

## Parade Technologies, Ltd. and Subsidiaries.

The following consolidated balance sheets of Parade Technologies, Ltd. and its subsidiaries as of December 31, 2020 and 2019 and the related consolidated statements of comprehensive income, and cash flows for the twelve months ended December 31, 2020 and 2019 have been reviewed and audited by independent accountants, PricewaterhouseCoopers, Taiwan.

The reader is advised that these consolidated 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, 2020 and 2019

	USD in Thousands		NTD in Thousands	
	2020	2019	2020	2019
Revenue	518,336	382,050	15,279,588	11,810,592
Cost of goods sold	289,999	218,882	8,547,608	6,766,981
Gross profit	228,337	163,168	6,731,980	5,043,611
Research & development expenses	62,633	53,625	1,848,443	1,657,519
Sales & marketing expenses	23,187	18,597	683,701	574,796
General & administrative expenses	17,483	13,360	515,969	412,845
Expected credit loss	-	12	-	367
Total operating expenses	103,303	85,594	3,048,113	2,645,527
Operating income	125,034	77,574	3,683,867	2,398,084
Non-operating income and expenses	485	3,812	15,160	117,950
Income before income taxes	125,519	81,386	3,699,027	2,516,034
Income tax expenses	6,571	2,649	193,231	82,275
<b>Net income</b>	<b>118,948</b>	<b>78,737</b>	<b>3,505,796</b>	<b>2,433,759</b>
EPS - Basic (In Dollar)	\$1.52	\$1.02	\$44.86	\$31.54
Shares used in computing EPS-Basic (In thousands)	78,156	77,171	78,156	77,171
EPS - Diluted (In Dollar)	\$1.48	\$0.99	\$43.73	\$30.69
Shares used in computing EPS-Diluted (In thousands)	80,161	79,309	80,161	79,309

### Audited Consolidated Balance Sheets As of December 31, 2020 and 2019

	USD in Thousands		NTD in Thousands	
	2020	2019	2020	2019
<b>Current assets</b>				
Cash & cash equivalents	299,146	270,380	8,519,679	8,106,000
Accounts receivable, net	55,433	39,944	1,578,725	1,197,533
Inventories, net	56,707	31,481	1,615,012	943,784
Other current assets	16,998	10,048	484,108	301,249
<b>Total current assets</b>	<b>428,284</b>	<b>351,853</b>	<b>12,197,524</b>	<b>10,548,566</b>
<b>Non-current assets</b>				
Property, plant and equipment, net	12,874	9,267	366,648	277,838
Right-of-use assets	8,771	6,055	249,796	181,543
Intangible assets	112,754	79,207	3,211,223	2,374,609
Deferred income tax assets	6,694	3,801	190,661	113,956
Other non-current assets	12,385	9,210	352,725	276,096
<b>Total non-current assets</b>	<b>153,478</b>	<b>107,540</b>	<b>4,371,053</b>	<b>3,224,042</b>
<b>Total assets</b>	<b>581,762</b>	<b>459,393</b>	<b>16,568,577</b>	<b>13,772,608</b>
<b>Current liabilities</b>				
Accounts payable	43,570	26,224	1,240,882	786,191
Other payables	58,599	24,640	1,706,070	738,687
Current income tax liabilities	18,538	20,556	527,976	616,281
Lease liabilities - current	2,662	2,199	75,801	65,937
Other current liabilities	5,624	6,341	160,159	190,109
<b>Total current liabilities</b>	<b>128,993</b>	<b>79,960</b>	<b>3,710,888</b>	<b>2,397,205</b>
<b>Non-current liabilities</b>				
Lease liabilities - non-current	6,109	3,856	173,995	115,606
<b>Total non-current liabilities</b>	<b>6,109</b>	<b>3,856</b>	<b>173,995</b>	<b>115,606</b>
<b>Total liabilities</b>	<b>135,102</b>	<b>83,816</b>	<b>3,884,883</b>	<b>2,512,811</b>
<b>Equity</b>				
Ordinary shares	26,604	26,313	807,803	799,205
Capital reserves	137,586	103,824	4,152,210	3,159,096
Retained earnings	324,547	271,675	9,890,935	8,333,982
Other equity	(36,108)	(22,939)	(1,999,547)	(930,761)
Treasury shares	(5,969)	(3,296)	(167,707)	(101,725)
<b>Total equity</b>	<b>446,660</b>	<b>375,577</b>	<b>12,683,694</b>	<b>11,259,797</b>
<b>Total liabilities and equity</b>	<b>581,762</b>	<b>459,393</b>	<b>16,568,577</b>	<b>13,772,608</b>

### Audited Consolidated Statements of Cash Flows For twelve months ended December 31, 2020 and 2019

	USD in Thousands		NTD in Thousands	
	2020	2019	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income before income tax for the year	125,519	81,386	3,699,027	2,516,034
Depreciation and amortization (including the right-of-use assets)	16,244	15,779	480,020	487,704
Loss on disposal of equipment	-	4	-	128
Share-based compensation cost	18,783	9,769	566,708	301,582
Interest income	(963)	(3,419)	(28,885)	(105,793)
Income and expenses having no effect on cash flows	34,064	22,133	1,017,843	683,621
Accounts receivable	(15,488)	6,000	(441,109)	179,875
Inventories	(25,226)	4,320	(718,449)	129,513
Other current assets	(6,271)	801	(178,585)	24,018
Net changes in assets relating to operating activities	(46,985)	11,121	(1,338,143)	333,406
Accounts payable	17,347	(5,403)	494,026	(161,971)
Other payables	9,505	4,291	270,701	128,642
Other current liabilities	(718)	(973)	(20,439)	(29,177)
Net changes in liabilities relating to operating activities	26,134	(2,085)	744,288	(62,506)
Cash provided by operations	138,732	112,555	4,123,015	3,470,555
Interest received	963	3,419	28,459	105,674
Income taxes paid	(11,844)	(1,160)	(349,981)	(35,845)
Income tax received	-	-	13	-
<b>Net cash provided by operating activities</b>	<b>127,851</b>	<b>114,814</b>	<b>3,801,506</b>	<b>3,540,384</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of equipment	(7,680)	(2,490)	(226,959)	(76,972)
Acquisition of intangible assets	(6,102)	(5,633)	(180,309)	(174,119)
Increase in refundable deposits	(322)	(57)	(9,182)	(1,702)
Increase in other prepayments	(2,853)	(1,608)	(81,261)	(48,205)
Acquisition of subsidiaries	(37,169)	-	(1,112,458)	-
<b>Net cash used in investing activities</b>	<b>(54,126)</b>	<b>(9,788)</b>	<b>(1,610,169)</b>	<b>(300,998)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from exercise of employee stock options	529	501	15,632	15,479
Repayment of the principal portion of lease liabilities	(2,560)	(2,196)	(75,647)	(67,877)
Purchase of treasury shares	(5,969)	-	(167,707)	-
Treasury shares reissued to employees	3,296	3,296	101,725	101,725
Distribution of cash dividends	(39,369)	(32,529)	(1,216,887)	(980,751)
Cash dividend regain from cancellation of share-based compensation	56	54	1,685	1,604
<b>Net cash used in financing activities</b>	<b>(44,017)</b>	<b>(30,874)</b>	<b>(1,341,199)</b>	<b>(929,820)</b>
Effect of exchange rate changes on cash and cash equivalents	(942)	527	(436,459)	(215,494)
Increase in cash and cash equivalents	28,766	74,679	413,679	2,094,072
Cash and cash equivalents at beginning of year	270,380	195,701	8,106,000	6,011,928
<b>Cash and cash equivalents at end of year</b>	<b>299,146</b>	<b>270,380</b>	<b>8,519,679</b>	<b>8,106,000</b>