



HOLTEK SEMICONDUCTOR INC.

2015 Regular Shareholders' Meeting

Meeting Agenda

Date: June 09, 2015

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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.

2015 Regular Shareholders' Meeting Procedure

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

HOLTEK SEMICONDUCTOR INC.

2015 Regular Shareholders' Meeting Agenda

1. Time: Tuesday, June 9, 2015 9:00 a.m.
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) Business report of 2014
 - (2) Supervisors' review report on the 2014 financial statements
6. Proposal items
 - (1) Adoption of the 2014 business report and financial statements
 - (2) Adoption of the proposal for distribution of 2014 profits
7. Discussion Items
 - (1) Proposal of the distribution of cash dividends from legal reserve
 - (2) Amendment to the Articles of Incorporation
 - (3) Amendment to the Rules Governing and Procedures for Shareholders' Meeting of the Company
 - (4) Permit directors to engage in competitive conducts
8. Special motions
9. Adjournment

Reporting items

(1) Business report of 2014

1) Chairman Wu, Chi-Yung reports.

2) Please refer to the 2014 business report (Attachment 1).

(2) Supervisors' review report on the 2014 financial statements

Please refer to the supervisors' review report (Attachment 2).

Proposal items

(1) Adoption of the 2014 business report and financial statements

1) 2014 financial statements were audited by independent auditors, Alfred Wei and Emily Tsai of KPMG. Also 2014 business report and financial statements have been approved by the board of directors and examined by the supervisors.

2) Please refer to the 2014 business report (Attachment 1) and Holtek's website (www.holtek.com.tw) for financial statements.

Resolution:

(2) Adoption of the proposal for distribution of 2014 profits

1) The proposal for distribution of 2014 profits in accordance with the Articles of Incorporation had been approved by the meeting of the board of directors and reviewed by supervisors.

2) Please refer to the 2014 Surplus 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\$76,444,852 to shareholders. According to the register of shareholders on the record date, the cash distribution is approximately NT\$0.338 per share.

2) Cash payment shall be rounded to one NTD (amounts less than one NTD shall be ignored).

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

4) 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, the Board of Directors will be authorized by the Annual Meeting of Shareholders to adjust the cash payout ratio.

5) Please refer to the 2014 Surplus Earnings Distribution Chart (Note 2 of Attachment 3).

Resolution:

(2) Amendment to the Articles of Incorporation

1) The Company plans to amend the "Articles of Incorporation" to comply with articles 192-1 of the Company Act.

2) Please refer to Attachment 4 and Appendix 1 for the Table Comparing the Original and the Amended Articles.

Resolution:

- (3) Amendment to the Rules Governing and Procedures for Shareholders' Meeting of the Company
- 1) The Company plans to amend the "Rules Governing and Procedures for Shareholders' Meeting of the Company" to comply with the revision of "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" announced on December 30th, 2013.
 - 2) Please refer to Attachment 5 and Appendix 2 for the Table Comparing the Original and the Amended Articles.

Resolution:

- (4) Permit directors to engage in competitive conducts

1) The directors of the Company are permitted to release the directors from non-competition restrictions for business requirements without affecting benefits of the Company :

Title(s) of the Company	Name	Company Name	Title(s) of the Competitive Companies
Chairman	Chi-Yung Wu	Best Solution Technology Inc.	Chairman
Director	Pei-Ying Li	Best Solution Electronics Inc.	Representative of a juridical person director
		MegaSky Electronics Holding Ltd.	Representative of a juridical person director

Resolution:

Special motions

Adjournment

Attachments

Attachment 1

HOLTEK SEMICONDUCTOR INC.

2014 Business Report

Looking back on 2014, economic development around the world varied from region to region. The countries most closely linked to Taiwan such as China, Japan and Korea in Asia, and the US in North America, economic development on the whole was in line with their national targets. The strong growth of the mobile phone market and steady development of the computer industry in recent years meant that semiconductors have also continued to grow steadily as an industry staple. The emergence of the Internet-of-Things (IoT) in 2014 and the tremendous changes it is bringing to the industry will undoubtedly bring further impetus to the growth of the IC industry. A constant stream of new applications means that demands for new IC devices is growing at the same time, however the numbers of competing companies that have fallen by the wayside have also increased. In China, the world's factory, large Western chip makers are now scrambling for market share. Emerging local Chinese chip makers have also rushed in to join the competition as well, leading to even more intensified competition in the semiconductor IC market.

For HOLTEK Semiconductor Inc., the only blot in an otherwise successful 2014 was the failure to meet the target set for revenue growth. For all other indicators such as revenue, profitability and EPS, the targets were met and small growth maintained. Net profit after tax and per share also reached a 4-year high which reflected positively on the management team efforts.

An overview of Holtek's overall business is provided below by briefly summarising our product development, market management and production management.

In 2014, Holtek's consolidated revenues amounted to 3.93 billion NTD, up 0.93% on the 3.89 billion NTD in 2013. Consolidated net profits after tax increased by 6.3% while the profit margin increased from 46% to 48%. Net earnings per share was 3.5 NTD, up 5.4% from the previous year. Our overall business performance was therefore above-average when compared to the IC design industry as a whole. Analysis of product distribution showed that Microcontroller MCU products, which include both standard and special purpose types, have now reached an optimal ratio of 70%. In 2014 MCU shipments exceeded 460 million pcs and grew by 8.3%. Other peripheral ICs such as display drivers and power management devices accounted for 30% of overall revenues. When classified by product application, domestic appliances accounted for 42% of the MCU's overall revenues followed by industrial control products at 12%, health and medical products at 10%, computer peripheral products at 10%, e-Banking at 7%, security surveillance at 6%, automotive electronics at 2%, instrumentation applications at 2% and other applications (e.g. education, toys

and communications) at 9%. In 2014 domestic appliances continued to remain the most important MCU application segment. The highest growth came from e-Banking, security surveillance, and gaming keyboard/mouse applications showing that home appliance & security applications, financial, leisure and healthcare are at the heart of future lifestyle demands.

With regard to product development, Holtek launched a series of standard MCUs in which are included ARM-32-bit MCUs, 1.8V Flash MCUs, high-precision 24-bit A/D MCUs etc. The company also released a range of special-purpose MCUs which included touch switch MCUs, charging management MCUs, emergency lighting MCUs, body fat scale MCUs and wireless charging MCUs. Some specialised MCUs were also developed for some key Chinese and overseas customers. In addition to MCU development, Holtek also developed various power management-related ICs such as AC-DC PWM voltage stabilisers, LED lighting drivers etc. Another important product category was Holtek's optical fingerprint recognition modules. Following on from this the R&D teams are now developing a 1.0 mm hybrid optical fingerprint scanner in response to market demand. The successful release of the above products will be crucial to maintaining Holtek's future growth.

With regard to market business operations, China's economy growth slowed during 2014 leading to a downsizing of Holtek's operations in southern China, a region which is focused upon the domestic appliance industry. This prevented Holtek from reaching its expected revenue targets. In other regions such as eastern China, northern China and Sichuan, Holtek managed to maintain steady revenue growth. Holtek will continue to strengthen its sales and technical support presence in regions such as Beijing, Hangzhou and Zhongshan-Shunde. Holtek will be assigning experienced sales and technical personnel to these regions to provide its agents and customers with an effective and comprehensive service network.

In connection with production management, foundry capacity remained tight in 2014 presenting a major challenge. As Holtek's outsourcing strategy has always been based on long-term collaboration with upstream/downstream foundry/packaging/testing vendors, the company was able to satisfy customer's requirements for output and delivery time. Cost control efforts targeted at each step in outsourcing and mass production also bore fruit, resulting in the outstanding competitiveness and profitability of Holtek products.

Business Prospects for 2015

The global economic forecast for 2015 projects steady growth. Falling international oil prices are expected to boost both economic and consumption growth. The US market continues to look optimistic while emerging Asia-Pacific economies such as Indonesia and India will also perform better. Loose monetary policies in Japan and the EU, however, will lead to negative consequences such as currency devaluation so Holtek is maintaining a conservative outlook for 2015. As a result

the management team will be more proactive with regard to product planning and development, product marketing, customer relation management and upstream/downstream cooperation. Product R&D efforts will be focused on the following items during 2015:

1. Standard MCU: High level embedded functional integration, high-precision digital-to-analog conversion/touch switch MCUs
2. Special Purpose ASSP MCUs: Second generation mobile power supply MCUs/Quick charger 2.0 MCUs/Wireless charger MCUs/Li-ion battery charger management MCUs/Brushless DC Motor MCUs/Health care MCUs/LED lighting control MCUs
3. RF SoC MCU
4. ARM core 32-bit MCU complete series
5. Power management and power conversion ICs
6. Fingerprint recognition modules

On the business development front, in addition to Holtek's persistent efforts to expand market share in the China market, emphasis will also be placed on the expansion of the Japanese/Korean and emerging Southeast Asian/Indian markets. In 2015, strong demand means that upstream/downstream foundries and packaging & testing companies will continue to be in short supply. Holtek's production management unit is actively devising production distribution plans to handle the various requirements from sales and customers.

In short, competition in the semiconductor market will remain intense during 2015. The emerging IoT industry's wearable and personal security management applications will continue to drive up demand for semiconductor ICs. Holtek's focus on MCU development will therefore continue to service a profitable market niche. For this reason, Holtek's management team will continue to invest in an increase in both human and financial resources, not just in the area of R&D but also in the introduction of important technologies from overseas IP vendors. Such a strategy will allow Holtek to increase its design efficiency and release more products in line with market demand to meet the revenue and profit targets set for 2015. The benefits of this forward looking strategy will be shared by all our long term employees, shareholders and customers alike.

Chairman : Wu, Chi-Yung

President : Gau, Kuo-Tung

Accounting Manager : Lee, Wen-Te



Attachment 2

Supervisors' Review Report

The financial statements of HOLTEK SEMICONDUCTOR INC. in fiscal year 2014 have been duly audited by KPMG and are believed to fairly represent the financial standing, operation results and cash flows of HOLTEK SEMICONDUCTOR INC.. We, the supervisors, have duly reviewed the financial statements along with the business report and proposal for profits distribution and hereby verify that they comply with the requirements of Company Law and relevant regulations. This report is duly submitted in accordance with Article 219 of the Company Law, and we hereby submit this report.

To HOLTEK SEMICONDUCTOR INC. 2015 Regular Shareholders' Meeting

HOLTEK SEMICONDUCTOR INC.

Supervisor: Wang, Jen-Chung

Supervisor: Lin, Jia-Mow

Supervisor: Chou, Ling-Na (New Gain Investment Ltd., representative)

March 18, 2015

Attachment 3

**HOLTEK SEMICONDUCTOR INC.
2014 Surplus Earnings Distribution Chart**

Unit: NT\$

Unappropriated Retained Earnings of Previous Years	167,833
Plus :	
Actuarial Income(Loss)from Defined Benefit Plans	737,175
Reversal of Special Reserve	1,955,999
Unappropriated Retained Earnings After Adjustment	2,861,007
Plus :	
Net Income of 2014 (Note)	791,556,251
Retained Earnings Available for Distribution	794,417,258
Minus :	
Legal Reserve	(79,155,625)
Distribution Item :	
Cash Dividends to Shareholders (Note 1)	(715,143,848)
Unappropriated Retained Earnings	<div style="border-top: 1px solid black; border-bottom: 3px double black; padding: 2px 0;">\$ 117,785</div>
Note : After expensing the following : Employees' profit sharing NT\$ 96,174,085 Directors' compensation NT\$ 10,686,009 Directors' compensation and employees' profit sharing are paid by cash.	

Note 1 : The portion of Unappropriated retained earnings was proposed to distribute cash of NT\$715,143,848 to shareholders. According to the register of shareholders on the record date, the cash distribution is approximately NT\$3.162 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, the Board of Directors will be authorized by the Annual Meeting of Shareholders to adjust the cash payout ratio.

Note 2 : The portion of legal reserve which exceeds 25 percent of the paid-in capital was proposed to distribute cash of NT\$76,444,852 to shareholders. According to the register of shareholders on the record date, the cash distribution is approximately NT\$0.338 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, the Board of Directors will be authorized by the Annual Meeting of Shareholders to adjust the cash payout ratio.

Note 3 : The total amount of NT\$791,588,700 was proposed to distribute to shareholders and the cash distribution is approximately NT\$3.50 per share.

Chairman : Wu, Chi-Yung

President : Gau, Kuo-Tung

Accounting Manager : Lee, Wen-Te

Attachment 4

HOLTEK SEMICONDUCTOR INC.
Table comparing the original and the amended articles of “Articles of Incorporation”

Amended Article	Original Article	Explanation
<p>Article 14</p> <p>The Company shall have seven to nine directors and three supervisors to be elected at a shareholders’ meeting <u>through nominating system</u> from persons of legal capacity to serve a term of three years. A director or supervisor may be re-elected.</p> <p>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. Candidate nomination system is adopted by the Company, a candidate may be elected from the independent directors.</p> <p>Independent directors qualification, the limitations of shareholding and concurrently serving other positions, the methods of nomination and</p>	<p>Article 14</p> <p>The Company shall have seven to nine directors and three supervisors to be elected at a shareholders’ meeting from persons of legal capacity to serve a term of three years. A director or supervisor may be re-elected.</p> <p>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.</p> <p>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.</p>	<p>According to Article 192-1 of Company Act, in case a candidate nomination system is adopted by a company offering its shares to the public for election of the directors of the company, the adoption of such system shall be expressly stipulated in the Articles of Incorporation of the company; and the shareholders shall elect the directors from among the nominees listed in the roster of director candidates.</p>

Amended Article	Original Article	Explanation
election and other related matters shall be subject to the applicable laws.		
<p>Article 26</p> <p>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, <u>and the fifteenth amendment on June 9, 2015.</u></p>	<p>Article 26</p> <p>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 and the fourteenth amendment on June 12, 2012.</p>	To add the amendment date

Attachment 5

HOLTEK SEMICONDUCTOR INC.

Table comparing the original and the amended articles of “Rules Governing and Procedures for Shareholders' Meeting of the Company”

Amended Article	Original Article	Explanation
<p>Article 2</p> <p>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.</p> <p>The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in <u>plus the number of shares whose voting rights are exercised by correspondence or electronically.</u></p> <p>Shareholders attending the meetings and vote shall be calculated based on numbers of shares.</p>	<p>Article 2</p> <p>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.</p> <p>The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in.</p> <p>Shareholders attending the meetings and vote shall be calculated based on numbers of shares.</p>	<p>To comply with regulations, the company shall take electronic voting method as one of voting rights methods since January1, 2016.</p>
<p>Article 8</p> <p>Except as otherwise provided in the Company Act and in the Company's articles of</p>	<p>Article 8</p> <p>Except as otherwise provided in the Company Act and in the Company's articles of</p>	<p>To comply with regulations, the company shall take electronic voting</p>

Amended Article	Original Article	Explanation
incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. <u>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.</u>	incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. When the chairman at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairman may announce the discussion closed and call a vote.	method as one of voting rights methods since January1, 2016.

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 Supervisors

Article 14

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

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.

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 either directors or supervisors of the Company shall be regulated in Regulations of the minimum percentage to be held by the directors and supervisors, 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 and supervisors 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 and supervisors, 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. If the Company shall pay the compensation regulated by Article 24, if there is surplus earnings.

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

Supervisors shall have the following authority:

1. Audit account closings.
2. Oversee the Company's business performance and financial standing as well as request the Board of Directors or managerial officers to submit reports.
3. Convene the Shareholders' Meeting when necessarily.
4. Other matters to be handled in accordance with the Company Law and related laws.

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 audited by Supervisors 30 days prior to the annual general shareholders' meeting, 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

After making the final settlement of account, the Company shall allocate the net profit ("earnings"), if any, according to the following sequence:

1. Payment of taxes.
2. Making up loss for preceding years.
3. Setting aside 10% for legal reserve.
4. Appropriating or reversing special reserve by the Securities and Exchange Act.
5. Allocation of 13.5% of residual amount after deducting the amounts stated in Item 1 through 4 above for distributing as bonus to employees.

6. Allocation of 1.5% of residual amount after deducting the amounts stated in Item 1 through 4 above for remuneration of directors.
 7. The rest shall be distributed according to the distribution plan proposed by the board of directors according to the dividend policy and submitted to the shareholders' meeting for approval.
- The distribution of shareholders dividend referred to in the preceding paragraph, shall be allocated as cash dividend shall not less than 50% of shareholders cash dividend and shareholders stock dividend.

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 and the fourteenth amendment on June 12, 2012.

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.
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 at least one supervisor attend in person, 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 or supervisors 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 supervisors 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. When the chairman at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairman may announce the discussion closed and call a vote.

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

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 2015. The disclosure of the influence of proposed stock dividend distribution upon 2014 operating performance and Earnings Per Share is not applicable.

Appendix 4

Directors' Shareholdings and Minimum Shareholdings Required

1. As of April 11, 2015, all board members' shareholdings are as follows:

Position	Name	Number of Shares	Shareholding (%)
Chairman	Wu, Chi-Yung	7,665,809	3.39%
Director	Gau, Kuo-Tung	6,701,176	2.96%
Director	Chang, Chih	1,156,785	0.51%
Director	Lin, Cheng-Fung	1,842,697	0.81%
Director	Li, Pei-Ying	1,013,093	0.45%
Director	Lu, Cheng-Yueh	--	--
Director	Hsing, Chih-Tien	--	--
Supervisor	Wang, Jen-Chung	3,637,209	1.61%
Supervisor	Lin, Jia-Mow	3,992,104	1.77%
Supervisor	Chou, Ling-Na (New Gain Investment Ltd., representative)	368,884	0.16%
Total shareholding of all directors		18,379,560	8.12%
Total shareholding of all supervisors		7,998,197	3.54%

2. Total common shares issued as of April 11, 2015: 226,168,200 shares.

Legal minimum holding of all directors in number of shares: 12,000,000 shares.

Legal minimum holding of all supervisors in number of shares: 1,200,000 shares.

Appendix 5

Directors' Compensation and Employees' Profit Sharing

The Board adopted a proposal for 2014 compensation to directors and employees' cash profit sharing at its meeting. The related information of directors' compensation and employees' profit sharing is listed as follows :

1. Directors' compensation and employees' profit sharing were expensed upon a resolution of the Board of Directors :
Employees' cash profit sharing: NT\$96,174,085.
Directors' compensation: NT\$10,686,009.
2. The number of shares to be distributed in any employee stock bonus to be distributed pursuant to shareholder's resolution, and the size of such distribution as a percentage of capital increase through capitalization of retained earnings : None
3. The effect upon imputed earnings per share that will result from distribution of the employees' profit sharing and Directors' compensation :
The effect upon imputed earnings per share=(net income- employees' cash profit sharing- directors' compensation)/weighted average common share = NT\$3.50

Appendix 6

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

1. The Company, in accordance with the law, announced matters in MOPS related to shareholders' right to propose motion during the period from April 2, 2015 to April 13, 2015.
2. No shareholders proposed motions during the specified time period.