



HOLTEK SEMICONDUCTOR INC.

2018 Regular Shareholders' Meeting

Meeting Agenda

Date: May 28, 2018

Edison, HSP link

No.1, Gongye E. 2nd Rd., East Dist., Hsinchu City 300, Taiwan (R.O.C.)

-----Disclaimer-----

THIS IS A TRANSLATION OF THE AGENDA FOR THE 2018 REGULAR SHAREHOLDERS' MEETING ("THE AGENDA") OF HOLTEK SEMICONDUCTOR INC. ("THE COMPANY"). THE TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NO OTHER PURPOSE. THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION.

THE CHINESE TEXT OF THE AGENDA SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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HOLTEK SEMICONDUCTOR INC.

2018 Regular Shareholders' Meeting Procedure

Time: 9:00 a.m., May 28, 2018 (Monday)

Location: Edison, HSP link (No.1, Gongye E. 2nd Rd., East Dist., Hsinchu City 300,
Taiwan (R.O.C.))

1. Commencement
2. Chairman takes seat
3. Chairman's address
4. Reporting items
5. Approval items
6. Discussion items
7. Extemporaneous motions
8. Adjournment

HOLTEK SEMICONDUCTOR INC.

2018 Regular Shareholders' Meeting Agenda

1. Time: 9:00 a.m., May 28, 2018 (Monday)
2. Location: Edison, HSP link (No.1, Gongye E. 2nd Rd., East Dist., Hsinchu City 300, Taiwan (R.O.C.))
3. Attendants: All shareholders and their proxy holders
4. Chairman's address: Wu, Chi-Yung
5. Reporting items
 - (1) 2017 business report
 - (2) Audit Committee's review report on the 2017 financial statements
 - (3) 2017 distributable compensation for employees and directors
6. Approval items
 - (1) Adoption of the 2017 business report and financial statements
 - (2) Adoption of the 2017 earnings distribution
7. Discussion items
 - (1) Proposal of the distribution of cash dividends from legal reserve
 - (2) Permit of directors' engagement in competitive conduct
8. Extemporaneous motions
9. Adjournment

Reporting items

(1) 2017 business report

Please refer to the 2017 business report (Attachment 1).

(2) Audit Committee's review report on the 2017 financial statements

Please refer to the Audit Committee's review report (Attachment 2).

(3) 2017 distributable compensation for employees and directors

In accordance with the Company's Articles of Incorporation, 2017 employees' and directors' compensation will be NT\$ 111,567,218 and NT\$ 12,286,360, respectively, and paid by cash.

Approval items

(1) Adoption of the 2017 business report and financial statements

1) 2017 financial statements were audited by independent auditors, Emily Tseng and Allan Yu, of KPMG. Also 2017 business report and financial statements have been approved by the Board of Directors and reviewed by the Audit Committee. The Audit Committee's review report was issued accordingly.

2) Please refer to the 2017 business report (Attachment 1) and Holtek's website (www.holtek.com.tw) for independent auditors' report and financial statements.

Resolution:

(2) Adoption of the 2017 earnings distribution

1) The proposal for distribution of 2017 profits has been approved by the Board of Directors and reviewed by the Audit Committee. The Audit Committee's review report was issued accordingly.

2) Please refer to the 2017 Earnings Distribution Chart (Attachment 3).

Resolution:

Discussion items

(1) Proposal of the distribution of cash dividends from legal reserve

1) The portion of legal reserve which exceeds 25 percent of the paid-in capital was proposed to distribute cash of NT\$104,942,045 to shareholders. Each common shareholder will be entitled to receive cash dividend of NT\$0.464 per share (based on the total outstanding shares as of the record date).

2) Cash payment shall be rounded to one NTD (amounts less than one NTD shall be ignored) and adjusted by specific person authorized by the Chairman.

3) Upon the approval in the Regular Shareholders' Meeting, it is proposed that the Board of Directors be authorized to determine the payment date for the cash distribution.

4) If the payout ratio is impacted to change due to the law amendment, company's subsequent share buybacks, the transfer or cancellation of treasury stocks, the exercise of employee stock options or other matters, it is proposed to fully authorize the Board of Directors to proceed on the relevant matters.

5) Please refer to the 2017 Earnings Distribution Chart (Note 2 of Attachment 3).

Resolution:

(2) Permit of directors' engagement in competitive conducts

1) According to Article 209 of the Company Law, a director who conducts business within the business scope of the Company for himself or others shall explain in the shareholders' meeting the essential contents of such conduct and obtain the shareholders' approval.

2) Without prejudice to the interests of the Company, it is proposed to submit to the shareholders' meeting for resolution to remove the restrictions preventing the Company directors and independent directors from performing work for their newly added positions in other companies.

**Details of Positions Concurrently Held by Directors/Independent Directors in Other Companies
(Newly Added)**

Title(s) of the Company	Name	Company Name	Title(s) of the Competitive Companies
Director	Gau, Kuo-Tung	Best Health Electronics (Dongguan) Corporation	Representative of a juridical person director
Director	Li, Pei-Ying	Best Health Electronics Corporation	Representative of a juridical person director
		Best Health Electronics (Dongguan) Corporation	
		JXY Electronics (Shenzhen) Corporation	

Resolution:

Extemporaneous motions

Adjournment

Attachments

Attachment 1

HOLTEK SEMICONDUCTOR INC.

2017 Business Report

Holtek Semiconductor Inc. (hereinafter referred to as “the Company”) is one of leading professional domestic and overseas IC design houses having its major products focused in 8-bit and 32-bit MCU IC and peripheral component design, research, sales and marketing. From its origins in 1998, the Company has continuously focused its energies in the advancement of new IC device development and skills innovation. The Company's ability to keep in line with end-market trends, has given Holtek the means of releasing a wide range of highly successful and extremely competitive power of the MCU, peripheral component and total solutions.

According to the International Monetary Fund predictions, the global economic growth rate is expected to be a low growth rate period during 2017. The sharp depreciation in currencies of several countries, the rise of the dispute of international trade from trade protectionism and the major Chinese Government’s investments of the 13th Five-Year Plan in semiconductor industry affect directly its balance between the supply and demand. Fortunately, Holtek's product development strategy is firmly focused in the two areas of microcontroller and microcontroller peripheral devices. In this regard the Company has developed and established its image as a professional MCU designer with the expanding MCU application area and service levels creating more room for new development. It was really an excellent year for us to make double-digit growth in terms of both revenues and profits in 2017.

The consolidated sales totaled NT\$ 4,615 million in 2017, an increase of 11.0% over NT\$ 4,158 million in 2016. The Gross Margin remained above 46%. The consolidated net income after tax attributed to parent company was NT\$926 million and earnings per share were NT\$4.10 in 2017. Both increased 18% from the 2016 level of NT\$926 million net income and NT\$3.47 earnings per share. 2017 was a good year for Holtek as we delivered another year of record revenue and earnings since public listed. Meanwhile, the revenues of MCU ICs in 2017 breaks through NT\$ 3 billion, the shipments of Touch MCU ICs, one of the key products, reached over 100 million units and the annual shipments of 32-bit MCU ICs also achieved over tens of million units. These record results we achieved in 2017 reflected that Holtek is widely recognized for its product development, sales channels, product quality and technical services by customers and IC market. The brand awareness and image as a professional MCU designer of Holtek has been surged for the year 2017.

An overview of the Company’s operation in 2017 is provided below subdivided into product development, sales & marketing and production management.

Product development:

The 2017 product development retained a focus in the area of wearable peripheral management, health care, smart home appliance, security application areas. Holtek owns HT 8-bit and 32-bit (M0+/M3) as the core to develop a range of STD/ASSP/ASIC MCU ICs. In 2017, there were 62 items of all series of new MCU ICs and peripheral components which included Wireless Transfer Specialized MCU (including Low Power BLE Transparent Transmission 8-bit MCUs, BLE Transparent Transmission 32-bit MCUs and Sub-1GHz Tx/Rx ICs), all series of 32-bit MCUs, Fast Charger & Wireless Charger Specialized MCUs, Health Care Specialized MCUs (including Body Fat Scale/Glucose Meter/Kitchen Scale/Blood Pressure Meter), Home Security Specialized MCUs (including CO Detector MCUs, Fire Protection MCUs and IR Sensing MCUs) and Brushed/Brushless DC Motors MCUs and its Driver ICs, etc. All these new IC products will gradually regain its growth momentum in 2018.

Sales & Marketing:

In 2017, revenue from China/Hong Kong based customers accounted for 72% of total sales. Revenue from Taiwan based customers accounted for 12%, while revenue from other areas accounted for 16%. It is illustrated that revenues from Taiwan were flat compared with 2016, while revenues from other international areas grew by 4 %. The revenue growth was mainly due to revenues from Japan/Korea/Southeast Asia/the United States/Central and South America. Revenues in China in 2017, the best performance area, grew about 15% compared to 2016. The most important reason for significant growth is that apart from China was still the world's largest consumer electronics manufacturing area, large and strong domestic demand from China made it as the world's largest IC market. It also combined with the Company deeply found all sales distributors over China and offered customers with all-round technology support.

Production management:

In 2017, the shipments of ICs grew by about 19%. However, Holtek's products are mostly customized and diversified, with a product mix of more than 800 products. The Company's product strategy is focusing on various designs with small quantities. Moreover, in the situation of unable to prepare sufficient inventory in advance, composed of wafers as well as package ICs, with wafer capacity is tight, production department and supply chain have to work very closely to reach the shipment demands of customers. With those efforts, they contribute a great deal to the Company's revenue growth in 2017.

An overview of the Company's overall business in 2018 is also provided below subdivided into areas of sales & marketing, product development and production management:

The main operational focus in 2018:

The 2018 International Monetary Fund (IMF) and World Bank's outlook in global economic growth forecast is slightly better in 2017. The US economy will continue to be optimistic due to tax reforms and trade policies, while the emerging markets will still have better economic growth. Therefore, as a whole, 2018 will be a positive year for development. From the perspective of the semiconductor industry, due to the vigorous development of applications such as memory/in-vehicle/smart home/health care in 2017, global semiconductor output exceeded USD 400 billion, an annual increase of nearly 20%. This is a rare situation over the years, therefore, the forecast agency still expects that the semiconductor market in 2018 is expected to continue to grow under the strong demand of above applications; however, 2018 is not all due to the aforementioned growth. Many unforeseen unfavorable market conditions, including insufficient capacity of silicon wafers, rising wafer costs, and continuous expansion of capacity by China's Semiconductor to increase self-sufficiency, will cast uncertain shocks on the global semiconductor industry. Taiwan Semiconductor Industry and the Company need to pay special attention to changes in the industrial environment.

The major areas for the Company's product development in 2018, such as touch/health care/RF wireless communications/security/image identification/four meters (water, electricity, gas and heat meters)/smart toys and application modules, and etc., as well as the development project on upgrading for measurement products, developing related sensor module, which ascends MCU vehicle specifications and ultra-low power MCU.

In respect of sales & marketing, our sales team will actively promote the use of existing MCUs and peripheral component in home appliances/smart home/personal wearable appliances/lithium-ion battery handheld applications/in-vehicle/all kind of dashboard, etc. For continuously deepen and expand the market to serve more customers, we will make efforts to promote our products to customers in the Europe/US/Japan/Korea and also strengthen the exploration of new markets and new customers in emerging developing countries. In 2018, one of the key businesses is to establish a site in India as a base for sales promotion and technical service to India IC market. It is very important to the Company for reducing the risk of over-concentration of product sales in China, and increasing revenues so as to expand the global market.

In terms of production management, the rising cost of silicon wafers in 2018 will be a tremendous pressure. In addition to the continuous development and launch of more competitive new products, the production department will actively cooperate with entire supply chain in the long-term cooperation to get entirely support from supply chain's reasonable prices and sufficient production capacity. Partial of the increased production costs are optimized through internal management mechanisms. The production department has sufficient preparation measures in response to various changes and difficulties in production.



All in all, with the improvement of all aspects of operation in product development/sales & marketing/production management, the Company consistently adopted a stable and moderate business strategy to achieve the revenue target in 2018. Although the development of the global economy has been developing positively, with facing strong competition and challenges from the China's semiconductor industry, our management team is confident that with our efforts the revenue target in 2018 is well within our grasp.

We sincerely thank all of Holtek's shareholders for the continuous support and encouragement. Our management team will continue to build on our already established firm foundation for sustained continued growth well in the MCU market into the future to create value and generate strong returns to our shareholders.

Chairman : Wu, Chi-Yung

President : Gau, Kuo-Tung

Accounting Manager : Lee, Wen-Te



Attachment 2

HOLTEK SEMICONDUCTOR INC.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2017 business report, financial statements and proposal for surplus earnings distribution. The CPA firm of KPMG was retained to audit Holtek's financial statements and has issued an audit report relating to the financial statements. The business report, financial statements, and proposal for surplus earnings distribution have been reviewed and determined to be correct and accurate by the Audit Committee members of HOLTEK SEMICONDUCTOR INC. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To HOLTEK SEMICONDUCTOR INC. 2018 Regular Shareholders' Meeting

HOLTEK SEMICONDUCTOR INC.

Chairman of the Audit Committee: Lu, Cheng-Yueh

March 01, 2018

Attachment 3

HOLTEK SEMICONDUCTOR INC.

2017 Earnings Distribution Chart

Unit: NT\$

Unappropriated Retained Earnings of Previous Years	106,851
Minus:	
Actuarial Gain (Loss) on Defined Benefit Plans	(4,273,698)
Unappropriated Retained Earnings After Adjustment	(4,166,847)
Plus:	
Net Income of 2017	926,188,189
Retained Earnings Available for Distribution	922,021,342
Minus:	
Legal Reserve	(92,202,134)
Special Reserve	(7,444,847)
Distribution Item :	
Cash Dividends to Shareholders (Note 1)	(822,347,575)
Unappropriated Retained Earnings	\$ 26,786

Note 1 : The portion of Unappropriated retained earnings was proposed to distribute cash of NT\$822,347,575 to shareholders. According to the register of shareholders on the record date, the cash distribution is approximately NT\$3.636 per share. Cash payment shall be rounded to one NTD. If the cash distributions are impacted due to the law amendment, Company's subsequent share buybacks, the transfer or cancellation of treasury stocks, the exercise of employee stock options or other matters, it is proposed to fully authorize the Board of Directors to adjust the cash payout ratio and to proceed on the relevant matters.

Note 2 : The portion of legal reserve was proposed to distribute cash of NT\$104,942,045 to shareholders. According to the register of shareholders on the record date, the cash distribution is approximately NT\$0.464 per share. Cash payment shall be rounded to one NTD. If the cash distributions are impacted due to the law amendment, Company's subsequent share buybacks, the transfer or cancellation of treasury stocks, the exercise of employee stock options or other matters, it is proposed to fully authorize the Board of Directors to adjust the cash payout ratio and to proceed on the relevant matters.

Note 3 : The total amount of NT\$927,289,620 was proposed to distribute to shareholders and the cash distribution is approximately NT\$4.10 per share.

Chairman : Wu, Chi-Yung

President : Gau, Kuo-Tung

Accounting Manager : Lee, Wen-Te

Appendices

Appendix 1

ARTICLES OF INCORPORATION OF HOLTEK SEMICONDUCTOR INC.

Section 1 General Provisions

Article 1

The Company shall be incorporated under the Company Law of the Republic of China, and its name shall be 盛群半導體股份有限公司 in the Chinese language, and HOLTEK SEMICONDUCTOR INC. in the English language.

Article 2

The business scope of the company shall be as follows:

- CC01080 : Electronic Parts and Components Manufacturing;
- F401030 : Manufacture and export business;
 1. Research, design, development, production and marketing of the following products:
 - (1) ICs for IC Cards
 - (2) Digital camera devices
 - (3) FLEX Pager devices
 - (4) DECT Digital wireless telephone control devices
 - (5) Other Application-Specific ICs related to the above mentioned ICs
 - (6) Derivative products related to the above mentioned ICs
 2. Import and export trade for the above mentioned products.

Article 3

The Company shall have its head-office in Hsinchu Science-based Industrial Park and, if necessary, may set up branches or business offices in and out of this country upon a resolution of its Board of Directors and approval from the competent government authority.

Article 4

The Company may provide endorsement and guarantee to other companies. The process shall be

handled in accordance with the Company's Regulations Governing Endorsement and Guarantee.

Article 5

The total amount of the Company's reinvestment shall not be subject to the restriction of not more than forty percent of the Company's paid-up capital as provided in Article 13 of the Company Law. Any matters regarding the reinvestment shall be resolved in accordance with the resolutions of the Board of Directors.

Section 2 Shares

Article 6

The total capital stock of the Company shall be in the amount of 3 billion New Taiwan Dollars, divided into 0.3 billion shares at NT\$10 par value each share, and may be paid-up in installments. The Company may issue shares from time to time in accordance with the resolutions of the Board of Directors. Two hundred million New Taiwan Dollars of the total capital stock shall be divided into 20 million shares at NT\$10 par value for each share. A total of 20 million shares of the above total capital stock should be reserved for issuing stock options.

Article 6-1

For issuing employee stock warrants where the exercise price is restricted below the close price of common shares is required to obtain the consent of at least two-thirds of the voting rights represented at a shareholders meeting attended by shareholders representing a majority of the total issued shares.

For transferring shares to its employees where the transferred price is below the buyback average price, it shall be decided by a resolution to be adopted by a two-thirds or more vote of the directors at a meeting of the board of directors attended by at least a majority of the entire directors of the company.

Article 7

The share certificate of the Company can be all name-bearing share certificates and shall be signed by, and affixed with the seals or by signature of, at least three directors of the Company, and issued after duly authentication pursuant to the law.

For the new shares to be issued to the public by the Company, the issuing company may be

exempted from printing any share certificate for the shares issued or the issuing company may print a consolidated share certificate representing the total number of the new shares to be issued at the same time of issue.

Article 8

Registration for transfer of shares shall all be suspended 60 days before the convocation of any regular shareholders' meeting, 30 days before the convocation of special shareholders' meeting, or 5 days before the record day for distribution of dividend, interest and bonus or any other benefit as scheduled by the Company.

Article 9

All stock operations conducted by shareholders of the Company shall follow the "Guidelines for Stock Operations for Public Companies" unless specified otherwise by law and securities regulations.

Section 3 Shareholders' Meeting

Article 10

Shareholders' meeting shall be of two types, namely regular and special shareholders' meeting; the former shall be convened once a year by the Board of Directors in accordance with laws within six months after the close of each accounting fiscal year. Special shareholders' meeting shall be convened in accordance with relevant laws, rules and regulations of the Republic of China.

Article 11

In case a shareholder is unable to attend a shareholders' meeting, he/she may issue proxy printed by the Company setting forth the scope of authorization by signing or affixing his/her seal on the proxy form for the representative to be present on his/her behalf, in accordance with the Company Law and the Rules Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 12

Each share is entitled to one voting right, except shares held under regulation of Article 179 of the Company Law, which have no voting rights.

Article 13

Except as regulated in the Company Law of the Republic of China, shareholders' meetings may be held if attended by shareholders in person or by proxy representing more than 50% of the total issued and outstanding capital stock of the Company, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting.

Section 4 Directors and Audit Committee

Article 14

The Company shall have seven to nine directors to be elected at a shareholders' meeting through nominating system from persons of legal capacity to serve a term of three years. A director may be re-elected.

To conform to the Securities and Exchange Act, the Company shall have, among the aforementioned directors, at least three independent directors. The Company shall appoint independent directors, not less than two in number and not less than one-fifth of the total number of directors in accordance with the Article 14-2 of the Securities and Exchange Act.

Independent directors' qualification, the limitations of shareholding and concurrently serving other positions, the methods of nomination and election and other related matters shall be subject to the applicable laws.

The Company may purchase liability insurance for its directors. The insurance coverage is authorized by the Board of Directors for resolution.

Article 15

The Board of directors shall be organized by directors. The Chairman of the Board shall be elected by majority of directors present at a meeting attended by more than two-thirds of directors. The Chairman of the Board of directors shall have the authority to represent the Company.

Article 16

The total shares of nominal stocks held by the entire body of directors of the Company shall be regulated in Regulations of the minimum percentage to be held by the directors, and the examination of such holding shall be prescribed by an order from the Competent Authority.

Article 17

Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, except under conditions regulated by the Company Law and the Regulations Governing Procedure for Board of Directors Meetings for holding the Meeting if emergency occurred. Directors may be notified of the Board of Directors meeting via written notice such as E-mail or fax.

Article 18

If, for any reason, the chairman of the board of directors is on leave or absent or cannot exercise his power and authority, its representatives policy shall be regulated by the Article 208 in the Company Law.

All board directors shall attend board meetings in person; if attendance in person is not possible, they may appoint another director to attend as their proxy. A proxy under paragraph 2 may accept a proxy from one person only.

Article 19

The Board of Directors is authorized to determine the compensation for the all directors, according to involvements and contributions to the Companies' operation. The compensation is restricted by the highest level of the Regulations for the Compensation of the Company. The Company shall pay the compensation regulated by Article 24, if it has profits.

Article 20

The Board of Directors shall have the following functions and responsibilities:

1. Examination and review of operational policy and medium and long-term development plans.
2. Review of and supervision over execution of annual business plans.
3. Approval of budget and examination of the final settlement of account.
4. Examination of capital increase/decrease plans.
5. Examination of earnings distribution or loss making up programs.
6. Examination and approval of important contracts.
7. Approval of organizational by-laws and important business rules.
8. Decision in establishment, reorganization or removal of branch offices.
9. Approval of major capital expenditure plans.
10. Appointment and discharge of included Vice Presidents or above.
11. Other matters to be handled in accordance with the Company Law and related laws.

Article 21

The Committee shall be composed of the entire number of independent directors. Matters concerning the number, term of office, powers and rules of procedure for meetings when the Audit Committee exercises its powers shall be handled in accordance with the Audit Committee Charter.

Section 5 Managers

Article 22

The Company may have one President and several managers, whose appointments, discharge, and remunerations shall be subject to provisions in the Company Law.

Section 6 Accounting

Article 23

After the close of each fiscal year, in accordance with the Company Law, the following reports shall be prepared by the Board of Directors, and be submitted to the shareholders' meeting for acceptance.

1. Business Report.
2. Financial Statements.
3. Proposal Concerning Appropriation of Net Profits or Covering of Losses.

Article 24

When allocating the net profits for each fiscal year, the Company shall distribute 5~15% of profit of the current year distributable as employees' compensation and no more than 1.5% of profit of the current year distributable as remuneration of directors. However, the company's accumulated losses shall have been covered.

Article 24-1

If the Company has profit as a result of the yearly accounting closing, the Company shall first pay taxes, offset its losses in previous years and set aside a legal capital reserve at 10% of the profits left over, until the accumulated legal capital reserve has equaled the total capital of the Company, then set aside special capital reserve in accordance with relevant laws or regulations or as requested by

business. Any rest balance, added to the accumulated undistributed earnings in previous years, the Board of Directors shall be allocated according to shareholders' meeting resolution.

The amount of dividends distributed to shareholders shall be no less than 50% of the distributable earnings of the year concerned and no less than 50% of the shareholder's dividends shall be in the form of cash.

Section 7 Additional Rules

Article 25

In regard to all matters not provided for in the Articles of Incorporation, the Company Law of the Republic of China and other regulations shall govern.

Article 26

These Articles of Incorporation were resolved on September 7, 1998. The first amendment was made on November 30, 1998, the second amendment on June 10, 1999, the third amendment on April 5, 2000, the fourth amendment on March 2, 2001, the fifth amendment on April 17, 2002, the sixth amendment on June 9, 2003, the seventh amendment on June 1, 2004, the eighth amendment on June 13, 2005, the ninth amendment on September 18, 2006, the tenth amendment on June 11, 2007, the eleventh amendment on June 13, 2008, the twelfth amendment on June 10, 2009, the thirteenth amendment on June 15, 2010, the fourteenth amendment on June 12, 2012, the fifteenth amendment on June 9, 2015, the sixteenth amendment on May 27, 2016 and the seventeenth amendment on May 26, 2017.

HOLTEK SEMICONDUCTOR INC.

Chairman Wu, Chi-Yung

Appendix 2

HOLTEK SEMICONDUCTOR INC. RULES AND PROCEDURES OF SHAREHOLDERS' MEETING

- Article 1 Shareholders' Meeting of the Company (the "Meeting"), except as otherwise provided by law or regulation, shall be conducted in accordance with these Rules and Procedures.
- Article 2 Shareholders or their representatives attending the Meeting shall show the Attendance certificate which manufacture and deliver by the Company and shall submit the attendance card for the purpose of signing in.
The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
Shareholders attending the meetings and vote shall be calculated based on numbers of shares.
- Article 3 The chairman of the board of directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the board of directors. If, for any reason, the chairman of the board of directors is on leave or absent or cannot exercise his power and authority, the chairman of the board of directors shall appoint one of the directors to act on his behalf. . Where the chairman of the board of directors does not make such a designation, the directors shall select by plurality voting from among themselves one an acting chairman of the board of directors.
It is advisable that shareholders meetings convened by the board of directors be attended by a majority of the directors.
For a shareholders meeting called by the board of directors, it is advisable that a majority of the directors and that at least one member of each functional committee attend as representative. Attendance details should be recorded in the shareholders meeting minutes.
- Article 4 The chairman shall call the Meeting to order at the appointed meeting time or attending shareholders do represent a majority of the total number of issued shares. However, when the attending shareholders do not represent a majority of the total

number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the attending shareholders represent one third or more of the total number of issued shares shall make a tentative resolution pursuant to Article 175, paragraph 1 of the Company Act.

When processing the preceding tentative resolution, the attending shareholders represent a majority of the total number of issued shares, the chairman may, from time to time, call the Meeting to order and the tentative resolution may be submitted to the Meeting for retroactive recognition.

Article 5 The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.

If the Meeting is convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.

The chairman may not declare the Meeting adjourned prior to completion of deliberation on the Meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

After close of the said Meeting, shareholders shall not elect another chairman to hold another Meeting at the same place or at any other place.

Article 6 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairman.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that has the floor; the chairman shall stop any violation.

A shareholder may not speak exceed five minutes on the same proposal, but can be extended once by the chairman whose speech shall be limited to three minutes.

If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech. After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.

Article 7 The chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.

The result of voting shall be announced at the Meeting and placed on record.

The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the chairman. The person(s) checking the ballots shall be a shareholder(s).

The election of directors at the Meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

Article 8 Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for all proposals or parts of the proposal before extraordinary motions, the chair or a person designated by the chairman shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the Meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

Article 9 When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is

passed, the other proposals will then be deemed rejected and no further voting shall be required.

- Article 10 Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting. If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.
- Article 11 When the Meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the Meeting temporarily suspended and announce a time or another day when, in view of the circumstances, the Meeting will be resumed.
The resolutions remain in effect regardless of announcing a break as referred to in the preceding paragraph.
- Article 12 The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend the Meeting in a non-voting capacity.
- Article 13 The chairman may direct the proctors or security personnel to help maintain order at the Meeting place. When proctors or security personnel help maintain order at the Meeting place, they shall wear an identification card or armband bearing the word "Proctor."
- Article 14 The Company shall make an uninterrupted audio and video recording during the process of the Meeting. The recorded materials of the preceding paragraph shall be retained for at least one year.
- Article 15 These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

Appendix 3

All Directors' Shareholdings and Minimum Shareholdings Required

1. Total shares issued as of March 30, 2018: 226,168,200 common shares.
2. The minimum number of shares held by all directors of the Company shall be 12,000,000.
3. As of March 30, 2018, all board members' shareholdings are as follows:

Position	Name	Number of Shares (shares)	Shareholding (%)
Chairman	Wu, Chi-Yung	7,665,809	3.39%
Director	Gau, Kuo-Tung	6,701,176	2.96%
Director	Chang, Chih	1,111,785	0.49%
Director	Lin, Cheng-Fung	1,842,697	0.81%
Director	Li, Pei-Ying	1,013,093	0.45%
Director	Wang, Jen-Chung	2,137,209	0.95%
Independent Director	Lu, Cheng-Yueh	--	--
Independent Director	Hsing, Chih-Tien	27,000	0.01%
Independent Director	Kuo, Tai-Haur	--	--
Total shareholding of all directors(Note 1)		20,471,769	9.05%

Note:

1. Independent directors' holdings are excluded from total shareholding calculations.

Appendix 4

Impact of Stock Dividend Distribution on Operating Results, Earnings per Share and Shareholders' Return on Investment

The Company did not announce any financial forecast for the year of 2018. The disclosure of the influence of proposed stock dividend distribution upon 2017 operating performance and earnings per share is not applicable.

Appendix 5

Situation of Shareholders' Proposal Rights submitted in the Regular Shareholders' Meeting

1. The Company, in accordance with the law or regulations, announced matters in MOPS related to shareholders' right to propose motion during the period from March 23, 2018 to April 02, 2018.
2. No shareholders proposed motions during the specified time period.