

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. 14 May 2021

Date of Report (Date of earliest event reported)

2. SEC Identification Number 14829 3. BIR Tax Identification No. 000-164-757

4. Pilipinas Shell Petroleum Corporation
Exact name of issuer as specified in its charter

5. Taguig City, Metro Manila, Philippines 6. (SEC Use Only)

Province, country or other jurisdiction
of incorporation

Industry Classification Code:

7. 41st Floor, The Finance Center, 26th Street corner 9th Avenue
Bonifacio Global City, Brgy. Fort Bonifacio Taguig City, Metro Manila 1635
Address of principal office Postal Code

8. (632) 3 499 4001
Issuer's telephone number, including area code

9. N/A Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class

Number of Shares of Common Stock
Outstanding and Amount of Debt
Outstanding

Common

1,613,444,202

11. Indicate the item number reported herein: **Item 9**

**RE: 1Q21 SHLPH Press Release (Please refer to attached)
SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the Corporation has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: 14 May 2021



REYNALDO ABILO

Vice President-Finance Treasurer / Chief Risk Officer



Pilipinas Shell 1Q income hits P1.0B

Pilipinas Shell posted a net income of P1.0 billion for the first quarter, a strong rebound from the P5.5 billion loss in the same period last year due to its new supply chain strategy, higher premium penetration across all segments and continued cash conservation measures.

On the other hand, the Company's cash flow from operations excluding movement in working capital stands at P3.9 billion, while its borrowings remain at a manageable level.

"We are now seeing the positive results of the tough decisions we made that ensured our financial resiliency and competitiveness brought about by the COVID-19 pandemic. The difficult decision to transform our refinery into world-class import facility allowed us to avoid the significant losses we incurred during the first half of 2020. We have yet to see fuel demand to go back to pre-pandemic levels. With our refocused and reset strategy, we are well-positioned to meet the country's energy requirement as the economy recovers from the pandemic," says Pilipinas Shell President and CEO Cesar Romero.

Volume delivery remains below pre-COVID levels, as COVID cases increase and stricter quarantine measures in key cities nationwide resumed during the latter half of March. The Company's Q1 total volume is down 31% vs prior year (PY), as marketing volume vs PY is down by 16%. However, Lubricants and Bitumen are up by 12% and 27% vs PY respectively. This double-digit growth was supported by new customer wins and increase in economic activities in some industries.

Just last March, the company unveiled its 2021-2025 Strategy Plan banking on the transformation of its supply chain from manufacturing to full importation. The evolution of its retail business to mobility, and the move to lower carbon operations including pioneering the carbon offset offer in the country and providing low carbon products and services support Royal Dutch Shell's target of being a net zero carbon emissions business by 2050.

In line with the strategy, mobility will open another "next-generation" site in Marilao Bulacan that features more convenience options. The site also boasts sustainable features such as Lube Bay made out of eco-bricks and energy from solar panels. This is also the first site utilizing Bitumen FreshAir ("BituFresh") for its pavements. Non-fuel retail network expansion continues as the company ends the quarter with 152 Shell Select stores, 70 Deli2Gos, and 410 Shell Helix Oil Change and Service Centers.

"Our first quarter performance indicates that we are taking the right steps to deal with the COVID-19 pandemic. We will persevere and implement our bounce back plans sharply in a safe and reliable manner," says Romero.

Delivering our sustainability agenda

Pilipinas Shell secured its first carbon offset sale last January 21, with Knowles Electronics Philippines Corporation. This will enable Knowles to offset 4.63 tons of carbon dioxide from vehicle emissions. This is equivalent to driving back and forth from the north to south of the Philippines 791 times. The Company also launched the program across its other customers to help with their carbon emission targets. Pilipinas Shell is the first to offer carbon offset in the country verified by independent organizations with highest international standards.

In its own operations, Pilipinas Shell made a purposeful move to shift 100% of its Tabangao import facility's energy requirements to renewable energy in partnership with Shell Energy Philippines (SEPH). This will supplement the energy provided by the 5,220 solar panels installed onsite.

"We are moving forward in making our business more environmentally sustainable by reducing carbon use in our operations, and partnering with our customers to reduce theirs," says Romero.

A model corporate citizen

As the country's partner in nation-building, Pilipinas Shell continues to honor its obligations as a model corporate citizen by paying correct taxes promptly. Last March, Pilipinas Shell was the only energy company recognized by the Bureau of Customs as one of the top taxpayers of the Manila International Container Port (MICP) for 2020. (end)

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ENQUIRIES:

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Pilipinas Shell Petroleum Corporation