



102262016001182

**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	S.E.C. Registration Number
Clarification of News Report	C S 2 0 1 0 0 0 9 8 5

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	Company's Telephone Number/s	Company's Facsimile Number/s
pspcin@bokwang.com	045-499-1742; 045-499-1749	045-499-1995

CONTACT PERSON INFORMATION			
Name of Contact Person	Email Address	Telephone Number	Facsimile Number/s
Atty. Anna Gayle Barin	annagaylebarin@bokwang.com	045-499-1622	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) 499-1746 / Fax No. (045) 499-1996

February 26, 2016

**SECURITIES AND EXCHANGE COMMISSION**

SEC Building, EDSA

Mandaluyong City

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

Re : Clarification of News Report

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Gentlemen:

We submit herewith SEC Form 17-C, Current Report under Section 17 of the Securities Regulation Code and SRC Rule 17.2 (c) thereunder, to clarify the news report published on February 23, 2016 by Manila Times entitled Another investor complains against Phoenix Semicon.

Thank you very much.

Very truly yours,

  
**ATTY. ANNA GAYLE TAN BARIN**

Corporate Lawyer/Assistant Corporate Secretary

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. **February 24, 2016**  
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. **Panday 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

Title of Each Class

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

**Common Shares**

**2,165,024,111**

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

**Clarification of News Report**

Phoenix Semiconductor Philippines Corp. (PSPC) wishes to clarify the following statements that were made in a newspaper article that appeared in the Manila Times, online edition, entitled "Another investor complains against Phoenix Semicon", by lined by Mr. Emeterio SD Perez, on February 23, 2016:

1. "The Samsung group might not renew its contract with PSPC in 2017 because of its new plant which is under construction"

The Company believes that rather than a threat, the expansion of Samsung operations in Pyeongtek, South Korea is an opportunity to grow its business with Samsung. The Pyeongtek plant is intended for Samsung's wafer fabrication. Since it is expanding this process, it will entail a stronger need for the back end process support it gets from its outsourced assembly and test (OSAT) suppliers like PSPC.

The renewal of the Samsung Contract with the Company is currently under negotiations. The Company shall make appropriate disclosures as soon as the parties agree to more concrete applicable terms and conditions.



2. "Did PSPC divert its IPO proceeds to pay cash dividend? If true, this is a serious violation of the SEC rules on the sale of shares to the public. However, let us give the company the benefit of the doubt."

PSPC did not divert its IPO proceeds to pay cash dividend.

As reported by the company on January 19, 2016 to The Philippine Stock Exchange, Inc. in its Annual Progress Report on the Disbursements of the Proceeds of the Initial Public Offering as of December 31, 2015, a total of PHP44,134,154 has been disbursed for the acquisition of machinery and production equipment to further enhance its existing production facility in the first quarter of 2015.

Being true to the representations made in the Prospectus of the Initial Offering, from second up to the last quarter of the year, the Company has made no further disbursements from the IPO proceeds leaving a balance of PHP423,535,777 for Phase 2 expansion program. This amount remains intact and placed in time deposit as of this date.

Stated on the same report, the Company disclosed that due to the slowdown in the demand of semiconductors, mainly due to the downturn in the economy of China filed a disclosure last December 29, 2015 announcing the delay of the implementation of Phase 2 project.

The said Annual Progress Report on the Use of Proceeds is supported by a Report on Factual Findings by the Company's external auditor Sycip Gorres & Velayo dated January 29, 2016.

A copy of the said report is attached for reference.

Further to the above, the Company wishes to emphasize that the initial public offering of the Company was in accordance with the requirements of applicable laws and rules and regulations, including the requirement of disclosure and transparency, and done under the rigid scrutiny of both the Securities and Exchange Commission and The Philippine Stock Exchange.

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed this 24<sup>th</sup> day of February, 2016 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



101292016002914

**SECURITIES AND EXCHANGE COMMISSION**

SEC Building, EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines  
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**Company Information**

SEC Registration No. CS201000965  
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	SEC Registration Number
Annual Progress Report on the Disbursement of the Proceeds of IPO 12.31.2015	C S 2 0 1 0 0 0 9 8 5

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 pspdr@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 045-499-1956
Contact Person's Address			

Panday Pira Avenue Corner Creekside Road., Clark Freeport Zone, Pampanga, Philippines
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<input type="checkbox"/>	Clerk-in-Charge	_____
<input type="checkbox"/>	Director	_____
<input type="checkbox"/>	Releasing Officer	_____



**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**

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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)
<b>PHASE 1 FACILITY</b>			
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>
<b>PHASE 2 FACILITY</b>			
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>
<b>Total</b>	<b>44,134,154</b>	<b>423,535,777</b>	<b>467,669,931</b>

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.

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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. Panday 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>
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Common Shares	2,165,024,111
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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 P134.23 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
<b>PHASE 1 FACILITY</b>			
Acquisition of machinery and production equipment for the maintenance program	44,134,154	-	44,134,154
<b>Subtotal</b>	<b>44,134,154</b>	<b>-</b>	<b>44,134,154</b>
<b>PHASE 2 FACILITY</b>			
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
<b>Subtotal</b>	<b>-</b>	<b>423,535,777</b>	<b>423,535,777</b>
<b>Total</b>	<b>44,134,154</b>	<b>423,535,777</b>	<b>467,669,931</b>

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*  
Janet A. Paraiso  
Partner

January 29, 2015