



**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

March 3, 2015

**PHILIPPINE STOCK EXCHANGE**

Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

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

Re : Results of Board of Directors' Regular Meeting

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Gentlemen:

In compliance with the requirements of the Securities and Exchange Commission and the Philippine Stock Exchange, we submit herewith the results of the regular meeting of the board of directors of Phoenix Semiconductor Philippines Corp. held on March 3, 2015.

Thank you very much.

Very truly yours,

**ATTY. ANNA GAYLE T. BARIN**

Corporate Lawyer/ Corporate Information 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. March 03, 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>
<b>Common Shares</b>	<b>2,165,024,111</b>

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

The Board of Directors of the Company, at its regular meeting held today, approved the following:

1. Declaration of cash dividend of USD 0.0054 per share for a total amount of Eleven Million Seven Hundred Thousand US Dollars (USD 11,700,000.00), out of the Corporation's unrestricted retained earnings as of December 31, 2014. The record date for determining the stockholders entitled to payment of dividends is April 02, 2015, and payment date is April 22, 2015. The local stockholders will be paid their dividends in Philippine Peso and, in determining the Peso equivalent of the dividend payment, the prevailing Peso:Dollar exchange rate on Payment Date shall be used.

By way of background,

- a. On April 4, 2014, the Corporation approved an annual dividend payment ratio of approximately 20% of its 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, but not limited to, 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. The Company's Board, may, at any time, modify such dividend payout ratio depending upon the results of operations and future projects and plans of the Company.

This subject cash dividend is out of the Corporation's unrestricted retained earnings as of December 31, 2014.

b. On September 29, 2014, BDO (as lender under the Loan Agreement) consented, subject to the fulfillment of all the conditions set forth below, to the declaration and payment of cash dividends equivalent to not more than (a) 50% of the company's net income as provided in the Company's audited financial statements as of and for the year ended December 31, 2013, inclusive of the cash dividends in the amount of US\$1 million declared by the Board of Directors last April 01, 2014 in favor of stockholders of record of the Corporation as of April 1, 2014 and paid last May 12, 2014, (b) 50% of the Company's net income as provided in the Company's audited financial statements as of and for the year ended December 31, 2014, provided, that, the total cash dividends to be declared and paid by the company under (a) and (b) shall in no case exceed US\$12.70 million, and (c) 20% of the Company's net income as provided in the Company's audited financial statements for every subsequent year.

In addition, all of the following conditions must be met before any declaration and payment of dividends may be made by the Company:

- a. No event has occurred and is continuing which constitutes an Event of Default, or which upon a lapse of time or giving of notice or both, would become an Event of Default, under or in respect of the Loan Agreement;
  - b. The Debt Service Coverage Ratio of 1.5x is maintained;
  - c. The required DSA Maintaining Balance in the Debt Service Account is maintained; and
  - d. The Company's capital expenditures for the preceding year do not exceed US\$15 million.
2. Setting of 2015 Annual Stockholders' Meeting
- The Annual Stockholders' Meeting for 2015 is set for April 01, 2015 at 10:00 o'clock in the morning at Vegas Function Room, Widus Hotel & Casino, Clark Freeport Zone, Pampanga. The record date for the determination of stockholders entitled to notice and to vote at the meeting is March 10, 2015 and the deadline for the submission of proxies is on March 20, 2015.
3. Amendments to the Second Article (Purposes) of our Articles of Incorporation, as approved by the Board of Directors, to be presented for approval of the Stockholders at the Annual Stockholders' Meeting on April 01, 2015. The amendments are:

**SECOND: A.** That the primary purpose of this corporation is

the construction, ownership and operation of a plant for the manufacture, assembly, test and warehousing of semiconductor and memory devices and applications and related products, as well as to do related or incidental activities thereto.

AND, IN FURTHERANCE OF THE PURPOSE AFORESAID, this corporation shall have the following incidental powers:

1. To purchase, acquire, own (except land in the Philippines), lease, lease out, sell and convey real and personal properties as may be necessary or incidental to the conduct of the corporate business;



2. To borrow or raise money from not more than nineteen (19) lenders, including its stockholders, banks and other financing institutions, in order to meet the financial requirements of its business by the issuance of promissory notes, bonds, and other evidences of indebtedness and, if required, to secure the repayment thereof by mortgage, pledge, deed of trust or lien upon the properties of the corporation;
3. To originally issue shares of its capital stock and other securities, debentures and other evidences of indebtedness, for cash or other properties or in payment of properties acquired by the corporation or for money borrowed in the prosecution of its lawful business;
4. To invest the money and property of the corporation in such manner as may from time to time be considered wise or expedient for the advancement of its interests;
5. To otherwise deal with the money and property of the corporation in such manner as may from time to time be considered wise or expedient for the advancement of its interests including, without limitation, allowing suppliers exclusively furnishing parts/products or exclusively rendering services to the corporation to occupy corporation's premises by lease or otherwise as a prerequisite to commercial arrangements entered into with them and for said purpose, leasing of machineries and equipment that are not presently used by the corporation in order to make them productive, and selling scraps and phased-out parts, materials, production equipment and vehicles;
6. To aid in any manner, including extending loans to or undertaking or guaranteeing the obligations of, any corporation, firm, person, or entity, domestic or foreign, any shares of stock in which or any bonds, debentures, notes, securities, evidences of indebtedness, contracts, or obligation of which are held by or for this corporation, directly or indirectly or through other corporations or otherwise, or as may be appropriate or suitable for the purposes of the corporation;
7. To enter into any lawful arrangement for sharing profits, partnership (whether general or limited), joint ventures, or similar arrangements with any other corporation, firm, person, or entity, domestic or foreign;
8. To establish and operate one or more branch offices and agencies and to carry on any of all of its operations and business without any restrictions as to place or amount;
9. To conduct and transact any and all lawful activities, and to do or cause to be done any one or more of the acts and things herein set forth as its purposes, within or outside the Philippines and to do everything necessary, desirable or incidental to the accomplishment of the purposes or the exercise of one or more of the powers herein enumerated, or which shall at any time appear conducive to or expedient for the protection or benefit of the corporation.

B. That the corporation shall have all the express powers of a corporation as provided for under Section 36 of the Corporation Code of the Philippines and those powers that may be implied or incidental thereto. (amendments underscored)

4. Amendment to our By-laws, as approved by the Board of Directors, to be presented for approval of the Stockholders at the Annual Stockholders' Meeting on April 01, 2015. The amendment is as follows:

**Section 8. Closing of Transfer Book or Fixing of Record Date-** The Board of Directors may, at its discretion, provide that the stock and transfer book be closed for a specific period or, in the alternative, fix in advance a date as the record date, for the purpose of determining the stockholders entitled to notice of, or to vote at, any meeting of the stockholders or any adjournment or postponement thereof, or to receive payment of any dividends, or of making a determination of the stockholders for any purpose, subject only to any mandatory period of book closure or record date as may be provided by applicable laws, rules and regulations. (amendments underscored)

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed this March 3, 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