

Realtek Semiconductor Corp. 2020 Annual Shareholders' Meeting Minutes

Time: 9:00 a.m., June 10, 2020 (Wednesday)

Place: No.1, Industry East 2nd Road, Science-Based Industrial Park, HsinChu Science Park Life Hub, Bach Conference Room

The Number of Shares of Attendance: Attending shareholders and proxy represented 464,171,275 shares (including 370,463,392 shares which attended through electronic voting) accounting for 90.89% of 510,684,875 shares, the Company's total outstanding shares

Directors Present:

Yeh, Nan-Horng, Chiu, Sun-Chien, Chern, Kuo-Jong, Huang, Yung-Fang, Ou Yang, Wen-Han

Chairman: Yeh, Nan-Horng, Chairman

Recorder: Tsai, Shu- Hui

The aggregate shareholding of the shareholders present constituted a quorum.

The Chairman called the meeting to order.

1. Chairman's Remarks: Omitted.

2. Report Items:

Report 1: Business report of 2019

Explanation: Please refer to Attachment 1 for the business report.

Report 2: Audit Committee's review report

Explanation: Please refer to Attachment 2 for the Audit Committee's review report.

Report 3: To report 2019 employees' compensation and directors' remuneration

Explanation:

1. According to Article 18 of the Articles of Incorporation of the Company, if gained profits within a fiscal year, the Company shall allocate at a maximum of 3% of the profits as directors' remuneration, and allocate no less than 1% of the profits as employees' compensation.
2. The Board of Directors resolved the distribution of 2019 employees' compensation and directors' remuneration as follows :

Unit: NT dollars

Item	Amount	Profit Ratio
Employees' compensation	2,097,423,691	22.21 %
Directors' remuneration	119,828,246	1.27 %

Note: Employees' compensation and directors' remuneration amount are consistent with the 2019 annual estimated expenses.

3. Except directors' remuneration is paid in cash, the employees' compensation is paid in cash of NT \$ 1,677,939,109 and in new issued shares of NT\$419,484,582. The numbers of new issued shares are 2,589,411 shares, which are calculated based on the closing price NT\$162 per share of 2020/03/19, prior to the board resolution date. The new issued shares from employees' compensation have the same rights and obligations as the original shares. The

employees' entitled to receive employees' compensation may include employees of subsidiary companies who meet certain requirements. The Chairman is authorized by the Board of Directors to determine the capital increase record date and other related matters.

Report 4:

Explanation:

1. The Board of Directors resolved that the 2019 cash dividends distribution from retained earnings is NT\$ 4,596,163,875. According to the shares held by each shareholder in the shareholders' register on cash dividend record date, the cash dividends to common shareholders is NT\$9 per share.
2. Due to the changes of outstanding shares caused by the Company's subsequent events such as shares' buyback, transfer or cancellation of treasury stocks or others, the cash distribution per share might be affected. The Chairman is authorized by the Board of Directors to adjust the distribution.
3. The cash distribution to each shareholder is rounded down to one dollar (under one dollar is rounded down). The rounded down amounts are recognized as the Company's other income.
4. The Chairman is authorized by the Board of Directors to determine the cash dividend record date and payment date. .

Report 5:

Explanation:

1. The Board of Directors resolved that pursuant to the Article 241 of the Company Act, the cash distribution from the capital surplus in excess of par value is NT\$ 1,021,369,750. According to the shares held by each shareholder in the shareholders' register on cash distribution record date, the cash distribution to common shareholders is NT\$2 per share.
2. Due to the changes of outstanding shares caused by the Company's subsequent events such as shares' buyback, transfer or cancellation of treasury stocks or others, the cash distribution per share might be affected. The Chairman is authorized by the Board of Directors to adjust the distribution.
3. The cash distribution to each shareholder is rounded down to one dollar (under one dollar is rounded down). The rounded down amounts are recognized as the Company's other income.
4. The Chairman is authorized by the Board of Directors to determine the cash distribution record date and payment date.

3. Ratification Items

Proposal 1

Subject: 2019 business report and financial statements. Approval is respectfully requested.

(Proposed by the Board of Directors)

Explanation: The 2019 annual financial statements have been audited by Pricewaterhouse Coopers' and the business report was approved by the Board of Directors. For the business report, independent auditors' report and financial statement, please refer to Attachment 1, Attachment 4 and Attachment 5.

Resolution: The result is as follows:

Shares represented at the time of voting: 464,171,275

Voting Results		% of the total represented share present
Votes in favor: (including electronic voting	403,194,200 votes 311,068,513 votes)	86.86%
Votes against: (including electronic voting	2,619 votes 2,619 votes)	0.00%
Votes invalid:	0 vote	0.00%
Votes abstained: (including electronic voting	60,974,456 votes 59,392,260 votes)	13.13%

It was resolved that the above proposal be approved as proposed.

Proposal 2

Subject: Distribution of 2019 retained earnings. Approval is respectfully requested.

(Proposed by the Board of Directors)

Explanation: The distribution of 2019 retained earnings was approved by the Board of Directors.

Please refer to Attachment 3.

Resolution: The result is as follows:

Shares represented at the time of voting: 464,171,275

Voting Results		% of the total represented share present
Votes in favor: (including electronic voting	405,863,953 votes 313,738,266 votes)	87.43%
Votes against: (including electronic voting	353,370 votes 353,370 votes)	0.07%
Votes invalid:	0 vote	0.00%
Votes abstained: (including electronic voting	57,953,952 votes 56,371,756 votes)	12.48%

It was resolved that the above proposal be approved as proposed.

4. Discussion Items

Proposal 1

Subject: To revise the Articles of Incorporation. Approval is respectfully requested. (Proposed by the Board of Directors)

Explanation:

1. Based on operation demand, the Company hereby proposes to amend part of the "Articles of Incorporation".
2. Please refer to Attachment 6 for the comparison table illustrating the original and amended texts of the " Articles of Incorporation".

Resolution: The result is as follows:

Shares represented at the time of voting: 464,171,275

Voting Results		% of the total represented share present
Votes in favor: (including electronic voting	406,201,516 votes 314,075,829 votes)	87.51%

Votes against: (including electronic voting	7,207 votes 7,207 votes)	0.00%
Votes invalid:	0 vote	0.00%
Votes abstained: (including electronic voting	57,962,552 votes 56,380,356 votes)	12.48%

It was resolved that the above proposal be approved as proposed.

6. Extraordinary Motions: None.

7. Adjournment

Business Report

Dear Shareholders, Ladies and Gentlemen:

1. 2019 Operating Results

Realtek delivered stellar operating results in 2019. The full-year consolidated revenues were NT\$60.74 billion, a 32.6% growth from the previous year. Gross profit was NT\$26.58 billion, up 29.9% from the year before. Net profit after tax was NT\$6.79 billion, a 56.1% year-over-year increase. Earnings per share (EPS) was NT\$13.36. According to IC Insights, 2019 global semiconductor market revenue was US\$442.3 billion, a decline of 12.3% compared to 2018. Despite the macroeconomic impact of a weak memory market and uncertainties of the US-China trade war, Realtek banked on robust product technology, nimble market strategies, and concerted teamwork to produce excellent results. Realtek had the highest growth rate among the world's top 50 semiconductor companies in 2019.

With global demand for connectivity devices of various types continuing to rise rapidly, IC companies must provide products that offer higher performance, are more integrated, and with lower power consumption. Realtek has accumulated a great deal of technological depth in connectivity and continues to make new advances to maintain its market-leading position. Amongst the 2019 top 100 domestic companies that submitted the most patent applications to Taiwan's Intellectual Property Office, Realtek ranked sixth with 333 innovation patent applications. We incorporate these technological advances into new products that meet market needs and stimulate demand. At COMPUTEX Taipei 2019, Realtek won three major awards, including Best Choice Golden awards for our 8K Video Decoder and Processing IC (RTD2893) and our Bluetooth 5 ANC Smart Headset SoC (RTL8773B), and the Best Choice Category award for our Ultra-Low-Power Versatile IoT Solution (RTL8722DM). Particularly notable was the 8K Video Decoder and Processing IC, which led all COMPUTEX award winners by receiving the Best Choice of the Year award.

2. 2020 Business Plan

After outperforming the market in 2019, for 2020 Realtek will release even more competitive products and strengthen positioning of all product lines in order to maintain market growth and technological leadership. For wireless controllers, Realtek's first generation Wi-Fi 6 (11ax) will begin mass production in 2020 for use in a variety of applications. Optimization of existing 11ac and 11n products will provide more solutions with a higher price-performance ratio, thereby consolidating the current customer base while expanding emerging applications and markets.

For IoT controllers, Realtek has a comprehensive set of single-chip SoCs integrating microcontroller, voice, and/or ISP processors. These are highly integrated, low power

consumption products that feature strong security and comprehensive AI functions that can meet the changing needs of our various customer groups. Realtek's IoT products are already well-known and are projected to perform well in 2020 as the market quickly expands.

For Bluetooth peripheral products, Realtek's True Wireless Stereo (TWS) single-chip was a favorite among consumers in 2019 and led market growth. In 2020, a new generation of TWS products with Active Noise Cancellation (ANC) will enable Realtek to maintain its position as the leader in Bluetooth audio, and to expand its market influence by working closely with supply chain and brand partners. Additionally, Realtek's Bluetooth Low Power single-chip solutions are a popular choice for voice remote controllers and wearable applications, and should continue to see growth in 2020.

Regarding Ethernet, mass production of Realtek's new generation of 2.5Gbps Ethernet Controllers for PC applications is already underway. With the upgrade of network infrastructure in countries around the world, it will also stimulate the demand for the new 2.5Gbps Ethernet in various connectivity products.

For switch controllers, in recent years Realtek has been actively developing smart switches. In addition to the research and development of Layer 3 managed switches and higher-speed switches, the 2.5G/5G/10G physical layer technologies are progressing synchronously in Realtek to advance both the depth and breadth of product offerings. In 2020, smart switches will become a primary driver of growth, surpassing unmanaged switches.

In automobile Ethernet products, Realtek is again riding on its technological advantages to lead the world in the release of second-generation products. Its high-port count switch controller, which integrates 100BASE-T1 and 1000BASE-T1 PHYs, is a favorite of European and American automobile OEM manufacturers and tier-1 suppliers. Our switch controllers are on the way to meeting future requirements of new generation automotive in-vehicle network backbones in 2022/2023; we expect this market will be one of the mid-to-long term growth drivers for Realtek.

For TV controllers, in 2019 Realtek products closely matched the needs of the end market to gain the support of customers and achieve steady growth. In 2020, to meet the demand for 8K signal broadcast transmission, Realtek is offering an award-winning 8K TV decoder that does not require changes to the existing TV architecture. Development of this solution has been welcomed by TV customers and resulted in many collaborative design-ins. Besides new 8K products, penetration of the 4K TV market continues, thereby providing further revenue growth opportunity in 2020.

PC product sales grew in 2019 due to extensive commercial PC upgrades and replacements. In 2020, the overall market is expected to be more tepid. Realtek continues, however, to upgrade and optimize its PC codecs, image signal processors, card reader controllers, and Type-C controllers. At the same time, Realtek is developing non-PC applications based on its success in PC solutions. For example, in the consumer audio electronics market, Realtek's unique low

power chip design combined with power-saving software/hardware integrated design, smart audio power amplifiers, and programmable audio DSP are gradually finding their way into leading smartphone and electronic gaming brands. In recent years Realtek has developed highly integrated IP Camera single-chips in response to security and surveillance market demand. Target markets include consumer goods and smart home network monitoring devices. In 2020, Realtek will release a new generation of low power AI IP Camera controller with edge computing and H.264/H.265 encoding capabilities. Together, these products will provide consumers with a wide range of competitive solutions.

3. Strategy for Future Development and Impact by Competitive, Regulatory, and Macro Conditions

The global semiconductor industry faced numerous challenges in 2019, including uncertainties due to the US-China trade war, a weak market for memory, and slowed growth for high-end mobile phones and automotive and industrial applications. Before the start of 2020, despite the ongoing trade war, increased demand from 5G and AI was expected to restore growth to the industry. However, the sudden outbreak of COVID-19 epidemic is adding another uncertainty to the economic environment. Throughout, Realtek continued developing key technologies to provide customers with the best connectivity solutions for diverse applications they use. In the future, we will uphold this principle. We will use years of technological experience as well as our agile and flexible management strategies to face up to all challenges and produce greater value for all shareholders. We hope you will continue moving ahead with us on this exciting journey.

Thank you for your care and support!

We wish you a healthy and prosperous future

Chairman: Yeh, Nan-Horng

President: Chiu, Sun-Chien

Controller: Chang, Jr-Neng

Attachment 2

Audit Committee's review report

The Company's 2019 business report, financial statements and distribution of retained earnings have been prepared by the Board of Directors. The financial statements also have been audited by Pricewaterhouse Coopers' with the opinion that they present fairly the Company's financial position, operating performance, and cash flows. The Audit Committee has reviewed the business report, financial statements, and distribution of retained earnings, and found no irregularities. We hereby according to Securities and Exchange Act and Company Act submit this report.

To 2020 Annual Shareholders' Meeting.

Realtek Semiconductor Corp.

Chairman of the Audit Committee: Ou Yang, Wen-Han

March 20, 2020

Attachment 3

Realtek Semiconductor Corporation
Distribution of retained earnings
2019

Unit: NT dollars

Item	Amount
2019 Net Income after taxes	6,790,282,678
Minus: Disposal of Equity Instruments measured at fair value through other comprehensive income	(41,212,290)
Minus: Appropriated for Legal Reserve	(674,907,039)
Minus: Appropriated for Special Reserve	(217,036,022)
2019 Earnings Available for Distribution	5,857,127,327
Plus: Previous Year's Unappropriated Earnings	7,966,965,484
Cumulative Earnings Available for Distribution for 2019	13,824,092,811
Items for Distribution:	
Dividends to Shareholders (distributed in cash)	(4,596,163,875)
Unappropriated Retained Earnings	9,227,928,936

According to No. 871941343 official letter issued by Ministry of Finance on April 30, 1998, distribution of retained earnings shall be used in specific identification method. The first priority of distribution of retained earnings is 2019 profit, then the following sequence adopted in last-in first-out method are the previous year's part before 2019 if insufficiency based on the principles of the Company's profit distribution.

Chairman: Yeh, Nan-Horng

President: Chiu, Sun-Chien

Controller: Chang, Jr-Neng

Attachment 4: Independent Auditors' Report and 2019 Consolidated Financial Statements

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

PWCR19000228

To the Board of Directors and Shareholders of Realtek Semiconductor Corporation

Opinion

We have audited the accompanying consolidated balance sheets of Realtek Semiconductor Corporation and its subsidiaries (the "Group") as at December 31, 2019 and 2018, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other independent accountants (please refer to the *Other matters* section of our report), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China ("ROC GAAS"). Our responsibilities under those standards are further described in the Independent Accountant's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the report of the other independent accountants, 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 judgement, 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, we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements of the current period are stated as follows:

Existence of cash in banks

Description

Refer to Notes 4(6) and 4(9) of the consolidated financial statements for the accounting policies on cash and cash equivalents and time deposits that do not qualify as cash equivalents. The balance of cash and cash equivalents was NT\$5,727,911 thousand, constituting 8% of the consolidated total assets as of December 31, 2019, as described in Note 6(1) of the consolidated financial statements. Time deposits that do not meet the definition of cash and cash equivalents, which refers to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value are classified as "financial assets at amortised cost - current". The balance of these time deposits amounted to NT\$39,558,054 thousand, constituting 54% of consolidated total assets, refer to Note 6(4) of the consolidated financial statements for the details. The abovementioned assets constituted 62% of the total assets, have a significant impact on the consolidated financial statements, the nature and usage of those bank accounts varies, and the Group transacts with various financial institutions, thus, audit of cash in bank was considered as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained detailed listings of cash in banks. Sent confirmation letters to all financial institutions and reviewed special terms and agreements in order to ensure the existence and rights and obligations of cash in banks.
2. Obtained an understanding of procedures for preparation and review of bank reconciliations, including validating unusual reconciling items.
3. Obtained an understanding of the usage of the bank accounts as well as sampled and validated significant cash transactions to ensure they are operational in nature and there are no significant and unusual transactions.

Evaluation of inventories

Description

Refer to Note 4(14) of the consolidated financial statements for inventory evaluation policies, Note 5(2) for uncertainty of accounting estimates and assumptions of inventory evaluation and Note 6(6) for the details of inventories.

The Group is primarily engaged in researching, developing, manufacturing, selling of various integrated circuits and related application software. Inventories are stated at the lower of cost and net realizable value. Due to the balances of inventories are significant to the financial statements and the rapid technological changes in the industry, there is a higher risk of decline in market value and obsolescence of inventories. Thus, we considered the evaluation of inventories as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding of accounting policies on the provision of allowance for inventory valuation losses and assessed the reasonableness.
2. Validated the accuracy of inventory aging report, as well as sampled and confirmed the consistency of quantities and amounts with detailed inventory listing, verified dates of movements with supporting documents and ensured the proper categorization of inventory aging report.
3. Evaluated and confirmed the reasonableness of net realizable value for inventories through validating respective supporting documents.

Other matter – Reference to audits of other independent accountants

We did not audit the financial statements of certain consolidated subsidiaries and investments accounted for under equity method. Those financial statements were audited by other independent accountants, whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements and the information on the consolidated subsidiaries and investments accounted for using the equity method were based solely on the reports of other independent accountants. Total assets (including investments accounted for under the equity method amounted to NT\$185,972 thousand and NT\$261,628 thousand) of those consolidated subsidiaries amounted to NT\$5,971,097 thousand and NT\$6,469,495 thousand, constituting 8.13% and 11.11% of the consolidated total assets as of December 31, 2019 and 2018, respectively, and total operating revenues were both NT\$0 thousand, both constituting 0% of the consolidated total operating revenues for the years then ended. Furthermore, according to the reports of other independent accountants, comprehensive losses of those investments accounted for under the equity method amounted to NT\$19,443 thousand and NT\$41,330 thousand, constituting 0.32% and 0.82% of comprehensive incomes for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter section on the parent company only financial statements of Realtek Semiconductor Corporation as at and for the years ended December 31, 2019 and 2018.

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 the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, 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, including the Audit Committee, are responsible for overseeing the Group's financial reporting process.

Independent accountant'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 a 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 ROC GAAS 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 ROC GAAS, we exercise professional judgement and maintain 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 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 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 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 identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

Lin, Yu-Kuan

Tsang, Kwoh-Wah

For and on behalf of PricewaterhouseCoopers, Taiwan

March 20, 2020

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2019		December 31, 2018	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 5,727,911	8	\$ 4,309,651	7
1110	Financial assets at fair value through profit or loss - current	6(2)	74,012	-	1,321,103	2
1136	Financial assets at amortised cost - current	6(4) and 8	39,558,054	54	31,286,209	54
1170	Accounts receivable, net	6(5)	8,254,011	11	5,647,722	10
1180	Accounts receivable, net - related parties	6(5) and 7	2,196,717	3	1,772,071	3
1200	Other receivables		768,699	1	657,190	1
130X	Inventories, net	6(6)	7,391,535	10	5,862,005	10
1410	Prepayments		318,652	1	297,327	1
11XX	Total current assets		<u>64,289,591</u>	<u>88</u>	<u>51,153,278</u>	<u>88</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	1,859,478	2	1,651,072	3
1535	Financial assets at amortised cost - non-current	6(4) and 8	69,477	-	-	-
1550	Investments accounted for under equity method	6(7)	185,972	-	261,628	-
1600	Property, plant and equipment	6(8)	3,446,162	5	3,316,578	6
1755	Right-of-use assets	6(9)	1,403,245	2	-	-
1760	Investment property	6(10)	49,136	-	54,868	-
1780	Intangible assets	6(11)	1,952,960	3	1,686,249	3
1840	Deferred income tax assets	6(27)	114,163	-	78,472	-
1900	Other non-current assets		61,646	-	50,169	-
15XX	Total non-current assets		<u>9,142,239</u>	<u>12</u>	<u>7,099,036</u>	<u>12</u>
1XXX	Total assets		<u>\$ 73,431,830</u>	<u>100</u>	<u>\$ 58,252,314</u>	<u>100</u>

(Continued)

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2019 AND 2018

(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2019		December 31, 2018		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term borrowings	6(13)	\$ 18,966,042	26	\$ 14,526,311	25
2130	Contract liabilities - current	6(21)	104,974	-	148,696	-
2150	Notes payable		3,276	-	8,657	-
2170	Accounts payable		7,441,724	10	5,635,986	10
2180	Accounts payable - related parties	7	329,514	1	249,869	1
2200	Other payables	6(14)	10,746,168	15	7,542,208	13
2220	Other payables - related parties	7	87,293	-	69,047	-
2230	Current income tax liabilities		828,790	1	601,614	1
2280	Lease liabilities - current		84,328	-	-	-
2300	Other current liabilities	6(21)	5,378,078	7	3,719,866	6
21XX	Total current liabilities		<u>43,970,187</u>	<u>60</u>	<u>32,502,254</u>	<u>56</u>
Non-current liabilities						
2550	Provisions - non-current	6(16)	1,075,809	2	999,868	2
2570	Deferred income tax liabilities	6(27)	51,723	-	22,310	-
2580	Lease liabilities - non-current		1,028,347	1	-	-
2600	Other non-current liabilities		77,080	-	80,983	-
25XX	Total non-current liabilities		<u>2,232,959</u>	<u>3</u>	<u>1,103,161</u>	<u>2</u>
2XXX	Total liabilities		<u>46,203,146</u>	<u>63</u>	<u>33,605,415</u>	<u>58</u>
Equity						
Share capital						
3110	Common shares	6(17)	5,080,955	7	5,080,955	9
Capital surplus						
3200	Capital surplus	6(18)	2,736,854	3	3,236,659	5
Retained earnings						
3310	Legal reserve	6(19)	4,902,176	7	4,467,099	8
3320	Special reserve		-	-	600,443	1
3350	Undistributed earnings		14,716,036	20	10,850,172	19
Other equity						
3400	Other equity interest	6(20)	(217,036)	-	401,964	-
31XX	Equity attributable to holders of the parent company		<u>27,218,985</u>	<u>37</u>	<u>24,637,292</u>	<u>42</u>
36XX	Non-controlling interest		<u>9,699</u>	<u>-</u>	<u>9,607</u>	<u>-</u>
3XXX	Total equity		<u>27,228,684</u>	<u>37</u>	<u>24,646,899</u>	<u>42</u>
3X2X	Total liabilities and equity		<u>\$ 73,431,830</u>	<u>100</u>	<u>\$ 58,252,314</u>	<u>100</u>

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

Items	Notes	Year ended December 31				
		2019		2018		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(21) and 7	\$ 60,744,006	100	\$ 45,805,746	100
5000	Operating costs	6(6) and 7	(34,160,690)	(56)	(25,344,876)	(55)
5950	Gross profit		26,583,316	44	20,460,870	45
	Operating expenses	6(25)(26) and 7				
6100	Selling expenses		(2,996,402)	(5)	(2,464,470)	(6)
6200	General and administrative expenses		(1,699,212)	(3)	(1,263,689)	(3)
6300	Research and development expenses		(15,535,505)	(26)	(12,969,972)	(28)
6450	Expected credit gains (losses)	12(2)	(21,332)	-	1,721	-
6000	Total operating expenses		(20,252,451)	(34)	(16,696,410)	(37)
6900	Operating income		6,330,865	10	3,764,460	8
	Non-operating income and expenses					
7010	Other income	6(22)	1,412,779	2	1,134,971	2
7020	Other gains and losses	6(23)	(323,685)	-	(58,536)	-
7050	Finance costs	6(24)	(160,254)	-	(140,387)	-
7060	Share of loss of associates and joint ventures accounted for under equity method	6(7)	(23,833)	-	(43,307)	-
7000	Total non-operating income and expenses		905,007	2	892,741	2
7900	Profit before income tax, net		7,235,872	12	4,657,201	10
7950	Income tax expense	6(27)	(445,497)	(1)	(306,420)	(1)
8200	Net income for the year		\$ 6,790,375	11	\$ 4,350,781	9

(Continued)

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

Items	Notes	Year ended December 31			
		2019		2018	
		AMOUNT	%	AMOUNT	%
Other comprehensive income, net	6(20)				
Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Losses on remeasurements of defined benefit plans	\$ -	-	(\$ 75,809)	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	227,352	-	(165,659)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for under equity method, components of other comprehensive income that will not be reclassified to profit or loss	4,390	-	1,977	-
8310	Total components of other comprehensive income that will not be reclassified to profit or loss	<u>231,742</u>	<u>-</u>	<u>(239,491)</u>	<u>-</u>
Components of other comprehensive income that will be reclassified to profit or loss					
8361	Cumulative translation differences of foreign operation	(891,954)	(1)	942,974	2
8360	Total components of other comprehensive (loss) income that will be reclassified to profit or loss	<u>(891,954)</u>	<u>(1)</u>	<u>942,974</u>	<u>2</u>
8300	Other comprehensive (loss) income, net	<u>(\$ 660,212)</u>	<u>(1)</u>	<u>\$ 703,483</u>	<u>2</u>
8500	Total comprehensive income for the year	<u>\$ 6,130,163</u>	<u>10</u>	<u>\$ 5,054,264</u>	<u>11</u>
Profit attributable to:					
8610	Equity holders of the parent company	\$ 6,790,283	11	\$ 4,350,768	9
8620	Non-controlling interest	92	-	13	-
	Profit for the year	<u>\$ 6,790,375</u>	<u>11</u>	<u>\$ 4,350,781</u>	<u>9</u>
Comprehensive income					
8710	Equity holders of the parent company	\$ 6,130,071	10	\$ 5,054,251	11
8720	Non-controlling interest	92	-	13	-
	Total comprehensive income for the year	<u>\$ 6,130,163</u>	<u>10</u>	<u>\$ 5,054,264</u>	<u>11</u>
Earnings per share (in dollars)					
9750	Basic earnings per share	6(28)	\$ 13.36	\$ 8.57	
9850	Diluted earnings per share	6(28)	\$ 13.13	\$ 8.40	

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent										
		Retained Earnings										
Notes	Common shares	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Unrealized gain on available-for-sale financial assets	Total	Non-controlling interest	Total equity	
2018												
	Balance at January 1, 2018	\$ 5,065,062	\$ 3,558,856	\$ 4,127,884	\$ -	\$ 9,698,159	(\$ 813,163)	\$ -	\$ 212,720	\$ 9,594	\$ 21,859,112	
6(20)	Modified retrospective approach adjustment	-	-	-	-	103,142	-	435,835	(212,720)	-	326,257	
	Balance at 1 January after adjustments	5,065,062	3,558,856	4,127,884	-	9,801,301	(813,163)	435,835	-	9,594	22,185,369	
	Net income for the year	-	-	-	-	4,350,768	-	-	-	13	4,350,781	
6(20)	Other comprehensive income (loss) for the year	-	-	-	-	(75,809)	942,974	(163,682)	-	-	703,483	
	Total comprehensive income (loss)	-	-	-	-	4,274,959	942,974	(163,682)	-	13	5,054,264	
6(19)	Distribution of 2017 earnings	-	-	-	-	-	-	-	-	-	-	
	Legal reserve	-	-	339,215	-	(339,215)	-	-	-	-	-	
	Special reserve	-	-	-	600,443	(600,443)	-	-	-	-	-	
	Cash dividends	-	-	-	-	(2,286,430)	-	-	(2,286,430)	-	(2,286,430)	
6(18)	Employees' compensation transferred to common stock	15,893	163,692	-	-	-	-	-	-	-	179,585	
6(18)	Cash from capital surplus	-	(508,095)	-	-	-	-	-	(508,095)	-	(508,095)	
6(18)	Changes in equity of associates accounted for under equity method	-	22,005	-	-	-	-	-	22,005	-	22,005	
6(18)	Cash dividends returned	-	201	-	-	-	-	-	201	-	201	
	Balance at December 31, 2018	\$ 5,080,955	\$ 3,236,659	\$ 4,467,099	\$ 600,443	\$ 10,850,172	\$ 129,811	\$ 272,153	\$ 24,637,292	\$ 9,607	\$ 24,646,899	
2019												
	Balance at January 1, 2019	\$ 5,080,955	\$ 3,236,659	\$ 4,467,099	\$ 600,443	\$ 10,850,172	\$ 129,811	\$ 272,153	\$ 24,637,292	\$ 9,607	\$ 24,646,899	
	Net income for the year	-	-	-	-	6,790,283	-	-	6,790,283	92	6,790,375	
6(20)	Other comprehensive income (loss) for the year	-	-	-	-	-	(891,954)	231,742	(660,212)	-	(660,212)	
	Total comprehensive income (loss)	-	-	-	-	6,790,283	(891,954)	231,742	6,130,071	92	6,130,163	
6(19)	Distribution of 2018 earnings	-	-	-	-	-	-	-	-	-	-	
	Legal reserve	-	-	435,077	-	(435,077)	-	-	-	-	-	
	Special reserve	-	-	-	(600,443)	600,443	-	-	-	-	-	
	Cash dividends	-	-	-	-	(3,048,573)	-	-	(3,048,573)	-	(3,048,573)	
6(18)	Cash from capital surplus	-	(508,095)	-	-	-	-	-	(508,095)	-	(508,095)	
6(18)	Changes in equity of associates accounted for under equity method	-	8,064	-	-	-	-	-	8,064	-	8,064	
6(20)	Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	(41,212)	-	41,212	-	-	-	
6(18)	Cash dividends returned	-	226	-	-	-	-	-	226	-	226	
	Balance at December 31, 2019	\$ 5,080,955	\$ 2,736,854	\$ 4,902,176	\$ -	\$ 14,716,036	(\$ 762,143)	\$ 545,107	\$ 27,218,985	\$ 9,699	\$ 27,228,684	

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	Notes	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 7,235,872	\$ 4,657,201
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(25)	700,806	544,084
Amortization	6(11)(25)	1,019,785	994,852
Expected credit losses (gains)	12(2)	21,332	(1,721)
Interest expense	6(24)	160,254	140,387
Interest income	6(22)	(1,277,211)	(989,290)
Dividend income	6(22)	(30,150)	(32,942)
(Gain) loss on financial assets at fair value through profit or loss	6(23)	(5,764)	19,240
Share of loss of associates and joint ventures accounted for under equity method	6(7)	23,833	43,307
Loss (gain) on disposal of property, plant and equipment	6(23)	157	(133)
Impairment loss	6(23)	189,483	-
Other intangible assets transferred to expenses		526	7,698
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss - current		1,241,327	(583,466)
Accounts receivable, net		(2,627,248)	23,602
Accounts receivable, net - related parties		(425,122)	(495,111)
Other receivables		24,884	(25,846)
Inventories		(1,529,530)	(349,516)
Prepayments		(21,325)	(27,418)
Changes in operating liabilities			
Contract liabilities - current		(43,722)	45,527
Notes payable		(5,381)	26
Accounts payable		1,805,738	1,058,645
Accounts payable - related parties		79,645	(41,886)
Other payables		3,149,058	1,514,253
Other payables - related parties		18,246	29,123
Advance receipts		-	6,203
Other current liabilities		1,671,139	939,774
Provisions - non-current		102,181	98,438
Accrued pension obligations		(2,466)	(2,507)

(Continued)

REALTEK SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	Notes	2019	2018
Cash inflow generated from operations		\$ 11,476,347	\$ 7,572,524
Receipt of interest		1,140,818	793,055
Receipt of dividend		30,150	32,942
Interest paid		(162,681)	(138,521)
Income tax paid		(233,349)	(66,250)
Net cash flows from operating activities		<u>12,251,285</u>	<u>8,193,750</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost		(44,715,715)	(6,946,509)
Proceeds from disposal of financial assets at amortised cost		35,512,063	30,254
Acquisition of financial assets at fair value through other comprehensive income		-	(28,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income		939	-
Proceeds from capital reduction of investee accounted for under equity method	6(7)	17,908	-
Acquisition of property, plant and equipment	6(29)	(747,026)	(629,854)
Proceeds from disposal of property, plant and equipment		92	276
Acquisition of intangible assets	6(29)	(1,403,279)	(592,220)
Acquisition of right-of-use assets		(286,276)	-
Increase in refundable deposits		(3,811)	(11,072)
(Increase) decrease in other non-current assets		(7,666)	1,924
Net cash flows used in investing activities		<u>(11,632,771)</u>	<u>(8,175,201)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings		148,524,088	146,563,258
Decrease in short-term borrowings		(144,084,357)	(150,089,571)
Repayment of principal portion of lease liabilities	6(30)	(76,732)	-
Guarantee deposits returned	6(30)	(1,437)	(278)
Cash dividends paid	6(19)	(3,556,668)	(2,794,525)
Cash dividends returned		226	201
Net cash flows from (used in) financing activities		<u>805,120</u>	<u>(6,320,915)</u>
Effect of exchange rate		(5,374)	1,017,661
Net increase (decrease) in cash and cash equivalents		1,418,260	(5,284,705)
Cash and cash equivalents at beginning of year		4,309,651	9,594,356
Cash and cash equivalents at end of year		<u>\$ 5,727,911</u>	<u>\$ 4,309,651</u>

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

PWCR19000226

To the Board of Directors and Shareholders of Realtek Semiconductor Corporation

Opinion

We have audited the accompanying parent company only balance sheets of Realtek Semiconductor Corporation (the "Company") as at December 31, 2019 and 2018, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other independent accountants (please refer to the *Other matter* section of our report), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, 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 audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China ("ROC GAAS"). Our responsibilities under those standards are further described in the Independent Accountant'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 Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of the other independent accountants, 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 judgement, 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, we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements of the current period are stated as follows:

Valuation of inventories

Description

Refer to Note 4(13) of the parent company only financial statements for inventory valuation policies, Note 5(2) for uncertainty of accounting estimates and assumptions of inventory valuation and Note 6(3) for the details of inventories.

The Company is primarily engaged in researching, developing, manufacturing, selling of various integrated circuits and related application software. Inventories are stated at the lower of cost and net realizable value. Due to the balances of inventories are significant to the financial statements and the rapid technological changes in the industry, there is a higher risk of decline in market value and obsolescence of inventories. Thus, we considered the valuation of inventories as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Obtained an understanding of accounting policies on the provision for inventory valuation losses and assessed the reasonableness.
2. Validated the accuracy of inventory aging report, as well as sampled and confirmed the consistency of quantities and amounts with detailed inventory listing, verified dates of movements with supporting documents and ensured the proper categorization of inventory aging report.
3. Evaluated and confirmed the reasonableness of net realizable value for inventories through validating respective supporting documents.

Other matter – Reference to audits of other independent accountants

We did not audit the financial statements of certain investments accounted for under equity method. Those financial statements were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein is based solely on the audit reports of the other independent accountants. Investments accounted for under equity method amounted to NT\$6,938,839 thousand and NT\$6,900,458 thousand, constituting 10.29% and 12.78% of total assets as of December 31, 2019 and 2018, respectively. Comprehensive income amounted to NT\$151,087 thousand and NT\$108,408 thousand, constituting 2.46% and 2.14% of total comprehensive income for the years ended December 31, 2019 and 2018, respectively.

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 the “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 the Audit Committee, are responsible for overseeing the Company’s financial reporting process.

Independent accountant’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 a 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 ROC GAAS 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 ROC GAAS, we exercise professional judgement and maintain 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 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 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Company 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 identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to 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 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.

Lin, Yu-Kuan

Tsang, Kwoh-Wah

For and on behalf of PricewaterhouseCoopers, Taiwan

March 20, 2020

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2019		December 31, 2018	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 3,333,828	5	\$ 1,553,365	3
1110	Financial assets at fair value through profit or loss - current		28,736	-	29,061	-
1136	Financial assets at amortised cost - current	8	-	-	61,401	-
1170	Accounts receivable, net	6(2)	6,588,225	10	4,307,547	8
1180	Accounts receivable, net - related parties	6(2) and 7	1,227,255	2	1,033,782	2
1200	Other receivables		20,417	-	42,641	-
1210	Other receivables - related parties	7	5,729,653	8	2,688,329	5
130X	Inventories, net	6(3)	5,820,326	9	4,096,647	8
1410	Prepayments		205,329	-	149,935	-
11XX	Total current assets		<u>22,953,769</u>	<u>34</u>	<u>13,962,708</u>	<u>26</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current		-	-	936	-
1535	Financial assets at amortised cost - non-current	8	64,885	-	-	-
1550	Investments accounted for under equity method	6(4)	38,503,441	57	35,911,991	67
1600	Property, plant and equipment	6(5)	3,019,258	5	2,863,756	5
1755	Right-of-use assets	6(6)	1,091,607	2	-	-
1780	Intangible assets	6(7)	1,652,722	2	1,160,549	2
1840	Deferred income tax assets	6(21)	114,163	-	78,472	-
1900	Other non-current assets		46,151	-	14,444	-
15XX	Total non-current assets		<u>44,492,227</u>	<u>66</u>	<u>40,030,148</u>	<u>74</u>
1XXX	Total assets		<u>\$ 67,445,996</u>	<u>100</u>	<u>\$ 53,992,856</u>	<u>100</u>

(Continued)

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2019		December 31, 2018		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term borrowings	6(8)	\$ 18,604,770	28	\$ 14,526,311	27
2130	Contract liabilities - current	6(15)	67,853	-	110,764	-
2150	Notes payable		3,276	-	8,657	-
2170	Accounts payable		5,659,518	8	3,793,276	7
2180	Accounts payable - related parties	7	313,185	-	228,279	-
2200	Other payables	6(9)	9,929,669	15	6,867,842	13
2220	Other payables - related parties	7	55,690	-	38,283	-
2230	Current income tax liabilities		820,495	1	578,088	1
2280	Lease liabilities - current		30,417	-	-	-
2300	Other current liabilities	6(15)	3,831,860	6	2,581,910	5
21XX	Total current liabilities		<u>39,316,733</u>	<u>58</u>	<u>28,733,410</u>	<u>53</u>
Non-current liabilities						
2550	Provisions - non-current		-	-	519,016	1
2570	Deferred income tax liabilities	6(21)	51,723	-	22,310	-
2580	Lease liabilities - non-current		781,678	2	-	-
2600	Other non-current liabilities	6(10)	76,877	-	80,828	-
25XX	Total non-current liabilities		<u>910,278</u>	<u>2</u>	<u>622,154</u>	<u>1</u>
2XXX	Total liabilities		<u>40,227,011</u>	<u>60</u>	<u>29,355,564</u>	<u>54</u>
Equity						
Share capital						
3110	Common shares	6(11)	5,080,955	7	5,080,955	10
Capital surplus						
3200	Capital surplus	6(12)	2,736,854	4	3,236,659	6
Retained earnings						
3310	Legal reserve	6(13)	4,902,176	7	4,467,099	8
3320	Special reserve		-	-	600,443	1
3350	Undistributed earnings		14,716,036	22	10,850,172	20
Other equity						
3400	Other equity interest	6(14)	(217,036)	-	401,964	1
3XXX	Total equity		<u>27,218,985</u>	<u>40</u>	<u>24,637,292</u>	<u>46</u>
Significant contingent liabilities and unrecognized contract commitments						
3X2X	Total liabilities and equity		<u>\$ 67,445,996</u>	<u>100</u>	<u>\$ 53,992,856</u>	<u>100</u>

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)

		Year ended December 31			
Items		2019		2018	
		AMOUNT	%	AMOUNT	%
4000	Operating revenue	\$ 40,845,708	100	\$ 32,194,291	100
5000	Operating costs	(24,643,053)	(60)	(18,906,196)	(59)
5900	Gross profit	<u>16,202,655</u>	<u>40</u>	<u>13,288,095</u>	<u>41</u>
	Operating expenses				
6100	Selling expenses	(1,887,715)	(5)	(1,646,985)	(5)
6200	General and administrative expenses	(760,391)	(2)	(991,577)	(3)
6300	Research and development expenses	(12,212,926)	(30)	(9,955,350)	(31)
6450	Expected credit gains (losses)	(25,618)	-	5,803	-
6000	Total operating expenses	<u>(14,886,650)</u>	<u>(37)</u>	<u>(12,588,109)</u>	<u>(39)</u>
6900	Operating income	<u>1,316,005</u>	<u>3</u>	<u>699,986</u>	<u>2</u>
	Non-operating income and expenses				
7010	Other income	194,391	-	112,353	1
7020	Other gains and losses	(191,745)	-	(1,992)	-
7050	Finance costs	(144,100)	-	(140,170)	-
7070	Share of profit of associates and joint ventures accounted for under equity method	<u>6,053,732</u>	<u>15</u>	<u>3,968,591</u>	<u>12</u>
7000	Total non-operating income and expenses	<u>5,912,278</u>	<u>15</u>	<u>3,938,782</u>	<u>13</u>
7900	Profit before income tax, net	<u>7,228,283</u>	<u>18</u>	<u>4,638,768</u>	<u>15</u>
7950	Income tax expense	(438,000)	(1)	(288,000)	(1)
8200	Net income for the year	<u>\$ 6,790,283</u>	<u>17</u>	<u>\$ 4,350,768</u>	<u>14</u>
	Other comprehensive income, net				
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311	Losses on remeasurements of defined benefit plans	\$ -	-	(\$ 75,809)	-
8316	Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income	-	-	(138)	-
8330	Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method	<u>231,742</u>	<u>-</u>	<u>(163,544)</u>	<u>(1)</u>
8310	Total other comprehensive income (loss) that will not be reclassified to profit or loss	<u>231,742</u>	<u>-</u>	<u>(239,491)</u>	<u>(1)</u>
	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8380	Share of other comprehensive (loss) income of associates and joint ventures accounted for under equity method	(891,954)	(2)	942,974	3
8360	Total other comprehensive (loss) income that will be reclassified to profit or loss	<u>(891,954)</u>	<u>(2)</u>	<u>942,974</u>	<u>3</u>
8300	Other comprehensive (loss) income for the year	<u>(\$ 660,212)</u>	<u>(2)</u>	<u>\$ 703,483</u>	<u>2</u>
8500	Total comprehensive income for the year	<u>\$ 6,130,071</u>	<u>15</u>	<u>\$ 5,054,251</u>	<u>16</u>
	Earnings Per Share (in dollars)				
9750	Basic earnings per share	<u>\$ 13.36</u>		<u>\$ 8.57</u>	
9850	Diluted earnings per share	<u>\$ 13.13</u>		<u>\$ 8.40</u>	

Realtek Semiconductor Corporation
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained earnings					Other equity interest			Total equity
		Common shares	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Unrealised gain or loss on available-for-sale financial assets	
2018										
Balance at January 1, 2018		\$ 5,065,062	\$ 3,558,856	\$ 4,127,884	\$ -	\$ 9,698,159	(\$ 813,163)	\$ -	\$ 212,720	\$ 21,849,518
Modified retrospective approach adjustment	6(14)	-	-	-	-	103,142	-	435,835	(212,720)	326,257
Balance at January 1 after adjustments		<u>5,065,062</u>	<u>3,558,856</u>	<u>4,127,884</u>	-	<u>9,801,301</u>	<u>(813,163)</u>	<u>435,835</u>	-	<u>22,175,775</u>
Net income for the year		-	-	-	-	4,350,768	-	-	-	4,350,768
Other comprehensive income (loss)	6(14)	-	-	-	-	(75,809)	942,974	(163,682)	-	703,483
Total comprehensive income (loss)		-	-	-	-	<u>4,274,959</u>	<u>942,974</u>	<u>(163,682)</u>	-	<u>5,054,251</u>
Distribution of 2017 earnings	6(13)									
Legal reserve		-	-	339,215	-	(339,215)	-	-	-	-
Special reserve		-	-	-	600,443	(600,443)	-	-	-	-
Cash dividends		-	-	-	-	(2,286,430)	-	-	-	(2,286,430)
Employees' compensation transferred to common stock	6(12)	15,893	163,692	-	-	-	-	-	-	179,585
Cash dividends from capital surplus	6(12)	-	(508,095)	-	-	-	-	-	-	(508,095)
Changes in equity of associates accounted for under equity method	6(12)	-	22,005	-	-	-	-	-	-	22,005
Cash dividends returned	6(12)	-	201	-	-	-	-	-	-	201
Balance at December 31, 2018		<u>\$ 5,080,955</u>	<u>\$ 3,236,659</u>	<u>\$ 4,467,099</u>	<u>\$ 600,443</u>	<u>\$ 10,850,172</u>	<u>\$ 129,811</u>	<u>\$ 272,153</u>	<u>\$ -</u>	<u>\$ 24,637,292</u>
2019										
Balance at January 1, 2019		\$ 5,080,955	\$ 3,236,659	\$ 4,467,099	\$ 600,443	\$ 10,850,172	\$ 129,811	\$ 272,153	\$ -	\$ 24,637,292
Net income for the year		-	-	-	-	6,790,283	-	-	-	6,790,283
Other comprehensive income (loss)	6(14)	-	-	-	-	-	(891,954)	231,742	-	(660,212)
Total comprehensive income (loss)		-	-	-	-	<u>6,790,283</u>	<u>(891,954)</u>	<u>231,742</u>	-	<u>6,130,071</u>
Distribution of 2018 earnings	6(13)									
Legal reserve		-	-	435,077	-	(435,077)	-	-	-	-
Special reserve		-	-	-	(600,443)	600,443	-	-	-	-
Cash dividends		-	-	-	-	(3,048,573)	-	-	-	(3,048,573)
Cash dividend from capital surplus	6(12)	-	(508,095)	-	-	-	-	-	-	(508,095)
Changes in equity of associates accounted for using equity method	6(12)	-	8,064	-	-	-	-	-	-	8,064
Disposal of investments in equity instruments measured at fair value through other comprehensive income	6(14)	-	-	-	-	(41,212)	-	41,212	-	-
Cash dividends returned	6(12)	-	226	-	-	-	-	-	-	226
Balance at December 31, 2019		<u>\$ 5,080,955</u>	<u>\$ 2,736,854</u>	<u>\$ 4,902,176</u>	<u>\$ -</u>	<u>\$ 14,716,036</u>	<u>(\$ 762,143)</u>	<u>\$ 545,107</u>	<u>\$ -</u>	<u>\$ 27,218,985</u>

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	Notes	2019	2018
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 7,228,283	\$ 4,638,768
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(19)	562,805	470,049
Amortization	6(19)	948,008	943,734
Expected credit losses (gains)	12(2)	25,618	(5,803)
Impairment loss	6(17)	41,397	-
Interest expense	6(18)	144,100	140,170
Interest income	6(16)	(118,442)	(66,668)
Dividend income	6(16)	(406)	(812)
Loss on financial assets at fair value through profit or loss	6(17)	325	11,283
Share of gain of associates and joint ventures accounted for under equity method	6(4)	(6,053,732)	(3,968,591)
Gain on disposal of property, plant and equipment	6(17)	(92)	-
Other intangible assets transferred to expenses	6(17)	526	7,698
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		(2,304,342)	527,028
Accounts receivable, net - related parties		(195,427)	53,312
Other receivables		27,106	(23,639)
Other receivables, net - related parties		(2,420)	(67,713)
Inventories		(1,723,679)	227,773
Prepayments		(55,394)	97,207
Changes in operating liabilities			
Contract liabilities - current		(42,911)	21,541
Notes payable		(5,381)	26
Accounts payable		1,866,242	10,137
Accounts payable - related parties		84,906	(54,388)
Other payables		3,019,851	1,310,009
Other payables - related parties		17,407	6,126
Provisions - non-current		(519,016)	84,591
Other current liabilities		1,249,950	397,579
Accrued pension obligations		(2,470)	(2,507)

(Continued)

REALTEK SEMICONDUCTOR CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	Notes	2019	2018
Cash inflow generated from operations		\$ 4,192,812	\$ 4,756,910
Receipt of interest		113,560	66,401
Receipt of dividends		406	812
Interest paid		(146,526)	(138,304)
Income taxes paid		(201,871)	(48,920)
Net cash flows from operating activities		<u>3,958,381</u>	<u>4,636,899</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost		(64,885)	-
Proceeds from disposal of financial assets at amortised cost		61,401	30,254
Proceeds from disposal of financial assets at fair value through other comprehensive income		939	-
Proceeds from capital reduction of investee accounted for under the equity method	6(4)	17,908	-
Acquisition of cash dividends from investments accounted for under equity method		2,750,826	5,436,741
Acquisition of property, plant and equipment	6(23)	(682,325)	(578,076)
Proceeds from disposal of property, plant and equipment		92	-
Acquisition of intangible assets	6(23)	(1,399,800)	(581,659)
Acquisition of right-of-use assets		(286,276)	-
Increase in other receivables, net - related parties		(3,038,904)	(1,797,119)
Increase in refundable deposits		(1,722)	(7,988)
Increase in other non-current assets		(29,985)	-
Net cash flows (used in) from investing activities		<u>(2,672,731)</u>	<u>2,502,153</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		147,831,650	146,563,258
Decrease in short-term borrowings		(143,753,191)	(150,089,571)
Repayment of principal portion of lease liabilities	6(24)	(25,723)	-
Guarantee deposits returned	6(24)	(1,481)	(304)
Cash dividends paid	6(13)	(3,556,668)	(2,794,525)
Cash dividends returned		226	201
Net cash flows from (used in) financing activities		<u>494,813</u>	<u>(6,320,941)</u>
Net increase in cash and cash equivalents		1,780,463	818,111
Cash and cash equivalents at beginning of year		1,553,365	735,254
Cash and cash equivalents at end of year		<u>\$ 3,333,828</u>	<u>\$ 1,553,365</u>

Attachment 6: Comparison table illustrating the original and amended texts of the Articles of Incorporation

Amended Version	Original Version	Reason
<p>Article 1</p> <p>The Company shall be incorporated under the Company Act as a company limited by shares named “Realtek Semiconductor Corp.”. <u>“Realtek Semiconductor Corp.” is the Company’s English name.</u></p>	<p>Article 1</p> <p>The Company shall be incorporated under the Company Act as a company limited by shares named “Realtek Semiconductor Corp.” .</p>	To add the Company’s English name
<p>Article 2</p> <p>The scope of business of the Company shall be as follows:</p> <ol style="list-style-type: none"> 1. CC01080 Electronic Parts and Components Manufacturing 2. I501010 Product Designing 3. F401010 International Trade 4. I301010 Service of information software. 5. I301020 Data Processing Services 6. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing (Radio transmitters, radio transceivers, radio receivers, industrial, scientific, medical radiation machines, and other machines with radio radiant energy only) 7. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import (Radio transmitters, radio transceivers, radio receivers, industrial, scientific, medical radiation machines, and other machines with radio radiant energy only) 8. <u>CF01011 Medical Materials and Equipment Manufacturing</u> 9. <u>F108031 Wholesale of Drugs, Medical Goods</u> 10. <u>F208031 Retail sale of Medical Equipments</u> <p><u>(1) Researching, designing, developing, manufacturing, and selling the following products:</u></p> <ol style="list-style-type: none"> 1. <u>various integrated circuits</u> 2. <u>hearing aids with tinnitus mask function</u> 3. <u>bone conduction hearing aid</u> 4. <u>Picture archiving and communications system.</u> <p><u>(2) Providing application design,</u></p>	<p>Article 2</p> <p>The scope of business of the Company shall be as follows:</p> <ol style="list-style-type: none"> 1. CC01080 Electronic Parts and Components Manufacturing 2. I501010 Product Designing 3. F401010 International Trade 4. I301010 Service of information software. 5. I301020 Data Processing Services 6. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing (Radio transmitters, radio transceivers, radio receivers, industrial, scientific, medical radiation machines, and other machines with radio radiant energy only) 7. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import (Radio transmitters, radio transceivers, radio receivers, industrial, scientific, medical radiation machines, and other machines with radio radiant energy only) <p>(1) Researching, developing, producing, manufacturing, and selling various integrated circuits.</p> <p>(2) Providing application design, testing, maintenance and technical consulting services of the software and hardware for various integrated circuit products.</p> <p>(3) Researching, developing and selling various intellectual property</p> <p>(4) Also engaged in trading business in relation to the business of the Company.</p>	Operation demand

Amended Version	Original Version	Reason
<p><u>testing, maintenance and technical consulting services of the software and hardware for the above products.</u></p> <p>(3) Researching, developing and selling various intellectual property</p> <p>(4) Also engaged in trading business in relation to the business of the Company.</p>		
<p>Article 18</p> <p>If gained profits within a fiscal year, the Company shall allocate at a maximum of 3% of the profits as directors' remuneration, and allocate no less than 1% of the profits as employees' compensation. However, in case of the accumulated losses, certain profits shall first be reserved to cover the accumulated losses, and then allocate employees' compensation and directors' remuneration according to the proportion in the preceding paragraph. The distribution of employees' compensation in the preceding paragraph shall be in cash or in stock, and shall be resolved with a consent of a majority of the directors present at a meeting attended by over two-thirds of the total directors. The distribution of director's remuneration and employee' compensation shall be reported to the shareholders meeting.</p> <p>The employees entitled to receive employees' compensation may include the employees of subsidiaries of the Company meeting certain specific requirements. The requirements are determined by the board of directors or its authorized person.</p> <p>The Company belongs to the integrated circuit design industry and is in the growth phase of the enterprise life cycle. After considering the long-term</p>	<p>Article 18</p> <p>If gained profits within a fiscal year, the Company shall allocate at a maximum of 3% of the profits as directors' remuneration, and allocate no less than 1% of the profits as employees' compensation. However, in case of the accumulated losses, certain profits shall first be reserved to cover the accumulated losses, and then allocate employees' compensation and directors' remuneration according to the proportion in the preceding paragraph. The distribution of employees' compensation in the preceding paragraph shall be in cash or in stock, and shall be resolved with a consent of a majority of the directors present at a meeting attended by over two-thirds of the total directors. The distribution of director's remuneration and employee' compensation shall be reported to the shareholders meeting.</p> <p>The employees entitled to receive employees' compensation may include the employees of subsidiaries of the Company meeting certain specific requirements. The requirements are determined by the board of directors or its authorized person.</p> <p>The Company belongs to the integrated circuit design industry and is in the growth phase of the enterprise life cycle. After considering the long-term</p>	<p>To revise dividend policy for retained earnings distribution</p>

Amended Version	Original Version	Reason
<p>business development of the Company, matching future investment fund requirements, and the long-term financial planning of the Company, if there are profits at the end of fiscal year, the Company shall first offset the accumulated losses with profits after tax, and then shall contribute 10% of profit as legal reserve, unless the accumulated legal reserve has reached the amount of the Company's total capital, and contribute or reverse special reserve in accordance with relevant laws or regulation by the competent authority. If there are net profits remained, the remaining net profits and the retained earnings from previous years shall be distributed as shareholders' dividend after the distribution proposal is prepared by the board of directors. In case the distribution is in the form of issuing new shares, the distribution proposal shall be approved at a shareholders meeting. In case the distribution is in the form of cash, the distribution proposal shall be approved by the board of directors with authorization. After considering financial, business and operational factors, the Company may distribute the whole of distributable earnings of the current year, and may also distribute whole or part of the reserves in accordance with the law or the regulation by the competent authority. <u>The dividend distributed to shareholders shall not be less than 50% of the increased distributable retained earnings for the current year.</u></p> <p>When distributing dividends, the main</p>	<p>business development of the Company, matching future investment fund requirements, and the long-term financial planning of the Company, if there are profits at the end of fiscal year, the Company shall first offset the accumulated losses with profits after tax, and then shall contribute 10% of profit as legal reserve, unless the accumulated legal reserve has reached the amount of the Company's total capital, and contribute or reverse special reserve in accordance with relevant laws or regulation by the competent authority. If there are net profits remained, the remaining net profits and the retained earnings from previous years shall be distributed as shareholders' dividend after the distribution proposal is prepared by the board of directors. In case the distribution is in the form of issuing new shares, the distribution proposal shall be approved at a shareholders meeting. In case the distribution is in the form of cash, the distribution proposal shall be approved by the board of directors with authorization. After considering financial, business and operational factors, the Company may distribute the whole of distributable earnings of the current year, and may also distribute whole or part of the reserves in accordance with the law or the regulation by the competent authority.</p> <p>When distributing dividends, the main consideration is the Company's future expansion of operating scale and requirement of cash flow. The cash</p>	

Amended Version	Original Version	Reason
<p>consideration is the Company's future expansion of operating scale and requirement of cash flow. The cash dividends shall not be less than 10% of the total dividends distributed to shareholders in the current year. According to Article 240, Paragraph 5, and Article 241, Paragraph 2 of the Company Act, the Company authorizes the distributable dividends, legal reserve, and capital reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders meeting.</p>	<p>dividends shall not be less than 10% of the total dividends distributed to shareholders in the current year. According to Article 240, Paragraph 5, and Article 241, Paragraph 2 of the Company Act, the Company authorizes the distributable dividends, legal reserve, and capital reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and in addition thereto a report of such distribution shall be submitted to the shareholders meeting.</p>	
<p>Article 20 The Articles of Incorporation hereof were established on Oct. 16, 1987; 1st amended on Sep. 25, 1989; (omitted) 32nd amended on Jun. 12, 2019; <u>33rd amended on Jun. 10, 2020.</u></p>	<p>Article 20 The Articles of Incorporation hereof were established on Oct. 16, 1987; 1st amended on Sep. 25, 1989; (omitted) 32nd amended on Jun. 12, 2019.</p>	<p>To add amendment date.</p>