

Parade Technologies, Ltd. and Subsidiaries.

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

UNAUDITED CONSOLIDATED INCOME STATEMENTS

	USD in Thousands						NTD in Thousands					
	Sequential Quarter		Three Months ended		Twelve Months ended		Sequential Quarter		Three Months ended		Twelve Months ended	
	Dec 31, 2021	Sep 30, 2021	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Sep 30, 2021	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Revenue	194,255	191,718	194,255	148,287	714,334	518,336	5,406,120	5,341,284	5,406,120	4,263,263	19,994,646	15,279,588
Cost of goods sold	100,279	97,582	100,279	83,727	373,739	289,999	2,790,774	2,718,646	2,790,774	2,407,154	10,463,279	8,547,608
Gross profit	93,976	94,136	93,976	64,560	340,595	228,337	2,615,346	2,622,638	2,615,346	1,856,109	9,531,367	6,731,980
Research & development expenses	20,420	19,875	20,420	17,094	76,886	62,633	568,288	553,710	568,288	491,457	2,152,636	1,848,443
Sales & marketing expenses	8,005	8,496	8,005	6,671	31,703	23,187	222,773	236,709	222,773	191,796	887,522	683,701
General & administrative expenses	6,429	6,322	6,429	4,686	23,635	17,483	178,932	176,126	178,932	134,724	661,551	515,969
Total operating expenses	34,854	34,693	34,854	28,451	132,224	103,303	969,993	966,545	969,993	817,977	3,701,709	3,048,113
Operating income	59,122	59,443	59,122	36,109	208,371	125,034	1,645,353	1,656,093	1,645,353	1,038,132	5,829,658	3,683,867
Non-operating income and (expenses)	(170)	(46)	(170)	(388)	(750)	(485)	(4,721)	(1,310)	(4,721)	(11,147)	(21,125)	(15,160)
Income before income taxes	58,952	59,397	58,952	35,721	207,621	124,549	1,640,632	1,654,783	1,640,632	1,026,985	5,808,533	3,669,027
Income tax expense	6,352	6,060	6,352	2,429	20,180	6,571	176,784	168,809	176,784	69,815	564,026	193,231
Net income	52,600	53,337	52,600	33,292	187,441	118,948	1,463,848	1,485,974	1,463,848	957,170	5,244,507	3,505,796
EPS - Basic (In Dollar)	\$0.66	\$0.67	\$0.66	\$0.42	\$2.37	\$1.52	\$18.42	\$18.71	\$18.42	\$12.12	\$66.29	\$44.86
Shares used in computing EPS-Basic (In thousands)	79,491	79,424	79,491	78,955	79,114	78,156	79,491	79,424	79,491	78,955	79,114	78,156
EPS - Diluted (In Dollar)	\$0.65	\$0.66	\$0.65	\$0.41	\$2.32	\$1.48	\$18.08	\$18.34	\$18.08	\$11.88	\$64.79	\$43.73
Shares used in computing EPS-Diluted (In thousands)	80,973	81,021	80,973	80,562	80,952	80,161	80,973	81,021	80,973	80,562	80,952	80,161

UNAUDITED CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2021 AND 2020

	USD in Thousands		NTD in Thousands	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
	Current assets			
Cash & cash equivalents	332,433	299,146	9,201,743	8,519,679
Accounts receivable, net	50,383	55,433	1,394,595	1,578,725
Inventories, net	75,779	56,707	2,097,554	1,615,012
Other current assets	21,203	16,998	586,897	484,108
Total current assets	479,798	428,284	13,280,789	12,197,524
Non-current assets				
Property, plant and equipment, net	17,625	12,874	487,868	366,648
Right-of-use assets	8,474	8,771	234,571	249,796
Intangible assets	109,979	112,754	3,044,207	3,211,223
Deferred income tax assets	8,817	6,694	244,042	190,661
Other non-current assets	75,636	12,385	2,093,609	352,725
Total non-current assets	220,531	153,478	6,104,297	4,371,053
Total Assets	700,329	581,762	19,385,086	16,568,577
Current Liabilities				
Accounts payable	40,846	43,570	1,130,616	1,240,882
Other payables	90,291	58,599	2,519,249	1,706,070
Current income tax liabilities	27,474	18,538	760,472	527,976
Lease liabilities - current	3,575	2,662	98,945	75,801
Other current liabilities	10,043	5,624	278,009	160,159
Total current liabilities	172,229	128,993	4,787,291	3,710,888
Non-current Liabilities				
Lease liabilities - non-current	4,900	6,109	135,625	173,995
Total non-current liabilities	4,900	6,109	135,625	173,995
Equity				
Ordinary shares	26,634	26,604	808,638	807,803
Capital reserves	143,754	137,586	4,319,491	4,152,210
Retained earnings	433,068	324,547	12,970,276	9,890,935
Other equity	(23,915)	(36,108)	(2,070,966)	(1,999,547)
Treasury shares	(56,341)	(5,969)	(1,565,269)	(167,707)
Total equity	523,200	446,660	14,462,170	12,683,694
Total liabilities and equity	700,329	581,762	19,385,086	16,568,577

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2021 AND 2020

	USD in Thousands		NTD in Thousands	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
	Cash flows from operating activities			
Income before income tax for the year	207,621	125,519	5,808,533	3,699,027
Depreciation and amortization (including the right-of-use assets)	25,509	16,244	714,503	480,020
Loss on disposal of equipment	86	-	2,417	-
Share-based compensation cost	14,303	18,783	424,619	566,708
Interest income	(96)	(963)	(2,685)	(28,885)
Income and expenses having no effect on cash flows	39,802	34,064	1,138,854	1,017,843
Accounts receivable	5,050	(15,488)	139,785	(441,109)
Inventories	(19,072)	(25,226)	(527,908)	(718,449)
Other current assets	804	(6,271)	22,249	(178,585)
Net changes in assets relating to operating activities	(13,218)	(46,985)	(365,874)	(1,338,143)
Accounts payable	(2,724)	17,347	(75,499)	494,026
Other payables	15,396	9,505	426,155	270,701
Other current liabilities	4,420	(718)	122,349	(20,439)
Net changes in liabilities relating to operating activities	17,092	26,134	473,095	744,288
Cash provided by operations	251,297	138,733	7,054,608	4,123,015
Interest received	96	963	2,685	28,459
Income taxes paid	(17,010)	(11,844)	(476,455)	(349,981)
Income taxes received	2	-	52	13
Net cash provided by operating activities	234,385	127,852	6,580,890	3,801,506
Cash flows from investing activities				
Acquisition of equipment	(10,584)	(7,680)	(296,457)	(226,959)
Acquisition of intangible assets	(395)	(6,102)	(11,065)	(7,508)
Increase in refundable deposits	(66,269)	(322)	(1,834,320)	(9,182)
Increase in other prepayments	(7,968)	(8,725)	(223,186)	(257,825)
Acquisition of business combinations	-	(37,169)	-	(1,112,458)
Net cash used in investing activities	(85,216)	(59,998)	(2,365,028)	(1,613,932)
Cash flows from financing activities				
Proceeds from exercise of employee stock options	271	529	7,583	15,632
Repayment of the principal portion of lease liabilities	(3,899)	(2,560)	(109,202)	(75,647)
Purchase of treasury shares	(61,424)	(5,969)	(1,707,978)	(167,707)
Treasury shares reissued to employees	11,052	3,296	310,416	101,725
Distribution of cash dividends	(59,474)	(39,369)	(1,752,708)	(1,216,887)
Cash dividend regain from canceled share-based compensation	62	56	1,881	1,685
Net cash used in financing activities	(113,412)	(44,017)	(3,250,008)	(1,341,199)
Effect of exchange rate changes on cash and cash equivalents	(2,470)	4,930	(283,790)	(432,696)
Net increase in cash and cash equivalents	33,287	28,766	682,064	413,679
Cash and cash equivalents at beginning of year	299,146	270,380	8,519,679	8,106,000
Cash and cash equivalents at end of year	332,433	299,146	9,201,743	8,519,679