

Holtek Semiconductor Inc.

2024 Annual Shareholders' Meeting Minutes

Time: 9:00 a.m., May 29, 2024 (Wednesday)

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

Held by means of : Physical shareholders' meetings

The Number of Shares of Attendance: All shareholders and their proxy holders, representing
136,112,090 shares (60.18% of the total 226,168,200
outstanding shares.)

Directors Present : Wu, Chi-Yung , Tsai, Jung-Tsung , Gau, Kuo-Tung , Chang, Chih , Liu, Yuan-Ho ,
Wang, Min-Kun , Hsu, Jui-Ting , Li, Pei-Ying

Other Present : KPMG Taiwan CPA, Yu, Wan Yuan , Eternity Law Firm Hsinchu Branch Lawyer, Li,
Qiu-Feng

Chairperson : Chairman Wu, Chi-Yung

Minute Recorder : Liao, Ming Tung

1 、 Chairperson announced commencement (The aggregate of shareholding represented has met the
quorum. The Chairperson announced commencement.)

2 、 Chairperson's Address (omitted)

3 、 Reporting Items

Proposal 1

Subject: 2023 Business Report

Descriptions: Please refer to the 2023 Business Report on Attachment 1.

Proposal 2

Subject: Audit Committee's Review Report

Descriptions: Please refer to the Audit Committee's Review Report on Attachment 2.

Proposal 3

Subject: Report on 2023 Employees' and Directors' Remuneration

Descriptions: In accordance with the Company's "Articles of Incorporation", 2023 employees'
and directors' remuneration are NT\$ 8,503,837 and NT\$ 1,012,361, respectively;
both be distributed in cash.

Proposal 4

Subject: Report on 2023 Endorsement and Guarantee of the Company and its subsidiaries

Descriptions:

(1) In accordance with the Company's endorsement and guarantee operating procedures, the
Company and its subsidiaries shall submit the endorsement and guarantee conditions
during each business year and related matters to the next annual shareholders' meeting for

review.

- (2) Please refer to the 2023 Endorsement and Guarantee of the Company and its subsidiaries on Attachment 3.

4、Approval Items

Proposal 1 (Proposed by the Board of Directors)

Subject: Adoption of the 2023 Business Report and Financial Statements

Descriptions:

- (1) 2023 financial statements were audited by independent auditors, Lu, Chien-Hui and Cheng, An-Chih, of KPMG. Also 2023 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 2023 Business Report, Independent Auditors' Report and Financial Statements on Attachment 1 and Attachment 4.

Resolution: It was adopted unanimously by votes. The result is as follows:

Voting Result: 136,112,090 shares were represented at the time of voting (including 24,914,228 shares voted via electronic transmission)

Voting Result	% of the total represented share present
Affirmative votes : 134,199,538 votes (including electronic voting 23,001,676)	98.59%
Dissenting votes : 95,674 votes (including electronic voting 95,674)	0.07%
Invalid votes : 0 votes (including electronic voting 0)	0.00%
Abstaining votes : 1,816,878 votes (including electronic voting 1,816,878)	1.33%

Proposal 2 (Proposed by the Board of Directors)

Subject: Adoption of the 2023 Earnings Distribution

Descriptions:

- (1) The proposal for distribution of 2023 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 2023 Earnings Distribution Chart on Attachment 5.

Resolution: It was adopted unanimously by votes. The result is as follows:

Voting Result: 136,112,090 shares were represented at the time of voting (including 24,914,228 shares voted via electronic transmission)

Voting Result	% of the total represented share present
Affirmative votes : 134,204,738 votes (including electronic voting 23,006,876)	98.59%
Dissenting votes : 108,288 votes (including electronic voting 108,288)	0.07%
Invalid votes : 0 votes (including electronic voting 0)	0.00%
Abstaining votes : 1,799,064 votes (including electronic voting 1,799,064)	1.32%

5 、 Discussion Items and Election

Proposal 1 (Proposed by the Board of Directors)

Subject: Amendment to the Company's "Articles of Incorporation"

Descriptions:

(1) In order to the company's operational requirements, the Company plans to amend the Company's "Articles of Incorporation".

(2) Comparison Table for the original and amended articles of the Company's "Articles of Incorporation" is available on Attachment 6.

Resolution: It was adopted unanimously by votes. The result is as follows:

Voting Result: 136,112,090 shares were represented at the time of voting (including 24,914,228 shares voted via electronic transmission)

Voting Result	% of the total represented share present
Affirmative votes : 132,985,591 votes (including electronic voting 21,787,729)	97.70%
Dissenting votes : 96,209 votes (including electronic voting 96,209)	0.07%
Invalid votes : 0 votes (including electronic voting 0)	0.00%
Abstaining votes : 3,030,290 votes (including electronic voting 3,030,290)	2.22%

Proposal 2 (Proposed by the Board of Directors)

Subject: Amendment to the "Endorsement Guarantee Operating Procedures"

Descriptions:

(1) In order to conform to the amendments of relevant laws and regulations and practice

demand, the Company plans to amend the Company's "Endorsement Guarantee Operating Procedures".

- (2) Comparison table of revised provisions on "Endorsement Guarantee Operating Procedures" is available on Attachment 7.

Resolution: It was adopted unanimously by votes. The result is as follows:

Voting Result: 136,112,090 shares were represented at the time of voting (including 24,914,228 shares voted via electronic transmission)

Voting Result	% of the total represented share present
Affirmative votes : 132,972,456 votes (including electronic voting 21,774,594)	97.69%
Dissenting votes : 105,044 votes (including electronic voting 105,044)	0.07%
Invalid votes : 0 votes (including electronic voting 0)	0.00%
Abstaining votes : 3,034,590 votes (including electronic voting 3,034,590)	2.22%

Proposal 3 (Proposed by the Board of Directors)

Subject: By-election of one Seat of Independent Directors, hereby submitted for election.

Descriptions:

- (1) Mr. Lu, Cheng-Yueh resigned the independent director position on 2023/06/06. The company plans to conduct a by-election at 2024 annual shareholders' general meeting.
- (2) In accordance with the Company Act and the Company's "Articles of Incorporation", a candidate nomination system is adopted for the election of independent director. In accordance with the ninth term of the board of directors of the company, the newly independent director will start from May 29, 2024 to May 23, 2025, to fill the remaining term.
- (3) List of independent director candidates is available on Attachment 8.

Resolution: Independent Director election result is as follows:

Title	Name	Elected Number of Votes
Independent Director	Li, Pei-Ying	130,062,163 Votes

Proposal 4 (Proposed by the Board of Directors)

Subject: Release of the non-compete restriction on the Company's directors

Descriptions:

- (1) Pursuant to Article 209 of the Company Act, "a director who engages in any behavior for himself/herself or on behalf of another person that is within the scope of the company's business shall explain the essential contents of such an act to the shareholders' meeting and obtain its approval."

- (2) In accordance with the law, to seek the approval of the shareholders' meeting to release the non-compete restriction on the Company's directors and independent director candidates. The detail of concurrent positions held by directors and independent director candidates at other companies is available on Attachment 9.

Resolution: It was adopted unanimously by votes. The result is as follows:

Voting Result: 136,112,090 shares were represented at the time of voting (including 24,914,228 shares voted via electronic transmission)

Voting Result	% of the total represented share present
Affirmative votes : 132,730,867 votes (including electronic voting 21,533,005)	97.51%
Dissenting votes : 309,474 votes (including electronic voting 309,474)	0.22%
Invalid votes : 0 votes (including electronic voting 0)	0.00%
Abstaining votes : 3,071,749 votes (including electronic voting 3,071,749)	2.25%

6 、 Extemporary Motions : None.

7 、 Meeting adjournment : Meeting ended at 09:34 am.

There are no further questions from shareholders at this shareholders meeting.

Attachment 1

Holtek Semiconductor Inc.

2023 Business Report

1. 2023 Business Results

The year 2023 witnessed the semiconductor industry continuing to face the pressures of an economic downturn. Political and economic factors such as global inflation, rising interest rates, the Russia-Ukraine stalemate, China's economic slowdown and unresolved U.S.-China technology disputes continued to ferment. All of this had an impact on related markets leading to a contraction in consumer spending. Additionally, problems due to customer over-ordering because of previous epidemic shortages has now reversed, creating an overall supply chain inventory to exist at an overly high level. This has caused a subsequent fall in product prices due to a sudden reduction in demand and intensified competition. As a result, Holtek's annual operations have been negatively impacted by these environmental conditions, showing a decline when compared with the previous year.

For the year 2023, Holtek's consolidated revenue was NT\$2.596 billion, showing a 57% decrease from the previous year's NT\$6.016 billion. The gross profit margin was reduced to 50.4% and the net profit after tax attributable to the parent company was NT\$112 million. This was down 90% from a figure of NT\$1.106 billion in the previous year. The post-tax earnings per share was NT\$0.49.

The consumer electronics market is strongly affected by changes in business cycles. In response to this situation Holtek is fully aware of the importance of having a diversified product range. During 2023, Holtek faced the challenges of weaker global consumer market demand, severe inventory adjustments by its Chinese peers and fierce price competition. The economic impact of all of this caused Holtek's key products, such as touch application MCUs, 32-bit MCUs, USB application MCUs, RF wireless communication MCUs, power management devices, health measurement MCUs, wireless charging applications, etc., to experience a sales decline. Under such difficult conditions, revenue failed to reach the predetermined target and consequently showed negative growth. Overall, it could be said that Holtek's performance during 2023 was not ideal. There are many areas that require attention and improvement, however Holtek looks forward to making these active adjustments during 2024.

2. 2023 Research and Development

Holtek continued its research and development activities in the MCU area but with a particular focus on green energy saving, smart life and safety protection applications and to enhance the function and performance of original MCU products. In 2023, Holtek also continued to invest in a range of development projects in key technology areas, IC development, modules/digital sensors and algorithms. Holtek also released many new Arm® Cortex®-M4 based 32-bit MCUs, for areas such as smart homes, green energy saving, health measurement, wireless communication, security protection, BMduino and professional modules etc. This will provide customers with unique products for a wide range of application areas to improve their product differentiation and volume production efficiency.

3. 2024 Business Strategies and Future Plans

Holtek will retain its focus on both R&D and marketing of its 8-bit and 32-bit microcontrollers and microcontroller peripherals. Here Holtek provides a huge range of functionally rich 8-bit Flash MCUs alongside its Arm® Cortex®-M0+ and M4 core based 32-bit MCUs to form a complete and comprehensive MCU device collection. Future application areas will include automotive, industrial control, AI edge computing and other fields. In addition, the introduction of integrated digital modules, combined with advanced wafer foundry processes and special packaging, can meet the needs of different customers and a wide range of product applications. The full range of standard and special application (ASSP) MCUs along with various digital modules (input sensing modules, output driver modules, output display modules, wireless communication modules, etc.) will continue to see improvements in product quality and performance, with the overall product development aimed at providing customers with more functional capability and complete application solutions.

With the development of the Artificial Intelligence Internet of Things (AIoT) and increasing profusion of smart homes and smart industrial control, sensors have become an increasingly important transmission interface. As a result, MCUs need to be equipped with a higher computing performance and edge computing functions. In responding to these market trends, Holtek will continue to devote its development resources to the design of 32-bit MCUs along with integrated sensing components and to use digital sensing modules to enhance product uniqueness providing Holtek with a differentiation with other peer companies. In addition, and in line with the demand for artificial intelligence (AI) and the rise of cloud AI diagnosis, Holtek's home medical products are expected to enter the edge computing field, using higher-performance 32-bit MCUs and related measurement sensors to access large volumes of data. In these applications, real-time analysis allows users to diagnose symptoms more accurately. Therefore, looking forward to the future, we hope to extend product applications into more product areas and increase the company's product gross profit margins and market share.

With the increasing importance attached to global company ESG sustainable management, Holtek continues to concentrate its resources on MCU R&D technology and RF wireless radio frequency technology as well as focusing efforts on the development of green power-saving products. These include BLDC (brushless DC) motor controller MCUs which have a high level of functional integration. These are SoC MCUs which will effectively minimise the required PCB area and by optimising the switching efficiency of the driver stage, switching losses will be reduced. These also use algorithms to obtain speed stability and silent running performance. Additionally, in the face of global net-zero carbon emission objectives with its ideal of a low-carbon lifestyle, maximum energy storage and high-efficiency management and application of green and environmentally friendly products are important goals for Holtek. Power management plays an important role in modern battery product applications and when combined with the intelligent management capabilities of MCUs, product efficiency can be greatly improved. Holtek will continue to develop high-performance and low-power products, improve user safety and understand and grasp key trends in end user markets. All of the above will combine to form the main focus of Holtek's innovative R&D which together will increase the company's core competitiveness during 2024.

4. Future development strategies, influenced by external competition, regulations and the overall operating environment

When looking into the future and with particular regard to the international political and economic situation predicted for 2024, we can see that the global economic outlook still faces many risks and challenges. The Russia-Ukraine and Israel-Palestine conflicts are continuing, global inflation and interest rates remain at high levels, creating combined factors which influence economic prospects and consumer spending confidence. There is also the effects of continuing U.S.-China disputes and rising geopolitical risks. Some countries have even introduced formal legislation to strengthen the security and resilience of their semiconductor supply chain. This situation could generate concerns over future wafer production overcapacity, thereby affecting the balance of supply and demand. China's attempts to increase its supply chain autonomy will result in continued pricing competition, which when added to China's property crisis, will result in an increasingly severe China consumer market and industrial environment.

In responding to the above mentioned challenges and opportunities, in addition to strengthening its investment in professional technology and enhancing its core competitiveness, Holtek will also expand its professional module market to provide customers with fast and convenient solutions and vigorously develop its Indian and Southeast Asian markets to create a new wave of operational growth momentum. In remaining committed to operational and ESG balanced development, Holtek will remain focused on both product development and daily life energy conservation and carbon reduction. In doing so, Holtek will continue to create the maximum value for the company to maintain stable profitability for its shareholders and colleagues, as well as fully intending to fulfill its corporate social responsibilities. Finally and most importantly, we take this opportunity to thank all our shareholders for their continued support and encouragement both in the past, present and in the future.

Chairman: Wu, Chi-Yung

President: Tsai, Jung-Tsung

Accounting Manager: Liao, Ming-Tung

Attachment 2

Holtek Semiconductor Inc.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements and proposal for distribution of profits. The 2023 Financial Statements were audited by independent auditors, Lu, Chien-Hui and Cheng, An-Chih, of KPMG and issued an Independent Audit Report. The 2023 Business Report, Financial Statements and proposal for distribution of profits have been checked by the Audit Committee and no irregularities were found. 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. 2024 Annual Shareholders' Meeting

Holtek Semiconductor Inc.

Chairman of the Audit Committee: Hsu, Jui-Ting

March 07, 2024

Attachment 3

Holtek Semiconductor and Subsidiaries Endorsements and Guarantees for other parties

(In Thousands of New Taiwan Dollar)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	Holtek Semiconductor Inc.	Xinqun Semiconductor (XIAMEN) Inc.	Subsidiary of the Company	807,960	107,293	107,293	-	-	2.66%	2,019,899	Y	N	Y

Note1 : According to the Company 's guarantee and endorsement operating procedures: the amount of guarantee.

Note2 : The total amount of guarantee shall not exceed fifty percent (50%) of the Company's net equity, and the total amount of the guarantee provided by the Company to any individual entity shall not exceed twenty percent (20%) of the Company's net equity.

Attachment 4

Independent Auditors' Report

To the Board of Directors of Holtek Semiconductor Inc.:

Opinion

We have audited the consolidated financial statements of Holtek Semiconductor Inc. and its subsidiaries (collectively as “the Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the years ended December 31, 2023 and 2022, and notes to the consolidated financial statements including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for each of the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards, International Accounting Standards, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition — related-party and unrealized gross profits on sales to associates

Refer to Note 4(15) “Revenue recognition”, and Note 7(2) “Significant related-party transactions” to the consolidated financial statements.

Description of key audit matter:

The revenue is the basic operational activity of the Group's sustainable operation, which is related to the operational performance of the enterprise, and because the main transaction is the relationship person, it has a high risk of high fraud. Therefore, the valuation of receivables is the key audit matters for our audit.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included testing the Group's controls surrounding revenue recognition, Collection operation cycle and Evaluating the reasonableness of commercial transactions; Evaluating revenue trend analysis; understanding the

transactions of related parties and execution of the accounts; Executing the related party's letter of confirmation; Assessing the correctness and reasonableness of the gross profit margin of sales and the unrealized gross profit on sales to associates; and assessing whether the Group has properly disclosed relevant information about the sales of the related parties and unrealized gross profit on sales to associates.

Other Matters

Holtek Semiconductor Inc. has additionally prepared its parent company only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion with emphasis-of-matter paragraph.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (inclusive of the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards in the Republic of China, we exercised professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Lu, Chien-Hui and Cheng, An-Chih.

KPMG

Hsinchu, Taiwan (Republic of China)

January 29, 2024

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance, and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards, International Accounting Standards, interpretations as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Holtek Semiconductor Inc. and Subsidiaries

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022				December 31, 2023		December 31, 2022	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(1))	\$ 831,410	13	933,978	14	2100	Short-term loans (note 6(11))	\$ 1,000,000	17	-	-
1110	Financial assets measured at fair value through profit or loss—current (note 6(2))	236,652	4	242,418	3	2150	Notes payable	36,068	1	104,072	2
1170	Notes and accounts receivable, net (note 6(4))	43,959	1	94,178	1	2170	Accounts payable	102,118	2	560,097	8
1180	Accounts receivable from related parties (notes 6(4) and 7)	281,008	4	819,670	12	2181	Accounts payable from related parties (note 7)	414	-	178	-
130X	Inventories (note 6(5))	1,593,148	26	1,822,934	27	2201	Salary and bonus payable	314,949	5	529,177	8
1476	Other financial assets—current (notes 6(6) 、7 and 8)	1,280,546	21	1,226,291	18	2230	Current income tax liabilities	15,553	-	47,843	1
1479	Other current assets	<u>73,920</u>	<u>1</u>	<u>68,881</u>	<u>1</u>	2280	lease liabilities—current (note 6(12))	19,472	-	16,484	-
		<u>4,340,643</u>	<u>70</u>	<u>5,208,350</u>	<u>76</u>	2310	Advance receipts	21,279	-	25,098	-
						2399	Other current liabilities	<u>79,357</u>	<u>1</u>	<u>226,869</u>	<u>3</u>
								<u>1,589,210</u>	<u>26</u>	<u>1,509,818</u>	<u>22</u>
Non-current assets:						Non-current liabilities:					
1518	Equity instruments measured at fair value through other comprehensive income—non-current (note 6(3))	679,811	11	503,111	8	2570	Deferred tax liabilities (note 6(14))	331,940	6	422,707	6
1550	Investments accounted for using equity method (notes 6(7) and 7)	490,671	8	422,000	6	2580	lease liabilities—non-current (note 6(12))	88,798	1	71,637	1
1600	Property, plant and equipment (note 6(8))	411,557	7	326,243	5	2640	Net defined benefit liabilities (note 6(13))	30,015	-	48,497	1
1755	Right-of—use assets (note 6(9))	105,866	2	85,802	1	2645	Guarantee deposit received	<u>51,361</u>	<u>1</u>	<u>22,696</u>	<u>-</u>
1780	Intangible assets (note 6(10))	22,994	-	23,498	-			<u>502,114</u>	<u>8</u>	<u>565,537</u>	<u>8</u>
1840	Deferred tax assets (note 6(14))	78,011	1	146,803	2		Total liabilities	<u>2,091,324</u>	<u>34</u>	<u>2,075,355</u>	<u>30</u>
1900	Other non-current assets	<u>61,386</u>	<u>1</u>	<u>104,189</u>	<u>2</u>		Equity (note 6(15)) :				
		<u>1,850,296</u>	<u>30</u>	<u>1,611,646</u>	<u>24</u>		Equity attributable to shareholders of the parent				
						3110	Ordinary share capital	2,261,682	36	2,261,682	33
						3200	Capital surplus	142,309	2	142,309	2
						3300	Retained earnings	1,279,893	21	2,072,434	31
						3400	Other equity	<u>355,914</u>	<u>6</u>	<u>202,572</u>	<u>3</u>
							Total equity attributable to shareholders of the parent	<u>4,039,798</u>	<u>65</u>	<u>4,678,997</u>	<u>69</u>
						36XX	Non-controlling interests	<u>59,817</u>	<u>1</u>	<u>65,644</u>	<u>1</u>
							Total equity	<u>4,099,615</u>	<u>66</u>	<u>4,744,641</u>	<u>70</u>
Total assets		<u>\$ 6,190,939</u>	<u>100</u>	<u>6,819,996</u>	<u>100</u>		Total liabilities and equity	<u>\$ 6,190,939</u>	<u>100</u>	<u>6,819,996</u>	<u>100</u>

(See accompanying notes to parent company only financial statements.)

Chairman : Wu, Chi Yung

President : Tsai, Jung-Tsung

Accounting Manager : Liao, Ming Tung

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Holtek Semiconductor Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan Dollars, except for Earnings per Share)

		2023		2022	
		Amount	%	Amount	%
4000	Revenues (notes 6(18) 、7)	\$ 2,596,067	100	6,015,968	100
5000	Cost of Goods Sold (notes 6(5) 、(13) 、(17) 、7 and 12)	<u>1,495,469</u>	<u>58</u>	<u>2,929,773</u>	<u>49</u>
	Gross profits	1,100,598	42	3,086,195	51
5910	Unrealized gross profits on sales to associates	<u>(208,698)</u>	<u>(8)</u>	<u>41,826</u>	<u>1</u>
	Realized gross profits	1,309,296	50	3,044,369	50
	Operating expenses (notes 6(17) and 12) :				
6100	Selling	145,740	5	171,493	3
6200	General and administrative	315,705	12	391,188	6
6300	Research and development	812,619	31	1,136,791	19
6450	Expected credit impairment loss (reversal gain) (note 6(4))	<u>(64,025)</u>	<u>(2)</u>	<u>113</u>	<u>2</u>
		<u>1,210,039</u>	<u>46</u>	<u>1,812,472</u>	<u>30</u>
	Operating income	99,257	4	1,231,897	20
	Non-operating income and expenses:				
7020	Other gains and losses (notes 6(19) and 7)	42,979	1	70,094	2
7060	Investment income accounted for using equity method (note 6(7))	(84,843)	(3)	26,294	-
7100	Interest income	28,979		28,818	-
			1		
7130	Dividends income (note 6(3))	-	-	35,923	1
7510	Interest expense	<u>(8,197)</u>	<u>-</u>	<u>(2,066)</u>	<u>-</u>
		<u>(21,082)</u>	<u>(1)</u>	<u>159,063</u>	<u>3</u>
	Income before income tax	78,175	3	1,390,960	23
7950	Income tax (note 6(14))	<u>(36,464)</u>	<u>(1)</u>	<u>258,653</u>	<u>4</u>
	Net income	114,639	4	1,132,307	19
8300	Other comprehensive income:				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of the defined benefit plans(note 6(13))	489	-	10,314	-
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	182,561	7	(283,835)	(4)
8349	Income tax relating to items that will be not reclassified subsequently (note 6(14))	<u>98</u>	<u>-</u>	<u>2,063</u>	<u>-</u>
	Total items that will not be reclassified subsequently to profit or loss	182,952	7	(275,584)	(4)
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of financial statements of foreign affiliates	(28,581)	(1)	23,689	-
8371	Exchange differences on translation of financial statements of invested associates accounted for using equity method (note 6(7))	(8,998)	-	12,395	-
8399	Income tax relating to items that may be reclassified subsequently (note 6(14))	<u>(7,305)</u>	<u>-</u>	<u>7,124</u>	<u>-</u>
	Total items that may be reclassified subsequently to profit or loss	(30,274)	-	28,960	-
			(1)		
8300	Other comprehensive income	152,678	6	(246,624)	(4)
	Total comprehensive income	\$ 267,317	10	885,683	15
	Net income attributable to:				
8610	Shareholders of the parent	\$ 111,741	4	1,106,374	19
8620	Non-controlling interests	<u>2,898</u>	<u>-</u>	<u>25,933</u>	<u>-</u>
		<u>\$ 114,639</u>	<u>4</u>	<u>1,132,307</u>	<u>19</u>
	Total comprehensive income (loss) attributable to:				
8710	Shareholders of the parent	\$ 265,474	10	859,286	15
8720	Non-controlling interests	<u>1,843</u>	<u>-</u>	<u>26,397</u>	<u>-</u>
		<u>\$ 267,317</u>	<u>10</u>	<u>885,683</u>	<u>15</u>
	Earnings per share (New Taiwan Dollars) (note 6(16))				
9750	Basic earnings per share	<u>\$ 0.49</u>		<u>4.89</u>	
9850	Diluted earnings per share	<u>\$ 0.49</u>		<u>4.83</u>	

(See accompanying notes to parent company only financial statements.)

Chairman : Wu, Chi Yung

President : Tsai, Jung-Tsung

Accounting Manager : Liao, Ming Tung

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Holtek Semiconductor Inc. and Subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2023 and 2022
(Expressed in thousands of New Taiwan Dollars)

	Equity attributed to shareholders of the parent											
	Retained earnings						Total other equity interest					
	Ordinary share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from investments measured at fair value through other comprehensive income	Total other equity interest	Total equity attributed to shareholders of the parent	Non- controlling interests	Total equity
Balance as of January 1, 2022	<u>\$ 2,261,682</u>	<u>142,309</u>	<u>751,032</u>	<u>2,642</u>	<u>2,041,276</u>	<u>2,794,950</u>	<u>(58,206)</u>	<u>516,117</u>	<u>457,911</u>	<u>5,656,852</u>	<u>53,396</u>	<u>5,710,248</u>
Net income for the period	-	-	-	-	1,106,374	1,106,374	-	-	-	1,106,374	25,933	1,132,307
Other comprehensive income for the period	-	-	-	-	8,251	8,251	28,496	(283,835)	(255,339)	(247,088)	464	(246,624)
Total comprehensive income for the period	-	-	-	-	1,114,625	1,114,625	28,496	(283,835)	(255,339)	859,286	26,397	885,683
Appropriation and distribution of retained earnings:												
Appropriation for legal reserve	-	-	204,128	-	(204,128)	-	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(1,837,141)	(1,837,141)	-	-	-	(1,837,141)	-	(1,837,141)
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	2,680	2,680
Cash dividends from subsidiaries	-	-	-	-	-	-	-	-	-	-	(16,829)	(16,829)
Balance as of December 31, 2022	<u>2,261,682</u>	<u>142,309</u>	<u>955,160</u>	<u>2,642</u>	<u>1,114,632</u>	<u>2,072,434</u>	<u>(29,710)</u>	<u>232,282</u>	<u>202,572</u>	<u>4,678,997</u>	<u>65,644</u>	<u>4,744,641</u>
Net income for the period	-	-	-	-	111,741	111,741	-	-	-	111,741	2,898	114,639
Other comprehensive income for the period	-	-	-	-	391	391	(29,219)	182,561	153,342	153,733	(1,055)	152,678
Total comprehensive income for the period	-	-	-	-	112,132	112,132	(29,219)	182,561	153,342	265,474	1,843	267,317
Appropriation and distribution of retained earnings:												
Appropriation for legal reserve	-	-	111,462	-	(111,462)	-	-	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(904,673)	(904,673)	-	-	-	(904,673)	-	(904,673)
Cash dividends from subsidiaries	-	-	-	-	-	-	-	-	-	-	(7,670)	(7,670)
Reversal of special reserve	-	-	-	(101)	101	-	-	-	-	-	-	-
Balance as of December 31, 2023	<u>\$ 2,261,682</u>	<u>142,309</u>	<u>1,066,622</u>	<u>2,541</u>	<u>210,730</u>	<u>1,279,893</u>	<u>(58,929)</u>	<u>414,843</u>	<u>355,914</u>	<u>4,039,798</u>	<u>59,817</u>	<u>4,099,615</u>

(See accompanying notes to consolidated financial statements.)

Chairman : Wu, Chi Yung

President : Tsai, Jung-Tsung

Accounting Manager : Liao, Ming Tung

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Holtek Semiconductor Inc. and Subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(Expressed in thousands of New Taiwan Dollars)

	2023	2022
Cash flows from operating activities:		
Income before income tax	\$ 78,175	1,390,960
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation	75,757	80,730
Amortization	77,328	61,940
Expected credit impairment loss (reversal gain)	(64,025)	113,000
Interest expense	8,197	2,066
Interest income	(28,979)	(28,818)
Dividends income	-	(35,923)
Investment loss (income) accounted for using equity method	84,843	(26,294)
Gains on disposals of investments	(12,763)	-
Unrealized gross profit on sales to associates	(208,698)	41,826
Other items not affecting cash flows, net	(303)	9,261
Changes in operating assets and liabilities:		
Financial assets measured at fair value through profit or loss	5,586	724,359
Notes and accounts receivable (including related parties)	643,854	(101,480)
Inventories	215,023	(956,002)
Other operating assets	4,902	45,231
Notes and accounts payable (including related parties)	(517,273)	(298,285)
Advance receipts	(2,915)	(93,208)
Net defined benefit liabilities	(18,486)	(23,182)
Other operating liabilities	(362,465)	23,357
Cash flows (used in) from operations	(22,242)	929,538
Interest received	30,336	24,204
Dividends received	33,937	147,053
Interest paid	(8,872)	(1,391)
Income tax paid	(28,916)	(568,992)
Net cash flows from operating activities	4,243	530,412
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(12,180)	(13,000)
Proceeds from disposal of investments accounted for using equity method	15,032	-
Proceeds from capital reduction of investments accounted for using equity method	12,423	40,676
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	18,041	-
Proceeds from disposal of property, plant and equipment	15,382	-
Acquisitions of property, plant and equipment	(151,520)	(34,938)
Decrease (Increase) in Guarantee deposit paid	2,063	(44,290)
Acquisition of intangible assets	(76,838)	(46,105)
(Increase) Decrease in other financial assets	(62,386)	1,177,528
Decrease (Increase) in other non-current assets	50,225	(38,319)
Dividends received	-	35,923
Net cash flows (used in) from investing activities	(189,758)	1,077,475
Cash flows from financing activities:		
Increase in short-term loans	1,000,000	-
Increase (Decrease) in Guarantee deposit received	28,755	(3,363)
Payments of lease liabilities	(23,674)	(24,743)
Cash dividends paid	(904,673)	(1,837,141)
Decrease in non-controlling interests	(7,670)	(14,149)
Net cash flows from (used in) financing activities	92,738	(1,879,396)
Effect of foreign exchange changes	(9,791)	5,728
Net decrease in cash and cash equivalents	(102,568)	(265,781)
Cash and cash equivalents at beginning of period	933,978	1,199,759
Cash and cash equivalents at end of period	\$ 831,410	933,978

(See accompanying notes to consolidated financial statements.)

Chairman : Wu, Chi Yung

President : Tsai, Jung-Tsung

Accounting Manager : Liao, Ming Tung

Independent Auditors' Report

To the Board of Directors of Holtek Semiconductor Inc.:

Opinion

We have audited the financial statements of Holtek Semiconductor Inc. ("the Company"), which comprise the balance sheets as of December 31, 2023 and 2022, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the years ended December 31, 2023 and 2022, and notes to the parent company only financial statements including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards in the Republic of China. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of the current period. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition — related-party and unrealized gross profits on sales to associates

Refer to Note 4(15) "Revenue recognition", and Note 7(2) "Significant related-party transactions" to the parent company only financial statements.

Description of key audit matter:

The revenue is the basic operational activity of the Company's sustainable operation, which is related to the operational performance of the enterprise, and because the main transaction is the relationship person, it has a high risk of high fraud. Therefore, the valuation of receivables is the key audit matters for our audit.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures included testing the Company's controls surrounding revenue recognition, Collection operation cycle and Evaluating the reasonableness of commercial transactions; Evaluating revenue trend analysis; understanding the transactions of related parties and execution of the accounts; Executing the related party's letter of confirmation; Assessing the correctness and reasonableness of the gross profit margin of sales and the unrealized gross profit on sales to associates; and assessing whether the Company has properly disclosed relevant information about the sales of the related parties and unrealized gross profit on sales to associates.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including of the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with auditing standards in the Republic of China, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Lu, Chien-Hui and Cheng, An-Chih.

KPMG

Hsinchu, Taiwan (Republic of China)

January 29, 2024

Notices to Readers

The accompanying parent company only financial statements are intended only to present the parent company only financial position, financial performance, and its cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards, International Accounting Standards, interpretations as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

Holtek Semiconductor Inc.

Balance Sheets

December 31, 2023 and 2022

(Expressed in thousands of New Taiwan Dollars)

		December 31, 2023		December 31, 2022				December 31, 2023		December 31, 2022	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note 6(1))	\$ 367,511	6	214,847	3	2100	Short-term loans (note 6(10))	\$ 1,000,000	17	-	-
1110	Financial assets measured at fair value through profit or loss — current (note 6(2))	236,652	4	242,418	4	2150	Notes payable	36,068	1	104,072	2
1170	Notes and accounts receivable, net (note 6(3))	36,822	1	84,371	1	2170	Accounts payable	72,115	1	524,280	8
1180	Accounts receivable from related parties (notes 6(3) and 7)	165,541	2	697,794	11	2180	Accounts payable to related parties (note 7)	5,789	-	8,136	-
130X	Inventories (note 6(4))	1,311,441	22	1,332,326	20	2201	Salary and bonus payable	276,603	5	484,906	7
1476	Other financial assets — current (notes 6(5) 、7 and 8)	487,740	8	633,858	10	2230	Current income tax liabilities	10,705	-	46,138	1
1479	Other current assets	44,498	1	33,106	-	2280	Lease liabilities-current (note 6(11))	11,107	-	11,471	-
		<u>2,650,205</u>	<u>44</u>	<u>3,238,720</u>	<u>49</u>	2310	Advance receipts	11,453	-	6,896	-
						2399	Other current liabilities (note 7)	<u>67,424</u>	<u>1</u>	<u>211,630</u>	<u>3</u>
								<u>1,491,264</u>	<u>25</u>	<u>1,397,529</u>	<u>21</u>
Non-current assets:						Non-current liabilities:					
1550	Investments accounted for using equity method (notes 6(6) and 7)	3,026,158	50	3,005,542	46	2570	Deferred tax liabilities (note 6(13))	328,409	5	415,651	6
1600	Property, plant and equipment (note 6(7))	104,619	2	127,558	2	2580	Lease liabilities-non-current (note 6(11))	78,551	1	69,767	1
1755	Right-of-use assets (note 6(8))	87,330	2	79,295	1	2640	Net defined benefit liabilities-non-current (note 6(12))	30,015	-	48,497	1
1780	Intangible assets (note 6(9))	21,958	-	22,384	-	2645	Guarantee deposit received	<u>46,860</u>	<u>1</u>	<u>16,120</u>	<u>-</u>
1840	Deferred tax assets (note 6(13))	77,937	1	146,734	2			<u>483,835</u>	<u>8</u>	<u>550,035</u>	<u>8</u>
1900	Other non-current assets	46,690	1	6,328	-	Total liabilities		<u>1,975,099</u>	<u>33</u>	<u>1,947,564</u>	<u>29</u>
		<u>3,364,692</u>	<u>56</u>	<u>3,387,841</u>	<u>51</u>	Equity (note 6(14)) :					
						3110	Ordinary share capital	2,261,682	38	2,261,682	34
						3200	Capital surplus	142,309	2	142,309	2
						3300	Retained earnings	1,279,893	21	2,072,434	32
						3400	Other equity	<u>355,914</u>	<u>6</u>	<u>202,572</u>	<u>3</u>
						Total equity		<u>4,039,798</u>	<u>67</u>	<u>4,678,997</u>	<u>71</u>
Total assets		<u>\$ 6,014,897</u>	<u>100</u>	<u>6,626,561</u>	<u>100</u>	Total liabilities and equity		<u>\$ 6,014,897</u>	<u>100</u>	<u>6,626,561</u>	<u>100</u>

(See accompanying notes to parent company only financial statements.)

Chairman : Wu, Chi Yung

President : Tsai, Jung-Tsung

Accounting Manager : Liao, Ming Tung

Holtek Semiconductor Inc.**Statements of Comprehensive Income****For the years ended December 31, 2023 and 2022****(Expressed in thousands of New Taiwan Dollars, except for Earnings per Share)**

		2023		2022	
		Amount	%	Amount	%
4000	Revenue (notes 6(17) and 7)	\$ 1,863,558	100	4,891,641	100
5000	Cost of Goods Sold (notes 6(4)、(9)、(12)、(16)、7 and 12)	<u>1,214,574</u>	<u>65</u>	<u>2,761,967</u>	<u>57</u>
	Gross profits	648,984	35	2,129,674	43
5910	Unrealized gross profit on sales to associates	<u>(357,531)</u>	<u>(19)</u>	<u>(234,666)</u>	<u>(5)</u>
	Realized gross profits	<u>1,006,515</u>	<u>54</u>	<u>2,364,340</u>	<u>48</u>
	Operating expenses (notes 6(9)、(12)、(16) and 12) :				
6100	Selling	86,575	5	129,091	2
6200	General and administrative	156,458	8	237,619	5
6300	Research and development	528,960	28	841,037	17
6450	Expected credit impairment loss (reversal gain) (note 6(3))	<u>(40,215)</u>	<u>(2)</u>	<u>35,354</u>	<u>1</u>
		<u>731,778</u>	<u>39</u>	<u>1,243,101</u>	<u>25</u>
	Operating income	<u>274,737</u>	<u>15</u>	<u>1,121,239</u>	<u>23</u>
	Non-operating income and expenses:				
7020	Other gains and losses (notes 6(18) and 7)	8,950	-	43,758	1
7070	Investment income accounted for using equity method (note 6(6))	(214,243)	(11)	171,856	4
7100	Interest income	9,985	-	13,437	-
7510	Interest expense (note 6(11))	<u>(7,957)</u>	<u>-</u>	<u>(1,916)</u>	<u>-</u>
		<u>(203,265)</u>	<u>(11)</u>	<u>227,135</u>	<u>5</u>
	Income before income tax	71,472	4	1,348,374	28
7950	Income tax (note 6 (13))	<u>(40,269)</u>	<u>(2)</u>	<u>242,000</u>	<u>5</u>
	Net income	<u>111,741</u>	<u>6</u>	<u>1,106,374</u>	<u>23</u>
8300	Other comprehensive income:				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of the defined benefit plans (note 6(12))	489	-	10,314	-
8330	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income	182,561	10	(283,835)	(6)
8349	Income tax relating to items that will be not reclassified subsequently (note 6(13))	<u>98</u>	<u>-</u>	<u>2,063</u>	<u>-</u>
		<u>182,952</u>	<u>10</u>	<u>(275,584)</u>	<u>(6)</u>
8360	Items that may be reclassified subsequently to profit or loss				
8381	Exchange differences on translation of subsidiaries and associates for using equity method	(36,524)	(2)	35,620	1
8399	Income tax relating to items that may be reclassified subsequently (note 6(13))	<u>(7,305)</u>	<u>-</u>	<u>7,124</u>	<u>-</u>
		<u>(29,219)</u>	<u>(2)</u>	<u>28,496</u>	<u>1</u>
8300	Other comprehensive income	<u>153,733</u>	<u>8</u>	<u>(247,088)</u>	<u>(5)</u>
	Total comprehensive income	<u>\$ 265,474</u>	<u>14</u>	<u>\$ 859,286</u>	<u>18</u>
	Earnings per share (New Taiwan Dollars) (note 6(15))				
9750	Basic earnings per share	<u>\$ 0.49</u>		<u>\$ 4.89</u>	
9850	Diluted earnings per share	<u>\$ 0.49</u>		<u>\$ 4.83</u>	

(See accompanying notes to parent company only financial statements.)**Chairman : Wu, Chi Yung****President : Tsai, Jung-Tsung****Accounting Manager : Liao, Ming Tung**

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

Holtek Semiconductor Inc.

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan Dollars)

	Retained earnings						Total other equity interest			
	Ordinary share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from investments measured at fair value through other comprehensive income	Total other equity interest	Total equity
Balance as of January 1, 2022	\$ 2,261,682	142,309	751,032	2,642	2,041,276	2,794,950	(58,206)	516,117	457,911	5,656,852
Net income for the period	-	-	-	-	1,106,374	1,106,374	-	-	-	1,106,374
Other comprehensive income for the period	-	-	-	-	8,251	8,251	28,496	(283,835)	(255,339)	(247,088)
Total comprehensive income for the period	-	-	-	-	1,114,625	1,114,625	28,496	(283,835)	(255,339)	859,286
Appropriation and distribution of retained earnings										
Appropriation for legal reserve	-	-	204,128	-	(204,128)	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(1,837,141)	(1,837,141)	-	-	-	(1,837,141)
Balance as of December 31, 2022	2,261,682	142,309	955,160	2,642	1,114,632	2,072,434	(29,710)	232,282	202,572	4,678,997
Net income for the period	-	-	-	-	111,741	111,741	-	-	-	111,741
Other comprehensive income for the period	-	-	-	-	391	391	(29,219)	182,561	153,342	153,733
Total comprehensive income for the period	-	-	-	-	112,132	112,132	(29,219)	182,561	153,342	265,474
Appropriation and distribution of retained earnings:										
Appropriation for legal reserve	-	-	111,462	-	(111,462)	-	-	-	-	-
Cash dividends distributed to shareholders	-	-	-	-	(904,673)	(904,673)	-	-	-	(904,673)
Reversal of special reserve	-	-	-	(101)	101	-	-	-	-	-
Balance as of December 31, 2023	\$ 2,261,682	142,309	1,066,622	2,541	210,730	1,279,893	(58,929)	414,843	355,914	4,039,798

(See accompanying notes to parent company only financial statements.)

Chairman : Wu, Chi Yung

President : Tsai, Jung-Tsung

Accounting Manager : Liao, Ming Tung

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

Holtek Semiconductor Inc.

Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan Dollars)

	2023	2022
Cash flows from operating activities:		
Income before income tax	\$ 71,472	1,348,374
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation	41,844	47,736
Amortization	76,476	61,205
Expected credit impairment loss (reversal gain)	(40,215)	35,354
Interest expense	7,957	1,916
Interest income	(9,985)	(13,437)
Investments loss (income) accounted for using equity method	214,243	(171,856)
Unrealized gross profit on sales to associates	(357,531)	(234,666)
Other items not affecting cash flows, net	7,255	9,159
Changes in operating assets and liabilities:		
Financial assets measured at fair value through profit or loss	5,586	724,359
Accounts receivable (including related parties)	620,017	228,951
Inventories	14,457	(864,178)
Other operating assets	19,015	732
Accounts payable (including related parties)	(522,516)	(185,693)
Advance receipts	4,557	(40,121)
Net defined benefit liability	(18,486)	(23,182)
Other operating liabilities	(351,834)	(13,016)
Cash flows (used in) from operations	(217,688)	911,637
Interest received	12,674	11,607
Dividend received	268,541	92,684
Interest paid	(8,632)	(1,241)
Income tax paid	(34,861)	(550,962)
Net cash flows from operating activities	20,034	463,725
Cash flows from investing activities:		
Prepayments for building	758	-
Acquisitions of property, plant and equipment	(4,669)	(23,097)
Proceeds from disposal of property, plant and equipment	593	-
(Increase) decrease in Guarantee deposits paid	(41,120)	36
Acquisition of intangible assets	(76,050)	(44,848)
Decrease in other financial assets	141,494	1,422,895
Increase in other non-current assets	-	(445)
Net cash flows from investing activities	21,006	1,354,541
Cash flows from financing activities:		
Increase (decrease) in Guarantee deposits received	30,740	(9,960)
Increase in short-term loans	1,000,000	-
Payments of lease liabilities	(14,443)	(14,893)
Cash dividends paid	(904,673)	(1,837,141)
Net cash flows from (used in) financing activities	111,624	(1,861,994)
Net increase (decrease) in cash and cash equivalents	152,664	(43,728)
Cash and cash equivalents at beginning of period	214,847	258,575
Cash and cash equivalents at end of period	\$ 367,511	214,847

(See accompanying notes to parent company only financial statements.)

Chairman: Wu, Chi-Yung

President : Tsai, Jung-Tsung

Accounting Manager: Liao, Ming-Tung

Attachment 5

Holtek Semiconductor Inc.

2023 Earnings Distribution Chart

Unit: NT\$

Opening Balance of Unappropriated Retained Earnings	98,496,359
Plus:	
Remeasurements of the defined benefit plans	390,635
Reversal for Special Reserve-IFRS opening balance	101,187
Net Income of 2023	111,741,430
Retained Earnings Available for Distribution	<u>210,729,611</u>
Minus:	
Legal Reserve	(11,223,325)
Distribution Items:	
Cash Dividends to Shareholders (Note 1)	(101,775,690)
Ending Balance of Unappropriated Retained Earnings	<u><u>\$ 97,730,596</u></u>

Note 1: The portion of unappropriated retained earnings was proposed to distribute cash of NT\$101,775,690 to shareholders. According to the holding ratios recorded in the shareholders' list on the dividend record date, the cash distribution will be entitled to a cash dividend of NT\$0.45 per share. Cash payment shall be rounded to one NTD. If the payout ratio is impacted to change due to the law amendments, amended regulations approved by the competent authority, the transfer of treasury stocks, the conversion of shares from domestic convertible bonds, the exercise of employee stock options or other causes, it is proposed to fully authorize the Board of Directors to proceed on the relevant matters.

Chairman:
Wu, Chi-Yung

President:
Tsai, Jung-Tsung

Accounting Manager:
Liao, Ming-Tung

Attachment 6

Holtek Semiconductor Inc.

Comparison Table for the original and amended articles of the Company's "Articles of Incorporation"

Amended Article	Original Article	Explanation
<p>Article 2</p> <p>The business scope of the company shall be as follows:</p> <ul style="list-style-type: none"> ● CC01080 : Electronic Parts and Components Manufacturing; ● F401010 : International business; ● <u>I501010 : Product Designing;</u> <p>1. Research, design, development, production and marketing of the following products:</p> <p>(1) <u>MCUs and Peripheral ICs</u></p> <p>(2) Other application-specific ICs related to the above mentioned ICs</p> <p>(3) Derivative products related to the above mentioned ICs</p> <p>2. Import and export trade for the above mentioned products.</p>	<p>Article 2</p> <p>The business scope of the company shall be as follows:</p> <ul style="list-style-type: none"> ● CC01080 : Electronic Parts and Components Manufacturing; ● F401010 : International business; <p>1. Research, design, development, production and marketing of the following products:</p> <p>(1) ICs for IC Cards</p> <p>(2) Digital camera devices</p> <p>(3) FLEX Pager devices</p> <p>(4) DECT Digital wireless telephone control devices</p> <p>(5) Other Application-Specific ICs related to the above mentioned ICs</p> <p>(6) Derivative products related to the above mentioned ICs</p> <p>2. Import and export trade for the above mentioned products.</p>	<p>Coordinate with business management needs, to clarify to the external parties the main focus of the company's operations.</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</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</p>	<p>Add revision date and the number of the revisions.</p>

Amended Article	Original Article	Explanation
June 15, 2010, the fourteenth amendment on June 12, 2012, the fifteenth amendment on June 9, 2015, the sixteenth amendment on May 27, 2016, the seventeenth amendment on May 26, 2017 and the eighteenth amendment on May 29, 2019. The nineteenth amendment on May 24, 2023. <u>The twentieth amendment on May 29, 2024.</u>	June 15, 2010, the fourteenth amendment on June 12, 2012, the fifteenth amendment on June 9, 2015, the sixteenth amendment on May 27, 2016, the seventeenth amendment on May 26, 2017 and the eighteenth amendment on May 29, 2019. The nineteenth amendment on May 24, 2023.	

Attachment 7

Holtek Semiconductor Inc.

Comparison table of revised provisions on “Endorsement Guarantee Operating Procedures”

Amended Article	Original Article	Explanation
<p>Article 2 : Scope of Application (Above Omitted)</p> <p>Any creation by the Corporation of a pledge or mortgage <u>on</u> its chattel or real property as security for the loans of another company shall also comply with these Procedure.</p>	<p>Article 2 : Scope of Application (Above Omitted)</p> <p>Any creation by the Corporation of a pledge or mortgage <u>and so on</u> its chattel or real property as security for the loans of another company shall also comply with these Procedure.</p>	In order to conform to the amendments of relevant laws and regulations
<p>Article 4: Amount of Endorsements and Guarantees</p> <p>1. The ceilings on the total amount of endorsements/ guarantees that the Company is permitted to make can not exceed 50% of the Company’s net worth. The endorsements/ guarantees for individual company shall not exceed 20% of the Company’s net worth.</p> <p>2. The ceilings on the total amount of endorsements/ guarantees that the Company and the subsidiary are permitted to make can not exceed 50% of the Company’s net worth. The endorsements/ guarantees for individual company shall not exceed 20% of the Company’s net worth.</p> <p>3. <u>In the event that an endorsement/guarantee is made due to needs arising out of businesses, the amount of any single endorsement/guarantee shall not exceed the amount of the business transaction between the parties. The phrase “amount of the business transaction” shall mean the amount of purchases or sales between the parties in the most recent year, whichever is higher, and shall not exceed the limitations</u></p>	<p>Article 4: Amount of Endorsements and Guarantees</p> <p>The ceilings on the total amount of endorsements/ guarantees that the Company is permitted to make can not exceed 50% of the Company’s net worth. The endorsements/ guarantees for individual company shall not exceed 20% of the Company’s net worth.</p> <p>The ceilings on the total amount of endorsements/ guarantees that the Company and the subsidiary are permitted to make can not exceed 50% of the Company’s net worth. The endorsements/ guarantees for individual company shall not exceed 20% of the Company’s net worth.</p> <p>In the event that <u>an endorsement/guarantee for single type enterprise is made due to needs arising out of businesses, except for preceding two conditions, the amount of endorsement/ guarantee shall be equivalent to the amount of the company's purchases or sales in the most recent year whichever is higher. If the total amount of endorsements/ guarantees provided by the company and subsidiaries as a whole reaches more than 50% of the company's net</u></p>	Coordinate with business management needs.

Amended Article	Original Article	Explanation
<p><u>provided in the preceding paragraph. “The Company’s net worth” referred herein shall mean the balance sheet equity attributable to the owners of the parent company under the “Regulations Governing the Preparation of Financial Reports by Securities Issuers.”</u></p>	<p>worth, the necessity and reasonableness thereof shall be explained in the shareholders' meeting.</p> <p>The” net worth” referred herein shall mean <u>the latest financial statements verified or reviewed by CPA.</u></p>	
<p>Article5:Endorsements/Guarantees procedures</p> <p>1. Before making an endorsement and guarantee, the financial department of the Company shall review whether the qualification and amount of the application adhere to this procedure and identify any circumstances requiring disclosure and reporting. The results of the review, along with the assessment in Article 6 of this procedure, shall be submitted to the Chairman for approval, and <u>upon approval by the Board of Directors, the endorsement or guarantee shall be executed.</u> If the amount falls within the authorized amount specified in Article 8, the Chairman may decide based on the creditworthiness and financial condition of the endorsement and guarantee subject, and seek retroactive approval from the most recent Board of Directors meeting. (Above Omitted)</p> <p>4. The financial department shall compile a detailed statement of <u>endorsement and guarantee</u> issued and cancelled each month, and shall track and handle public announcement reporting. Additionally, it shall evaluate any contingent losses related to endorsement and guarantee on a quarterly basis. The information on endorsement and guarantee shall be disclosed in the financial statements, and relevant data shall be provided to the CPA for necessary audit procedures.</p> <p>5. In the event that, due to changes of</p>	<p>Article5:Endorsements/Guarantees procedures</p> <p>1. Before making an endorsement and guarantee, the financial department of the Company shall review whether the qualification and amount of the application adhere to this procedure and identify any circumstances requiring disclosure and reporting. The results of the review, along with the assessment in Article 6 of this procedure, shall be submitted to the Chairman for approval. If the amount falls within the authorized amount specified in Article 8, the Chairman may decide based on the creditworthiness and financial condition of the endorsement and guarantee subject, and seek retroactive approval from the most recent Board of Directors meeting. (Above Omitted)</p> <p>4. The financial department shall compile a detailed statement of guarantee issued and cancelled each month, and shall track and handle public announcement reporting. Additionally, it shall evaluate any contingent losses related to endorsement and guarantee on a quarterly basis. The information on endorsement and guarantee shall be disclosed in the financial statements, and relevant data shall be provided to the CPA for necessary audit procedures.</p> <p>5. In the event that, due to changes of circumstances, the party to whom the Company provided</p>	<p>Coordinate with business management needs.</p>

Amended Article	Original Article	Explanation
<p>circumstances, the party to whom the Company provided endorsement/guarantee no longer satisfies the criteria, or the amount of endorsement/guarantee exceeds the limits due to changes of basis on which the amounts of limits are calculated, the Company shall draw up rectification plans to modify the total amount or the amount over the limitation of endorsement/guarantee, and withdraw these portions within the specific period after approve by chairman. <u>The proposed rectification plans formulated by the company shall be submitted to all Audit Committee members and be implemented in accordance with the timeframe set.</u></p> <p><u>6. Before making the Endorsements/Guarantees for the subsidiary (where the Company directly or indirectly holds more than 90 percent of the voting shares), according to the item 2 in Article 3 , the related document shall be submitted to the members of board director for approval. However, the aforementioned rule doesn't apply for the subsidiary where the Company directly or indirectly holds 100 percent of the voting shares.</u></p> <p><u>7. Cancellation of Endorsement and Guarantee Record: When the extinguishment of endorsements/guarantees is asked by the guarantee company or the Company, the Finance Division shall process it in accordance with the following procedures:</u></p> <p><u>(1) It shall be confirmed that the guarantee company has cancelled the record of the liability of guarantee.</u></p> <p><u>(2) A copy of cancellation of the guarantee notes by the guarantee company shall be obtained.</u></p>	<p>endorsement/guarantee no longer satisfies the criteria, or the amount of endorsement/guarantee exceeds the limits due to changes of basis on which the amounts of limits are calculated, <u>the financial department</u> shall draw up rectification plans to modify the total amount or the amount over the limitation of endorsement/guarantee, and withdraw these portions within the specific period after approve by chairman. The proposed rectification plans shall be submitted to all Audit Committee members and be implemented in accordance with the timeframe set.</p> <p>6. Before the end of the endorsement guarantee, the financial department should proactively notify the guaranteed company to take back the guarantee notes retained by the bank or creditor institution and cancel the relevant deed of endorsement guarantee.</p>	

Amended Article	Original Article	Explanation
<p>Article 7: Control procedure to subsidiaries in providing endorsement /guarantee</p> <p>1. The Company shall <u>require all of its subsidiaries to formulate their own Procedures for Endorsement and Guarantee in accordance with the Regulations Governing Lending Funds and Providing Endorsement and Guarantee by Public Offering Companies</u>. Any endorsement/guarantee provided by the subsidiaries shall comply with their own Procedures for Endorsement and Guarantee.</p> <p>(Above Omitted)</p>	<p>Article 7: Control procedure to subsidiaries in providing endorsement /guarantee</p> <p>1. Any endorsement/guarantee provided by the subsidiaries shall comply with their own Procedures for Endorsement and Guarantee.</p> <p>(Above Omitted)</p> <p>5. <u>If the subsidiary of the Company is not a publicly-list company and its endorsement guarantee balance reaches the standards required in Paragraph 2 of Article 10 of these procedures, it shall notify the Company on the date of occurrence, the company will make announcements and declarations on the designated website in accordance with regulations.</u></p> <p>6. <u>The date of occurrence means the date of execution of the contract, date of payment, date of board resolutions, or other dates that may confirm the guaranteed/endorsed party and the monetary amount of the guarantee/endorsement, whichever date is earlier.</u></p>	<p>According to the regulations of the competent authority: adjusting Paragraph 5 and Paragraph 6 to Article 10 explanation</p>
<p>Article 8: Decision-making and authorization levels</p> <p>1. (Above Omitted)</p> <p>The Procedure and corresponding regulation shall be approved by Audit Committee. The approval shall be more than half of members from Audit Committee. If fewer than half of members from Audit Committee approve this Procedure, two third of the Board of Directors shall approve this Procedure with written declaration in meeting of Board of Directors.</p> <p><u>The members of audit committee and members of board directors refer to the current incumbent members.</u></p> <p>2. Where the Company needs to exceed</p>	<p>Article 8: Decision-making and authorization levels</p> <p>1. (Above Omitted)</p> <p>The Procedure and corresponding regulation shall be approved by Audit Committee. The approval shall be more than half of members from Audit Committee. If fewer than half of members from Audit Committee approve this Procedure, two third of the Board of Directors shall approve this Procedure with written declaration in meeting of Board of Directors.</p> <p>2. <u>If the Company needs to exceed the loan credit set out in these Procedures for Endorsements/Guarantee to satisfy its business requirements, and where</u></p>	<p>According to the regulations of the competent authority</p>

Amended Article	Original Article	Explanation
<p>the <u>loan credit</u> set out in these Procedures for Endorsements/Guarantees to satisfy its business requirements, and where the conditions set out in <u>these</u> Procedures for Endorsements/Guarantees are complied with, it shall obtain approval from the Audit Committee and submit them for approval by board of directors and half or more of the directors shall act as joint guarantors for any loss that may be caused to the Company by the excess endorsement/guarantee. It shall also amend these Procedures for Endorsements/Guarantees accordingly and submit the same to the shareholders' meeting for ratification after the fact. If the shareholders' meeting does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time. (Above Omitted)</p>	<p>the conditions set out in <u>these</u> Procedures for Endorsements/Guarantees are complied with, it shall obtain approval from the Audit Committee and submit them for approval by board of directors and half or more of the directors shall act as joint guarantors for any loss that may be caused to the Company by the excess endorsement/guarantee. It shall also amend these Procedures for Endorsements/Guarantees accordingly and submit the same to the shareholders' meeting for ratification after the fact. If the shareholders' meeting does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time. (Above Omitted)</p>	
<p>Article 9 : Use of Chop and Custody Procedure Thereof (Above Omitted) 2. When making a guarantee for an overseas company, <u>the Company</u> shall <u>have</u> the Guarantee Agreement signed by the chairman or general manager authorized by the board of directors.</p>	<p>Article 9: Custody of the specimen seals (Above Omitted) 2. When making a guarantee for an overseas company, the Company shall have the Guarantee Agreement signed by the chairman or general manager authorized by the board of directors.</p>	<p>According to the regulations of the competent authority</p>
<p>Article 10: Information Disclosure Procedure (Above Omitted) 2. In addition to announcing the declaration of endorsement guarantee balance on a monthly basis, the Company and its subsidiaries whose balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence: (1) The aggregate balance of</p>	<p>Article 10: Information Disclosure Procedure (Above Omitted) 2. In addition to announcing the declaration of endorsement guarantee balance on a monthly basis, the Company and its subsidiaries whose balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence: (1) The aggregate balance <u>of</u></p>	<p>According to the regulations of the competent authority</p>

Amended Article	Original Article	Explanation
<p>endorsements / guarantees by <u>the Company and its subsidiaries</u> reaches 50 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>(2)The balance of endorsements/ guarantees by <u>the Company and its subsidiaries</u> for a single enterprise reaches 20 percent or more of the Company's net worth stated in the latest financial statement.</p> <p>(3)The balance of endorsements/ guarantees by <u>the Company and its subsidiaries</u> for a single enterprise reaches NT\$10 million or more and the aggregate amount of all endorsements/guarantees for, carrying value of equity method investment in, and balance of loans to, such enterprise reaches 30 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>(4)The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30 million or more, and reaches 5 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p><u>The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to subparagraph 4 of the preceding paragraph.</u></p> <p><u>The term of "date of occurrence" described in these Procedures: refers to the date of contract signing, date of payment, dates of boards of directors' resolutions, or other date that can confirm the counterparty and monetary amount of the transaction, whichever date is earlier.</u></p>	<p>endorsements / guarantees reaches 50 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>(2)The balance of endorsements/ guarantees for a single enterprise reaches 20 percent or more of the Company's net worth stated in the latest financial statement.</p> <p>(3)The balance of endorsements/ guarantees for a single enterprise reaches NT\$10 million or more and the aggregate amount of all endorsements/guarantees for, carrying value of equity method investment in, and balance of loans to, such enterprise reaches 30 percent or more of the Company's net worth as stated in its latest financial statement.</p> <p>(4)The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30 million or more, and reaches 5 percent or more of the Company's net worth as stated in its latest financial statement.</p>	

Amended Article	Original Article	Explanation
<p>Article 11: Penalty</p> <p>In the event that the Company's <u>executive officers or related personnel</u> violate the " Regulations Governing Loaning of Funds and Endorsements/ Guarantees by Public Companies" or these <u>procedures, therefore jeopardizes the Company's interest, the Company shall impose penalty or adjust their positions in accordance with the Company's internal rules.</u></p>	<p>Article 11: Penalty</p> <p>In the event that the Company <u>relevant personnel related endorsement/guarantees</u> violate the " Regulations Governing Loaning of Funds and Endorsements/ Guarantees by Public Companies " <u>formulated by the Financial Supervisory Commission</u> or these procedures, <u>the Company shall submit regular reports for assessment in accordance with the company's personnel management regulations and work rules.</u></p>	<p>According to the regulations of the competent authority</p>
<p>Article 12: <u>For circumstances in which an entity for which the Company makes any endorsement/guarantee is a subsidiary whose net worth is lower than half of its paid-in capital, the company shall keep monitoring its financial status.</u></p> <p><u>In the case of a subsidiary with shares having no par value or a par value other than NT\$10, the calculation is based on the sum of the share capital plus paid-in capital in excess of par.</u></p>	<p>Article 12:</p> <p>If the company or its subsidiaries makes any endorsement/guarantee is a subsidiary whose net worth is lower than half of its paid-in capital, <u>the company's internal auditors should audit the endorsement/ guarantee procedures and their implementation at least quarterly, and written records. If any major issues are discovered, all supervisors should be notified immediately by written notice.</u></p>	<p>According to the regulations of the competent authority</p>
<p>Article 13: Other matters and concerns</p> <p>Matters which is not covered in this procedure shall be handle in accordance with relevant laws and regulations.</p>	<p>Article 13: Other matters and concerns</p> <p>1. The handling of endorsements and guarantees by the Company and its subsidiaries in each year and related matters shall be reported to the next annual shareholders' meeting for reference.</p> <p>2. Other matters and concerns</p> <p>Other matters and concerns</p> <p>Matters which is not covered in this procedure shall be conduct in accordance with relevant laws and regulations.</p>	<p>Coordinate with business management needs.</p>

Attachment 8**Holtek Semiconductor Inc.****List of Independent Director Candidates**

Name	Gender	Shareholdings (Note 1)	Education & Professional Qualifications	Current Positions
Li, Pei-Ying	Female	0	University of California, Riverside Institute of Business Administration National Yang Ming Chiao Tung University Institute of Technology Law Deloitte Touche Tohmatsu Limited Assistant Manager Holtek Semiconductor Inc. Vice President	Eternity Law Firm Hsinchu Branch Managing Attorney-at-law Insight Consulting Corporation Chairman Arktis Inc. Chairman

Note 1 : Shareholdings as of March 31, 2024

Attachment 9

Holtek Semiconductor Inc.

The non-compete restriction on the Company's directors and independent director candidates information

1. The concurrent positions held by the Directors at other companies are as follows:

Name	Company Name and Concurrent Position	
Hsu, Jui-Ting Independent Director	Evest Corporation	Director

2. The concurrent positions held by the Independent Director elected by this shareholders' meeting at other companies are as follows:

Name	Company Name and Concurrent Position	
Li, Pei-Ying Candidates of Independent Director	Eternity Law Firm Hsinchu Branch	Managing Attorney-at-law
	Insight Consulting Corporation	Chairman
	Arktis Inc.	Chairman