



PXP ENERGY CORPORATION
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PRESS RELEASE

UNAUDITED FINANCIAL AND OPERATING HIGHLIGHTS
FOR THE 3-MONTH ENDED MARCH 31, 2019

- Q1 2019 Consolidated Net Income Attributable to Equity Holders of the Parent Company at P11.1 million (Q1 2018: net loss of P3.7 million). Reported consolidated net income at P7.0 million (Q1 2018: net loss of P8.4 million).

Consolidated petroleum revenues 3.1% lower at P29.7 million (Q1 2018: P30.7 million) resulting from a 12.5% higher volume offset by 11.8% drop in crude oil price.

Consolidated cost and expenses 13.1% higher at P46.9 million (Q1 2018: P41.5 million) brought about by higher depletion cost in Service Contract 14C-1 Galoc following higher output; Group general and administrative expenses higher due to depreciation charges from Right to Use asset.

Consolidated Net income of P7.0 million (Q1 2018: net loss of P8.4 million) due to higher other income (charges), partially offset by the increase in cost and expenses and marginally lower petroleum revenues.

- On February 11, 2019, PMC paid an additional ₱1.386 billion in connection to the Company's announcement last October 26, 2018, of the signing and execution of a Definitive Subscription Agreement, following the share subscription of PMC of 260,000,000 common shares at ₱11.85 per share for a total consideration of ₱3.081 billion. Following the payment, PMC's total paid subscription increased from ₱770.25 million to ₱2.156 billion, representing 70% of its total subscription in PXP.
- PXP, through Forum Energy Limited, a 78.98% owned subsidiary, will take guidance from the Philippine Government in respect of any future activity in SC 72 and SC 75. The Company is mindful that the Malampaya gas resource, which supplies about 40% of Luzon's power requirements, could be exhausted within the next decade; in that light, resumption of exploration in SC 72 is of national interest. The Company, therefore, remains hopeful that the force majeure imposed on SC 72 and SC 75 will be lifted by the Department of Energy soon for the Company to be able to resume exploration works in these SCs.

About PXP Energy Corporation

PXP is an upstream oil and gas company incorporated in the Philippines whose shares are listed on the Philippine Stock Exchange. The Company directly and indirectly owns oil and gas exploration and production assets located in the Philippines, and indirectly owns an exploration asset located in offshore Peru.

For further information, please contact:

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PXP ENERGY CORPORATION
(Formerly Philex Petroleum Corporation)
AND SUBSIDIARIES

UNAUDITED CONSOLIDATED
CONDENSED INTERIM
FINANCIAL STATEMENTS
March 31, 2019

PXP ENERGY CORPORATION
(Formerly Philex Petroleum Corporation)
AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEETS
(Amounts in Thousands)

| | March 31, 2019 (Unaudited) | December 31, 2018 (Audited) |
|---|-------------------------------|--------------------------------|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | ₱ 331,918 | ₱ 342,374 |
| Accounts receivable | 64,310 | 40,741 |
| Inventories | 8,601 | 32,398 |
| Other current assets -net | 8,612 | 13,351 |
| Total Current Assets | 413,441 | 428,864 |
| Noncurrent Assets | | |
| Property, Plant and Equipment - net | 233,452 | 230,798 |
| Goodwill | 1,238,583 | 1,238,583 |
| Deferred oil and gas exploration costs - net | 5,321,094 | 5,310,477 |
| Deferred income tax assets | 34,242 | 35,003 |
| Other noncurrent assets | 13,670 | 3,629 |
| Total Noncurrent Assets | 6,841,041 | 6,818,490 |
| TOTAL ASSETS | ₱ 7,254,482 | ₱ 7,247,354 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable and accrued liabilities | ₱ 31,947 | ₱ 33,957 |
| Advances from related parties | 739,406 | 2,125,184 |
| Income tax payable | 431 | 433 |
| Total Current Liabilities | 771,784 | 2,159,574 |
| Noncurrent Liabilities | | |
| Deferred income tax liabilities - net | 1,114,166 | 1,113,448 |
| Other liabilities | 201,558 | 191,914 |
| Total Noncurrent Liabilities | 1,315,724 | 1,305,362 |
| Total Liabilities | 2,087,508 | 3,464,936 |
| Equity | | |
| Capital Stock - P1 par value | 1,960,000 | 1,960,000 |
| Additional paid-in capital | 2,818,400 | 2,821,000 |
| Subscription receivable | (924,300) | (2,310,750) |
| Equity reserves | 122,062 | 122,062 |
| Deficit | (1,362,521) | (1,371,720) |
| Cumulative translation adjustment on foreign subsidiaries | 149,215 | 153,866 |
| | 2,762,856 | 1,374,458 |
| Non-controlling Interests | 2,404,118 | 2,407,960 |
| Total equity | 5,166,974 | 3,782,418 |
| TOTAL LIABILITIES AND EQUITY | ₱ 7,254,482 | ₱ 7,247,354 |

PXP ENERGY CORPORATION
(Formerly Philex Petroleum Corporation)
AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands)

| | For the 3-Month Period Ended March 31 | | | |
|---|---------------------------------------|----------------|------------|---------------|
| | 2019 | | 2018 | |
| PETROLEUM REVENUES | ₱ | 29,711 | ₱ | 30,654 |
| COSTS AND EXPENSES | | | | |
| Petroleum and other production costs | | 35,522 | | 32,535 |
| General and administrative expenses | | 11,363 | | 8,931 |
| | | 46,885 | | 41,466 |
| OTHER INCOME (CHARGES) | | | | |
| Foreign exchange gains (losses) - net | | (1,279) | | 15,459 |
| Interest income (expense) - net | | 607 | | 502 |
| Others - net | | 25,570 | | (11,921) |
| | | 24,898 | | 4,040 |
| LOSS BEFORE TAX | | 7,724 | | (6,772) |
| PROVISION FOR DEFERRED INCOME TAX | | 732 | | 1,642 |
| NET INCOME (LOSS) | ₱ | 6,992 | (₱ | 8,414) |
| Net Income (Loss) Attributable to: | | | | |
| Equity holders of the Parent Company | ₱ | 11,119 | (₱ | 3,659) |
| Non-controlling interests | | (4,127) | | (4,755) |
| | ₱ | 6,992 | (₱ | 8,414) |