

COVER SHEET

1 4 8 2 9

S.E.C. Registration Number

P I L I P I N A S S H E L L P E T R O L E U M
C O R P O R A T I O N

(Company's Full Name)

4 I S T F L R . F I N A N C E C E N T E R , 2 6 T H
S T . C O R . 9 T H A V E . , B O N I F A C I O
G L O B A L C I T Y , B R G Y . F O R T
B O N I F A C I O , T A G U I G C I T Y , M E T R O
M A N I L A I 6 3 5

(Business Address, No. Street City/Town/Province)

ATTY. ELLIE C. NAVARRA
Contact Person

+63 2 3 499 4001
Company Telephone Number

1 2
Month

3 1
Day

Fiscal Year

Report on Number of
Shareholders owning at
least one (1) board lot
FORM TYPE

0 6
Month

1 6
Day

2nd Tuesday of May
Annual Meeting

CERTIFICATE OF
PERMIT TO OFFER
SECURITIES FOR
SALE DATED 14
OCTOBER 2016

Secondary License Type, If Applicable

M S R D
Dept. Requiring this Doc.

Amended Articles Number/Section

322
Total No. of Stockholders
(As of 30 April 2021)

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I. D.

Cashier

STAMPS

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. 26 Mar 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 Industry Classification Code:
of incorporation
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: FY20 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: 24 May 2021


REYNALDO ABILO

Vice President-Finance Treasurer / Chief Risk Officer

Note: This report was originally submitted online to the Securities Exchange Commission via e-mail and Philippine Stock Exchange via PSE Edge last Mar 26 2021 by Jose Jerome Pascual (former Vice President for Finance and Treasurer).



Pilipinas Shell rebounds strongly amidst challenging year; sets strategy for 2021-25

Pilipinas Shell Petroleum Corporation (Pilipinas Shell) continues to strengthen its financial position as it successfully pursued its strategic priorities of care, continuity and cash in this unprecedented year.

It posted a core net income of P0.4 billion by the end of 2020, a strong rebound from YTD 3Q's P0.7 billion core net loss. Full year reported net loss stands at P16.2 billion, of which 73% or P12 billion are one-off charges related to the cessation and transformation of its refinery in Tabangao into a World-Class import facility, while PHP4.8 billion is due to the drastic decline in crude prices.

Pilipinas Shell was also able to sustain its balance sheet strength despite the pandemic, as it reduces its gearing from 47% in Q3 to 41% by year end supported by its positive cash flow from operations. It also exceeded its cash conservation targets, recording P3.9 billion in capital and operating expenditure savings, almost double its target of P2 billion for 2020.

"Transforming the refinery into a world-class import terminal last August was a difficult but vital decision to make given the negative outlook for the refining sector worsened by the Covid 19 pandemic. A very hard decision for Pilipinas Shell but necessary to be more competitive and ratable in the future." says Cesar Romero, Pilipinas Shell's President and Chief Executive Officer. As of year-end, we were able to secure jobs for over 134 out of the 217 impacted refinery employees within other entities in the Shell Companies in the Philippines while 26 opted for a voluntary retirement.

Despite mobility restrictions, Retail opened 36 new sites nationwide while our Supply Chain business started the operation of the Company's third MR-capable terminal in Subic. Adapting to the new normal, Pilipinas Shell reached its customers through digital platforms and offered home deliveries of food and other essentials. As mobility restrictions were relaxed, Q4 marketing volume delivery saw a 30% increase vs Q2. Pilipinas Shell ended 2020 with total volume of 5.1 billion liters, 13% below last year's pre-pandemic level. "We are slowly seeing the results of our agility and decisiveness to thrive from the challenges posed by the global pandemic. We are confident about driving fuel mobility and getting the country back on track as the country recovers from the impact of the pandemic," says Romero.

A Refocused and Re-energized 2021-25

From fuel station to a mobility destination

Pilipinas Shell will evolve its Retail business from a fuel station into a destination site as it creates mobility sites with more customer centric offerings. Alliances with international and local brands, coupled with full vehicle servicing such as car wash and oil change lounges, will turn each mobility station into a one-stop community hub. It will continue to increase its accessibility to customers nationwide by opening up 60 to 80 new mobility sites per year. Through this, Pilipinas Shell is

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aiming to grow alongside the Philippine economy by increasing fuels volumes by ~4% per year and convenience retail profits by ~15 percent per year.

Reliable, affordable & sustainable supply chain

Pilipinas Shell continues to make structural additions to its world-class supply chain to make it more affordable, reliable, and customer centric. Currently operating three Medium Range (MR) capable import terminals in Batangas, Cagayan de Oro, and Subic, Pilipinas Shell plans to add two more MR terminals by 2025. Capital expenditures of ~P1 billion per annum is dedicated to increase and strengthen its supply chain across the country.

“We assure the public of supply security and reliability. We will continue to invest in the country to expand our capacity to support our marketing growth aspirations,” says Romero. The enhancements are expected to generate structural savings of P850 million from the transformation of the refinery into a full import facility and the operation of the Subic facility this year. At least P600 million savings is expected from 2023 onwards from the additional supply chain enhancements.

Contributing to the energy transition

The Company is committed to continuously contribute to Royal Dutch Shell’s energy transition direction by offering innovative low carbon products like Shell Helix OW lubricant for vehicles and Shell Bitumen FreshAir which reduces carbon emissions by 40% for road pavements. It’s first carbon offset deal with a customer was also secured earlier this year.

Lower carbon operations will be gradually implemented across Pilipinas Shell’s assets. The continued installations of solar panels, greenwalls, LED lights, inverter technology, and the use of ecobricks or upcycled plastics in its mobility stations are expected to reduce energy consumption by approximately 30% vs a traditional site. Vapor recovery units at terminal loading stations will be installed and the use of onboard telematics for its fleet solutions business will be used, among others.

“The circumstances of 2020 allowed us to demonstrate the resilience of our company. Pilipinas Shell is confidently looking forward to serving the country’s energy and mobility requirements with its refocused strategy, bringing customer-centric innovative offerings, backed by its strong balance sheet, technical capability and resources, and world-class supply chain. We are here to power progress and make the future of energy for the Filipinos. Pilipinas Shell is looking forward to our next century in the Philippines.” Romero says. (end)

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ENQUIRIES:

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Media Relations Manager

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