

22 March 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:

We write in response to your correspondence which we received yesterday, March 21, 2024 directing Phoenix Petroleum Philippines, Inc. (the Company) for an update on the redemption and payment of dividends of the Company's Preferred Shares pursuant to several queries.

Inasmuch as the Company wants to pay much less redeem the Company's Preferred Shares, we forward the same explanation as we have given on 21 February 2024 that is: 'for the period ended 31 December 2022, the Company reported a deficit in its Audited Financial Statements.'

'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.

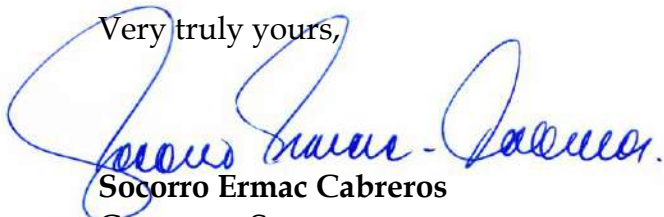
*To be an indispensable partner in the journey of everyone
whose life we touch*



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 Ermac Cabreros
Corporate Secretary

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