

7 July 2020

Securities and Exchange Commission

Secretariat Building, PICC Complex
Roxas Blvd, Metro Manila

The Philippine Stock Exchange, Inc.

Disclosure Department
6/F PSE Tower, 28th Street corner 5th Avenue
BGC, Taguig City, Metro Manila

Philippine Dealing & Exchange Corp.

29/F BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

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

Ms. Janet A. Encarnacion
Head, Disclosure Department
The Philippine Stock Exchange, Inc.

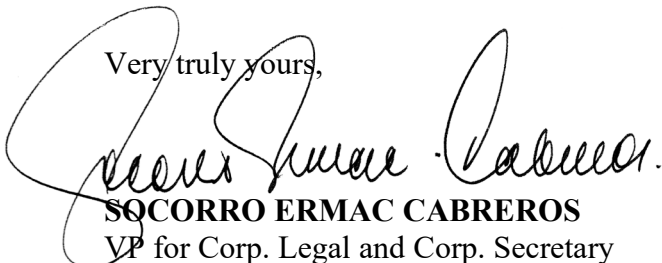
Atty. Marie Rose M. Magallen-Lirio
Head, Issuer Compliance and Disclosure Department (ICDD)
Philippine Dealing & Exchange Corp.

Sir and Mesdames:

We are submitting herewith our Notice of Offer of the Fourth Series of Commercial Paper under the Php10 billion Commercial Paper Program of P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. pursuant to the reportorial requirement of the Securities and Exchange Commission.

Thank you and warm regards.

Very truly yours,



SOCORRO ERMAC CABREROS
VP for Corp. Legal and Corp. Secretary

07 July 2020

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City

Attention: **Director Vicente Graciano P. Felizmenio, Jr.**
Markets and Securities Regulation Department

Re: **Notice of Offer of the Fourth Series of Commercial Papers under the
PHP10 Billion Commercial Paper Program of P-H-O-E-N-I-X
PETROLEUM PHILIPPINES, INC.**

Gentlemen:

We refer to the registration statement filed by P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (the "**Corporation**") for its commercial papers ("**Commercial Papers**") with an aggregate principal amount of up to PHP10,000,000,000 (the "**Commercial Paper Program**" and, the registration statement relating to the Commercial Paper Program, the "**Registration Statement**"). As provided under the Registration Statement, the Commercial Papers shall be issued and reissued in one or more series within a three-year period from the date the registration statement is rendered effective by the Securities and Exchange Commission (the "**Commission**"); provided, that the outstanding amount of the Commercial Papers at any time shall not exceed PHP10,000,000,000 and that each Commercial Paper shall have a term of no more than 365 days.

On 18 December 2018, the Registration Statement was rendered effective by the Commission under SEC MSR Order No. 36 (series of 2018) (the "**RS Order**"), and the Commission issued the corresponding Certificate of Permit to Offer Securities for Sale for the Commercial Papers (the "**SEC Permit to Sell**"). In this connection, the SEC Permit to Sell provides that the Commercial Papers shall be issued and reissued in one or more series within three-years from the date of effectivity of the RS Order (that is, 18 December 2018), pursuant to Rule 12.1.2.5 of the 2015 implementing rules and regulations of the Securities Regulation Code, subject to the condition that the Corporation shall file with the Commission a notice in writing of the use of proceeds no later than ten (10) business days prior to the start of the subsequent offer.

Offer of CP Series A with an aggregate principal amount of PHP7,000,000,000

On 27 December 2018 (the "**CP Series A Issue Date**"), the Corporation issued PHP7,000,000,000 worth of CP Series A, consisting of the following:

- (a) CP Series A-1, with a term of 180 days from the CP Series A Issue Date and an aggregate principal amount of PHP3,500,000,000; and
- (b) CP Series A-2, with a term of 360 days from the CP Series A Issue Date and an aggregate principal amount of PHP3,500,000,000.

On 25 June 2019 and 22 December 2019, the Corporation repaid CP Series A-1 and CP Series A-2, respectively, in full.

Offer of CP Series B with an aggregate principal amount of PHP3,500,000,000

On 5 August 2019 (the “**CP Series B Issue Date**”), the Corporation issued PHP3,500,000,000 worth of CP Series B, with a term of 360 days from the CP Series B Issue Date.

As of the date hereof, the PHP3,500,000,000 worth of CP Series B remains outstanding.

Offer of CP Series C with an aggregate principal amount of PHP3,000,000,000

On 11 December 2019 (the “**CP Series C Issue Date**”), the Corporation issued PHP3,000,000,000 worth of CP Series C, with a term of 360 days from the CP Series C Issue Date.

As of the date hereof, the PHP3,000,000,000 worth of CP Series C remains outstanding.

Following the redemption of CP Series A and the issuance of CP Series B and CP Series C, the remaining amount of the Commercial Paper Program available for issuance is PHP3,500,000,000.

Proposed Offer of CP Series D with an aggregate principal amount of up to PHP2,000,000,000 with an oversubscription option of up to PHP1,500,000,000

Please be advised that the Corporation intends to offer to the public in the Philippines the fourth series of the Commercial Paper Program (the “**CP Series D**” and, the public offer of the CP Series D, the “**Offer**”) with an aggregate principal amount of up to PHP2,000,000,000 with an oversubscription option of up to PHP1,500,000,000. The CP Series D shall have a tenor of 360 days from the issue date (tentatively scheduled on 29 July 2020). The Corporation has engaged PNB Capital as the arranger for the Offer.

Assuming (a) a final discount rate of [5.00]% and (b) the offer is fully subscribed, the net proceeds of the Offer are expected to amount to PHP[3,280,015,570]. The expected net proceeds of the Offer are intended to be used to finance working capital requirements in relation to the regular importation of fuels and lubricants by the Corporation.

The preliminary terms and conditions of the CP Series D and the Offer are set forth in the preliminary Issue Supplement dated 07 July 2020 attached herewith as Annex “A”.

Upon determination of the final issue price on the discount rate setting date (tentatively scheduled on 20 July 2020), the final terms of the Offer shall be embodied in a final Issue Supplement (including the final schedule of the use of proceeds) and an Information Memorandum.

This letter shall serve as the notice referred to in the SEC Permit to Sell in respect of the Offer.

Should you have any concerns, you may contact the undersigned at +63-917 719 9641. Thank you.

[Signature page follows.]

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



Sincerely yours,

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

By:

MA. CONCEPCION F. DE CLARO
Chief Finance Officer

A handwritten signature in blue ink, appearing to be "MA. CONCEPCION F. DE CLARO".

A small, stylized handwritten mark or signature in black ink.

HEAD OFFICE: Phoenix Bulk Depot, Lanang, Davao City 8000,
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Trunkline: +63 (82) 235-8888
Fax: +63 (82) 233-0168

MANILA OFFICE: 25/F Fort Legend Towers, 3rd Avenue corner 31st St.,
Fort Bonifacio Global City, Taguig City 1634, Philippines
Trunkline: +632-403-4013
Fax: +632-403-4009

CEBU OFFICE: Phoenix Maguikay Gasoline Station, M.C. Briones St.,
National Highway, Maguikay, Mandaue City, Cebu 6014,
Philippines
Tel. No.: +63 (32) 236-8168 / 236-8198

Preliminary Issue Supplement dated 07 July 2020

P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC.
Issue of up to PHP2,000,000,000 with an oversubscription option of up to
PHP 1,500,000,000 CP Series D
under the PHP10,000,000,000
Commercial Papers Program

This document constitutes the preliminary Issue Supplement relating to the issue of Commercial Papers described herein. Unless otherwise defined herein, capitalized terms used herein shall have the definitions set forth in the Master Trust Indenture dated 13 December 2018 by and among P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. and PHILIPPINE NATIONAL BANK TRUST BANKING GROUP.

This Issue Supplement comprises the preliminary terms of the Commercial Papers and must be read in conjunction with the Terms and Conditions. In case of any inconsistencies between the Terms and Conditions and this Issue Supplement, the Issue Supplement shall prevail. Full information on the Issuer and the offer of the CP Series D is only available on the basis of the combination of the final Issue Supplement, the Prospectus dated 13 December 2018 (the "Prospectus") and the Information Memorandum dated [●] (the "IM" and, together with the Prospectus, collectively the "Selling Materials").

1. Issuer	:	P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC.
2. (a) CP Series	:	CP Series D
(b) Subseries (if any)	:	Not applicable
3. Aggregate Principal Amount		
(a) CP Series	:	CP Series D: up to PHP2,000,000,000 with an oversubscription option of up to
	:	PHP1,500,000,000
(b) Subseries (if any)		Not applicable
4. Discount Rate	:	Fixed discount rate of [5.00]% per annum, to be set by the Issuer in consultation with the Sole Issue Manager
5. Issue Price	:	Discount to face value
6. (a) Offer Period	:	10:00 a.m. of [21 July 2020] until 5:00 p.m. [23 July 2020]
(b) Issue Date	:	[29 July 2020] (or the immediately succeeding Business Day if such date is not a Business Day) or such other date as may be agreed upon by the Issuer and the Sole Issue Manager
7. Net Proceeds	:	Approximately PHP[3,280,015,570] (based on indicative discount rate of [5.00]% and assuming the Offer is fully subscribed)
8. Use of Proceeds	:	Primarily to finance working capital requirements

		of the Issuer for the regular importation of fuels and lubricants, as set out in the schedule set forth in the Information Memorandum
9. Denomination	:	₱100,000 each, as a minimum, and in multiples of ₱10,000 thereafter
10. (a) Maturity Date	:	360 days from Issue Date or [24 July 2021]
(b) Maturity Value	:	100% of face value
11. Listing	:	The Issuer intends to list the CP Series D on the PDEX on Issue Date.
12. Method of distribution	:	Public offer
13. Sole Issue Manager	:	PNB CAPITAL AND INVESTMENT CORPORATION
13. Underwriters/Arrangers	:	PNB CAPITAL AND INVESTMENT CORPORATION (Arranger)
14. Selling Agents	:	[•]
15. Trustee	:	PHILIPPINE NATIONAL BANK TRUST BANKING GROUP
16. Registrar and Paying Agent	:	PHILIPPINE DEPOSITORY & TRUST CORP.
17. Issuer Rating	:	<p>PRS Aa minus (corp.), with a Stable Outlook, as assigned and reconfirmed by Philippines Rating Services Corp. (“PhilRatings”) in November 2018 and December 2019, respectively.</p> <p>The rating is subject to an annual review, or more frequently, as market developments may dictate, for as long as the relevant Commercial Paper series is outstanding.</p> <p>Note, however, that the existing Issuer Rating and Outlook are currently under review by PhilRatings. PhilRatings will come up with an updated Issuer Rating and Outlook in the coming weeks and will announce the results of its current rating review accordingly once the rating process has been completed.</p>
18. Governing Law	:	Philippine law

INVESTMENT CONSIDERATIONS

There are significant risks associated with the Commercial Papers, including counterparty risk, country risk, price risk and liquidity risk. In making an investment decision, a prospective purchaser must rely on their own investigation, examination and analysis of the Issuer and the terms of the Commercial Papers, including, without limitation, the merits and risks

involved, an assessment of the Issuer's creditworthiness, such prospective purchaser's own determination of the suitability of any such investment with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it in connection with such investment. The Issuer does not make any representation to any prospective purchaser regarding the legality of participating in the Commercial Papers Program under any law or regulation. Each person should be aware that it may be required to bear the financial risks of any participation in the Commercial Papers Program for an indefinite period of time. Prospective purchasers should consult their own counsel, accountants or other advisors as to legal, tax, business, financial and related aspects of the purchase of the Commercial Papers, among others. Investing in the Commercial Papers involves certain risks. Any decision to invest in the Commercial Papers must be based on the information contained in the Selling Materials.

Signed:

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

By:


MA. CONCEPCION F. DE CLARO

Chief Finance Officer

