

21 February 2024

Securities & Exchange Commission

7907 Makati Avenue, Salcedo Village,
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:

This is in reply to your correspondence and directive dated 20 February 2024, in relation to the update on the declaration of cash dividends for Preferred Shares Series 4 (“PNX4”) for the years 2023 and 2024 and the declaration of cash dividends for PNX3B.

For the period ended 31 December 2022, the Company reported a deficit in its Audited Financial Statements. As for its Audited Financial Statements for the period ended 31 December 2023, the Company’s external auditors are still in the process of auditing it.

As of the moment, there are no retainable earnings and hence, the Company is unable to declare and payout any cash dividends for any class of shares. The Company is still focused on managing its current resources and prioritizing its operations and working capital to fulfill its obligations to its suppliers, creditors and shareholders. However, the Company notes that the dividends of the Company’s Preferred Shares, PNX4 and PNX3B, are cumulative in nature such that missed payments of dividends will accrue to the shareholders.

Therefore, the Company continues to remain committed to our obligations while we are still finalizing our strategies. The Company shall disclose at the appropriate time for any development on these matters.

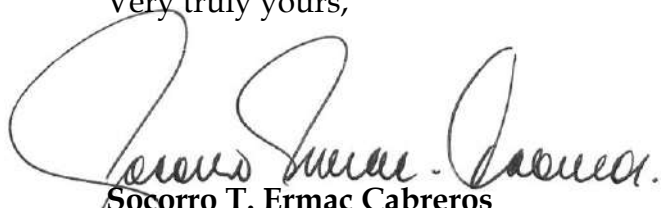
*To be an indispensable partner in the journey of everyone
whose life we touch*



Should you have any questions, you may email Mr. Paolo Bugia, the Company's Investors Relations Officer at investors@phoenixfuels.ph.

Thank you and best regards.

Very truly yours,



Socorro T. Ermac Cabreros
Corporate Secretary

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