

08 August 2019

Securities & Exchange Commission

Secretariat Building, PICC Complex
Roxas Blvd, Metro Manila

Philippine Stock Exchange

Disclosure Department
3/F PSE Plaza, Ayala Triangle Plaza
Makati City, Metro Manila

Philippine Dealing & Exchange Corp.

37th Floor, Tower 1, The Enterprise Center
6766 Ayala Ave. corner Paseo de Roxas
Makati, 1226 Metro Manila, Philippines

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

Mr. Jose Valeriano B. Zuño III

OIC - Disclosure Department
Philippine Stock Exchange

Atty. Joseph B. Evangelista

OIC-Issuer Compliance and Disclosure Department (ICDD)
Philippine Dealing & Exchange Corp.

Gentlemen and Madam:

We would like to submit the attached Press Release in relation to the Company's performance for the period ended 30 June 2019.

Thank you and warm regards.

Very truly yours,



Atty. Socorro Ermac Cabreros
Corporate Secretary

August 08, 2019

Phoenix Petroleum Reports 22% Growth in Operating Income in First Half 2019

Phoenix Petroleum increased its first half 2019 operating income by 22% year-on-year to ₱2.07 billion fueled by retail growth and new businesses such as LPG and Phoenix Petroleum Singapore (PNX SG). Revenues increased by 27% year-on-year to ₱51.20 billion as overall volume grew by 28%. Reported net income reached ₱896.83 million and is 7% lower from the prior year.

PNX SG, which derived 39% of its volume from 3rd party customers, grew volume by 89%. Since commencing operations in November 2017, PNX SG has improved inventory cost management and enhanced efficiency as it leveraged on the scale of the consolidated volume of Phoenix's domestic business and local and overseas external customers.

Phoenix Petroleum continued to deliver on its strategic priorities, growing retail volume by 17% in the first half of 2019 behind the continued network expansion and improved operating efficiencies. A total of 630 stations have been opened nationwide as of June 2019.

The non-fuel retail business increased revenues by 5% as total chain sales of FamilyMart grew 5% year-on-year. FamilyMart added five stores and has 76 stores as of end June. Its focus on food sales and expense discipline continues to improve profitability.

LPG grew its first half volume by 24% year-on-year behind strong VisMin operations and expansion in Luzon. VisMin volume grew 16% in the first half and accounted for 87% of volume. Luzon volume increased 85% and contributed 13% to the total volume versus 4% prior to the acquisition and operation by Phoenix.

In March 2019, the company acquired 75% of Origin Energy Vietnam as its first venture into overseas marketing, and has renamed the entity as Phoenix Gas Vietnam. Identified as a key strategic priority together with retail and aviation, the investment supports Phoenix's strategy to grow the Gas business, and expansion in high growth regional markets, such as Vietnam. Including Vietnam,

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



total LPG volume was higher by 50% year-on-year.

The Company expects to further leverage PNX SG's scale and trading capability through its LPG trading desk that will serve not only Phoenix's domestic and Vietnam LPG volume, but also other external customers in the region.

"Against a backdrop of challenging operating conditions, we continue to invest and build on our long term competitive advantages. We are building scale to drive efficiency in fuels and LPG. We are investing in the brand and more importantly, in capabilities that will allow ourselves to adapt and innovate in markets," said Phoenix Petroleum Chief Operating Officer Henry Albert R. Fadullon.

About Phoenix Petroleum

Phoenix Petroleum is engaged in the nationwide trading and marketing of refined petroleum products, including LPG and lubricants, operation of oil depots and storage facilities, hauling and into-plane services; convenience store retailing; and trading and supply.

With a vision to be an indispensable partner in the journey of everyone whose life it touches, Phoenix Petroleum is committed to deliver world-class services, empower people, and inspire every Filipino's entrepreneurial spirit.

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