

## 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.

### UNAUDITED CONSOLIDATED INCOME STATEMENTS

|   | USD in Thousands   |               |                    |               |                     |                | NTD in Thousands   |                |                    |                  |                     |                  |
|---|--------------------|---------------|--------------------|---------------|---------------------|----------------|--------------------|----------------|--------------------|------------------|---------------------|------------------|
|   | Sequential Quarter |               | Three Months ended |               | Twelve Months ended |                | Sequential Quarter |                | Three Months ended |                  | Twelve Months ended |                  |
|   | Dec 31, 2022       | Sep 30, 2022  | Dec 31, 2022       | Dec 31, 2021  | Dec 31, 2022        | Dec 31, 2021   | Dec 31, 2022       | Sep 30, 2022   | Dec 31, 2022       | Dec 31, 2021     | Dec 31, 2022        | Dec 31, 2021     |
| Revenue   | 101,450            | 151,044       | 101,450            | 194,255       | 679,916             | 714,334        | 3,181,446          | 4,591,744      | 3,181,446          | 5,406,120        | 20,055,284          | 19,994,646       |
| Cost of goods sold                                  | 56,774             | 82,671        | 56,774             | 100,279       | 363,733             | 373,739        | 1,780,425          | 2,513,211      | 1,780,425          | 2,790,774        | 10,739,544          | 10,463,279       |
| Gross profit  | 44,676             | 68,373        | 44,676             | 93,976        | 316,183             | 340,595        | 1,401,021          | 2,078,533      | 1,401,021          | 2,615,346        | 9,315,740           | 9,531,367        |
| Research & development expenses                     | 20,074             | 21,090        | 20,074             | 20,420        | 83,873              | 76,886         | 629,511            | 641,148        | 629,511            | 568,288          | 2,497,656           | 2,152,636        |
| Sales & marketing expenses                          | 6,469              | 7,285         | 6,469              | 8,005         | 29,875              | 31,703         | 202,857            | 221,477        | 202,857            | 222,773          | 887,170             | 887,522          |
| General & administrative expenses                   | 4,114              | 5,327         | 4,114              | 6,429         | 22,439              | 23,635         | 129,023            | 161,917        | 129,023            | 178,932          | 664,390             | 661,551          |
| Total operating expenses                            | 30,657             | 33,702        | 30,657             | 34,854        | 136,187             | 132,224        | 961,391            | 1,024,542      | 961,391            | 969,993          | 4,049,216           | 3,701,709        |
| Operating income                                    | 14,019             | 34,671        | 14,019             | 59,122        | 179,996             | 208,371        | 439,630            | 1,053,991      | 439,630            | 1,645,353        | 5,266,524           | 5,829,658        |
| Non-operating income and (expenses)                 | 1,800              | 1,185         | 1,800              | (170)         | 3,521               | (750)          | 56,441             | 36,031         | 56,441             | (4,721)          | 108,309             | (21,125)         |
| Income before income taxes                          | 15,819             | 35,856        | 15,819             | 58,952        | 183,517             | 207,621        | 496,071            | 1,090,022      | 496,071            | 1,640,632        | 5,374,833           | 5,808,533        |
| Income tax expense                                  | 1,335              | 3,216         | 1,335              | 6,352         | 16,269              | 20,180         | 41,861             | 97,771         | 41,861             | 176,784          | 476,514             | 564,026          |
| <b>Net income</b>                                   | <b>14,484</b>      | <b>32,640</b> | <b>14,484</b>      | <b>52,600</b> | <b>167,248</b>      | <b>187,441</b> | <b>454,210</b>     | <b>992,251</b> | <b>454,210</b>     | <b>1,463,848</b> | <b>4,898,319</b>    | <b>5,244,507</b> |
| EPS - Basic (In Dollar)                             | \$0.18             | \$0.41        | \$0.18             | \$0.66        | \$2.09              | \$2.37         | \$5.67             | \$12.38        | \$5.67             | \$18.42          | \$61.35             | \$66.29          |
| Shares used in computing EPS-Basic (In thousands)   | 80,160             | 80,182        | 80,160             | 79,491        | 79,845              | 79,114         | 80,160             | 80,182         | 80,160             | 79,491           | 79,845              | 79,114           |
| EPS - Diluted (In Dollar)                           | \$0.18             | \$0.40        | \$0.18             | \$0.65        | \$2.06              | \$2.32         | \$5.60             | \$12.21        | \$5.60             | \$18.08          | \$60.35             | \$64.79          |
| Shares used in computing EPS-Diluted (In thousands) | 81,067             | 81,272        | 81,067             | 80,973        | 81,160              | 80,952         | 81,067             | 81,272         | 81,067             | 80,973           | 81,160              | 80,952           |

### UNAUDITED CONSOLIDATED BALANCE SHEETS As of DECEMBER 31, 2022 and 2021

|                                     | USD in Thousands |                | NTD in Thousands  |                   |
|-------------------------------------|------------------|----------------|-------------------|-------------------|
|                                     | Dec 31, 2022     | Dec 31, 2021   | Dec 31, 2022      | Dec 31, 2021      |
| <b>Current assets</b>               |                  |                |                   |                   |
| Cash & cash equivalents             | 227,137          | 332,433        | 6,975,384         | 9,201,743         |
| Accounts receivable, net            | 34,707           | 50,383         | 1,065,863         | 1,394,595         |
| Inventories, net                    | 145,493          | 75,779         | 4,468,087         | 2,097,554         |
| Other current assets                | 20,236           | 12,407         | 621,454           | 343,437           |
| Total current assets                | 427,573          | 471,002        | 13,130,788        | 13,037,329        |
| <b>Non-current assets</b>           |                  |                |                   |                   |
| Property, plant and equipment, net  | 16,136           | 17,625         | 495,523           | 487,868           |
| Right-of-use assets                 | 5,302            | 8,474          | 162,812           | 234,571           |
| Intangible assets                   | 103,038          | 109,979        | 3,164,291         | 3,044,207         |
| Deferred income tax assets          | 11,621           | 8,817          | 356,894           | 244,042           |
| Other non-current assets            | 155,044          | 75,636         | 4,761,390         | 2,093,609         |
| Total non-current assets            | 291,141          | 220,531        | 8,940,910         | 6,104,297         |
| <b>Total Assets</b>                 | <b>718,714</b>   | <b>691,533</b> | <b>22,071,698</b> | <b>19,141,626</b> |
| <b>Current Liabilities</b>          |                  |                |                   |                   |
| Accounts payable                    | 13,003           | 40,846         | 399,308           | 1,130,616         |
| Other payables                      | 100,624          | 90,291         | 2,970,174         | 2,519,249         |
| Current income tax liabilities      | 12,846           | 18,678         | 394,513           | 517,012           |
| Lease liabilities - current         | 2,656            | 3,574          | 81,569            | 98,946            |
| Other current liabilities           | 13,474           | 10,044         | 413,782           | 278,008           |
| Total current liabilities           | 142,603          | 163,433        | 4,259,346         | 4,543,831         |
| <b>Non-current Liabilities</b>      |                  |                |                   |                   |
| Lease liabilities - non-current     | 2,646            | 4,900          | 81,243            | 135,625           |
| Total non-current liabilities       | 2,646            | 4,900          | 81,243            | 135,625           |
| <b>Equity</b>                       |                  |                |                   |                   |
| Ordinary shares                     | 26,740           | 26,634         | 811,913           | 808,638           |
| Capital reserves                    | 138,110          | 143,754        | 4,192,921         | 4,319,491         |
| Retained earnings                   | 492,999          | 433,068        | 14,671,389        | 12,970,276        |
| Other equity                        | (14,299)         | (23,915)       | 208,496           | (2,070,966)       |
| Treasury shares                     | (70,085)         | (56,341)       | (2,153,610)       | (1,565,269)       |
| Total equity                        | 573,465          | 523,200        | 17,731,109        | 14,462,170        |
| <b>Total liabilities and equity</b> | <b>718,714</b>   | <b>691,533</b> | <b>22,071,698</b> | <b>19,141,626</b> |

### UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022 and 2021

|   | USD in Thousands |                  | NTD in Thousands   |                    |
|---|------------------|------------------|--------------------|--------------------|
|   | Dec 31, 2022     | Dec 31, 2021     | Dec 31, 2022       | Dec 31, 2021       |
| <b>Cash flows from operating activities</b>                       |                  |                  |                    |                    |
| Income before income tax for the year                             | 183,517          | 207,621          | 5,374,833          | 5,808,533          |
| Depreciation and amortization (including the right-of-use assets) | 21,960           | 25,509           | 654,416            | 714,503            |
| Loss on disposal of intangible assets                             | 665              | -                | 19,817             | -                  |
| Loss on disposal of equipment                                     | 1                | 86               | 35                 | 2,417              |
| Share-based compensation cost                                     | 32,529           | 31,676           | 969,165            | 913,618            |
| Interest income   | (2,069)          | (96)             | (63,912)           | (2,685)            |
| Income and expenses having no effect on cash flows                | 53,086           | 57,175           | 1,579,521          | 1,627,853          |
| Accounts receivable   | 15,675           | 5,050            | 481,391            | 139,785            |
| Inventories   | (69,714)         | (19,072)         | (2,140,923)        | (527,908)          |
| Other current assets  | (37,354)         | (7,774)          | (1,078,797)        | (223,290)          |
| Net changes in assets relating to operating activities            | (91,393)         | (21,796)         | (2,738,329)        | (611,413)          |
| Accounts payable  | (27,843)         | (2,724)          | (855,072)          | (75,409)           |
| Other payables  | (8,977)          | 15,396           | (275,698)          | 426,155            |
| Other current liabilities   | 3,430            | 4,420            | 105,341            | 122,349            |
| Net changes in liabilities relating to operating activities       | (33,390)         | 17,092           | (1,025,429)        | 473,095            |
| Cash provided by operations                                       | 111,820          | 260,092          | 3,190,596          | 7,298,068          |
| Interest received   | 2,069            | 96               | 63,912             | 2,685              |
| Income taxes paid   | (24,117)         | (17,010)         | (718,678)          | (476,455)          |
| Income taxes received   | 242              | 2                | 7,219              | 52                 |
| <b>Net cash generated from operating activities</b>               | <b>90,014</b>    | <b>243,180</b>   | <b>2,543,049</b>   | <b>6,824,350</b>   |
| <b>Cash flows from investing activities</b>                       |                  |                  |                    |                    |
| Acquisition of equipment  | (5,757)          | (10,584)         | (171,548)          | (296,457)          |
| Acquisition of intangible assets                                  | (466)            | (395)            | (13,901)           | (11,065)           |
| Increase in refundable deposits                                   | (72,127)         | (66,269)         | (2,215,017)        | (1,834,320)        |
| Increase in other prepayments                                     | (11,997)         | (7,968)          | (357,512)          | (223,186)          |
| <b>Net cash used in investing activities</b>                      | <b>(90,347)</b>  | <b>(85,216)</b>  | <b>(2,757,978)</b> | <b>(2,365,028)</b> |
| <b>Cash flows from financing activities</b>                       |                  |                  |                    |                    |
| Proceeds from exercise of employee stock options                  | 2,448            | 271              | 72,937             | 7,583              |
| Repayment of the principal portion of lease liabilities           | (3,663)          | (3,899)          | (109,154)          | (109,202)          |
| Purchase of treasury shares                                       | (48,277)         | (61,424)         | (1,547,481)        | (1,707,978)        |
| Proceeds from exercise of disengagement                           | -                | -                | 11                 | -                  |
| Treasury shares reissued to employees                             | 34,533           | 11,052           | 959,141            | 310,416            |
| Distribution of cash dividends                                    | (93,720)         | (59,474)         | (2,622,127)        | (1,752,708)        |
| Cash dividend regain from canceled share-based compensation       | 76               | 62               | 2,245              | 1,881              |
| <b>Net cash used in financing activities</b>                      | <b>(108,603)</b> | <b>(113,412)</b> | <b>(3,244,428)</b> | <b>(3,250,008)</b> |
| Effect of exchange rate changes                                   | 3,640            | (11,265)         | 1,232,998          | (527,250)          |
| Net (decrease) increase in cash and cash equivalents              | (105,296)        | 33,287           | (2,226,359)        | 682,064            |
| Cash and cash equivalents at beginning of year                    | 332,433          | 299,146          | 9,201,743          | 8,519,679          |
| <b>Cash and cash equivalents at end of year</b>                   | <b>227,137</b>   | <b>332,433</b>   | <b>6,975,384</b>   | <b>9,201,743</b>   |