

## Parade Technologies, Ltd. and Subsidiaries.

The following consolidated balance sheets of Parade Technologies, Ltd. and its subsidiaries as of December 31, 2014 and 2013 and the related consolidated statements of comprehensive income, and cash flows for the twelve months ended December 31, 2014 and 2013 have been reviewed and audited by independent accountants, PricewaterhouseCoopers, Taiwan.

The reader is advised that these financial statements have been prepared originally in NT\$ and conformed with the adoption of IFRSs. In the event of any differences between NT\$ and US\$ version, the NT\$ version shall prevail.

Audited Consolidated Statements of Comprehensive Income For twelve months ended December 31, 2014 and 2013	USD in Thousands		NTD in Thousands	
	2014	2013	2014	2013
Revenue	205,392	141,888	6,225,291	4,212,028
Cost of goods sold	120,616	80,186	3,656,094	2,380,204
Gross profit	84,776	61,702	2,569,197	1,831,824
Research & development expenses	24,161	22,641	732,331	672,428
Sales & marketing expenses	9,857	7,715	298,916	229,048
General & administrative expenses	7,121	5,688	215,900	168,904
Total operating expenses	41,139	36,044	1,247,147	1,070,380
Operating income	43,637	25,658	1,322,050	761,444
Non-operating income and expenses	970	(63)	29,248	(1,874)
Income before income taxes	44,607	25,595	1,351,298	759,570
Income tax expenses	4,141	2,711	125,555	80,420
<b>Net income</b>	<b>40,466</b>	<b>22,884</b>	<b>1,225,743</b>	<b>679,150</b>
EPS - Basic (In Dollar)	\$0.54	\$0.31	\$16.48	\$9.25
Shares used in computing EPS-Basic (In thousands)	74,364	73,397	74,364	73,397
EPS - Diluted (In Dollar)	\$0.53	\$0.30	\$16.15	\$9.02
Shares used in computing EPS-Diluted (In thousands)	75,883	75,275	75,883	75,275

Audited Consolidated Balance Sheets As of December 31, 2014 and 2013	USD in Thousands		NTD in Thousands	
	2014	2013	2014	2013
<b>Current assets</b>				
Cash & cash equivalents	145,353	116,038	4,600,434	3,459,081
Available-for-sale-financial assets - current	1,086	1,079	34,365	32,172
Accounts receivable, net	34,275	34,325	1,084,808	1,023,236
Inventories	13,643	7,689	431,792	229,216
Other current assets	6,142	2,516	194,387	75,003
<b>Total current assets</b>	<b>200,499</b>	<b>161,647</b>	<b>6,345,786</b>	<b>4,818,708</b>
Property, plant and equipment, net	3,850	3,064	121,864	91,340
Deferred income tax assets	123	103	3,880	3,086
Other assets	1,699	2,328	53,779	69,377
<b>Total assets</b>	<b>206,171</b>	<b>167,142</b>	<b>6,525,309</b>	<b>4,982,511</b>
<b>Current liabilities</b>				
Accounts payable	10,794	16,311	341,624	486,222
Other payables	11,129	8,521	352,228	254,005
Current income tax liabilities	9,213	5,961	291,588	177,686
Other current liabilities	3,739	2,375	118,364	70,817
<b>Total current liabilities</b>	<b>34,875</b>	<b>33,168</b>	<b>1,103,804</b>	<b>988,730</b>
<b>Equity</b>				
Ordinary shares	24,871	24,630	754,604	747,257
Capital reserves	55,167	48,211	1,651,739	1,442,109
Retained earnings	96,886	63,556	2,897,927	1,882,724
Other equity	(5,628)	(2,423)	117,235	(78,309)
<b>Total equity</b>	<b>171,296</b>	<b>133,974</b>	<b>5,421,505</b>	<b>3,993,781</b>
<b>Total liabilities and equity</b>	<b>206,171</b>	<b>167,142</b>	<b>6,525,309</b>	<b>4,982,511</b>

Audited Consolidated Statements of Cash Flows For twelve months ended December 31, 2014 and 2013	USD in Thousands		NTD in Thousands	
	2014	2013	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income before income tax for the year	44,607	25,595	1,351,298	759,570
Depreciation and amortization	1,481	1,238	44,877	36,747
Share-based compensation cost	2,634	2,028	79,840	60,217
Interest income	(30)	(57)	(923)	(1,707)
Income and expenses having no effect on cash flows	4,085	3,209	123,794	95,257
Accounts receivable	50	(10,637)	1,587	(317,081)
Inventories	(5,954)	(920)	(188,428)	(27,426)
Other assets	(2,860)	(1,654)	(90,510)	(49,311)
Net changes in assets relating to operating activities	(8,764)	(13,211)	(277,351)	(393,818)
Accounts payable	(5,517)	9,267	(174,610)	276,243
Other payables	2,608	25	82,545	754
Other current liabilities	1,364	469	43,176	13,991
Net changes in liabilities relating to operating activities	(1,545)	9,761	(48,889)	290,988
Cash provided by operations	38,383	25,354	1,148,852	751,997
Interest received	32	56	958	1,661
Income taxes paid	(112)	(822)	(3,401)	(24,409)
<b>Net cash provided by operating activities</b>	<b>38,303</b>	<b>24,588</b>	<b>1,146,409</b>	<b>729,249</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Increase in available-for-sale financial assets - current	(7)	(8)	(207)	(226)
Acquisition of equipment and computer software	(2,230)	(1,474)	(67,602)	(43,765)
Increase in refundable deposits	(27)	(98)	(842)	(2,909)
<b>Net cash used in investing activities</b>	<b>(2,264)</b>	<b>(1,580)</b>	<b>(68,651)</b>	<b>(46,900)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from exercise of employee stock options	1,251	1,056	37,908	31,341
Purchase of treasury shares	(1,374)	(2,332)	(41,920)	(69,629)
Treasury shares reissued to employees	1,374	2,332	41,920	69,629
Distribution of cash dividends	(7,140)	(6,144)	(210,628)	(181,239)
<b>Net cash used in financing activities</b>	<b>(5,088)</b>	<b>(5,088)</b>	<b>(172,720)</b>	<b>(149,898)</b>
Effect of exchange rate changes on cash and cash equivalents	(835)	108	236,315	80,418
Increase in cash and cash equivalents	29,315	18,028	1,141,353	612,869
Cash and cash equivalents at beginning of year	116,038	98,010	3,459,081	2,846,212
<b>Cash and cash equivalents at end of year</b>	<b>145,353</b>	<b>116,038</b>	<b>4,600,434</b>	<b>3,459,081</b>