

16 November 2023

**Securities & Exchange Commission**

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Barangay Bel-Air, Makati City, 1209

**Philippine Stock Exchange**

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

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

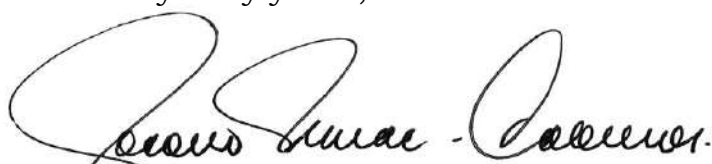
**Ms. Alexandra D. Tom Wong**  
Officer-in-Charge, Disclosure Department  
Philippine Stock Exchange

***Sir and Madam:***

We would like to submit the attached Press Release entitled “**Phoenix sustains recovery in Q3 2023 amidst persistent challenges**”.

Thank you and warm regards.

Very truly yours,



**Atty. Socorro Ermac Cabreros**  
Corporate Secretary

November 16, 2023

## **Phoenix sustains recovery in Q3 2023 amidst persistent challenges**

Phoenix Petroleum continues to see positive signs of recovery in its numbers this year despite the economic setbacks and lingering effects of the pandemic. Its diversified portfolio has been proven to be beneficial with its LPG, terminaling service, and asphalt businesses leading with positive results.

In the third quarter of 2023, Phoenix Petroleum's LPG business recorded a 57% growth in EBITDA against the same period last year, even surpassing the EBITDA growth for the whole year of 2022. This is mainly driven by prudent cost management, and volume and margin improvements. Volume grew by 11% compared to the same period last year and 17% from Q3 of last year, while year-to-date margins boasted a 41% increase from 2022's performance in the same period.

The Phoenix Terminaling business has made headway in 2023, bringing in additional revenue from leasing out fuel storage this year, compared to the previous year when it was tagged purely as a cost center. As of Q3 2023, Phoenix storage is close to 50% leased. The company is looking to grow this business pursuing up to 70% of its storage capacity leased out by yearend.

Phoenix Asphalt also contributed largely to the company's performance this year with year-to-date volume growth of 16%. It has also maximized its business potential as it posted a 21% increase in gross margin, resulting in a 35% jump in Q3 year-to-date EBITDA from the same period in 2022. Similar to the terminaling business, Phoenix's asphalt business has been delivering positive growth since day-1 of business.

"The improvement in the third quarter is the product of the team's resilience, hard work, and discipline despite the challenges of the year 2023. We have diversified our income streams with our terminaling business, and continue to strengthen the other businesses under the Phoenix umbrella," Phoenix Petroleum President Henry Albert Fadullon said.

Recovery in the retail business has been slowed down by continued economic challenges such as price volatility, high interest rates, and capital constraints, among others, resulting in a quarter-on-quarter decline in EBITDA, and flat volume growth for 2023.

"Despite difficulties, we are confident in our path to long-term, sustainable growth, and will continue to focus on improving and implementing high-impact activities to further sustain our path to recovery," Fadullon added.

## **About Phoenix Petroleum**

Established in 2002 in Davao City, Phoenix is the first independent oil firm listed on the Philippine Stock Exchange. From only five stations in Mindanao by 2005, it now has close to 600 retail outlets nationwide, and has expanded to other businesses including terminaling and hauling services, convenience store retailing, asphalt, car repair and maintenance, and digital transactions, with overseas presence in Vietnam and Indonesia.

## **Investor Relations Contact**

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