment of External Auditor

The Chairman stated that the appointment of the external auditors is the next item in the Agenda. Mr. Joseph John L. Ong mentioned that the financial statements of the Company were audited by Punongbayan & Araullo (P&A) the previous year.

Upon motion of stockholder Ma. Merceditas Barrios Talaver and duly seconded by stockholder Angela Librado Trinidad, the shareholders adopted the following resolution:

“RESOLVED, that the stockholders approve, as they hereby approve, the appointment of Punongbayan & Araullo as the external auditor of P-H-O-E-N-I-X Petroleum Philippines, Inc. for the year 2014 under such terms and conditions as may be approved by the Board of Directors.”

VIII. Other Matters

The Chairman then asked whether there are any other matters which may be properly taken up by the stockholders.

The Corporate Secretary, Atty. Cabreros through the permission of the Chairman announced that on January 29, 2014, the Board of Directors declared a Php0.10 per share cash dividend and on March 3, 2014, the Board of Directors through management announced that all stockholders of record as of March 17, 2014 shall be entitled to receive the Php0.10 per share cash dividend to be paid out on April 11, 2014.

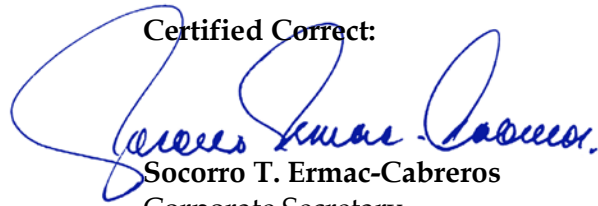
Atty. Cabreros then, through the permission of the Chairman, called on Atty. Raymond Zorrilla _____

Thereafter, the Chairman asked the floor if there are any other matters to be taken up.

IX. Adjournment

Upon motion of Peter Paul Tombo and duly seconded by Maceste Uy, the Chairman declared the meeting adjourned.

Certified Correct:



Socorro T. Ermac-Cabreros
Corporate Secretary

Attested:



Domingo T. Uy
Chairman