

23 March 2021

Securities & Exchange Commission
Secretariat Building, PICC Complex
Roxas Blvd, Metro Manila

Philippine Stock Exchange
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

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

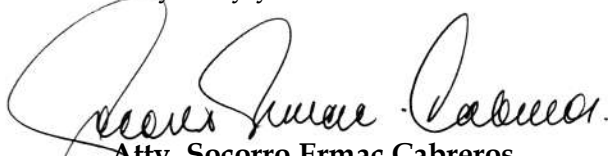
Atty. Marie Rose M. Magallen-Lirio
Head - Issuer Compliance and Disclosure Department (ICDD)

Sir and Mesdames:

We are herewith submitting the attached Preliminary Information Statement (SEC Form 20-IS) of our company for your consideration and approval.

Thank you and warm regards.

Very truly yours,



Atty. Socorro Ermac Cabreros
Corporate Secretary

COVER SHEET

A	2	0	0	2	0	7	2	8	3	
---	---	---	---	---	---	---	---	---	---	--

S.E.C. Registration Number

P	H	O	E	N	I	X		P	E	T	R	O	L	E	U	M			
P	H	I	L	I	P	P	I	N	E	S		I	N	C	.				

P-H-O-E-N-I-X Petroleum Philippines, Inc.

(Company's Full Name)

S	T	E	L	L	A		H	I	Z	O	N		R	E	Y	E	S		R	D.
B	O.		P	A	M	P	A	N	G	A		L	A	N	A	N	G			
D	A	V	A	O		C	I	T	Y											

(Business Address: No. Street City / Town / Province)

Socorro Ermac Cabreros										(082) 235-8888									
-------------------------------	--	--	--	--	--	--	--	--	--	-----------------------	--	--	--	--	--	--	--	--	--

Contact Person

Company Telephone Number

PRELIMINARY INFORMATION STATEMENT

last Friday

1	2	3	1	SEC FORM 20-IS								4	XX
---	---	---	---	----------------	--	--	--	--	--	--	--	---	----

Month

Day

FORM TYPE

Month

Day

Fiscal Year Ending

Annual Meeting

CERTIFICATE OF PERMIT TO OFFER SECURITIES FOR SALE

Secondary License Type, if applicable

--	--	--

Dept. Requiring this Doc

--	--	--	--	--	--	--	--	--	--

Amended Articles Number/Section

69										Total Amount of Borrowing				

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel Concerned

--	--	--	--	--	--	--	--	--	--

File Number

LCU

--	--	--	--	--	--	--	--	--	--

Document I.D.

Cashier

--	--	--	--	--	--	--	--	--	--

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-IS
INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
☒ Preliminary Information Statement
☐ Definitive Information Statement
2. Name of Company as specified in its charter: **P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC.**
3. Country of Incorporation: **Philippines**
4. SEC Identification Number: **A200207283**
5. BIR Tax Identification Code: **006-036-274**
6. Address of principal office: **Stella Hizon Reyes Road, Bo. Pampanga Lanang, Davao City 8000**
7. Company's telephone number, including area code: **(082) 235-8888**
8. Date, time and place of the meeting of security holders:

April 30, 2021, 10:00 A.M.,
Phoenix Corporate Headquarters,
Stella Hizon Reyes Road, Bo. Pampanga, Davao City
via remote access communication, registration of which may be accessed
through http://asm.phoenixfuels.ph/PNX2021 and posted in the Company's
website (www.phoenixfuels.ph)

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **April 08, 2021.**
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the SRC:

<u>Title of Each Class</u>	<u>Number of Shares</u>
Common Shares, Php1.00 par value	1,439,788,232
Preferred Shares, Php 1.00 par value	14,500,000

11. Are any or all of Company's securities listed on a Stock Exchange?
Yes X No

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

Philippine Stock Exchange, 1,439,788,232 Common Shares
14,500,000 Preferred Shares

NOTICE AND AGENDA

NOTICE is HEREBY GIVEN that the Annual Stockholders Meeting of PHOENIX PETROLEUM PHILIPPINES, INC. will be held on Friday, April 30, 2021, 10:00 AM at the Phoenix Petroleum Corporate Headquarters, Stella Hizon Reyes Road, Bo. Pampanga, Davao City. The meeting will be conducted virtually via remote access communications and registration for the meeting can be accessed through the link, <http://asm.phoenixfuels.ph/PNX2021>

The agenda for the Meeting shall be, as follows:

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting held last May 29, 2020
4. Report of the President and Chief Executive Officer
5. Approval of the 2020 Audited Financial Statements and 2020 Annual Report
6. Corporate Actions:
 - a) Proposed Authority for management to enter into negotiations for reasonable and acceptable terms and conditions advantageous to the Corporation with any third party corporation(s) or any other entity or entities for the possible transfer, sale, mortgage or disposition of certain corporate properties, assets, or investments as may be necessary and required in relation and pursuant to the financial management program exercised by the Corporation as part of its debt management and funding activities;
7. Ratification and Confirmation of all Acts and Resolutions of the Board and Management executed in the normal course of business covering the period of 06 Feb 2020 until 28 February 2021
8. Election of the Members of the Board of Directors
9. Appointment of External Auditor
10. Other Matters
11. Adjournment

All stockholders as of **05 April 2021** shall be entitled to participate and vote in the said annual meeting.

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



In view of the current COVID-19 pandemic and the continuing quarantine being implemented in Metro Manila and Davao City, where the Company's principal place of office is located, the physical and actual holding of the Annual Stockholder's Meeting cannot be conducted. In lieu thereof, the Annual Meeting on April 30, 2021 shall be conducted vial live streaming. Stockholders whose share and proxies are duly validated may attend, participate and vote by proxy or in absentia during the meeting.

Proxy Forms and Special Powers of Attorney or other Authorization Forms shall be made available in the Company's website and must be submitted to the Office of the Corporate Secretary, with address at Phoenix Petroleum Corporate Headquarters, Stella Hizon Reyes Road, Bo. Pampanga, Davao City by mail or sent by email at pnx.corpsec@phoenixfuels.ph. Validation of proxies and registration shall commence at 10:00AM of April 16, 2021 until 3:00PM of April 29, 2021. Participation in the meeting as well as voting shall be through remote communications. Procedure for voting shall be posted in the Company's website.


Atty. Socorro Ermac Cabreros
Corporate Secretary

PART I.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of security holders

- (a) Date : **April 30, 2021**
 Time : **10:00 A.M.**
 Place : **Phoenix Corporate Headquarters, Stella Hizon Reyes Road, Bo. Pampanga, Davao City**
 via remote access communication, registration which may be accessed through
 <http://asm.phoenixfuels.ph/PNX2021>
 Mailing **P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC.**
 Address: **Office of the Corporate Secretary**
 Phoenix Petroleum Corporate Headquarters
 Stella Hizon Reyes Road, Bo. Pampanga
 Lanang, Davao City 8000
 Email: pnx.corpsec@phoenixfuels.ph
- (b) Approximate date on which the Information Statement is first to be sent or given to security holders: **April 08, 2021.**

Item 2. Dissenter's Right of Appraisal

Procedure for the exercise of Appraisal Right

Pursuant to Section 81 of the Revised Corporation Code of the Philippines, a stockholder has the right to dissent and demand payment of the fair value of his shares in case of any amendment to the articles of incorporation that, (1) in case of an amendment to the articles of incorporation, has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (2) in case of lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code, and (3) in case of merger or consolidation. Such appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate action by making a written demand on the Company within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares. Failure to make the demand within such period shall be deemed a waiver of the appraisal right.

Within ten (10) days after demanding payment for his shares, a dissenting stockholder shall submit the certificate(s) of stock representing his shares to the Company for notation thereon that such shares are dissenting shares **and proof that such dissenting shareholder has voted against the proposed corporation action in order to exercise his appraisal right.** His failure to do so shall, at the option of the Company, terminate his appraisal rights. No demand for payment as aforesaid may be withdrawn by the dissenting stockholder unless the Company consents thereto.

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the Company cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the Company and third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the Company within thirty (30) days after such award is made: Provided, that no payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings in its books to cover such payment: Provided, further, that upon payment by the Company of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the Company.

The only corporate action is the Proposed Authority for management to enter into negotiations for reasonable and acceptable terms and conditions advantageous to the Corporation with any third party corporation(s) or any other entity or entities for the possible transfer, sale, mortgage or disposition of certain corporate properties, assets, or investments as may be necessary and required in relation and pursuant to the financial management program exercised by the Corporation as part of its debt management and funding activities.

The said proposed action has no effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those outstanding shares of any class, or of extending the term of the corporation's existence.

OTHER THAN THE MATTERS RAISED ABOVE FOR CORPORATE ACTION, THERE ARE NO MATTERS THAT WILL BE PRESENTED FOR SHAREHOLDERS' APPROVAL DURING THE ANNUAL MEETING THAT MAY OCCASION THE EXERCISE OF THE RIGHT OF APPRAISAL.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- (a) No director or officer of the Company since the beginning of the last fiscal year, nominee for election as director of the Company, nor any of their associates, have any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon during the Annual Meeting, other than election to office.

- (b) No director of the Company has informed the Company in writing that he intends to oppose any action to be taken by the Company during the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

In accordance with Sections 23 and 57 of the Revised Corporation Code of the Philippines (RA 11232) and the Internal Rules Procedures outlined in Annex D of this Definitive Information Statement, the stockholders may participate in the Annual Stockholders' Meeting by registering at <http://asm.phoenixfuels.ph/PNX2021> from 10:00AM of 16 April 2021 to 3:00pm of 29 April 2021, to allow the Company some time to validate the registration. After successful validation, a copy of the link to the Annual Stockholders' Meeting shall be sent to the stockholders via email.

Any questions for the stockholders meeting or any clarificatory questions can be sent to pnx.corpsec@phoenixfuels.ph or investors@phoenixfuels.ph. Any additional questions or questions not directly addressed during the meeting shall be answered through email. Proxy and voting forms shall be available through the Company's website at <https://www.phoenixfuels.ph/annual-stockholders-meeting/>. For a more detailed discussion of the internal procedures, the stockholders' may refer to Annex D of this Definitive Information Statement.

(a) Voting Securities

As of **March 22, 2021**, the total number of shares outstanding and entitled to vote on all corporate matters to be acted upon during the Annual Meeting are 1,439,788,232 common shares.

(b) Record Date

The record date for purposes of determining the stockholders entitled to notice of and to vote at the Annual Meeting is **April 05, 2021**.

(c) Voting Rights and Trust

In the matters to be voted upon in the Annual Meeting, stockholders of record as of **April 05, 2021** shall be entitled to one vote per share in person or by proxy and shall be done *in accordance with Sections 23 and 57 of the Revised Corporation Code of the Philippines (RA 11232)*. If the stockholder will vote through a proxy, the By-Laws of the Company requires the submission of the accomplished proxy form to the Corporate Secretary for validation and

authentication at least ten (10) days before the date of the Annual Meeting.

The validation of proxies chaired by the Corporate Secretary or Assistant Corporate Secretary and attended by the Stock and Transfer Agent shall be convened at least five (5) days before the Annual Meeting. Any questions and issues relating to the validity and sufficiency, both as to form and substance, of proxies shall only be raised during said forum and resolved by the Corporate Secretary. The Corporate Secretary's decision shall be final and binding upon the shareholders, and those not settled at such forum shall be deemed waived and may no longer be raised during the Annual Meeting.

With respect to the election of the members of the Board of Directors, cumulative voting is allowed. A stockholder may vote such number of shares for as many persons as there are directors to be elected; or he may cumulate his shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares; or he may distribute these shares on the same principle among as many candidates as he shall see fit; provided that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the total number of directors to be elected.

(d) Security Ownership of Certain Record and Beneficial Owners and Management as of **March 22, 2021**.

(1) Security Ownership of Certain Record and Beneficial Owners

As of **March 22, 2021**, the following are the owners of the Company's common stock in excess of five percent (5%) of the total outstanding shares:

Title of Class of Securities	Name of Record Owners and Relationship with Phoenix		Name of Beneficial Owners/Relationship with Record Owner	Citizenship	No. of Shares Held	% of Ownership
Common	Phoenix Holdings, Inc.	Petroleum	Record Owner is the direct beneficial owner	Filipino	588,945,630	40.91%
	Majority Shareholder					
Common	ES Consultancy Group, Inc.	Group,	Record Owner is the direct beneficial owner	Filipino	340,270,980	23.63%
	Substantial Shareholder					

Common	Udenna Corporation Substantial Shareholder	Record Owner is the direct beneficial owner	Filipino	267,245,918	18.56%
Common	PCD Nominee Corporation (Filipino) Shareholder	Record Owner is the indirect beneficial owner	Filipino	152,659,286	10.61%

As of **March 22, 2021**, there are no beneficial owners under the PCD Nominee Corp. of the Company's common stock in excess of five percent (5%) of the total outstanding shares.

There are NO voting trust agreements entered into by the Company or any of the major stockholders of the Company.

However, the persons are authorized for purposes of this annual meeting to vote for and in behalf of the following stockholders are as follows:

Name of Stockholders	Representative
1. Phoenix Petroleum Holdings, Inc.	Dennis A. Uy
2. Udenna Corporation	Cherylyn C. Uy
3. Udenna Management & Resources Corp.	Ignia S. Braga IV
4. PCD Nominees/ Trading Participants	<i>Ultimate Beneficial Owners representing the trading participants shall be made available after lapse of the Record Date and only after submission of their respective proxy forms for validation</i>

Security Ownership of Management

As of **March 22, 2021**, the security ownership of Management is as follows:

Common

Title of Class of Securities	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	% of Ownership
Directors:				

Common	Dennis A. Uy*	5,620,811	Filipino	0.39%
		direct beneficial owner		
Common	Dennis A. Uy &/or Cherylyn C. Uy	1,098,099	Filipino	0.08%
		direct beneficial owner		
Common	Domingo T. Uy*	645,919	Filipino	0.04%
		direct beneficial owner		
Common	Romeo B. De Guzman	1,039,746	Filipino	0.07%
		direct beneficial owner		
Common	J.V. Emmanuel A. De Dios	776,819	Filipino	0.05%
		direct beneficial owner		
Common	Minoru Takeda	1	Japanese	0.00%
		direct beneficial owner		
Common	Consuelo Ynares Santiago	1	Filipino	0.00%
		direct beneficial owner		
Common	Monico V. Jacob	1	Filipino	0.00%
		direct beneficial owner		
Common	Henry Albert R. Fadullon	50,100	Filipino	0.00 %
		direct beneficial owner		
Common	Nicasio I. Alcantara	1	Filipino	0.00 %
		direct beneficial owner		
Common	Stephen T. CuUnjieng	1	Filipino	0.00 %
		direct beneficial owner		

Senior Management

Common	Socorro T. Ermac Cabrereros	105,216	Filipino	0.01%
		direct beneficial owner		
Common	Ma. Concepcion F. de Claro	1	Filipino	0.00%
		direct beneficial owner		

Preferred

Title of Class of Securities	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		% of Ownership	
		Number of Shares			
Directors:		PNX3B	Total	% to total I/O shares	
Preferred	Domingo T. Uy	-	10,000	10,000	0.05%
		direct beneficial owner			
Preferred	Consuelo Ynares Santiago	-	10,000	10,000	0.05%
		direct beneficial owner			

The other executive officers of the Company, Alan Raymond T. Zorrilla – SVP for External Affairs, Business Development and Security; Ericson Inocencio-General Manager for Retail Business; Lester C. Khan - General Manager for Aviation Business, and Business Development, Strategies and Portfolio; Ma. Rita A. Ros – Asst. Vice President for CME; Richard Tiansay-Vice President for Supply & Pricing and Demand, Roy Jimenez-General Manager for Commercial and Industrial Business; Celina I. Matias - VP for Integrated Marketing and Strategies, Celeste Marie G. Ong-AVP for Human Resources; Jonarest Z. Sibog, Asst. Vice President for Comptrollership; and Joven Jesus G. Mugar-General Manager for Lubricant Sales and Distribution Business own

common shares in scripless form through the Company's Employees Stock Option Plan (ESOP) as of March 22, 2021 as follows:

Names	No. of Shares
Alan Raymond T. Zorrilla	343,000
Ericson S. Inocencio	186,000
Ma. Rita A. Ros	198,000
Richard C. Tiansay	174,000
Roy O. Jimenez	132,000
Ma. Celina I. Matias	146,000
Celeste Marie G. Ong	110,000
Jonarest Z. Sibog	126,000
Joven Jesus G. Muijar	148,000

However, some of the officers have disposed of their shares through their respective brokers.

The numbers of aggregate shares for all directors and executive officers is TEN MILLION EIGHT HUNDRED NINETY NINE THOUSAND SEVEN HUNDRED EIGHTY EIGHT (10,899,788) for common shares and Twenty Thousand (20,000) for preferred shares.

Other than those mentioned above, there are no persons holding more than five percent (5%) of a class under a voting trust or any similar agreements as of the date of this Report.

(e) Change in Control

On 22 May 2017, the Corporation was informed by its major stockholders, Udenna Corporation (UC) and Udenna Management & Resources Corp. (UMRC) of a joint block sale, using the Philippine Stock Exchange's (PSE) facilities, of a total of 340,270,958 common shares of the Corporation in favor of a certain ES Consultancy Group, Inc. (ESGI), a consulting firm that is focused on financial strategy, capital mergers and acquisitions as well as joint ventures. This consists of about 24.20% of the Corporation's outstanding capital stock.

On 04 January 2018, the Corporation received a copy of SEC Form 18-A from a certain Top Direct Investments Limited (Top Direct Investments), a foreign corporation organized in the British Virgin Islands with registered office in Hongkong, SAR through a reporting person identified as Miguel Jose C. Valencia who is holding office at the PSE Center in Ortigas, Metro Manila. The form indicated that Top Direct Investments acquired about 142,000,000 shares in the Corporation representing about 9.92% of the total outstanding capital stock, through a special block sale crossed at the PSE at the price of Php15.00 per share. It further disclosed that the purpose of the acquisition of

equity interest in the Corporation is for investment purposes in the petroleum industry and it does not intend to acquire shares of the Corporation for purposes of taking over the same.

On March 5, 2020, the Corporation received copies of SEC Form 18-A from Top Direct Investments and SEC Form 23-B from Udenna Corporation indicating their disposition and acquisition of 142,000,000 shares respectively, through a special block sale crossed at the PSE at the price of Php15.00 per share.

As of 22 March 2021, the major stockholders of the Corporation include Phoenix Petroleum Holdings, Inc., who represents around 40.91% of the total outstanding capital stock, ES Consultancy Group, Inc. who owns 23.63% of the common shares, and Udenna Corporation, representing around 18.56% of the total outstanding capital stock.

Item 5. Directors and Executive Officers

- (a) The incumbent members of the Board of Directors and the executive officers of the Company are as follows:

Office	Name	Age	Citizenship
Directors			
Chairman	Dennis A. Uy	47	Filipino
Director/President	Henry Albert R. Fadullon	53	Filipino
Director	Romeo B. De Guzman	71	Filipino
Director	Stephen T. CuUnjieng	61	Filipino
Director	Cherylyn C. Uy	41	Filipino
Director	Domingo T. Uy	74	Filipino
Director	Jose Victor Emmanuel A. de Dios	56	Filipino
Director	Monico V. Jacob	75	Filipino
Independent Director	Nicasio Alcantara	79	Filipino
Independent Director	Consuelo Ynares Santiago	81	Filipino
Independent Director	Minoru Takeda	67	Japanese
Corporate Secretary/Vice President for Corporate Legal	Socorro T. Ermac Cabreros	56	Filipino
Other Executive Officers			
President	Henry Albert R. Fadullon	53	Filipino
Chief Finance Officer	Ma. Concepcion F. De Claro	63	Filipino
Senior Vice President for Corporate Affairs, Business Development and Security	Alan Raymond T. Zorrilla	51	Filipino
Vice President for Supply, Pricing and Terminal Operations	Richard C. Tiansay	57	Filipino
General Manager for Retail Business	Ericson S. Inocencio	46	Filipino
General Manager for Lubricants Sales and Distributions	Joven Jesus G. Mular	50	Filipino
General Manager for Commercial and Industrial Business	Roy O. Jimenez	58	Filipino
General Manager for Joint Ventures	Joriz B. Tenebro	42	Filipino
General Manager for CME	Ma. Rita A. Ros	61	Filipino

Asst. Vice President for Comptrollership	Jonarest Z. Sibog	40	Filipino
Vice President for Integrated Marketing and Strategies	Celina I. Matias	56	Filipino
Asst. Vice President for Human Resources	Celeste Marie G. Ong	53	Filipino
Asst. Vice President for Retail Operations and Network Development	Arnel G. Alban	53	Filipino
Asst. Vice President for Technical Services and QAPD	Jaime T. Diago, Jr.	65	Filipino
General Manager for Shared Service	Magtanggol C. Bawal	59	Filipino
General Manager for Aviation Business; and Business Development, Strategies and Portfolio	Lester C. Khan	40	Filipino
Chief Digital Officer	Charlie R. Valerio	53	Filipino
General Manager for LPG Trading	Elmer A. Baguioro	48	Filipino
General Manager for Philippine FamilyMart	Bernard C. Suiza	53	Filipino
General Manager for PLPI Luzon	Julgin Anthony G. Villanueva	36	Filipino

Since the last Stockholders' Meeting, NO officer or director has resigned because of a disagreement with the Company on any matter relating to the Company's issuance, operations, policies or practices.

Directors

The members of the Board of Directors of the Company are elected during the annual stockholders' meeting to hold office until the next succeeding annual stockholders' meeting and until their successors have been appointed or elected and qualified. The following is the list of the incumbent members of the Board of Directors, and their business experiences during the past five (5) years:

Dennis A. Uy

Director, Chairman of the Board, Chief Strategy Officer

Mr. Dennis A. Uy, Filipino, 47 years old, is the founder of the Company and has served as President and Chief Executive Officer since inception. He is the Chairman and President of Udenna Corporation, the parent company, which has businesses in the shipping, logistics, distribution, real estate, and service industries. Among the subsidiaries of Udenna Corporation are Phoenix Petroleum Holdings, Inc. (PPHI), Udenna Management & Resources Corp. (UMRC), Chelsea Logistics Holdings, Corp., Udenna Development Corporation (UDEVCO), Le Penseur, Udenna Trade Corporation and PH Resorts Group Holdings, Inc. The subsidiaries of Phoenix Petroleum Philippines are Phoenix Global Mercantile, Inc., Subic Petroleum Trading & Transport Philippines, Inc., and PFL Petroleum Management. The subsidiaries of Udenna Management &

Resources Corp. (UMRC) are Global Synergy Trade and Distribution Corp., Value Leases, Inc., Udenna Capital, PN-X-Udenna Insurance Brokers, Udenna Environmental Services, Udenna Energy Corporation, and F2 Logistics. Under UDEVCO are Calaca Industrial Seaport Corp.(CISC), Udenna Tower Corporation, LapuLapu Land Corp., Clark Global City Corp. and GoHotels Davao Inc. The Chelsea Logistics Corp. has the shipping businesses Chelsea Shipping Corp. and Trans-Asia Shipping Lines. Mr. Uy is also Chairman of PH Resorts Group Holdings, Inc., Phoenix Philippines Foundation and Udenna Foundation. He is director of shipping and logistics provider 2Go Group, Inc. through his Udenna Investments BV subsidiary KGLI-NM Holdings Inc. He also serves as independent director of Apex Mining Corp. Mr. Uy is a member of the Young Presidents Organization's Philippine chapter and the Philippine Business for Social Progress. Since November 2011, Mr. Uy has been the Honorary Consul of Kazakhstan to the Philippines. In 2016, he was appointed as the Presidential Adviser on Sports. He is a graduate of De La Salle University with a degree in Business Management.

Henry Albert R. Fadullon
Director, President

Mr. Fadullon is a Filipino, 53 years of age, and was appointed Chief Operating Officer of the Company on April 17, 2017 and was consequently named as President on June 1, 2020. Prior to this, he served Shell Shared Services (Asia) B.V. as General Manager for its global businesses. He has over 25 years of experience in the petroleum industry, having held various roles at Pilipinas Shell Petroleum Corp., a decade of which were spent overseas with postings in Malaysia, Oman, and London. He has a wealth of experience in Retail and B2B performing a variety of frontline and functional roles leading into General Management positions. He completed his BS Industrial Management Engineering, minor in Mechanical Engineering, from De La Salle University.

Domingo T. Uy
Director

Mr. Domingo T. Uy, Filipino, 74 years old, is a co-founder and has been a member of the Board of Directors of the Company since 2002. Mr. Uy was elected Chairman of the Board of Directors of the Company on February 15, 2007. He is also a Director of Granland Resources Corporation, a corporation involved in real estate development. Mr. Uy is actively involved in socio-civic programs and is a Director of the Philippine National Red Cross, Davao Chapter. He is also a Past President of the Davao City Sta. Ana Lions Club and the Kang Ha Uy Association - Davao Chapter.

Romeo B. De Guzman

Director

Mr. Romeo B. De Guzman, Filipino, 71 years old, was elected Director of the Company in 2009. He is the Vice Chairman and Senior Strategic Adviser, and previously was Chief Operating Officer of the Company, bringing over 40 years of outstanding experience in the oil industry. Before joining the Company, he was with Pilipinas Shell Petroleum Corporation, where he was Vice President for External Affairs for Asia Pacific and a member of the Board of Directors up to December 2006. He was with the said company holding various management and executive positions. Prior to that, he worked at Getty Oil Philippines Inc. for 10 years. Mr. De Guzman is also the Chairman of the Board of Directors of Mirait Philippines, Inc. He holds a Marketing Management and MBA degrees from San Sebastian College – Manila.

Atty. Jose Victor Emmanuel A. De Dios

Director

Atty. J.V. Emmanuel A. De Dios, Filipino, 56 years old, was elected Director of the Company on February 15, 2007 and regular director on March 7, 2008. He is the CEO of GE Philippines, and prior to that was President and CEO of Nido Petroleum Pty Ltd., an Australian Stock Exchange-listed oil and gas company. He was Managing Director of Merritt Advisory Partners, Inc. and was a member of the Board of Directors of Davies Energy Systems, Inc. He also served as Chairman of the Board of the Philippine National Oil Company Exploration Corporation and was former Undersecretary of the Philippine Department of Energy. Atty. De Dios obtained his Master of Laws degree from Harvard Law School and completed his Bachelor of Laws at the Ateneo School of Law.

Cherylyn C. Uy

Director

Ms. Cherylyn Chiong-Uy, Filipino, 41 years old, is a graduate of Business and Finance from Ateneo de Davao University. Ms. Uy is one of the pioneers/incorporators of Udenna Corporation, the ultimate parent company of Phoenix Petroleum and which has subsidiaries engaged in the petroleum, shipping, logistics, services, and real estate businesses, among others. She is the Corporate Treasurer of Udenna Corporation and a member of the Board of Director of PH Resorts Group Holdings, Inc.. Ms. Uy is also one of the Executive Directors of Phoenix Philippines Foundation, Inc., the corporate social responsibility arm of the Company. She is the Corporate Treasurer of Udenna Management and Resources Corporation and Chelsea Shipping Corp.

Stephen T. CuUnjieng
Director

Stephen T. CuUnjieng, Filipino, 61 years old, was elected as a Director of the Company on January 15, 2018, after being a long-time adviser to the Board. He is Chairman of Evercore Asia Limited, and has substantial and wide experience in investment banking. He has acted as Financial Adviser to several financial transactions of companies involving initial public offerings, major and strategic acquisitions, and mergers of various companies from various industries. He is a member of the Executive Advisory Board for Asia of the Wharton School of Business, and an Independent Director of Century Properties Group and Aboitiz Equity Ventures. He has received several awards and distinctions, such as the Best Independent Advisory Firm in Asia in 2016 for Evercore, and Deals of the Year for various acquisitions. He graduated from Ateneo de Manila University and Ateneo School of Law, and completed an MBA in Finance from the Wharton School of Business.

Monico V. Jacob
Director

Monico V. Jacob, Filipino, 75 years old, has been a Director of the Company since March 7, 2008. He is President and Chief Executive Officer of the STI Education Systems Holdings, Inc., a publicly listed company; of STI Education Services Group, Inc.; and of West Negros University. He is also the Chairman of Philplans First, Inc., a pre-need company; of Philippine Life Financial, Inc., a life insurance company, and of Republic Surety and Insurance Co., a non-life insurance Company. He likewise sits as an independent director of Jollibee Foods, Inc., Century Properties, Lopez Holdings, Inc. and 2GO Shipping. He sits as Director of Asian Terminals, Inc., Philhealthcare Systems, Inc., an HMO, Philippine Women's University and IAcademy.

Consuelo Yñares-Santiago
Independent Director

Ms. Consuelo Ynares-Santiago, Filipino, 81 years old, is a Retired Justice of the Philippine Supreme Court. Justice Santiago (Ret) is currently an independent director of Anchor Insurance Brokerage Corp., a leading insurance brokerage company based in New York, USA, SMC Global Power Holdings, Inc., one of the country's leading power companies which is the power generation unit of San Miguel Corporation, South Luzon Tollway Corp., and Top Frontier Investment Holdings, Inc. She is the Chair Advisory Council of the Office of Alternative Dispute Resolution under the Department of Justice. She earned her Law Degree at the University of the Philippines. After being admitted to the bar, she started her career as a Legal Officer of the Securities and Exchange Commission (SEC).

After 5 years of legal practice, she decided to enter the Judiciary and spent 36 years of her career as Municipal Judge, Metropolitan Trial Court judge, Regional Trial Court judge, and Associate Justice of Court of Appeals, before becoming an Associate Justice of the highest court of the country, the Supreme Court. During her time in the Supreme Court, she became the chairperson of the Supreme Court's 3rd Division and also joined various committees, among them the Justice on Wheels Program as Chairperson, the Foreign Travel Committee as Chairperson, the House of Representative Electoral Tribunal (HRET) as Chairperson, and member of the Presidential Electoral Tribunal. She was also a consultant of the Judicial and Bar Council (JBC) and a Bar Examiner of Labor Law and Social Legislation during the 1996 Bar Examination and Taxation Law in the 1998 Bar Examination.

Nicasio I. Alcantara
Independent Director

Nicasio I. Alcantara, Filipino, 78 years old. He re-assumed the position of Chairman of the Board of Directors and President of Alsons Consolidated Resources, Inc. (ACR) on March 1, 2021, a position he previously held from May 1995 to May 2001. He is the Chairman and President of ACR Mining Corporation, Alsons Development and Investment Corporation, Sarangani Agricultural Company, Inc., Conal Holdings Corporation, Alsons Thermal Energy Corporation, Alto Power Management Corporation and many other subsidiaries under the Alcantara Group. He is the Chairman of the Board of SITE Group International, Ltd. Mr. Alcantara serves as the Chairman of both the Corporate Governance Committee and Related Party Transactions Committee of BDO Private Bank, Inc. and a member of the Bank's Audit Committee. He is the Vice-Chairman of Aviana Development Corporation. Currently, he is a Director of Seafront Resources Corporation, The Philodrill Corporation, Enderun Colleges, Inc., Sagittarius Mines, Inc. and Phoenix Petroleum Philippines, Inc. Mr. Alcantara holds a Masters degree in Business Administration (MBA) from Sta. Clara University, California, and a Bachelor of Science degree in Business Administration from the Ateneo de Manila University.

Minoru Takeda
Independent Director

Minoru Takeda, Japanese, 67 years old is the Chairman of aNew Energy (an advisory company for Renewables/LNG), Senior Advisor of GLX LNG (LNG Trading Platform Company), Director of Oxalis Chemicals KK, and Sr. Advisor of Uyeno Kosan KK. Mr. Takeda was with ExxonMobil for 22 years and with Royal Dutch Shell group for 14 years. He was the Chairman of the Board of Showa Shell KK, Country Chairman of Shell Group of Companies in Japan, and GM of Shell Upstream International in charge of the ASEAN/India LNG Market

Development. For Mobil Oil Corporation, in addition to holding key positions in Japan, he was Director of Mobil Oil New Zealand, and has experience in Global HQ Downstream Corporate Planning. He also spent over 4 years in Deloitte, as Partner of Deloitte Tohmatsu Consulting and served as CEO of Deloitte Tohmatsu Corporate Finance. He holds BS and MS from Keio University and MS from MIT Sloan School of Management. He was a Visiting Researcher at Harvard University, Energy and Environmental Policy Center.

** Independent director – the Company is compliant with the Guidelines set forth by the Securities Regulation Code (SRC)) Rule 38 regarding the Nomination and Election of Independent Director. The Company's By-Laws incorporate the procedures for the nomination and election of independent director/s in accordance with the requirements of the said Rule.*

Period of Directorship in the Company

<u>Name</u>	<u>Period of Service</u>	<u>Term of Office</u>
Dennis A. Uy	since incorporation to present	1 year
Domingo T. Uy	since incorporation to present	1 year
Romeo B. De Guzman	since 2009 to present	1 year
J.V. Emmanuel De Dios	2007 to present	1 year
Cherylyn C. Uy	2004 to 2006, 2013 to present	1 year
Monico V. Jacob	2008 to present	1 year
Consuelo Ynares Santiago	2013 to present	1 year
Stephen T. CuUnjieng	January 15, 2018 to present	1 year
Henry Albert R. Fadullon	May 29, 2020 to present	1 year
Minoru Takeda	2019 to present	1 year
Nicasio I. Alcantara	2019 to present	1 year

Directorships in Other Reporting Companies

The following are directorships held by the directors and executive officers in other reporting companies during the last five (5) years:

Name of Director	Name of Reporting Company	Position Held
Consuelo Ynares Santiago	Top Frontier Investment Holdings, Inc.	Independent Director
Dennis A. Uy	ISM Communications Corporation; PH Resorts Group Holdings, Inc.; Apex Mining Co., Inc.; Chelsea Logistics and Infrastructure Holdings Corp.;	President & CEO Chairman Independent Director Chairman
Cherylyn C. Uy	ISM Communications	Director/Treasurer

	Corporation; PH Resorts Group Holdings, Inc.; Chelsea Logistics and Infrastructure Holdings Corp.	Director Treasurer
--	--	---------------------------

and the following Independent Directors have held directorships in other reporting companies for the last five (5) years:

Name of Director	Name of Reporting Company	Position Held
Nicasio I. Alcantara	ACR Mining Corporation Alsons Consolidated Resources, Inc..	Chairman & President Chairman & President
Minoru Takeda	Showa Shell Sekiyu K.K.	Chairman

Certificate of Qualification of the Independent Directors

The Company will submit an updated Certificate of Qualification of all independent directors pursuant to the October 20, 2006 notice of the Commission on or before the Company's distribution of the Definitive Information Statement to the security holders on April 08, 2021.

Executive Officers

The following is a list of other executive officers and their business experiences during the past five (5) years:

Henry Albert R. Fadullon, Filipino, 53 years of age, was appointed Chief Operating Officer of the Company on April 17, 2017. Prior to this, he served Shell Shared Services (Asia) B.V. as General Manager for its global businesses. He has over 25 years of experience in the petroleum industry, having held various roles at Pilipinas Shell Petroleum Corp., a decade of which were spent overseas with postings in Malaysia, Oman, and London. He has a wealth of experience in Retail and B2B performing a variety of frontline and functional roles leading into General Management positions. He completed his BS Industrial Management Engineering, minor in Mechanical Engineering, from De La Salle University.

Ma. Concepcion F. De Claro, Filipino, 63 years of age, holds a Bachelor of Science degree in Commerce, Major in Accounting from the Colegio de San Juan de Letran. She has been the Company's Chief Financial Officer since March 2018. She was Director of Alsons Prime Investment Corporation and Alsons Power Holdings Corporation and the Vice-President and Chief Operating officer

of Alsons Corporation. She also served as the Director of Limay Energen Corporation and Manila North Harbour Port, Inc. Ms. de Claro also worked with Petron Corporation for several years. She was a Consultant for M&A Projects and a member of the Board of Trustees of Petron Corporation Employees Retirement Fund. She also served as Petron's Vice President for Corporate Planning & Services, Controller for the company and its subsidiaries, and held various positions in Corporate Planning. In addition, Ms. De Claro also served as a Director of New Ventures Realty Corporation, Las Lucas Development Corporation, Petron Marketing Corporation and Petron Freeport Corporation.

Alan Raymond T. Zorrilla, Filipino, 51 years of age, is the Senior Vice President for External Affairs, Business Development, and Security of the Company. Prior to his employment with the Company, he was Chief Legal Counsel of the Unioil Group of Companies where he headed the Legal, Human Resources, and Administrative Departments. He also served as Director for Freeport Services Corporation, a 100% subsidiary of Subic Bay Metropolitan Authority and was once a Legal Consultant of the Department of Environment and Natural Resources. Atty. Zorrilla was engaged in litigation practice with Pangilinan, Britanico, Sarmiento and Franco Law Offices before he entered corporate practice. He formerly worked as Corporate Legal Counsel of publicly-listed Fil-Estate Group of Companies in its Litigation and Labor Department. Atty. Zorrilla completed his law studies at the San Beda College of Law in 1994 and was admitted to the Philippine Bar in 1995. He also took up his masteral studies at the Ateneo Graduate School of Business. He is an Army Reservist and a concurrent Commander (Lt. Colonel) of the Philippine Coast Guard Auxiliary.

Charlie R. Valerio, Filipino, 53 years old, is the Chief Digital Officer. He also leads the IT group of parent company Udenna Group of Companies. Charlie has more than 20 years of in-depth exposure and experience in the Oil & Gas, Power Generation, and Fast-Moving Consumer Goods (FMCG) industries as well as a local conglomerate, having worked for Procter & Gamble for 7 years, Royal Dutch Shell for 14 years, and 5 years for First Gen Corporation and First Philippine Holdings in concurrent capacity. He was Chief Information Officer at First Gen Corp. and for First Philippine Holdings, leading IT for the conglomerate (composed of 11 companies covering 5 industries - power generation, manufacturing, real estate/property, health care, and construction). Charlie received his Bachelor of Science degree in Computer Science from De La Salle University. He is a certified Project Management Professional and completed several leadership trainings in Switzerland and Singapore.

Socorro T. Ermac-Cabrerros, Filipino, 56 years old, is concurrently the Vice President for Corporate Legal and Corporate Secretary of the Company. She is also the Corporate Secretary of Phoenix Petroleum Holdings, Inc. Prior to joining the Company, she was a Legal Counsel of Philippine National Bank in Davao City. She has worked for the government such as the Office of the Ombudsman for Mindanao and later as Prosecutor for the Province of Davao del Norte after

engaging in the private practice of law. She finished her law degree at the Ateneo de Davao University College of Law. She was President for the Davao City Chapter of the Integrated Bar of the Philippines, Davao City Chapter from 2009-2011 and President of the Davao Lady Lawyers Association from 2000-2002.

Jonarest Z. Sibog, Filipino, 40 years old, is the Asst. Vice President for Comptrollership. She joined the company in 2006, starting her career in Procurement which she headed for seven years before moving to Finance. She is a graduate of Ateneo de Davao University with a degree in Bachelor of Science in Accountancy. She finished her Masters in Business Administration at the University of Mindanao where she also earned a few units in LLB. She is a Certified Public Accountant and is currently a Board of Director of the Association of CPAs in Commerce and Industry (ACPACI) - Davao City Chapter

Richard C. Tiansay, Filipino, 57 years old, is the General Manager for Pricing and Demand. Mr. Tiansay has more than 22 years of experience in the oil industry covering domestic and international operations. His last position in Royal Dutch Shell is as Global SAP IT Order to Cash Team Lead in London, U.K. This after being assigned to various key managerial positions not limited in the Philippines but as well as in a number in Asia Pacific and other countries. Mr. Tiansay completed his Bachelor of Science in Mechanical Engineering degree from the University of San Carlos, Cebu City.

Roy O. Jimenez, Filipino, 58 years of age is currently the General Manager for Commercial and Industrial Business. Prior to joining the Company he was connected with Chevron Phil. Inc for almost 30 years and handled various National and District Managerial positions, as well as supervisory positions for various trades such as Retail, Commercial/Industrial, Marketing Support, Liquefied Petroleum Gas and Lubricants. He also handled regional positions as a Programs Manager and has been the team lead for Philippines in various Chevron Regional projects. He was assigned as a District Manager covering various areas like North Metro Manila/North Luzon, Visayas and Mindanao. He is a licensed Mechanical Engineer and graduated from the University of Santo Tomas. He has MBA units in De La Salle University and attended various Leadership and Management programs in Asian Institute of Management, as well as in-house training programs of Chevron in Asia Pacific and South Africa.

Ericson S. Inocencio, Filipino, 46 years old, is the General Manager for Retail Business. Eric has more than 20 years of extensive experience in the petroleum industry. Prior to joining the Company, he was connected with Chevron Phils. where he held various positions primarily leading the Commercial and Industrial business as District Sales Manager for more than five(5) years and as concurrent National Fleet Cards Sales Manager. He has exposure in marketing support function in charge of developing and executing local & global process/programs which includes profitability modelling. He is a certified Mechanical Engineer from

De La Salle University and attended his MBA at Ateneo Graduate School of Business.

Joven Jesus G. Mular, Filipino, 50 years of age, is the General Manager for Lubricants Sales and Distribution Business. He joined Phoenix last May 4, 2015. He brought with him twelve and a half years of pure lubricant experience from a major petroleum company holding various positions in sales, business development and marketing handling both B2C and B2B. Within those years, he had 2 years assignment in the Asia Pacific Region doing Channel Development Specialist work.

Maria Rita A. Ros, Filipino, 61 years old, is the Asst. Vice President for CME. Ms. Ros has more than thirty (30) years of experience in the oil industry covering materials management, supply chain management, production planning, imports-exports, warehousing and logistics. She held various positions in Petron Corporation from 1981 up to 2011 when she handled Biofuels and Special Projects, and Supply Optimization before joining Phoenix Petroleum in November 2013. She is a graduate of B.S. Chemical Engineering from the University of the Philippines, and is a licensed Chemical Engineer, and took up Basic Management at the Asian Institute of Management.

Celina I. Matias, Filipino, 56 years old, is presently the Asst. Vice President for Brand and Marketing Group of the Company. Ms. Matias has more than 25 years of expertise on strategic marketing and client servicing. She honed her skills from Ogilvy & Mather and McCann Erickson and was a Partner at a local Ad Agency prior to joining Phoenix Petroleum. She handled over 25 local and global brands across different product categories from petroleum, telecoms, real estate, automotive, pharmaceutical and a lot more. She finished Communication Arts major in Advertising & Public Relations in Assumption College.

Celeste Marie G. Ong, Filipino, 52 years old, is currently the Asst. Vice President for Human Resources. Ms. Ong has more than 20 years of solid human resources management experience from local and multinational companies (Concrete Aggregates Inc., Van Melle Phils., Fujitsu Computer Products and Optodev, Inc.) Her expertise includes compensation management, talent acquisition, training and development, employee relations/engagement, benefits administration and HRIS. She finished A.B. Psychology from Pamantasan ng Lungsod ng Maynila and took her M.A. in Psychology at University of Santo Tomas. She completed the Essilor Management Training courses in Singapore & France.

Arnel G. Alban, Filipino, 53 years old, is currently the Asst. Vice President for Retail Operations and Network Development. In this capacity, Arnel likewise handles the optimization of the Company's real estate portfolio. He joined Phoenix in April 2018, moving from Total (Philippines) Corporation where he was Asst. Vice President for Retail Development and Compliance. He has solid 25

years of experience in the oil industry, starting out as a Business Counselor (or Retail Territory Manager) in 1993 at Caltex (Philippines), Inc. where he stayed for 5 years. In 1998, he moved to Total where he stayed for 20 years, moving in various Sales and Retail positions. Arnel is a licensed Civil Engineer and graduated from the University of the Philippines.

Jaime T Diago Jr., Filipino, 65 years old, joined Phoenix Petroleum in September 2018 as AVP Technical Service and QAPD. Prior to joining the Company, he was with Pilipinas Shell for 32 years holding the following key roles: Fuels Product Quality (PQ) Lead (PH & HK), Fuels PQ Manager (MEA), Fuels Technical Manager, Head Trading & Economics, Marketing Sales Manager, Commercial Development Manager and Lubricants Assistant Supply. Prior to his employment with Pilipinas Shell, Jimmy also had six years with Mobil Philippines where he served as Marketing Representative and Technical Service Engineer. Jimmy is a licensed Mechanical Engineer and graduated from Silliman University.

Joriz Tenebro, Filipino, 42 years old, is the General Manager for Joint Ventures. Prior to joining Phoenix in November 2018, he had 15 years of combined business and commercial finance experience with Shell in retail, trading, upstream and integrated gas covering Asia Pacific, Middle East, and Europe. His roles include retail territory management; reporting, planning and economics; finance management; M&A and New Business Development; and internal audit. He was based in Davao, Manila and a combined 10 years in Singapore and Dubai. Previous to Shell, he spent a total of 3 years as P&G Distributor Finance Manager and PwC Finance Auditor. Most of his key development training were in Shell Headquarters in the Netherlands and INSEAD France. He graduated from Ateneo de Davao University.

Magtanggol C. Bawal, Filipino, 59 years old, is the General Manager for Shared Services and is a Certified Public Accountant with 35 years of work experience in the oil industry, IT, and Services. Prior to joining Phoenix in 2017 as the FamilyMart's Chief Finance Officer, he was with Shell Shared Services (Asia) B.V. as Contracts & Procurement Operations Delivery Center Manager. Previously, he was IT consultant of Phoenix Petroleum; Chief Finance Officer and COO of Microsoft Phils.; and LPG Finance Manager at Pilipinas Shell Petroleum Corp. He earned a Bachelor of Science degree in Commerce, major in Accounting, from the University of Batangas, and took MBA classes at the DLSU Graduate School of Business.

Lester C. Khan, Filipino, 40 years old, the General Manager for Aviation Business; and Business Development, Strategies and Portfolio Unit is a driven sales and technical professional with nearly two decades of experience in the FMCG and oil/gas industry. Previously, he served as General Manager for both Pure Essence Inc. and Margarrett Enterprise Inc., which produce biodiesel and toll-packs for major FMCG companies. He started his career in Procter & Gamble where he was recognized for leading the reformulation and process development

of the company's soap brands. In between his stints in manufacturing, he worked in Pilipinas Shell Petroleum Corp., handling Retail in South Mindanao. He is a licensed Chemical Engineer from the University of the Philippines Los Baños and a Six Sigma Green Belt Certified Practitioner. He completed his MBA studies at the Ateneo Graduate School of Business with Gold Honors.

Elmer A. Baguioro, Filipino, 48 years old, is the General Manager for LPG Trading. Before joining Phoenix in 2018, he worked for multinational corporations such as Procter & Gamble, Coca-Cola, and Royal Dutch Shell in over 20 years, performing various roles, including Global LPG Trader in the field of research and development, manufacturing, strategic infrastructure planning, logistics and supply chain planning and network optimization, and global LPG trading and chartering. He graduated Cum Laude at the University of St. La Salle Bacolod with a Bachelor of Science degree in Chemical Engineering and placed 7th in the Chemical Engineering Licensure Exams.

Bernard C. Suiza, Filipino, 53 years old, is the General Manager for Philippine FamilyMart. Bernard has 30 years of experience in network planning, marketing, and operations, having worked in industries from fuel to food. He joined Phoenix in 2017, and was previously with San Miguel Foods as its Area Sales Manager for North Luzon. He was formerly marketing director of Prominex Ventures, and General Manager of Emerging Channels Inc. where he handled marketing and distribution of food and non-food products. He spent 11 years in Pilipinas Shell Petroleum Corp. in various roles in retail, finance, network planning, and non-fuels retailing. Bernard graduated cum laude from the University of the Philippines with a degree in Business Administration, and obtained his MBA from UP in 2017.

Julgin Anthony G. Villanueva, Filipino, 36 years old, is the General Manager for LPG Luzon. Ton is a sales professional with over a decade of experience in selling and negotiation, account management, and business development. Before joining Phoenix in 2017, he was Head of the Mid and High-Rise Segment of Republic Cement Services, formerly Lafarge Cement Services Phils. He started his career at Pilipinas Shell Petroleum Corp., where he was assigned to the LPG business (Shellane LPG) for nine years in retail and industrial trades across the country. He is a graduate of De La Salle University with a degree in Management of Financial Institutions, and holds an MBA from the Ateneo Graduate School of Business where he graduated with first class honors.

Period of Service in the Company

<u>Name</u>	<u>Period of Service</u>
Henry Albert R. Fadullon	April 17, 2017 to present
Ma. Concepcion F. De Claro	May 1, 2018 to present

Charlie R. Valerio	March 1, 2019 to present
Socorro Ermac Cabrerros	July 2, 2006 to present
Jonarest Z. Sibog	March 27, 2006 to present
Alan Raymond T. Zorrilla	April 1, 2009 to present
Richard C. Tiansay	March 1, 2013 to present
Ericson S. Inocencio	February 15, 2014 to present
Roy O. Jimenez	May 11, 2015 to present
Joven Jesus Mugar	May 4, 2015 to present
Ma. Rita A. Ros	November 1, 2013 to present
Celeste Marie G. Ong	July 2, 2012 to present
Celina I. Matias	July 2, 2012 to present
Arnel G. Ablan	April 16, 2018 to present
Jaime T. Diago, Jr.	September 3, 2018 to present
Joriz B. Tenebro	November 5, 2018 to present
Magtanggol C. Bawal	December 1, 2017 to present
Lester C. Khan	February 18, 2019 to present
Elmer A. Baguioro	August 1, 2018 to present
Bernard C. Suiza	August 16, 2017 to present
Julgin Anthony G. Villanueva	October 16, 2017 to present

There are no Directors and/or Executives working in any government agency.

Nominations of Directors and Independent Directors for the term 2020-2021

The following are the final nominees who were duly screened by the nomination committee for election to the Board of Directors for the following fiscal year 2020 at the forthcoming Annual Meeting:

1. Dennis A. Uy
2. Domingo T. Uy
3. Romeo B. De Guzman
4. J.V. Emmanuel A. de Dios
5. Minoru Takeda (Independent Director)
6. Cherylyn C. Uy
7. Nicasio I. Alcantara (Independent Director)
8. Consuelo Ynares-Santiago (Independent Director)
9. Monico V. Jacob
10. Henry Albert R. Fadullon
11. Stephen T. CuUnjieng

Minoru Takeda, Nicasio I. Alcantara and Consuelo Ynares-Santiago are nominated as Independent Directors based on following qualifications:

1. They have no transaction, affiliations or relations with the Issuer/Corporation

2. Their current business activities are different from the current business activities of the Corporation. Thus, their credentials add diversity in the business backgrounds of the Board of Directors
3. They have and will maintain independent judgment and views with the Board of Directors
4. Except for the 1 share each, they do not own any shares in the Corporation
5. Prior to initially being elected as Directors of the Company, they have not, at any time, rendered any service to the Company.
6. They possess none of the disqualifications of an Independent Director.

Retired Supreme Court Justice Consuelo Ynares-Santiago was nominated as Independent Director by Atty. J.V. Emmanuel A. de Dios. On the other hand, Mr. Nicasio I. Alcantara and Mr. Minoru Takeda were nominated by Ms. Cherylyn C. Uy. Atty. de Dios and Ms. Cherylyn C. Uy or any of the nominated directors are not related to either Retired Justice Santiago, Mr. Alcantara or Mr. Takeda by consanguinity or affinity and have no professional or business dealings with them. Retired Justice Santiago, Mr. Takeda and Mr. Alcantara are neither officers nor substantial stockholders of the Company. They possess the qualifications and none of the disqualifications of independent directors. Retired Justice Santiago, Mr. Alcantara and Mr. Takeda hold only one (1) share each in the Company. Prior to being elected as Director of the Company, they have not, at any time, rendered any service to the Company.

The members of the Nomination and Governance Committee are: Nicasio I. Alcantara (Chairman), Minoru Takeda, and J.V. Emmanuel A. De Dios as members.

For the scheduled Annual Meeting, the Committee has screened and evaluated the candidates for Independent Directors based on the Rule 38 of the Securities Regulation Code ("SRC") and the Company's amended By-laws and New Code of Corporate Governance. Amendments to the By-laws of the Company incorporating the provisions of SRC Rule 38 were approved by the SEC on February 19, 2007.

(For the individual write-ups of the other nominees, please refer to item 5 of this Information.)

(b) Significant Employees

No single person is expected to make a significant contribution to the Company's business since the Company considers the collective efforts of all its employees as instrumental to the overall success of the Company's performance.

(c) Family Relationships

With the exception of Messrs. Domingo T. Uy and Dennis A. Uy who are related to each other by consanguinity within the first civil degree, Cherylyn C. Uy and Dennis A. Uy, who are spouses and related to each other by affinity, and Domingo T. Uy and Cherylyn C. Uy who are related to each other by affinity, there are no other family relationships either by consanguinity or affinity up to the fourth civil degree among the directors, executive officers, and persons nominated and chosen by the Company to become directors and executive officers of the Company.

(d) Involvement in Certain Legal Proceedings

The Company's Independent Director, Monico V. Jacob, in his capacity as then Chairman of Petron Corporation, was impleaded in a case together with some government officials for Violation of Republic Act 3019 otherwise known as the Anti-Graft and Corrupt Practices Act involving tax credit payments. The case has been **dismissed** by the Sandiganbayan, Fourth Division, Quezon City in a Resolution dated March 2, 2017.

The Department of Justice (DOJ) filed twenty-five (25) Informations against Dennis A. Uy, President and CEO of the Company, for alleged violations of the Tariff and Customs Code of the Philippines, twenty-two (22) of which were filed with the Regional Trial Court of Davao City, and three (3) Informations filed with the Regional Trial Court of Batangas City.

With respect to the Informations filed with the Regional Trial Court of Batangas City, upon filing by Mr. Uy on September 2, 2013 of an *Omnibus Motion for the Determination of Lack of Probable Cause*, the Regional Trial Court of Batangas City granted said motion on September 17, 2013 and DISMISSED all three (3) Informations. The DOJ filed a *Motion for Reconsideration with Motion for Inhibition* of Judge Ruben A. Galvez, which was subsequently denied on December 6, 2013. On July 7, 2014, the Regional Trial Court of Batangas City issued a Certificate of Finality certifying that its Order dated December 6, 2013, which denied the Motion for Reconsideration and affirmed the Order dated September 17, 2013 which **dismissed** the 3 Informations filed against Mr. Uy for lack of probable cause, has already become final and executory since no appeal was filed therefrom.

With respect to the Informations filed with the Regional Trial Court of Davao City, on October 4, 2013, the Regional Trial Court of Davao City ordered the DISMISSAL of the criminal cases against Mr. Uy. The subsequent Motion for Reconsideration of the Plaintiff, People of the Philippines, was also denied in an Order dated August 18, 2014. Hence, the People of the Philippines ("Petitioner") filed on October 27, 2014 with the Court of Appeals (CA), Cagayan de Oro City a *Petition for Certiorari* under Rule 65 of the Rules of Court docketed as **CA G.R. SP No. 06500-MINm CA, CDO, 23rd Division**. On October 24, 2016, Mr. Uy received a copy of the Decision of the CA dated October 12, 2016 **DENYING** the

Petition for Certiorari. On November 10, 2016, Mr. Uy received a copy of the Motion for Reconsideration filed with the CA.

As of January 25, 2017, the Court of Appeals has **DENIED** the Petitioner's Motion for Reconsideration and upheld the decision of the Court on October 12, 2016.

On 4 April 2017, we received a copy of the Petition for Review on Certiorari dated 27 March 2017 filed by petitioner docketed as GR No. 229705, SC, Manila, 3rd Division. While awaiting Resolution from the Supreme Court on the parties' Memoranda, in a "Manifestation in Lieu of Reply" filed by the Office of the Solicitor General on July 10, 2019, the SOJ has prayed that their manifestation be duly considered and to DISMISS all three (3) petitions without prejudice to the possible filing, if the Court desires, of supplemental memoranda from the parties.

Other court cases typical and customary in the course of the business operations of the Company such as those, among others, involving collection, qualified theft, breach of contract and reckless imprudence have been filed by and against the Company, by and against its employees and/or third parties. The results of which will not significantly affect the financial standing of the Company. Other than the above stated, no other significant cases were filed by and against the Company and its subsidiaries.

Except for the above, to the best of the Company's knowledge there has been no occurrence during the past five (5) years up to the date of this Prospectus of any of the following events which are material to an evaluation of the ability or integrity of any director, person nominated to become a director, executive officer, or control person of the Company:

- Any insolvency or bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the insolvency or within two years prior to that time;
- Any conviction by final judgment in a criminal proceeding, domestic or foreign, or any pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- Any final and executory order, judgment, or decree or any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting involvement in any type of business, securities, commodities, or banking activities; and
- Any final and executory judgment by a domestic or foreign court or competent jurisdiction (in a civil action), the Commission, or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, for violation of a securities or commodities law.

There are no other pending significant legal cases as far as records of the Company is concerned.

(e) **Certain Relationships and Related Transactions**

The Group's related parties include the ultimate parent company, parent company, subsidiaries, stockholders, the Group's key management and others as described below.

The Company has an operating lease agreement with its ultimate parent company, Udenna Corporation, for the use of various properties for its operations and for office space. Furthermore, the Company regularly charters the use of marine tankers from its affiliate, CSC, for the hauling of its fuel products from suppliers' terminals and from its own depots to Company depots and to its customers. These contracted services are made on reasonable arms-length terms as would be obtainable from third party providers. The following are the transactions with related parties:

a.) ***Rentals***

The Group has an operating lease agreement with Udenna Corporation, the ultimate parent company. The total rent expense of the Company is presented as follows:

2017	2018	2019	2020	TOTALS
68,093,074.22	7,106,448.53	10,776,681.32	9,432,868.43	95,409,067.50

b.) ***Contract of Affreightment***

The Company entered into a Contract of Affreightment with CSC, an affiliate to haul the Company's petroleum supplies for both regional and domestic markets.

c.) ***Due to and Due from Related Parties***

	<u>2020</u>	<u>2019</u>
	-	
CJI FUELS CORP. Total	399,107	
EASTAN PRIME DEVELOPMENT Total	909,851	
FIRSTENERGY CORP. Total	6,518,500	
GALAXI PETROLEUM FUEL INC. Total	2,542,780	
PHOENIX ASPHALT PHILIPPINES IN Total	2,192,345	1,979,538
PHOENIX NORTHERN MINDANAO CORP T	3,642,832	
P-H-O-E-N-I-X PHILIPPINES Total	523,546	94,089
PHOENIX SOUTHERN PETROLEUM COR Tc	232,789	
TOP CONCORD QUALITY PETROLEUM Tot	11,521,120	
ZAE FALCO ENERGY CORP. Total	912,400	
	29,395,268	2,073,627
Allowance for Impairment	0	(86,816)
	<u>29,395,267.96</u>	<u>1,986,811.00</u>

Key Management Compensations.

The compensation of key management personnel are broken down as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Salaries and wages	209,333,343	209,333,343	215,217,266
13th month pay and bonuses	21,772,957	21,772,957	17,622,482
Honoraria and Allowances	13,110,558	13,110,558	13,192,196
Post-employment benefits	16,794,233	16,794,233	8,494,913
Share-based payment	3,730,524	3,730,524	3,576,322
	<u>264,741,615</u>	<u>264,741,615</u>	<u>258,103,179</u>

Item 6. Compensation of Directors and Executive Officers

The Company's executives are regular employees and are paid a compensation package of twelve (12)-months pay. They also receive performance bonuses similarly to those of the managerial, supervisory and technical employees.

The members of the Board of Directors who are not employees of the Company are elected for a period of one (1) year. The Company pays its non-executive directors a per diem of P30,000.00 for each meeting. There are no other arrangements for which the members of the Board of Directors are compensated.

The members of the Board of Directors are elected for a period of one (1) year.

The aggregate compensation paid or incurred during the last two (2) fiscal years and

estimated to be paid in the ensuing fiscal year to the executive officers of the Company are as follows:

Summary of Compensation Table

Projected Compensation of Executive Officers and Directors (in thousand Pesos)				
		Year ended December 31, 2021		
Name	Principal Position	Salaries (in ₱)	Bonuses / 13 th Month / Other Income (in ₱)	Total (in ₱)
Dennis A. Uy	President and Chief Executive Officer	56,640*	4,720*	61,360*
Henry Albert R. Fadullon	Chief Operating Officer			
Ma. Concepcion F. De Claro	Chief Finance Officer			
Alan Raymond T. Zorrilla	SVP – External Affairs, Business Development and Security			
Charlie R. Valerio	Chief Digital Officer			
All other officers and directors as a group unnamed		71,434	5,953	77,387

* Total salaries and bonuses/ 13th month and other income of the above named individuals

Compensation of Executive Officers and Directors (in thousand Pesos)				
		Year ending December 31, 2020		
Name	Principal Position	Salaries (in ₱)	Bonuses / 13 th Month / Other Income (in ₱)	Total (in ₱)
Dennis A. Uy	President and Chief Executive Officer	56,640	4,720	61,360
Henry Albert R. Fadullon	Chief Operating Officer			
Ma. Concepcion F. De Claro	Chief Finance Officer			
Alan Raymond T. Zorrilla	SVP – External Affairs, Business Development and Security			
William M. Azarcon	VP – Business development for terminals and depots			
All other officers and directors as a group unnamed		71,434	6,697	87,060

Compensation of Executive Officers and Directors (in thousand Pesos)	
Year ending December 31, 2019	

Name	Principal Position	Salaries (in ₱)	Bonuses / 13 th Month / Other Income (in ₱)	Total (in ₱)
Dennis A. Uy	President and Chief Executive Officer	48,898	4,074	52,972
Henry Albert R. Fadullon	Chief Operating Officer			
Joseph John L. Ong	Chief Finance Officer			
Alan Raymond T. Zorrilla	VP – External Affairs, Business Development and Security			
William M. Azarcon	VP – Business development for terminals and depots			
All other officers and directors as a group unnamed		80,363	6,697	87,060

The Directors and Officers of the Company hold no Outstanding Warrants and Options.

Generally, a typical employment contract executed between the Company and its named executive officers has the following terms:

1. Specification of job title, commencement date of employment, work assignment and possible need for reassignment of work or location as the need may arise;
2. A probation period of six months probationary period from commencement of employment. If the job performance is found to be satisfactory, employment shall be converted to regular basis.
3. Salary & Benefits: specifies that the executive shall receive his monthly salary and a guaranteed 13th month pay less the necessary government deductions allowed by law such as but not limited to SSS premium, Philhealth, Pag-IBIG contributions. The same section likewise provides that the executive's salary shall be subject to annual review which shall take into consideration his performance and the achievement of mutually-agreed goals.
4. Exclusivity: The employment contract provides that the executive shall render exclusive service to the Company and the prohibition to work with other companies regardless of whether such work is done outside office hours, without the consent of the Company.
5. Confidentiality: The executive/employee is duty bound to keep all information, materials and records which he or she may access in the course of his/her employment with the Company are confidential in nature and he or she may not disclose or reproduce

the same without the consent of the Company.

6. Professional Conduct: The executive concerned is expected to comply with all the policies and procedures which the Company may issue from time to time. It is specifically prohibited to accept any or all kinds of gifts from suppliers and customers without the consent of the Company

Compensation Committee (Now under the Nomination and Governance Committee)

The duties and functions of the Company's Compensation Committee has now been folded into the Nomination and Governance Committee, as such it shall be composed of at least three (3) members of the Board, at least one of whom shall be an Independent Director. The function of the Compensation Committee to be folded into the Nomination and Governance Committee include establishing a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provides oversight over remuneration of senior management and other key personnel.

The following are the members of the Nomination and Governance Committee:

Nicasio I. Alcantara (Independent Director)	Chairperson
Consuelo Ynares-Santiago (Independent Director)	Member
Cherylyn C. Uy	Member
Romeo B. De Guzman	Member

Item 7. Independent Public Accountants

The financial statements of the Company were audited by Punongbayan & Araullo for the years ended December 31, 2020, 2019, and 2018. Said external auditor has no shareholdings in the Company, or any right, whether legally enforceable or not, to nominate persons or to subscribe to the securities of the Company, in accordance with the professional standards on independence set by the Board of Accountancy and the Professional Regulation Commission.

Punongbayan & Araullo will be recommended for re-appointment at the scheduled Annual Meeting.

Representatives of the firm are expected to be present at the Annual Meeting and they will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Punongbayan & Araullo was first appointed external auditor of the Company in 2006. The Company is compliant with SRC Rule 68, paragraph 3(b)(IV) (Rotation of External Auditors) and the two year cooling off period. The certifying partner for the examination of the Company's financial statements for the year 2020 is **Mr. Ramilito Nañola**. The

last of the Company's Financial Statement that Mr. Nañola certified was the Company's 2019 and 2018 Financial Statements.

Audit Fees

The following table sets out the aggregate fees billed for each of the last three (3) fiscal years for professional services rendered by the Company's external auditors.

Audit and Related Fees				
		Amount in Thousands Php		
Particulars	Nature	2018	2019	2020
Punongbayan and Araullo	Audit of FS for the year 2016 - Parent and Subsidiaries			
Punongbayan and Araullo	Audit of FS for the year 2017 - Parent and Subsidiaries	3,460.80		
Punongbayan and Araullo	Audit of FS for the year 2018 - Parent and Subsidiaries	1,904.17	4,637.52	
Punongbayan and Araullo	Audit of FS for the year 2019 - Parent and Subsidiaries		3,616.54	6,036.91
Punongbayan and Araullo	Audit of FS for the year 2020 - Parent and Subsidiaries			4,742.71
Sub-total		5,364.97	8,254.06	10,779.62
Tax Advisory Services				
Sycip, Gorres and Velayo	Tax Consultancy	120.00	120.00	210.00
Sub-total		120.00	120.00	210.00
All Other Fees				
Entia Accounting Office	Professional Fee for BOI Registration of Depot Facilities	2,885.80	1,445.17	-
Punongbayan and Araullo	Professional Fee for Special Audit, Transfer Pricing, tax		4,216.48	3,250.00

	Compliance for PLPI and Due Diligence Engagement			
Sub-total		2,885.80	5,661.65	3,250.00
GRAND TOTAL		8,370.77	14,035.71	14,239.62

Audit Committee and Policies

Under the Company's By-laws, the Audit Committee is responsible for, among others, the setting-up of an internal audit department and considers the appointment of an internal auditor as well as the independent external auditor, the audit fees and any question of resignation or dismissal, and the review of the quarterly, half-year and annual financial statements before their submission to the Board of Directors.

In accordance with the Company's By-laws and Manual of Corporate Governance, in 2007, the Company formed its Audit Committee. The Company's Audit Committee shall be composed of at least three (3) members of the Board, preferable with accounting and finance background, one of whom shall be an Independent Director and another should have related audit experience. The chairman of the Audit Committee should be an independent director and he should be responsible for inculcating in the minds of the members of the Board the importance of management responsibilities in maintaining a sound system of internal control and the Board's oversight responsibility.

The following are the members of the Audit Committee: Consuelo Ynares-Santiago (Independent Director) as Chairman, Monico V. Jacob, Nicasio I. Alcantara (Independent Director), Minoru Takeda (Independent Director) and Domingo T. Uy as members.

The Internal Audit systems of the Company have been in place since 2008 but these auditing tools are strengthened this year. The Internal Audit's role and responsibilities are defined in the Audit Charter approved by the Board of Directors. Primarily, it assists the Audit Committee of the Board in fulfilling its oversight responsibility to the shareholders by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management and internal control processes.

Internal Audit, in fulfilling its role, performs the following general functions: 1.) evaluating the Company's governance processes including ethics-related programs; 2.) performing an objective assessment of the effectiveness of risk management and internal control framework, identifying risk exposures and recommending strategies to mitigate them; 3.) evaluating the reliability and integrity of financial statements and the financial reporting process; 4.) analyzing and evaluating business processes and associated controls; 5.) determining compliance with applicable laws and regulations.

Changes In and Disagreements With Accountants

The Company has not had any disagreement with its previous and current external auditor/independent public accountant on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

Item 8. Compensation Plans

No action is to be taken by the Company with respect to any compensation plans.

Employee's Stock Options Plan

On June 22, 2011, the Commission approved the application for exemption from the registration requirement of the Securities Regulations Code of the Company for the proposed issuance of 24,493,620 common shares for the Company's Employees Stock Options Plan (ESOP).

On May 14, 2014, the Philippine Stock Exchange (the Exchange) approved the listing of 24,493,620 Common shares pertaining to the Company's Employee Stock Option Plan (ESOP);

The subscription price for PNx's ESOP is based on the weighted average market price for the 30 trading days on the PSE immediately prior to the Initial Offering Date and for each subsequent Offering Dates.

On July 26, 2017, the Company, through its Stock Transfer Agent, implemented for the first time the Corporation's ESOP after its vesting period for 1 year. For the first tranche, the Company issued additional 2,160,000 PNx Common shares to qualified employees pursuant to the Employee Stock Option Plan (ESOP) in scripless form and on November 15, 2017, the company issued additional 601,000 PNx Common shares at the price of Php5.68 per share.

As of March 22, 2021, a total of 11,011,000 common shares(ESOP) have been exercised and subscribed by the company's grantees.

As of 22 March, 2021, the Company's closing share price is at Php 11.78, with a market capitalization of approximately Php16,989,501,137.60.

The ESOP was granted to the following persons:

- a) Dennis A. Uy, Chief Executive Officer
- b) other top executives
- c) all current executive officers as a group
- d) there are no directors who were granted any ESOP shares of the Corporation since ESOP shares are granted only to regular employees

- e) there are no persons who receive or is to receive 5% of the ESOP
- f) there are no current directors who are not executive officers who received or was granted any ESOP shares
- g) all other employees as a group

ESOP Grantee	No. of Shares
Top 5 Executives:	2,001,000
Other Executive Officers	2,449,800
All other qualified employees	6,294,360
TOTAL	10,745,160

Other than the items discussed above, there are no other types of compensation plans.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

There are no authorizations or issuances of securities other than for exchange for outstanding securities for the registrant.

Item 10. Modification or Exchange of Securities

No action is to be taken by the Company with respect to the modification of any class of securities of the Company or the issuance or authorization for issuance of one class of securities of the Company in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

The Management Report is attached hereto as **Annex B** and the 3rd Quarter Financial Statement for Period ended September 30, 2020 is attached hereto as **Annex “C”**;

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

There are no transactions to be taken up by the Company with respect to any transaction involving mergers, consolidations, acquisitions, and similar matters.

Item 13. Acquisition or Disposition of Property

The Corporation is seeking shareholders' approval for the Authority for Management to enter into negotiation under reasonable and acceptable terms and conditions advantageous to the Corporation with any third party corporation(s) or any other entity or entities for the possible transfer, sale, mortgage or disposition of certain corporate properties, assets, or investments as may be necessary and required in relation and pursuant to the financial management program exercised by the Corporation as part of its debt management and funding activities;

In line with the Company's objective to strengthen its financial position, ensure long term viability, and enhance the ability to continue external fund raising, the disposition of assets and equity to strategic partners is being considered to complement ongoing debt management and restructuring activities. Certain dispositions may also be explored to maximize the use of corporate assets, which may include the sale or transfer to other interested third party corporations or any other entity including related parties within PPPI and affiliates upon approval by the Board and the stockholders, as the case may be.

These initiatives form part of a comprehensive financial management plan that covers a part of the Company's corporate assets, such as but not limited to tangible assets, investments in subsidiaries, and PPPI equity, in compliance with PSE and SEC rules and good corporate governance.

Strategic implications of the proposed actions include:

1. Potential for increased efficiency as underutilized assets may be spun off or sold to a third party based on the review of existing portfolio;
2. Improved investor confidence with the entry of a credible strategic partner, which may set the stage for future capital raising activities both in debt and equity markets;
3. Increased returns on invested capital due to enhanced utilization of the assets via sale or transfer;
4. Potential gains to the overall bottomline from the disposition of the assets;
5. Improved financial performance from the reduction in Fixed Assets and operating expenses associated with the transfer and/or sale of the assets;
6. Enhanced credit risk profile and lower borrowing costs following the reduction in leverage as transaction proceeds are used to pay down debt.

Item 14. Reclassification of Accounts

(Please refer to Note 2 of the Notes to the Financial Statements found in the Company's Audited Financial Statements, included herein as Annex C)

D. OTHER MATTERS

Item 15. Action with Respect to Reports and Other Proposed Action

1. Approval of the Minutes of the Annual Stockholders' Meeting held last 29 May, 2020.
2. Report of the President and Chief Executive Officer
3. Approval of the 2020 Audited Financial Statements and 2020 Annual Report
4. Corporate Actions:
 - A. Proposed Authority for management to enter into negotiations for reasonable and acceptable terms and conditions advantageous to the Corporation with any third party corporation(s) or any other entity or entities for the possible transfer, sale, mortgage or disposition of certain corporate properties, assets, or investments as may be necessary and required in relation and pursuant to the financial management program exercised by the Corporation as part of its debt management and funding activities;
5. Ratification and Confirmation of all Acts and Resolutions of the Board and Management executed in the normal course of business covering the period of 06 February 2020 until 28 February 2021 as set forth in **Annex "A."**
6. Election of the Members of the Board of Directors
7. Election of External Auditor.

Aside from the Election of the Members of the Board of Directors, election and appointment of the External Auditor, Approval of the 2020 Financial Statements and Annual Report, the approval Minutes of the Minutes of the previous year's Annual Stockholders' Meeting, and the items of Corporate action mentioned above, there are no other items that was discussed and approved by the Stockholders in the 2020 Annual Stockholders' Meeting.

Below was the agenda of the 2020 Annual Stockholders' Meeting held in the Company's Corporate Headquarters in Davao City.



REVISED NOTICE AND AGENDA

NOTICE IS HEREBY GIVEN that the Annual Stockholders' Meeting of P-H-O-E-N-I-X Petroleum Philippines, Inc. will be held on **Friday, May 29, 2020, 10:00 AM** at Phoenix Petroleum Headquarters, Stella Hizon Reyes Rd., Bo. Pampanga, Lanang, Davao City. The meeting will be conducted virtually via remote access communications and may be accessed through the link, <http://asm.phoenixfuels.ph/PNX2020>

The agenda for the Meeting shall be, as follows:

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting held last March 15, 2019
4. Report of the President and Chief Executive Officer
5. Approval of the 2019 Audited Financial Statements and 2019 Annual Report
6. Corporate Actions
 - a) Proposed Authority to organize, form and register a wholly-owned corporation for the purpose of managing, administering, conduct, own, invest, hold and operate a road transport business
 - i. Proposed Authority to invest Php57 million of corporate funds as initial capital of the newly formed corporation.
 - ii. Proposed Authority to transfer, move, assign the Corporation's road transport operations to the new corporation to maximize its efficiency and expansion
 - b) Proposed Authority to invest Php4.9 billion of corporate funds in its wholly-owned subsidiary, Duta, Inc. over a period of three (3) years
 - c) Proposed Authority to Amend the Corporation's Articles of Incorporation particularly Article IV on corporate term from fifty (50) years to perpetual existence from and after the date of incorporation as allowed in the Revised Corporation Code.
 - d) Proposed Authority to Amend the Corporation's By-Laws particularly Article II Section 1 on the Annual Meeting of Stockholders from Last Friday of March of each year to Last Friday of April of each year.

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



7. Ratification and Confirmation of all Acts and Resolutions of the Board and Management executed in the normal course of business covering the period of 01 Feb 2019 until 05 February 2020.
8. Election of the Members of the Board of Directors
9. Appointment of External Auditor
10. Other Matters
11. Adjournment

All stockholders as of **07 May 2020** shall be entitled to participate and vote in the said annual meeting.

In view of the current COVID-19 pandemic and Enhanced Community Quarantine in Metro Manila including Davao City where the Company's principal place of office is located, the physical and actual holding of the Annual Stockholders' Meeting cannot be conducted. In lieu thereof, the Annual Meeting on May 29, 2020 shall be conducted via live streaming. Stockholders whose shares and proxies are duly validated may attend, participate and vote by proxy or in absentia during the meeting.

Proxy Forms and Special Powers of Attorney or other Authorization forms are available in the Company's website and must be submitted to Office of the Corporate Secretary, Stella Hizon Reyes Road, Bo. Pampanga, Lanang, Davao City by mail or send by email at pnx.corpsec@phoenixfuels.ph. Validation of proxies and registration shall commence on May 19, 2020 until 5:00PM of May 28, 2020. Participation in the meeting as well as voting shall be through remote communications. Procedure for voting shall be posted in the Company's website.


Atty. Socorro Ermac Cabreros
Corporate Secretary

Item 16. Matters Not Required to be Submitted

There are no actions to be taken with respect to any matter, which are not required to be submitted to a vote by security holders.

Item 17. Amendment of Articles of Incorporation, By-laws or Other Documents

There are no actions to be taken with respect to any proposed amendments in the Company's Articles of Incorporation and By-Laws.

Item 18. Other Proposed Action

There are no other actions to be taken with respect to any other significant matter.

Item 19. Voting Procedures

Under the Corporation Code, the affirmative vote of stockholders representing at least two thirds (2/3) of the outstanding capital stock of the Company shall be necessary for the approval of the proposed amendment to the Articles of Incorporation and the investment of corporate funds in any other corporation or business or for any purpose other than the primary purpose for which it was organized.

Except in cases provided above, or where the law provides otherwise, all matters subject to vote shall be decided by the plurality vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present.

Stockholders of record are entitled to one (1) vote per share. There is no manner of voting prescribed in the By-Laws of the Company. Hence, voting may be done by *viva voce*, raising of hands or by balloting.

The external auditor of the Company, Punongbayan & Araullo, will validate the votes when voting is done by secret ballot. Likewise, Punongbayan & Araullo will count the number of hands raised when voting by show of hands is done.

Considering that the Annual Stockholders' Meeting will be held virtually and in accordance with SEC Memorandum No. 6, series of 2020, the Company made internal procedures, attached herewith as Annex D, describing the steps to be taken by stockholders for the latter to cast/submit their votes online. The stockholders shall be entitled to the same number of votes as described above.

The following items will be included in the agenda for the meeting:

1. Call to Order

2. Certification of Notice and Quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting held last 29 May, 2020
4. Report of the President and Chief Executive Officer
5. Approval of the 2020 Audited Financial Statements and 2020 Annual Report
6. Corporate Actions
 - a) Proposed Authority for management to enter into negotiations for reasonable and acceptable terms and conditions advantageous to the Corporation with any third party corporation(s) or any other entity or entities for the possible transfer, sale, mortgage or disposition of certain corporate properties, assets, or investments as may be necessary and required in relation and pursuant to the financial management program exercised by the Corporation as part of its debt management and funding activities;
7. Ratification and Confirmation of all Acts and Resolutions of the Board and Management executed in the normal course of business covering the period of 06 Feb 2020 until 28 February 2021
8. Election of the Members of the Board of Directors
9. Appointment of External Auditor
10. Other Matters
11. Adjournment

Item 20. Participation of Shareholders by Remote Communication

In compliance with the Enhanced Community Quarantine, imposing strict home quarantines, prohibitions on mass gatherings, requirement of social distancing and limitations on movement, other than those for access to basic necessities, and to secure the health and safety of our stockholders, directors and officers, the Company shall hold its Annual Stockholders' Meeting. The Annual Stockholders' Meeting shall be held purely through remote communication and the Company shall notify the stockholders, through a disclosure at the Philippine Stock Exchange if there are further developments allowing physical attendance in the meeting, absence of such disclosure and announcement, stockholders shall not be allowed to physically attend the meeting and may only participate only through the means stated in "Annex D" of this Definitive Information Statement.

For the Company an opportunity to validate the details of the participants of the meeting and to identify the shareholders participating via remote communication and to record

the stockholders' presence as part of the quorum, the shareholders may register through <http://asm.phoenixfuels.ph/PNX2021> starting 10:00AM of April 16, 2021 until 3:00PM of April 29, 2021, and provide the needed information. After a successful validation, a link will be sent to the stockholder indicating where he/she can access the meeting via remote communication.

Any questions for the stockholders meeting or any clarificatory questions can be sent to pnx.corpsec@phoenixfuels.ph or investors@phoenixfuels.ph. Any additional questions or questions not directly addressed during the meeting shall be answered through email. Proxy and voting forms shall be available through the Company's website at <https://www.phoenixfuels.ph/annual-stockholders-meeting/>. For a more detailed discussion of the internal procedures, the stockholders' may refer to Annex D of this Definitive Information Statement.

(signature page follows)

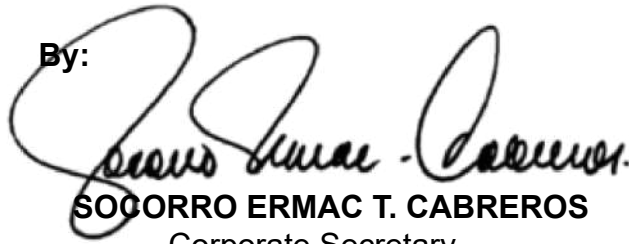
SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct.

This report was signed in Davao City on **March 23, 2021**.

P-H-O-E-N-I-X Petroleum Philippines, Inc.

By:



SOCORRO ERMAC T. CABRERROS
Corporate Secretary

	<p style="text-align: center;">ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS February 6, 2020 to February 28, 2021</p>
5-Feb-2020	<ul style="list-style-type: none"> RESOLVED, that PHOENIX be, as it is hereby authorized to participate in Procurement of One (1) Lot Supply of Diesel and Unleaded Gasoline with Fleet Management System that if awarded the tender shall enter into a contract with Department of General Services of Cebu City Government; and in connection Therewith hereby appoint any one of the our officers: HENRY ALBER FADULLON (CHIEF OPERATION OFFICER) ROY O. JIMENEZ (GEN. MANAGER FOR COMMERCIAL & INDUSTRIAL BUSINESS), RICHARD TIAN SAY (GEN. MANAGER FOR PRICING AND DEMAND) acting as duly authorized and designated representative of Phoenix granted full power and authority to do execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue thereof;
	<ul style="list-style-type: none"> RESOLVED, as it hereby resolve to authorize the Corporation to submit bid and proposal with the Department of General Services Cebu City Government in the procurement of One (1) Lot Supply of Diesel and unleaded gasoline with the fleet management system and perform related transactions such as: to send/receive documents, sign documents, follow up and collect all payments and issue corresponding official receipts: RESOLVED FURTHER, as it is hereby to authorize Dhyris Cajes/Francis Bautista/Olia Lachica by virtue of a Secretary Certificate as the case may be
	<ul style="list-style-type: none"> RESOLVED, as it hereby resolve to authorize the Corporation to apply transact and process business permit for the year 2020 and the succeeding years thereafter for its DEPOT in Cambodia St. Bredco Port, Phoenix Petroleum Depot, Bacolod City with local Governments unit and/or private entities in the said area: RESOLOVED FURTHER, RESOLVED FURTHER, as it is hereby to authorize RICO T. URETA by virtue of a Secretary Certificate as the case may be;
	<ul style="list-style-type: none"> RESOLVED, as it hereby resolved P-H-O-E-N-I-X Petroleum Philippines Inc., as it hereby authorized and empowered to negotiate, transact and deal for the purchase of 36,495 sqm parcel of land covered by TCT Nos. T – RT-6778, (1759), T-350, T-351, T-352 and TCT 353 situated in San Fernando, La Union with the registered owner; RESOLVED, as it is hereby resolve to sign execute and deliver an ABSOLUTE DEED OF SALE for the implementation of the foregoing authority; RESOLVED, as I is hereby resolved that any and foregoing transactions shall be negotiated m concluded, obtained and/or contacted for, by the Company's authorized representative Richard Tiansay, under such terms and conditions and stipulations as the said authorized signatory may deem advisable and desirable in the best interest of the Corporation;
	<ul style="list-style-type: none"> RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be authorized to open and maintain deposit account (s) and to avail of any related services, and/or open and maintain placement(s) and/or to invest in government securities and other similar instruments, and/or to enter into trust and/or investment management agency transactions/arrangements and/or open and maintain trust/investment account(s) with CHINA BANKING CORPORATION and/or CHINA BANKING CORPORATION – TRUST AND ASSET MANAGEMENT GROUP, under such terms and conditions as may be mutually agreed upon, where its cash funds, any credit remittances or checks issued in its favor, with or without endorsement may be deposited or invested; RESOLVED FURTHER that the following officer/position are hereby authorized signatories for and on behalf of the Corporation; <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;"> Class A Domingo T. Uy Dennis A. Uy </div> <div style="text-align: center;"> Chairman President & CEO </div> </div>

	Henry Albert R. Fadullon COO Ma. Concepcion F. De Claro CFO Reynaldo A. Phala Treasury Head	
	Class B Henry Albert R. Fadullon COO Vicente Miguel R. Jayme Treasury Manager Jonarest Z.Sibog Comptroller	
	Class C Nel Marie Rodriguez Treasury Officer	
	Payment to suppliers, creditors and other related corporate disbursement	Any Amount Concurrence of any two (2) of signatories in Group A or any one (1) of the signatories of Group A and combination from any one (1) in Group B provided that there should be two (2) signatories
		P 3.0M and below Concurrence of any two (2) of the signatories from Group B provided that there should always be two (2) signatories.
	Fund Transfers from one PPPI account to another PPPI account	Any Amount Concurrence of any two (2) of the signatories in Group A, or any one (1) in Group B provided that there should always be two (2) Signatories or: Concurrence of any two (2) signatories from Group B provided that there should always be two (2) signatories or; Concurrence of any one (1) signatory from Group A or Group B together with any one (1) signatory from Group C in the absence of another A or B signatory
	Credit or Loan Agreements	Any Amount Concurrence of any two (2) of the signatories in Group A, or any one (1) of the Group B signatories with any one (1) provided that there should always two (2) signatories
	Letter of Credit, Standby LC, Foreign Exchange, or other trade related documents	Any Amount Concurrence of any two (2) of the signatories in Group A, or any one (1) of the signatories of Group A combination from any one (1) in group B provided there should always be two (2) signatories. In the absence of Group A signatories concurrence of any one (1) of the signatories in Group B and A combination from Group C may sign
	Trust Receipts Promissory Notes	Any Amount Concurrence of any two (2) signatories in Group A, or combination of any one (1) Group A with any one (1) in Group B

5-Feb-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved, to authorized the Corporation to execute the Deed Of Guarantee pursuant to which the Corporation guarantees the obligations of PNx Petroleum Singapore Pte. Ltd. In relation to the sale and Bareboat Charter of PNx Conqueror, 3EZR6 Panama Flag owned or to be owned by Eight River Shipping S.A and more particularly described as follow: <ul style="list-style-type: none"> ○ Type of Vessel Gas ○ GT 4410 ○ NT 1374 ○ When/Wherebuilt 2010Nakatani Shipyard ○ Total Deadweight 5189 <p>RESOLVED FURTHER, to authorize and empower Stefano and/or Simone Centola to deliver, execute or sign any or all documents or instruments in order to implement the foregoing authorities</p>
5-Mar-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved, that PHOENIX PETROLEUM PHILIPPINES, INC. (The Corporation) be, as it is hereby authorized and empowered to negotiate, concluded and enter into contract in connection with the sales and operations of the Corporation, which includes but not limited to contract of lease and/or Sublease for the operation of gasoline stations or other business and other lease arrangement, Memorandum of Agreements, Dealership Agreements or Retail Outlet Agreements for the operation of Phoenix service stations, Area Franchise Agreement and Joint Venture; RESOLVED as it is hereby resolved that in relation to the aforementioned transactions, the Company designates the any of the following Officers as the authorized signatories for all the transactions, agreements or contracts nationwide; <ul style="list-style-type: none"> HENRY ALBERT FADULLON Chief Operating Officer ERICSON S. INOCENCION General Manager for Retail Business ARNEL ALBAN General Manager for Retail Operation and Net Work Development JOVEN JESUS G. MUJAR Contracts in Relation to Lubricant Sales RICHARD C. TIANSAY Contracts for Supply Agreement to the company of Fuels and Depot Related Contracts ROY O. JIMENEZ Contracts in relation to the Commercial and Industrial Business of the Company JONAREST Z. SIBOG Transactions, agreements or contracts involving Finance Business all over Luzon Visayas and Mindanao
20-Mar-2020	<ul style="list-style-type: none"> • RESOLVED as it is hereby resolved as temporary measure, and only for the duration of the enhanced quarantine measures implemented by the government, the company shall authorize transactions such as the signing of corporate checks applications for Managers Check Fund Transfer and Remittance forms, Letter of Credit Applications, Trust Receipt forms, Promissory Notes, and foreign exchange transactions to be signed singly by ANY ONE (1) Group A or B signatory of the company, with no need of a second signatory provided that such single signature is accompanied and validate by and electronic mail confirmation ANY ONE (1) Group A signatory through their authorized corporate email <ul style="list-style-type: none"> Chairman Domingo T. Uy domingo.uy@phoenixfuels.ph President and CEO Dennis A. Uy dennis.uy@phoenixfuels.ph Chief Finance and Officer Concepcion de claro concepcion.declaro@phoenixfuels.ph Treasury Head Reynaldo Phala rey.phala@phoenixfuels.ph <p>RESOLVED FURTHER, That any one (1) group C signatory may sign singly for checks covering the fund transfers loan payments payable to PHOENIX PETROLEUM PHILIPPINES, INC. provided the same transactions are validated through email of the aforementioned Group A signatories; RESOLVED FURTHER, that any one (1) Group C Signatory may sign together with ANY ONE (1) Group A or B for letter of credit applications trust receipts forms, promissory notes and foreign exchange transactions;</p>
5-Mar-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILLIPPINES, INC. (the Corporation) be as it hereby authorized and empowered to transact and process its export documents with the Bureau of Customs in relation to its CME Refinery Plant in Villanueva, Misamis Oriental; RESOLVED FURTHER, as it is hereby resolved that in relation to the aforementioned transactions, the Company designate its General Manager for CME Refinery plant Maria Rita Ros to execute implement foregoing authority; RESOLVED FURTHER as it is hereby resolved to authorized the above representative to further authorized and delegate JZS International Logistics Inc. and its authorized

	<p>personnel: ROSARIO M. DE VEYRA, GENALYN M MABAYLAN KHER JSOHER E. PLANGCA, JEREMY M. DE VEYRA.</p>
5-Mar-2020	<ul style="list-style-type: none"> RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (the Corporation) be as it hereby authorized to facilitate the application and/or processing the necessary permits and/or utility services with Batangas I Electric Cooperative, Inc.(BATELEC I); RESOLVED FURTHER, that the corporation's quality assurance officer ANGELI IZZA G. FLORES, be authorized to represent execute submit sign receive and claim any and all necessary documents concerning the abovementioned transactions;
20-Mar-2020	<ul style="list-style-type: none"> RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (the Corporation) be as it hereby authorized and empowered to file criminal and/or civil cases to protect its interest and/or assets; RESOLVED FURTHER that the Board of Directors designate and appoint as it hereby and designates and appoints JASTER CRIS D. NAVARRO and/or REGIE H. NAPOLITANO to file and recorded criminal and/or civil complaints for purposes of prosecuting any or all persons found to have committed any and all acts against the company, its employees or properties before the Philippine Nation Police Office of the Provincial or City Prosecutors or such other court, tribunal or agency with authority to sign execute and do any other acts in connection thereto.
06-Apr-2020	<ul style="list-style-type: none"> RESOLVED as it is hereby resolved as temporary measure, and only for the duration of the enhanced quarantine measures implemented by the government, the company shall authorize transactions such as the signing of corporate checks applications for Managers Check Fund Transfer and Remittance forms, Letter of Credit Applications, Trust Receipt forms, Promissory Notes, and foreign exchange transactions to be signed singly by ANY ONE (1) Group A or B signatory of the company, with no need of a second signatory provided that such single signature is accompanied and validate by and electronic mail confirmation ANY ONE (1) Group A signatory through their authorized corporate email GROUP A Chairman Domingo T. Uy domingo.uy@phoenixfuels.ph President and CEO Dennis A. Uy dennis.uy@phoenixfuels.ph Chief Finance and Officer Concepcion de claro concepcion.declaro@phoenixfuels.ph Treasury Head Reynaldo Phala rey.phala@phoenixfuels.ph RESOLVED FURTHER, That any one (1) group C signatory may sign singly for checks covering the fund transfers loan payments payable to PHOENIX PETROLEUM PHILIPPINES, INC. provided the same transactions are validated through email of the aforementioned Group A signatories; RESOLVED FURTHER, that any one (1) Group C Signatory may sign together with ANY ONE (1) Group A or B for letter of credit applications trust receipts forms, promissory notes and foreign exchange transactions; RESOLVED FURTHER, for control purposes, the transaction documents duly signed by the Company's Authorized signatories (Based on existing Board Resolution with the Bank) shall be emailed by the Company's Authorized Representative Makers listed below: Vicente Jayme, Matthew Kenji Chan, Nel Marie Rodriguez, Jeramie Lumba, Ryan Tamondong, Kristine Lopez, Sheena Monteverde, Jonrey Villareal
	<ul style="list-style-type: none"> RESOLVED, that PHOENIX be, as it is hereby authorized to participate in (Re-advertise) Purchase of Fuel and Lubricants for use in Maintenance Section (1st Quarter of 2020) that if awarded the tender shall enter into a contract with DPWH Cotabato 1stDEO Midsayap; and in connection Therewith hereby appoint any one of the our officers: HENRY ALBER FADULLON (CHIEF OPERATION OFFICER) ROY O. JIMENEZ (GEN. MANAGER FOR COMMERCIAL & INDUSTRIAL BUSINESS), RICHARD TIANSAY (GEN. MANAGER FOR PRICING AND DEMAND) acting as duly authorized and designated representative of Phoenix granted full power and authority to do execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue thereof;

06-Apr-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (the Corporation) be as it hereby authorized and empower to negotiate, conclude and enter into contracts such as Memorandum of Agreement, Non Disclosure Agreements, Services Agreements and other transactions relative to the operation of the Company's Information Technology Group in Luzon, Visayas and Mindanao for and in behalf of the Corporation; RESOLVED as it is hereby resolved that the pursuant to the foregoing transaction the company designates its Chief Digital Officer for Information Technology Group CHARLIE VALERIO as authorized signatory.
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that the Corporation shall transact with BDO UNIBANK INC. – DAVAO LIZADA BRANCH or any of its branches subsidiaries and affiliates such as BDO Leasing and Finance Inc, (BDOLFI) BDO Rental Inc. (BDORI) BDO Capital Investments Corporation and BDO Bank Inc. (BDOPBI) collectively referred to as the Bank, for the obtainment of loan facilities and availment of banking products and services; RESOLVED FURTHER, that any of the following officers of the Corporation DOMINGO T. UY CHAIRMAN JONAREST Z. SIBOG COMPTROLLER Shall authorized on behalf of the Corporation to enter into the above specified arrangements with the Bank under such terms and conditions as the said individuals may deem necessary and to accordingly execute, sign deliver and or perform any and contracts instruments documents or writings with or the Bank that may be necessary for the implementation of the foregoing transactions. Provided further that the aforementioned officers are hereby authorized with full powers of substitution to receive for and behalf of the Corporation any and all of the mortgaged pledged assigned and encumbered properties of the Corporation upon full payment to the entire satisfaction of the bank of the obligation s secured thereby;
23-Apr-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILLIPPINES, INC. to conduct its Annual Stockholders meeting on 29 May 2020 at the principal office in Davao City at 10:00AM by means of virtual communication or such digital platform that will allow the conduct of meeting by virtual or remote communications;
04-May-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that the Corporation to represent and sign all related documents for the Procurement of Fuel for the DSWD FO XI Vehicles using the Fleet Card Services Technology for the year 2020 (Early Procurement for the year 2020) with ITB No.19-11-PB027 under the contract with DSWD Field Office XI and perform related transactions such as; represent and sign in behalf of the authorized signatory MR. ROY JIMENZ all documents like contracts that made after him: RESOLVED FURTHER, as it is hereby resolved to authorized Robert Dale C. De Leon Jr. to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with the said local/regional government offices in order to execute and implement the foregoing authority;
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolve to authorize the Corporation to represent and sign all related documents for the Procurement of one (1) Lot Supply of Diesel and Unleaded Gasoline with Fleet Management System under the contract with Department of General Services of Cebu City Government and perform related transactions such as represent and sign in behalf of the authorized signatory ROY JIMENEZ all documents like contracts that is named after him; RESOLVED FURTHER, as it is hereby to authorize MAXWELL JOHN P. BONGO by virtue of a Secretary Certificate as the case may be
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolve to authorize the Corporation to represent and sign all related documents for the (Re advertise) Purchase of Fuel and Lubricants for use in maintenance Section (First Quarter of 2020) under DPWH Cotabato 1st DEO Midsayap Cotabato and perform related transactions such as represent and sign in behalf of the authorized signatory ROY JIMENEZ all documents like contracts that is named after him; RESOLVED FURTHER, as it is hereby to authorize ROBERT DALE C. DE LEON JR. by virtue of a Secretary Certificate as the case may be;
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved to authorize the Corporation to submit bid and proposals with the DPWH Cotabato 1st DEO Midsayap Cotabato for the purchase of Fuel Lubricants for the use in Maintenance Section (2nd Quarter of 2020) and perform related transactions such as; to send/receive and sign the documents, follow up and collect nd all payments and issue corresponding official reports; RESOLVED FURTHER, as it is hereby to authorize DHYRIS CAJES and/or MARIA TERESA AILEEN CAGANG and/or ENEDINA CACABELOS by virtue of a Secretary Certificate as the case may be;

	<ul style="list-style-type: none"> • RESOLVED, that PHOENIX be, as it is hereby authorized to participate in Purchase of fuel and lubricants for use of in Maintenance Section (2nd Quarter of 2020) that if awarded the tender shall enter into a contract with DPWH Cotabato 1st DEO Midsayap; and in connection Therewith hereby appoint any one of the our officers: <p>HENRY ALBER FADULLON (CHIEF OPERATION OFFICER) ROY O. JIMENEZ (GEN. MANAGER FOR COMMERCIAL & INDUSTRIAL BUSINESS), RICHARD TIANSAY (GEN. MANAGER FOR PRICING AND DEMAND)</p> <p>acting as duly authorized and designated representative of Phoenix granted full power and authority to do execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue thereof;</p>														
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (the Corporation) be as it hereby authorized and empowered to file criminal and/or civil cases to protect its interest and/or assets; RESOLVED FURHTER that the Board of Directors designate and appoint as it hereby and designates and appoints JASTER CRIS D. NAVARRO and/or REGIE H. NAPOLITANO and/or BEETHOVEN N. SUR to file and recorded criminal and/or civil complaints for purposes of prosecuting any or all persons found to have committed any and all acts against the company, its employees or properties before the Philippine Nation Police Office of the Provincial or City Prosecutors or such other court, tribunal or agency with authority to sign execute and do any other acts in connection thereto. 														
4-May-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (the Corporation) as it is hereby authorized and empowered to apply, transact, process and enter into a foreshore lease application (FLA) and/or Miscellaneous Lease Application (MLA) with the Department of Environment and Natural Resources (DENR) and apply for other necessary permits such as ECC with EMB-DENR, Building Official (OBO) of Davao City, Clearance to Develop MLA/FLA, Permit to Construct Pier Facility, permit to operate Pier Facility and Registration of Pier Facility with the Philippines Ports Authority (PPA) and any necessary permits with the local agencies/entities relative to its facility development in the parcels og land situated in the Barrio of Sirawan, Davao City, Philippines consisting a total of twenty on thousand two hundred thirteen (21,213) sq,m more or less and covered by the TCT Nos. T 146-2019005332, T146-2017017017546 and T-146-20180133302 with Deeds of Absolute Sale executed in favor of Phoenix Petroleum Philippines Inc.; RESOLVED FURTHER, that the Corporation Terminal Superintendent JOHNNY EVANGLEISTA III, hereby authorized and empowered to sign execute deliver receive and receipt for and on behalf of the Corporation; 														
4-June-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved, that PHOENIX PETROLEUM PHILIPPINES, INC. (The Corporation) be, as it is hereby authorized and empowered to negotiate, concluded and enter into contract in connection with the sales and operations of the Corporation, which includes but not limited to contract of lease and/or Sublease for the operation of gasoline stations or other business and other lease arrangement, Memorandum of Agreements, Dealership Agreements or Retail Outlet Agreements for the operation of Phoenix service stations, Area Franchise Agreement and Joint Venture; RESOLVED as it is hereby resolved that in relation to the aforementioned transactions, the Company designates the any of the following Officers as the authorized signatories for all the transactions, agreements or contracts nationwide; <table> <tr> <td>HENRY ALBERT FADULLON</td><td>President</td></tr> <tr> <td>ERICSON S. INOCENCION</td><td>General Manger for Retail Business</td></tr> <tr> <td>ARNEL ALBAN</td><td>General Manager for Retail Operation and Net Work Development</td></tr> <tr> <td>JOVEN JESUS G. MUJAR</td><td>Contracts in Relation to Lubricant Sales</td></tr> <tr> <td>RICHARD C. TIANSAY</td><td>Contracts for Supply Agreement to the company of Fuels and liquefied petroleum Gas and Depot Related Contracts</td></tr> <tr> <td>ROY O. JIMENEZ</td><td>Contracts in relation to the Commercial and Industrial Business of the Company</td></tr> <tr> <td>JO NAREST Z. SIBOG</td><td>Transactions, agreements or contracts involving Finance Business all over Luzon, Visayas and Mindanao</td></tr> </table>	HENRY ALBERT FADULLON	President	ERICSON S. INOCENCION	General Manger for Retail Business	ARNEL ALBAN	General Manager for Retail Operation and Net Work Development	JOVEN JESUS G. MUJAR	Contracts in Relation to Lubricant Sales	RICHARD C. TIANSAY	Contracts for Supply Agreement to the company of Fuels and liquefied petroleum Gas and Depot Related Contracts	ROY O. JIMENEZ	Contracts in relation to the Commercial and Industrial Business of the Company	JO NAREST Z. SIBOG	Transactions, agreements or contracts involving Finance Business all over Luzon, Visayas and Mindanao
HENRY ALBERT FADULLON	President														
ERICSON S. INOCENCION	General Manger for Retail Business														
ARNEL ALBAN	General Manager for Retail Operation and Net Work Development														
JOVEN JESUS G. MUJAR	Contracts in Relation to Lubricant Sales														
RICHARD C. TIANSAY	Contracts for Supply Agreement to the company of Fuels and liquefied petroleum Gas and Depot Related Contracts														
ROY O. JIMENEZ	Contracts in relation to the Commercial and Industrial Business of the Company														
JO NAREST Z. SIBOG	Transactions, agreements or contracts involving Finance Business all over Luzon, Visayas and Mindanao														

	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved P-H-O-E-N-I-X Petroleum Philippines Inc. (the Corporation) as it is hereby authorized and empowered to apply, transact and process ENVIRONMENTAL COMPLIANCE CERTIFICATE (ECC) with the Dept. of Natural Resources (DENR) and apply for other necessary permits: RESOLVED FURTHER, as it hereby authorize LERWYNN FELIZMENA under such terms and conditions and stipulations as the said authorized signatory may deem advisable and desirable in best interest of the Corporation
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved P-H-O-E-N-I-X Petroleum Philippines Inc. (the Corporation) as it is hereby authorized and empowered to negotiate, conclude and enter into contracts such as, Memorandum of Agreements, Hauling Contracts, Deed of Sale Pertaining to trucks/lorries and other transactions relative to the operation of the Company's Phoenix Logistics and Distribution Group in Luzon, Visayas and Mindanao for and in behalf of the Corporation; RESOLVED FINALLY, to authorize and empower its Senior Logistics and Distribution Manger Francisco S. Baldazo, Jr. to sign, deliver and execute such document/s to implement the foregoing authority.
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved P-H-O-E-N-I-X Petroleum Philippines Inc. (the Corporation) as it is hereby authorized and empowered to apply, transact and/or renew its corporate accounts with Globe Telecom Inc., Smart Enterprises and Philippine Long Distance telephone Co. (PLDT) and enter into an agreements and such other pertinent contracts pertaining to the issuance of additional line application forms and documents in connection with the said applications; RESOLVED as it is hereby resolved that pursuant to the foregoing transaction, the Company designates the following officers to be the authorized signatory; <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><i>DENNIS UY</i></p> <p><i>ALAN RAYMOND T. ZORRILLA</i></p> <p><i>CHARLIE VALERIO</i></p> <p><i>CELESTE MARIE G. ONG</i></p> </div> <div style="width: 45%;"> <p><i>CHAIRMAN</i></p> <p><i>SVP for Corporate Affairs</i></p> <p><i>Chief Digital Officer</i></p> <p><i>AVP for Human Resources Group</i></p> </div> </div> <p>RESOLVED FURTHER, that pursuant to the single point of contact (SPOC) transactions, the Company designates the following employee to be the authorized signatories; <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><i>ARIEL R. LLERIN</i></p> <p><i>ANGEL GRACE TIO</i></p> <p><i>MYLEN SAMONTE</i></p> </div> <div style="width: 45%;"> <p><i>IT Manager</i></p> <p><i>Employee Engagement Lead</i></p> <p><i>HR Manager</i></p> </div> </div> </p>
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (the Corporation) as it is hereby authorized and empowered to apply, transact, process and enter into a foreshore lease application (FLA) and/or Miscellaneous Lease Application (MLA) with the Department of Environment and Natural Resources (DENR) and apply for other necessary permits such as ECC with EMB-DENR, Building Official (OBO) of Davao City, Clearance to Develop MLA/FLA, Permit to Construct Pier Facility, permit to operate Pier Facility and Registration of Pier Facility with the Philippines Ports Authority (PPA) and any necessary permits with the local agencies/entities relative to its facility development in the parcels of land situated in the Brgy. Tumbler General Santos City, Philippines consisting a total of FORTY THOUSAND SQUARE METERS (40,000) sq,m more or less and covered by the TCT Nos. T-12855 (Lot -A- psd11-003122); RESOLVED FURTHER, that the Corporation Terminal Superintendent JOHNNY EVANGLEISTA III, hereby authorized and empowered to sign execute deliver receive and receipt for and on behalf of the Corporation;
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILLIPPINES, INC. (the Corporation) be as it hereby authorized and to participate in (PR # 20-05-008) Purchase of 15,000 liters – Diesel Fuel and 2,000 liters – Gasoline for the Use of Various Service Vehicle and Heavy Equipment, Cebu City that if awarded the tender shall enter into contract with the DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS – CEBU CITY DEO; RESOLVED, as it is hereby that any of all foregoing transactions shall be negotiated, concluded, obtained and/or contracted for by any one (1) of the follow Company Officers; <p>HENRY ALBER FADULLON (PRESIDENT) ROY O. JIMENEZ (GEN. MANAGER FOR COMMERCIAL & INDUSTRIAL BUS.) RICHARD TIANSAY (GEN. MANAGER FOR PRICING AND DEMAND AND SUPPLY)</p> • acting as duly authorized and designated representative of Phoenix granted full power and authority to do execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and

	confirming all that my said representative shall lawfully do or cause to be done by virtue thereof;
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILLIPPINES, INC. (the Corporation) be as it hereby authorized to submit bid and proposals with the Dept. of Agriculture (DA) – Central Office for the Provision of Fuel for all authorized motorvehicle of the Dept. of Agriculture, through the use of fleet cards for calendar year 2020 and perform related transactions such as: to send/receive documents, sign documents, follow up and collect all payments and issue corresponding official receipts; RESOLVED FURTHER, as it is hereby resolved to authorize Paula Kate F. Zatarain by virtue of the issuance of a Special Power of Attorney or a Board Resolution as the case may be
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILLIPPINES, INC. (the Corporation) be as it hereby authorized and to participate in the Provision of Fuel for al authorized Motor Vehicle of the Department of Agriculture (DA) through the use of Fleet Cards for the Calendar Year 2020 that if awarded the tender shall enter into contract with; RESOLVED, as it is hereby that any of all foregoing transactions shall be negotiated, concluded, obtained and/or contracted for by any one (1) of the follow Company Officers; HENRY ALBER FADULLON (PRESIDENT) ROY O. JIMENEZ (GEN. MANAGER FOR COMMERCIAL & INDUSTRIAL BUS.) RICHARD TIANSAY (GEN. MANAGER FOR PRICING AND DEMAND AND SUPPLY) • acting as duly authorized and designated representative of Phoenix granted full power and authority to do execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue thereof;
	<ul style="list-style-type: none"> • RESOLVED, that Ms. JONAREST Z. SIBOG – AVP for comptrollership be as it is hereby designated as the Authorized Responsible Official of the Company for its registration with the Board of Investments (BOI) as “Marketing of Petroleum Products – General Santos City Oil terminal Project”
	<ul style="list-style-type: none"> • RESOLVED, that the Corporation is hereby authorized to authorize the following representatives to sign execute the stock certificates of the Corporation which are now under the care and custody of BDO Trust and Settlement Group; HENRY ABERT FADULLON PRESIDENT SOCORRO ERMAC CABREROS Corporate Secretary <p>RESOLVED FURTHER, that such signatories are likewise authorized make requests and other further instructions to BDO for the transfer, disposition and such other instructions necessary and relating to the transactions pertaining to the shares of stocks or stock certificates of the Corporation and such other stock transferring transactions.</p>
01-July-2020	<ul style="list-style-type: none"> • RESOLVED as it is hereby resolved as temporary measure, and only for the duration of the enhanced quarantine measures implemented by the government, the company shall authorize transactions such as the signing of corporate checks applications for Managers Check Fund Transfer and Remittance forms, Letter of Credit Applications, Trust Receipt forms, Promissory Notes, and foreign exchange transactions to be signed singly by ANY ONE (1) Group A or B signatory of the company, with no need of a second signatory provided that such single signature is accompanied and validate by and electronic mail confirmation ANY ONE (1) Group A signatory through their authorized corporate email <p>GROUP A Chairman Emeritus Domingo T. Uy Chairman Dennis A. Uy Chief Finance and Officer Concepcion de claro Treasury Head Reynaldo Phala</p> <p>GROUP B President Henry Albert Fadullon Comptroller Jonarest Z. Sibog Treasury Manager Vicente Miguel R. Jayme</p>

	<p>GROUP C Asst. Treasury Manager Nel Marie Rodriguez</p> <p>RESOLVED FURTHER, That any one (1) group C signatory may sign singly for checks covering the fund transfers loan payments payable to PHOENIX PETROLEUM PHILIPPINES, INC. provided the same transactions are validated through email of the aforementioned Group A signatories; RESOLVED FURTHER, that any one (1) Group C Signatory may sign together with ANY ONE (1) Group A or B for letter of credit applications trust receipts forms, promissory notes and foreign exchange transactions; RESOLVED FURTHER, for control purposes, the transaction documents duly signed by the Company's Authorized signatories (Based on existing Board Resolution with the Bank) shall be emailed by the Company's Authorized Representative Makers listed below: Vicente Jayme, Matthew Kenji Chan, Nel Marie Rodriguez, Jeramie Lumba, Ryan Tamondong, Kristine Lopez, Sheena Monteverde, Jonrey Villareal</p>
7-July-2020	<ul style="list-style-type: none"> RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILLIPPINES, INC. (the Corporation) be as it hereby authorized to execute and issue a letter of Guarantee in favor of Gunvor Singapore Pte Ltd. (Beneficiary) for purpose of guaranteeing the due and punctual performance of all present and future obligations of its subsidiary, PNX Petroleum Singapore Pte Ltd. In relation to the purchase and supply of fuel products and other energy related products from the Beneficiary; RESOLVED FURTHER, to authorize and empower the Corporation's Officer singly or jointly to deliver, execute or sign any or all documents or instruments in order to implement the foregoing authorities; <p>HENRY ALBERT FADULLON President MA. CONCEPCION F. DE CLARO Chief Finance Officer</p>
17-July-2020	<ul style="list-style-type: none"> RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILLIPPINES, INC. (the Corporation) be as it hereby authorized to subscribe to the constitution of a company to be incorporated in Singapore and to be known as PNX Global Holdings Pte. Ltd for 1 ordinary shae at a subscription price of USD1.00 each and to further authorize RAOUF ANDRE KIZILBASH to sign any other documents requiring execution relating to the incorporation of the Company.
30-July-2020	<ul style="list-style-type: none"> RESOLVED, as it hereby resolved that P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (the Corporation) be as it is hereby authorized and empower to offer and sell short dated securities in the aggregate principal amount of up to Three Billion Five Hundred Million Pesos (Php3,500,000,000.00) (the "Short dated Securities") to Qualified Buyers and Primary Institutional Lenders in the Republic of the Philippines; RESOLVED FURTHER, that the Corporation be as it is hereby authorized and empower to appoint PNB Capital and Investment Corporation (PNB Capital) as lead underwriter to distribute and sell the securities under such terms and conditions as Management may deem be fair and reasonable and for the best interest of the Corporation; RESOLVED FINALLY, that in order to implement the foregoing authorities the Corporation authorizes any one (1) of the following officers namely; HENRY ALBERT FADULLON and/or MA CONCEPCION F. DE CLARO Chief Finance Officer;
3-Aug-2020	<ul style="list-style-type: none"> RESOLVED, as it hereby resolved P-H-O-E-N-I-X Petroleum Philippines Inc. be as it is hereby authorized and empowered to file with the Securities and Exchange Commission ("SEC") a registration statement for commercial papers ("CPs") with an aggregate principal amount of Seven Billion Pesos (Php 7,000,000,000.00) pursuant to section 12 of the Securities Regulation Code; RESOLVED FURTHER that the Corporation as it is hereby authorized and empowered to offer to the public and investors sell and issue CPs in the aggregate principal amount of up to TWO BILLION PESOS (Php 2,000,000,000.00) with an over subscription option of up to One Billion Five Hundred Million Pesos (Php 1,500,000,000.00) (the "CP Series D" and, the offer of the CP series D, the "OFFER"), under such terms and conditions as may be determined by the Management Corporation; RESOLVED FINALLY, that in order to implement the foregoing authorities the Corporation authorized and one (1) of the following officers: HENRY ALBERT R. FADULLON President MA. CONCEPCION F. DE CLARO Chief Finance Officer be as they are hereby empowered and authorized to represent the Corporation to negotiate sign execute endorse and deliver for and in behalf and in the name of the Corporation the listing application with PDEX the registry and paying agency agreement

	<p>with the PDTC, the underwriting agreement or issue management agreement with the PNB Capital and the trust agreement with the PNB Trust and any other application forms, deeds, documents, papers, contracts certifications and instruments necessary or appropriate to proceed with, implement and effect the foregoing authorities and to do perform every and all acts as may be necessary convenient or appropriate to give force and effect to the registration of the CPs the Offer issuances and listing of CP series D;</p>																								
5-Aug-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved P-H-O-E-N-I-X Petroleum Philippines Inc. be as it is hereby authorized and empowered to apply transact negotiate and process pertinent documents and permits with various government entities/offices relative to the construction (Design, Civil, Electrical and Mechanical) of commercial and retail operation within the Island of Mindanao; RESOLVED, as is hereby resolved that relative to the aforementioned transaction, the following employee of the company is further authorized to sign all detailed station plans of the company for retails and commercial projects as well as other require documents in relation thereto, RYAN GUY ESTEBAN hereby authorized and empowered to sign execute deliver receive and receipt for and on behalf of the Corporation; 																								
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved P-H-O-E-N-I-X Petroleum Philippines Inc. be as it is hereby authorized and empowered to purchase from CHELSEA LOGISTICS AND INFRASTRUCTURE HOLDING CORP. (the "Seller") over the following vessel; • <table> <tr> <td>Name of the Boat</td><td>Great Diamond (9430715)</td></tr> <tr> <td>Flag and Port of Registry</td><td>Panama</td></tr> <tr> <td>Lying at</td><td>Vietnam-Singapore</td></tr> <tr> <td>Register Status</td><td>49181-17</td></tr> <tr> <td>Official No.</td><td>4126691</td></tr> <tr> <td>Hull Length Overall</td><td>146.00 Metres</td></tr> <tr> <td>Beam</td><td>22.00 Metres</td></tr> <tr> <td>Draught</td><td>10.88</td></tr> <tr> <td>Gross Registered Tonnage</td><td>9,366.00</td></tr> <tr> <td>Engine</td><td>MAIN; MAN B&W 6S35MC(1), 5,281 Kilowatt Auxilliary DAIHATSU 6DC-17(3) 550 Kilowatt Boilers:JIANGYIN SANJIE INDUSTRY/LSK</td></tr> <tr> <td>Builder</td><td>Fujian Shenglong Shipbuilding Co., Ltd</td></tr> <tr> <td>Date of build</td><td>2012</td></tr> </table> <p>At reasonable terms and conditions acceptable to the Corporation RESOLVED FINALLY, to authorize and empower its President HENRY ALBERT R. FADULLON to sign, deliver and execute the Deed of sale or such other document to implement the foregoing authority;</p> • RESOLVED, that PHOENIX be, as it is hereby authorized to participate in submission of Vendor requirements to Wuhan FiberHome International Tech Phils. Inc that if awarded the tender shall enter into a contract with Fiber Home the in connection therewith hereby appoint any one (1) of the our officers: <p>HENRY ALBERT FADULLON (President) ROY O. JIMENEZ (GEN. MANAGER FOR COMMERCIAL & INDUSTRIAL BUSINESS) RICHARD TIANSAY (GEN. MANAGER FOR PRICING AND DEMAND)</p> <p>acting as duly authorized and designated representative of Phoenix granted full power and authority to do execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue thereof;</p>	Name of the Boat	Great Diamond (9430715)	Flag and Port of Registry	Panama	Lying at	Vietnam-Singapore	Register Status	49181-17	Official No.	4126691	Hull Length Overall	146.00 Metres	Beam	22.00 Metres	Draught	10.88	Gross Registered Tonnage	9,366.00	Engine	MAIN; MAN B&W 6S35MC(1), 5,281 Kilowatt Auxilliary DAIHATSU 6DC-17(3) 550 Kilowatt Boilers:JIANGYIN SANJIE INDUSTRY/LSK	Builder	Fujian Shenglong Shipbuilding Co., Ltd	Date of build	2012
Name of the Boat	Great Diamond (9430715)																								
Flag and Port of Registry	Panama																								
Lying at	Vietnam-Singapore																								
Register Status	49181-17																								
Official No.	4126691																								
Hull Length Overall	146.00 Metres																								
Beam	22.00 Metres																								
Draught	10.88																								
Gross Registered Tonnage	9,366.00																								
Engine	MAIN; MAN B&W 6S35MC(1), 5,281 Kilowatt Auxilliary DAIHATSU 6DC-17(3) 550 Kilowatt Boilers:JIANGYIN SANJIE INDUSTRY/LSK																								
Builder	Fujian Shenglong Shipbuilding Co., Ltd																								
Date of build	2012																								
4-Sept-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved P-H-O-E-N-I-X Petroleum Philippines Inc., as it hereby authorized and empowered to apply and submit all pertinent documents to BUREAU OF CUSTOMS prior to post arrival of importations, submit and apply reports, requests and necessary permits to Bureau of Internal Revenue and Department of Energy in relation to importation; RESOLVED as it is hereby resolved that any of all foregoing transactions shall be negotiated, concluded obtained and/or contracted for by any one 																								

	<p>(1) of the following company officers:</p> <ul style="list-style-type: none"> ○ HENRY ALBERT FADULLON President ○ RICHARD TIANSAY General Manager Supply ○ RICHARD PENALOSA Manager Supply <p>hereby authorized and empowered to sign execute deliver receive and receipt for and on behalf of the Corporation;</p>
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved P-H-O-E-N-I-X Petroleum Philippines Inc., as it hereby authorized to participate Procurement of Diesel and Gasoline under PR Nos. 0127-2020 (Office of City Administrator) and 2630-2020 (SP Rosario-Committee on Disaster risk reduction & Climate change Adaptation) – 1lot that if awarded the tender shall enter into a contract with the City Government of Butuan and in connection therewith hereby anyone (1) of the following officers of the company: <p>HENRY ALBERT FADULLON (President) ROY O. JIMENEZ (GEN. MANAGER FOR COMMERCIAL & INDUSTRIAL BUSINESS) RICHARD TIANSAY (GEN. MANAGER FOR PRICING AND DEMAND)</p> <p>acting as duly authorized and designated representative of Phoenix granted full power and authority to do execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue thereof;</p>
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolve to authorize the Corporation to submit bid and proposal with City Government of Butuan in the procurement of Procurement of Diesel and Gasoline under PR Nos. 0127-2020 (Office of City Administrator) and 2630-2020 (SP Rosario-Committee on Disaster risk reduction & Climate change Adaptation) – 1lot such as: to send/receive documents, sign documents, follow up and collect all payments and issue corresponding official receipts: RESOLVED FURTHER, as it is hereby to authorize Denver Birches/Herbert Domingo/ Dhyris Cajés/Sarah Bongcas/Dzan Minoza by virtue of a Secretary Certificate as the case may be
	<ul style="list-style-type: none"> • RESOLVED, that METROPOLITAN BANK & TRUST COMPANY (hereinafter called “METROBANK”) be, and is hereby, designated as depository of the funds/monies of P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (the “Corporation”), and that the Corporation be, and is hereby, authorized to open and/or maintain and operate savings, time, current and/or trust accounts (“Account/s”) with METROBANK Head Office, and/or any of its branches; RESOLVED FURTHER, that any two (2) of the following officers be authorized in behalf of the corporation; to sign, execute and/or deliver any and all documents, papers, instruments, forms, agreements or contracts in connection with or as may be required by, appropriate, necessary, and/or incidental to: <ul style="list-style-type: none"> ○ the opening, closing, operation and/or management of any and all Account/s of the Corporation with or investment of any funds of the Corporation through METROBANK; ○ the availment by the Corporation of any and all services/facilities of METROBANK, and the operation and/or management of the said services/facilities; and ○ the Corporation’s application for and enrollment in electronic banking channels and other electronic delivery channels and to give any and all instructions pertaining thereto, including the appointment of its System Administrator who would then appoint the Corporation’s Users, responsible for the operation, maintenance, use and/or management of the said electronic banking/delivery channels. to withdraw or transfer the funds/monies of the Corporation by checks, receipts, drafts, bills of exchange, withdrawal slips, orders for payment or otherwise; to sign, endorse, draw, accept, make, execute and/or deliver, for negotiation, payment, deposit or collection, checks, receipts, drafts, bills of exchange, orders for payment, to initiate credit-related transactions such as letter of credit, promissory notes, request for financing subject to availability of credit lines with METROBANK at the time of availment, and/or other similar instruments in connection with the said account(s)/funds; and to close the account(s), receive the balance(s) thereof and sign any and all documents

	<p>which METROBANK may require in connection therewith:</p> <ul style="list-style-type: none"> ○ DOMINGO T. UY CHAIRMAN ○ JONAREST Z. SIBOG AVP – COMPTROLLER ○ NEL MARIE RODRIGUEZ Asst. Treasury Manager <p>RESOLVED, FINALLY, that all things/acts done and documents executed and entered into by the aforementioned signatories pursuant to and in accordance with the foregoing authorities are hereby affirmed, confirmed and ratified. Likewise all things/acts done and documents executed and entered into on behalf of the Corporation prior to this Resolution are hereby affirmed, confirmed and ratified.</p>								
5-Oct-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolved P-H-O-E-N-I-X Petroleum Philippines Inc. be as it is hereby authorized and empowered to represent execute sign receive claim and process any and all related documents pertaining to the company's properties situated in Bacolod City including certified true copies of titles Tax Declarations Receipts and Clearances with the Office of Registry of Deeds and City Assessors' and Treasurers Offices of Bacolod City; RESOLVED FURTHER as it is hereby resolved to authorized RICO T. URETA; 								
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolve to authorize the Corporation to submit bid and proposals with the Department of Public Works and Highways Office of the Regional Director VII for the Supply and Delivery of Fuel (Diesel) for use in Dredging Operation of Amphibious Excavator assigned at Managa River, Brgy. Jaclupan, Talisay City, Cebu such as: to send/receive documents, sign documents, follow up and collect all payments and issue corresponding official receipts; RESOLVED FURTHER, as it is hereby resolved to authorize Dhyris Cajes/Olia Lachica/Maxwell John Bongo/Geoffrey Villalon by virtue of the issuance of a Special Power of Attorney or a Board Resolution as the case may be, to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with the said local/regional government offices in order to execute and implement the pore going authority; 								
	<ul style="list-style-type: none"> • RESOLVED, that Phoenix be, as it hereby is, authorized to participate in the Supply and Delivery of Fuel (Diesel) for use in Dredging Operation of Amphibious Excavator assigned at Managa River, Brgy. Jaclupan, Talisay City, Cebu that if awarded the tender shall enter into a contract with the Department of Public Works and Highways Office of the Regional Director VII; and in connection therewith hereby appoint any one (1) of the following officers of the company: <table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Name</th><th style="text-align: left;">Designation</th></tr> </thead> <tbody> <tr> <td>HENRY ALBERT R. FADULLON</td><td>President and Chief Executive Officer</td></tr> <tr> <td>ROY O. JIMENEZ</td><td>Gen. Manager for Commercial & Industrial Business</td></tr> <tr> <td>RICHARD C. TIANSAY</td><td>Gen. Manager for Pricing, Demand and Supply</td></tr> </tbody> </table> <p>acting as duly authorized and designated representatives of Phoenix are granted full power and authority to do, execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue hereof;</p> <p>In case of award, any one (1) from the above-named Officers is hereby authorized to sign the contract in behalf of the corporation.</p> <p>RESOLVED FURTHER THAT, above-named Officers are hereby authorized to:</p> <p>execute a waiver of jurisdiction whereby the Phoenix hereby submits itself to the jurisdiction of the Philippine government and hereby waives its right to question the jurisdiction of the Philippine courts;</p> <p>execute a waiver that Phoenix shall not seek and obtain writ of injunctions or prohibition or restraining order against the Department of Public Works and Highways Office of the Regional Director VII or any other agency in connection with this project to prevent and restrain the bidding procedures related thereto,</p>	Name	Designation	HENRY ALBERT R. FADULLON	President and Chief Executive Officer	ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business	RICHARD C. TIANSAY	Gen. Manager for Pricing, Demand and Supply
Name	Designation								
HENRY ALBERT R. FADULLON	President and Chief Executive Officer								
ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business								
RICHARD C. TIANSAY	Gen. Manager for Pricing, Demand and Supply								

	the negotiating of and award of a contract to a successful bidder, and the carrying out of the awarded contract.												
	<ul style="list-style-type: none"> • RESOLVED, that the Corporation be, as it is hereby, authorized and empowered to transact, sign, process, claim and represent in all manners relating to request for copies of Tax Declaration, Tax Clearance, Real Property Tax Receipts with the Office of the City Assessors and/or certified copies of titles/documents with the Office of the Registry of Deeds of General Santos City relative to the company's real estate properties in General Santos City; RESOLVED FURTHER, as it is hereby resolved to authorize ABDUL JALAL M. SAMBARANI and/or BOBBY JAY M. PAGARA to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with said locale government unit and other private entities in order to execute and implement the foregoing authority; 												
	<ul style="list-style-type: none"> • RESOLVED, as it is hereby resolve to authorize the Corporation to execute an Affidavit of Loss for lost titles, apply, transact, process and claim for Certified Copies of TCT Nos. T-116955 and T-116956 with annotation of loss with the Registry of Deeds of the Municipality of Nasugbu, Province of Batangas and Certified Copies of its Tax Declaration with the local Assessor's Office of Nasugbu, Batangas; RESOLVED FURTHER, as it is hereby resolved to authorize ARWIN B. REYES to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with said locale government unit and other private entities in order to execute and implement the foregoing authority; 												
	<ul style="list-style-type: none"> • RESOLVED that, the Corporation will apply for the Exemption from payment or real property tax for the machineries and equipment used in the operations under the Special Laws "Downstream Oil Industry Deregulation Act of 1998" or R.A. 8479 of the 2017 Investment Priorities Plan; RESOLVED Further, the processing of the above-mentioned exemptions be outsourced to Entia Accounting Firm and that any of its representatives, Carina B. Entia, CPA and/or Emily B. Mendoza, be authorized, as they are hereby authorized to process and transact with the Provincial Assessor's Office of Batangas City and other related government agencies necessary for the exemption, for and in behalf of the Company. 												
	<ul style="list-style-type: none"> • RESOLVED, as it is hereby resolved, that P-H-O-E-N-I-X PETROLEUM PHILIPPINES INC. be, as it is hereby authorized and empowered to request from Bank copies of Chattel Mortgage over company vehicles; apply and process the Company's Application for Accreditation as Importer for Director Use with the Land Transportation Office (LTO) and process any document related to the said agency, Department of Transportation & Communications (DOTC) including company vehicles registration and its renewal and execution of documents pertaining to lost documents OR/CR; RESOLVED, as it is hereby resolved, that any of all the foregoing transactions shall be negotiated, concluded, obtained and/or contracted for, by the Company's Corporate Affairs Officer, MARK LOUISE J. CRUZ, under such terms and conditions and stipulations as the said authorized signatory may deem advisable and desirable in the best interest of the Corporation; 												
5-Nov-2020	<ul style="list-style-type: none"> • RESOLVED, that the Directors of P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (the "Corporation") appoint and designate any TWO (2) of the following officers of the Corporation, or its Parent Company, P-H-O-E-N-I-X Petroleum Philippines, Inc, namely: <table> <tr> <th><u>Designated Signatory</u></th><th><u>Officer</u></th></tr> <tr> <td>Henry Albert R. Fadullon</td><td>President</td></tr> <tr> <td>Ma. Concepcion F. de Claro</td><td>Treasurer</td></tr> <tr> <td>Matthew Kenji D. Chan</td><td>Treasury Manager</td></tr> <tr> <td>Vicente Miguel R. Jayme</td><td>Treasury Manager</td></tr> <tr> <td>Charlie R. Valerio</td><td>Chief Digital Officer</td></tr> </table> • to sign, execute and deliver any and all applications, contracts, documents, forms and other similar writings with Union Bank of the Philippines ("UBP") in connection with the Corporation's application for affiliation with UBPP and/or UBPP Credit Cards ("UBPPCC"), including UBPP's E-commerce facility; to designate and maintain the settlement account no. 00282 000 7205 under the name of Phoenix Petroleum Philippines Inc., booked with the UBP Monteverde Branch, Monteverde St., Davao City where proceeds of UBPP/ 	<u>Designated Signatory</u>	<u>Officer</u>	Henry Albert R. Fadullon	President	Ma. Concepcion F. de Claro	Treasurer	Matthew Kenji D. Chan	Treasury Manager	Vicente Miguel R. Jayme	Treasury Manager	Charlie R. Valerio	Chief Digital Officer
<u>Designated Signatory</u>	<u>Officer</u>												
Henry Albert R. Fadullon	President												
Ma. Concepcion F. de Claro	Treasurer												
Matthew Kenji D. Chan	Treasury Manager												
Vicente Miguel R. Jayme	Treasury Manager												
Charlie R. Valerio	Chief Digital Officer												

	UBPCC Card Sales will be credited to								
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolve to authorize the Corporation to submit the bid proposals and documents for the Procurement of Diesel and Unleaded Gasoline with Fleet Mgt. System and perform related transactions such as: to send/receive documents, sign documents, follow up, transact, attend to all concerns and collect all payments and issue corresponding official receipts; RESOLVED FURTHER, as it is hereby resolved to authorize anyone of the company officers Dhyris Cajes/Francis Bautista/Olia Lachica/Maxwell John Bongo/Geoffrey Viñalon by virtue of the issuance of a Special Power of Attorney or a Board Resolution as the case may be, to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with the said local/regional government offices in order to execute and implement the foregoing authority; 								
	<ul style="list-style-type: none"> • RESOLVED, that Phoenix be, as it hereby is, authorized to participate in the Procurement of Diesel and Unleaded Gasoline with Fleet Mgt. System that if awarded the tender shall enter into a contract with the Department of General Services of Cebu City Government; and in connection therewith hereby appoint any one (1) of the following officers of the company: <table border="0"> <thead> <tr> <th style="text-align: left;">Name</th><th style="text-align: left;">Designation</th></tr> </thead> <tbody> <tr> <td>HENRY ALBERT R. FADULLON</td><td>President and Chief Executive Officer</td></tr> <tr> <td>ROY O. JIMENEZ</td><td>Gen. Manager for Commercial & Industrial Business</td></tr> <tr> <td>RICHARD C. TIANSAY</td><td>Gen. Manager for Pricing and Demand and Supply</td></tr> </tbody> </table> <p>acting as duly authorized and designated representatives of Phoenix are granted full power and authority to do, execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue hereof;</p> <ul style="list-style-type: none"> ○ In case of award, any one (1) from the above-named Officers is hereby authorized to sign the contract in behalf of the corporation. ○ RESOLVED FURTHER THAT, above-named Officers are hereby authorized to: <p>execute a waiver of jurisdiction whereby the Phoenix hereby submits itself to the jurisdiction of the Philippine government and hereby waives its right to question the jurisdiction of the Philippine courts;</p> <p>execute a waiver that Phoenix shall not seek and obtain writ of injunctions or prohibition or restraining order against the Department of General Services of Cebu City Government or any other agency in connection with this project to prevent and restrain the bidding procedures related thereto, the negotiating of and award of a contract to a successful bidder, and the carrying out of the awarded contract.</p> 	Name	Designation	HENRY ALBERT R. FADULLON	President and Chief Executive Officer	ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business	RICHARD C. TIANSAY	Gen. Manager for Pricing and Demand and Supply
Name	Designation								
HENRY ALBERT R. FADULLON	President and Chief Executive Officer								
ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business								
RICHARD C. TIANSAY	Gen. Manager for Pricing and Demand and Supply								
	<ul style="list-style-type: none"> • RESOLVED, AS IT IS HEREBY RESOLVED, that the Corporation be authorized to open and maintain deposit account(s) and to avail of any related services, and/or to open and maintain placement(s) and/or to invest in government securities and other similar instruments, and/or to enter into trust and/or investment management agency transactions/arrangements and/or open and maintain trust/investment management account(s) with CHINA BANKING CORPORATION and/or CHINA BANKING CORPORATION – TRUST AND ASSET MANAGEMENT GROUP, under such terms and conditions, as may be mutually agreed upon, where its cash funds, any credit remittances or checks issued in its favor, with or without endorsement, may be deposited or invested; RESOLVED FURTHER, as it is hereby resolved, that the Corporation be empowered and authorized to apply for, negotiate, and obtain loans from CHINA BANKING CORPORATION and/or CHINA BANKING CORPORATION – TRUST AND ASSET MANAGEMENT GROUP, including the renewal, extension, increase and/or restructuring thereof and/or of its existing credit facilities in such amount(s) and under such terms and conditions as may be mutually agreed upon, and to secure and guarantee 								

	<p>the payment of the aforesaid loans or credit facilities by means of mortgage, pledge, assignment or any other form of encumbrance upon any and all properties or assets of the Corporation of whatever kind or nature, real or personal, as may be sufficient, necessary or required for the purpose. RESOLVED FURTHER, as it is hereby resolved, that the Corporation be empowered and authorized to avail of various cash management services from CHINA BANKING CORPORATION such as, but not necessarily limited to: collections management including products and services such as Bills Pay Plus, Check Depot, Auto Debit Arrangement, and Bancnet Payment System; disbursements management including products and services such as Check Write Plus, TellerCard Payroll, China Pay Plus, Outsourced Payroll Processing, BancNet e-Gov, Auto Credit Arrangement, and Inter-Bank Fund Transfer; and liquidity management including products and services such as China Bank Online and Sure Sweep; and all other related services under such terms and conditions as may be mutually agreed upon between the Corporation and CHINA BANKING CORPORATION.”</p>
	<ul style="list-style-type: none"> • RESOLVED, that P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. (“Corporation”) authorizes and designates any one (1) of the following Officers, whose specimen signatures appear opposite their names below, to open an account with AP SECURITIES, INCORPORATED under the name of P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. and to transact any shares of stocks that are listed in the Philippine Stock Exchange, Inc. and to sign, execute and deliver any and all documents pertaining thereto. <p>DENNIS A. UY HENRY ALBERT R. FADULLON MA.CONCEPCION F. DE CLARO</p> <p>RESOLVED, FURTHER, that any one (1) of said officers is likewise authorized to transact, sign, execute and deliver any and all documents involving transfers of the shares of stocks owned by the Corporation in various companies, and to do all acts necessary thereto; RESOLVED FINALLY, that the authority shall continue to be in full force and effect unless revoked by the Corporation by subsequent resolution.</p>
	<ul style="list-style-type: none"> • RESOLVED, as it is hereby resolved, to authorize and allow the Corporation to accept and comply with the terms and conditions of and execute and enter into various Omnibus Loan and Security Agreements (OLSAs) with BDO Unibank Inc. (Bank) as Share Security Grantor and Corporate Surety; RESOLVED, LIKEWISE, to authorize and empower the Corporation to pledge and assign the shares registered and subscribed under its name in Phoenix LPG Philippines, Inc. (PLPI) to BDO Unibank, Inc. under the OLSA executed between the Corporation, PLPI and the Bank; RESOLVED, ALSO, to authorize and empower the Corporation to act as Corporate Surety of PLPI under the OLSA to secure compliance by PLPI of the terms and conditions of the OLSA; RESOLVED, FURTHER, to authorize and empower its President, Henry Albert R. Fadullon to sign, execute, deliver any and/or all documents necessary and incidental to the implementation of the foregoing authorities and powers including the power to delegate the initialling of each and every page of the Agreement for and in behalf of the Corporation;
	<ul style="list-style-type: none"> • RESOLVED, as it is hereby authorize and allow the corporation to accept and comply with terms and conditions of and execute and enter into an Omnibus Loan and Security Agreement (OLSA) with BDO Unibank, Inc.(Bank) as Borrower, Mortgagor, Grantor and Assignor; RESOLVED LIKEWISE, to authorize and empower the Corporation to borrow from BDO Unibank Inc, up to Php 4Billion under terms and conditions provided under Omnibus Loan and Security Agreement (OLSA);
	<ul style="list-style-type: none"> • RESOLVED, as it is hereby resolved, to authorize and allow the Corporation to accept and comply with the terms and conditions of the Amendments to Promissory Notes with Suretyship Agreement, Promissory Notes or such other documents, agreements contemplated by this Agreement and transaction including extensions in the maturity date of the Php2.0 Billion TL documented under Amendment Agreement, executed with BDO Unibank, Inc. (BDO). RESOLVED, LIKEWISE, to authorize and empower its President, Henry Albert R Fadullon, whose signature appears below to sign, execute, deliver any and/or all documents necessary and incidental to the implementation of the foregoing authorities and powers such as this Agreement, Promissory Notes and any other documents or agreements contemplated hereunder to which the Corporation is a party on its behalf; RESOLVED, FURTHER, to authorize and empower Vicente Miguel R.

Jayme and/or **Daryl Eunika B. Maloles** to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with this Agreement, and any other document or agreement contemplated hereunder; RESOLVED, LIKEWISE, to authorize, **Vicente Miguel R. Jayme** to affix his initial in each and every page of the various Agreements, PNs and such other documents, agreements contemplated under these transactions.

- **RESOLVED, AS IT IS HEREBY RESOLVED**, that the Corporation be, as it is hereby authorized, to establish and maintain Trust Account/s (the "Accounts") with BDO Unibank, Inc. -Trust & Investments Group with office address at BDO Corporate Center 7899 Makati Avenue Makati City.

RESOLVED, FURTHER, That the Corporation authorizes any **ONE (1)** of the following:

Name	Designation
Henry Albert R. Fadullon	President
Ma. Concepcion F. de Claro	Chief Finance Officer
Alan Raymond T. Zorrilla	SVP – Phoenix Petroleum Philippines

to sign, execute and deliver any and all documents/agreements, give and any all instructions (including termination) and do any and all acts in connection with the Accounts, on behalf of the Corporation.

- RESOLVED, that the Board of Directors of the Corporation authorize, as it hereby authorizes, the Corporation to mortgage, pledge, assign or otherwise encumber in favor of **BDO Unibank, Inc.** (the "Bank") properties of the Corporation, whether real or personal, particularly **the Shares of the Corporation in Phoenix LPG Philippines, Inc. (formerly Petronas Energy Philippines, Inc.)** as collaterals for all obligations arising from or in connection with all credit accommodations extended and may be extended in the future to **PHOENIX LPG PHILIPPINES, INC.** (the "Borrower") by said Bank (as well as any and all increases, over-availments, renewals, roll-overs, extensions, restructurings, amendments, or novations thereof), including all interest, default interest / penalties, expenses, costs, and charges, it being understood that said undertaking of the Corporation is a continuing one and shall subsist and bind the Corporation until all such obligations shall have been fully paid and satisfied. RESOLVED, FURTHER, that the Board of Directors of the Corporation authorize, as it hereby authorizes, the Corporation to appoint and constitute the Bank as its attorney-in-fact, with full powers of substitution, to register the mortgage, pledge, assignment and encumbrance, including the payment of any taxes such as but not limited to capital gains, creditable withholding tax(es), documentary stamp taxes, to receive the Certificate Authorizing Registration (CAR), transfer and/or reclassification of the necessary tax declarations(s), to file and request for the conversion of non-PHILARIS manually issued title over the mortgaged property(ies) to electronic PHILARIS title, with any and all appropriate government offices / agencies . The Corporation hereby declares that the power of attorney to be coupled with interest and as such is irrevocable until all obligations secured by the aforementioned properties of the Corporation are fully paid to the entire satisfaction of the BANK.

- **RESOLVED**, as it is hereby resolved, to authorize and allow the Corporation to assign and transfer in accordance with the terms and conditions of the Debt Push Down Agreement (the Agreement) the debt contracted by the Corporation whereby P-h-o-e-n-i-x- Petroleum Philippines, Inc., upon agreement and consent with its creditor, BDO Unibank, Inc. (BDO), push down and assign to Phoenix LPG Philippines, Inc. (PLPI) the following debts contracted for the acquisition and benefit of PLPI as follows:

a) Term loan facility executed on 16 August 2016 in the aggregate amount of up to One Billion Pesos (PhP1,000,000,000.00) ("**TL1**"), of which the entire amount remains outstanding, maturing on 16 August 2021, under the terms and conditions set forth in the TL1Agreement;

b) Term loan facility executed on 04 August 2017 in the aggregate amount of up to Six Billion Pesos (PhP6,000,000,000.00) ("**TL2**"), of which facility, the

	<p>amount of Four Billion One Hundred Twenty Five Million Pesos (PhP4,125,000,000.00)remains outstanding as of date of this Agreement, maturing on 04 August 2024;</p> <p>c) Conforme Letter dated 19 December 2018 ("Conforme Letter") where BDO approved and established a credit line facility with a sublimit of Two Billion Pesos (PhP2,000,000,000.00) for PPPI, of which the latter availed and drew from via the following short-term promissory notes: (a) the amount of PhP196 Million ("ST1") on 19 June 2020 maturing on 16 December 2020 documented under PN No. 800060201367 ("ST1 PN"), and (b) the amount of PhP 63 Million ("ST2") on 18 June 2020 maturing on 15 December 2020 documented under PN No. 800060201333 ("ST2 PN").</p>								
4-Dec-2020	<ul style="list-style-type: none"> RESOLVED, that Phoenix be, as it hereby is, authorized to participate in the Supply and Delivery of Fuel (Diesel) for use in Dredging Operation of Amphibious Excavator assigned at Managa River, Brgy. Jaclupan, Talisay City, Cebu (Contract No. 20GH00007 Re-Bid) that if awarded the tender shall enter into a contract with the Department of Public Works and Highways Office of the Regional Director VII; and in connection therewith hereby appoint <u>any one (1)</u> of the following officers of the company: <table> <tr> <th>Name</th><th>Designation</th></tr> <tr> <td>HENRY ALBERT R. FADULLON</td><td>President</td></tr> <tr> <td>ROY O. JIMENEZ</td><td>Gen. Manager for Commercial & Industrial Business</td></tr> <tr> <td>RICHARD C. TIANSAY</td><td>Gen. Manager for Pricing, Demand and Supply</td></tr> </table> <p>acting as duly authorized and designated representatives of Phoenix are granted full power and authority to do, execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue hereof;</p> <ul style="list-style-type: none"> In case of award, any one (1) from the above-named Officers is hereby authorized to sign the contract in behalf of the corporation. RESOLVED FURTHER THAT, above-named Officers are hereby authorized to: <p>execute a waiver of jurisdiction whereby the Phoenix hereby submits itself to the jurisdiction of the Philippine government and hereby waives its right to question the jurisdiction of the Philippine courts; execute a waiver that Phoenix shall not seek and obtain writ of injunctions or prohibition or restraining order against the Department of Public Works and Highways Office of the Regional Director VII or any other agency in connection with this project to prevent and restrain the bidding procedures related thereto, the negotiating of and award of a contract to a successful bidder, and the carrying out of the awarded contract.</p> 	Name	Designation	HENRY ALBERT R. FADULLON	President	ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business	RICHARD C. TIANSAY	Gen. Manager for Pricing, Demand and Supply
Name	Designation								
HENRY ALBERT R. FADULLON	President								
ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business								
RICHARD C. TIANSAY	Gen. Manager for Pricing, Demand and Supply								
	<ul style="list-style-type: none"> RESOLVED, as it hereby resolve to authorize the Corporation to submit bid and proposals with the Department of Public Works and Highways Office of the Regional Director VII for the Supply and Delivery of Fuel (Diesel) for use in Dredging Operation of Amphibious Excavator assigned at Managa River, Brgy. Jaclupan, Talisay City, Cebu (Contract No. 20GH00007 Re-Bid)such as: to send/receive documents, sign documents, follow up and collect all payments and issue corresponding official receipts; RESOLVED FURTHER, as it is hereby resolved to authorize Dhyris Cajes/Olia Lachica/Maxwell John Bongo/Geoffrey Villalon/Erika Roxanne Tan de Jesus by virtue of the issuance of a Special Power of Attorney or a Board Resolution as the case may be, to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with the said local/regional government offices in order to execute and implement the pore going authority; 								

- **RESOLVED**, as it is hereby resolved, that **Phoenix Petroleum Philippines, Inc.** (the "Corporation") it is hereby authorized, to open and maintain time deposit/s , savings accounts, checking account, special savings deposit account/s or other deposit and investment accounts in Peso and Foreign Currency with **ING Bank NV**: **RESOLVED FURTHER**, as it is hereby resolved, that the Corporation be authorized to enter into foreign exchange spot and derivatives transactions with aforementioned banks. Derivatives transactions include, but are not limited to financial and investment products, funding mechanisms, option contracts, deliverable forward contracts, non-deliverable forward contracts, foreign exchange swaps, interest rate swaps, cross-currency swaps or any combination of these transactions; **RESOLVED FURTHER**, as it is hereby resolved, that the Corporation be authorized as it is hereby authorized to maintain market placement/s, including, without limitation, T-Bills, ROP's, Time Deposit/s and Fixed-Income Instruments denominated in PHP or any other foreign currency (such as but not limited to sovereign and corporate bonds), with aforementioned Banks; **RESOLVED FURTHER**, that the Corporation be authorized, as it is hereby resolved, to open and maintain a trust account, investment management agency account, Unit Investment Trust Fund (UITF) account/s or other accounts with aforementioned Banks; **RESOLVED FURTHER**, as it is hereby resolved, to authorize and empower the following officers of the company to deliver, execute any or all documents or instruments to implement the foregoing authorities:

Signatory

Position

Group A

Domingo T. Uy

Chairman
Emeritus

Dennis A. Uy

Chairman

Henry Albert R.
Fadullon

President and COO

Ma. Concepcion F. de
Claro

Chief Finance
Officer

Group B

Jonarest Z. Sibog

AVP - Comptroller

Vicente Miguel R.
Jayme

Treasury Manager

Matthew Kenji D. Chan

Treasury Manager

Group C

Nel Marie P. Rodriguez

Asst. Treasury
Manager

Type of Transaction	Amount	Signature Combination
Disbursements	Any Amount	<p>a. Concurrence of any two (2) Group A signatories;</p> <p>b. Concurrence of any one (1) Group A signatory with any one (1) Group B signatory;</p> <p>c. Concurrence of any one (1) Group A signatory with any one (1) Group C signatory;</p>
	Up to PHP 3.00Mn	<p>a. Concurrence of any two (2) group B;</p> <p>b. Concurrence of any one (1) Group B together with any one (1) Group C.</p>

	Disbursements payable to, or for trade settlements and loan payments of: 1. P-H-O-E-N-I-X Petroleum Philippines, Inc.; 2. Phoenix LPG Philippines, Inc.; 3. PNX Petroleum Singapore Pte. Ltd.; 4. Philippine Family Mart CVS Retailers, Inc., 5. PFL Petroleum Management, Inc., or; 6. Subic Petroleum Trading and Transport Philippines, Inc.	Any Amount	a. Concurrence of any two (2) Group A signatories; b. Concurrence of any one (1) Group A signatory with any one (1) Group B signatory; c. Concurrence of any two (2) group B signatories; d. Concurrence of any one (1) Group B signatory together with any one (1) Group C signatory.
	Credit Facility Agreements, Foreign Exchange Master Agreements and Advise Letters		Concurrence of any two (2) Group A signatories
	Documentation for Cash Management Services, Online Banking or Transactional Banking Agreements		Concurrence of any two (2) Group A signatories, or any one (1) Group A signatory together with any one (1) signatory from Group B or Group C.
	Credit line or trade-related transactions including, but not limited to, Letters of Credit, Standby LCs, Trust Receipts and Promissory Notes. Treasury-related transactions including, but not limited to, Foreign Exchange (spot and derivatives) and Fixed Income deals. Investment related transactions including, but not limited to, Unit Investment Trust Fund and Mutual Fund placements.		a. Concurrence of any two (2) Group A signatories; b. Concurrence of any one (1) Group A signatory with any one (1) Group B signatory; c. Concurrence of any one (1) Group A signatory with any one (1) Group C signatory;
	Request for checkbooks, certifications and other supporting bank documents.		Concurrence of any two (2) authorized signatories.
	RESOLVED, FINALLY , that all the foregoing authorities shall continue to be in full force and effect until revoked or modified by a resolution to that effect adopted by the board of directors of the Corporation, duly attested in a notarized certificate, issued by its duly-appointed Corporate Secretary or Assistant Corporate Secretary and conveyed in a written notice actually received by the Bank at its office where the account/s of the Corporation is/are then maintained, provided that such notice shall not be effective with respect to any exercise of the foregoing authorities prior to the receipt thereof, nor with respect to any transactions implemented pursuant to instructions dated to the date of such notice, but presented to the Bank prior to the receipt of such notice; and said Bank is hereby authorized at all times to rely upon the latest notice, certificate or written communication received by it when so authenticated by the Corporate Secretary or Assistant Secretary of the Corporation. I FURTHER CERTIFY that the following are the authentic, official signatures of the duly authorized signatories of the Corporation as indicated in the above-quoted resolutions, to wit:		

	<table> <tr> <th>OFFICE/TITLE</th><th>NAME</th></tr> <tr> <td>Chairman Emeritus</td><td>Domingo T. Uy</td></tr> <tr> <td>Chairman</td><td>Dennis A. Uy</td></tr> <tr> <td>President and COO</td><td>Henry Albert A. Fadullon</td></tr> <tr> <td>CFO</td><td>Ma. Concepcion F. de Claro</td></tr> <tr> <td>AVP-Comptroller</td><td>Jonarest Z. Sibog</td></tr> <tr> <td>Treasury Manager</td><td>Vicente Miguel R. Jayme</td></tr> <tr> <td>Treasury Manager</td><td>Matthew Kenji D. Chan</td></tr> <tr> <td>Treasury Officer</td><td>Nel Marie P. Rodriguez</td></tr> </table>	OFFICE/TITLE	NAME	Chairman Emeritus	Domingo T. Uy	Chairman	Dennis A. Uy	President and COO	Henry Albert A. Fadullon	CFO	Ma. Concepcion F. de Claro	AVP-Comptroller	Jonarest Z. Sibog	Treasury Manager	Vicente Miguel R. Jayme	Treasury Manager	Matthew Kenji D. Chan	Treasury Officer	Nel Marie P. Rodriguez
OFFICE/TITLE	NAME																		
Chairman Emeritus	Domingo T. Uy																		
Chairman	Dennis A. Uy																		
President and COO	Henry Albert A. Fadullon																		
CFO	Ma. Concepcion F. de Claro																		
AVP-Comptroller	Jonarest Z. Sibog																		
Treasury Manager	Vicente Miguel R. Jayme																		
Treasury Manager	Matthew Kenji D. Chan																		
Treasury Officer	Nel Marie P. Rodriguez																		
	<ul style="list-style-type: none"> RESOLVED, as it is hereby resolve to authorize the Corporation to confer and cause annotation of its properties in Calaca, Batangas with the Registry of Deeds of the Municipality of Nasugbu, Province of Batangas relative to the loan facilities granted by BDO Unibank, Inc.; RESOLVED FURTHER, as it is hereby resolved to authorize ARLENIE T. JOCSON to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with said locale government unit and other private entities in order to execute and implement the foregoing authority; 																		
	<ul style="list-style-type: none"> RESOLVED, as it hereby resolve to authorize the Corporation to submit and issue sworn statements/affidavit of non-tenancy for certain parcels of land located in Inawayan and Coronon, Davao del Sur registered under the name of P-h-o-e-n-i-x Petroleum Philippines, Inc.; RESOLVED FURTHER, as it is hereby resolved to authorize JONAREST Z. SIBOG the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with said locale government unit and other private entities in order to execute and implement the foregoing authority; 																		
	<ul style="list-style-type: none"> RESOLVED, AS IT IS HEREBY RESOLVED, to authorize the company's Accounting Manager,. WINDY DAGSA with the following corporate acts: To execute and sign all documents in behalf of the corporation relative to the Notice and Affidavit of Loss and Petition for replacement of Lost Owner's Duplicate of Transfer Certificates of Title with the Register of Batangas And the Regional Trial Court of <table border="1"> <tr> <td>Transfer Certificate of Title No.</td><td>116955</td></tr> <tr> <td>Owner</td><td>P-h-o-e-n-i-x Petroleum Philippines, Inc.</td></tr> <tr> <td>Location</td><td>Lot 2-B, Brgy. Salong, Calaca,Batangas</td></tr> <tr> <td>Land Area</td><td>20,000 sqm.</td></tr> </table> <p>Batangas, to wit:</p> <table border="1"> <tr> <td>Transfer Certificate of Title No.</td><td>116956</td></tr> <tr> <td>Owner</td><td>P-h-o-e-n-i-x PetroleumPhilippines, Inc.</td></tr> <tr> <td>Location</td><td>Lot 2-A, Brgy. Salong, Calaca,Batangas</td></tr> <tr> <td>Land Area</td><td>15,162 sqm.</td></tr> </table> <p>To represent the Corporation in all hearings, proceedings, pre-trial/preliminary conference, mediation, JDR; To enter into an amicable settlement; To submit to alternative modes of dispute resolution, including but not limited to mediation and judicial dispute resolution; To enter into stipulations or admissions of facts and of documents and; To exercise acts enumerated under Section 2 of Rule 18 of the Revised Rules of Court; To cause the preparation, execute and sign pleadings, motions,</p>	Transfer Certificate of Title No.	116955	Owner	P-h-o-e-n-i-x Petroleum Philippines, Inc.	Location	Lot 2-B, Brgy. Salong, Calaca,Batangas	Land Area	20,000 sqm.	Transfer Certificate of Title No.	116956	Owner	P-h-o-e-n-i-x PetroleumPhilippines, Inc.	Location	Lot 2-A, Brgy. Salong, Calaca,Batangas	Land Area	15,162 sqm.		
Transfer Certificate of Title No.	116955																		
Owner	P-h-o-e-n-i-x Petroleum Philippines, Inc.																		
Location	Lot 2-B, Brgy. Salong, Calaca,Batangas																		
Land Area	20,000 sqm.																		
Transfer Certificate of Title No.	116956																		
Owner	P-h-o-e-n-i-x PetroleumPhilippines, Inc.																		
Location	Lot 2-A, Brgy. Salong, Calaca,Batangas																		
Land Area	15,162 sqm.																		

	<p>memoranda, and such other documents as may be needed in the course of the trial as well as to submit and present evidences; To follow up and sign in our behalf relative to the case.</p>						
4-Dec-2020	<ul style="list-style-type: none"> • RESOLVED, as it is hereby resolve to authorize the Corporation to represent, execute an Affidavit of Loss for lost title, apply, transact, process and claim for Certified Copy of TCT No. T-092-2011004857 with an annotation of loss with the Registry of Deeds of Bacolod City; RESOLVED FURTHER, as it is hereby resolve to execute and file a Petition for Issuance of New title in lieu of the lost one with the Regional Trial Court of Bacolod City; RESOLVED FURTHER, as it is hereby resolved to authorize the Corporation's Depot Manager in Bacolod Depot, RICO T. URETA, to the above powers and thereby to execute, sign, receive, claim, and process in behalf of the said Corporation all transactions and negotiations with the Registry of Deeds for Bacolod City and the Regional Trial Court of Bacolod City; 						
4-Dec-2020	<ul style="list-style-type: none"> • RESOLVED, as it is hereby resolve to authorize the Corporation to request and cause: 1) cancellation of mortgage over the company's properties identified as TCT No. T- 11695 and T-116956; 2) annotation of the Affidavit of Recovery; and 3) Secure copy of the assessment of registration of a Real Estate Mortgage (REM) in favor of BDO Unibank, Inc. with the Registry of Deeds of the Municipality of Nasugbu, Province of Batangas; RESOLVED FURTHER, as it is hereby resolved to authorize CERACRUZ PROPERTY MANAGEMENT CORPORATION. and to further delegate its authorized representative, JOSELITO B. DACER, by virtue of the issuance of a Special Power of Attorney or a Board Resolution as the case may be, to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with said locale government unit in order to execute and implement the foregoing authority; 						
4-Dec-2020	<ul style="list-style-type: none"> • RESOLVED, AS IT IS HEREBY RESOLVED, to authorize and allow the Corporation to negotiate, apply with reputable finance intermediaries or institutions, private individuals or corporation for a loan or borrowings of up to Php200 million under terms and conditions deemed reasonable and acceptable by Management. ; RESOLVED, LIKEWISE, to authorize and empower its President, Henry Albert R Fadullon and/or Chief Finance Officer, Ma. Concepcion F. de Claro to sign, execute, deliver any and/or all documents necessary and incidental to the implementation of the foregoing authorities and powers such as but not limited to Agreements, Promissory Notes and any other documents or agreements contemplated hereunder to which the Corporation is a party on its behalf; 						
4-Dec-2020	<ul style="list-style-type: none"> • RESOLVED, AS IT IS HEREBY RESOLVED, to authorize, allow, approve and confirm the allocation of the total amount of THREE BILLION EIGHT HUNDRED SIX MILLION EIGHT HUNDRED FIFTY SIX THOUSAND SIX HUNDRED SIXTY SIX and 67/100 (Php 3,806,856,666.67) sourced out the payment of advances made by and received from Udenna Corporation, to pay the holders of the Corporation's promissory notes maturing from August 18, 2020 to November 5, 2021 and for other purposes, to be distributed in the following manner: RESOLVED, FURTHERMORE, that any two (2) of the following officers of the Corporation whose signature shows below: <table> <tr> <td>Name</td><td>Position</td></tr> <tr> <td>Henry Albert R. Fadullon</td><td>President</td></tr> <tr> <td>Ma. Concepcion F. de Claro</td><td>Chief Finance Officer</td></tr> </table> <p>be authorized and empowered, for and on behalf of the Corporation, to sign, execute and deliver the necessary documents and bank forms to facilitate payment to the relevant holders of Corporation's Promissory Notes.</p>	Name	Position	Henry Albert R. Fadullon	President	Ma. Concepcion F. de Claro	Chief Finance Officer
Name	Position						
Henry Albert R. Fadullon	President						
Ma. Concepcion F. de Claro	Chief Finance Officer						
4-Dec-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolve to authorize the Corporation to submit and issue sworn statements/affidavit of recovery of lost titles for certain parcels of land identified as TCT Nos. T-116955 and T-116956 with the Registry of Deeds of the Municipality of Nasugbu, Province of Batangas and Certified Copies of its Tax Declaration with the local Assessor's Office of Nasugbu, Batangas registered under the name of P-h-o-e-n-i-x Petroleum Philippines, Inc.; RESOLVED FURTHER, as it is hereby resolved to cause the annotation of the Affidavit of Recovery for the above-mentioned properties with the Registry of Deeds of the Municipality of Nasugbu, 						

	Province of Batangas and thereafter request Certified Copies of said TCT Nos. T-116955 and T-116956 with the annotated Affidavit of Recovery; RESOLVED FURTHER , as it is hereby resolved to authorize DARY EUNIKA B. MALOLES , the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with said locale government unit and other private entities in order to execute and implement the foregoing authority;								
4-Dec-2020	<ul style="list-style-type: none"> • RESOLVED, as it is hereby resolve to authorize the Corporation to renew the Corporation's business permit for the year 2020 and the succeeding years thereafter with the local government unit where the Corporation is operating its office and/or branches. RESOLVED FURTHER, as it is hereby resolved to authorize LORENZO GOMEZ & CO. and to further delegate its authorized representative, PERLA S. LEGASAN, by virtue of the issuance of a Special Power of Attorney or a Board Resolution as the case may be, to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with said locale government unit in order to execute and implement the foregoing authority; 								
4-Dec-2020	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolve to authorize the Corporation to submit the bid proposals and documents for the (P.R. # 20-10-044) Purchase of 15,000 liters - Diesel Fuel and 2,000 liters - Gasoline for the Use of Various Service Vehicle and Heavy Equipment, Cebu City and perform related transactions such as: to send/receive documents, sign documents, follow up, transact, attend to all concerns and collect all payments and issue corresponding official receipts; RESOLVED FURTHER, as it is hereby resolved to authorize Dhyris Cajas/Francis Bautista/Olia Lachica/Maxwell John Bongo/Geoffrey Viñalon by virtue of the issuance of a Special Power of Attorney or a Board Resolution as the case may be, to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with the said local/regional government offices in order to execute and implement the pore going authority; 								
4-Dec-2020	<ul style="list-style-type: none"> • RESOLVED, that Phoenix be, as it hereby is, authorized to participate in the (P.R. # 20-10-044) Purchase of 15,000 liters - Diesel Fuel and 2,000 liters - Gasoline for the Use of Various Service Vehicle and Heavy Equipment, Cebu City that if awarded the tender shall enter into a contract with the DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS - CEBU CITY DEO; and in connection therewith hereby appoint <u>any one (1)</u> of the following officers of the company: <table border="0" data-bbox="475 1189 1442 1377"> <thead> <tr> <th style="text-align: center;">Name</th><th style="text-align: center;">Designation</th></tr> </thead> <tbody> <tr> <td>○ HENRY ALBERT R. FADULLON</td><td>President</td></tr> <tr> <td>○ ROY O. JIMENEZ</td><td>Gen. Manager for Commercial & Industrial Business</td></tr> <tr> <td>○ RICHARD C. TIAN SAY</td><td>Gen. Manager for Pricing, Demand and Supply</td></tr> </tbody> </table> • acting as duly authorized and designated representatives of Phoenix are granted full power and authority to do, execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue hereof; In case of award, any one (1) from the above-named Officers is hereby authorized to sign the contract in behalf of the corporation. RESOLVED FURTHER THAT, above-named Officers are hereby authorized to: execute a waiver of jurisdiction whereby the Phoenix hereby submits itself to the jurisdiction of the Philippine government and hereby waives its right to question the jurisdiction of the Philippine courts; execute a waiver that Phoenix shall not seek and obtain writ of injunctions or prohibition or restraining order against the DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS - CEBU CITY DEO or any other agency in connection with this project to prevent and restrain the bidding procedures related thereto, the negotiating of and award of a contract to a successful bidder, and the carrying out of the awarded contract. 	Name	Designation	○ HENRY ALBERT R. FADULLON	President	○ ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business	○ RICHARD C. TIAN SAY	Gen. Manager for Pricing, Demand and Supply
Name	Designation								
○ HENRY ALBERT R. FADULLON	President								
○ ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business								
○ RICHARD C. TIAN SAY	Gen. Manager for Pricing, Demand and Supply								
4-Dec-2020	<ul style="list-style-type: none"> • RESOLVED, that Phoenix be, as it hereby is, authorized to participate in the PROCUREMENT OF FUEL, LUBRICANTS & OIL FOR PHILRICE MIDSAYAP FOR THE YEAR 2021 that if awarded the tender shall enter into a contract with the PHILRICE MIDSAYAP EXPERIMENT STATION BUAL NORTE, MIDSAYAP, COTABATO; and in connection therewith hereby appoint <u>any one (1)</u> of the following officers of the 								

	<p>company:</p> <table> <tr> <th>Name</th><th>Designation</th></tr> <tr> <td>HENRY ALBERT R. FADULLON</td><td>President and Chief Executive Officer</td></tr> <tr> <td>ROY O. JIMENEZ</td><td>Gen. Manager for Commercial & Industrial Business</td></tr> <tr> <td>RICHARD C. TIANSAY</td><td>Gen. Manager for Pricing and Demand and Supply</td></tr> </table> <p>acting as duly authorized and designated representatives of Phoenix are granted full power and authority to do, execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue hereof;</p> <p>In case of award, any one (1) from the above-named Officers is hereby authorized to sign the contract in behalf of the corporation.</p> <p>RESOLVED FURTHER THAT, above-named Officers are hereby authorized to: execute a waiver of jurisdiction whereby the Phoenix hereby submits itself to the jurisdiction of the Philippine government and hereby waives its right to question the jurisdiction of the Philippine courts; execute a waiver that Phoenix shall not seek and obtain writ of injunctions or prohibition or restraining order against the PHILRICE MIDSAYAP EXPERIMENT STATION BUAL NORTE, MIDSAYAP, COTABATO or any other agency in connection with this project to prevent and restrain the bidding procedures related thereto, the negotiating of and award of a contract to a successful bidder, and the carrying out of the awarded contract.</p>	Name	Designation	HENRY ALBERT R. FADULLON	President and Chief Executive Officer	ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business	RICHARD C. TIANSAY	Gen. Manager for Pricing and Demand and Supply
Name	Designation								
HENRY ALBERT R. FADULLON	President and Chief Executive Officer								
ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business								
RICHARD C. TIANSAY	Gen. Manager for Pricing and Demand and Supply								
5-January-2021	<ul style="list-style-type: none"> • RESOLVED, as it is hereby resolve to authorize and empower to apply and process for occupancy permit and completion permit with the local government of Calaca Batangas, relative to the Calaca Terminal Office building constructed inside Calca Industrial Seaport Corporation located in 115 Brgy. Salong Calaca Batangas; RESOLVED FINALLY, to authorize and empower its Distribution and Corporate Manger, RONALD D. ULEP. 								
	<ul style="list-style-type: none"> • RESOLVED, that the Corporation be, as it is hereby, authorized and empowered to apply, file and process for excise tax refund/claim from the Bureau of Internal Revenue relative to the transaction between Phoenix Petroleum Philippines, Inc. and international vessels through Offshore Bunkers (HK) Ltd.;RESOLVED, FINALLY, to authorize and empower Mangrove Bestow Consulting and Trading, OPC and its authorized representative, JOSUE C. BANEZ, JR., to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with said government unit and other private entities in order to execute and implement the foregoing authority; 								
1-February-2021	<ul style="list-style-type: none"> • RESOLVED, that Phoenix be, as it hereby is, authorized to participate in the Procurment of Diesel and Unleaded Gasoline with Fleet Mgt. System (REBID) with Purchase Request No. 20-10-00613 under Bid No. b-20-178-A that if awarded the tender shall enter into a contract with the Dept.General Services of Cebu City; and in connection therewith hereby appoint any one (1) of the following officers of the company: <table> <tr> <th>Name</th><th>Designation</th></tr> <tr> <td>HENRY ALBERT R. FADULLON</td><td>President</td></tr> <tr> <td>ROY O. JIMENEZ</td><td>Gen. Manager for Commercial & Industrial Business</td></tr> <tr> <td>RICHARD C. TIANSAY</td><td>Gen. Manager for Pricing, Demand and Supply</td></tr> </table> <p>acting as duly authorized and designated representatives of Phoenix are granted full power and authority to do, execute and perform any and all acts necessary and/or to represent Phoenix in the bidding as fully and effectively as the Phoenix might do if personally present with full power of substitution and revocation and hereby satisfying and confirming all that my said representative shall lawfully do or cause to be done by virtue hereof;In case of award, any one (1) from the above-named Officers is hereby authorized to sign the contract in behalf of the corporation. RESOLVED FURTHER THAT, above-named Officers are hereby authorized to: execute a waiver of jurisdiction whereby the Phoenix hereby submits itself to the jurisdiction of the Philippine government and hereby waives its right to question the jurisdiction of the Philippine</p>	Name	Designation	HENRY ALBERT R. FADULLON	President	ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business	RICHARD C. TIANSAY	Gen. Manager for Pricing, Demand and Supply
Name	Designation								
HENRY ALBERT R. FADULLON	President								
ROY O. JIMENEZ	Gen. Manager for Commercial & Industrial Business								
RICHARD C. TIANSAY	Gen. Manager for Pricing, Demand and Supply								

	<p>courts; execute a waiver that Phoenix shall not seek and obtain writ of injunctions or prohibition or restraining order against the Dept.General Services of Cebu City or any other agency in connection with this project to prevent and restrain the bidding procedures related thereto, the negotiating of and award of a contract to a successful bidder, and the carrying out of the awarded contract.</p>										
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolve to authorize the Corporation to submit the bid proposals and documents for the Procurement of Diesel and Unleaded Gasoline with Fleet Mgt. System (REBID) with Purchase Request No. 20-10-00613 under Bid No. b-20-178-A and perform related transactions such as: to send/receive documents, sign documents, follow up, transact, attend to all concerns and collect all payments and issue corresponding official receipts; RESOLVED FURTHER, as it is hereby resolved to authorize Dhyris Cajes/Francis Bautista/Olia Lachica/Maxwell John Bongo/Geoffrey Vinalon by virtue of the issuance of a Special Power of Attorney or a Board Resolution as the case may be, to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with the said local/regional government offices in order to execute and implement the pore going authority; 										
	<ul style="list-style-type: none"> • RESOLVED, as it is hereby resolved, that P-H-O-E-N-I-X PETROLEUM PHILIPPINES INC. (the “company”) be, as it is hereby authorized and empowered to negotiate, transact and deal for the purchase of one (1) unit Fuel Tanker with JACOB P. TAN, proprietor of Tan Trucking Services, which vehicle is particularly described as follows: <table border="1"> <tr> <td>MAKE: ISUZU</td><td>ENGINE No. :6WG1439138</td></tr> <tr> <td>BODY TYPE: FUEL TANKER</td><td>CHASSIS NO. :JALCYZ52TK7000030</td></tr> <tr> <td>MODEL: 2019</td><td>PLATE NO. : NFZ6669</td></tr> <tr> <td>BODY NO.: R-245</td><td>MV FILE NO. : 1301-00001418045</td></tr> <tr> <td>VALUE: P 3,500,000.00</td><td>LTO REG. NO.: 36595373-3</td></tr> </table> <p>RESOLVED, as it is hereby resolved, to sign, execute and deliver an ABSOLUTE DEED OF SALE for the implementation of the foregoing authority; RESOLVED, as it is hereby resolved, that any of all the foregoing transactions shall be negotiated, concluded, obtained and/or contracted for, by the Company’s authorized representative, LESTER C. KHAN, under such terms and conditions and stipulations as the said authorized signatory may deem advisable and desirable in the best interest of the Corporation; RESOLVED, FURTHER, ANY signature from the above-indicated signatory shall be authorized to enter into the above-specified arrangements with the local government and related agencies and instrumentalities under such terms and conditions as the said individuals may deem necessary and the same shall constitute a valid transaction and to accordingly execute, sign, deliver and/or perform any and all contracts, instruments, documents or writings that may be necessary for the implementation of the foregoing transactions;</p>	MAKE: ISUZU	ENGINE No. :6WG1439138	BODY TYPE: FUEL TANKER	CHASSIS NO. :JALCYZ52TK7000030	MODEL: 2019	PLATE NO. : NFZ6669	BODY NO.: R-245	MV FILE NO. : 1301-00001418045	VALUE: P 3,500,000.00	LTO REG. NO.: 36595373-3
MAKE: ISUZU	ENGINE No. :6WG1439138										
BODY TYPE: FUEL TANKER	CHASSIS NO. :JALCYZ52TK7000030										
MODEL: 2019	PLATE NO. : NFZ6669										
BODY NO.: R-245	MV FILE NO. : 1301-00001418045										
VALUE: P 3,500,000.00	LTO REG. NO.: 36595373-3										
	<ul style="list-style-type: none"> • RESOLVED, as it hereby resolve to authorize the Corporation to represent, execute, sign, receive, claim, and process any and all related documents pertaining to the company’s properties situated in Dumaguít, Aklan including Certified Copies of Titles, Tax Declarations, Receipts and Clearances with the Office of the Registry of Deeds, Assessor’s and Treasurer’s Office for the Province of Aklan; RESOLVED FURTHER, as it is hereby resolved to authorize MAIRA D. ULANGKAYA to the above powers and thereby to execute and sign in behalf of the said Corporation all transactions and negotiations with said locale government unit and other private entities in order to execute and implement the foregoing authority; 										
	<ul style="list-style-type: none"> • RESOLVED, as it is hereby resolved, that the Corporation be, as it is hereby authorized and empowered to apply, transact, claim and demand for cash advance refund with MERALCO in the total amount of Pesos: Four Million One Hundred Ten Thousand Four Hundred Ninety Five and 98/100, per attached Meralco Notices; RESOLVED, FURTHER, as it is hereby resolved, to authorize its Chief Finance Officer, MA. CONCEPCION F. DE CLARO, or any of the latter’s representative whom he might delegate to enter, transact, negotiation with said MERALCO and therefore sign, execute, deliver and/or perform any or all contracts, instruments, documents or writings with DLPC that may be necessary to implement the foregoing powers, authority, act and deed. 										

- | | |
|--|---|
| | <ul style="list-style-type: none">• RESOLVED, That PHOENIX PETROLEUM PHILIPPINES, INC. (the 'Corporation') be, as it is hereby is, authorized and empowered to process, receive, transact and facilitate with GLOBE TELECOM, INC. (GLOBE) relative to its prize winnings amounting to Php25,000 worth of Gcash; RESOLVED, FURTHER, That Ms. Mylen A. Samonte, be hereby authorized and empowered to sign, execute, deliver, receive and receipt, for and on behalf of the Corporation, any and all agreements, documents and instruments required to carry out the foregoing resolution. |
|--|---|

“ANNEX B”

MANAGEMENT REPORT

I. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The Company has not had any disagreement with its previous and current external auditor/independent public accountant on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

BRIEF DESCRIPTION OF THE GENERAL NATURE AND SCOPE OF THE BUSINESS OF THE REGISTRANT AND ITS SUBSIDIARIES

1. Business Description

P-H-O-E-N-I-X Petroleum Philippines, Inc. (the “Company” or “PPPI”, interchangeably) was incorporated in the Philippines on May 8, 2002 under its original name of “OILINK MINDANAO DISTRIBUTION, INC.” On 11 January 2004, the Company amended its Articles of Incorporation changing its name from Oilink Mindanao Distribution, Inc. to Davao Oil Terminal Services Corp. On August 7, 2006, the Philippine Securities and Exchange Commission approved the Amended Articles of Incorporation of the Company changing its name from Davao Oil Terminal Services Corp. to “P-H-O-E-N-I-X Petroleum Philippines, Inc.”. The Company is 41.88% owned by P-H-O-E-N-I-X Petroleum Holdings, Inc. (PPHI) and 0.83% owned by Udenna Management & Resources Corp.(UMRC), companies organized in the Philippines.

The Company is registered with the Board of Investments (BOI) since November 16, 2005 then as a New Industry Participant with New Investment in storage, marketing and distribution of petroleum products under Republic Act (RA) 8479 (Downstream Oil Industry Deregulation Act of 1998). Under its registration, the Company is required to observe certain general and specific terms and conditions stated in the provisions of the Omnibus Investment Code of 1987. Under its registration, the Company is also entitled to certain tax and non-tax incentives to include Income Tax Holiday (ITH) for five (5) years from November 16, 2005.

The Company likewise registered with the BOI in 2010 and 2012 as a new industry participant with new investments in storage, marketing and distribution of petroleum products under RA 8479 (Downstream Oil Industry Deregulation Act) for its storage tanks in various locations. Under these registrations, the Company is required to observe certain general and specific terms and conditions stated in the provisions of the Omnibus Investments Code of 1987.

The Company's transactions relating to the BOI registered investments entitled it to certain tax and non-tax incentives. Details of the registrations are as follows:

Location of Project	Date of Registration	Income Tax Holiday Period	Expiry
Calaca, Batangas	February 26, 2010	5 years	Feb 25, 2015
Davao Expansion	May 14, 2010	5 years	May 13, 2015
Zamboanga	November 25, 2010	5 years	Nov 24, 2015
Bacolod City	May 10, 2012	5 Years	May 09, 2017
Villanueva, Misamis Oriental (near CDO)	May 10, 2012	5 Years	May 09, 2017
Villanueva, Misamis Oriental (near CDO) Expansion	November 24, 2017	5 Years	Nov 24, 2022
Tayud, Cebu City	September 9, 2017	5 Years	Sept 9, 2022
Calapan, Mindoro	October 12, 2017	5 Years	Oct 12, 2022
Calaca, Batangas (Expansion)	December 22, 2017	5 Years	Dec 22, 2022

On July 11, 2007, the Company went public, making available twenty-five percent (25%) of its total outstanding shares. The Company thus became the first petroleum company to list in the Philippine Stock Exchange (PSE) after the enactment of the Republic Act (RA) 8479 in 1998. The aforementioned law encourages petroleum companies to be listed with the PSE.

The Company's operations consist of Trading, Terminaling and Hauling Services. Under Trading, the Company offers its refined petroleum products (including Jet A1) and lubricants to retailers and commercial/industrial customers.. The retail service stations are classified as Company-Owned, Company-Dealer-Operated (CODO) or Dealer-Owned, Dealer-Operated (DODO).

The Company's Terminaling and Hauling Services involves the leasing of storage space in its terminal depot, hauling and into-plane services (hauling of Jet A1 fuels to airports and refueling of aircraft) in Davao, Cagayan de Oro, General Santos City, Cotabato City, Ozamis City, Pagadian City and Zamboanga City. Since 2008, Cebu Air has designated the Company as its exclusive logistics partner in all its Mindanao operations.

Subsidiaries:

At present, the Company has Nine (9) direct wholly-owned subsidiaries, namely:

- **P-h-o-e-n-i-x Global Mercantile, Inc. ("PGMI")** was incorporated on July 31, 2006. It was previously engaged in the manufacture, production and creation of all kinds of motor, and all other transportation lubricants, fluids and additives of all kinds and other petroleum products purposely for motor vehicles and other transportation.
- **PFL Petroleum Management Inc. ("PFL or PPMI")** was incorporated on January 31, 2007 and is currently engaged in the management of the three retail service stations which are being used as training sites and stations for prospective dealers.
- **Subic Petroleum Trading and Transport Phils., Inc. (SPTT)** was registered with the SEC on February 20, 2007 and is engaged in the buying and selling, supply and distribution, importation and exportation, and the storage and delivery of all types of petroleum for industrial, marine, aviation and automotive use. It does not carry any inventory at any given time. SPTT is duly registered with Subic Bay Metropolitan Authority ("SBMA") and was issued the Certificate of Registration and Tax Exemption on 01 June 2012, which is effective until 31 May 2013 and renewable by SPTT. It is classified as a Subic Bay Freeport Enterprise for the purpose of and with permit to operate the business of engaging in the business of importation, warehousing, transshipment, export, distribution of liquor, wines and spirits, tobacco and cigarettes and general merchandise and commodities such as but not limited to groceries, canned goods and prepaid cards; convenience store for selling and distribution of gasoline and other petroleum products and other liberalized items.
- **Phoenix LPG Philippines, Inc. (PLPI)** was incorporated last 20 June 1995 with the Securities and Exchange Commission as Petronas Energy Philippines, Inc. (PEPI), and was later renamed as Phoenix LPG Philippines, Inc. after its acquisition in accordance with the Share Purchase Agreement with the Company. It is currently engaged in the importation, distribution, marketing and retail sale of Liquefied Petroleum Gas (LPG), mainly in the Visayas and Mindanao area, with some minor operations in some areas of Luzon.
- **Duta, Inc.** was incorporated with the SEC last November 09, 1994 and currently holds its principal office in 15th Floor, Citibank Tower, Valero st., Salcedo Village, Makati City. It operates as a

property holding company of PPPI and PLPI, and currently owns the real properties where the plants and some distribution offices of PLPI currently stand.

- **Philippine FamilyMart CVS, Inc.** was registered with the SEC last November 29, 2012 and currently maintains its principal office at Fourth Floor, Tara Building, 389 Sen. Gil J. Puyat Avenue, Makati City, Philippines. It is currently engaged in the operation and sub-franchising of convenience stores under the “FamilyMart” brand. It currently holds the exclusive Area Franchise to the “FamilyMart” brand in the Philippines and is granted the right to exclusively sub-franchise the “FamilyMart” convenience stores anywhere in the Philippines.
- **PNX Petroleum Singapore Pte. Ltd.** was registered in Singapore and started operations sometime in October 2017. It is the regional trading arm of the Company. It currently holds office in Singapore and is able to buy directly from the refineries in the region due to its bigger requirements. It also takes orders and sells to other local and regional buyers.
- **PNX Energy International Holdings Pte. Ltd.,** registered in Singapore in 2018, PEIH was established to manage the Company’s international investments, as the Company explores possible investments in different regional markets such as Vietnam, Indonesia, Myanmar, Thailand and Australia.
- **Phoenix Pilipinas Gas and Power, Inc.** Incorporated on March 14, 2019 to engage in, conduct and carry on the business of selling, trading, on wholesale basis, natural gas and liquefied natural gas (LNG).
- **Phoenix Road Transport Pilipinas, Inc.,** incorporated on February 19, 2020, to engage in the business of organizing, managing, administering, running and supervising the operations and marketing of various kinds of service-oriented companies, such as petroleum service stations, hauling companies and such other related companies.

The Company also has direct investments in Three (3) subsidiaries, namely:

- **Action.Able, Inc.,** registered in 2015, the Company owns 74.9% of the subsidiary. Action.Able is a three year old digital payment platform which enables and facilitates financial transactions between a merchant who avails and uses the service, and his customers who uses the platform to purchase, buy or pay all kinds of prepaid loads bills, and money remittances through a single

Point of Sale device.

- **think.able, Limited**, registered in Hong Kong in 05 May 2014, The Company owns 74.9% of the subsidiary. think.able is the company that owns and holds the trademarks and copyrights used by Action.Able, Inc. in its operations and devices, including the trademark for “Pos!ble.net” the more popular name for which the devices and the service is known.
- **Phoenix Asphalt Philippines, Inc.** is a joint venture of Phoenix Petroleum Philippines, Inc., Tipco Asphalt Public Company Limited of Thailand and Carlito B. Castrillo. Formed in January 2018, the joint venture will manufacture, operate, market, and distribute asphalt, asphalt-related products and other by-products of crude oil and other petroleum products, including operating terminals in the Philippines. Its plant is scheduled to complete construction in 2019 at the Calaca Industrial Seaport Park.

2. Directors and Officers

(a) The incumbent members of the Board of Directors and the executive officers of the Company are as follows:

Office	Name	Age	Citizenship
Directors			
Chairman	Dennis A. Uy	47	Filipino
Director/President	Henry Albert R. Fadullon	53	Filipino
Director	Romeo B. De Guzman	71	Filipino
Independent Director	Minoru Takeda	67	Filipino
Director	Cherylyn C. Uy	41	Filipino
Director	Domingo T. Uy	74	Filipino
Director	J.V. Emmanuel A. de Dios	56	Filipino
Director	Stephen T. CuUnjieng	60	Filipino
Independent Director	Nicasio Alcantara	77	Filipino
Independent Director	Consuelo Ynares Santiago	79	Filipino
Director	Monico V. Jacob	75	Filipino
Corporate Secretary/Vice President for Corporate Legal	Socorro T. Ermac Cabreros	56	Filipino
Other Executive Officers			
Chief Finance Officer	Ma. Concepcion de Claro	63	Filipino
Senior Vice President for Corporate Affairs, Business Development and Security	Alan Raymond T. Zorrilla	51	Filipino
Chief Digital Officer	Charlie R. Valerio	53	Filipino
General Manager for Shared Services	Magtanggol C. Bawal	59	Filipino
General Manager for Supply, Pricing and Demand	Richard C. Tiansay	57	Filipino
General Manager for Retail Sales	Ericson S. Inocencio	46	Filipino
General Manager for Lubricants Sales and Distribution Business	Joven Jesus G. Muijar	50	Filipino

General Manager for Commercial and Industrial Business	Roy O. Jimenez	58	Filipino
General Manager for Joint Ventures	Joriz B. Tenebro	42	Filipino
Asst. Vice President for CME	Ma. Rita A. Ros	61	Filipino
Asst. Vice President for Comptrollership	Jonarest Z. Sibog	40	Filipino
Vice President for Brand and Marketing	Celina I. Matias	56	Filipino
Asst. Vice President for Human Resources	Celeste Marie G. Ong	53	Filipino
Asst. Vice President for Retail Operations and Network Development	Arnel G. Ablan	53	Filipino
Asst. Vice President for Technical Services and QAPD	Jaime T. Diago, Jr.	65	Filipino
General Manager for Aviation Business, and Business Development, Strategies and Portfolio	Lester C. Khan	40	Filipino

Since the last annual stockholders meeting, NO officer or director has resigned because of a disagreement with the Company on any matter relating to the Company's issuance, operations, policies or practices.

Directors

The members of the Board of Directors of the Company are elected during the annual stockholders' meeting to hold office until the next succeeding annual stockholders' meeting and until their successors have been appointed or elected and qualified. The following is the list of the incumbent members of the Board of Directors, and their business experiences during the past five (5) years:

Dennis A. Uy

Director, Chairman of the Board, Chief Strategy Officer

Mr. Dennis A. Uy, Filipino, 47 years old, is the founder of the Company and has served as President and Chief Executive Officer since inception. He is the Chairman and President of Udenna Corporation, the parent company, which has businesses in the shipping, logistics, distribution, real estate, and service industries. Among the subsidiaries of Udenna Corporation are Phoenix Petroleum Holdings, Inc. (PPHI), Udenna Management & Resources Corp. (UMRC), Chelsea Logistics Holdings, Corp., Udenna Development Corporation (UDEVCO), Le Penseur, Udenna Trade Corporation and PH Resorts Group Holdings, Inc. The subsidiaries of Phoenix Petroleum Philippines are Phoenix Global Mercantile, Inc., Subic Petroleum Trading & Transport Philippines, Inc., and PFL Petroleum Management. The subsidiaries of Udenna Management & Resources Corp. (UMRC) are Global Synergy Trade and Distribution Corp., Value Leases, Inc., Udenna Capital, PN-X-Udenna Insurance Brokers, Udenna Environmental Services, Udenna

Energy Corporation, and F2 Logistics. Under UDEVCO are Calaca Industrial Seaport Corp.(CISC), Udenna Tower Corporation, LapuLapu Land Corp., Clark Global City Corp. and GoHotels Davao Inc. The Chelsea Logistics Corp. has the shipping businesses Chelsea Shipping Corp. and Trans-Asia Shipping Lines. Mr. Uy is also Chairman of PH Resorts Group Holdings, Inc., Phoenix Philippines Foundation and Udenna Foundation. He is director of shipping and logistics provider 2Go Group, Inc. through his Udenna Investments BV subsidiary KGLI-NM Holdings Inc. He also serves as independent director of Apex Mining Corp. Mr. Uy is a member of the Young Presidents Organization's Philippine chapter and the Philippine Business for Social Progress. Since November 2011, Mr. Uy has been the Honorary Consul of Kazakhstan to the Philippines. In 2016, he was appointed as the Presidential Adviser on Sports. He is a graduate of De La Salle University with a degree in Business Management.

Henry Albert R. Fadullon

Director, President

Mr. Fadullon is a Filipino, 53 years of age, and was appointed Chief Operating Officer of the Company on April 17, 2017 and was consequently named as President on June 1, 2020. Prior to this, he served Shell Shared Services (Asia) B.V. as General Manager for its global businesses. He has over 25 years of experience in the petroleum industry, having held various roles at Pilipinas Shell Petroleum Corp., a decade of which were spent overseas with postings in Malaysia, Oman, and London. He has a wealth of experience in Retail and B2B performing a variety of frontline and functional roles leading into General Management positions. He completed his BS Industrial Management Engineering, minor in Mechanical Engineering, from De La Salle University.

Domingo T. Uy

Director

Mr. Domingo T. Uy, Filipino, 74 years old, is a co-founder and has been a member of the Board of Directors of the Company since 2002. Mr. Uy was elected Chairman of the Board of Directors of the Company on February 15, 2007. He is also a Director of Granland Resources Corporation, a corporation involved in real estate development. Mr. Uy is actively involved in socio-civic programs and is a Director of the Philippine National Red Cross, Davao Chapter. He is also a Past President of the Davao City Sta. Ana Lions Club and the Kang Ha Uy Association - Davao Chapter.

Romeo B. De Guzman

Director

Mr. Romeo B. De Guzman, Filipino, 71 years old, was elected Director of the Company in 2009. He is the Vice Chairman and Senior Strategic Adviser, and

previously was Chief Operating Officer of the Company, bringing over 40 years of outstanding experience in the oil industry. Before joining the Company, he was with Pilipinas Shell Petroleum Corporation, where he was Vice President for External Affairs for Asia Pacific and a member of the Board of Directors up to December 2006. He was with the said company holding various management and executive positions. Prior to that, he worked at Getty Oil Philippines Inc. for 10 years. Mr. De Guzman is also the Chairman of the Board of Directors of Mirait Philippines, Inc. He holds a Marketing Management and MBA degrees from San Sebastian College – Manila.

Atty. Jose Victor Emmanuel A. De Dios

Director

Atty. J.V. Emmanuel A. De Dios, Filipino, 56 years old, was elected Director of the Company on February 15, 2007 and regular director on March 7, 2008. He is the CEO of GE Philippines, and prior to that was President and CEO of Nido Petroleum Pty Ltd., an Australian Stock Exchange-listed oil and gas company. He was Managing Director of Merritt Advisory Partners, Inc. and was a member of the Board of Directors of Davies Energy Systems, Inc. He also served as Chairman of the Board of the Philippine National Oil Company Exploration Corporation and was former Undersecretary of the Philippine Department of Energy. Atty. De Dios obtained his Master of Laws degree from Harvard Law School and completed his Bachelor of Laws at the Ateneo School of Law.

Cherylyn C. Uy

Director

Ms. Cherylyn Chiong-Uy, Filipino, 41 years old, is a graduate of Business and Finance from Ateneo de Davao University. Ms. Uy is one of the pioneers/incorporators of Udenna Corporation, the ultimate parent company of Phoenix Petroleum and which has subsidiaries engaged in the petroleum, shipping, logistics, services, and real estate businesses, among others. She is the Corporate Treasurer of Udenna Corporation and a member of the Board of Director of PH Resorts Group Holdings, Inc.. Ms. Uy is also one of the Executive Directors of Phoenix Philippines Foundation, Inc., the corporate social responsibility arm of the Company. She is the Corporate Treasurer of Udenna Management and Resources Corporation and Chelsea Shipping Corp.

Stephen T. CuUnjieng

Director

Stephen T. CuUnjieng, Filipino, 61 years old, was elected as a Director of the Company on January 15, 2018, after being a long-time adviser to the Board. He is Chairman of Evercore Asia Limited, and has substantial and wide experience in investment banking. He has acted as Financial Adviser to

several financial transactions of companies involving initial public offerings, major and strategic acquisitions, and mergers of various companies from various industries. He is a member of the Executive Advisory Board for Asia of the Wharton School of Business, and an Independent Director of Century Properties Group and Aboitiz Equity Ventures. He has received several awards and distinctions, such as the Best Independent Advisory Firm in Asia in 2016 for Evercore, and Deals of the Year for various acquisitions. He graduated from Ateneo de Manila University and Ateneo School of Law, and completed an MBA in Finance from the Wharton School of Business.

Monico V. Jacob
Director

Monico V. Jacob, Filipino, 75 years old, has been a Director of the Company since March 7, 2008. He is President and Chief Executive Officer of the STI Education Systems Holdings, Inc., a publicly listed company; of STI Education Services Group, Inc.; and of West Negros University. He is also the Chairman of Philplans First, Inc., a pre-need company; of Philippine Life Financial, Inc., a life insurance company, and of Republic Surety and Insurance Co., a non-life insurance Company. He likewise sits as an independent director of Jollibee Foods, Inc., Century Properties, Lopez Holdings, Inc. and 2GO Shipping. He sits as Director of Asian Terminals, Inc., Philhealthcare Systems, Inc., an HMO, Philippine Women's University and IAcademy.

Consuelo Yñares-Santiago
Independent Director

Ms. Consuelo Yñares-Santiago, Filipino, 81 years old, is a Retired Justice of the Philippine Supreme Court. Justice Santiago (Ret) is currently an independent director of Anchor Insurance Brokerage Corp., a leading insurance brokerage company based in New York, USA, SMC Global Power Holdings, Inc., one of the country's leading power companies which is the power generation unit of San Miguel Corporation, South Luzon Tollway Corp., and Top Frontier Investment Holdings, Inc. She is the Chair Advisory Council of the Office of Alternative Dispute Resolution under the Department of Justice. She earned her Law Degree at the University of the Philippines. After being admitted to the bar, she started her career as a Legal Officer of the Securities and Exchange Commission (SEC). After 5 years of legal practice, she decided to enter the Judiciary and spent 36 years of her career as Municipal Judge, Metropolitan Trial Court judge, Regional Trial Court judge, and Associate Justice of Court of Appeals, before becoming an Associate Justice of the highest court of the country, the Supreme Court. During her time in the Supreme Court, she became the chairperson of the Supreme Court's 3rd Division and also joined various committees, among them the Justice on Wheels Program as Chairperson, the Foreign Travel Committee as Chairperson, the House of Representative Electoral Tribunal (HRET) as Chairperson, and member of the Presidential Electoral Tribunal. She was also

a consultant of the Judicial and Bar Council (JBC) and a Bar Examiner of Labor Law and Social Legislation during the 1996 Bar Examination and Taxation Law in the 1998 Bar Examination.

Nicasio I. Alcantara
Independent Director

Nicasio I. Alcantara, Filipino, 78 years old. He re-assumed the position of Chairman of the Board of Directors and President of Alsons Consolidated Resources, Inc. (ACR) on March 1, 2021, a position he previously held from May 1995 to May 2001. He is the Chairman and President of ACR Mining Corporation, Alsons Development and Investment Corporation, Sarangani Agricultural Company, Inc., Conal Holdings Corporation, Alsons Thermal Energy Corporation, Alto Power Management Corporation and many other subsidiaries under the Alcantara Group. He is the Chairman of the Board of SITE Group International, Ltd. Mr. Alcantara serves as the Chairman of both the Corporate Governance Committee and Related Party Transactions Committee of BDO Private Bank, Inc. and a member of the Bank's Audit Committee. He is the Vice-Chairman of Aviana Development Corporation. Currently, he is a Director of Seafront Resources Corporation, The Philodrill Corporation, Enderun Colleges, Inc., Sagittarius Mines, Inc. and Phoenix Petroleum Philippines, Inc. Mr. Alcantara holds a Masters degree in Business Administration (MBA) from Sta. Clara University, California, and a Bachelor of Science degree in Business Administration from the Ateneo de Manila University.

Minoru Takeda
Independent Director

Minoru Takeda, Japanese, 67 years old is the Chairman of aNew Energy (an advisory company for Renewables/LNG), Senior Advisor of GLX LNG (LNG Trading Platform Company), Director of Oxalis Chemicals KK, and Sr. Advisor of Uyeno Kosan KK. Mr. Takeda was with ExxonMobil for 22 years and with Royal Dutch Shell group for 14 years. He was the Chairman of the Board of Showa Shell KK, Country Chairman of Shell Group of Companies in Japan, and GM of Shell Upstream International in charge of the ASEAN/India LNG Market Development. For Mobil Oil Corporation, in addition to holding key positions in Japan, he was Director of Mobil Oil New Zealand, and has experience in Global HQ Downstream Corporate Planning. He also spent over 4 years in Deloitte, as Partner of Deloitte Tohmatsu Consulting and served as CEO of Deloitte Tohmatsu Corporate Finance. He holds BS and MS from Keio University and MS from MIT Sloan School of Management. He was a Visiting Researcher at Harvard University, Energy and Environmental Policy Center.

Directorships in Other Reporting Companies

The following are directorships held by the directors and executive officers in other reporting companies during the last five (5) years:

Name of Director	Name of Reporting Company	Position Held
Consuelo Ynares Santiago	Top Frontier Investment Holdings, Inc.	Independent Director
Dennis A. Uy	ISM Communications Corporation; PH Resorts Group Holdings, Inc.; Apex Mining Co., Inc.; Chelsea Logistics and Infrastructure Holdings Corp.;	President & CEO Chairman Independent Director Chairman
Cherylyn C. Uy	ISM Communications Corporation; PH Resorts Group Holdings, Inc.; Chelsea Logistics and Infrastructure Holdings Corp.	Director/Treasurer Director Treasurer

and the following Independent Directors have held directorships in other reporting companies for the last five (5) years:

Name of Director	Name of Reporting Company	Position Held
Nicasio I. Alcantara	ACR Mining Corporation.	Chairman & President
	Alsons Consolidated Resources, Inc.	Chairman & President
Minoru Takeda	Showa Shell Sekiyu K.K.	Chairman

Period of Directorship in the Company

<u>Name</u>	<u>Period of Service</u>	<u>Term of Office</u>
Dennis A. Uy	since incorporation to present	1 year
Domingo T. Uy	since incorporation to present	1 year
Romeo B. De Guzman	since 2009 to present	1 year
J.V. Emmanuel De Dios	2007 to present	1 year

Cherylyn C. Uy	2004 to 2006, 2013 to present	1 year
Monico V. Jacob	2008 to present	1 year
Consuelo Ynares Santiago	2013 to present	1 year
Stephen T. CuUnjieng	January 15, 2018 to present	1 year
Henry Albert R. Fadullon	May 29, 2020 to present	1 year
Minoru Takeda	2019 to present	1 year
Nicasio I. Alcantara	2019 to present	1 year

Executive Officers

The following is a list of other executive officers and their business experiences during the past five (5) years:

Henry Albert R. Fadullon, Filipino, 53 years of age, was appointed Chief Operating Officer of the Company on April 17, 2017. Prior to this, he served Shell Shared Services (Asia) B.V. as General Manager for its global businesses. He has over 25 years of experience in the petroleum industry, having held various roles at Pilipinas Shell Petroleum Corp., a decade of which were spent overseas with postings in Malaysia, Oman, and London. He has a wealth of experience in Retail and B2B performing a variety of frontline and functional roles leading into General Management positions. He completed his BS Industrial Management Engineering, minor in Mechanical Engineering, from De La Salle University.

Ma. Concepcion F. De Claro, Filipino, 63 years of age, holds a Bachelor of Science degree in Commerce, Major in Accounting from the Colegio de San Juan de Letran. She has been the Company's Chief Financial Officer since March 2018. She was Director of Alsons Prime Investment Corporation and Alsons Power Holdings Corporation and the Vice-President and Chief Operating officer of Alsons Corporation. She also served as the Director of Limay Energen Corporation and Manila North Harbour Port, Inc. Ms. de Claro also worked with Petron Corporation for several years. She was a Consultant for M&A Projects and a member of the Board of Trustees of Petron Corporation Employees Retirement Fund. She also served as Petron's Vice President for Corporate Planning & Services, Controller for the company and its subsidiaries, and held various positions in Corporate Planning. In addition, Ms. De Claro also served as a Director of New Ventures Realty Corporation, Las Lucas Development Corporation, Petron Marketing Corporation and Petron Freeport Corporation.

Alan Raymond T. Zorrilla, Filipino, 51 years of age, is the Senior Vice President for External Affairs, Business Development, and Security of the Company. Prior to his employment with the Company, he was Chief Legal Counsel of the Unioil Group of Companies where he headed the Legal, Human Resources, and Administrative Departments. He also served as Director for Freeport Services Corporation, a 100% subsidiary of Subic Bay Metropolitan Authority and was once a Legal Consultant of the Department of Environment and Natural Resources. Atty. Zorrilla was engaged in litigation practice with Pangilinan, Britanico, Sarmiento and Franco Law Offices before

he entered corporate practice. He formerly worked as Corporate Legal Counsel of publicly-listed Fil-Estate Group of Companies in its Litigation and Labor Department. Atty. Zorrilla completed his law studies at the San Beda College of Law in 1994 and was admitted to the Philippine Bar in 1995. He also took up his masteral studies at the Ateneo Graduate School of Business. He is an Army Reservist and a concurrent Commander (Lt. Colonel) of the Philippine Coast Guard Auxiliary.

Charlie R. Valerio, Filipino, 53 years old, is the Chief Digital Officer. He also leads the IT group of parent company Udenna Group of Companies. Charlie has more than 20 years of in-depth exposure and experience in the Oil & Gas, Power Generation, and Fast-Moving Consumer Goods (FMCG) industries as well as a local conglomerate, having worked for Procter & Gamble for 7 years, Royal Dutch Shell for 14 years, and 5 years for First Gen Corporation and First Philippine Holdings in concurrent capacity. He was Chief Information Officer at First Gen Corp. and for First Philippine Holdings, leading IT for the conglomerate (composed of 11 companies covering 5 industries - power generation, manufacturing, real estate/property, health care, and construction). Charlie received his Bachelor of Science degree in Computer Science from De La Salle University. He is a certified Project Management Professional and completed several leadership trainings in Switzerland and Singapore.

Socorro T. Ermac-Cabrerros, Filipino, 56 years old, is concurrently the Vice President for Corporate Legal and Corporate Secretary of the Company. She is also the Corporate Secretary of Phoenix Petroleum Holdings, Inc. Prior to joining the Company, she was a Legal Counsel of Philippine National Bank in Davao City. She has worked for the government such as the Office of the Ombudsman for Mindanao and later as Prosecutor for the Province of Davao del Norte after engaging in the private practice of law. She finished her law degree at the Ateneo de Davao University College of Law. She was President for the Davao City Chapter of the Integrated Bar of the Philippines, Davao City Chapter from 2009-2011 and President of the Davao Lady Lawyers Association from 2000-2002.

Jonarest Z. Sibog, Filipino, 40 years old, is the Asst. Vice President for Comptrollership. She joined the company in 2006, starting her career in Procurement which she headed for seven years before moving to Finance. She is a graduate of Ateneo de Davao University with a degree in Bachelor of Science in Accountancy. She finished her Masters in Business Administration at the University of Mindanao where she also earned a few units in LLB. She is a Certified Public Accountant and is currently a Board of Director of the Association of CPAs in Commerce and Industry (ACPACI) - Davao City Chapter

Richard C. Tiansay, Filipino, 57 years old, is the General Manager for Pricing and Demand. Mr. Tiansay has more than 22 years of experience in the oil industry covering domestic and international operations. His last position in

Royal Dutch Shell is as Global SAP IT Order to Cash Team Lead in London, U.K. This after being assigned to various key managerial positions not limited in the Philippines but as well as in a number in Asia Pacific and other countries. Mr. Tiansay completed his Bachelor of Science in Mechanical Engineering degree from the University of San Carlos, Cebu City.

Roy O. Jimenez, Filipino, 58 years of age is currently the General Manager for Commercial and Industrial Business. Prior to joining the Company he was connected with Chevron Phil. Inc for almost 30 years and handled various National and District Managerial positions, as well as supervisory positions for various trades such as Retail, Commercial/Industrial, Marketing Support, Liquefied Petroleum Gas and Lubricants. He also handled regional positions as a Programs Manager and has been the team lead for Philippines in various Chevron Regional projects. He was assigned as a District Manager covering various areas like North Metro Manila/North Luzon, Visayas and Mindanao. He is a licensed Mechanical Engineer and graduated from the University of Santo Tomas. He has MBA units in De La Salle University and attended various Leadership and Management programs in Asian Institute of Management, as well as in-house training programs of Chevron in Asia Pacific and South Africa.

Ericson S. Inocencio, Filipino, 46 years old, is the General Manager for Retail Business. Eric has more than 20 years of extensive experience in the petroleum industry. Prior to joining the Company, he was connected with Chevron Phils. where he held various positions primarily leading the Commercial and Industrial business as District Sales Manager for more than five(5) years and as concurrent National Fleet Cards Sales Manager. He has exposure in marketing support function in charge of developing and executing local & global process/programs which includes profitability modelling. He is a certified Mechanical Engineer from De La Salle University and attended his MBA at Ateneo Graduate School of Business.

Joven Jesus G. Muja, Filipino, 50 years of age, is the General Manager for Lubricants Sales and Distribution Business. He joined Phoenix last May 4, 2015. He brought with Him twelve and a half years of pure lubricant experience from a major petroleum company holding various positions in sales, business development and marketing handling both B2C and B2B. Within those years, he had 2 years assignment in the Asia Pacific Region doing Channel Development Specialist work.

Maria Rita A. Ros, Filipino, 61 years old, is the Asst. Vice President for CME. Ms. Ros has more than thirty (30) years of experience in the oil industry covering materials management, supply chain management, production planning, imports-exports, warehousing and logistics. She held various positions in Petron Corporation from 1981 up to 2011 when she handled Biofuels and Special Projects, and Supply Optimization before joining Phoenix Petroleum in November 2013. She is a graduate of B.S. Chemical Engineering from the University of the Philippines, and is a licensed Chemical

Engineer, and took up Basic Management at the Asian Institute of Management.

Celina I. Matias, Filipino, 56 years old, is presently the Asst. Vice President for Brand and Marketing Group of the Company. Ms. Matias has more than 25 years of expertise on strategic marketing and client servicing. She honed her skills from Ogilvy & Mather and McCann Erickson and was a Partner at a local Ad Agency prior to joining Phoenix Petroleum. She handled over 25 local and global brands across different product categories from petroleum, telecoms, real estate, automotive, pharmaceutical and a lot more. She finished Communication Arts major in Advertising & Public Relations in Assumption College.

Celeste Marie G. Ong, Filipino, 52 years old, is currently the Asst. Vice President for Human Resources. Ms. Ong has more than 20 years of solid human resources management experience from local and multinational companies (Concrete Aggregates Inc., Van Melle Phils., Fujitsu Computer Products and Optodev, Inc.) Her expertise includes compensation management, talent acquisition, training and development, employee relations/engagement, benefits administration and HRIS. She finished A.B. Psychology from Pamantasan ng Lungsod ng Maynila and took her M.A. in Psychology at University of Santo Tomas. She completed the Essilor Management Training courses in Singapore & France.

Arnel G. Alban, Filipino, 53 years old, is currently the Asst. Vice President for Retail Operations and Network Development. In this capacity, Arnel likewise handles the optimization of the Company's real estate portfolio. He joined Phoenix in April 2018, moving from Total (Philippines) Corporation where he was Asst. Vice President for Retail Development and Compliance. He has solid 25 years of experience in the oil industry, starting out as a Business Counselor (or Retail Territory Manager) in 1993 at Caltex (Philippines), Inc. where he stayed for 5 years. In 1998, he moved to Total where he stayed for 20 years, moving in various Sales and Retail positions. Arnel is a licensed Civil Engineer and graduated from the University of the Philippines.

Jaime T Diago Jr., Filipino, 65 years old, joined Phoenix Petroleum in September 2018 as AVP Technical Service and QAPD. Prior to joining the Company, he was with Pilipinas Shell for 32 years holding the following key roles: Fuels Product Quality (PQ) Lead (PH & HK), Fuels PQ Manager (MEA), Fuels Technical Manager, Head Trading & Economics, Marketing Sales Manager, Commercial Development Manager and Lubricants Assistant Supply. Prior to his employment with Pilipinas Shell, Jimmy also had six years with Mobil Philippines where he served as Marketing Representative and Technical Service Engineer. Jimmy is a licensed Mechanical Engineer and graduated from Silliman University.

Joriz Tenebro, Filipino, 42 years old, is the General Manager for Joint Ventures. Prior to joining Phoenix in November 2018, he had 15 years of

combined business and commercial finance experience with Shell in retail, trading, upstream and integrated gas covering Asia Pacific, Middle East, and Europe. His roles include retail territory management; reporting, planning and economics; finance management; M&A and New Business Development; and internal audit. He was based in Davao, Manila and a combined 10 years in Singapore and Dubai. Previous to Shell, he spent a total of 3 years as P&G Distributor Finance Manager and PwC Finance Auditor. Most of his key development training were in Shell Headquarters in the Netherlands and INSEAD France. He graduated from Ateneo de Davao University.

Magtanggol C. Bawal, Filipino, 59 years old, is the General Manager for Shared Services and is a Certified Public Accountant with 35 years of work experience in the oil industry, IT, and Services. Prior to joining Phoenix in 2017 as the FamilyMart's Chief Finance Officer, he was with Shell Shared Services (Asia) B.V. as Contracts & Procurement Operations Delivery Center Manager. Previously, he was IT consultant of Phoenix Petroleum; Chief Finance Officer and COO of Microsoft Phils.; and LPG Finance Manager at Pilipinas Shell Petroleum Corp. He earned a Bachelor of Science degree in Commerce, major in Accounting, from the University of Batangas, and took MBA classes at the DLSU Graduate School of Business.

Lester C. Khan, Filipino, 40 years old, the General Manager for Aviation Business; and Business Development, Strategies and Portfolio Unit is a driven sales and technical professional with nearly two decades of experience in the FMCG and oil/gas industry. Previously, he served as General Manager for both Pure Essence Inc. and Margarrett Enterprise Inc., which produce biodiesel and toll-packs for major FMCG companies. He started his career in Procter & Gamble where he was recognized for leading the reformulation and process development of the company's soap brands. In between his stints in manufacturing, he worked in Pilipinas Shell Petroleum Corp., handling Retail in South Mindanao. He is a licensed Chemical Engineer from the University of the Philippines Los Baños and a Six Sigma Green Belt Certified Practitioner. He completed his MBA studies at the Ateneo Graduate School of Business with Gold Honors.

Elmer A. Baguioro, Filipino, 48 years old, is the GM for LPG Trading. Before joining Phoenix in 2018, he worked for multinational corporations such as Procter & Gamble, Coca-Cola, and Royal Dutch Shell in over 20 years, performing various roles, including Global LPG Trader in the field of research and development, manufacturing, strategic infrastructure planning, logistics and supply chain planning and network optimization, and global LPG trading and chartering. He graduated Cum Laude at the University of St. La Salle Bacolod with a Bachelor of Science degree in Chemical Engineering and placed 7th in the Chemical Engineering Licensure Exams.

Bernard C. Suiza, Filipino, 53 years old, is the General Manager for Philippine FamilyMart. Bernard has 30 years of experience in network planning, marketing, and operations, having worked in industries from fuel to

food. He joined Phoenix in 2017, and was previously with San Miguel Foods as its Area Sales Manager for North Luzon. He was formerly marketing director of Prominex Ventures, and General Manager of Emerging Channels Inc. where he handled marketing and distribution of food and non-food products. He spent 11 years in Pilipinas Shell Petroleum Corp. in various roles in retail, finance, network planning, and non-fuels retailing. Bernard graduated cum laude from the University of the Philippines with a degree in Business Administration, and obtained his MBA from UP in 2017.

Julgin Anthony G. Villanueva, Filipino, 36 years old, is the General Manager for LPG Luzon. Ton is a sales professional with over a decade of experience in selling and negotiation, account management, and business development. Before joining Phoenix in 2017, he was Head of the Mid and High-Rise Segment of Republic Cement Services, formerly Lafarge Cement Services Phils. He started his career at Pilipinas Shell Petroleum Corp., where he was assigned to the LPG business (Shellane LPG) for nine years in retail and industrial trades across the country. He is a graduate of De La Salle University with a degree in Management of Financial Institutions, and holds an MBA from the Ateneo Graduate School of Business where he graduated with first class honors.

Period of Service in the Company

<u>Name</u>	<u>Period of Service</u>
Henry Albert R. Fadullon	April 17, 2017 to present
Ma. Concepcion F. De Claro	May 1, 2018 to present
Charlie R. Valerio	March 1, 2019 to present
Socorro Ermac Cabrerros	July 2, 2006 to present
Jonarest Z. Sibog	March 27, 2006 to present
Alan Raymond T. Zorrilla	April 1, 2009 to present
Richard C. Tiansay	March 1, 2013 to present
Ericson S. Inocencio	February 15, 2014 to present
Roy O. Jimenez	May 11, 2015 to present
Joven Jesus Mugar	May 4, 2015 to present
Ma. Rita A. Ros	November 1, 2013 to present
Celeste Marie G. Ong	July 2, 2012 to present
Celina I. Matias	July 2, 2012 to present
Arnel G. Ablan	April 16, 2018 to present
Jaime T. Diago, Jr.	September 3, 2018 to present
Joriz B. Tenebro	November 5, 2018 to present
Magtanggol C. Bawal	December 1, 2017 to present
Lester C. Khan	February 18, 2019 to present
Elmer A. Baguio	August 1, 2018 to present
Bernard C. Suiza	August 16, 2017 to present
Julgin Anthony G. Villanueva	October 16, 2017 to present

II. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

A. Comparable discussion on Material Changes in Results of Operations for the Period Ended September 30, 2020 vs. September 30, 2019

Revenues, Cost of Sales and Gross Margins

The Group's Revenues during the first nine months of 2020 were lower by 22.4% at ₱56.776 billion compared to the ₱73.169 billion generated in the same period of 2019. With the year to date Dubai crude (benchmark crude of Asian refineries) average declining 35.5% to US\$41.28/ bbl from US\$64.02/bbl the previous year, average selling prices of products year-on-year similarly decreased. This was partly offset by the 23.4% growth in higher volume sold during the period to 2,890 million liters from 2,343 million liters.

The Company's trading business, PNX Petroleum Singapore (PNX SG), and its LPG business in Vietnam, Phoenix Gas Vietnam (PGV), grew its combined volume by 135.8% during the period and drove overall volume growth. PGV was fully consolidated in March 2020.

In terms of products, LPG volume surged 80.1% year-on-year on robust demand in both the Philippine and Vietnam markets.

Cost of Sales and Services decreased by 21.7% to ₱51.578 billion in 2020 from ₱65.908 billion in the in 2019 principally attributable to the drop in petroleum prices.

Gross Margin decreased by 28.8% to ₱5.198 billion on lower prices of petroleum products as well as the decrease in the domestic volume sold.

Operating Expenses, Non-operating Expenses, Recurring Income

Meanwhile, the Company's **Selling and Administrative Expenses** declined by 11.2% to ₱4.280 billion from ₱4.822 billion the prior year. With the Company's decision to preserve its resources amidst increasing economic uncertainty brought about by the COVID-19 pandemic, cost optimizations initiatives were implemented at the start of the second quarter and carried over to the following quarters. These include reductions in marketing and non-essential spending. The Company has likewise implemented structural cost reductions prior to the pandemic such as rationalization of supply chains of certain business units.

On the other hand, **Net Non-operating Charges** were lower by 11.9% at ₱1.236 billion from ₱1.402 billion in the same period of 2019. This was on account of the 11.4% decline in Net Finance Cost at ₱1.567 billion, the 128.3% increase in the equity share in the JV income to ₱0.045 billion, and the 17.5% decrease in other income to ₱0.285 billion.

Operating, Net and Comprehensive Incomes

The first nine months 2020 **Operating Income** was lower by 62.9% at ₱0.918 billion compared to prior year's ₱2.474 billion. The decline was mainly driven by lower gross margin and was partly reduced by the decrease in selling and administrative expenses.

The **Net Loss Before Tax** declined by 129.6% to ₱0.318 billion during the period vis-à-vis the prior year's Net Income Before Tax of ₱1.037 billion. The Net Loss After Tax reached ₱0.095 billion year-to-date. This was 111.0% lower compared to prior year's Net Income After Tax of ₱0.918 billion.

Meanwhile, the Company recorded a ₱0.014 billion translation adjustment loss related to PNX SG's operations, 170.9% lower than the ₱0.020 billion gain recorded in the same period of 2019. As such, **Comprehensive Loss** declined by 111.7% to ₱0.110 billion from the ₱0.938 billion in Comprehensive Income reported in 2019.

Financial Condition

(As of September 30, 2020 versus December 31, 2019)

Consolidated resources as of September 30, 2020 were lower by 11.0% to ₱77.381 billion from ₱86.957 billion as of December 31, 2019. This was mainly due to the decrease in Liability and in Equity of ₱8.969 billion and ₱0.608 billion, respectively.

Cash and Cash Equivalents decreased by 56.5% to ₱4.268 billion from ₱9.811 billion mainly due to the settlement of borrowings and lower cash from operations as the COVID-19 pandemic containment measures hampered collections and sales starting March 2020.

Trade and Other Receivables decreased by 2.7% to ₱15.540 billion from ₱15.973 billion as a result of lower selling prices coupled with stronger collection efforts.

Inventory was 39.2% lower at ₱5.915 billion from ₱11.678 billion due to the year-to-date decline in the global prices of petroleum products. In addition, inventory levels were promptly reduced to match projected market demand.

Due from related parties increased to ₱0.003 billion as the Company extended support to its JVs in light of the COVID-19 pandemic and the ECQ.

Input VAT declined by 27.8% to ₱2.098 billion from ₱2.906 billion as the value of purchases decreased.

Prepayment and other current assets increased by 25.6% to ₱2.427 billion from ₱1.932 billion. This was related to an Option to Purchase agreement that became current in the first quarter.

Non –Current Assets increased by 5.3% at ₱46.967 billion. The increase came from the increase in Deferred Tax Assets of the Subsidiary which incurred losses during the period, Investment in Joint Ventures, Investment Properties acquired and Right-of-Use Assets arising from the long-term leases. Property, Plant and Equipment likewise increase mostly related to capex incurred in the first quarter prior to the pandemic.

Interest-bearing Loans and Borrowings, both current and non-current, decreased by 1.4% to ₱49.196 billion from ₱49.896 billion as the Company settled certain maturing loans.

Trade and Other Payables decreased by 70.8% to ₱3.458 billion from ₱11.841 billion driven by the timing and value of inventory purchases as well as the controlled expenditures.

Lease Liabilities, both current and non-current, increased by 16.1% to ₱1.452 billion from ₱1.250 billion due to the new leases concluded during the period.

Total Stockholders' Equity decreased by 2.8% to ₱21.315 billion from ₱21.923 billion on account of the net loss realized during the period, which reduced retained earnings by 7.5% to ₱7.287 billion; the ₱0.512 billion in dividends paid out to Preferred shareholders; and the net movement in the revaluation coming from the other comprehensive income.

Key Performance Indicators and Relevant Ratios

The Group's key performance indicators and relevant ratios and how they are computed are listed below:

	<u>September 30, 2020</u>	<u>December 31, 2019</u>
Current Ratio ¹	0.73x : 1x	0.84x : 1x
Debt to Equity Ratio ² Interest-Bearing Debt to Equity ³	2.63x : 1x 2.31x : 1x	2.97x : 1x 2.28x : 1x
Net Book Value per Share ⁴	₱8.91	₱9.36
Earnings per Share ⁵	(₱0.42)	₱0.61

Notes: Formula are based on Philippine Accounting Standards

1 - Total current assets divided by current liabilities

2 – Total Liabilities divided by Total stockholder's equity

3 - Interest Bearing Debt divided by Total stockholder's equity

4 - Total stockholder's equity (net of Preferred) divided by the total number of shares issued and outstanding

5 - Period or Year Net income after tax divided by weighted average number of outstanding common shares

These key indicators were chosen to provide management with a measure of the Group's financial strength (Current Ratio, Debt to Equity Ratio, and Interest bearing Debt to Equity Ratio) and the Group's ability to maximize the value of its stockholders' investment in the Group (Net Book Value Per Share and Earnings Per Share). Likewise, these ratios are used to compare the Group's performance with similar companies.

The net loss incurred year to date impacted the Interest Bearing Debt to Equity ratio, as well as the net book value per share and earnings per share. Current ratio was likewise affected by the ECQ which resulted in extended collections. Meanwhile, Debt to Equity Ratio improved as borrowings declined.

Material (5% or more) Changes to the Group's Balance Sheet as of September 30, 2020 vs. December 31, 2019

56% decrease in Cash and Cash Equivalents

Settlement of matured debts, lower sales, and slower collections as a result of the ECQ.

49% decrease in Inventory

Driven by the decline in global prices of petroleum products and tighter inventory management.

1,557% increase in Due from Related Party

Advances made to PAPI, PGV and the Phoenix Foundation for their working capital needs during the COVID-19 pandemic.

28% decrease in Input Vat Net

Due to the lower tax base value of the recent importations as global oil prices declined during the period.

26% Increase in Prepayments and other current assets; Other Non-current Asset

Due to a certain option to purchase agreement which was not renewed or negotiated during the period, thus has become due and demandable.

9% increase in Property, Plant and Equipment

Due to the capitalizable maintenance and expansions initiated and awarded early in 2020.

22% increase in Right of Use Asset

Due to new lease agreements entered into during the period, particularly in the first quarter, net of the depreciation for the period.

14% increase in Investment Properties

Due to acquisitions made during the year.

7% decrease in Intangible Assets

Due to regular amortization.

6% increase in Investments in Joint Ventures

Due to the newly formed Joint Ventures concluded during the year.

236% increase in Net Deferred Tax Asset and Liabilities

Due to the increase in Deferred Tax Asset coming from the estimated tax income and expense from the taxable income / loss of the subsidiaries.

71% decrease in Trade Payables

Due to lower inventory purchase level and value as global oil prices declined during the period

218% decrease in Derivative Financial Liabilities

Related to the favorable forward contracts entered into by PNX SG

16% increase in Lease Liabilities

Due to the new leases entered into during the period

15% increase in Other Non-Current Liabilities

Due to the additional customer security deposits received during the period

8% decrease in Retained Earnings

Driven by the net loss after tax, net of the preferred dividends declared and distributed, during the period.

27% decrease in Non Controlling Interests

Due to losses incurred by non-wholly owned subsidiaries such as Action.Able.

Material (5% or more) changes to the Group's Income Statement as of September 30, 2020 vs. September 30, 2019

23% decrease in Sale of Goods

Due to the lower global petroleum prices year-on-year.

56% increase in fuel service and other revenue

Due to higher revenues from non-fuel related businesses.

22% decrease in Cost of Sales and Services

Due to lower global petroleum prices year-on-year and tempered by the increase in excise tax rates on petroleum products.

11% decrease in Selling and Admin Expenses

Due to the Company's efforts to preserve resources in response to the COVID-19 pandemic and the resulting economic uncertainties.

12% decrease in Other Charges / (Income)

Due to the lower Finance Costs net of the Finance Income and Other Income and the higher Equity Share in the Net Income of the Joint Ventures.

245% decrease in Tax Expense

Due to the losses incurred during the period.

There are no other material changes in the Group's financial position (5% or more) and conditions that will warrant a more detailed discussion. Furthermore, there are no material events and uncertainties known to management that would impact or change the reported financial information and condition of the Group.

B. Comparable discussion on Material Changes in Results of Operations for the Year Period Ended December 31, 2019 vs. December 31, 2018.

Revenues, Cost of Sales and Gross Margins

The Group's **Revenues** in 2019 grew to ₱97.823 billion, 10.4% higher compared to the ₱88.611 billion generated in 2018. This was mainly due to the 19.8% growth in total volume sold for the comparative years to 3,259 million liters in 2019 from 2,720 million liters in 2018. This was augmented by the ₱1.185 billion sales contributed by Philippine Family Mart CVS, Inc. (PFM) and ₱113 million sales contributed by Action Able, Inc. On the other hand, despite the implementation of the second round of increase in the excise tax rates of petroleum products under the Tax Reform for Acceleration and Inclusion (TRAIN) law starting January 2019, the average price of petroleum products was lower as a result of the 8.7% drop in the price of Dubai crude average, which is the benchmark crude of Asian refineries, from US\$63.15/ bbl to US\$69.13/bbl.

Of the 579 million liters incremental sales volume in 2019, 56% came from the volume sold by foreign-based subsidiaries namely, Pnx Singapore and Pnx Vietnam, which contributed 237.5 million liters and 88.6 million liters, respectively. Domestic operations accounted for the remaining 44%.

Similarly, **Cost of Sales and Services** increased by 10.1%, to ₱86.811 billion in 2019 from ₱78.838 billion in 2018, as sales volume grew.

Higher sales volume likewise drove **Gross Profit** higher by 12.7% to ₱11.012 billion in 2019 from ₱9.772 billion in 2018.

Operating Expenses, Non-operating Expenses, Recurring Income

The Group's **Selling and Administrative Expenses, or Operating Expenses (OPEX)**, were higher by 13.5% at ₱6.514 billion in 2019 from ₱5.742 billion in 2018. However, OPEX per unit liter improved to ₱1.97 from ₱2.11 as the Company continued to implement cost-effective programs to streamline its processes and reduce cost.

The Company's **Net Non-Operating Charges** reached ₱2.652 billion in 2019, which was ₱1.996 billion more than the ₱0.656 billion incurred in 2018. This was driven by the rise in average borrowing rates, as well as the additional debts incurred during the year to finance network expansion, including support systems and facilities. The following also drove changes to the net non-operating charges: 1) ₱0.553 billion decrease in the recognized fair value gains on investment properties from ₱0.625 billion in 2018 ; 2) ₱0.013 billion decrease in finance income from ₱0.073 billion; and 3) ₱0.009 billion increase in equity share in the JV income from ₱0.007 billion in 2018.

Operating, Net and Comprehensive Incomes

Notwithstanding the increase in operating expenses, **Operating Income** grew by 11.6% to ₱4.498 billion in 2019 from ₱4.030 billion in 2018. However, with the rise in Net Non-Operating Charges, **Net Income Before Tax (NIBT)** declined by 45.3% decline to ₱1.846 billion in 2019 from ₱3.374 billion in 2018. **Net Income After Tax (NIAT)** was lower subsequently lower by 46.2% at ₱1.487 billion from ₱2.767 billion in 2018.

Meanwhile, the Company recorded a ₱0.073 billion translation adjustment charge related to Pnx SG's operations compared to the ₱0.029 income recorded in 2018. The gain on revaluation of land amounting to ₱0.145 billion was 87.4% lower than ₱1.149 billion recorded in 2018. As such, **Comprehensive Income** was 59.0% lower at of ₱1.487 billion in 2019 versus ₱3.625 billion in 2018.

Financial Condition

(As of December 31, 2019 versus December 31, 2018)

Consolidated resources as of December 31, 2019 stood at ₱86.950 billion, 34.5% higher than ₱64.660 billion as of December 31, 2018. This was mainly due to the additions in property, plant, and equipment (PPE) related to the Company's retail expansion, the recognition of the Right-of-Use Asset for the lease contracts with reference to PFRS 16 – Leases which took effect January 1, 2019, increase in Receivable, Cash and Cash Equivalents, Prepayments and Deposits and Input VAT.

Cash and Cash Equivalents increased by 24.3% to ₱9.811 billion as of December 31, 2019 from ₱7.890 billion as of December 31, 2018 as the company intensified its collection efforts.

Similarly, **Trade and Other Receivables** increased by 6.3% to ₱15.973 billion as of December 31, 2019 from ₱15.031 billion as of December 31, 2018 in line with the increase in revenue, which was mainly driven by higher sales volume.

Inventory was 4.9% higher at ₱11.680 billion as of December 31, 2019, almost of the same level as the ₱11.135 billion as of December 31, 2018.

As of December 31, 2019, the Group's **Property and Equipment**, net of accumulated depreciation, increased to ₱27.383 billion versus the ₱18.715 billion as of December 31, 2018. The 46.3% growth represented the value of the assets of the newly acquired subsidiaries, as well as the continuing expansion program of the group.

Investment Properties was 9.8% higher at ₱1.909 billion as of December 31, 2019 from ₱1.739 billion as of December 31, 2018. The ₱0.170 million increment mainly pertained to the market revaluation of the company's real estate properties in compliance with accounting standards.

Intangible Assets was 5.4% lower at ₱0.310 billion as of December 31, 2019 from ₱0.328 billion as of December 31, 2018 in line with normal amortization.

Right of Use assets amounting to ₱1.143 billion is a new account related to the implementation of PFRS 16 effective January 1, 2019.

Investment in Joint Ventures was 214.8% higher at ₱1.433 billion as of December 31, 2019, from ₱0.455 billion as of December 31, 2018 as the company entered into Joint Venture Agreements in line with its retail expansion program.

Goodwill was 4.3% higher at ₱0.213 billion as of December 31, 2019 from ₱4.419 billion as of December 31, 2018 as a result of the acquisition of Origin LPG (Vietnam) LLC by PNx Vietnam, a subsidiary of PNx Energy Investments, which in turn is a wholly-owned subsidiary of the Company.

Deferred Tax Asset was 5.6% higher at ₱0.156 billion as of December 31, 2019 from ₱0.147 billion as of December 31, 2018 coming from subsidiaries reporting losses.

Other Non-current Assets was 378.7% higher at ₱7.638 billion as of December 31, 2019 from ₱1.596 billion as of December 31, 2018 as the company entered into Contract to Sell agreements in connection to the purchase of certain real estate properties.[CFC1] [JZS2]

Interest-bearing Loans and Borrowings, both current and non-current of ₱49.896 billion as of December 31, 2019 increased by 25.1% from ₱39.900 billion as of December 31, 2018, mainly from the financing of Pnx SG's working capital requirements and the Group's capital expenditures and partly offset by the settlement of debts.

Trade and Other Payables increased by 58.8% from ₱7.435 billion as of December 31, 2018 to ₱11.806 billion as of December 31, 2019 related to the timing of purchases of petroleum products, especially for Pnx SG.

Deferred Tax Liabilities amounting to ₱0.748 billion as of December 31, 2019, increased by 18.4% as the ₱0.632 billion as of December 31, 2018, primarily related to the first time recognition of right-of-use asset in compliance to PRFS 16.

Total Stockholders' Equity increased to ₱21.948 billion as of December 31, 2019, which was higher by 37.4% from ₱15.974 billion as of December 31, 2018. This increase was primarily from the higher Capital Stock and Additional Paid-in Capital resulting from the release of ₱7 billion PN4 Preferred shares, net of the redeemed ₱1.5 billion privately placed with RCBC Capital Corporation. Further contributing to the higher Stockholders' Equity was the 14.0% growth in retained earnings coming from the ₱1.486 billion net income realized in 2019, which was offset by the payment of dividends on both Common and Preferred shares, as well as the partial redemption of Preferred shares issued in prior years.

Key Performance Indicators and Relevant Ratios

The Group's key performance indicators and relevant ratios and how they are computed are listed below:

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Current Ratio ¹	0.8x : 1x	1.1x : 1x
Debt to Equity Ratio ²	3.0x : 1x	3.0x : 1x
Debt to Equity Interest-Bearing ³	2.3x : 1x	2.5x : 1x
Net Book Value per Share ⁴	₱9.37	₱8.68
Earnings per Share ⁵	₱0.60	₱1.72

Notes: Formula are based on Philippine Accounting Standards

1 - Total current assets divided by current liabilities

2 - Total liabilities divided by tangible net worth

3 - Interest Bearing Debts divided by Total stockholder's equity

4 - Total stockholder's equity (net of Preferred) divided by the total number of shares issued and outstanding

5 - Period or Year Net income after tax divided by weighted average number of outstanding common shares

These key indicators were chosen to provide management with a measure of the Group's financial strength (Current Ratio and Debt to Equity) and the Group's ability to maximize the value of its stockholders' investment in the Group (Net Book Value Per Share and Earnings Per Share). Likewise, these ratios are used to compare the Group's performance with similar companies.

Material (5% or more) Changes to the Group's Balance Sheet as of December 30, 2019 vs. December 31, 2018

24% increase in Cash and Cash Equivalents

Release of ₱7 billion PN4 Preferred Shares net of the settlement of matured debts.

6% increase in Trade and Other Receivables

In relation to increase and timing of revenue generated.

100% decrease in Due from Related Party

Offset against payment for properties leased with option to purchase as well as acquired properties.

91% increase in Input VAT Net

Primarily from the deferred input VAT on Property, Plant, and Equipment.

178% increase in Prepayments and other current assets.

Primarily from the increase of PN4 SG's marginal deposit and creditable withholding taxes.

46% increase in Property, Plant, and Equipment

Due to new acquisitions and construction of new retail and depot facilities.

10% increase in Investment Properties

Due to new acquisitions, improvements and appraisal of Land classified as investment properties.

100% increase in Right of Use Asset

First time adoption of PFRS 16 – leases.

5% decrease in Intangible Asset

Normal amortization

215% increase in Investment in Joint Ventures

Due to the additional Joint Venture Agreements entered into during the period.

379% increase in Non-current Assets

Due to the increase in security and rent deposit for leases and rentals as well as the deposits made for the purchase of certain properties.

45% increase in Interest Bearing Loans- Current

Due to the Long Term Contracts maturing within 12 months from December 30, 2019, including additional short-term loans and trust receipts.

59% increase in Trade Payables

In relation to the inventory level and Trust Receipt Bookings classified as Interest-Bearing Loans-current

100% increase in Derivative Financial Liabilities

Related to the forward contracts entered into by PNX SG

100% increase in Lease Liabilities - Current

The current portion of the Lease Liability related to PFRS 16

50% decrease in Income Tax Payable

Net of the offset against creditable withholding taxes applied and the 46% decline in net income before tax.

14% decrease in Interest Bearing Loans - Non-current

Net of the settled and maturing in the next 12 months after December 31, 2019.

100% increase in Lease Liability

First time adoption of PFRS 16

51% increase in Non-current liabilities

Increase in Customer Cylinder Deposits, Cash Bonds, Security Deposits, Unearned Rent and Post- employment benefit obligation.

66% increase in Additional Paid-in Capital

Due to the issuance ₱7 billion PNX4 Preferred Shares, net of the ₱2 billion redemption

295% decrease in Accumulated Translation Adjustments

Due to increased transaction of the foreign currency denominated subsidiary, PNX Singapore.

14% increase in Retained Earnings

From the Net Income After Tax generated in 2019 net of the dividends declared and distributed during the year.

Material (5% or more) changes to the Group's Income Statement as of December 30, 2019 vs. December 30, 2018

10% increase in Sale of Goods

Due to the revenues coming from the new subsidiaries namely; PFM, AAI, PNX SG and PNX Energy as well as the 19.8% growth in overall volume sales. The Parent recorded a 10.9% improvement on its volume sold this year, while volume from foreign sales increased by 25.2% compared to the same period last year.

46% increase in fuel service and other revenue

This is due increase in into-plane services and other non-fuel related businesses as well as revenues from Action Able, Inc. (AAI).

10% increase in Cost of Sales and Services

This mirrors the increase in the sale of goods, reflecting the price movements in the world market during the year, which were higher compared to the same period in 2018. The increase in excise tax rates on petroleum products also contributed to the increase.

13% increase in Selling and Admin Expenses
Related to the Company's growth and expansion.

88% decrease in Gain in Revaluation of Land (OCI)
Regular full year revaluation was made in 2019.

16% increase in Remeasurement of Post-Employment Benefit Obligation (OCI)
Result of the actuarial valuation.

91% decrease in Tax Expense (OCI)
Net effect of the decrease in Gain in Revaluation of Land and Remeasurement of Post-employment Benefit Obligation under Other Comprehensive Income (OCI)

There are no other material changes in the Group's financial position (5% or more) and conditions that will warrant a more detailed discussion. Furthermore, there are no material events and uncertainties known to management that would impact or change the reported financial information and condition of the Group.

C. Comparable discussion on Material Changes in Results of Operations for the Year Ended December 31, 2018 vs. December 31, 2017.

Revenues, Cost of Sales and Gross Margins

The Group's Revenues during the year 2018 grew to **₱88.611** billion, about 99% higher compared to the **₱44.426** billion generated in 2017. This was due to the combined effect of the **49%** growth in total volume sold in the same period (2018: 2,747 million liters vs. 2017: 1,844 million liters) and the increase in the domestic selling prices of the products as a result of the 31% increase in the price of Dubai crude (benchmark crude of Asian refineries) average (2018: US\$69.65/ bbl vs. US\$53.14/ bbl) as well as the implementation of the new excise tax rates on the sale of domestic petroleum products. This was augmented by the **₱1.308** billion sales contributed by Philippine FamilyMart CVS, Inc. (PFM) and **₱54** million sales contributed by Action Able, Inc.

The 903 million liters incremental sales volume was mainly attributable to the 758 million liters sold by Pnx Singapore. In addition, volume sold by both the parent company and Phoenix LPG Philippines, Inc. rose by 139 million liters (8%) and 31 million liters (22%), respectively, during the comparative years.

Similarly, Cost of Sales and Services increased by 106%, from **₱37.909** billion in 2017 to **₱78.839** billion in 2018, as a result of the volume growth, aggravated by the higher product costs reflecting the global oil price movements, as well as the imposition of the new excise tax rates on petroleum products starting in January 1, 2018.

Consequently, Gross Margin rose by 58% or ₱3.596 billion. On the other hand, Gross Margin Rate decreased to 12% from the 16% registered in 2017. This was primarily due to the change in the company's sales volume mix. The volume sold to commercial accounts as well as PNX Singapore sales to external customers grew faster (by 12% and 3877%) than volume sold through the company's retail outlets where margins are generally higher.

Operating Expenses, Non-operating Expenses, Recurring Income

Meanwhile, Selling and Administrative Expenses of ₱5.741 billion, up by 36% versus the ₱4.134 billion incurred in 2017, primarily because of the cost outlay of the new businesses.

On the other hand, Other Net Non-operating Charges of ₱0.656 billion was 970% greater than the ₱0.061 billion incurred in 2017. This year includes ₱0.625 billion fair value gains on Investment Property while previous year's balance included ₱0.650 billion one-time gain on fair value of acquired asset. However, even excluding this one-time gain, 2018 Net Non-operating Charges still reflected a 80%, mainly due to the rise in borrowing rates as the Bangko Sentral ng Pilipinas (BSP) increased the benchmark rates three times or an equivalent of 1.75% in 2018. Furthermore, additional debt service was incurred due to the acquisition of the new businesses which were funded by short-term debt.

Despite the increases in both operating and non-operating expenses, the net income after tax of ₱2.767 billion, rose by 82% from 2017 re-stated level of ₱1.521 billion.

Non-recurring Transactions and Net Income

Meanwhile, the company recorded non-recurring transactions, principally as a result of the excess of the fair value over the acquisition cost of the Investment Properties amounting to ₱0.650 billion in 2017. In 2018, the fair value increment of ₱0.625 billion.

Considering these adjustments, as well as the ₱0.029 million translation adjustment related to Pnx SG, and the fair value revaluation of land assets amounting to ₱1.220 total Comprehensive Income stood at ₱3.568 billion, 134% higher than the ₱1.527 billion re-stated report in 2017.

The fair value revaluation of land assets was in compliance with Philippine Accounting Standards No. 16, which requires that revaluations be carried out regularly for the entire class of assets to which that asset belongs. Specifically, since the land assets of the PLPI were recorded at fair market even prior to its purchase by the Company, the company opted to similarly reflect the fair value of all its land holdings.

Financial Condition

(As of December 31, 2018 versus December 31, 2017)

Total resources of the Group as of December 31, 2018 stood at ₱64.600 billion, a 46% growth compared to the ₱44.173 billion level as of December 31, 2017. This was mainly due to the increases in Property, Plant, and Equipment, including the revaluation of the

Land Assets and Goodwill, the latter of which was incurred in relation to the acquisition of Philippine FamilyMart CVS, Inc. and Action Able, Inc.

As a result of the doubling of revenues, Cash and Cash Equivalents as well Trade and Other Receivables rose by 331% (from ₱1.832 billion in December 31, 2017 to ₱7.890 billion as of December 31, 2018), and 95% (from ₱7.509 billion as of December 31, 2017 to ₱15.031 billion as of December 31, 2018), respectively.

Inventories declined by 10% to ₱11.135 billion as of December 31, 2018, from ₱12.970 billion as of December 31, 2017. The build-up in December 2017 was brought about by the confluence of the following factors: to address the new businesses such as LPG with the purchase of PEPI, operation of Pnx SG and the volume requirements of the new accounts, higher price of imported petroleum products as a result of movement of prices in the international market, and the decrease in the demand for IFO by the power companies.

As of December 31, 2018, the Group's Property and Equipment, net of accumulated depreciation, increased to ₱18.716 billion versus the ₱13.400 billion as of December 31, 2017 (by 40%), representing the assets of the newly acquired subsidiaries, the fair value revaluation of the Land Assets as well as the continuing expansion program of the group.

Interest-bearing Loans and Borrowings, both current and non-current, was up by 42% from ₱28.171 billion as of December 31, 2017 to ₱39.900 billion as of December 31, 2018. The increment of ₱11.728 billion was from the availment of new loans to service the working capital requirements of the new businesses, the bulk of which by PNx SG, as well as the company's various capital expenditures.

Trade and Other Payables increased by 107% from ₱3.584 billion as of December 31, 2017 to ₱7.435 billion as of December 31, 2018 due to the additional trade transactions of the new subsidiaries.

Total Stockholders' Equity increased to ₱15.974 billion as of December 31, 2018 from ₱11.683 billion as of December 31, 2017, (by 37%) resulting from the earnings generated and non-recurring gains during the year. This was partly offset by the declaration of cash dividends for both common and preferred shares. In addition, new stocks were issued in relation to the Company's Employee Stock Option Plan (ESOP).

Key Performance Indicators and Relevant Ratios

The Group's key performance indicators and relevant ratios and how they are computed are listed below:

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Current Ratio ¹	1.1x : 1x	1.2x : 1x
Debt to Equity Ratio ²	3.0x : 1x	<u>2.8x : 1x</u>
Net Book Value per Share ³	₱8.53	₱8.33

Debt to Equity Interest-Bearing ⁴	2.5x : 1x	2.4x : 1x
Earnings per Share ⁵	<u>₱1.72</u>	<u>₱0.96</u>

Notes:

1 - Total current assets divided by current liabilities

2 - Total liabilities divided by tangible net worth

3 - Total stockholder's equity (net of Preferred) divided by the total number of shares issued and outstanding

4 - Interest Bearing Debts divided by Total stockholder's equity (net of Preferred)

5 - Period or Year Net income after tax divided by weighted average number of outstanding common shares

These key indicators were chosen to provide management with a measure of the Group's financial strength (Current Ratio and Debt to Equity) and the Group's ability to maximize the value of its stockholders' investment in the Group (Return on Equity, Net Book Value Per Share and Earnings Per Share). Likewise, these ratios are used to compare the Group's performance with similar companies.

Material (5% or more) Changes to the Group's Balance Sheet as of December 31, 2018 vs. December 31, 2017

331% increase in Cash and Cash Equivalents

Increased cash inflow due to the 99% increase in revenue compared to the previous period.

95% increase in Trade Receivables

A result of the 99% increase in revenue brought about by the increase in sales volume this period compared to the previous period.

10% decrease in Inventory

This is the normal minimum inventory requirement given the current growth in revenue.

81% increase in Due from related parties

In line with the plan of the company to further expand its operations in Luzon, the company advance funds to CISC to enable the latter to upgrade and improve wharf facilities, which will redound to the benefit and improve the company's supply operations.

14% decrease in Net Input VAT

In relation to the decrease in inventory movement.

14% increase in Prepayments and other current assets

Due to the renewal of insurances of all the assets, prepaid rentals advertising and other services and acquisitions which will cover the periods beyond December 31, 2018.

40% increase in PPE

Due to new acquisitions, and construction of new retail and depot facilities and the fair value revaluation of land assets of ₱1.219 billion.

11% increase in Intangible Assets

Due to new software acquisitions for the new subsidiaries.

100% increase in Investment in a Joint Venture

Additions from newly concluded Joint Ventures such as Phoenix Asphalt Philippines, Inc.(PAPI), Phoenix Southern Petroleum, Corp. (PSPC) and Galaxi Petroleum Fuel, Inc.

56% increase in Investment Properties

Resulting from the latest appraisal of the particular investment properties, specifically the land assets of PLPI.

11% increase in Goodwill

Due to the acquisition of PFM, Think Able and Action Able.

614% increase in Other Non-current Assets

Due to the acquisition of PFM and additional rental deposits for the new leases intended for network expansions and option agreements related to property acquisitions.

38% decrease in Deferred Tax Assets

Due to increase in accrued revenues

57% increase in Current Interest-bearing loans

Due to the reclassification of certain long-term loans that are due in the next 12 months as well as the additional loans incurred to finance the working capital requirements of Pnx SG.

107% increase in Trade and Other payables

Due to the increased trade transaction of the new subsidiaries.

2607% increase in Income Tax payable

Due to the increase in Income Tax from Non-ITH segments.

19% increase in Non-current Interest-bearing loans

Due the availment of certain long-term loans within the year.

181% increase in Deferred Tax Liabilities

Increase due the deferred taxes computed on the Fair Value Increment from Investment Property and Land Assets.

25% increase in Non-current liabilities

Due the increase security deposits from customers of PPPI and PLPI.

27% increase in Additional Paid in Capital

Coming from the receipt in excess of the par value of the ₱2.0 million Preferred Shares last December, net of the APIC from the redeemed ₱5.0 million shares.

35984% Decrease in Revaluation Reserve

Due to Fair Value Appraisal of the Land Assets.

757% decrease in Accumulated Translation Adjustments

Due to increased transaction of the foreign currency denominated subsidiary, Pnx Singapore.

44% increase in Retained Earnings

Increase coming the Net Income after tax and fair value revaluation of the Land Assets and Investment properties net of the dividends declared and distributed during the year.

Material (5% or more) changes to the Group's Income Statement as of December 31, 2018 vs. December 31, 2017

99% increase in Sale of Goods

Due to the revenues coming from the new subsidiaries namely; PLPI, Duta Group, PFM and Pnx SG, coupled with, higher fuel prices (by 30%^[ZS1] %) and additional volume sold relative to last year (by 49%). The parent company recorded an 8% improvement on its volume sold this year.

138% increase in fuel service, storage income, rental income and other revenue

This is due to the revenues from the newly acquired subsidiary – PFM and Action Able, Inc.

106% increase in Cost of Sales and Services

This mirrors the increase in the sale of goods, reflecting the price movements in the world market during the year which is higher compared to the same period in 2017. The increase in excise tax rates on petroleum products also contributed to the increment.

36% increase in selling and administrative expenses

This is primarily because of the operating requirements of the new subsidiaries. The expansion program of the group caused higher salaries and wages, depreciation, fuel expenses and other operating expenses. The launching of various advertisements and promotions like PULSE Technology are also factors causing the increment.

70% increase in Finance Costs

A substantial portion represents interest from the P6B loan used to acquire Petronas during the last quarter of 2017.

80% increase in Finance Income and Others

These pertain to the reversal of certain bad debts, which were collected in 2018, expenses accrued in the prior years which would no longer be paid, net realized and unrealized forex gains.

100% increase in Equity Share in Net Income of a Joint Venture

This is the net share from PAPI, PSPC and Galaxi join ventures.

49% increase in Income Tax Expense

Substantial portion comes from the new businesses net of the ITH holiday benefit of the parent.

657% increase in Translation Adjustments

Due to the increased forex exposure on the increased transactions of the foreign denominated subsidiary.

100% increase in Revaluation of Land

This is the result of the appraisal of the Land Assets of PPPI.

345% decrease in Remeasurement of Retirement Benefit Obligation

This is the result of the Actuarial Valuation Report per revised PAS 19.

8331% increase in Deferred Tax Expense

Due to the increase in Other Comprehensive Income subject to deferred tax liability.

There are no other material changes in the Group's financial position (5% or more) and condition that will warrant a more detailed discussion. Furthermore, there are no material events and uncertainties known to management that would impact or change the reported financial information and condition of the Group.

III. EXTERNAL AUDIT FEES

(please refer to pages 36-37 of the Information Statement - form 20-IS)

IV. Market price of and Dividends on required by Part V of Annex C, as amended

(1) Market Information

The Company's common shares were listed and traded at the Philippine Stock Exchange ("PSE") starting on July 11, 2007. The high and low sale prices of each period for years 2020 and 2019 are hereunder shown:

2020

PNX

	Highest Close	Lowest Close
Period	Price	Price
First Quarter	12.00	09.64
Second Quarter	12.00	10.18
Third Quarter	11.44	11.00
Fourth Quarter	14.88	11.10

2019

PNX

	Highest Close	Lowest Close
Period	Price	Price
First Quarter	12.30	10.70
Second Quarter	12.30	11.76
Third Quarter	12.20	10.44
Fourth Quarter	11.94	10.98

As of 22 March, 2021, the Company's closing share price is at Php 11.78, with a market capitalization of approximately Php16,989,501,137.60.

Preferred Shares

The 1st tranche preferred shares of the Company were issued on September 21, 2010 by way of private placement and/or sale under SRC Rule 10.1 (k) and (l) to qualified institutional buyers, hence, exempt from the registration requirement of the SRC. Therefore, these shares were not listed with and traded in the Exchange.

The 2nd tranche preferred (PNXP) shares of the Company were redeemed last December 20, 2018 at Php 100.00 per share or a total of Five Hundred Million Pesos (Php500,000,000.00). These PNXP shares shall form part of the preferred treasury shares of the company.

The 3rd tranche preferred shares of the Company consisting of 20,000,000 preferred shares were registered on December 3, 2015 and listed with the Exchange on December 18, 2015. The 3rd tranche were issued under the following series:

Series 3A (PNX3A) is entitled to an Optional Redemption on the 3rd Anniversary of the Listing Date and is subject to a Step-Up Dividend Rate on the 5th anniversary of the Listing Date and was eventually redeemed on December 18, 2020; and

Series 3B (PNX3B) is entitled to an Optional Redemption on the 5th anniversary of the Listing Date and is subject to a Step-Up Dividend Rate on the 7th anniversary of the Listing Date.

The 4th tranche of preferred shares (PNX4) of the Company consisting of 7,000,000 preferred shares was granted by the Securities and Exchange Commission (SEC) a Certificate of Permit to Offer Securities for Sale covering such shares on October 21, 2019 and listed with the Exchange on November 7, 2019.

The high and low sale prices for each period of PNX3A, PNX3B and PNX4 shares for the year **2020 and 2019** are hereunder shown:

2020

Series 3A (PNX3A)

	Highest Close	Lowest Close
Period	Price	Price
First Quarter	102.50	98.70
Second Quarter	102.00	98.00
Third Quarter	102.00	96.45
Fourth Quarter	101.90	98.00

2020

Series 3B (PNX3B)

	Highest Close	Lowest Close
Period	Price	Price
First Quarter	109.70	100.00
Second Quarter	107.00	100.00
Third Quarter	109.00	100.00
Fourth Quarter	105.50	101.90

2019

Series 3A (PNX3A)

	Highest Close	Lowest Close
Period	Price	Price
First Quarter	102.00	98.75
Second Quarter	104.00	99.00
Third Quarter	102.00	99.50
Fourth Quarter	102.30	100.00

2019

Series 3B (PNX 3B)

	Highest Close	Lowest Close
Period	Price	Price
First Quarter	108.00	103.00
Second Quarter	107.00	102.00
Third Quarter	110.00	103.70
Fourth Quarter	110.00	103.10

2020

Series 4 (PNX4)

	Highest Close	Lowest Close
Period	Price	Price
First Quarter	1,054.00	990.00
Second Quarter	1,010.00	993.00
Third Quarter	1,035.00	940.00
Fourth Quarter	1,007.00	947.00

2019

Series 4 (PNX4)

	Highest Close	Lowest Close
Period	Price	Price
Fourth Quarter	1,054.00	1,014.00

(1) Holders

**Top 20 Stockholders of Common Shares
As of February 28, 2021**

#	NAME OF STOCKHOLDERS	OWNERSHIP (in %)	OUTSTANDING & ISSUED SHARES
1	PHOENIX PETROLEUM HOLDINGS INC.	40.91	588,945,630
2	ES CONSULTANCY GROUP, INC.	23.63	340,270,980
3	UDENNA CORPORATION	18.56	267,245,918
4	PCD NOMINEE CORPORATION (FILIPINO)	10.61	152,659,286
5	PCD NOMINEE CORPORATION - (NON-FILIPINO)	4.38	63,111,863
6	UDENNA MANAGEMENT & RESOURCES CORP.	0.81	11,661,195
7	DENNIS A. UY	0.39	5,620,811
8	JOSELITO R. RAMOS	0.33	4,812,600
9	UDENCO CORPORATION	0.11	1,614,787
10	DENNIS A. UY &/OR CHERYLYN C. UY	0.07	1,098,060
11	DOMINGO T. UY	0.04	645,919
12	ERIC U. LIM OR CHRISTINE YAO LIM	0.02	319,000
13	MARJORIE ANN LIM LEE OR PAULINE ANN LIM	0.02	300,000
14	EDWIN U. LIM OR GENEVIEVE LIM	0.02	300,000
15	ZENAIDA CHAN UY	0.01	149,058
16	REBECCA PILAR CLARIDAD CATERIO	0.01	148,453
17	SOCORRO ERMAC CABREROS	0.007	103,316
18	IGNACIA S. BRAGA IV	0.005	71,019
19	EMERICK JEFFERSON SY GO &/OR GIRLIE NG GO	0.005	64,592
20	RODOLFO B. APILADO	0.005	53,235

Preferred Shares

The holders of the preferred shares 3rd tranche and Series 4 of the Company as of 28 February 2021 are as follows:

3rd Tranche

PNX3B (Series B)

COMPANY NAME : PHOENIX PETROLEUM PHILS, INC. - PRF3

LIST OF ALL STOCKHOLDERS
As Of February 28, 2021

STOCKHOLDER'S NAME	OUTSTANDING & ISSUED SHARES (FULLY PAID)	OUTSTANDING & ISSUED SHARES (PARTIALLY PAID)	TOTAL HOLDINGS (SUBSCRIBED)	PERCENTAGE TO TOTAL
PCD NOMINEE CORPORATION (FILIPINO)	7,459,720	0	7,459,720	99.463
PCD NOMINEE CORPORATION (NON-FILIPINO)	27,670	0	27,670	0.369
KNIGHTS OF COLUMBUS FRATERNAL ASSOCIATION OF THE PHILS., INC.	6,910	0	6,910	0.092
ANTONIO T. CHUA	5,700	0	5,700	0.076
GRAND TOTAL (4)	7,500,000	0	7,500,000	100.000

Series 4

PNX4

COMPANY NAME : PHOENIX PETROLEUM PHILS., INC.-PREF SERIES 4

LIST OF ALL STOCKHOLDERS
As Of February 28, 2021

STOCKHOLDER'S NAME	OUTSTANDING & ISSUED SHARES (FULLY PAID)	OUTSTANDING & ISSUED SHARES (PARTIALLY PAID)	TOTAL HOLDINGS (SUBSCRIBED)	PERCENTAGE TO TOTAL
PCD NOMINEE CORPORATION (FILIPINO)	6,931,245	0	6,931,245	99.018
PCD NOMINEE CORPORATION (NON-FILIPINO)	53,405	0	53,405	0.763
G. D. TAN & CO., INC.	9,000	0	9,000	0.129
KNIGHTS OF COLUMBUS FRATERNAL ASSOCIATION OF THE PHILIPPINES., INC	3,350	0	3,350	0.048
ANTONIO T. CHUA	3,000	0	3,000	0.043
GRAND TOTAL (5)	7,000,000	0	7,000,000	100.000

The issuance of the Offer Shares shall have no effect on the amount and percentage of the present holdings of the Company's common shareholders. Neither is there any effect of this issuance on the percentage of the Company's shares beneficially owned by foreigners.

(2) Dividends

The Company's dividend policy is to declare dividends of up to 20% of the Company's net income of the previous year after appropriation. This will be taken out of the Company's unrestricted retained earnings.

Each holder of a common share is entitled to such dividends as may be declared in accordance with the Company's dividend policy. The Company's current dividend policy entitles holders of common shares to receive dividends based on the recommendation of the Board of Directors. Such recommendations will consider such factors as operating expenses, implementation of business plans, and working capital.

History of Dividend Income Payment

1. Company

a. Dividends on Common Shares

Date Declared	Dividend Rate	Record Date	Payment Date	Total Amount
March 14, 2019	Cash Dividend of ₱0.15 per share	April 8, 2019	May 8, 2019	₱210,495,634.80
January 25, 2018	Cash Dividend of ₱0.15 per share	Apr 2, 2018	April 26, 2018	₱207,954,037.36
January 25, 2017	Cash Dividend of ₱0.10 per share	March 30, 2017	April 27, 2017	₱136,468,719.08
March 18, 2016	Cash Dividend of ₱0.08 per share	April 05, 2016	April 29, 2016	₱114,302,178.56
March 4, 2015	Cash Dividend of ₱0.05 per share	March 18, 2015	April 16, 2015	₱71,438,861.60
January 29, 2014	Cash Dividend of ₱0.10 per share	March 17, 2014	April 11, 2014	₱142,877,723.20
January 24, 2013	30% Stock Dividend	May 15, 2013	June 10, 2013	₱329,717,232.00
	Cash Dividend of ₱0.10 per share	April 11, 2013	May 8, 2013	₱103,605,941.60

b. Cash Dividend on Preferred Shares

Since the issuance of the preferred shares of the Company on September 21, 2010 (the 1st tranche), the Company has declared quarterly dividends fixed at 11.50% per annum, calculated in respect of each share with reference to the Issue Price thereof on each dividend period. This translates to a cash dividend amounting to ₱2.875 per share per quarter. The cash dividends were paid on September 21, December 21, March 21 and June 21 of each year starting December 21, 2010 until the preferred shares were redeemed on December 20, 2013.

1st Tranche				
Date Declared	Dividend Rate	Record Date	Payment Date	Total Amount
December 5, 2013	₱2.875 per share	N/A	Dec. 20, 2013	₱14,375,000.00
September 5, 2013	₱2.875 per share	N/A	Sep. 21, 2013	₱14,375,000.00
June 5, 2013	₱2.875 per share	N/A	June 21, 2013	₱14,375,000.00

Mar 5, 2013	P2.875 per share	N/A	Mar. 21, 2013	P14,375,000.00
December 5, 2012	P2.875 per share	N/A	Dec. 21, 2012	P14,375,000.00
September 5, 2012	P2.875 per share	N/A	Sep. 21, 2012	P14,375,000.00
June 4, 2012	P2.875 per share	N/A	June 21, 2012	P14,375,000.00
March 05, 2012	P2.875 per share	N/A	Mar. 21, 2012	P14,375,000.00
December 1, 2011	P2.875 per share	N/A	Dec. 21, 2011	P14,375,000.00
August 12, 2011	P2.875 per share	N/A	Sep. 21, 2011	P14,375,000.00
May 12, 2011	P2.875 per share	N/A	June 21, 2011	P14,375,000.00
March 11, 2011	P2.875 per share	N/A	Mar. 21, 2011	P14,375,000.00
September 21, 2010	P2.875 per share	N/A	Dec. 21, 2010	P14,375,000.00

On December 20, 2013, in order to redeem the 1st tranche of preferred shares, the Company issued the 2nd tranche of preferred shares with the same amount and features except for the rate, which was reduced to 8.25% per annum. The dividends are calculated on a 30/360 day basis and have a priority in the payment of dividends at the fixed rate of 8.25% per annum at the time of issuance, which translates to a cash dividend amounting to P2.0625 per share per quarter. These shares are also preferred in the distribution of corporate assets in the event of liquidation and dissolution of the Company.

The 2nd tranche preferred (PNXP) shares of the Company were redeemed last December 20, 2018 at Php 100.00 per share or a total of Five Hundred Million Pesos (Php500,000,000.00). These PNXP shares shall form part of the preferred treasury shares of the company.

2nd Tranche				
Date Declared	Dividend Rate	Record Date	Payment Date	Total Amount
Nov. 7, 2018	P2.0625 per share	Nov. 23, 2018	Dec. 20, 2018	P10,312,500.00
Aug 6, 2018	P2.0625 per share	Aug 24, 2018	Sep. 20, 2018	P10,312,500.00
May 7, 2018	P2.0625 per share	May 24, 2018	June 20, 2018	P10,312,500.00
Feb, 2018	P2.0625 per share	Feb 22, 2018	Mar. 20, 2018	P10,312,500.00
Nov. 6, 2017	P2.0625 per share	Nov. 23, 2017	Dec. 20, 2017	P10,312,500.00
Aug 3, 2017	P2.0625 per share	Aug. 24, 2017	Sep. 20, 2017	P10,312,500.00
May 4, 2017	P2.0625 per share	May 24, 2017	June 20, 2017	P10,312,500.00
Feb 6, 2017	P2.0625 per share	Feb 22, 2017	Mar. 20, 2017	P10,312,500.00
Nov 7, 2016	P2.0625 per share	Nov 2016	Dec. 2016	P10,312,500.00
Aug 10, 2016	P2.0625 per share	Aug 24, 2016	Sep. 20, 2016	P10,312,500.00
May 11, 2016	P2.0625 per share	May 26, 2016	June 20, 2016	P10,312,500.00
March 10, 2016	P2.0625 per share	Feb 23, 2016	Mar. 21, 2016	P10,312,500.00
Nov 10, 2015	P2.0625 per share	Nov. 26, 2015	Dec. 20, 2015	P10,312,500.00
Aug 10, 2015	P2.0625 per share	Aug. 25, 2015	Sep. 21, 2015	P10,312,500.00
May 12, 2015	P2.0625 per share	May 12, 2015	June 22, 2015	P10,312,500.00
Feb 6, 2015	P2.0625 per share	Feb. 24, 2015	Mar. 20, 2015	P10,312,500.00
N/A	P2.0625 per share	N/A	Dec. 22, 2014	P10,312,500.00
N/A	P2.0625 per share	N/A	Sep. 22, 2014	P10,312,500.00
N/A	P2.0625 per share	N/A	June 20, 2014	P10,312,500.00
N/A	P2.0625 per share	N/A	Mar. 20, 2014	P10,312,500.00

The 3rd tranche preferred shares of the Company consisting of 20,000,000 preferred shares were registered on December 3, 2015 and listed with the Exchange on December 18, 2015. The 3rd tranche were issued under the following series:

Series 3A (PNX3A) is entitled to an Optional Redemption on the 3rd Anniversary of the Listing Date and is subject to a Step-Up Dividend Rate on the 5th anniversary of the Listing Date; and

Series 3A (PNX3A) was redeemed last December 18, 2020 at a redemption price of Php100.00.

Series 3B (PNX3B) is entitled to an Optional Redemption on the 5th anniversary of the Listing Date and is subject to a Step-Up Dividend Rate on the 7th anniversary of the Listing Date.

3rd Tranche PNX3A				
Date Declared	Dividend Rate	Record Date	Payment Date	Total Amount
Nov. 6, 2020	₱1.857 per share	Nov. 20, 2020	Dec. 18, 2020	₱23,212,500.00
Aug. 6, 2020	₱1.857 per share	Aug. 24, 2020	Sep. 18, 2020	₱23,212,500.00
May 4, 2020	₱1.857 per share	May 22, 2020	June 18, 2020	₱23,212,500.00
Feb. 5, 2020	₱1.857 per share	Feb. 20, 2020	March 18, 2020	₱23,212,500.00
Nov. 6, 2019	₱1.857 per share	Nov. 22, 2019	Dec. 18, 2019	₱23,212,500.00
Aug. 5, 2019	₱1.857 per share	Aug. 22, 2019	Sep. 18, 2019	₱23,212,500.00
May 6, 2019	₱1.857 per share	May 22, 2019	June 18, 2019	₱23,212,500.00
Feb. 4, 2019	₱1.857 per share	Feb. 19, 2019	March 18, 2019	₱23,212,500.00
Nov. 7, 2018	₱1.857 per share	Nov. 21, 2018	Dec. 18, 2018	₱23,212,500.00
Aug. 6, 2018	₱1.857 per share	Aug. 22, 2018	Sep. 18, 2018	₱23,212,500.00
May 7, 2018	₱1.857 per share	May. 22, 2018	June 18, 2018	₱23,212,500.00
Feb. 5, 2018	₱1.857 per share	Feb. 21, 2018	Mar 19, 2018	₱23,212,500.00
Nov. 3, 2017	₱1.857 per share	Nov. 23, 2017	Dec. 18, 2017	₱23,212,500.00
Aug. 2, 2017	₱1.857 per share	Aug. 24, 2017	Sep. 16, 2017	₱23,212,500.00
May 3, 2017	₱1.857 per share	May 24, 2017	June 19, 2017	₱23,212,500.00
Feb. 13, 2017	₱1.857 per share	Feb. 22, 2017	Mar. 20, 2017	₱23,212,500.00
Nov. 7, 2016	₱1.857 per share	Nov. 22, 2016	Dec. 19, 2016	₱23,212,500.00
Aug. 10, 2016	₱1.857 per share	Aug. 23, 2016	Sep. 19, 2016	₱23,212,500.00
May 11, 2016	₱1.857 per share	May. 25, 2016	June 21, 2016	₱23,212,500.00
Mar.10, 2016	₱1.857 per share	Feb. 23, 2016	Mar 18, 2016	₱23,212,500.00

3rd Tranche PNX3B				
Date Declared	Dividend Rate	Record Date	Payment Date	Total Amount
Nov. 6, 2020	₱2.027 per share	Nov. 20, 2020	Dec. 18, 2020	₱15,202,500.00
Aug. 6, 2020	₱2.027 per share	Aug. 24, 2020	Sep. 18, 2020	₱15,202,500.00
May 4, 2020	₱2.027 per share	May 22, 2020	June 18, 2020	₱15,202,500.00
Feb. 5, 2020	₱2.027 per share	Feb. 20, 2020	March 18, 2020	₱15,202,500.00
Nov. 6, 2019	₱2.027 per share	Nov. 22, 2019	Dec. 18, 2019	₱15,202,500.00
Aug. 5, 2019	₱2.027 per share	Aug. 22, 2019	Sep. 18, 2019	₱15,202,500.00
May 6, 2019	₱2.027 per share	May 22, 2019	June 18, 2019	₱15,202,500.00
Feb. 4, 2019	₱2.027 per share	Feb. 19, 2019	Mar. 18, 2019	₱15,202,500.00
Nov. 7, 2018	₱2.027 per share	Nov. 21, 2018	Dec. 18, 2018	₱15,202,500.00
Aug. 6, 2018	₱2.027 per share	Aug. 22, 2018	Sep. 18, 2018	₱15,202,500.00
May 7, 2018	₱2.027 per share	May. 22, 2018	June 18, 2018	₱15,202,500.00
Feb. 5, 2018	₱2.027 per share	Feb. 21, 2018	Mar 19, 2018	₱15,202,500.00
Nov. 3, 2017	₱2.027 per share	Nov. 23, 2017	Dec. 18, 2017	₱15,202,500.00
Aug. 2, 2017	₱2.027 per share	Aug. 24, 2017	Sep. 16, 2017	₱15,202,500.00
May 3, 2017	₱2.027 per share	May 24, 2017	June 19, 2017	₱15,202,500.00
Feb. 13, 2017	₱2.027 per share	Feb. 22, 2017	Mar. 20, 2017	₱15,202,500.00

Nov. 7, 2016	P2.027 per share	Nov. 22, 2016	Dec. 19, 2016	P15,202,500.00
Aug. 10, 2016	P2.027 per share	Aug. 24, 2016	Sep. 19, 2016	P15,202,500.00
May 11, 2016	P2.027 per share	May. 26, 2016	June 21, 2016	P15,202,500.00
Mar.10, 2016	P2.027 per share	Feb. 23, 2016	Mar. 18, 2016	P15,202,500.00

The 4th tranche of the preferred shares of the Company under PN4 consisting of 7,000,000 preferred shares were issued at P1,000 per share and listed with the Exchange on November 7, 2019. It has a fixed dividend rate of 7.5673% or P75.673 per annum, payable quarterly, and is entitled to an Optional Redemption on the 3rd Anniversary of the Listing Date and is subject to a Step-Up Dividend Rate on the 3rd anniversary of the Listing Date.

4th Tranche (PN4)				
Date Declared	Dividend Rate	Record Date	Payment Date	Total Amount
Nov. 4, 2020	P18.92 per share	Nov. 19, 2020	Nov. 20, 2020	P132,427,750.00
Aug. 4, 2020	P18.92 per share	Aug. 18, 2020	Aug. 20, 2020	P132,427,750.00
May 4, 2020	P18.92 per share	May 18, 2020	May 22, 2020	P132,427,750.00
Feb. 5, 2020	P18.92 per share	Feb.19, 2020	Feb.21, 2020	P132,427,750.00

(3) Recent Sale of Unregistered Securities or Exempt Securities Including Recent Issuance of Securities Constituting an Exempt Transaction

The Company has not sold or transferred any securities that is not registered under the Code nor did it issue any additional securities in exchange for any properties, services and other securities.

V. DISCUSSION ON COMPLIANCE WITH LEADING PRACTICE ON CORPORATE GOVERNANCE.

Corporate powers and governance of the Company is exercised by the Board of Directors which consists of eleven (11) members, three (3) of whom are independent directors. As a matter of policy and based on good corporate practice, unless a special meeting is called upon for a specific purpose, the Board regularly meets every quarter wherein which the relevant corporate issues may be raised for discussion and voted by the members of the Board.

Last March 07, 2008, during the regular meeting of the Board, the Manual of Corporate Governance which incorporated the best practices was approved and adopted to establish the principles of good corporate governance for the entire Corporation. The adoption of the new Manual of Corporate Governance replaces the old manual of corporate governance prescribed by the SEC which was then observed and followed by the Company. Moreover, the adoption of the new Manual now complies with the SEC requirement that before assuming office, a director must attend a seminar on corporate governance conducted by a duly recognized government or private institution.

Last January 30, 2008, the Company through the Corporate Secretary has submitted a document certifying the attendance of the members of the Board of Directors in all regular meetings for the year 2007 as well as the compliance to the provisions of the Manual of Corporate Governance prescribed by the SEC as adopted by the Company.

March 03, 2009 was the submission and compliance with the Certification of the Company's Compliance Officer to the extent of compliance with its Manual for Corporate Governance.

As of 2019, there were no reported deviations on the Company's Manual of Corporate Governance.

In its November 2019 Board of Directors Meeting, the Board approved several new and/or revised policies of the company relating to its Confidentiality of Information, Conflict of Interest, Whistleblowing, Anti-Corruption and Bribery, Insider Trading, Related Party Transactions, and Health, Safety and Environment Policies.

As part of the Corporate Governance, the Group works on the early disclosures of quarterly and annual reports tot SEC and PSE.

Internal Audit Group of the Company conducts regular internal audit review to both processes, compliance to Company policies and procedures and risk analysis. Reports and recommendations submitted for board review and actions.

The Company plans on constantly improving corporate governance. The Company recognizes that corporate governance is not just a set of rules but a way of life, not just for the directors and officers of the Company but for every single employee. The Company intends to continuously re-evaluate its existing policies, implement reforms, emulate and improve on the best existing corporate practices of industry leaders in order to improve the quality of life of every employee, maximize returns to shareholders, to improve its relationship with business partners, and strengthen and widen the reach of its corporate social responsibility programs.

- VI. AS PART OF THE CORPORATE GOVERNANCE, THE COMPANY WILL PROVIDE WITHOUT CHARGE, UPON WRITTEN REQUEST TO THE CORPORATE SECRETARY OF THE COMPANY AT THE ADDRESS LISTED ON THE COVER PAGE OF THIS INFORMATION STATEMENT, A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A, INCLUDING THE FINANCIAL STATEMENTS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION FOR THE PERIOD ENDED SEPTEMBER 30, 2020. HOWEVER, UPON THE DISCRETION OF THE MANAGEMENT OF THE COMPANY, A CHARGE MAY BE MADE FOR EXHIBITS REQUESTED, WHICH CHARGE SHALL BE LIMITED TO REASONABLE EXPENSES THAT MAY BE INCURRED BY THE COMPANY IN FURNISHING SUCH EXHIBITS.**
- VII. 3rd QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED September 30, 2020 (Please see attached Annex "C")**

13 November 2020

Securities & Exchange Commission
Secretariat Building, PICC Complex
Roxas Blvd, Metro Manila

Philippine Stock Exchange
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

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

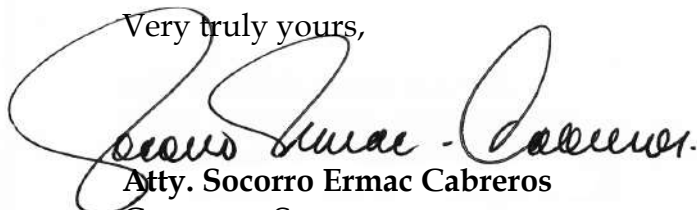
Atty. Marie Rose M. Magallen-Lirio
Head - Issuer Compliance and Disclosure Department (ICDD)

Sir and Mesdames:

We are herewith submitting the Company's third quarter report for period ended 30 September 2020 (SEC 17-Q) in compliance with the Securities Regulation Code and Revised Disclosure Rules.

Thank you and warm regards.

Very truly yours,



Atty. Socorro Ermac Cabreros
Corporate Secretary

COVER SHEET

A	2	0	0	2	0	7	2	8	3
---	---	---	---	---	---	---	---	---	---

S.E.C. Registration Number

P	H	O	E	N	I	X		P	E	T	R	O	L	E	U	M				
P	H	I	L	I	P	P	I	N	E	S		I	N	C	.					

P-H-O-E-N-I-X Petroleum Philippines, Inc.
(Company's Full Name)

S	T	E	L	L	A		H	I	Z	O	N		R	E	Y	E	S		R	D.
B	O.		P	A	M	P	A	N	G	A		L	A	N	A	N	G			
D	A	V	A	O		C	I	T	Y											

(Business Address: No. Street City / Town / Province)

DENNIS A. UY

Contact Person

(082) 235-8888

Company Telephone Number

1	2
----------	----------

Month

3	1
----------	----------

Day

Fiscal Year Ending

SEC FORM 17-Q
FORM TYPE

4

Month

XX

Day

Last Friday

Annual Meeting

CERTIFICATE OF PERMIT TO OFFER SECURITIES FOR SALE
Secondary License Type, if applicable

--	--	--

Dept. Requiring this Doc

--	--	--	--	--

Amended Articles Number/Section

75

Total No. of Stockholders

Total Amount of Borrowings

--	--	--	--	--

Domestic

--	--	--	--	--

Foreign

To be accomplished by SEC Personnel Concerned

--	--	--	--	--	--	--	--

File Number

LCU

--	--	--	--	--	--	--	--

Document I.D.

Cashier

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q, AS AMENDED

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended: 30 September 2020
2. SEC identification number: A200207283
3. BIR Tax Identification No. 006-036-274
4. Exact name of issuer as specified in its charter **P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC.**
5. Province, country or other jurisdiction of incorporation or organization Davao City, Philippines.
6. Industry Classification Code: (SEC Use Only)
7. Address of issuer's principal office: Stella Hizon Reyes Road, Bo.
Pampanga, Lanang, Davao City
Postal Code: 8000
8. Issuer's telephone number, including area code: (082) 235-8888
9. Former name, former address and former fiscal year, if changed since last report: Not Applicable
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each class	Number of Shares Outstanding
COMMON	1,407,977,232.00
PREFERRED	27,000,000.00

Amount of Debt Outstanding as of 30 September 2020: Php56,066,084,715.00

11. Are any or all of the securities listed on the Stock Exchange? Yes ☒ No ☐

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange
Common Shares
Preferred Shares

12. Check whether the issuer has:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports): Yes ☒ No ☐

(b) has been subject to such filing requirements for the past ninety (90) days: Yes ☒ No ☐

TABLE OF CONTENT

Particulars/Description	Page
Part I - Financial Statements	1 – 48
Item I - Consolidated Statements of Financial Position	1
Consolidated Statements of Comprehensive Income	2
Consolidated Statements of Changes in Equity	3
Consolidated Statements of Cash Flows	4
Notes to Consolidated Financial Statements	5 – 43
Item II - Management Discussion and Analysis of Financial Condition and Results of Operation	44 - 48
Part II - Other Information	48-52
Signatures	53

P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
UNAUDITED as of SEPTEMBER 30, 2020
(With Comparative Figures as of December 31, 2019)
(Amounts in Philippine Pesos)

			UNAUDITED	AUDITED
	Notes		September 30, 2020	December 31, 2019
<u>A S S E T S</u>				
CURRENT ASSETS				
Cash and cash equivalents	6	P	4,268,336,986	9,810,770,115
Trade and other receivables - net	6		15,539,575,041	15,973,133,966
Inventories - net	7		5,914,893,278	11,679,616,905
Due from related parties - net	12		32,913,767	1,986,811
RESTRICTED DEPOSITS	6		55,500,847	54,462,326
INPUT VAT - NET			2,097,621,780	2,905,878,621
Derivative Asset			78,063,844	-
Prepayments and other current assets			<u>2,426,960,075</u>	<u>1,931,536,398</u>
NON-CURRENT ASSETS				
Property, plant and equipment - net	8		29,952,550,187	27,378,864,900
Right-of-use assets - net			1,389,014,489	1,142,726,144
Investment properties			2,185,477,754	1,908,972,835
Intangible assets - net	9		288,435,482	310,277,916
Investments in joint ventures			1,518,682,738	1,432,709,636
Goodwill - net			4,632,397,417	4,632,397,418
Deferred tax assets - net			524,121,335	155,781,031
Other non-current assets			<u>6,476,156,881</u>	<u>7,638,262,244</u>
Total Non-current Assets			<u>46,966,836,283</u>	<u>44,599,992,124</u>
TOTAL ASSETS		P	<u>77,380,701,901</u>	P <u>86,957,377,266</u>
<u>LIABILITIES AND EQUITY</u>				
CURRENT LIABILITIES				
Interest-bearing loans and borrowings	10	P	37,815,754,123	38,143,058,891
Trade and other payables			3,458,638,528	11,841,661,093
Derivative financial liabilities			-	311,019,650
Lease liabilities			185,816,754	153,360,799
Income tax payable			<u>76,339,225</u>	<u>49,872,393</u>
Total Current Liabilities			<u>41,536,548,630</u>	<u>50,498,972,826</u>
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings			11,380,841,700	11,753,129,172
Lease liabilities			1,265,699,960	1,096,852,276
Deferred tax liabilities - net			804,163,570	748,398,599
Other non-current liabilities			<u>1,078,830,855</u>	<u>937,269,144</u>
Total Non-current Liabilities			<u>14,529,536,085</u>	<u>14,535,649,191</u>
Total Liabilities			<u>56,066,084,715</u>	<u>65,034,622,017</u>
EQUITY				
Equity attributable to parent company				
Capital stock	13		1,121,677,232	1,119,904,232
Additional paid-in capital			12,056,498,462	12,042,788,045
Revaluation reserves			792,769,233	806,868,975
Retained earnings			<u>7,287,294,319</u>	<u>7,876,463,627</u>
			21,258,239,246	21,846,024,879
Non-controlling interest			<u>56,377,940</u>	<u>76,730,370</u>
Total Equity			<u>21,314,617,186</u>	<u>21,922,755,249</u>
TOTAL LIABILITIES AND EQUITY		P	<u>77,380,701,901</u>	P <u>86,957,377,266</u>

See Notes to Consolidated Financial Statements.

P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020 and 2019

UNAUDITED
(Amounts in Philippine Pesos)

	YTD September		3rd Quarter (July - September)	
	2020	2019	2020	2019
REVENUES				
Sale of goods	P 55,643,051,024	72,430,134,877	19,980,119,749	21,647,273,992
Fuel service and other revenues	1,024,794,206	655,049,339	162,248,450	293,157,035
Rent income	107,740,956	83,957,779	21,715,850	28,930,690
	<u>56,775,586,186</u>	<u>73,169,141,995</u>	<u>20,164,084,049</u>	<u>21,969,361,717</u>
COST AND EXPENSES				
Cost of sales and services	51,577,790,616	65,873,286,467	18,444,010,914	20,316,296,573
Selling and administrative expenses	4,279,913,934	4,822,274,377	1,376,734,183	1,245,923,262
	<u>55,857,704,550</u>	<u>70,695,560,844</u>	<u>19,820,745,097</u>	<u>21,562,219,835</u>
OTHER CHARGES (INCOME)				
Finance costs	1,601,711,743	1,779,962,252	484,998,385	663,932,948
Finance income	(34,995,561)	(11,524,647)	(24,871,028)	(648,378)
Fair value gains on investment properties	-	-	-	-
Equity share in net income of joint ventures	(45,461,316)	(19,916,873)	(33,619,516)	(3,334,641)
Others - net	(285,731,908)	(346,316,744)	(257,228,357)	(337,538,856)
	<u>1,235,522,958</u>	<u>1,402,203,988</u>	<u>169,279,484</u>	<u>322,411,073</u>
PROFIT BEFORE TAX	(317,641,322)	1,071,377,163	174,059,468	84,730,809
TAX EXPENSE/(TAX INCOME)	(222,188,023)	153,077,336	(121,788,604)	63,257,280
NET PROFIT	<u>(95,453,299)</u>	<u>P 918,299,827</u>	<u>P 295,848,072</u>	<u>P 21,473,529</u>
NET PROFIT ATTRIBUTABLE TO:				
Parent company	(75,100,869)	P 931,530,741	292,696,109	27,594,243
Non-controlling interest	(20,352,430)	(13,230,914)	3,151,963	(6,120,714)
	<u>(95,453,299)</u>	<u>P 918,299,827</u>	<u>P 295,848,072</u>	<u>P 21,473,529</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Item that will be reclassified subsequently to profit or loss				
Translation adjustment related to a foreign subsidiary	(14,099,742)	19,891,126	(28,930,931)	(12,380,884)
Items that will not be reclassified subsequently to profit or loss				
Gain on revaluation of land	-	-	-	-
Remeasurements of post-employment defined benefit obligation	-	-	-	-
Tax expense	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Comprehensive Income - net of tax	(14,099,742)	19,891,126	(28,930,931)	(12,380,884)
TOTAL COMPREHENSIVE INCOME	<u>(109,553,041)</u>	<u>P 938,190,953</u>	<u>P 266,917,141</u>	<u>P 9,092,645</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Parent company	(89,200,611)	P 951,421,867	P 263,765,178	P 15,213,359
Non-controlling interest	(20,352,430)	(13,230,914)	3,151,963	(6,120,714)
	<u>(109,553,041)</u>	<u>P 938,190,953</u>	<u>P 266,917,141</u>	<u>P 9,092,645</u>
Basic Earnings per share	<u>P (0.42)</u>	<u>P 0.48</u>	<u>P 0.09</u>	<u>P (0.10)</u>
Diluted Earnings per share	<u>P (0.42)</u>	<u>P 0.48</u>	<u>P 0.09</u>	<u>P (0.10)</u>

	Capital Stock						Total Equity										
	Preferred		Common		Total Capital Stock	Additional Paid-in Capital	Revaluation Reserves	Other Reserves	Accumulated Translation Adjustment	Retained Earnings	the Shareholders of Parent Company	Non-controlling Interest	Total Equity				
	Preferred Stock	Treasury Stock - At Cost	Common Stock	Treasury Stock - At Cost													
Balance at January 1, 2020	37,000,000	(10,000,000)	1,437,204,232	(344,300,000)	1,119,904,232	12,042,788,045	806,868,975	-	-	7,876,463,627	21,846,024,879	76,730,370	21,922,755,249				
Cash dividends										(512,486,632)	(512,486,632.00)		(512,486,632.00)				
Adjustments for adoption of PFRS 16											-		-				
Preferred Stock Redemption					-						-		-				
Issuance of shares during the year					-						-		-				
Employee Share Options					-					3,830,970	3,830,969.82		3,830,969.82				
Stock Options Exercised			1,773,000		1,773,000.00	13,710,417				(5,412,777)	10,070,640.27		10,070,640.27				
Business combination											-		-				
Translation adjustments during the year							(14,099,742)			14,099,742	-		-				
Transfer to Retained Earnings										-	-		-				
Total comprehensive income										(89,200,611)	(89,200,611)	(20,352,430)	(109,553,041)				
for the year											-		-				
Balance at SEPTEMBER 30, 2020	37,000,000	(10,000,000)	1,438,977,232	(344,300,000)	1,121,677,232	12,056,498,462	792,769,233	-	-	7,287,294,320	21,258,239,247	56,377,940	21,314,617,186				
Balance at January 1, 2019																	
As previously reported	32,000,000	(10,000,000)	1,434,304,232	(344,300,000)	1,112,004,232	7,233,692,486	827,510,428	(730,361,725)	24,928,394	7,542,843,961	16,010,617,776	(36,944,919)	15,973,672,857				
Ac Adjustment from adoption of PFRS 9										(218,671,979)	(218,671,979)		(218,671,979)				
Rt Restatements										-	-		-				
As restated										-	-		-				
Cash dividends										(454,198,968)	(454,198,968)		(454,198,968)				
Issuance of shares during the year											-		-				
Acquisition of shares during the year		(500,000)			(500,000)	(499,500,000)					(500,000,000)		(500,000,000)				
Share-based compensation			2,698,055		2,698,055	20,863,768				4,427,906	27,989,729		27,989,729				
Business combination										(8,236,870)	(8,236,870)	11,641,883	3,405,013				
Translation adjustments during the year									(19,891,126)	(2,639,194)	(22,530,320)	(13,230,914)	(35,761,234)				
Total comprehensive income										951,421,867	951,421,867		951,421,867				
for the year											-		-				
Balance at September 30, 2019	32,000,000	-	10,500,000	1,437,002,287	-	344,300,000	1,114,202,287	6,755,056,254	827,510,428	-	730,361,725	5,037,268	7,814,946,723	15,786,391,235	-	38,533,950	15,747,857,285

PHOENIX PETROLEUM PHILIPPINES INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020 AND 2019
(Amounts in Philippine Pesos)

	2020 (Unaudited)	2019 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before tax	(317,641,320)	1,071,377,163
Adjustments for:		
Gain on revaluation of investment properties	-	-
Interest expense	1,225,418,586	1,877,284,036
Depreciation and amortization	991,788,906	1,113,889,394
Unrealized foreign currency exchange losses (gains) - net	9,495,312	42,036,455
Equity share in net loss (income) of joint ventures and an associate	(45,461,316)	(19,916,873)
Impairment losses on trade and other receivables	-	-
Impairment losses on other non-current assets	-	-
Interest income	(34,995,561)	(14,738,383)
Employee Share Options	(1,581,807)	8,236,870
Provisions for lost cylinder	-	-
Gain on bargain purchase	-	-
Loss (gain) on disposal of property and equipment	-	-
Operating profit (loss) before working capital changes	1,827,022,800	4,078,168,662
Decrease (increase) in trade and other receivables	433,558,925	2,089,300,155
Decrease in inventories	5,764,723,627	4,601,718,618
Decrease in Input value-added tax - net		
Decrease (increase) in land held for sale and land development costs	-	
Decrease in other current assets	233,730,799	(978,245,372)
Decrease in trade and other payables	(8,669,241,242)	(4,797,917,712)
Cash generated from operations	(410,205,091)	4,993,024,351
Cash paid for income taxes	(45,408,378)	(53,575,085)
Net Cash From Operating Activities	(455,613,469)	4,939,449,266
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of new subsidiaries	-	(867,650,081)
Acquisitions of property, plant and equipment	(4,581,826,419)	(4,982,026,615)
Additions to investment properties	(276,669,999)	
Decrease in other non-current assets	1,141,752,932	(5,713,068,808)
Acquisitions through business combinations, net of cash acquired	-	-
Advances to related parties	-	-
Translation of financial statement of foreign subsidiary	(13,594,661)	(22,530,320)
Additional investments in joint ventures	(40,511,786)	(945,584,199)
Proceeds from disposal of property and equipment	803,835,601	22,105,209
Interest received	34,995,561	14,738,383
Acquisitions of intangible assets	(12,269,287)	(29,570,547)
Net Cash Used in Investing Activities	(2,944,288,058)	(12,523,586,978)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from additional loans and borrowings	35,279,612,572	62,862,457,274
Repayments of interest-bearing loans and borrowings	(35,979,204,812)	(55,089,339,208)
Interest paid	(1,225,418,586)	(1,877,284,036)
Employee Share Options	1,773,000	4,427,906
Payments made to related parties	-	-
Additional borrowings from related parties	-	-
Collections from related parties	-	-
Payment of Cash Dividends	(512,486,632)	(454,198,968)
Advances to related parties	(30,926,956)	927,845,168
Acquisition of treasury shares	-	-
Increase (decrease) in other non-current liabilities	310,409,395	820,802,272
Deposit for future stock subscription	-	-
Decrease in revaluation reserves	-	-
Proceeds from issuance for shares of stock	-	-
Increase/decrease in APIC	13,710,417	(478,636,233)
Redemption of Preferred Stock	-	2,198,055
Proceeds from total return equity swap (TRES) transaction	-	-
Net Cash From Financing Activities	(2,142,531,602)	6,718,272,230
NET INCREASE IN CASH AND CASH EQUIVALENTS	(5,542,433,129)	(865,865,482)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,810,770,115	7,889,708,807
CASH AND CASH EQUIVALENTS AT END OF YEAR	P 4,268,336,986	7,023,843,325

**(UNAUDITED) P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC. AND
SUBSIDIARIES SELECTED NOTES TO INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020 AND 2019
(Amounts in Philippine Pesos)
(UNAUDITED)**

1. GROUP INFORMATION

1.1 Incorporation and Operations

P-H-O-E-N-I-X Petroleum Philippines, Inc. (the Parent Company) was incorporated in the Philippines on May 8, 2002 and is 41.83% owned by P-H-O-E-N-I-X Petroleum Holdings, Inc. (PPHI), a company organized in the Philippines.

The Parent Company's made its initial public offering with the Philippine Stock Exchange (PSE) on July 11, 2007. The Parent Company is presently engaged in trading of petroleum products on wholesale and retail basis and operating of gas stations, oil depots, storage facilities and allied services. The registered office of the Parent Company, which is also its principal place of business, is located at Stella Hizon Reyes Road, Barrio Pampanga, Davao City.

PPHI was incorporated in the Philippines and was registered with the Philippine Securities and Exchange Commission (SEC) on May 31, 2006. PPHI's primary purpose is to provide management, investment and technical advice for commercial, industrial, manufacturing and other kinds of enterprises. PPHI's registered office is located at Stella Hizon Reyes Road, Barrio Pampanga, Davao City.

The ultimate parent is Udenna Corporation (UC), which is primarily organized to purchase, acquire, take over and manage all or any part of the rights, assets, business and property; undertake and assume the liabilities of any person, firm, association, partnership, syndicate of corporation; and to engage in the distribution, selling, importation, installation of pollution control devices, units and services, and all other pollution control related products and emission test servicing. The ultimate parent company's registered office is located at Stella Hizon Reyes Road, Barrio Pampanga, Davao City.

The Parent Company has a total of **665** operating retail service stations, and a total of **5** service stations under construction as of September 30, 2020.

1.1 Subsidiaries, Joint Ventures and their Operations

As of September 30, 2020 and December 31, 2019, the Parent Company holds ownership interests in the following entities, which are all incorporated and domiciled in the Philippines or otherwise stated:

Explanatory Subsidiaries/Joint Venture		Percentage of Ownership Notes September 30, 2020	December 31, 2019
Direct interest:			
<i><u>Subsidiaries</u></i>			
P-F-L Petroleum Management, Inc. (PPMI)	(a)	100%	100.00%
P-H-O-E-N-I-X Global Mercantile, Inc. (PGMI)	(b)	100%	100.00%
Subic Petroleum Trading and Transport Phils., Inc. (SPTT)	(c)	100%	100.00%
PNX Petroleum Singapore Pte. Ltd. (PNX SG)	(d)	100%	100.00%
Phoenix LPG Philippines, Inc. (PLPI)	(e)	100%	100.00%
Duta, Inc. ⁴	(f)	100%	100.00%
Philippine FamilyMart CVS, Inc. (PFM)	(g)	100%	100.00%
PNX Energy International Holdings, Pte. Ltd. (PNX Energy)	(h)	100%	100.00%
Phoenix Pilipinas Gas and Power, Inc. ¹	(i)	100%	-
Action.Able, Inc.(AAI)	(j)	74.90%	74.90%
Think.Able Limited (TAL)	(k)	74.90%	74.90%
Phoenix Road Transport Pilipinas Inc.	(l)	100%	-
<i><u>Joint venture</u></i>			
Phoenix Asphalt Philippines, Inc. (PAPI) ³	(m)	40.00%	40.00%
Indirect interest:			
Kaparangan, Inc. (Kaparangan) ^{2, 4}	(n)	100.00%	100.00%
PNX (Vietnam) Pte. Ltd. (PNX Vietnam) ⁵	(o)	100.00%	100.00%
PT Phoenix Petroleum Indonesia (PNX Indonesia) ⁷	(p)	100.00%	100.00%
Phoenix Gas (Vietnam) Limited Liability Company (PGV LLC) ⁶	(q)	75.00%	75.00%
Galaxi Petroleum Fuel, Inc. (Galaxi) ⁸	(r)	51.00%	51.00%
Phoenix Southern Petroleum Corp. (PSPC) ⁸	(s)	49.00%	51.00%
Top Concord Quality Petroleum Corp. (TCQPC) ⁸	(t)	49.00%	49.00%
CJI Fuels Corp. (CJI) ⁸	(u)	49.00%	49.00%
Firebird Evzon Fuels Corp. (FEFC) ⁸	(v)	49.00%	49.00%
Eastan Prime Development Corporation (EPDC) ⁸	(w)	49.00%	49.00%
Zae Falco Energy Corp. (ZFEC) ⁸	(x)	49.00%	49.00%
Tarlac Black Gold Petroleum Corporation ⁸	(y)	49.00%	-
Abound Business Ventures Corporation ⁸	(z)	49.00%	-

Notes:

¹ Newly incorporated subsidiary

² Wholly-owned subsidiary of Duta

³ Joint venture of Parent Company

⁴ Duta and Kaparangan, collectively known as Duta Group

⁵ Subsidiary of PNX Energy

⁶ Subsidiary of PNX Vietnam

⁷ Subsidiary of PGMI

⁸ Joint venture of PPMI

- (a) Incorporated on January 31, 2007 and is engaged in organizing, managing, administering, running and supervising the operations and marketing of various kinds of services-oriented companies such as petroleum service stations.
- (b) Incorporated on July 31, 2006 to engage in the manufacture, production and creation of all kinds of motor, and all other transportation lubricants, fluids and additives of all kinds and other petroleum products purposely for motor vehicles and other transportation. PGMI started commercial operations in 2007 and temporarily ceased its operation in 2008 but has resumed its business in October 2015 through selling of acid oil and coconut fatty acid distillates, both are by-products from manufacturing of coconut methyl ester (CME).
- (c) Incorporated on February 20, 2007 and is engaged in buying and selling, supply and distribution, importation and exportation, storage and delivery of all types of petroleum for industrial, marine, aviation and automotive use.
- (d) Incorporated on October 30, 2012 in Singapore and started operations in October 2017. It is the regional trading arm of the Group. It currently holds office in Singapore and is able to buy directly from the refineries in the region due to its bigger requirements. It also sells to other local and regional buyers.
- (e) Incorporated on June 20, 1995 to engage in the buying, selling, storing, distributing, and marketing at wholesale of all kinds of goods, including but not limited to liquefied petroleum gas (LPG) and other petroleum products.
- (f) Incorporated on November 9, 1994 to engage in the business of buying, investing, exchanging, selling securities of every kind and description and leasing of land.
- (g) Incorporated on November 29, 2012. PFM is engaged in the business of operating convenience stores (CVS) under the trademark “FamilyMart” either by direct operation and/or by franchise system in the Philippines and to conduct business activities related to and in support to the aforesaid CVS platforms including importation and export, advertisement and promotion, and in general, to exercise and perform any and all powers necessary, incidental, or convenient to the business.
- (h) Incorporated on October 29, 2018 in Singapore to engage in activities related to investment in downstream and upstream energy activities and businesses but has not yet started commercial operations as of December 31, 2019.
- (i) Incorporated on March 14, 2019 to engage in, conduct and carry on the business of selling, trading, on wholesale basis, natural gas and liquefied natural gas (LNG).
- (j) Incorporated on May 6, 2015 to engage in the business of selling, leasing or distributing electronic devices to distributors, merchants or retailers for the purpose of digital marketing and/or e-commerce and to engage in the business of providing an outline digital network for the purpose of digital marketing and/or e-commerce accessible through electronic devices.
- (k) Incorporated on May 5, 2014 and is a Hong Kong based company that handles the trademark of AAI.
- (l) Incorporated on January 1, 2020 and is engage to carry business in organizing, administering, running and supervising of services-oriented companies such petroleum service stations.

- (m) Incorporated on March 23, 2018 and was established to import, store, manufacture, sell market, distribute bitumen, bitumen-related products and such other by-products of crude oil and such other petroleum products including the operation of terminals and depots.
- (n) Incorporated on January 21, 1994 to engage in the business of buying, investing, exchanging, selling securities of every kind and description and leasing land.
- (o) Incorporated on October 30, 2018 in Singapore to engage in activities related to investment in downstream and upstream energy activities and businesses and has not yet started its commercial operations as of December 31, 2019.
- (p) Incorporated on September 10, 2018 in Indonesia to serve as an avenue for the Parent Company to explore business opportunities in different parts of Indonesia. PNX Indonesia has not yet started its commercial operations as of December 31, 2019.
- (q) Formerly known as Origin LPG (Vietnam) Limited Liability Company, was incorporated and licensed to conduct business under the laws of Vietnam on August 6, 2008 to engage in wholesale of solid, liquid, gas fuels and other related products.
- (r) Incorporated on August 2, 2017 and is a joint venture with its previous owners. Galaxi owns and operates a number of petroleum service stations in different parts of the Philippines.
- (s) Incorporated on July 5, 2018 to operate petroleum service stations in areas within Southern Luzon under the Parent Company's name and brand.
- (t) Incorporated on July 15, 2019 to operate petroleum service stations in areas of Cotabato.
- (u) Incorporated on July 31, 2019 to operate petroleum service stations in areas of Iloilo.
- (v) Incorporated on August 28, 2019 to operate petroleum service stations in areas of South Luzon.
- (w) Incorporated on August 28, 2019 to operate petroleum service stations in areas of Metro Manila.
- (x) Incorporated on November 6, 2019 to operate petroleum service stations in Northern part and other of Luzon.
- (y) Incorporated on February 20, 2020 to operate petroleum service stations in Tarlac.
- (z) Incorporated on June 10, 2020 to operate petroleum service stations in Zambales.

1.2 Other Corporate Information

The registered office and principal place of business of the existing subsidiaries, except those presented in below, is located at Stella Hizon Reyes Road, Barrio Pampanga, Davao City.

SPTT	–	Room 203 Greenwoods Park, Central Business District, Subic Bay Freeport Zone, Zambales
PNX SG, PNX Energy and PNX Vietnam	–	350 Orchard Road, #17-05/06 Shaw House, Singapore
PLPI	–	Phoenix Petroleum Corporate Headquarters, Stella Hizon Reyes Road, Bo. Pampanga, Lanang, Davao City
Duta	–	15 th Floor, Citibank Tower, Valero St., Salcedo Village, Makati City
Kaparangan	–	15 th Floor, Citibank Tower, Valero St., Salcedo Village, Makati City
PFM	–	4 th Floor, Tara Building, No. 389 Sen. Gil Puyat Avenue, Makati City, Metro Manila
AAI	–	2 nd Floor, Crown Center, 158 Jupiter Street Corner N. Garcia Street, Bel-Air Village, Makati City
TAL	–	Room 1902, W Wilson House, 19-27 Wyndham Street, Central, Hong Kong
PAPI and PSPC	–	25 th Floor Fort Legend Tower, 3 rd Avenue Fort corner 31 st Street, Bonifacio Global City, Taguig City
PNX Indonesia	–	The Prominence Office Tower, 12 th Floor B, Jl. Jalur Sutera Barat No. 15, Alam Sutera, Indonesia
Galaxi	–	1846 FB Harrison Street Pasay City
PGV LLC	–	No. 456 Phan Xich Long Street, Ward 2, Phu Nhuan District, Ho Chi Minh City, Vietnam

1.3 Business Combinations

- a) On February 21, 2019, the Group, through PNX Vietnam, a subsidiary of PNX Energy, completed its acquisition of 51.00% and 24.00% interest in PGV LLC from Origin Energy Holdings PTY LTD and Cong Ty TNHH Cong Nghiep, respectively. The acquisition of a total of 75.00% interest in PGV LLC resulted in a goodwill of P103.1 million (see Note 15), as the total consideration paid of P682.8 million exceeded the fair value of the acquired interest. The acquisition is in line with the Group's expansion in high margin businesses such as gas and in the region's fastest growing markets like Vietnam.
- b) On January 11, 2018, the Parent Company has signed a deed of absolute sale and concluded the acquisition of the 100.00% shares in PFM from its previous shareholders, namely: SIAL CVS Retailers, Inc., FamilyMart Co. Ltd. and ITOCHU Corporation, for P352.1 million. This acquisition marks the Group's foray into the underpenetrated convenience store retailing market in the Philippines, while broadening its portfolio of retail offers and synergizing with the affiliates within the Group and its Parent.
- c) On May 25, 2018, the Parent Company entered into a deed of absolute sale of shares with Wildlemon, Inc. And Seawood Prime Limited for the acquisition of the voting rights for AAI and TAL, respectively (referred to as "AAI Group"). Total non-controlling interests from the acquisition of AAI Group amounted to P27.8 million and is measured at the proportionate share of the net identifiable assets.

AAI and TAL are the owner of Pos!ble.net, a digital payment platform. The acquisition supports the Group's digital transformation as well as the expansion of the portfolio's retail offers.

- d) On August 14, 2017, the Parent Company finalized the purchase and sale agreements with PDB (Netherlands) B.V., an entity organized under the laws of Netherlands and is an investment holdings Company of PETRONAS Dagangan Berhad (a Malaysia-listed entity), for the acquisition of the 100.00% voting rights of PLPI and Duta Group for P6,481.1 million and P394.2 million, respectively.

The excess of the fair value of the net assets of Duta Group over the acquisition cost amounting to P650.2 million is presented in the 2017 consolidated statement of comprehensive income as Excess of Fair Value of Net Assets Acquired Over Acquisition Cost (see Note 2.12).

- e) The Parent Company acquired 100.00% of voting rights of SPTT, PGMI, and PPMI in 2011. These acquisitions prior to 2017 resulted to a total goodwill of P11.5 million as the total cash consideration paid of P9.5 million exceeded the Parent Company's acquired fair values of the identifiable net assets.

There were no contingent consideration arrangements for all of the above acquisitions.

Aggregate information of the entities at the acquisition date are as follows:

	Reference	Entities Acquired		
		2019	2018	AAI Group
Fair value of assets acquired and liabilities assumed				
Cash and cash equivalents		P 53,887,074	P 21,601,695	P 5,009,121
Trade and other receivables	(i)	76,894,099	22,534,222	1,110,622
Inventories		17,777,095	80,744,545	772,585
Prepayments and other current assets		15,380,510	158,786,825	3,384,490
Property, plant and equipment	(ii)	714,233,170	369,603,000	537,357
Intangible asset		-	21,476,320	-
Other non-current assets		<u>127,184,991</u>	<u>46,832,211</u>	<u>344,712</u>
Total assets		<u>1,005,356,939</u>	<u>721,578,818</u>	<u>11,158,887</u>
Trade and other payables		120,611,380	642,639,484	94,208,594
Short-term loans and borrowings		240,855,843	-	-
Other non-current liabilities		<u>64,177,091</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>425,644,314</u>	<u>642,639,484</u>	<u>94,208,594</u>
Total identifiable net assets (liabilities)		579,712,625	78,939,334	(83,049,707)
Fair value of cash consideration transferred		<u>682,820,389</u>	<u>352,070,202</u>	<u>71,995,652</u>
Goodwill		<u>P 103,107,764</u>	<u>P 273,130,868</u>	<u>P 155,045,359</u>
Excess of fair value of net assets acquired over cash consideration transferred		n/a	n/a	n/a
Cash consideration settled in cash		P 682,820,389	P 352,070,202	P 71,995,652
Less: Cash and cash equivalents acquired		<u>53,887,074</u>	<u>21,601,695</u>	<u>5,009,122</u>
Net Cash Flow of Acquisition		<u>P 628,933,315</u>	<u>P 330,468,507</u>	<u>P 66,986,530</u>

Acquisition costs charged to expenses		P	1,458,944	P	6,440,651	P	1,738,116
Pre-acquisition income	(iii)	(7,821,881)	-			1,628,790
Revenue contribution			1,472,189,346		1,307,944,277		34,957,821
Net profit (loss) contribution		(43,127,051)	(193,507,767)	(36,310,130)

- (i) The carrying amount of the acquired trade and other receivables is determined to be the reasonable approximation of fair value as these are only short-term and are expected to be collectible in whole.
- (ii) The property, plant and equipment of PGV LLC and PFM were appraised by an independent appraiser [see Note 3.2(i)]. The fair values of the said properties are determined by reference to market-based evidence, which are the amounts for which the assets could be exchanged between the knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transactions as at the valuation date.
- (iii) The 2020 and 2019 consolidated statements of comprehensive income are presented net of the pre-acquisition income of the entities acquired.

1.2 Approval of Interim Condensed Consolidated Financial Statements

The interim condensed consolidated financial statements (unaudited) of the Group as of and for the nine months ended **September 30, 2020**, including the comparative consolidated financial information as of December 31, 2019 and for the nine months ended September 30, 2019, were authorized for issue by the Parent Company's Board of Directors (BOD) on **November 12, 2020**.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these interim condensed consolidated financial statements are summarized below. The Interim Condensed Financial Statements have been prepared in accordance with the accounting policies adopted in the Group's most recent annual financial statements for the year ended December 31, 2019.

2.1 Basis of Preparation of Interim Condensed Consolidated Financial Statements

These interim condensed consolidated financial statements for the nine months ended September 30, 2020 and 2019 have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. They do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended December 31, 2019.

The preparation of interim condensed consolidated financial statements in accordance with Philippine Financial Reporting Standards (PFRS) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

These interim condensed consolidated financial statements are presented in Philippine peso, the functional and presentation currency of the Group, and all values represent absolute amounts except when otherwise indicated. The presentation of the interim condensed consolidated financial

statement is consistent with the most recent annual consolidated financials except for the amendments introduced by the new accounting standards mentioned in Note 2.2.

2.2 Adoption of New and Amended PFRS

Effective in 2019 that are Relevant to the Group

The Group adopted for the first time the following amendments and annual improvements to PFRS, which are mandatorily effective for annual periods beginning on or after January 1, 2019:

PAS 19 (Amendments)	:	Employee Benefits – Plan Amendment, Curtailment or Settlement
PFRS 9	:	Financial Instrument
PAS 28(Amendments)	:	Investment in Associates – Long- Term Interest in Associates and Joint Ventures
PFRS 10 (Amendments)	:	Consolidated Financial Statements
PFRS 16 (Amendments)	:	Leases – Covid-19 Related Rent Concessions

International Financial Reporting Interpretations Committee (IFRIC) 23	:	Uncertainty over Income Tax Treatments
--	---	--

Annual Improvements – (2015-2017 Cycle)

PAS 12 (Amendments)	:	Income Taxes
PAS 23 (Amendments)	:	Borrowing Costs
PFRS 3 (Amendments)	:	Business Combination
PFRS 11(Amendments)	:	Joint Arrangements – Remeasurement of Previously Held Interests in Joint Operations

- (i) The Group has applied PFRS 16 using the modified retrospective approach and therefore, comparative information has not been restated. This means comparative information is still reported under PAS 17 and IFRIC 4.

Effective in 2020

There are new PFRS, interpretation, amendments and annual improvements to existing standards effective for annual periods subsequent to 2019, which are adopted by the FRSC. Management adopted the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these have significant impact on the Group's consolidated financial statements:

These entities will need to consider whether their accounting policies are still appropriate under the revised framework.

- (i) PAS 1 (Amendments), *Presentation of Financial Statements* and PAS 8 (Amendments), *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material* (effective from January 1, 2020). The amendments provide a clearer definition of ‘material’ in PAS 1 by including the concept of ‘obscuring’ material information with immaterial information as part of the new definition, and clarifying the assessment threshold (i.e., misstatement of information is material if it could reasonably be expected to influence decisions made by primary users, which consider the characteristic of those users as well as the entity’s own circumstances). The definition of material in PAS 8 has been accordingly replaced by reference to the new definition in PAS 1. In addition, amendment has also been made in other Standards that contain definition of material or refer to the term ‘material’ to ensure consistency.
- (ii) Revised Conceptual Framework for Financial Reporting (effective from January 1, 2020). The revised conceptual framework will be used in standard-setting decisions with immediate effect. Key changes include: (a) increasing the prominence of stewardship in the objective of financial reporting, (b) reinstating prudence as a component of neutrality, (c) defining a reporting entity, which may be a legal entity, or a portion of an entity, (d) revising the definitions of an asset and a liability, (e) removing the probability threshold for recognition and adding guidance on derecognition, (f) adding guidance on different measurement basis, and, (g) stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

No changes will be made to any of the current accounting standards. The accounting policies are determined as still appropriate under the revised framework revised framework from January 1, 2020.
- (iii) PFRS 10 (Amendments), *Consolidated Financial Statements*, and PAS 28 (Amendments), *Investments in Associates and Joint Ventures – Sale or Contribution of Assets Between an Investor and its Associates or Joint Venture* (effective date deferred indefinitely). The amendments to PFRS 10 require full recognition in the investor’s financial statements of gains or losses arising on the sale or contribution of assets that constitute a business as defined in PFRS 3, *Business Combinations*, between an investor and its associate or joint venture. Accordingly, the partial recognition of gains or losses (i.e., to the extent of the unrelated investor’s interests in an associate or joint venture) only applies to those sale of contribution of assets that do not constitute a business. Corresponding amendments have been made to PAS 28 to reflect these changes. In addition, PAS 28 has been amended to clarify that when determining whether assets that are sold or contributed constitute a business, an entity shall consider whether the sale or contribution of those assets is part of multiple arrangements that should be accounted for as a single transaction.
- (iv) PFRS 16 (Amendments), *Leases – Covid-19 Related Rent Concessions*. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under PFRS 16, if the change were not a lease modification.

The Group as a lessee

For any new contracts entered into on or after 1 January 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group.
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Group has the right to direct the use of the identified asset throughout the period of use.
- The Group assess whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group’s incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. A total of P 143.06 million as part of the depreciation and an interest expense of P 60.16 million as part of the finance cost were recorded during the nine months of 2020.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term. A total of P 542.84 million was recognized as rent expense for short term leases during the nine months of the year.

The Group as a lessor

The Group's accounting policy under IFRS 16 has not changed from the comparative period. As a lessor the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Group obtains ownership of the asset at the end of the lease term.

For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interests. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

See the accounting policy note in the year-end financial statements for the depreciation methods and useful lives for assets held under finance leases. The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Where the Group is a lessee, payments on operating lease agreements are recognized as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

The Group as a lessor

The Group also earns rental income from operating leases of its investment properties. Rental income is recognized on a straight-line basis over the term of the lease.

- (ii) PAS 19 (Amendments), *Employee Benefits – Plan Amendment, Curtailment or Settlement* (effective January 1, 2019). The amendments require the use of updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement when the entity remeasures its net defined benefit liability (asset).

The amendments were approved by the FRSC on March 14, 2018 but are still subject to the approval by the BOA.

The management is still evaluating the impact of this pronouncement. It is not expected to have significant impact on the Group's consolidated financial statements.

- (iii) PFRS 9 (Amendments), *Financial Instruments – Prepayment Features with Negative Compensation* (effective for annual period beginning or after January 1, 2019). The amendments clarify that prepayment features with negative compensation attached to financial instruments may still qualify under the “solely payments of principal and interests” (SPPI) test. As such, the financial assets containing prepayment features with negative compensation may still be classified at amortized cost or at FVOCI.

The management is still evaluating the impact of this pronouncement. It is not expected to have significant impact on the Group's consolidated financial statements.

- (iv) PAS 28 (Amendments), *Investment in Associates – Long-term Interest in Associates and Joint Venture* (effective from January 1, 2019). The amendments clarify that the scope exclusion in PFRS 9 applies only to ownership interests accounted for using the equity method. Thus, the amendments further clarify that long-term interests in an associate or joint venture – to which the equity method is not applied – must be accounted for under PFRS 9, which shall also include long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture.
- (v) PFRS 10 (Amendments), *Consolidated Financial Statements*, and PAS 28 (Amendments), *Investments in Associates and Joint Ventures – Sale or Contribution of Assets Between an Investor and its Associates or Joint Venture* (effective date deferred indefinitely). The amendments to PFRS 10 require full recognition in the investor's financial statements of gains or losses arising on the sale or contribution of assets that constitute a business as defined in PFRS 3, *Business Combinations*, between an investor and its associate or joint venture. Accordingly, the partial recognition of gains or losses (i.e., to the extent of the unrelated investor's interests in an associate or joint venture) only applies to those sale of contribution of assets that do not constitute a business. Corresponding amendments have been made to PAS 28 to reflect these changes. In addition, PAS 28 has been amended to clarify that when determining whether assets that are sold or contributed constitute a business, an entity shall consider whether the sale or contribution of those assets is part of multiple arrangements that should be accounted for as a single transaction.
- (vi) IFRIC 23, *Uncertainty over Income Tax Treatments* (effective from January 1, 2019). The interpretation provides clarification on the determination of taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates when there is uncertainty over income tax treatments. The core principle of the interpretation requires the Group to consider the probability of the tax treatment being accepted by the taxation authority. When it is probable that the tax treatment will be accepted, the determination of the taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates shall be on the basis of the accepted tax treatment. Otherwise, the Group has to use the most likely amount or the expected value, depending on the surrounding circumstances, in determining the tax accounts identified immediately above.
- (vii) Annual Improvements to PFRS 2015-2017 Cycle (effective from January 1, 2019). Among the improvements, the amendments presented in the succeeding page are relevant to the Group but had no material impact on the Group's consolidated financial statements as these amendments merely clarify existing requirements.
 - PAS 12 (Amendments), *Income Taxes – Tax Consequences of Dividends*. The amendments clarify that all income tax consequence of dividend payments should be recognized in profit or loss.

- PAS 23 (Amendments), *Borrowing Costs – Eligibility for Capitalization*. The amendments clarify that any specific borrowing which remains outstanding after the related qualifying asset is ready for its intended purpose, such borrowing will then form part of the entity's general borrowings when calculating the capitalization rate for capitalization purposes.
- PFRS 3 (Amendments), *Business Combinations*, and PFRS 11 (Amendments), *Joint Arrangements – Remeasurement of Previously Held Interests in a Joint Operation*. The amendments clarify that previously held interest in a joint operation shall be remeasured when the Group obtains control of the business. On the other hand, previously held interests in a joint operation shall not be remeasured when the Group obtains joint control of the business.

2.3 Financial Instruments

(a) Recognition and derecognition

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

(b) Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with PFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortized cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs, finance income or other financial items.

The financial assets category relevant to the Group is financial assets at amortized cost.

(c) *Subsequent measurement of financial assets*

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and,
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category includes non-derivative financial assets like loans and receivables with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and other receivables, due from related parties, restricted deposits and refundable rental deposit (presented as part of Other Non-Current Assets in the consolidated condensed statement financial position) fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model than 'hold to collect' or 'hold to collect and sell', and financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below). This category also contains an equity investment. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. The Group has no FVTPL as of reporting date.

Financial assets at fair value through other comprehensive income (FVOCI)

The Group accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is hold to collect the associated cash flows and sell; and,
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognized in OCI will be recycled upon derecognition of the asset. The Group has no FVOCI as of reporting date.

(d) *Impairment of financial assets*

PFRS 9's new impairment requirements use more forward-looking information to recognize expected credit losses – the 'expected credit loss' (ECL) model. This replaces PAS 39's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortized cost and FVOCI, trade receivables, contract assets recognized and measured under PFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss. Recognition of credit losses is no longer dependent on the Group first identifying a

credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and,
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. However, none of the Group's financial assets fall into this category. '12-month expected credit losses' are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The key elements used in the calculation of ECL are as follows:

- Probability of Default – is an estimate of likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the instrument has not been previously derecognized and is still in the portfolio.
- Loss Given Default – is an estimate of loss arising in case where a default occurs at a given time. It is based on the difference between the contractual cash flows of a financial instrument due from a counterparty and those that the Company would expect to receive, including the realization of any collateral.
- Exposure at Defaults – represents the gross carrying amount of the financial instruments subject to the impairment calculation.

(e) *Classification and measurement of financial liabilities*

As the accounting for financial liabilities remains largely the same under PFRS 9 compared to PAS 39, the Group's financial liabilities were not impacted by the adoption of PFRS 9. However, for completeness, the accounting policy is disclosed below.

Financial liabilities, which include interest-bearing loans and borrowings, trade and other payables (excluding tax-related payables), security deposits, customers' cylinder deposits and cash bond deposits (which are presented under Other Non-Current Liabilities in the consolidated statement of financial position), are recognized when the Group becomes a party to the contractual terms of the instrument. All interest-related charges incurred on financial liability are recognized as an expense in profit or loss under the caption Finance Costs in the consolidated statement of comprehensive income.

Interest charges that are attributable to the acquisition, construction or production of a qualifying asset (i.e., an asset that takes a substantial period of time to get ready for its intended use or sale) are capitalized as part of the cost of such asset. All other interest related charges are recognized as an expense in the consolidated condensed statement of comprehensive income under the caption Finance Costs.

Interest-bearing loans and borrowings are raised for support of long-term funding of operations. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to profit or loss on an accrual basis using the effective interest method and are added to the carrying amount of the instrument to the extent that these are not settled in the period in which they arise.

Trade and other payables (excluding tax-related payables), security deposits, customers' cylinder deposits and cash bond deposits are recognized initially at their fair values and subsequently measured at amortized cost, using effective interest method for maturities beyond one year, less settlement payments.

Security deposits are initially recognized at fair value. Interest on security deposits arising from subsequent amortization is accounted for using the effective interest method and is presented as part of Finance Costs. The excess of the principal amount of the deposit over its present value is immediately recognized as Unearned rent (presented as part of Other Non-Current Liabilities in the consolidated statement of financial position). Meanwhile, the rent income arising from subsequent amortization of unearned rent is accounted for using the straight-line method over the lease term and is presented as part of Rent and Storage Income in the consolidated statement of comprehensive income.

The Group purchases LPG cylinders, which are loaned to dealers upon payment by the latter of an amount equivalent to 44.00-77.00% of the acquisition cost of the cylinders. At the end of each reporting date, customers' cylinder deposits, shown under Other Non-Current Liabilities in the consolidated statement of financial position, are reduced for estimated non-returns. The reduction is recognized directly in profit or loss.

Obligations under finance lease (included as part of Interest-bearing Loans and Borrowings) are recognized at amounts equal to the fair value of the leased property or, if lower, at the present value of minimum lease payments, at the inception of the lease.

Dividend distributions to shareholders are recognized as financial liabilities upon declaration by the Parent Company.

Financial liabilities are classified as current liabilities if payment is due to be settled within one year or less after the end of the reporting period (or in the normal operating cycle of the business, if longer), or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Otherwise, these are presented as non-current liabilities.

Financial liabilities are derecognized from the consolidated statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

2.4 Revenues

Revenue arises mainly from the sale of goods and rendering of services measured by reference to the fair value of consideration received or receivable by the Group for goods sold and services rendered, excluding value-added tax (VAT), rebates and trade discounts.

To determine whether to recognize revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied.

Revenue is recognized only when (or as) the Group satisfies a performance obligation by transferring control of the promised goods or services to a customer. The transfer of control can occur over time or at a point in time.

The Group recognizes contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the consolidated condensed statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognizes either a contract asset or a receivable in its consolidated condensed statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

A performance obligation is satisfied at a point in time unless it meets one of the following criteria, in which case it is satisfied over time:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and,
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The transaction price allocated to performance obligations satisfied at a point in time is recognized as revenue when control of the goods or services transfers to the customer. If the performance obligation is satisfied over time, the transaction price allocated to that performance obligation is recognized as revenue as the performance obligation is satisfied.

In addition, the following specific recognition criteria must also be met before revenue is recognized:

- (a) *Sale of goods* – Revenue is recognized when the risks and rewards of ownership of the goods have passed to the buyer, i.e. generally when the customer has acknowledged delivery of goods or when the customer has taken undisputed delivery of goods.
- (b) *Fuel service and other revenues, and storage income* – Revenue is recognized when the performance of contractually agreed tasks has been substantially rendered. In addition, this includes revenue arising from port and cargo handling services.
- (c) *Rent income* – Revenue is recognized on a straight-line basis over the lease term.
- (d) *Interest income* – Revenue is recognized as the interest accrues taking into account the effective yield on the asset.

Except for revenues from rentals and interest, the performance obligation for revenues arising from the rendering of services and sale of goods is determined to be satisfied at a point in time.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing the interim condensed consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. The judgments, estimates and assumptions applied in the interim condensed consolidated financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements as of and for the year ended December 31, 2019, except on the newly applied PFRS 16.

The Group performed its annual impairment test of goodwill and other intangible assets with indefinite useful life at year end and when circumstances indicate the carrying value may be impaired. The Group's impairment test for goodwill arising from business combination and other intangible assets is based on value-in-use calculations. The Group considers the relationship between the market capitalization of the subsidiaries and its net book value, among other factors, when reviewing for indicators of impairment. The Group's management assessed that for the nine months ended September 30, 2020 and as of December 31, 2019, goodwill arising from business combination and other intangible assets with indefinite useful life are not impaired.

4. REVENUES

All of the Group's revenues except for rentals (covered under PFRS 16, *Leases*) are transferred at a point in time.

The Group's revenue disaggregated by primary geographical markets and major goods/service lines are presented in the next page (in thousands).

		Nine months to September 30, 2020			
		Sale of Goods	Fuel Service & Other Revenue		
		Trading	Depot and Logistics	Real Estate	Total
<i>Primary Geographical Markets</i>					
Philippines	P	34,671,153	P 1,128,351	P 4,184	P 35,803,688
Singapore		18,087,365			18,087,365
Vietnam		2,884,533			2,884,533
	P	55,643,051	P 1,128,351	P 4,184	P 56,775,586
<i>Major goods/service lines</i>					
Fuels	P	47,789,680	P	P	P 47,789,680
LPG		6,983,761			6,983,761
Merchandise		539,121			539,121
Lubricants		288,583			288,583
Terminalling/hauling		-	49,512		49,512
Rentals		-	103,557	4,184	107,741
POS Device		41,905			41,905
Others		-	975,282		975,282

	P	55,643,051	P	1,128,351	P	4,184	P	56,775,586
Nine months to September 30, 2019								
	Sale of Goods		Fuel Service & Other Revenue					
	Trading		Depot and Logistics		Real Estate		Total	
<i>Primary Geographical Markets</i>	P		P		P		P	
Philippines		53,515,009		737,763		954		54,253,726
Singapore		17,671,330		-		-		17,671,330
Vietnam		1,243,796		-		-		1,244,086
	P	72,430,135	P	737,763	P	954	P	73,169,142
<i>Major goods/service lines</i>	P		P		P		P	
Fuels		68,333,020						68,333,020
LPG		3,471,627						3,471,627
Merchandise		87,893						87,893
Lubricants		446,641						446,641
Terminalling/hauling				163,089				783,053
Rentals				80,399		954		954
POS Device		90,954						90,954
Others				494,275				
	P	72,430,135	P	737,763	P	954	P	73,169,142

5. SEGMENT INFORMATION

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products or services and serves different markets. The Group's trading segment is engaged in marketing, merchandising, purchasing, selling, acquiring, disposing and distribution of goods and wares such as but not limited to petroleum products (on wholesale basis), lubricants and other products.

The Group is also engaged in operating of oil depots, storage facilities and provides logistics services to various entities on its Depot and Logistics Services segment. The Group's real estate segment is involved in real estate development, management and operations. The Group generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

As of September 30, 2020, there have been no change from prior periods in the measurement methods used to determine operating segments and reported segment revenues, expenses and performance.

The succeeding tables present revenue and profit information regarding segments for the nine months ended September 30, 2020 and September 30, 2019 and certain asset and liability information regarding segments as at September 30, 2020 and December 31, 2019 (amounts in thousands).

	Trading		Deposit & Logistics		Real Estate		Total	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
TOTAL REVENUES								
Sales to external customers	55,643,051	72,327,880	1,128,351	738,053	4,184	954	56,775,586	73,066,887
Intersegment Sales	17,566,120		303,143	89,894	19,710	12,361	17,888,973	102,255
	<u>73,209,171</u>	<u>72,327,880</u>	<u>1,431,494</u>	<u>827,947</u>	<u>23,894</u>	<u>13,315</u>	<u>74,664,559</u>	<u>73,169,142</u>
COST AND OTHER OPEX								
Cost of Sales and services	72,487,734	68,907,882	41,163	672,221	7,391	1,569	72,536,289	69,581,672
excluding depreciation and amortization							-	-
Depreciation and amortization	793,517	982,637	164,500	131,252	165		958,182	1,113,889
	<u>73,281,251</u>	<u>69,890,519</u>	<u>205,663</u>	<u>803,473</u>	<u>7,556</u>	<u>1,569</u>	<u>73,494,471</u>	<u>70,695,561</u>
SEGMENT OPERATING PROFIT (LOSS)	<u>- 72,081</u>	<u>2,437,361</u>	<u>1,225,831</u>	<u>24,474</u>	<u>16,338</u>	<u>11,746</u>	<u>1,170,088</u>	<u>2,473,581</u>

	Trading		Deposit & Logistics		Real Estate		Total	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS & LIABILITIES								
Segment Assets	91,749,945	99,840,747	443,088	567,205	2,108,664	1,421,142	94,301,697	101,829,094
Segment Liabilities	65,943,884	73,370,565	416,632	416,632	1,416,428	1,312,806	67,776,944	75,100,003

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its interim condensed consolidated financial statement (in thousands).

	September 30 2020 <u>(Unaudited)</u>	September 30 2019 <u>(Unaudited)</u>
Revenues		
Total segment revenues	P 74,664,559	P 102,149,261
Elimination of intersegment revenues	(17,888,973)	(28,980,119)
Revenues as reported in profit or loss	<u>P 56,775,586</u>	<u>P 73,169,142</u>
Profit or loss		
Segment operating profit	P 1,170,088	P 2,473,581
Other unallocated income		
Other unallocated expense	-	
Operating profit as reported in profit or loss	<u>1,170,088</u>	<u>2,473,581</u>
Finance costs	(1,601,712)	(1,779,962)
Finance income	<u>113,982</u>	<u>377,758</u>
Profit/(Loss) before tax as reported in profit or loss	<u>(P 317,641)</u>	<u>P 1,071,376</u>
	September 30 2020 <u>(Unaudited)</u>	December 31 2019 <u>(Audited)</u>
Assets		
Segment assets	P 94,301,697	P 101,829,094
Right-of-use assets- net	1,389,014	1,142,726
Deferred tax assets – net	524,121	155,781
Elimination of intercompany accounts	(18,834,131)	(16,170,224)
Total assets reported in the consolidated statements of financial position	<u>P 77,380,702</u>	<u>P 86,957,377</u>
Liabilities		
Segment liabilities	P 67,776,944	P 75,100,003
Lease Liability	1,451,517	1,096,852
Deferred tax liabilities – net	804,164	748,399
Elimination of intercompany accounts	(13,966,540)	(11,910,632)
Total liabilities as reported in the consolidated statements of financial position	<u>P 56,066,085</u>	<u>P 65,034,622</u>

5. CATEGORIES, FAIR VALUE MEASUREMENTS AND DISCLOSURES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

5.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and liabilities presented in the consolidated statements of financial position are presented below.

<i>Financial Assets</i>	September 30, 2020 (Unaudited)		December 31, 2019 (Unaudited)	
	Carrying Values	Fair Values	Carrying Values	Fair Values
Cash and cash equivalents	P 4,268,336,986	P 4,268,336,986	P 9,810,770,115	P 9,810,770,115
Trade and other receivables - net *	12,496,482,476	12,496,482,476	15,617,098,103	15,617,098,103
Due from related parties	32,913,767	32,913,767	1,986,811	1,986,811
Construction Bond***	6,668,380	6,668,380	6,727,753	6,727,753
Restricted deposits	55,500,847	55,500,847	54,462,326	54,462,326
Refundable deposits	687,586,984	687,586,984	323,634,283	323,634,283
	P 17,547,489,440	P 17,547,489,440	P 25,814,679,391	P 25,814,679,391
<i>Financial Liabilities</i>				
Financial liabilities at FVTPL -				
Derivative financial liability	P -	P -	P 311,019,650	P 311,019,650
Financial liabilities at amortized cost				
Interest -bearing loans and borrowings	49,196,595,823	49,196,595,823	49,896,188,062	48,324,629,062
Trade and other payables**	3,304,632,346	3,304,632,346	11,537,688,607	11,537,688,607
Lease liabilities	1,451,516,714	1,451,516,714	1,250,213,075	1,250,213,075
Customers' cylinder deposits	631,130,810	631,130,810	440,803,046	440,803,046
Security deposits	81,897,488	81,897,488	100,979,556	100,979,556
Cash bond deposits	278,722,647	278,722,647	306,311,395	306,311,395
	P 54,944,495,828	P 54,944,495,828	P 63,843,203,391	P 62,271,644,391

* Excludes certain advances to suppliers and advances subject to liquidation

** Excludes tax-related payables

*** Included as part of Other Non-Current Assets

5.2 Fair Value Hierarchy

The Group uses the following hierarchy level in determining the fair values that will be disclosed for its financial instruments.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

5.3 Valuation Methods and Assumptions

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale. The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model. Management regularly assesses a range of reasonably possible alternatives for the significant unobservable inputs and determines their impact on the total fair value.

5.4 Fair Value Hierarchy of Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The table below summarizes the fair value hierarchy of the Group's financial assets and financial liabilities which are not measured at fair value in the interim condensed consolidated statements of financial position but for which fair value is disclosed.

		September 30, 2020 (Unaudited)							
<i>Financial Assets</i>		Level 1		Level 2		Level 3		Total	
Cash and cash equivalents	P	4,268,336,986		P	P		P		4,268,336,986
Trade and other receivables - net *						12,496,482,476			12,496,482,476
Due from related parties						32,913,767			32,913,767
Construction Bond***						6,668,380			6,668,380
Restricted deposits		55,500,847							55,500,847
Refundable deposits						687,586,984			687,586,984
	P	4,323,837,833		P	-	P	13,223,651,607	P	17,547,489,440

Financial Liabilities

Financial liabilities at FVTPL -

Derivative financial liability	P		P	P	-	P	-
Financial liabilities at amortized cost							-
Interest -bearing loans and borrowings					49,196,595,823		49,196,595,823
Trade and other payables**					3,304,632,346		3,304,632,346
Lease liabilities					1,451,516,714		1,451,516,714
Customers' cylinder deposits					631,130,810		631,130,810
Security deposits					81,897,488		81,897,488
Cash bond deposits					278,722,647		278,722,647
		P -	P -	P	54,944,495,828	P	54,944,495,828

		December 31, 2019 (Audited)			
		Level 1	Level 2	Level 3	Total
<i>Financial Assets</i>					
<i>At amortized cost:</i>					
Cash and cash equivalents	P	9,810,770,115	P -	P -	P 9,810,770,115
Trade and other receivables - net		-	-	15,617,098,103	15,617,098,103
Due from related parties		-	-	1,986,811	1,986,811
Construction bond				6,727,753	6,727,753
Refundable deposits		-	-	323,634,283	323,634,283
		P 9,865,232,441	P -	P 15,949,446,950	P 25,814,679,391
<i>Financial Liabilities</i>					
<i>Financial liabilities at amortized cost:</i>					
Interest-bearing loans and borrowings	P	-	P -	P 48,324,629,062	P 48,324,629,062
Trade and other payables		-	-	11,537,688,607	11,537,688,607
Lease liability				1,250,213,075	1,250,213,075
Cash bond deposits				306,311,395	306,311,395
Customers' cylinder deposits				440,803,046	440,803,046
Security deposits		-	-	100,979,556	100,979,556
	P	-	P -	P 61,960,624,741	P 61,960,624,741

For financial assets with fair value included in Level 1, management considers that the carrying amount of this short-term financial instrument approximates their fair values.

6. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarized in Note 5. The main types of risks are market risk, credit risk and liquidity risk.

The Group's risk management is coordinated with its Parent Company, in close cooperation with the BOD, and focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets.

The Group does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to are described below and in the succeeding pages.

6.1 Market Risk

The Group is exposed to market risk through its use of financial instruments and specifically to foreign currency risk and interest rate risk which result from both its operating, investing and financing activities.

(a) Foreign Currency Risk

Most of the Group's transactions are carried out in Philippine pesos, its functional currency. Exposures to currency exchange rates arise from the Group's sales to a certain customer and, fuel and tanker importations, which are primarily denominated in U.S. dollars (US\$).

The liability covering the fuel importation is covered by letter of credits (LCs) which is subsequently closed to Philippine peso trusts receipts (TRs). Further, the Group has several U.S. dollar loans from certain banks, which were used to finance its capital expenditures.

The Group also holds U.S. dollar-denominated cash and cash equivalents.

To mitigate the Group's exposure to foreign currency risk, non-Philippine peso cash flows are monitored.

Foreign currency-denominated financial assets and financial liabilities, translated into Philippine pesos at the closing rate follow:

	<u>September 30, 2020 (Unaudited)</u>		
	<u>U.S. Dollar</u>	<u>Singapore Dollar</u>	<u>Vietnamese Dong</u>
Financial assets	P 5,650,102,713	P 10,306,789	P 280,648,875
Financial liabilities	(6,315,774,634)	(-)	(526,034,826)
Net exposure	(P 665,671,921)	P 10,306,789	(P 245,385,951)

	<u>December 31, 2019 (Audited)</u>		
	<u>U.S. Dollar</u>	<u>Singapore Dollar</u>	<u>Vietnamese Dong</u>
Financial assets	P 6,205,264,630	P 5,988,698	P 165,720,486
Financial liabilities	(15,874,853,970)		(470,584,602)
Net exposure	(P 9,669,589,340)	P 5,988,698	(P 304,864,116)

The following table illustrates the sensitivity of the Group's profit before tax with respect to changes in Philippine peso against U.S. dollar exchange rates. The percentage changes in rates have been determined based on the average market volatility in exchange rates, using standard deviation, in the previous 9 and 12 months, respectively, at a 99% confidence level.

	<u>September 30, 2020 (Unaudited)</u>		
	<u>U.S. Dollar</u>	<u>Singapore Dollar</u>	<u>Vietnamese Dong</u>
Reasonably possible change in rate	7.27%	17.37%	22.02%
Effect in profit before tax	(P 48,417,349)	P 1,790,596	(P 54,031,761)
Effect in equity after tax	(33,892,144)	1,253,417	(P 37,822,233)

	<u>December 31, 2019 (Audited)</u>		
	<u>U.S. Dollar</u>	<u>Singapore Dollar</u>	<u>Vietnamese Dong</u>
Reasonably possible change in rate	12.93%	21.49%	13.28%
Effect in profit before tax	(P 1,250,277,902)	(P 1,286,971)	(P 40,485,955)
Effect in equity after tax	(875,194,531)	900,880	(P 28,340,168)

Exposures to foreign exchange rates vary during the year depending on the volume of foreign currency denominated transactions. Nonetheless, the analysis above is considered to be representative of the Group's currency risk.

(b) Interest Rate Risk

The Group's policy is to minimize interest rate cash flow risk exposures on long-term financing. Long term borrowings are therefore usually made at fixed rates. As of September 30, 2020 and 2019, the Group is exposed to changes in market interest rates through its cash and cash equivalents and certain interest-bearing loans and borrowings, which are subject to variable interest rates. All other financial assets and financial liabilities have fixed rates.

The Group's objectives and policies for managing interest rate risks are described in its recent annual consolidated financial statements.

(c) *Other Price Risk*

The Group's market price risk arises from its purchases of fuels. It manages its risk arising from changes in market prices by monitoring the daily movement of the market price of fuels and to some extent, using forward and other similar contracts to manage the fluctuation of the fuel price.

6.2 Credit Risk

Credit risk is the risk that a counterparty may fail to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments arising from granting of loans and selling goods and services to customers including related parties; and placing deposits with banks.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties. In addition, for a significant proportion of sales, advance payments are received to mitigate credit risk.

Estimate of the fair value of collateral held against trade and other receivables as of September 30, 2020 and December 31, 2019 follows:

	<u>Sept. 30, 2020</u>	<u>Dec. 31, 2019</u>
Standby letter of credits	P 383,258,026	P 590,461,106
Cash bond	278,722,647	261,881,695
Real estate mortgage	<u>74,192,730</u>	<u>74,192,730</u>
	<u>P 736,173,403</u>	<u>P 926,535,531</u>

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the consolidated statements of financial position or in the detailed analysis provided in the notes to the consolidated financial statements, as follows.

	<u>Sept. 30, 2020</u>	<u>Dec. 31, 2019</u>
	<u>(Unaudited)</u>	<u>(Audited)</u>
Cash and cash equivalents	P 4,268,336,986	P 9,810,770,115
Trade and other receivables – net*	15,539,575,041	15,617,098,103
Due from related parties	32,913,767	1,986,811
Construction Deposit**	6,668,380	6,727,753
Restricted deposits	55,500,847	54,462,326
Refundable deposits	<u>687,586,984</u>	<u>323,634,283</u>
	<u>P 20,590,582,005</u>	<u>P 25,814,679,391</u>

*excluding certain advances to suppliers and advances subject to liquidation

**included as part of Others Non- Current Assets

The Group's management considers that all the above financial assets that are not impaired or past due for each reporting dates are of good credit quality. The Group's objectives and policies for managing credit risk are described in its recent annual consolidated financial statements.

(a) *Cash and Cash Equivalents*

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Included in the cash and cash equivalents are cash in banks and short-term placements which are insured by the Philippine Deposit Insurance Corp. up to a maximum coverage of P0.5 million for every depositor per banking institution.

(b) *Trade and Other Receivables and Due from Related Parties*

The Group applies the PFRS 9 using internal credit ratings translated to external credit ratings [i.e. Standard & Poor's (S&P)] in order to reference/benchmark with published equivalent external cumulative PD. The Group's definition of Trade and Other Receivables and Due from Related Parties classification [known as Phoenix Risk Rating (PRR)] and corresponding credit risk ratings are presented in the succeeding page.

Phoenix Risk Rating (PRR)	Description (PRR)		Equivalent S&P Rating	S&P PD (%)	
	Financial and Business Profiles	Other Information		2019	2018
PRR 3A	Counterparties with both very strong financial and business profiles. Lowest risk of default in the scale.	These counterparties do not have a greater-than-normal risk. The track record of the client in terms of profit is very good and exhibits highest quality under virtually all economic conditions. Probability of default is quite low and it bears some degree of stability and substance. However, client may be susceptible to cyclical changes and more concentration of business risk, by product or by market.	BBB	0.13 – 0.56	0.14 – 0.61
PRR 2A	Counterparties with strong financial profile and very strong business profile or vice versa.		BBB	0.13 – 0.56	0.14 – 0.61
PRR 1A	Counterparties with a strong to adequate financial profile and very strong to adequate business profile.		BBB	0.13 – 0.56	0.14 – 0.61
PRR 3B	Counterparties with a sustainable financial profile and adequate business profile.	Counterparties whose risk elements are sufficiently pronounced to withstand normal business cycles but any prolonged unfavorable economic and/or market period would create an immediate deterioration beyond acceptable levels.	BB	0.57 – 1.73	0.63 – 1.90
PRR 2B	Counterparties with an average financial profile and sustainable business profile.		BB	0.57-1.73	0.63 – 1.90

PRR 1B	Counterparties with both average financial and business profile.	Credit exposure is not at risk of loss at the moment but performance of the client has weakened and unless present trends are reversed, could lead to losses.	B	3.04 – 6.36	3.16 – 6.53
PRR 3C	Counterparties with an average financial profile and adequate business profile.	This rating is given to a client where repayment of the receivable, through normal course of business, may be in jeopardy due to adverse events. There exists the possibility of future losses to the institution unless given closer supervision.	B CCC/C	3.04 – 6.36	17.97 – 22.33
PRR 2C	Counterparties with a weak financial profile and adequate business profile.		B CCC/C	3.04 – 6.36	17.97 – 22.33
PRR 1C	Counterparties with a weak financial profile and sustainable business profile.	Counterparties credits or portions thereof which exhibit more severe weaknesses. This rating is given to a counterparties whose receivables or portions thereof are considered uncollectible. The collectible amount, with no collateral or which collateral is of little value, is difficult to measure and more practical to write-off than to defer even though partial recovery may be obtained in the future.	D	100	100
PRR D	Counterparties with a weak financial profile and average business profile.		D	100	100
PRR F	Counterparties with both weak financial profile and business profiles.		D	100	100

A reconciliation of the closing loss allowance for trade and other receivables and due from related parties as at September 30, 2020 and December 31, 2019 to the opening loss allowance is presented below

	Trade and Other Receivables	Due from Related Parties
Credit Loss allowance at January 1, 2020	P 655,639,182	P 86,816
Decrease/Increase in credit loss allowance during the year	-	-
Write-offs	(2,108,053)	-
Recoveries	-	-
Credit loss allowance at September 30, 2020	<u>P 653,531,129</u>	<u>P 86,816</u>

	Trade and Other Receivables	Due from Related Parties
Balance at beginning of year,	P 634,396,128	P 1,908,282
As previously reported		
Business Combination	2,006,443	
Decrease in credit loss allowance		
during the year	29,852,136	(1,821,466)
Write-offs	(6,853,066)	-
Recoveries	(3,762,459)	-
Credit loss allowance at December 31, 2019	<u>P 655,639,182</u>	<u>P 86,816</u>

The credit loss allowance provided as of September 30, 2020 and December 31, 2019 are as follows:

Trade and Other Receivables				
	S&P	PD Rate	Estimated Gross Carrying Amount	Credit Loss
<u>PRR</u>	<u>Rating</u>	<u>Range</u>	<u>at Default</u>	<u>Allowance</u>
PRR 3A	BBB	0.13 – 0.56	P 5,927,361,924	P 11,701,424
PRR 2A	BBB	0.13 – 0.56	993,833,923	1,562,717
PRR 1A	BBB	0.13 – 0.56	2,934,649,883	8,014,488
PRR 3B	BB	0.57 – 1.73	2,504,670,300	13,179,051
PRR 2B	BB	0.57 – 1.73	769,745,228	3,916,005
PRR 1B	B	0.57 – 1.73	1,778,924,061	10,477,726
PRR 3C	B	3.04 – 6.36	574,105,409	22,086,150
PRR 2C	B	3.04 – 6.36	211,818,047	7,073,111
PRR 1C/D/F	D	100	<u>577,628,510</u>	<u>577,628,510</u>
			<u>P16,272,737,285</u>	<u>P 655,639,182</u>
Due From Related Parties				
	S&P	PD Rate	Estimated Gross Carrying Amount	Credit Loss
<u>PRR</u>	<u>Rating</u>	<u>Range</u>	<u>at Default</u>	<u>Allowance</u>
PRR 3B	BB	0.57 – 1.73	<u>P 2,073,627</u>	<u>P 86,816</u>

In respect of due from a related party, the Group has assessed that these advances are collectible and the credit risk exposure is considered to be low.

Some of the unimpaired trade and other receivables are past due at the end of the reporting date. The age of financial assets past due but not impaired is presented below.

September 30, 2020 (Unaudited)

Not more than one month	366,254,432
More than one month but not more than 2 months	62,640,933
More than two months but not more than 6 months	998,862,835
More than six months but not more than 1 year	1,102,244,479
More than one year	1,792,653,017
	<u>4,322,655,696</u>

6.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly.

The Group maintains cash and cash equivalents to meet its liquidity requirements for up to 60-day periods. Excess cash are invested in time deposits. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

This compares to the maturity of the Group's financial liabilities as of September 30, 2020 (Unaudited) as presented below.

	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	More than 5 years
Interest-bearing loans				
and borrowings	P 34,209,691,553	P 3,606,062,570	P 11,380,841,700	P
Trade and other payables (excluding tax-related payables)	2,841,158,037	113,150,497	349,452,765	871,046
Security deposits	-	-	81,897,488	-
Customers' cylinder deposits	-	-	-	631,130,811
Cash bond	11,554,385	10,989,262	145,666,038	110,512,960
	<u>P 37,062,403,975</u>	<u>P 3,730,202,329</u>	<u>P 11,957,857,991</u>	<u>P 742,514,817</u>

As of December 31, 2019 (Audited), the Group's financial liabilities have contractual maturities which are summarized as follows:

	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	More than 5 years
Interest-bearing loans and borrowings	P 30,450,279,323	P 9,886,118,390	P 11,301,955,802	P 4,925,525,000

Trade and other payables (excluding tax-related payables)	793,247,218	10,744,441,389	-	-
Derivative financial Liabilities	311,019,650	-	-	-
Security deposits	-	-	100,979,556	-
Customers' cylinder deposits -	-	-	-	440,803,046
Cash bond	-	-	247,905,839	58,405,556
	<u>P 31,554,546,191</u>	<u>P20,630,559,779</u>	<u>P11,650,841,197</u>	<u>P 504,133,602</u>

7. INVENTORIES

Inventories which are stated at cost, which is lower than its net realizable value, are broken down as follows:

	September 30, 2020 (Unaudited)	December 31, 2019 (Audited)
At cost:		
Fuels and by-products	P 5,335,535,102	P 11,007,891,911
Lubricants	143,955,607	302,533,668
Merchandise	160,052,384	192,832,067
LPG	177,974,471	62,167,181
Others	<u>97,375,714</u>	<u>114,192,078</u>
	<u>P 5,914,893,278</u>	<u>P 11,679,616,905</u>

Inventories with carrying amount of P 11,732 million and P 4,554.20 million as of September 30, 2020 and December 31, 2019, respectively, have been released to the Group in trust for by the bank.

The Group is accountable to the bank for the trusted inventories or their sales proceeds.

There was no Inventory write-down in September 30, 2020 and December 31, 2019.

8. PROPERTY, PLANT, EQUIPMENT AND RIGHT-OF-USE ASSETS

The reconciliation of the carrying amounts of property, plant and equipment is shown below.

	September 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	December 31, 2019 (Audited)
Balance at beginning of period	P 28,521,591,044	P 18,715,994,505	P 18,715,994,505
Business combination – net	-	215,698,587	952,310,893
Additions	4,087,751,867	4,982,026,614	8,953,090,343
Revaluation Increments			145,379,972
Transfers			(85,967,754)
PFRS 16 Leases (Right to Use recognition)	494,074,552	1,075,556,520	1,142,726,144
Disposals – net	(803,835,601)	(22,105,209)	(84,088,919)
Depreciation and amortization	(958,017,186)	(1,061,895,743)	(1,196,907,445)
Balance at end of the period	<u>P 31,341,564,676</u>	<u>P 23,927,275,275</u>	<u>P 28,521,591,044</u>

9. INTANGIBLE ASSETS

The reconciliation of the carrying amounts of intangible assets is shown below.

	September 30,		December 31,	
	2020	2019	2019	
	(Unaudited)	(Unaudited)	(Audited)	
Balance at beginning of period	P 310,277,916	P 328,054,350	P 328,054,350	
Additions	12,269,286.78	29,570,547	43,332,685	
Transfers from PPE			962,754	
Amortization expense for the period	(33,606,640)	(51,468,590)	(61,534,643)	
Reclassification/adjustment	(505,081)		(537,230)	
Balance at end of the period	<u>P 288,435,482</u>	<u>P 306,156,307</u>	<u>P 310,277,916</u>	

10. INTEREST-BEARING LOANS AND BORROWINGS

Interest-bearing loans and borrowings are broken down as follow:

	September 30, 2020 (Unaudited)	December 31, 2019 (Audited)
Current:		
Liabilities under LC and TR	P 11,732,368,579	P 6,206,767,833
Short-term loans	20,180,641,413	23,901,759,985
Current portion of long term loans	-	1,843,333,333
Liabilities under short-term commercial papers	<u>5,902,764,130</u>	<u>6,191,197,740</u>
	<u>37,815,754,122</u>	<u>38,143,058,891</u>
Non-current:		
Term loans	<u>11,380,841,700</u>	<u>11,753,129,172</u>
	<u>P 49,196,595,823</u>	<u>P 49,896,188,063</u>

10.1 Liabilities under Letters of Credits and Trust Receipts

The Group avails of LC and TR lines with local banks to finance its purchases of inventories. These short-term trust receipts bear interests based on prevailing market interest rates at an average of 5.775% % and 6.125% per annum as of September 30, 2020 and December 31, 2019, respectively.

10.2 Borrowings and Repayments

The Group has term loan with outstanding balance as of September 30, 2020 of P 37,464 million. The loans bear interest ranging from 3.800% to 8.115% and is repayable in various dates until 2025. Term loans refer to all interest-bearing loans repayable both within the short-term and lone-term periods.

As of September 30, 2020, repayments of term loans amounting to P 28.746 million were made in line with previously disclosed repayment terms.

11. LEASE LIABILITIES

Lease liabilities are presented in the Condensed Interim Financial Statement as follows:

Current	185,816,754
Non-Current	1,265,699,960
Total	<u><u>1,451,516,714</u></u>

Additional Information on lease liabilities are broken down as follows:

	<u>Land</u>	<u>Vessel</u>	<u>Office</u>	<u>Warehouse</u>	<u>Store Premises</u>	<u>TOTAL</u>
Lease Liabilities	744,999,386	431,768,341	35,774,337	51,533,976	187,440,649	1,451,516,714

As of September 30, 2020, the Group is not committed to leases which has not commenced.

A total of P 60.163 million finance cost was recognized related to the lease liabilities.

12. RELATED PARTY TRANSACTIONS

The Group's related parties include the ultimate Parent Company, PPHI, stockholders, the Group's key management personnel, entities under common ownership by the ultimate parent Company and others as described below and in the succeeding pages.

Summary of the Group's transactions with its related parties for the periods ended September 30, 2020 and 2019 and the related outstanding balances as of September 30, 2020 and December 31, 2019 is presented below.

Related Party Category	Amount of Transactions		Outstanding Balance	
	September 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2020 (Unaudited)	December 31 2019 (Audited)
Other related parties under common Ownership				
Sale of subsidiaries	-			P 500,000,000
Sale of goods	P 891,333,838	P 1,390,675,384	2,574,556,022	4,207,636,773
Sale of service	334,131,800	108,505	1,666, 229,360	714,935,482
Purchases of services				
Purchase of goods				34,074,046
Advances to suppliers	141,601,247	576,199,647	1,886,037,918	30,811,857
Management fees		-		86,614,907
Rentals	53,488,760	73,542	47,803,848	
Advances for option to purchase properties		-	2,364,361,471	2,500,000,000
Due from related parties		-		1,986,811
Due to related parties	-	-	-	-
Donations	-	-	-	-
Udenna Corporation				
Advances to suppliers	947,211	500,000,000	1,617,743,499	1,651,621,799
Lease liability				167,656,447

Rentals	6,969,211			
Sale of goods	283,592		92,035	
Sale of Services	525,180,215	-	1,085,302,038	497,082,768
Associate				
Technical ship				
Services	-	-	-	-
Key management personnel				
Salaries and employee benefits	155,399,630	163,605,856	-	-

12.1 Sale of Goods

The Group sells products to certain related parties under common ownership. Goods are sold on the basis of the price lists in force with non-related parties.

The outstanding receivables from related parties are unsecured, do not bear any interest and collectible in cash on demand.

No impairment loss was recognized for the nine months ended September 30, 2020 and 2019 based on management's assessment.

12.2 Purchases of Goods and Services

The Group purchased goods and services from related parties on the basis of price lists in force with non-related parties. The outstanding balances are unsecured, non-interest bearing, payable on demand and normally settled in cash.

In addition, the Group advances certain amount to certain related parties for the purchase of services. The amount is credited upon the performance of the contractual obligation by the related parties. Management has assessed that there are no impairment losses required to be recognized on the advances to suppliers as of the nine months ended September 30, 2020.

12.3 Due from Related Parties

The Group grants and obtains unsecured advances to and from related parties under common ownership for working capital requirements and other purposes. Due from Related Parties (excluding advances to CISC) are either receivable in cash or paid through offsetting, unsecured non-interest-bearing liabilities and are expected to be paid within one year.

13. EQUITY

13.1 Capital Stock

Capital stock consists of:

	Shares			Amount		
	For the nine months ended September 30, (Unaudited)	2019	For the year ended December 31, 2019 (Audited)	For the nine months ended September 30, (Unaudited)	2019	For the year ended December 31, 2019 (Audited)
	<u>2020</u>	<u>2019</u>	<u>(Audited)</u>	<u>2020</u>	<u>2019</u>	<u>(Audited)</u>
Preferred – cumulative, nonvoting, non-participating, non-convertible into common shares - P1 par value						
Authorized:	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>	<u>P 50,000,000</u>	<u>P 50,000,000</u>	<u>P 50,000,000</u>
Issued:						
Balance at beginning of year	<u>27,000,000</u>	<u>22,000,000</u>	<u>32,000,000</u>	<u>P 27,000,000</u>	<u>P 22,000,000</u>	<u>P 30,000,000</u>
Issuance during the year	<u>-</u>	<u>-</u>	<u>7,000,000</u>	<u>-</u>	<u>-</u>	<u>7,000,000</u>
Redemption	<u>-</u>	<u>-</u>	<u>(2,000,000)</u>	<u>-</u>	<u>-</u>	<u>(2,000,000)</u>
Balance at end of year	<u>27,000,000</u>	<u>22,000,000</u>	<u>37,000,000</u>	<u>27,000,000</u>	<u>22,000,000</u>	<u>37,000,000</u>
Treasury shares	<u>(-)</u>	<u>(-)</u>	<u>(10,000,000)</u>	<u>(-)</u>	<u>(-)</u>	<u>(10,000,000)</u>
Issued and outstanding	<u>27,000,000</u>	<u>22,000,000</u>	<u>27,000,000</u>	<u>P 27,000,000</u>	<u>P 22,000,000</u>	<u>P 27,000,000</u>
Common – P1 par value						
Authorized:	<u>2,500,000,000</u>	<u>2,500,000,000</u>	<u>2,500,000,000</u>	<u>P 2,500,000,000</u>	<u>P 2,500,000,000</u>	<u>P 2,500,000,000</u>
Issued:						
Balance at beginning of year	<u>1,406,204,232</u>	<u>1,403,304,232</u>	<u>1,434,304,232</u>	<u>P 1,092,904,232</u>	<u>P 1,090,004,232</u>	<u>P 1,434,304,232</u>
Issuance during the year	<u>1,773,000</u>	<u>2,572,000</u>	<u>2,900,000</u>	<u>1,773,000</u>	<u>2,698,055</u>	<u>2,900,000</u>
Balance at end of year	<u>1,407,977,232</u>	<u>1,405,876,232</u>	<u>1,437,204,232</u>	<u>1,094,677,232</u>	<u>1,092,702,287</u>	<u>1,437,204,232</u>
Treasury shares	<u>-</u>	<u>-</u>	<u>(31,000,000)</u>	<u>-</u>	<u>-</u>	<u>(344,300,000)</u>
Issued and outstanding	<u>1,407,977,232</u>	<u>1,405,876,232</u>	<u>1,406,204,232</u>	<u>P 1,094,677,232</u>	<u>P 1,092,702,287</u>	<u>P 1,092,904,232</u>
				<u>P 1,121,677,232</u>	<u>P 1,109,702,287</u>	<u>P 1,119,904,232</u>

13.2 Employee Stock Options

On January 24, 2013, the Parent Company's BOD approved the ESOP for its eligible employees.

The initial offering date of the option was on July 1, 2016 and will vest five years from the date of grant. Pursuant to this ESOP, on July 1, 2016, the Parent Company granted share options to certain key executives to subscribe to 24.5 million common shares of the Parent Company equivalent to 2.2% of the total issued shares, at an exercise price of P5.68 per share.

Stock options will be granted in two tranches until July 1, 2021. The allocation for Tranche 1 every year is computed at 10.0% of the total available shares for exercise. Meanwhile, the allocation for Tranche 2 is based on the forecasted assessment of the executives' performance rating for five years.

The fair value of the option granted was estimated using a variation of the Black-Scholes valuation model that takes into account factors specific to the ESOP. The following principal assumptions were used in the valuation:

Life of the option	5 years
Current share price at grant date	P 6.25
Exercise price at grant date	P 5.68
Standard deviation of the rate of return	0.4
Risk-free interest rate	3.80%

The underlying expected volatility was determined by reference to historical data of the Group's shares over a period of time consistent with the option life.

The underlying expected volatility was determined by reference to historical data of the Company's shares over a period of time consistent with the option life.

A total of P 3.830 million and 8.900 share-based executive compensation are recognized in September 2020 and December 2019, respectively, and presented as part of Employee benefits under Selling and Administrative Expenses account in the consolidated statements of comprehensive income, respectively, with a corresponding credit to Retained Earnings account.

13.3 Cash Dividends

The details of the Parent Company's cash dividend declarations, both for preferred and common shares, for the nine months ended September 30 (unaudited) are as follows:

	<u>2020</u>	<u>2019</u>
Common shares	P -	P 210,495,635
Preferred shares	<u>512,565,000</u>	<u>243,703,333</u>
	<u>P 512,565,000</u>	<u>P 454,198,968</u>

13.4 Other Interim Disclosures

The Group's management is not aware of the following or is not applicable to the Group's interim operations:

- Unusual items that materially affect the Group's interim condensed consolidated assets, liabilities, equity, net income or cash flows because of their size, nature or incidents;
- Material changes in contingent liabilities or contingent assets since the last annual balance sheet date;
- Existence of material contingencies and other events of transactions that are material to an understanding of the current interim period;
- Events that will trigger direct or contingent material financial obligations to the Group;
- Material off-balance sheet transactions, arrangements, obligations (direct or contingent) and other relationships of the Group;
- Significant elements of income or loss that did not arise from the Group's continuing operations;
- Material events subsequent to end of the reporting period that have not been reflected in this report;
- Material changes in the composition of the Group, including business combination, acquisition or disposal of subsidiaries, restructurings and discontinuing operations; and,
- Any seasonal aspect that had a material effect on the consolidated financial condition or results of operation.

13.5 Earnings Per Share

EPS were computed as follows:

	For the nine months ended September (Unaudited)		For the year ended December 31, 2019 (Audited)
	2020	2019	
a) Net profit pertaining to common shares	P (587,665,869)	P 674,496,495	P 853,982,096
b) Net profit attributable to common shares and potential common shares	(587,665,869)	674,496,495	853,982,096
c) Weighted average number of outstanding common shares	1,405,180,377	1,405,876,232	1,404,437,174
d) Weighted average number of outstanding common and potential common shares	1,406,356,132	1,405,876,232	1,405,612,929
Basic EPS (a/c)	<u>P (0.42)</u>	<u>P 0.48</u>	<u>P 0.61</u>
Diluted EPS (b/d)	<u>P (0.42)</u>	<u>P 0.48</u>	<u>P 0.61</u>

14. COMMITMENTS AND CONTINGENCIES

As of September 30, 2020 and December 31, 2019, the Group has commitments of more than P **1,000.0** million and P6,000.0 million, respectively, for expansion on petroleum retail network, depot, terminalling and logistics facilities, information technology infrastructure and other major expansions related to its business development.

The Group plans to expand further its petroleum retail service stations and carry out its investments in its subsidiaries to put up depot and terminalling facilities in strategic locations and complete its chain of logistical support to strengthen its foothold in the industry.

As of September 30, 2020, and December 31, 2019, the Parent Company has unused approved LCs amounting to P5,836.0 million and P12,620.2 million, respectively.

There are commitments, guarantees and contingent liabilities that arise in the normal course of operations of the Group which are not reflected in the accompanying interim condensed consolidated financial statements. Management of the Group is of the opinion, that losses, if any, from these items will not have any material effect on its interim condensed consolidated financial statements.

In addition, there are no material off-balance sheet transactions, arrangements, obligations and other relationships of the Group with unconsolidated entities or other persons created during the reporting period.

15. EVENTS AFTER THE REPORTING PERIOD

In October 2020, PNX SG recognized a P21.3 million forward contract settlement gains in relation to the fair value loss on derivative financial instrument recognized for the month of September 2020 amounting to P7.5 million. This pertains to the purchases and sale transaction of PNX SG to third parties for LPG.

16. SEASONAL FLUCTUATIONS

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Group.

Item II: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The COVID-19 pandemic has severely impacted the global economy. Measures have been taken to contain the pandemic, including restrictions in travel, nationwide quarantines, social distancing, and closures of non-essential services. These have not only resulted in disruptions in supply chain and production activities of businesses but also reduction in demand and spending that reached across all sectors and industries.

In the latter part of the first quarter of 2020, these actions, which included a Philippine-wide "Enhanced Community Quarantine (ECQ)", began to materially affect our operations and our end markets. Though our LPG business remains resilient and thriving, demand for fuel slowed as the ECQ constrained travel and other industrial activities. Travel-related sectors such as aviation, marine transport, and commercial road transport were particularly impacted.

As the ECQ took hold in the second quarter, demand significantly slowed down particularly in April. This was evident in the sharp decline in retail and commercial volume during the month as a nationwide lockdown was imposed. By July, the government started easing the restrictions under General Community Quarantine, allowing for the reopening of businesses and public transportation while continuing to limit general movements. As a result, demand across the board started to recover halfway through the second quarter and throughout the third quarter.

The Company has adjusted businesses practices and operations to the changing market conditions, including a work-from-home arrangement for most of its staff for the remainder of 2020. With operational and governance systems it has put in place, the Company continues to monitor the health and well-being of our employees nationwide and operate business as usual. Cost and liquidity measures remain to ensure proper management of working capital and other funding requirements.

While the Company cannot quantify the duration or the specific impact the pandemic and its containment measures will have on the business, as well as the pace of the recovery across our end markets, we believe that we are well positioned to navigate the downturn and for the eventual upturn.

Comparable discussion on Material Changes in Results of Operations for the Period Ended September 30, 2020 vs. September 30, 2019.

Revenues, Cost of Sales and Gross Margins

The Group's **Revenues** during the first nine months of 2020 were lower by 22.4% at ₱56.776 billion compared to the ₱73.169 billion generated in the same period of 2019. With the year to date Dubai crude (benchmark crude of Asian refineries) average declining 35.5% to US\$41.28/ bbl from US\$64.02/bbl the previous year, average selling prices of products year-on-year similarly decreased. This was partly offset by the 23.4% growth in higher volume sold during the period to 2,890 million liters from 2,343 million liters.

The Company's trading business, PNx Petroleum Singapore (PNx SG), and its LPG business in Vietnam, Phoenix Gas Vietnam (PGV), grew its combined volume by 135.8% during the period and drove overall volume growth. PGV was fully consolidated in March 2020.

In terms of products, LPG volume surged 80.1% year-on-year on robust demand in both the Philippine and Vietnam markets.

Cost of Sales and Services decreased by 21.7% to ₱51.578 billion in 2020 from ₱65.908 billion in the in 2019 principally attributable to the drop in petroleum prices.

Gross Margin decreased by 28.8% to ₱5.198 billion on lower prices of petroleum products as well as the decrease in the domestic volume sold.

Operating Expenses, Non-operating Expenses, Recurring Income

Meanwhile, the Company's **Selling and Administrative Expenses** declined by 11.2% to ₱4.280 billion from ₱4.822 billion the prior year. With the Company's decision to preserve its resources amidst increasing economic uncertainty brought about by the COVID-19 pandemic, cost optimizations initiatives were implemented at the start of the second quarter and carried over to the following quarters. These include reductions in marketing and non-essential spending. The Company has likewise implemented structural cost reductions prior to the pandemic such as rationalization of supply chains of certain business units.

On the other hand, **Net Non-operating Charges** were lower by 11.9% at ₱1.236 billion from ₱1.402 billion in the same period of 2019. This was on account of the 11.4% decline in Net Finance Cost at ₱1.567 billion, the 128.3% increase in the equity share in the JV income to ₱0.045 billion, and the 17.5% decrease in other income to ₱0.285 billion.

Operating, Net and Comprehensive Incomes

The first nine months 2020 **Operating Income** was lower by 62.9% at ₱0.918 billion compared to prior year's ₱2.474 billion. The decline was mainly driven by lower gross margin and was partly reduced by the decrease in selling and administrative expenses.

The **Net Loss Before Tax** declined by 129.6% to ₱0.318 billion during the period vis-à-vis the prior year's Net Income Before Tax of ₱1.037 billion. The Net Loss After Tax reached ₱0.095 billion year-to-date. This was 111.0% lower compared to prior year's Net Income After Tax of ₱0.918 billion.

Meanwhile, the Company recorded a ₱0.014 billion translation adjustment loss related to PNX SG's operations, 170.9% lower than the ₱0.020 billion gain recorded in the same period of 2019. As such, **Comprehensive Loss** declined by 111.7% to ₱0.110 billion from the ₱0.938 billion in Comprehensive Income reported in 2019.

Financial Condition

(As of September 30, 2020 versus December 31, 2019)

Consolidated resources as of September 30, 2020 were lower by 11.0% to ₱77.381 billion from ₱86.957 billion as of December 31, 2019. This was mainly due to the decrease in Liability and in Equity of ₱8.969 billion and ₱0.608 billion, respectively.

Cash and Cash Equivalents decreased by 56.5% to ₱4.268 billion from ₱9.811 billion mainly due to the settlement of borrowings and lower cash from operations as the COVID-19 pandemic containment measures hampered collections and sales starting March 2020.

Trade and Other Receivables decreased by 2.7% to ₱15.540 billion from ₱15.973 billion as a result of lower selling prices coupled with stronger collection efforts.

Inventory was 39.2% lower at ₱5.915 billion from ₱11.678 billion due to the year-to-date decline in the global prices of petroleum products. In addition, inventory levels were promptly reduced to match projected market demand.

Due from related parties increased to ₱0.003 billion as the Company extended support to its JVs in light of the COVID-19 pandemic and the ECQ.

Input VAT declined by 27.8% to ₱2.098 billion from ₱2.906 billion as the value of purchases decreased.

Prepayment and other current assets increased by 25.6% to ₱2.427 billion from ₱1.932 billion. This was related to an Option to Purchase agreement that became current in the first quarter.

Non –Current Assets increased by 5.3% at ₱46.967 billion. The increase came from the increase in Deferred Tax Assets of the Subsidiary which incurred losses during the period, Investment in Joint Ventures, Investment Properties acquired and Right-of-Use Assets arising from the long-term leases. Property, Plant and Equipment likewise increase mostly related to capex incurred in the first quarter prior to the pandemic.

Interest-bearing Loans and Borrowings, both current and non-current, decreased by 1.4% to ₱49.196 billion from ₱49.896 billion as the Company settled certain maturing loans.

Trade and Other Payables decreased by 70.8% to ₱3.458 billion from ₱11.841 billion driven by the timing and value of inventory purchases as well as the controlled expenditures.

Lease Liabilities, both current and non-current, increased by 16.1% to ₱1.452 billion from ₱1.250 billion due to the new leases concluded during the period.

Total Stockholders' Equity decreased by 2.8% to ₱21.315 billion from ₱21.923 billion on account of the net loss realized during the period, which reduced retained earnings by 7.5% to ₱7.287 billion; the ₱0.512 billion in dividends paid out to Preferred shareholders; and the net movement in the revaluation coming from the other comprehensive income.

Key Performance Indicators and Relevant Ratios

The Group's key performance indicators and relevant ratios and how they are computed are listed below:

	<u>September 30, 2020</u>	<u>December 31, 2019</u>
Current Ratio ¹	0.73x : 1x	0.84x : 1x
Debt to Equity Ratio ²	2.63x : 1x	2.97x : 1x
Interest-Bearing Debt to Equity ³	2.31x : 1x	2.28x : 1x
Net Book Value per Share ⁴	₱8.91	₱9.36
Earnings per Share ⁵	(₱0.42)	₱0.61

Notes: Formula are based on Philippine Accounting Standards

1 - Total current assets divided by current liabilities

2 – Total Liabilities divided by Total stockholder's equity

3 - Interest Bearing Debt divided by Total stockholder's equity

4 - Total stockholder's equity (net of Preferred) divided by the total number of shares issued and outstanding

5 - Period or Year Net income after tax divided by weighted average number of outstanding common shares

These key indicators were chosen to provide management with a measure of the Group's financial strength (Current Ratio, Debt to Equity Ratio, and Interest bearing Debt to Equity Ratio) and the Group's ability to maximize the value of its stockholders' investment in the Group (Net Book Value Per Share and Earnings Per Share). Likewise, these ratios are used to compare the Group's performance with similar companies.

The net loss incurred year to date impacted the Interest Bearing Debt to Equity ratio, as well as the net book value per share and earnings per share. Current ratio was likewise affected by the ECQ which resulted in extended collections. Meanwhile, Debt to Equity Ratio improved as borrowings declined.

Material (5% or more) Changes to the Group's Balance Sheet as of September 30, 2020 vs. December 31, 2019

56% decrease in Cash and Cash Equivalents

Settlement of matured debts, lower sales, and slower collections as a result of the ECQ.

49% decrease in Inventory

Driven by the decline in global prices of petroleum products and tighter inventory management.

1,557% increase in Due from Related Party

Advances made to PAPI, PGV and the Phoenix Foundation for their working capital needs during the COVID-19 pandemic.

28% decrease in Input Vat Net

Due to the lower tax base value of the recent importations as global oil prices declined during the period.

26% Increase in Prepayments and other current assets

Due to a certain option to purchase agreement which was not renewed or negotiated during the period, thus has become due and demandable.

9% increase in Property, Plant and Equipment

Due to the capitalizable maintenance and expansions initiated and awarded early in 2020.

22% increase in Right of Use Asset

Due to new lease agreements entered into during the period, particularly in the first quarter, net of the depreciation for the period.

14% increase in Investment Properties

Due to acquisitions made during the year.

7% decrease in Intangible Assets

Due to regular amortization.

6% increase in Investments in Joint Ventures

Due to the newly formed Joint Ventures concluded during the year.

236% increase in Net Deferred Tax Asset and Liabilities

Due to the increase in Deferred Tax Asset coming from the estimated tax income and expense from the taxable income / loss of the subsidiaries.

71% decrease in Trade Payables

Due to lower inventory purchase level and value as global oil prices declined during the period

218% decrease in Derivative Financial Liabilities

Related to the favorable forward contracts entered into by PNX SG

16% increase in Lease Liabilities

Due to the new leases entered into during the period

15% increase in Other Non-Current Liabilities

Due to the additional customer security deposits received during the period

8% decrease in Retained Earnings

Driven by the net loss after tax, net of the preferred dividends declared and distributed, during the period.

27% decrease in Non Controlling Interests

Due to losses incurred by non-wholly owned subsidiaries such as Action.Able.

Material (5% or more) changes to the Group's Income Statement as of September 30, 2020 vs. September 30, 2019

23% decrease in Sale of Goods

Due to the lower global petroleum prices year-on-year.

56% increase in fuel service and other revenue

Due to higher revenues from non-fuel related businesses.

22% decrease in Cost of Sales and Services

Due to lower global petroleum prices year-on-year and tempered by the increase in excise tax rates on petroleum products.

11% decrease in Selling and Admin Expenses

Due to the Company's efforts to preserve resources in response to the COVID-19 pandemic and the resulting economic uncertainties.

12% decrease in Other Charges / (Income)

Due to the lower Finance Costs net of the Finance Income and Other Income and the higher Equity Share in the Net Income of the Joint Ventures.

245% decrease in Tax Expense

Due to the losses incurred during the period.

There are no other material changes in the Group's financial position (5% or more) and conditions that will warrant a more detailed discussion. Furthermore, there are no material events and uncertainties known to management that would impact or change the reported financial information and condition of the Group.

PART II – OTHER INFORMATION

1. The Parent Company held its virtual annual stockholders' meeting last May 29, 2020, Friday, at the Phoenix Corporate Headquarters in Davao City via remote communications or live streaming.
2. The Board of Directors has declared cash dividends for the Company's preferred share for the third quarter of 2020 as follows:

Shares	Record Date	Payment Date	Interest Rate Per Annum
PNX3A	Aug. 24, 2020	Sept. 18, 2020	7.427%
PNX3B	Aug. 24, 2020	Sept. 18, 2020	8.1078%
PNX4	Aug. 18, 2020	Aug. 20, 2020	7.5673%

3. In December 2018, the Company obtained approval from the Securities and Exchange Commission (SEC) for the registration and listing of Short Term Commercial Papers through the Philippine Dealing and Exchange Corporation (PDEX) up to the amount of ₱10.00 billion with a three year validity period. On December 27, 2018 it listed and raised a total of ₱7.00 billion in two tranches: Series A-1 amounting to ₱3.50 billion with a discount rate of 7.0937% and is due in 180 days, and Series A-2 amounting to ₱3.50 billion with a discount rate of 7.4717% and is due in 360 days. Series A-1 was fully redeemed on June 25, 2019 and on July 26, 2019 the Company filed notice with the SEC to subscribe and list up to ₱3.50 billion under Series B of the Commercial Paper Program. Series B shall have a tenor of 360 days. On August 5, 2019, the company listed Series B of its Commercial Paper Program with a tenor of 360 days discounted rate of 7.00% and was fully subscribed for the amount of ₱3.00 billion. On November 29, 2019, the company filed notice with the SEC to list its STCP Series C and this was listed on December 11, 2019 with a total subscription value of ₱3.00 billion and a discount rate of 4.6657%. On December 21, 2019 the company redeemed Series A-2 of its STCP in the amount of ₱ 3.50 billion. On July 30, 2020, the Company redeemed Series B of the STCP in the amount of ₱3.50 billion .
4. On August 03, 2020, the Company filed with the Securities and Exchange Commission (SEC) for the registration of commercial papers with an aggregate principal amount of up to ₱7.00 billion, including the offer and listing of commercial papers with an aggregate principal amount of up to ₱2.00 billion with an oversubscription of ₱1.50 billion. On August 26, 2020 the company listed its STCP Series D with a total subscription value of P 3.086 billion and a discount rate of 5.00%. STCP Series D shall mature on July 24, 2021.

The use of Proceeds of the STCP Series D are reported as follows:

**ANNEX 68-I: SCHEDULE FOR LISTED COMPANIES WITH
RECENT OFFERING OF SECURITIES TO THE PUBLIC**

PHOENIX PETROLEUM PHILIPPINES, INC.

For the Period Ended September 30, 2020

Gross and Net Proceeds as Disclosed on the Final Prospectus

Gross	Php 3,333,333,333
-------	-------------------

Net	Php 3,280,015,570
-----	-------------------

Actual Gross and Net Proceeds

Gross	Php 3,082,680,000
-------	-------------------

Net	Php 2,949,493,738
-----	-------------------

Each expenditure item where the proceeds were used:

Importation of inventory

Month of Importation	Final Settlement Price (Converted to Php)	Bill of Lading Date
July	143,989,464.72	7/15/2020
July	167,987,708.84	7/15/2020
July	111,102,456.60	7/13/2020
July	38,885,859.81	7/13/2020
July	187,879,654.63	7/19/2020
July	79,038,024.58	7/19/2020
July	145,884,062.94	7/7/2020
August	226,253,994.20	8/10/2020
August	100,640,180.80	8/10/2020
August	89,858,212.80	8/10/2020
August	127,162,005.19	8/1/2020
August	138,463,787.33	8/1/2020
August	86,087,354.51	8/12/2020
August	36,578,315.64	8/12/2020
August	199,291,090.95	8/7/2020
August	25,390,317.51	8/7/2020
August	184,013,046.21	8/12/2020
August	107,260,364.92	8/30/2020

August	77,290,535.65	8/30/2020
August	222,732,760.00	8/30/2020
August	217,959,262.83	8/30/2020
August	231,128,247.99	8/30/2020
September	4,111,334.64	9/7/2020
September	146,389,758.38	9/21/2020
Total	2,949,493,738.73	

Balance of the proceeds as of end of reporting period

Balance: - 0 -

5. On 15 August, 2019 the Company's Board of Directors approved the partial redemption of 500,000 preferred shares valued at ₱1,000.00 per share, which was a portion of the 2,000,000 preferred shares issued, via private placement, to RCBC Capital Corporation. The issuance was an exempt transaction under Section 10(k) of R.A. No. 8799 otherwise known as the Securities Regulations Code (SRC).
6. On August, 29, 2019 the Company filed with the Securities and Exchange Commission its intent to list up to ₱7.00 billion in Preferred Shares through the Philippine Stock Exchange. To be designated as PNX4 upon approval by both the SEC and PSE, the Company shall price the offer at ₱1,000 per share.
7. On September 26, 2019 the SEC resolved in its meeting to render effective the registration of up to Seven Million (7,000,000) Preferred Shares consisting of a Five Million (5,000,000) share base offer, with an oversubscription option of up to Two Million (2,000,000) shares, at an offer price of PHP 1,000 per share, subject to the fulfilment of the required submissions.
8. On 06 November 2019, the Company's Board of Directors approved and ratified the full and final redemption of 1,500,000 Preferred Shares issued via private placement to RCBC Capital Corporation at ₱1,000 per share. The issuance was an exempt transaction under Section 10(k) of R.A. No. 8799 otherwise known as the Securities Regulations Code.
9. On October 9, 2019, the Philippine Stock Exchange issued its Notice of Approval for the Follow-on offer of PNX4 Preferred Shares with a primary offering of 5,000,000 shares and an oversubscription of 2,000,000 shares at a value of ₱1,000 per share.

10. On October 21, 2019, the SEC has ordered the effectivity of the Registration Statement and consequently issued the Permit to Sell the Company's Series 4 Preferred Shares Offering of up to 7,000,000,000 shares at ₱1,000.00 per share – base offering of 5,000,000 preferred shares with oversubscription of 2,000,000 preferred shares.

The Offer Shares have the following features, rights and privileges:

- The Offer had a base offer of 5,000,000 Preferred Shares and an oversubscription option of up to 2,000,000 Preferred Shares.
- The Offer Price of the Offer Share is at ₱1,000.00 per share;
- The Initial Dividend Rate of the Offer Rates shall be at a fixed rate of 7.5673% per annum, calculated in respect of each share by reference to the Offer Price thereof in respect of each Dividend Period;
- Cumulative in payment of current dividends as well as any unpaid back dividends;
- Non-convertible into common shares;
- Preference over holders of common stock in the distribution of corporate assets in the event of dissolution and liquidation of the Company and in the payment of the dividend at the applicable dividend rate;
- Non-participating in any other or further dividends beyond the dividends specifically payable on the Offer Shares;
- Non-voting except in those cases specifically provided by law;
- No pre-emptive rights to any subsequent issuance or disposition by the Company of its shares of stock; and
- Redeemable at the option of the Company under such terms and conditions as specified in the Prospectus. The holders of the Offer Shares (the "PNX4 Shareholders") do not have identical rights and privileges with holders of the existing common shares and existing preferred shares of the Company.

The Series 4 Preferred Share Offering was listed with the Philippine Stock Exchange on November 07, 2019 under PNX4.

11. On 06 November 2019, the Company's Board of Directors approved and ratified the full and final redemption of 1,500,000 Preferred Shares issued via private placement to RCBC Capital Corporation at ₱1,000 per share. The issuance was an exempt transaction under Section 10(k) of R.A. No. 8799 otherwise known as the Securities Regulations Code.
12. There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Parent Company with unconsolidated entities or other persons created during the reporting period.
13. There are no material commitments for capital expenditures, events or uncertainties that have had or that are reasonably expected to have a material impact on the continuing operations of the Parent Company.
14. There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Parent Company.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

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

By:



HENRY ALBERT R. FADULLON
President and Chief Executive Officer



MA. CONCEPCION DE CLARO
Chief Finance Officer



JONAREST Z. SIBOG
Controller

**2021 ANNUAL STOCKHOLDERS’ MEETING
OF
P-H-O-E-N-I-X PETROLEUM PHILIPPINES, INC.
 (“ASM”)**

RULES AND PROCEDURE IN

**PARTICIPATION IN THE ASM
BY REMOTE COMMUNICATION**

AND

ELECTRONIC VOTING IN ABSENTIA

1) Participation in the ASM by Remote Communications.

- a) Shareholders (SH) of record as of 05 April 2021 are entitled to attend and participate and vote in absentia during the ASM on 30 April 2021 provided, they:
 - i) Register electronically at <http://asm.phoenixfuels.ph/PNX2021>
 - ii) Have their shares authenticated and verified through the registration process and
 - iii) Proxies, if any and applicable, accompanied by their respective authorities (Special Power of Attorney or Secretary’s Certificate) validated.
- b) Only SH who have registered and whose shares have been verified, proxies validated shall be counted in the determination of a quorum and other corporate actions.
- c) SH may send their questions, comments and/or remarks prior to or during the meeting to pnx.corpsec@phoenixfuels.ph or investors@phoenixfuels.ph. It is requested and encouraged that questions will be limited to the Annual Report, Financial Statements as of 31 December 2020 and the Definitive Information Statement sent to all stockholders of record as of 05 April 2021.
- d) Since there is only a limited technical capacity for shareholders, only a limited number of questions will be addressed directly during the ASM. However, the Company shall endeavor to answer the submitted questions or queries through the specified email provided by the SH.
- e) A link to the recorded webcast of the Meeting will be posted on the Company’s website, www.phoenixfuels.ph after the Meeting.

Stockholders shall have two weeks from posting to raise to the Company any issues, clarifications and concerns on the Meeting conducted

2) Voting in Absentia

a) In view of the fact that the ASM will be conducted virtually, voting shall be cast through the following means:

- i) Electronic voting which will be provided through a link to all stockholders of record as of 05 April 2021 who are duly registered and shares have been authenticated and verified or their proxies, duly validated.
- ii) Through submission of votes/ballots; Forms are downloadable in the Company's website at <https://www.phoenixfuels.ph/annual-stockholders-meeting/>, subject to the conditions set herein paragraph 1 (a), to any of the following addresses:

(1) Office of the Corporate Secretary
Stella Hizon Reyes Rd., Bo. Pampanga
Lanang, Davao City 8000

(2) Office of the Corporate Secretary
17/F Udenna Tower
Rizal Drive corner 4th Avenue
Bonifacio Global City, Taguig City

- Or -

- iii) Submission of the votes/ballots, forms are downloadable in the Company's website at <https://www.phoenixfuels.ph/annual-stockholders-meeting/>, subject to the conditions set herein paragraph 1 (a), through email to pnx.corpsec@phoenixfuels.ph

b) The registration, authentication and validation process shall be open starting 10:00AM of April 16, 2021 and will close at 3:00PM on 29 April 2021. Thereafter, SH may no longer avail of the option to vote in absentia

- c) To register, authenticate and validate SH's shares or proxies, as the case may be, simply follow the steps in the registration process until completion. For further help and information, please send an email to pnx.corpsec@phoenixfuels.ph. The Company shall approve and confirm authentication and validation, as the case may, be through the SH email.
- d) Requirement for Registration:
- i) For Individual Stockholders with certificated shares:
 - (1) Government issued ID with photo and signature
 - (2) Recent photo with face fully visible. Must be JPEG, PNG, or PDF format (max 10 MB)
 - (3) Valid and active email address
 - (4) Valid and active contact number (preferably mobile phone)
 - ii) For Shareholders, individual or corporate, with or under Broker Accounts
 - (1) Authorization, duly notarized, from Broker **specifying the number of shares**, form is downloadable. However, other forms are acceptable provided that information on the number of shares is included as well as the name of the authorized representative is made evident in the authorization. A scanned copy is in PDF or JPEG format with file no larger than (10 MB)
 - (2) Government issued ID with photo and signature
 - (3) Recent photo with face fully visible. Must be JPEG, PNG, PDF (max 10 MB)
 - (4) Valid and active email address
 - (5) Valid and active contact number preferably mobile phone
 - iii) For Corporate Shareholders
 - (1) Secretary's Certificate, Board Resolution, forms downloadable at <https://www.phoenixfuels.ph/annual-stockholders-meeting/>, duly notarized, authorizing the registering SH to participate and vote in the ASM and specifying number of shares. However, other forms are acceptable provided that information on the number of shares is included as well as the name of the authorized representative is made evident in the authorization. A scanned copy is in PDF or JPEG format with file no larger than (10 MB)
 - (2) Government issued ID with photo and signature
 - (3) Recent photo with face fully visible. Must be JPEG, PNG, PDF (max 10 MB)
 - (4) Valid and active email address
 - (5) Valid and active contact number preferably mobile phone

(6) Valid and active email address of the corporation the registering SH is representing

Note: The Company reserves the right to reject processing of registration and deny access to ASM facilities for incomplete documents or for any discrepancy found in information provided. An email confirmation on the status of the SH's registration shall be sent to the registered email.

- e) Voting or Polls shall commence on 10:00AM of 16 April 2021 subject to the conditions set in paragraph 1(a) and shall be closed at 3:00 PM of 29 April 2021.

Once SH has submitted their ballots, the same can no longer be changed. In the event that multiple votes are cast representing the same shares, the Company shall count only the initial votes cast.

- f) The Office of the Corporate Secretary shall tabulate all votes cast in electronically including proxies which shall be validated by the External and Internal Auditors.
- g) For any questions or clarifications regarding the Internal Procedures, SH may e-mail pnx.corpsec@phoenixfuels.ph.