

Parade Technologies, Ltd. and Subsidiaries.

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.

**CONSOLIDATED INCOME STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(SIX MONTHS ENDED JUNE 30, 2020 IS UNAUDITED)**

	USD in Thousands						NTD in Thousands					
	Sequential Quarter		Three Months ended		Six Months ended		Sequential Quarter		Three Months ended		Six Months ended	
	Jun 30, 2021	Mar 31, 2021	Jun 30, 2021	Jun 30, 2020	Jun 30, 2021	Jun 30, 2020	Jun 30, 2021	Mar 31, 2021	Jun 30, 2021	Jun 30, 2020	Jun 30, 2021	Jun 30, 2020
Revenue	175,254	153,107	175,254	121,543	328,361	219,903	4,903,589	4,343,653	4,903,589	3,632,919	9,247,242	6,594,548
Cost of goods sold	91,767	84,111	91,767	67,738	175,878	122,200	2,567,624	2,386,235	2,567,624	2,024,686	4,953,859	3,664,539
Gross profit	83,487	68,996	83,487	53,805	152,483	97,703	2,335,965	1,957,418	2,335,965	1,608,233	4,293,383	2,930,009
Research & development expenses	19,088	17,503	19,088	15,198	36,591	29,096	534,076	496,562	534,076	454,265	1,030,638	872,743
Sales & marketing expenses	8,308	6,894	8,308	5,239	15,202	10,103	232,457	195,583	232,457	156,612	428,040	303,054
General & administrative expenses	5,898	4,986	5,898	4,516	10,884	8,157	165,030	141,463	165,030	134,965	306,493	244,610
Total operating expenses	33,294	29,383	33,294	24,953	62,677	47,356	931,563	833,608	931,563	745,842	1,765,171	1,420,407
Operating income	50,193	39,613	50,193	28,852	89,806	50,347	1,404,402	1,123,810	1,404,402	862,391	2,528,212	1,509,602
Non-operating income and (expenses)	(115)	(419)	(115)	143	(534)	960	(3,206)	(11,888)	(3,206)	4,256	(15,094)	28,864
Income before income taxes	50,078	39,194	50,078	28,995	89,272	51,307	1,401,196	1,111,922	1,401,196	866,647	2,513,118	1,538,466
Income tax expense	5,009	2,759	5,009	772	7,768	2,397	140,170	78,263	140,170	23,084	218,433	72,012
Net income	45,069	36,435	45,069	28,223	81,504	48,910	1,261,026	1,033,659	1,261,026	843,563	2,294,685	1,466,454
EPS - Basic (In Dollar)	\$0.57	\$0.46	\$0.57	\$0.36	\$1.03	\$0.63	\$15.98	\$13.13	\$15.98	\$10.81	\$29.12	\$18.81
Shares used in computing EPS-Basic (In thousands)	78,914	78,701	78,914	78,034	78,808	77,955	78,914	78,701	78,914	78,034	78,808	77,955
EPS - Diluted (In Dollar)	\$0.56	\$0.45	\$0.56	\$0.35	\$1.01	\$0.61	\$15.62	\$12.82	\$15.62	\$10.54	\$28.42	\$18.33
Shares used in computing EPS-Diluted (In thousands)	80,735	80,621	80,735	80,012	80,732	80,021	80,735	80,621	80,735	80,012	80,732	80,021

**CONSOLIDATED BALANCE SHEETS
AS OF JUNE 30, 2021 AND 2020
(JUNE 30, 2020 IS UNAUDITED)**

	USD in Thousands		NTD in Thousands	
	Jun 30, 2021	Jun 30, 2020	Jun 30, 2021	Jun 30, 2020
	Current assets			
Cash & cash equivalents	285,336	272,560	7,949,466	8,075,953
Accounts receivable, net	58,787	57,635	1,637,799	1,707,712
Inventories, net	60,448	33,248	1,684,077	985,135
Other current assets	23,322	12,444	649,767	368,725
Total current assets	427,893	375,887	11,921,109	11,137,525
Non-current assets				
Property, plant and equipment, net	16,277	10,211	453,465	302,529
Right-of-use assets	9,489	5,023	264,360	148,839
Intangible assets	114,072	113,516	3,178,062	3,363,513
Deferred income tax assets	8,117	5,253	226,142	155,633
Other non-current assets	73,918	12,453	2,059,345	368,985
Total non-current assets	221,873	146,456	6,181,374	4,339,499
Total Assets	649,766	522,343	18,102,483	15,477,024
Current Liabilities				
Accounts payable	36,860	29,177	1,026,922	864,510
Other payables	70,978	70,442	2,020,870	2,137,572
Current income tax liabilities	26,143	18,975	728,350	562,223
Lease liabilities - current	3,397	1,936	94,628	57,378
Other current liabilities	4,007	8,201	111,645	242,992
Total current liabilities	141,385	128,731	3,982,415	3,864,675
Non current Liabilities				
Lease liabilities - non-current	6,092	3,087	169,732	91,461
Total non-current liabilities	6,092	3,087	169,732	91,461
Equity				
Ordinary shares	26,636	26,343	808,705	800,100
Capital reserves	142,358	105,244	4,281,780	3,201,278
Retained earnings	369,703	281,263	11,167,756	8,584,981
Other equity	(31,453)	(19,029)	(2,168,732)	(963,746)
Treasury shares	(4,955)	(3,296)	(139,173)	(101,725)
Total equity	502,289	390,525	13,950,336	11,520,888
Total liabilities and equity	649,766	522,343	18,102,483	15,477,024

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(SIX MONTHS ENDED JUNE 30, 2020 IS UNAUDITED)**

	USD in Thousands		NTD in Thousands	
	Jun 30, 2021	Jun 30, 2020	Jun 30, 2021	Jun 30, 2020
	Cash flows from operating activities			
Income before income tax for the period	89,272	51,307	2,513,118	1,538,466
Depreciation and amortization (including the right-of-use assets)	12,225	7,384	344,389	221,526
Loss on disposal of equipment	63	-	1,776	-
Share-based compensation cost	7,883	5,080	232,928	156,620
Interest income	(49)	(857)	(1,392)	(25,800)
Income and expenses having no effect on cash flows	20,122	11,607	577,701	352,346
Accounts receivable	(3,354)	(17,690)	(93,442)	(524,159)
Inventories	(3,741)	(1,767)	(104,223)	(52,370)
Other current assets	(5,081)	(759)	(141,559)	(22,487)
Net changes in assets relating to operating activities	(12,176)	(20,216)	(339,224)	(599,016)
Accounts payable	(6,710)	2,953	(186,946)	87,498
Other payables	1,814	6,433	50,543	190,622
Other current liabilities	(1,616)	1,860	(45,027)	55,102
Net changes in liabilities relating to operating activities	(6,512)	11,246	(181,430)	333,222
Cash provided by operations	90,706	53,944	2,570,165	1,625,018
Interest received	49	857	1,392	25,715
Income taxes paid	(1,999)	(7,036)	(56,326)	(211,067)
Income taxes received	2	1	53	12
Net cash provided by operating activities	88,758	47,766	2,515,284	1,439,678
Cash flows from investing activities				
Acquisition of equipment	(6,157)	(2,806)	(173,444)	(84,169)
Acquisition of intangible assets	(81)	(31)	(2,292)	(934)
Increase in refundable deposits	(66,311)	(32)	(1,847,422)	(955)
Increase in other prepayments	(3,938)	(4,992)	(110,926)	(149,754)
Acquisition of business combinations	-	(37,169)	-	(1,112,458)
Net cash used in investing activities	(76,487)	(45,030)	(2,134,084)	(1,348,270)
Cash flows from financing activities				
Proceeds from exercise of employee stock options	143	349	4,036	10,475
Repayment of the principal portion of lease liabilities	(2,018)	(1,126)	(56,844)	(33,769)
Purchase of treasury shares	(10,038)	-	(281,882)	-
Treasury shares reissued to employees	11,052	-	310,416	-
Distribution of cash dividends	(24,455)	-	(733,641)	-
Cash dividend regain from canceled share-based compensation	40	48	1,203	1,432
Net cash used in financing activities	(25,276)	(729)	(756,712)	(21,862)
Effect of exchange rate changes on cash and cash equivalents	(805)	173	(194,701)	(99,593)
Net (decrease) increase in cash and cash equivalents	(13,810)	2,180	(570,213)	(30,047)
Cash and cash equivalents at beginning of period	299,146	270,380	8,519,679	8,106,000
Cash and cash equivalents at end of period	285,336	272,560	7,949,466	8,075,953