

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 USS version, the NTS version shall prevail.

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	USD in Thousands						NTD in Thousands					
	Sequential Quarter		Three Months ended		Twelve Months ended		Sequential Quarter		Three Months ended		Twelve Months ended	
	Dec 31, 2015	Sept 30, 2015	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Sept 30, 2015	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Revenue	67,650	60,818	67,650	55,034	225,927	205,392	2,206,742	1,944,347	2,206,742	1,697,242	7,189,471	6,225,291
Cost of goods sold	40,584	36,489	40,584	32,743	134,768	120,616	1,323,840	1,166,545	1,323,840	1,009,777	4,289,253	3,656,094
Gross profit	27,066	24,329	27,066	22,291	91,159	84,777	882,902	777,802	882,902	687,465	2,900,218	2,569,197
Research & development expenses	10,703	9,229	10,703	6,393	32,352	24,161	349,110	295,055	349,110	197,163	1,031,362	732,331
Sales & marketing expenses	4,099	3,671	4,099	2,884	12,578	9,857	133,706	117,362	133,706	88,923	400,942	298,916
General & administrative expenses	2,107	2,115	2,107	1,960	8,124	7,121	68,740	67,624	68,740	60,451	258,008	215,900
Total operating expenses	16,909	15,015	16,909	11,237	53,054	41,139	551,556	480,041	551,556	346,537	1,690,312	1,247,147
Operating income	10,157	9,314	10,157	11,054	38,105	43,637	331,346	297,761	331,346	340,928	1,209,906	1,322,050
Non-operating income and expenses	64	726	64	146	908	970	2,100	23,201	2,100	4,510	28,970	29,248
Income before income taxes	10,221	10,040	10,221	11,200	39,013	44,607	333,446	320,962	333,446	345,438	1,238,876	1,351,298
Income tax expense	1,102	1	1,102	1,194	2,980	4,141	35,980	27	35,980	36,833	94,530	125,555
Net income	9,119	10,039	9,119	10,006	36,033	40,466	297,466	320,935	297,466	308,605	1,144,346	1,225,743
EPS - Basic (In Dollar)	\$0.12	\$0.13	\$0.12	\$0.13	\$0.48	\$0.54	\$3.95	\$4.28	\$3.95	\$4.12	\$15.30	\$16.48
Shares used in computing EPS-Basic (In thousands)	75,355	74,966	75,355	74,976	74,806	74,364	75,355	74,966	75,355	74,976	74,806	74,364
EPS - Diluted (In Dollar)	\$0.12	\$0.13	\$0.12	\$0.13	\$0.47	\$0.53	\$3.89	\$4.22	\$3.89	\$4.04	\$15.00	\$16.15
Shares used in computing EPS-Diluted (In thousands)	76,511	76,124	76,511	76,299	76,297	75,883	76,511	76,124	76,511	76,299	76,297	75,883

UNAUDITED CONSOLIDATED BALANCE SHEETS
As of December 31, 2015 and 2014

	USD in Thousands		NTD in Thousands	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Current assets				
Cash & cash equivalents	87,961	145,353	2,887,751	4,600,434
Available-for-sale financial assets - current	-	1,086	-	34,365
Accounts receivable, net	38,162	34,275	1,252,871	1,084,808
Inventories, net	18,696	13,643	613,776	431,792
Other current assets	8,046	6,142	264,159	194,387
Total current assets	152,865	200,499	5,018,557	6,345,786
Non-current assets				
Property, plant and equipment, net	4,828	3,850	158,494	121,864
Intangible assets	91,062	197	2,989,576	6,228
Deferred income tax assets	1,185	123	38,893	3,880
Other non-current assets	1,103	1,502	36,223	47,551
Total non-current assets	98,178	5,672	3,223,186	179,522
Total Assets	251,043	206,171	8,241,743	6,525,309
Current Liabilities				
Accounts payable	21,379	10,794	701,881	341,624
Other payables	12,101	11,129	397,268	352,228
Current income tax liabilities	12,536	9,213	411,561	291,588
Other current liabilities	8,218	3,739	269,787	118,364
Total current liabilities	54,234	34,875	1,780,497	1,103,804
Equity				
Ordinary shares	25,070	24,871	760,751	754,604
Capital reserves	60,024	55,167	1,804,206	1,651,739
Retained earnings	120,702	96,886	3,663,574	2,897,927
Other equity	(7,502)	(5,628)	281,120	117,235
Treasury shares	(1,485)	-	(48,405)	-
Total equity	196,809	171,296	6,461,246	5,421,505
Total liabilities and equity	251,043	206,171	8,241,743	6,525,309

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
For twelve months ended December 31, 2015 and 2014

	USD in Thousands		NTD in Thousands	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Cash flows from operating activities				
Income before income tax for the year	39,013	44,607	1,238,876	1,351,298
Depreciation and amortization	4,422	1,407	140,349	42,626
Loss on disposal of equipment	47	74	1,479	2,251
Share-based compensation cost	3,257	2,634	103,370	79,840
Interest income	(54)	(30)	(1,718)	(923)
Income and expenses having no effect on cash flows	7,672	4,085	243,480	123,794
Accounts receivable	(3,887)	50	(127,619)	1,587
Inventories	(5,053)	(5,954)	(165,886)	(188,428)
Other current assets	(1,830)	(3,443)	(60,095)	(108,959)
Other non-current assets	583	583	19,137	18,449
Net changes in assets relating to operating activities	(10,187)	(8,764)	(334,463)	(277,351)
Accounts payable	10,585	(5,517)	347,521	(174,610)
Other payables	885	2,608	29,167	82,545
Other current liabilities	4,478	1,364	147,011	43,176
Net changes in liabilities relating to operating activities	15,948	(1,545)	523,699	(48,889)
Cash provided by operations	52,446	38,383	1,671,592	1,148,852
Interest received	59	32	1,857	958
Income taxes paid	(787)	(112)	(24,967)	(3,401)
Net cash provided by operating activities	51,718	38,303	1,648,482	1,146,409
Cash flows from investing activities				
Decrease (increase) in available for sale financial assets - current	1,086	(7)	33,507	(207)
Acquisition of equipment	(2,391)	(2,204)	(75,898)	(66,826)
Acquisition of intangible assets	(2,303)	(26)	(73,099)	(776)
Increases in refundable deposits	(185)	(27)	(6,036)	(842)
Acquisition of business combinations	(100,329)	-	(3,168,405)	-
Net cash used in investing activities	(104,122)	(2,264)	(3,289,931)	(68,651)
Cash flows from financing activities				
Proceeds from exercise of employee stock options	411	1,251	13,051	37,908
Distribution of cash dividends	(12,220)	(7,143)	(378,811)	(210,727)
Purchase of treasury shares	(3,946)	(1,374)	(125,902)	(41,920)
Treasury shares reissued to employees	2,461	1,374	77,497	41,920
Cash dividend regain from canceled share-based compensation	3	3	92	99
Net cash used in financing activities	(13,291)	(5,889)	(414,073)	(172,720)
Effect of exchange rate changes on cash and cash equivalents	8,303	(835)	342,839	236,315
(Decrease) Increase in cash and cash equivalents	(57,392)	29,315	(1,712,683)	1,141,353
Cash and cash equivalents at beginning of year	145,353	116,038	4,600,434	3,459,081
Cash and cash equivalents at end of year	87,961	145,353	2,887,751	4,600,434