

## Parade Technologies, Ltd

### CONSOLIDATED STATEMENTS OF INCOME

|                                  | USD in Thousand    |               |                    |               |                   |               | NTD in Thousand    |               |                    |                |                   |                |
|----------------------------------|--------------------|---------------|--------------------|---------------|-------------------|---------------|--------------------|---------------|--------------------|----------------|-------------------|----------------|
|                                  | Sequential Quarter |               | Three Months ended |               | Nine Months ended |               | Sequential Quarter |               | Three Months ended |                | Nine Months ended |                |
|                                  | Sept 30, 2011      | June 30, 2011 | Sept 30, 2011      | Sept 30, 2010 | Sept 30, 2011     | Sept 30, 2010 | Sept 30, 2011      | June 30, 2011 | Sept 30, 2011      | Sept 30, 2010  | Sept 30, 2011     | Sept 30, 2010  |
| Net Sales                        | 17,673             | 17,043        | 17,673             | 15,855        | 49,643            | 37,010        | 515,233            | 491,872       | 515,233            | 482,093        | 1,444,613         | 1,156,932      |
| Cost of good sold                | 9,246              | 8,935         | 9,246              | 8,964         | 26,092            | 21,245        | 269,552            | 257,840       | 269,552            | 273,006        | 759,273           | 664,759        |
| Gross margin                     | 8,427              | 8,109         | 8,427              | 6,891         | 23,551            | 15,765        | 245,681            | 234,032       | 245,681            | 209,087        | 685,340           | 492,173        |
| Research & development           | 2,856              | 2,485         | 2,856              | 1,844         | 7,669             | 5,272         | 83,264             | 71,674        | 83,264             | 54,774         | 223,156           | 164,122        |
| Sales & marketing                | 1,242              | 1,076         | 1,242              | 879           | 3,317             | 2,424         | 50,399             | 16,857        | 50,399             | 48,365         | 96,524            | 75,802         |
| General & administration         | 1,031              | 899           | 1,031              | 677           | 2,617             | 1,538         | 15,847             | 40,153        | 15,847             | (1,217)        | 76,162            | 48,070         |
| Total operating expenses         | 5,129              | 4,460         | 5,129              | 3,401         | 13,603            | 9,234         | 149,510            | 128,684       | 149,510            | 101,922        | 395,842           | 287,994        |
| Income(loss) from operations     | 3,298              | 3,649         | 3,298              | 3,490         | 9,948             | 6,531         | 96,171             | 105,348       | 96,171             | 107,165        | 289,498           | 204,179        |
| Other income and expenses        | 7                  | 14            | 7                  | 13            | 30                | 48            | (127)              | 175           | (127)              | (119)          | (112)             | 804            |
| Income(loss) before income taxes | 3,305              | 3,662         | 3,305              | 3,503         | 9,979             | 6,580         | 96,044             | 105,523       | 96,044             | 107,046        | 289,386           | 204,983        |
| Net Tax Expense                  | 680                | 614           | 680                | 6             | 1,473             | 61            | 19,799             | 17,805        | 19,799             | 149            | 42,866            | 1,903          |
| <b>Net income (loss)</b>         | <b>2,626</b>       | <b>3,048</b>  | <b>2,626</b>       | <b>3,497</b>  | <b>8,506</b>      | <b>6,519</b>  | <b>76,245</b>      | <b>87,718</b> | <b>76,245</b>      | <b>106,897</b> | <b>246,520</b>    | <b>203,080</b> |
| EPS                              | \$0.05             | \$0.07        | \$0.05             | \$0.08        | \$0.17            | \$0.16        | \$1.49             | \$2.13        | \$1.49             | \$2.60         | \$4.82            | \$4.94         |
| Diluted                          | \$1.158            | \$1.279       | \$1.158            | \$1.148       | \$1.158           | \$1.148       | \$1.158            | \$1.279       | \$1.158            | \$1.148        | \$1.158           | \$1.148        |

### CONSOLIDATED BALANCE SHEETS

For the Period ended September 30, 2011 and 2010

|   | USD in Thousand       |               | NTD in Thousand  |                |
|---|-----------------------|---------------|------------------|----------------|
|   | Sept 30, 2011         | Sept 30, 2010 | Sept 30, 2011    | Sept 30, 2010  |
|   | <b>Current assets</b> |               |                  |                |
| Cash & cash equivalent                          | 60,619                | 13,573        | 1,880,100        | 424,287        |
| Restricted Cash                                 | -                     | 1,000         | -                | 32,982         |
| Short-term investment                           | 1,064                 | 55            | -                | 1,124          |
| Accounts receivable-net                         | 10,274                | 10,328        | 313,148          | 322,846        |
| Inventory-net                                   | 4,746                 | 3,463         | 144,654          | 108,241        |
| Prepays & Others                                | 997                   | 369           | 24,962           | 11,520         |
| <b>Total current assets</b>                     | <b>77,700</b>         | <b>28,787</b> | <b>2,362,864</b> | <b>901,000</b> |
| Fixed assets                                    | 1,755                 | 863           | 60,810           | 26,353         |
| Other assets                                    | 272                   | 138           | 6,408            | 3,812          |
| <b>Total assets</b>                             | <b>79,727</b>         | <b>29,789</b> | <b>2,430,082</b> | <b>931,165</b> |
| <b>Current liabilities:</b>                     |                       |               |                  |                |
| Accounts payable                                | 7,333                 | 5,659         | 206,021          | 182,144        |
| Income tax payable                              | 1,322                 | 37            | 40,285           | 1,151          |
| Other current liabilities                       | 848                   | 461           | 30,580           | 17,496         |
| Accrued liabilities                             | 3,250                 | 2,124         | 111,790          | 58,035         |
| <b>Total current liabilities</b>                | <b>12,752</b>         | <b>8,280</b>  | <b>388,676</b>   | <b>258,826</b> |
| <b>Shareholder's equity</b>                     |                       |               |                  |                |
| Ordinary shares - par                           | 16,667                | 1             | 511,578          | 82             |
| Additional paid-in-capital                      | 40,594                | 25,490        | 1,215,677        | 796,832        |
| Retained earnings                               | 9,512                 | (4,112)       | 277,910          | (128,940)      |
| Cumulative translation adjustment               | 202                   | 128           | 36,241           | 4,365          |
| Shareholder's equity                            | 66,975                | 21,509        | 2,041,406        | 672,339        |
| <b>Total liability and shareholder's equity</b> | <b>79,727</b>         | <b>29,789</b> | <b>2,430,082</b> | <b>931,165</b> |

### CONSOLIDATED CASH FLOW STATEMENTS

For the Period ended September 30, 2011 and 2010

|   | USD in Thousand                              |               | NTD in Thousand  |                |
|---|--|---------------|------------------|----------------|
|   | Sept 30, 2011                                | Sept 30, 2010 | Sept 30, 2011    | Sept 30, 2010  |
|   | <b>Cash flows from operating activities:</b> |               |                  |                |
| Net income (loss)   | 8,506  | 6,519         | 246,520          | 203,080        |
| Depreciation and amortization                               | 396  | 424           | 14,752           | 4,032          |
| Translation Adjustment                                      | 25   | 1             | -                | -              |
| Compensation Cost - Stock Option                            | 376  | 270           | 10,888           | 1,923          |
| Accounts receivable   | (2,223)                                      | (7,335)       | (67,763)         | (42,506)       |
| Inventories   | (1,822)                                      | (1,008)       | (55,528)         | 7,589          |
| Prepaid exp and other assets                                | (484)  | (38)          | (4,114)          | 1,639          |
| Accounts payable  | 2,680  | 2,639         | 59,589           | (30,914)       |
| Deferred disty profit                                       | 349  | 138           | 11,162           | 4,526          |
| Accrued exp. and other liab.                                | 619  | 432           | 40,421           | 17,207         |
| Income Tax Payable  | 1,306  | (1)           | 39,816           | (132)          |
| <b>Net cash used in operating activities</b>                | <b>9,728</b>                                 | <b>2,040</b>  | <b>295,743</b>   | <b>70,261</b>  |
| <b>Cash flows from investing activities:</b>                |  |               |                  |                |
| Acquisition of property and equipment                       | (1,176)                                      | (550)         | (15,066)         | (3,164)        |
| <b>Net Cash provided by (used in) investing activities</b>  | <b>(1,176)</b>                               | <b>(550)</b>  | <b>(15,066)</b>  | <b>(3,164)</b> |
| <b>Cash flow from financing activities:</b>                 |  |               |                  |                |
| Net proceeds from issu. of Ord. Shares                      | 34,219                                       | 459           | 995,594          | 2,755          |
| <b>Net cash provided by financing activities</b>            | <b>34,219</b>                                | <b>459</b>    | <b>995,594</b>   | <b>2,755</b>   |
| Adjustment of foreign exchange rate                         |  |               | 83,911           | (10,876)       |
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>42,771</b>                                | <b>1,949</b>  | <b>1,360,182</b> | <b>58,976</b>  |
| Cash and cash equivalents at beginning of period            | 17,848                                       | 11,624        | 519,918          | 365,311        |
| <b>Cash and cash equivalents at end of period</b>           | <b>60,619</b>                                | <b>13,573</b> | <b>1,880,100</b> | <b>424,287</b> |