

28 December 2020

**Securities & Exchange Commission**

Secretariat Building, PICC Complex  
Roxas Blvd, Metro Manila

**Philippine Stock Exchange**

Disclosure Department  
6/F PSE Tower, 28<sup>th</sup> Street Cor. 5<sup>th</sup> Avenue  
BGC, Taguig City, Metro Manila

**Philippine Dealing & Exchange Corp.**

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

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

**Ms. Janet Encarnacion**  
Head- Disclosure Department  
Philippine Stock Exchange

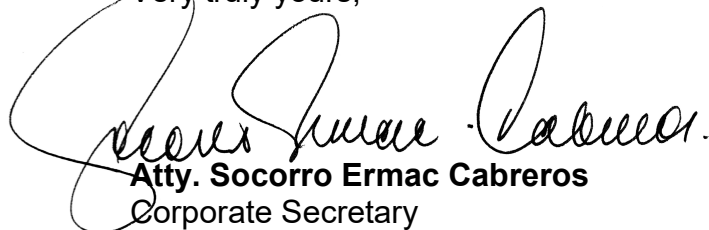
**Atty. Marie Rose M. Magallen-Lirio**  
Head - Issuer Compliance and Disclosure Department (ICDD)  
Philippine Dealing & Exchange Corp.

**Sir and Mesdames:**

We would like to submit the attached Press Release entitled **“Phoenix Petroleum closes year with successful P4 billion refinancing”**

Thank you and warm regards.

Very truly yours,



**Atty. Socorro Ermac Cabreros**  
Corporate Secretary

## **Phoenix Petroleum closes year with successful P4 billion refinancing**

Leading independent petroleum player and third largest market share holder Phoenix Petroleum Philippines implements major steps in strengthening its balance sheet in December through a comprehensive financial management program amidst the challenges of the pandemic.

Following the settlement of the P3 billion in short term commercial papers (STCP) on December 5, the Company announced its redemption of the P1.25 billion preferred shares on December 18.

“It has been a turbulent year, but we have been making headways in our engagements with creditors, and are ending the year with renewed strength and positivity. We are making significant progress in ensuring the Company’s long-term viability as a business to come out a healthier and stronger enterprise after this pandemic,” said Phoenix Petroleum President Henry Albert Fadullon.

The STCP Series C was refinanced by a long term loan, enhancing the Company’s liquidity profile and relieving pressure on immediate cash resources. Meanwhile, the redemption of the PNX3A preferred shares is expected to generate the Company savings on cost of capital.

“Apart from preserving our resources through savings in capital and operational expenses, we are grateful for the continued support and confidence of creditors. These are the initial steps and we assure our financial partners of our resolve to deliver on our commitments. Announcements will be made in due course,” Fadullon added.

The Company’s financial management program is supported by a capital light expansion strategy that focuses on strategic partnerships and an integrated franchising model across its fuel and LPG products, convenience stores, and payments. To date, the Company has generated over P800 million in opex and P1.5 billion in capex savings, respectively. It reported a P5 million net income in the third quarter and is on track to close the full year 2020 earnings positive.

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