

## 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		Six Months ended		Sequential Quarter		Three Months ended		Six Months ended	
	Jun 30, 2019	Mar 31, 2019	Jun 30, 2019	Jun 30, 2018	Jun 30, 2019	Jun 30, 2018	Jun 30, 2019	Mar 31, 2019	Jun 30, 2019	Jun 30, 2018	Jun 30, 2019	Jun 30, 2018
Revenue	90,703	93,720	90,703	75,671	184,423	156,324	2,824,499	2,889,378	2,824,499	2,252,718	5,713,877	4,615,859
Cost of goods sold	52,602	54,478	52,602	44,621	107,080	92,336	1,638,014	1,679,571	1,638,014	1,328,378	3,317,585	2,726,415
Gross profit	38,101	39,242	38,101	31,050	77,343	63,988	1,186,485	1,209,807	1,186,485	924,340	2,396,292	1,889,444
Research & development expenses	13,353	12,787	13,353	12,851	26,140	25,053	415,819	394,207	415,819	382,557	810,026	740,083
Sales & marketing expenses	4,463	4,535	4,463	3,621	8,998	7,747	138,991	139,814	138,991	107,788	278,805	228,680
General & administrative expenses	3,123	3,100	3,123	2,703	6,223	5,455	97,252	95,577	97,252	80,474	192,829	161,095
Total operating expenses	20,939	20,422	20,939	19,175	41,361	38,255	652,062	629,598	652,062	570,819	1,281,660	1,129,858
Operating income	17,162	18,820	17,162	11,875	35,982	25,733	534,423	580,209	534,423	353,521	1,114,632	759,586
Non-operating income and expenses	1,083	525	1,083	86	1,608	28	33,701	16,201	33,701	2,559	49,902	859
Income before income taxes	18,245	19,345	18,245	11,961	37,590	25,761	568,124	596,410	568,124	356,080	1,164,534	760,445
Income tax expense (benefit)	678	755	678	(361)	1,433	(371)	21,110	23,273	21,110	(10,738)	44,383	(11,021)
<b>Net income</b>	<b>17,567</b>	<b>18,590</b>	<b>17,567</b>	<b>12,322</b>	<b>36,157</b>	<b>26,132</b>	<b>\$47,014</b>	<b>\$73,137</b>	<b>\$47,014</b>	<b>\$66,818</b>	<b>1,120,151</b>	<b>771,466</b>
EPS - Basic (In Dollar)	\$0.23	\$0.24	\$0.23	\$0.16	\$0.47	\$0.34	\$7.10	\$7.42	\$7.10	\$4.80	\$14.57	\$10.10
Shares used in computing EPS-Basic (In thousands)	77,008	77,228	77,008	76,418	76,883	76,386	77,008	77,228	77,008	76,418	76,883	76,386
EPS - Diluted (In Dollar)	\$0.22	\$0.23	\$0.22	\$0.16	\$0.45	\$0.33	\$6.84	\$7.13	\$6.84	\$4.63	\$14.00	\$9.72
Shares used in computing EPS-Diluted (In thousands)	80,012	80,332	80,012	79,243	80,006	79,396	80,012	80,332	80,012	79,243	80,006	79,396

### UNAUDITED CONSOLIDATED BALANCE SHEETS As of June 30, 2019 and 2018

	USD in Thousands		NTD in Thousands	
	Jun 30, 2019	Jun 30, 2018	Jun 30, 2019	Jun 30, 2018
<b>Current assets</b>				
Cash & cash equivalents	241,339	175,166	7,495,983	5,335,542
Accounts receivable, net	43,527	44,437	1,351,940	1,353,561
Inventories, net	36,945	41,909	1,147,504	1,276,542
Prepayments	7,807	6,328	242,492	192,765
Other current assets	10,785	8,953	334,995	272,707
Total current assets	340,403	276,793	10,572,914	8,431,117
<b>Non-current assets</b>				
Property, plant and equipment, net	9,251	8,054	287,329	245,336
Right-of-use assets	7,017	-	217,949	-
Intangible assets	82,160	85,612	2,551,886	2,607,748
Deferred income tax assets	2,465	1,564	76,565	47,626
Other non-current assets	876	832	27,217	25,323
Total non-current assets	101,769	96,062	3,160,946	2,926,033
<b>Total Assets</b>	<b>442,172</b>	<b>372,855</b>	<b>13,733,860</b>	<b>11,357,150</b>
<b>Current Liabilities</b>				
Accounts payable	30,762	20,877	955,482	635,915
Other payables	55,496	52,343	1,694,109	1,549,249
Current income tax liabilities	17,443	18,971	541,772	577,845
Lease liabilities - current	2,056	-	63,867	-
Other current liabilities	6,593	5,050	204,784	153,816
Total current liabilities	112,350	97,241	3,460,014	2,916,825
<b>Non current Liabilities</b>				
Lease liabilities - non-current	4,961	-	154,082	-
Total non current liabilities	4,961	-	154,082	-
<b>Equity</b>				
Ordinary shares	26,085	25,840	792,144	784,606
Capital reserves	94,579	85,884	2,869,927	2,601,913
Retained earnings	228,239	183,887	7,019,459	5,680,908
Other equity	(17,450)	(17,237)	(358,316)	(546,414)
Treasury shares	(6,592)	(2,760)	(203,450)	(80,688)
Total equity	324,861	275,614	10,119,764	8,440,325
<b>Total liabilities and equity</b>	<b>442,172</b>	<b>372,855</b>	<b>13,733,860</b>	<b>11,357,150</b>

### UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS For six months ended June 30, 2019 and 2018

	USD in Thousands		NTD in Thousands	
	Jun 30, 2019	Jun 30, 2018	Jun 30, 2019	Jun 30, 2018
<b>Cash flows from operating activities</b>				
Income before income tax for the period	37,590	25,761	1,164,534	760,445
Depreciation and amortization (including the right-of-use assets)	7,364	5,615	228,125	165,878
Share-based compensation cost	4,303	3,737	132,721	110,404
Interest income	(1,638)	(41)	(50,792)	(1,212)
Income and expenses having no effect on cash flows	10,029	9,312	310,054	275,070
Accounts receivable	2,418	7,835	75,088	238,655
Inventories	(1,144)	(7,634)	(35,543)	(232,535)
Prepayments	(1,072)	(2,395)	(33,282)	(72,966)
Other current assets	50	(3,196)	1,575	(97,350)
Net changes in assets relating to operating activities	252	(5,390)	7,838	(164,202)
Accounts payable	(864)	(4,911)	(26,837)	(149,577)
Other payables	(721)	(1,472)	81,336	(44,842)
Other current liabilities	2,619	(3,231)	(22,402)	(98,402)
Net changes in liabilities relating to operating activities	1,034	(9,613)	32,097	(292,821)
Cash provided by operations	48,905	20,070	1,514,523	578,492
Interest received	1,637	29	50,733	855
Income taxes paid	(490)	(580)	(15,192)	(17,135)
<b>Net cash provided by operating activities</b>	<b>50,052</b>	<b>19,519</b>	<b>1,550,064</b>	<b>562,212</b>
<b>Cash flows from investing activities</b>				
Acquisition of equipment	(676)	(860)	(20,936)	(25,407)
Acquisition of intangible assets	(3,149)	(953)	(97,547)	(28,157)
Increase in refundable deposits	(67)	(13)	(2,089)	(407)
<b>Net cash used in investing activities</b>	<b>(3,892)</b>	<b>(1,826)</b>	<b>(120,572)</b>	<b>(53,971)</b>
<b>Cash flows from financing activities</b>				
Proceeds from exercise of employee stock options	338	367	10,457	10,835
Purchase of treasury shares	-	(2,760)	-	(80,688)
Repayment of the principal portion of lease liabilities	(989)	-	(30,630)	-
Cash dividend regain from canceled share-based compensation	23	16	689	494
<b>Net cash used in financing activities</b>	<b>(628)</b>	<b>(2,377)</b>	<b>(19,484)</b>	<b>(69,359)</b>
Effect of exchange rate changes on cash and cash equivalents	106	(205)	74,047	133,433
Increase in cash and cash equivalents	45,638	15,111	1,484,055	572,215
Cash and cash equivalents at beginning of period	195,701	160,055	6,011,928	4,763,227
<b>Cash and cash equivalents at end of period</b>	<b>241,339</b>	<b>175,166</b>	<b>7,495,983</b>	<b>5,335,542</b>