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**SECURITIES AND EXCHANGE COMMISSION**

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Company Information

SEC Registration No.	CS201000985
Company Name	PHOENIX SEMICONDUCTOR PHILIPPINES CORP.
Industry Classification	Mfg., N.E.C.
Company Type	Stock Corporation

Document Information

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for Applications at

TARLAC CITY EXTENSION OFFICE

Nature of Application

Annual Progress Report on the Disbursement of the Proceeds of IPO 12.31.2015

S.E.C. Registration Number

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Company Name

P H O E N I X S E M I C O N D U C T O R P H I L I P P I
N E S C O R P .

Business Address: No. Street City / Town / Province

P A N D A Y P I R A A V E N U E C O R N E R C R E E
K S I D E R O A D C L A R K F R E E P O R T Z O N E
P A M P A N G A P H I L I P P I N E S

COMPANY INFORMATION

Company's Email Address

pspcir@bokwang.com

Company's Telephone Number/s

045-499-1742; 045-499-1749

Company's Facsimile Number/s

045-499-1996

CONTACT PERSON INFORMATION

Name of Contact Person

Atty. Anna Gayle Barin

Email Address

annagaylebarin@bokwang.com

Telephone Number

045-499-1822

Facsimile Number/s

045-499-1996

Contact Person's Address

Panday Pira Avenue Corner Creekside Road., Clark Freeport Zone, Pampanga, Philippines

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**PSPC****Phoenix Semiconductor Philippines Corp.**

Panday Pira Ave. Cor Creekside Road, Clark Freeport Zone, Pampanga, Philippines

Tel. No. (045) 499-1749 / Fax No. (045) 499-1996

January 29, 2016

SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA

Mandaluyong City

Attention: **Vicente Graciano P. Felizmenio, Jr.**
Director
Markets and Securities Regulation Department

Re: Annual Progress Report on the Disbursement of the Proceeds
of the Initial Public Offering as of December 31, 2015

Gentlemen:

Kindly be advised that the attached annual progress report on the disbursement of the proceeds of the initial public offering of Phoenix Semiconductor Philippines Corp. (PSPC) was submitted to the Philippine Stock Exchange on January 29, 2016.

Thank you very much.

Very truly yours,


ATTY. ANNA GAYLE TAN BARIN

Corporate Lawyer/Assistant Corporate Secretary



PSPC Phoenix Semiconductor Philippines Corp.

Panday Pira Ave. Cor Creekside Road, Clark Freeport Zone, Pampanga, Philippines

Tel. No. (045) 499-1749 / Fax No. (045) 499-1996

January 29, 2016

PHILIPPINE STOCK EXCHANGE, INC.

Philippine Stock Exchange Plaza

Ayala Triangle, Ayala Avenue

Makati City

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

Re: Annual Progress Report on the Disbursement of the Proceeds
of the Initial Public Offering as of December 31, 2015

Gentlemen:

We refer to the Notice of Approval dated July 9, 2014 issued by the Philippine Stock Exchange ("PSE") in relation to the initial public offering ("IPO") of Phoenix Semiconductor Philippines Corp. ("Company"), which approval requires the submission of a quarterly progress report and an annual summary of the application of the proceeds raised from the IPO. This letter is being submitted in compliance with such requirements.

As of December 31, 2015, the Company has disbursed a total of **PHP44,134,154** for the acquisition of machinery and production equipment to further enhance its existing production facility in the first quarter of 2015. From second up to the last quarter of the year, the Company has made no disbursements from the IPO proceeds leaving a balance of **PHP423,535,777** currently placed in time deposit.

Use of Proceeds	Actual Disbursement (1Q of 2015)	Remaining Balance (4Q of 2015)	Total IPO Proceeds (PHP)
PHASE 1 FACILITY			
Acquisition of machinery and production equipment for the maintenance program	44,134,154	-	44,134,154
<i>Subtotal</i>	<i>44,134,154</i>	<i>-</i>	<i>44,134,154</i>
PHASE 2 FACILITY			
Acquisition of machinery and production equipment for the expansion program	-	134,252,466	134,252,466
Construction of building and structure	-	289,283,311	289,283,311
<i>Subtotal</i>	<i>-</i>	<i>423,535,777</i>	<i>423,535,777</i>
Total	44,134,154	423,535,777	467,669,931

Due to the slowdown in the demand of semiconductors, mainly due to the downturn in the economy of China, the Company filed a disclosure last December 29, 2015 announcing the delay in the implementation of the Phase 2 project. A copy of this disclosure is attached herein for your reference.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jhu' or 'Lee', written in a cursive style.

BYEONGCHUN LEE

President and Chief Executive Officer

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. December 29, 2015
Date of Report (Date of earliest event reported)
2. SEC Identification Number CS201000985 3. BIR Tax Identification No. 007-582-936
4. PHOENIX SEMICONDUCTOR PHILIPPINES CORP.
Exact name of issuer as specified in its charter
5. Pampanga, Philippines
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code
7. Pandav Pira Avenue, corner Creekside Road, Clark Freeport Zone, Pampanga 2009
Address of principal office Postal Code
8. 045-499-1742 / 045-499-1749 / 045-499-1822
Issuer's telephone number, including area code
9. Not Applicable
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

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding</u>
Common Shares	2,165,024,111

11. Indicate the item numbers reported herein: Item 9. Other Events

Material Information: PSPC Phase 2 Project Update

Phoenix Semiconductors Philippines Corporation (PSPC) announced the delay of the company's Phase 2 manufacturing facility project that was committed to be constructed in the second half of 2015 in line with its initial public offering (IPO) in December 2014.

The total project cost of the Phase 2 program is about US \$170 million (or PhP8 billion) and has been programmed to expand the manufacturing capacity for its memory modules and chips to be earmarked for new customers.

Under the terms announced in the offering prospectus, the estimated total amount of P423.54 million had been allocated from the P467.67 million net proceeds from the primary tranche of its offering last year.

This allotted amount consists of the construction of a new manufacturing building and structure costing P134.25 million and the acquisition and installation of production equipment and machinery costing P289.28 million, as disclosed with the Philippine Stock Exchange and the Securities and Exchange Commission as of September 30, 2015 (See IPO Work Program below).

PSPC has already completed the engineering plans and the awarding of the project to general and specialty contractors. The temporary deferral is in line with the slowdown in the demand of semiconductors as a result of the downturn in the economy of China, a major global consumer market and downstream manufacturer of electronics products. However, negotiations by PSPC with potential customers are still currently ongoing which reflect the current wait-and-see outlook of the semiconductor industry.

The Company will disclose the necessary updates on the project as soon as firm developments take place. In meantime, the IPO funds remain to be placed in short-term cash facility until such appropriate time of its utilization.

**PSPC Initial Public Offering
Work Program/Disbursement Schedule
(As of September 30, 2015)**

Use of Proceeds	Actual Disbursement (1Q of 2015)	Remaining Balance (4Q of 2015)	Total
PHASE 1 FACILITY			
Acquisition of machinery and production equipment for the maintenance program	44,134,154	-	44,134,154
Subtotal	44,134,154	-	44,134,154
PHASE 2 FACILITY			
Acquisition of machinery and production equipment for the expansion program	-	134,252,466	134,252,466
Construction of building and structure	-	289,283,311	289,283,311
Subtotal	-	423,535,777	423,535,777
Total	44,134,154	423,535,777	467,669,931

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed this December 29, 2015 on its behalf by the undersigned hereunto duly authorized.

PHOENIX SEMICONDUCTOR PHILIPPINES CORP.
Issuer

By:


ATTY. ANNA GAYLE T. BARIN
Corporate Lawyer/ Corporate Information Officer

REPORT OF FACTUAL FINDINGS

The Stockholders and the Board of Directors
Phoenix Semiconductor Philippines Corp.
Panday Pira Avenue, Corner Creekside
Clark Freeport Zone, Pampanga

We have performed the procedures agreed with you and enumerated below with respect to the attached Annual Progress Report as at December 31, 2015 on the application of the proceeds from the Initial Public Offering (the Offering) of Phoenix Semiconductor Philippines Corp. (the Company) on December 1, 2014. The procedures were performed solely to comply with the requirements of the Philippine Stock Exchange Inc. (PSE) to submit an external auditor's certification on the accuracy of the information being represented by the Company relating to the application of proceeds whenever a report is submitted to the PSE. Our engagement was undertaken in accordance with the Philippine Standards on Related Services 4400, "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" applicable to agreed-upon procedures engagements. These agreed-upon procedures and results thereof are summarized as follows:

1. Obtained the schedule of acquisitions of machinery and production equipment and agreed amount per schedule to the Report.
2. Checked the mathematical accuracy of the schedule and on a sample basis, vouched the acquisitions of machinery and production equipment to the accounting records and supporting documents such as invoices and payment documents for the disbursement made during the first quarter.
3. Compared the remaining unused proceeds from the Offering as disclosed in the Company's Annual Progress Report as at December 31, 2015 to the Peso time deposit certificate.
4. Obtained and examined the Peso time deposit transaction history from January 5, 2015, the date of placement, to December 31, 2015 and agreed the amount to the accounting records.

We report our findings below:

1. With respect to item 1, we compared the total acquisitions of machinery and production equipment per schedule of ₱ 44.13 million (US\$0.98 million) and amount per Report and noted that the amount is in agreement.

3. With respect to item 3, we noted that the remaining unused proceeds from the Offering as at December 31, 2015 agreed to the amount indicated in the Peso time deposit certificate.
4. With respect to item 4, we noted that the movements in the Peso time deposit transaction history pertain to interest income earned on the deposit and the related final withholding tax. The amount in the Peso time deposit transaction history agreed with the accounting records.

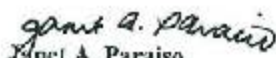
Because the above procedures do not constitute either an audit or review made in accordance with the Philippine Standards on Auditing (PSA) or the Philippine Standards on Review Engagements (PSRE), respectively, we do not express any assurance on the application of the proceeds from the Offering based on the said standards.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with PSA or PSRE, respectively, other matters might have come to our attention that would have been reported to you.

We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Our report is intended solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report relates only to the report on the Company's application of the proceeds from the offering and items specified above and do not extend to any financial statements of the Company.

SYCIP GORRES VELAYO & CO.


Janet A. Paraiso
Partner

January 29, 2015