



March 8, 2022

PHILIPPINE STOCK EXCHANGE, INC.

Disclosure Department
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Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

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Makati City 1226

Attention: **Atty. Marie Rose M. Magallen-Lirio**
Head - Issuer Compliance and Disclosure Department

Gentlemen:

Please see attached media release entitled **"Petron remains on steady path to recovery; closes 2021 with P6.14 billion net income"**.

Very truly yours,

A handwritten signature in black ink that reads "JCCruz".

JOEL ANGELO C. CRUZ
VP - General Counsel &
Corporate Secretary

**March 8, 2022
MEDIA RELEASE
FOR PUBLICATION & BROADCAST**



Petron remains on steady path to recovery; closes 2021 with P6.14 billion net income

Petron Corporation continued to bounce back from the impact of the pandemic as it closed 2021 with a net income of P6.14 billion, a reversal from the P11.4 billion net loss in 2020.

The company sold 82.24 million barrels during the year, a 5% growth made possible by the easing of restrictions and re-start of economic activities that improved overall demand during the period.

In the Philippines, retail volumes went up 6.4% amid the implementation of granular lockdowns, thanks to the company's volume-generating programs. Performance on industrial sales grew by 2% as travel restrictions eased and more industries reopened. Petron's Lubricant sales recorded the highest growth at 11%, highlighting the strong performance and presence of its locally produced engine oils and other lubricant products in the market.

Driven by the increase in international prices and higher local demand, Petron's consolidated revenues for the year reached P438.06 billion, up 53% from 2020's P286 billion. Dubai crude prices breached the US\$80 per barrel level in the fourth quarter due to recovering oil demand and tighter supply. As a result, it averaged nearly US\$70 per barrel in 2021, 64% higher than 2020's US\$42 per barrel. This is Dubai crude's highest annual average in the past three years.

The recovery in demand along with OPEC's managed approach in increasing crude supply back in the market paved the way for refining margins to improve during the year. The company was able to avail of this market improvement as it resumed refinery operations in the 2nd semester of 2021.

"To say that we've come a long way since the start of this pandemic would be an understatement. We have recovered significant volumes in key market segments, and more importantly, we have returned profitability to our business. This allowed us to follow through on our expansion programs, bring our products and services to more consumers, and contribute to our country's

progress. We hope to carry on with this momentum and thrive further in 2022,” said Petron President and CEO Ramon S. Ang.

In 2021, Petron continued to invest in refinery enhancements, service station expansion, and supply chain management. Construction on its new 184-MW power plant in its refinery complex in Bataan is nearing completion. This new plant will eliminate use of fuel oil at the refinery and allow conversion of these feedstock into more fuel for sale. Additional stations were also built in 2021, adding to its already expansive reach, alongside the construction and upgrades of its terminal facilities all over the country to accommodate higher product demand.

In recognition of its role as a nation builder, Petron was awarded by the Bureau of Customs (BOC) for being one of the Philippines’ top taxpayers and importers for 2021. Petron has consistently ranked as the highest contributor to the government’s Fuel Marking Program with a share of 24 percent or 8.69 billion liters out of the 35.92 billion liters of fuel marked since the program was launched in September 2019. (30)

About Petron Corporation

Petron Corporation is the largest oil refining and marketing company in the Philippines and is a leading player in the Malaysian market. It has a combined refining capacity of 268,000 barrels-per-day and produces a full range of world-class fuels and petrochemicals. It operates about 40 terminals in the region and has around 2,800 service stations where it retails world-class gasoline and diesel. Petron is dedicated and passionate about its vision to be the leading provider of total customer solutions in the energy sector and its derivative businesses. Please visit us at www.petron.com for more information.

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