

**MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS**

OF

PHOENIX SEMICONDUCTOR PHILIPPINES CORP.

Held at the Vegas Function Room, Widus Hotel & Casino
at 5400 M.A. Roxas Highway, Clark Freeport Zone, Pampanga
on April 01, 2015 at 10:00 a.m. (Philippine time)

PRESENT:

(Please see Record of Attendance)

1. Call to Order

The Chairman of the Board, Mr. Byeongchun Lee (the "*Chairman*"), called the meeting to order. The Chairman requested Mr. Dongjoo Kim, who is a member of the Board of Directors, to act as Vice-Chairman of the Meeting (the "*Vice-Chairman*") to assist the Chairman in presiding over the meeting.

In the absence of the Corporate Secretary, and with the concurrence of the Chairman, the Assistant Corporate Secretary, Ms. Marietta A. Tibayan (the "*Secretary*"), proceeded to record the minutes of the proceedings.

2. Certification of Notice and Quorum

The Secretary certified that (a) a quorum was present for the transaction of business by the stockholders, there being present, either in person or by proxy, stockholders owning 1,845,645,110 shares representing 85.25 % of the total issued and outstanding capital stock of the Corporation¹, and (b) notices to the meeting were sent by mail on March 11, 2015 to all stockholders of record as of March 10, 2015, together with the agenda and the Definitive information Statements of the Corporation, in accordance with the rules prescribed by the Philippine Securities and Exchange Commission (the "*SEC*"), all relevant laws and the Corporation's by-laws.

3. Presentation of Management's Annual Report and Audited Financial Statements as of the Year Ended December 31, 2014

The (a) Management's Annual Report, and (b) highlights of the Audited Financial Statements of the Corporation for the fiscal year ended December 31, 2014 were presented by Mr. Kyuho Han, in his capacity as director and Senior Manager and Finance Team Head of the Corporation.

¹ Subsequent to the Secretary's certification, a few more stockholders joined the stockholders' meeting, such that eventually there was present, either in person or by proxy, stockholders owning 1,846,355,110 shares representing 85.28 % of the total issued and outstanding capital stock of the Corporation. This final tabulation of stockholders' attendance is what is shown in the attached Record of Attendance.

Copies of the Audited Financial Statements were previously distributed to the stockholders as part of the Definitive Information Statement, and were likewise included in the investors' kit distributed to the stockholders during the meeting.

After the presentation, management entertained questions from the stockholders. A brief summary of the questions from the stockholders and the responses from management are set out below.

(i) On the duration of the Corporation's current contract with Samsung, Mr. Han stated that said the contract is for a period of five (5) years or until 2016, with a provision for a one (1) year automatic renewal, so effectively, the contract is until early 2017.

(ii) On the prospects of further renewal of the contract with Samsung, Mr. Han stated that management is optimistic about the said contract renewal particularly since the Corporation was rated as one of the best back-end business suppliers among Samsung's current suppliers.

(iii) On the possibility of the Corporation having contracts with customers other than Samsung, Mr. Han and the Vice-Chairman replied that the Corporation is under negotiations with other potential customers but that it cannot reveal the details of these negotiations as they are still confidential. In relation to this, the Vice-Chairman stated that the Corporation is exerting best efforts to proceed with the Phase 2 expansion of its manufacturing facilities.

(iv) On how the Corporation plans to improve its share price, Mr. Han stated that stock prices are market-driven but the Corporation endeavors to effectively carry out its business plans and to continue to have strong business fundamentals.

(v) On the comment on the high dividends declared by the Corporation last month, the Vice-Chairman says that the Corporation looks at it as its way of benefitting its existing stockholders and that the Corporation has sufficient unrestricted retained earnings to support it and have obtained the necessary approvals for it. The Vice-Chairman then emphasized that subsequent dividends will take into account the annual dividend payment ratio that was approved by the Board which is approximately 20% of the Corporation's net income from the preceding fiscal year, subject to the requirements of applicable laws and regulations and the absence of circumstances which may restrict the payment of dividends including substantial cash requirements of the Corporation for major projects and developments, and covenants restricting the payment of cash dividends in the Corporation's loan or credit agreements. This dividends policy has been disclosed by the Corporation in its filings with the SEC and the Philippine Stock Exchange.

(vi) On the comment that the Corporation should have an effective investors' relations program, the Vice-Chairman said that the Corporation is taking steps to achieve this.

Thereafter, the stockholders, upon motion duly made and seconded, took note of the Management's Annual Report and the Audited Financial Statements for the fiscal year ended December 31, 2014 (which is attached as *Annex 1* to the minutes of this meeting).

4. Ratification of the Corporate Acts of the Board of Directors and Management since the 2014 Annual Stockholders' Meeting

Upon motion duly made and seconded, all corporate acts and transactions since the last annual meeting of the stockholders, including the acts of the Board of Directors and management,

provides for the election of seven (7) directors, (b) the Securities Regulation Code requires that there be at least two (2) independent directors or that at least twenty percent (20%) of the Board be independent directors, whichever is lesser, (c) the Corporation's Manual of Corporate Governance requires that the Nomination Committee previously meet and pre-screen the list of nominees to determine their qualifications, and (d) the SEC prescribes that the final list of nominees and their qualifications be set out in the Definitive Information Statement that was approved for distribution and sent beforehand to the stockholders within the period prescribed by the rules.

The Secretary proceeded to enumerate the names of the final list of nominees for directors of the Corporation that were set out in the Definitive Information Statement that was approved by the SEC for distribution to the stockholders and sent beforehand to the stockholders of record as of March 10, 2015 within the period prescribed by the SEC rules.

Upon motion duly made and seconded, the nominations were declared closed.

Since there were only seven (7) nominees for the seven (7) seats in the Board of Directors, upon motion duly made and seconded, (a) it was authorized that balloting be dispensed with, and (b) the Secretary was directed to cast all votes equally in favor of all the seven (7) nominees to the Board, except only as may be otherwise provided by the stockholders in the proxies submitted for the meeting.

As a result, the following seven (7) nominees to the Board were thereupon elected by the stockholders as directors of the Corporation for the term 2015-2016, to serve as such for the said term and until their successors shall have been duly elected and qualified:

Byeongchun Lee
 Dongjoo Kim
 Kyuho Han
 Sang-hoon Ha
 Minsu Park
 Carlos R. Alindada as Independent Director
 Mary Delia G. Tomacruz as Independent Director

6. Approval of Amendments to the Second Article of the Articles of Incorporation (on Incidental Purposes)

With the permission of both the Chairman and Vice-Chairman, the Secretary reported that on March 3, 2015, the Board of Directors of the Corporation approved the proposed amendments to the Second Article of the Articles of Incorporation of the Corporation in order to specify incidental purposes. The proposed amendments were set out in the Definitive Information Statement that was approved for distribution to the stockholders by the SEC and sent to all stockholders of record as of March 10, 2015. A copy of the proposed amendments were also included in the investors' kit distributed to the stockholders in attendance during the meeting. These proposed amendments are subject to the approval of the stockholders and the SEC.

Upon motion duly made and seconded, the stockholders approved the following:

(a) the amendment of the Second Article of the Corporation's Articles of Incorporation in order to specify some incidental purposes, in the language set out in the Definitive Information Statement and in the copy of the amendment provided to the stockholders' in this meeting (which language is also attached as *Annex 2* to the minutes of this meeting), with such change or changes as may be introduced to them by the SEC; and

(b) for any director or officer of the Corporation or any of its legal counsel to be authorized and empowered to arrange for the submission to, and approval by, the SEC of the application for the amendment of the Corporation's Articles of Incorporation, and to

that end, sign, execute and deliver all documents and to do all acts necessary or appropriate to implement these resolutions.

7. Approval of Amendments of the By-Laws (On Closing of Books or Fixing of Record Date)

With the permission of both the Chairman and Vice-Chairman, the Secretary reported that on March 3, 2015, the Board of Directors of the Corporation approved the amendment in its entirety of Article II, Section 8 of the By-Laws of the Corporation relating to the closing of books or fixing of record date, for flexibility in fixing these dates. The proposed amendment was set out in the Definitive Information Statement that was approved for distribution to the stockholders by the SEC and sent to all stockholders of record as of March 10, 2015. A copy of the proposed amendment was also included in the investors' kit distributed to the stockholders in attendance during the meeting. These proposed amendments are subject to the approval of the stockholders and the SEC.

Upon motion duly made and seconded, the stockholders approved the following:

a. the amendment to Article II, Section 8 of the By-Laws of the Corporation in its entirety, in the language set out in the Definitive Information Statement and in the copy of the amendment provided to the stockholders' in this meeting (which language is also attached as *Annex 3* to the minutes of this meeting), with such change or changes as may be introduced to them by the SEC; and

b. for any director or officer of the Corporation or any of its legal counsel to be authorized and empowered to arrange for the submission to, and approval by, the SEC of the application for the amendment of the Corporation's By-Laws, and to that end, sign, execute and deliver all documents and to do all acts necessary or appropriate to implement these resolutions.

8. Appointment of External Auditors

The Vice-Chairman reported to the stockholders that the Board of Directors, in consultation with the Audit Committee as set forth in the Manual of Corporate Governance of the Corporation, recommends to the stockholders the appointment of SyCip Gorres Velayo and Co as the Corporation's external auditors for the fiscal year ending 2015.

Upon motion duly made and seconded, the stockholders approved the appointment of SyCip Gorres Velayo & Co. as the external auditors of the Corporation for the fiscal year ending 2015.

9. Other Matters

Before adjournment of the meeting, a stockholder asked whether the subsequent stockholders' meetings of the Corporation could be held within Metro Manila. The Secretary explained that, under the Corporation Code of the Philippines, stockholders' meetings shall be held in the city or municipality where the principal office of the corporation is located, and if practicable in the principal office of the corporation. This is the reason why the Corporation is constrained to hold the stockholders' meeting in Clark. The exception is if all the stockholders attend the stockholders' meeting that is being held in another venue and waive the holding of the venue in the city or municipality where the principal office of the corporation is located, which would be very difficult given that the Corporation is a publicly-listed company.

10. Adjournment

There being no further business to transact the meeting was thereupon adjourned.

ATTEST:



BYEONGCHUN LEE
Chairman of the Board of Directors



DONGJOO KIM
Vice-Chairman of the Meeting



MARIETTA A. TIBAYAN
Corporate Secretary

**PHOENIX SEMICONDUCTOR PHILIPPINES CORP.
DETERMINATION OF QUORUM
ANNUAL STOCKHOLDER'S MEETING (April 01, 2015)**

ATTENDANCE BY PROXY

STOCKHOLDER'S NAME	NOMINEE	NO. OF SHARES	PERCENTAGE
PCD- MAYBANK ATR KIM ENG SECURITIES INC.	MR. PAUL JASON R. JORDA	104,000	0.00
PCD- DEUTSCHE BANK	CHAIRMAN	2,190,000	0.10
PCD- HSBC	CHAIRMAN/ CORPORATE SECRETARY	1,658,000	0.08
PCD-COL FINANCIAL PHILIPPINES	BARIN, ANNA GAYLE T.	106,000	0.00
	HA, SANGHOON	150,000	0.01
	HAN, KYUHO	100,000	0.00
	KIM, DONGJOO	500,000	0.02
	LASCON, ROSA MICCA F. OR MUNGAL, JONATHAN M.	9,000	0.00
	LEE, BYEONGCHUN	150,000	0.01
	RODRIGUEZ, JOVY S./ JOHN PAUL R. ROTAP OR ANY LAWYER FROM SYCIP SALAZAR	3,000	0.00
	SELOM, ROMINA JOY Y.	15,000	0.00
	SICAT, CAROLINE S.	57,000	0.00
	TUAZON, ALDRICH LOUIS G./ ATTY. CHARLES DAVID ICASIANO OR ANY LAWYER FROM SYCIP SALAZAR	41,000	0.00
STS SEMI CONDUCTOR & TELECOMMUNICATIONS CO., LTD	KYUHO HAN OR SANG-HOON HAN/ CHAIRMAN	1,840,264,104	85.00

TOTAL

1,845,347,104

Issued & Outstanding Capital
% to Issued & Outstanding
Capital

2,165,024,111

85.23

85.23

PHOENIX SEMICONDUCTOR PHILIPPINES CORP.
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ATTENDANCE IN PERSON

STOCKHOLDER'S NAME	NO. OF SHARES	% to Total
HA, SANGHOON	1	0.00
HAN, KYUHO	1	0.00
KIM, DONGJOO	1	0.00
LEE, BYEONGCHUN	1	0.00
CARLOS ALINDADA	1	0.00
MARY DELLA TOMACRUZ	1	0.00
SASA CHUA	50,000	0.00
QUIRINO LEE	50,000	0.00
JOWEL CHUA	70,000	0.00
CHRISTOPHER CHUA	30,000	0.00
CONSTANTINO CHUA	50,000	0.00
TANG KA TAI	10,000	0.00
WILLINGTON CHUA	50,000	0.00
DANTE ANG	5,000	0.00
CHRISTOPHER JOHN MITCHELL	20,000	0.00
SERNA MENDIOLA	9,000	0.00
ALEXANDER DAYRIT	26,000	0.00
OLIVER JOSON	27,000	0.00
LEO GALANG	11,000	0.00
DANILO MONTE	17,000	0.00
LOLITA MONTE	8,000	0.00
GRACIANO TEODORO &/OR INOCENCIA TEODORO	5,000	0.00
ROMEO MANAHAN JR.	250,000	0.01
JOSE VILLANUEVA	5,000	0.00
EMILIANO REYES	5,000	0.00
GERARDO RODRIGUEZ	237,000	0.01
VICTOR RODRIGUEZ	68,000	0.00
ANTONIO FLORENDO	5,000	0.00

TOTAL

1,008,006

0.05

% to Issued & Outstanding Capital

TOTAL ATTENDANCE

1,846,355,110

% to Issued & Outstanding Capital

85.28