

**UNITED RENEWABLE ENERGY CO., LTD.  
AND SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Three Months Ended March 31, 2022 and 2021**

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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## Independent Auditors' Review Report

To the Board of Directors of United Renewable Energy Co., Ltd.:

### Introduction

We have reviewed the accompanying consolidated balance sheets of United Renewable Energy Co., Ltd. and its subsidiaries as of March 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2022 and 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with Statement of Auditing Standards 65, "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Basis for Qualified Conclusion

As stated in Note 4(b) and 13(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$5,626,848 thousand and \$6,253,212 thousand, constituting 18% and 20% of consolidated total assets as of March 31, 2022 and 2021; total liabilities amounting to \$3,939,390 thousand and \$3,751,051 thousand, constituting 27% and 22% of consolidated total liabilities as of March 31, 2022 and 2021; total comprehensive income (loss) amounting to \$77,021 thousand and \$(170,021) thousand, constituting 10% and 28% of consolidated total comprehensive income (loss) for the three months ended March 31, 2022 and 2021.

Furthermore, as stated in Note 6(h), the investments accounted for using the equity method of United Renewable Energy Co., Ltd. and its subsidiaries amounting to \$219,009 thousand and \$162,252 thousand as of March 31, 2022 and 2021, and its shares of profit (loss) of associates accounted for using the equity method amounting to \$1,203 thousand and \$(9,366) thousand for the three months ended March 31, 2022 and 2021, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

**Qualified Conclusion**

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of United Renewable Energy Co., Ltd. and its subsidiaries as of March 31, 2022 and 2021, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2022 and 2021 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Cheng-Chien Chen and Yung-Hua Huang.

KPMG

Taipei, Taiwan (Republic of China)  
May 10, 2022

**Notes to Readers**

The accompanying consolidated financial statements are intended only to present the consolidated statement of financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**Reviewed only, not audited in accordance with the generally accepted auditing standards as of March 31, 2022 and 2021**

**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**March 31, 2022, December 31, 2021, and March 31, 2021**

(Expressed in Thousands of New Taiwan Dollars)

Assets		March 31, 2022		December 31, 2021		March 31, 2021				March 31, 2022		December 31, 2021		March 31, 2021	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
1100	Cash and cash equivalents (note 6(a))	\$ 4,755,545	15	5,254,173	17	4,903,644	16	2100	Short-term borrowings (note 6(n))	\$ 307,615	1	50,389	-	2,262,426	7
1110	Financial assets at fair value through profit or loss - current (note 6(b))	69,348	-	74,255	-	4,921	-	2110	Short-term bills payable (note 6(o))	106,579	-	221,253	1	237,595	1
1120	Financial assets at fair value through other comprehensive income - current (note 6(c))	139,189	-	111,712	-	113,814	-	2120	Financial liabilities at fair value through profit or loss - current (note 6(b))	10,212	-	1,924	-	793	-
1140	Contract assets - current (notes 6(aa) and 7)	440,325	2	215,187	1	63,269	-	2130	Contract liabilities - current (notes 6(aa) and 7)	557,211	2	506,666	2	611,507	2
1170	Notes and accounts receivable, net (note 6(e))	1,965,855	6	1,871,520	6	2,356,954	7	2170	Notes and accounts payable	1,178,711	4	1,355,764	4	1,315,394	4
1180	Accounts receivable from related parties (notes 6(e) and 7)	213,822	1	225,389	1	210,006	1	2260	Liabilities related to non-current assets held for sale (note 6(g))	1,027,841	3	1,607,188	5	1,025,715	3
1200	Other receivables	105,885	-	141,706	-	180,801	-	2280	Lease liability - current (note 6(s))	56,104	-	59,058	-	59,473	-
1210	Other receivables from related parties (note 7)	421,876	1	407,956	1	513,720	2	2320	Current portion of long-term borrowings and preference share liabilities (notes 6(p) and (r))	2,385,095	8	2,446,656	8	4,544,186	15
130X	Inventories (notes 6(f) and 8)	2,961,747	10	2,653,595	9	3,274,867	10	2399	Other current liabilities (note 6(t) and 7)	1,767,855	6	1,727,778	6	1,574,383	5
1410	Prepayments (notes 7 and 9)	876,700	3	1,149,948	4	751,782	2		Total current liabilities	7,397,223	24	7,976,676	26	11,631,472	37
1460	Non-current assets held for sale (notes 6(g) and 8)	1,432,367	5	2,145,372	7	1,764,580	6		Non-Current liabilities:						
1476	Other financial assets (notes 8)	797,367	3	924,036	3	581,716	2	2500	Financial liabilities at fair value through profit or loss - non-current (notes 6(b) and (p))	51,848	-	49,896	-	87,044	-
1479	Other current assets	252,342	1	211,531	1	232,625	1	2530	Total bonds payable (note 6(q))	2,956,667	10	2,952,450	10	-	-
	Total current assets	14,432,368	47	15,386,380	50	14,952,699	47	2540	Long-term borrowings (note 6(p))	3,132,434	10	3,525,712	11	4,506,176	14
	Non-current assets:							2580	Lease liability - non-current (note 6(s))	554,260	2	560,061	2	596,247	2
1510	Financial assets at fair value through profit or loss - non-current (notes 6(b), (q) and (r))	99,200	-	97,096	-	180,394	1	2635	Preference share liabilities - non-current (note 6(r))	3,230	-	4,377	-	10,488	-
1517	Financial assets at fair value through other comprehensive income - non-current (notes 6(c) and 8)	410,420	1	333,791	1	264,592	1	2670	Other non-current liabilities (note 6(t))	300,878	1	313,704	1	345,897	1
1535	Financial assets at amortized cost - non-current (note 6(d))	-	-	-	-	142,525	-		Total non-current liabilities	6,999,317	23	7,406,200	24	5,545,852	17
1550	Investments accounted for using the equity method (notes 6(h) and 7)	219,009	1	211,473	1	162,252	1		Total liabilities	14,396,540	47	15,382,876	50	17,177,324	54
1600	Property, plant and equipment (notes 6(j), 7 and 8)	8,683,967	28	8,213,695	26	8,910,568	28	3110	Equity attributable to owners of parent (notes 6(x) and (y))	16,278,140	53	16,278,140	52	26,650,178	84
1755	Right-of-use assets (note 6(k))	423,805	1	431,008	2	571,866	2	3200	Ordinary shares	1,000,985	3	999,749	3	7,956	-
1760	Investment property, net (note 6(l) and 8)	2,816,090	10	2,844,125	9	2,715,250	9	3350	Accumulated deficit	(861,074)	(3)	(1,461,427)	(5)	(12,114,100)	(38)
1780	Intangible assets (note 6(m))	4,878	-	4,803	-	2,931	-	3400	Other equity	(511,847)	(2)	(667,163)	(2)	(853,408)	(3)
1840	Deferred tax assets	628,585	2	629,448	2	639,907	2	3500	Treasury shares	(18,699)	-	(18,699)	-	(18,699)	-
1915	Prepayments - non-current (notes 9)	2,157,022	7	1,934,036	6	1,968,594	6		Total equity attributable to owners of parent	15,887,505	51	15,130,600	48	13,671,927	43
1920	Refundable deposits (note 8)	674,291	2	654,938	2	739,542	2	36XX	Non-controlling interests	699,424	2	701,780	2	756,507	3
1942	Other receivables from related parties - non-current (note 7)	21,981	-	21,255	-	21,896	-		Total equity	16,586,929	53	15,832,380	50	14,428,434	46
1990	Other non-current assets (note 8)	411,853	1	453,208	1	332,742	1								
	Total non-current assets	16,551,101	53	15,828,876	50	16,653,059	53								
	Total assets	\$ 30,983,469	100	31,215,256	100	31,605,758	100		Total liabilities and equity	\$ 30,983,469	100	31,215,256	100	31,605,758	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**Reviewed only, not audited in accordance with generally accepted auditing standards**

**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**

**Consolidated Statements of Comprehensive Income**

**For the three months ended March 31, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)**

		<b>For the three months ended March 31</b>			
		<b>2022</b>		<b>2021</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Net operating revenues (notes 6(aa) and 7)</b>	\$ 4,682,273	100	3,004,968	100
5110	Operating costs (notes 6(f)(s)(v), 7 and 12)	3,929,823	84	3,051,997	101
5900	<b>Gross gain (loss) from operations</b>	<u>752,450</u>	<u>16</u>	<u>(47,029)</u>	<u>(1)</u>
	<b>Operating expenses (notes 6(e)(s)(v) and 12):</b>				
6100	Selling expenses	85,570	2	146,808	5
6200	General and administrative expenses	149,868	3	238,323	8
6300	Research and development expenses	18,382	-	27,983	1
6450	Impairment loss (reversal of impairment loss) on trade receivable	<u>(2,148)</u>	<u>-</u>	<u>622</u>	<u>-</u>
	<b>Total operating expense</b>	<u>251,672</u>	<u>5</u>	<u>413,736</u>	<u>14</u>
	<b>Loss from operations</b>	<u>500,778</u>	<u>11</u>	<u>(460,765)</u>	<u>(15)</u>
	<b>Non-operating income and expenses:</b>				
7010	Other income (notes 6(ac) and 7)	113,070	2	43,679	1
7020	Other gains and losses (notes 6(g)(i) and (ac))	61,506	1	(14,624)	-
7050	Finance costs (note 6(q)(r))	(68,739)	(1)	(110,469)	(4)
7060	Share of gain (loss) of associates and joint ventures accounted for using equity method (note 6(h))	1,203	-	(9,366)	-
7100	Interest income	<u>1,049</u>	<u>-</u>	<u>1,010</u>	<u>-</u>
		<u>108,089</u>	<u>2</u>	<u>(89,770)</u>	<u>(3)</u>
	Loss before income tax	608,867	13	(550,535)	(18)
7950	Less: income tax expense (note 6(w))	<u>26,441</u>	<u>1</u>	<u>3,675</u>	<u>-</u>
8200	<b>Net loss</b>	<u>582,426</u>	<u>12</u>	<u>(554,210)</u>	<u>(18)</u>
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that may not be reclassified subsequently to profit or loss:</b>				
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	9,607	-	(13,081)	(1)
8360	<b>Items that may be reclassified subsequently to profit or loss:</b>				
8361	Exchange differences on translation of foreign statements	<u>167,593</u>	<u>4</u>	<u>(30,054)</u>	<u>(1)</u>
8300	<b>Total other comprehensive income (loss)</b>	<u>177,200</u>	<u>4</u>	<u>(43,135)</u>	<u>(2)</u>
	<b>Total comprehensive income (loss)</b>	<u>\$ 759,626</u>	<u>16</u>	<u>(597,345)</u>	<u>(20)</u>
	<b>Net loss attributable to:</b>				
	Shareholders of the parent	\$ 600,353	12	(532,716)	(17)
	Non-controlling interests	<u>(17,927)</u>	<u>-</u>	<u>(21,494)</u>	<u>(1)</u>
		<u>\$ 582,426</u>	<u>12</u>	<u>(554,210)</u>	<u>(18)</u>
	<b>Total comprehensive income (loss) attributable to:</b>				
	Shareholders of the parent	\$ 755,319	16	(586,349)	(20)
	Non-controlling interests	<u>4,307</u>	<u>-</u>	<u>(10,996)</u>	<u>-</u>
		<u>\$ 759,626</u>	<u>16</u>	<u>(597,345)</u>	<u>(20)</u>
9750	<b>Basic earnings (loss) per share (NT dollars) (note 6(z))</b>	<u>\$ 0.37</u>		<u>(0.35)</u>	
9850	<b>Diluted earnings per share (NT dollars) (note 6(z))</b>	<u>\$ 0.34</u>			

See accompanying notes to consolidated financial statements.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**

**Consolidated Statements of Changes in Equity**

**For the three months ended March 31, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars)**

	Share capital		Attributable to owners of parent							
				Other equity						
	Ordinary shares	Capital surplus	Accumulated deficits	Exchange differences on translation of foreign financial statements	Unrealized gains (loss) on financial assets at fair value through other comprehensive income	Unearned employees benefits	Treasury shares	Total equity attributable to owners of parent	Non-controlling interest	Total equity
Balance at January 1, 2021	\$ 26,650,863	7,877	(11,581,063)	(669,674)	(124,956)	(7,416)	(18,699)	14,256,932	767,182	15,024,114
Net loss for the three months ended March 31, 2021	-	-	(532,716)	-	-	-	-	(532,716)	(21,494)	(554,210)
Other comprehensive income (loss) for the three months ended March 31, 2021	-	-	-	(40,552)	(13,081)	-	-	(53,633)	10,498	(43,135)
Total comprehensive income (loss) for the three months ended March 31, 2021	-	-	(532,716)	(40,552)	(13,081)	-	-	(586,349)	(10,996)	(597,345)
Other changes in capital surplus:										
Cancellation of restricted shares for employees	(685)	79	-	-	-	606	-	-	-	-
Difference between the price that has not been increased in proportion to shareholding and net value	-	-	(321)	-	-	-	-	(321)	321	-
Compensation cost of restricted shares for employees	-	-	-	-	-	1,665	-	1,665	-	1,665
Balance at March 31, 2021	\$ 26,650,178	7,956	(12,114,100)	(710,226)	(138,037)	(5,145)	(18,699)	13,671,927	756,507	14,428,434
Balance at January 1, 2022	\$ 16,278,140	999,749	(1,461,427)	(775,360)	109,064	(867)	(18,699)	15,130,600	701,780	15,832,380
Net Income for the three months ended March 31, 2022	-	-	600,353	-	-	-	-	600,353	(17,927)	582,426
Other comprehensive income (loss) for the three months ended March 31, 2022	-	-	-	145,359	9,607	-	-	154,966	22,234	177,200
Total comprehensive income (loss) for the three months ended March 31, 2022	-	-	600,353	145,359	9,607	-	-	755,319	4,307	759,626
Other changes in capital surplus:										
Compensation cost of restricted shares for employees	-	-	-	-	-	350	-	350	-	350
Difference between the price that has not been increased in proportion to shareholding and net value	-	1,236	-	-	-	-	-	1,236	-	1,236
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(6,663)	(6,663)
Balance at March 31, 2022	\$ 16,278,140	1,000,985	(861,074)	(630,001)	118,671	(517)	(18,699)	15,887,505	699,424	16,586,929

See accompanying notes to consolidated financial statements.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**For the three months ended March 31, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the three months ended March 31</b>	
	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities:</b>		
Profit before income tax	\$ 608,867	(550,535)
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expense	281,354	325,119
Amortization expense	645	2,858
Expected credit loss (gain)	(2,148)	622
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	16,640	(16,629)
Finance cost	49,594	98,331
Interest income	(1,049)	(1,010)
Compensation cost of restricted shares for employees	350	1,665
Share of loss of associates and joint ventures accounted for using the equity method	(1,203)	9,366
Loss on disposal of property, plant and equipment and power facilities business held for sale	(33,434)	(74)
Loss (gain) on disposal of investment properties	(1)	-
Reversal of provisions	(8,346)	-
Others	(5,734)	83,361
<b>Total adjustments to reconcile profit (loss)</b>	<b>296,668</b>	<b>503,609</b>
<b>Changes in operating assets and liabilities:</b>		
Contract assets - current	(227,050)	111,772
Notes and accounts receivable	(95,042)	(327,710)
Accounts receivable from related parties	14,707	883
Other receivables	36,606	87,754
Other receivables from related parties	(16,389)	(1,956)
Inventory	(415,499)	180,754
Prepayments (including non-current)	237,315	(52,927)
Other current assets	89,439	(82,172)
Contract liabilities - current	50,545	262,596
Notes and accounts payable (including related parties)	(191,088)	(43,244)
Provisions	8,745	(62,549)
Other current liabilities	3,956	47,028
<b>Total changes in operating assets and liabilities</b>	<b>(503,755)</b>	<b>120,229</b>
Cash inflow generated from (used in) operations	401,780	73,303
Income taxes paid	1,937	(202)
<b>Net cash flows generated from (used in) operating activities</b>	<b>403,717</b>	<b>73,101</b>
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	(94,500)	-
Proceeds from disposal of associates	2,469	278,613
Proceeds from disposal of subsidiaries	(1,272)	-
Acquisition of property, plant and equipment	(490,127)	(124,362)
Proceeds from disposal of property, plant and equipment and power facilities business held for sale	33,826	74
Increase in refundable deposits	(19,361)	(7,487)
Acquisition of intangible assets	(720)	-
Decrease in other financial assets	169,312	422,606
Decrease (increase) in other non-current assets	(186,910)	22,599
Interest received	1,514	1,342
Dividends received	-	746
<b>Net cash flows generated from investing activities</b>	<b>(585,769)</b>	<b>594,131</b>
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term loans	257,226	(80,944)
Decrease (increase) in short-term bills payable	(114,700)	62,800
Proceeds from long-term borrowings	35,484	548,025
Repayments of long-term borrowings	(527,426)	(1,094,226)
Repayments of preference share liabilities	(4,335)	(4,387)
Payment of lease liabilities	(22,723)	(12,380)
Interest paid	(45,496)	(101,521)
Others	(1,178)	3,162
<b>Net cash used in financing activities</b>	<b>(423,148)</b>	<b>(679,471)</b>
<b>Effect of exchange rate changes</b>	<b>106,572</b>	<b>898</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(498,628)</b>	<b>(11,341)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>5,254,173</b>	<b>4,954,658</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 4,755,545</b>	<b>\$ 4,943,317</b>
<b>The components of cash and cash equivalents</b>		
Cash and equivalents listed on consolidated balance sheets	\$ 4,755,545	4,903,644
Cash and equivalents related to non-current assets held for sale	-	39,673
<b>Cash and equivalents at end of period</b>	<b>\$ 4,755,545</b>	<b>\$ 4,943,317</b>

See accompanying notes to consolidated financial statements.



(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
Reviewed only, not audited in accordance with generally accepted auditing standards

## **UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**

### **Notes to the Consolidated Financial Statements**

**March 31, 2022 and 2021**

**(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)**

#### **(1) Company history**

United Renewable Energy Co., Ltd., formerly Neo Solar Power Corp., (the “Group”) was incorporated in the Republic of China on August 26, 2005. It specializes in manufacturing high-quality solar cells, solar cell modules and wafers. The Group’s main business activities include researching, developing, designing, manufacturing and selling solar cells, as well as participating in other solar-related businesses. Its ordinary shares have been listed on the Taiwan Stock Exchange (TWSE) since January 2009.

On October 1, 2018, the Group merged with former Gintech Energy Corporation (“Gintech”) and Solartech Energy Corporation (“Solartech”), with the Group as the sole surviving company. On March 31, 2019, the Group merged with former General Energy Solutions Inc. (GES), with the Group as the surviving company and GES as the dissolved entity.

#### **(2) Approval date and procedures of the consolidated financial statements**

The consolidated financial statements were approved and released by the Group’s Board of Directors on May 10, 2022.

#### **(3) New standards, amendments and interpretations adopted:**

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2022:

- Amendments to IAS 16 “Property, Plant and Equipment—Proceeds before Intended Use”
- Amendments to IAS 37 “Onerous Contracts—Cost of Fulfilling a Contract”
- Annual Improvements to IFRS Standards 2018–2020
- Amendments to IFRS 3 “Reference to the Conceptual Framework”

(Continued)

**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (b) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of balance sheet, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.	January 1, 2023
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.	January 1, 2023

The Group is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”

**(4) Summary of significant accounting policies**

- (a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

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## UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2020. For related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2020.

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements:

Investor	Investee	Principal activity	% of Ownership			Note
			March 31, 2022	December 31, 2021	March 31, 2021	
The Company	New Ray Investment Corp. ("New Ray Investment")	Investment company	- %	- %	100.00 %	3
	DelSolar Holding Singapore Pte. Ltd. ("DelSolar Singapore")	Investment company	100.00 %	100.00 %	100.00 %	
	DelSolar Holding ("Cayman") Ltd. ("DelSolar Cayman")	Investment company	100.00 %	100.00 %	100.00 %	
	NSP Systems ("BVT") Ltd. ("NSP BVT")	Investment company	100.00 %	100.00 %	100.00 %	
	NSP UK Holding Limited ("NSP UK")	Investment company	100.00 %	100.00 %	100.00 %	
	Best Power Service Corp. ("BPS")	Solar related business	- %	60.00 %	60.00 %	2
	NSP System Development Corp. ("NSP System")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Energy Middle East FZE ("GES ME")	Solar related business	100.00 %	100.00 %	100.00 %	
	Utech solar corporation ("Utech")	Electronic component manufacturing	99.94 %	99.94 %	99.92 %	
	Ultimate Energy Solution Limited ("UES")	Investment company	100.00 %	100.00 %	100.00 %	
	Solartech Materials Corporation ("SMC")	Solar related business	100.00 %	100.00 %	100.00 %	
	Apex solar Corporation ("Apex")	Solar related business	- %	- %	100.00 %	4
	Zhongyang Corporation ("Zhongyang")	Solar related business	100.00 %	100.00 %	100.00 %	
	United Renewable Energy Engineering Co., Ltd. ("UREE")	Solar related business	- %	100.00 %	100.00 %	2
	Yong Liang Ltd. ("Yong Liang")	Solar related business	36.14 %	36.14 %	100.00 %	7
	Yong Zhou Ltd. ("Yong Zhou")	Solar related business	100.00 %	100.00 %	100.00 %	
	General Energy Solutions UK Limited ("GES UK")	Investment company	100.00 %	100.00 %	100.00 %	
	ELECTRONIC J.R.C. S.R.L ("JRC")	Solar related business	59.69 %	59.69 %	59.69 %	
	Dashiangying Energy Power Ltd. Co. ("Dashiangying")	Solar related business	100.00 %	100.00 %	100.00 %	6
	Shinkai Energy Power Ltd. Co. ("Shinkai")	Solar related business	100.00 %	100.00 %	100.00 %	6
	Shanshang Energy Power Ltd. Co. ("Shanshang")	Solar related business	100.00 %	100.00 %	100.00 %	
	Jiangung Energy Power Ltd. Co. ("Jiangung")	Solar related business	- %	- %	100.00 %	7
	Dungshr Energy Power Ltd. Co. ("Dungshr")	Electronic component	100.00 %	100.00 %	100.00 %	
	Yanshan Energy Power Ltd. Co. ("Yanshan")	Solar related business	- %	100.00 %	100.00 %	5

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Investor	Investee	Principal activity	% of Ownership			Note
			March 31, 2022	December 31, 2021	March 31, 2021	
GES UK	General Energy Solutions USA, Inc. ("GES USA")	Investment company	100.00 %	100.00 %	100.00 %	
	GES JAPAN CORPORATION ("GES JAPAN")	Investment company	100.00 %	100.00 %	100.00 %	
	NCH Solar 1 Limited ("NCH Solar 1")	Solar related business	- %	- %	100.00 %	4
	GES Solar 2 Limited ("GES Solar 2")	Solar related business	- %	- %	100.00 %	4
	GES Solar 3 Limited ("GES Solar 3")	Solar related business	- %	- %	100.00 %	4
	General Energy Solutions CANADA Inc. ("GES CANADA")	Investment company	100.00 %	100.00 %	100.00 %	
GES USA	NSP Germany	Solar related business	90.00 %	90.00 %	90.00 %	
	MEGATWO, LLC ("MEGATWO")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGATHREE, LLC ("MEGATHREE")	Solar related business	- %	- %	40.00 %	4
	GES MEGAFIVE, LLC ("MEGAFIVE")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGASIX, LLC ("MEGASIX")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGAEIGHT, LLC ("MEGAEIGHT")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGATWELVE, LLC("MEGATWELVE")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGATHIRTEEN, LLC("MEGATHIRTEEN")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGASIXTEEN, LLC("MEGASIXTEEN")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGANINETEEN, LLC("MEGANINETEEN")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGATWENTY, LLC("MEGATWENTY")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES ASSET TWO, LLC("ASSET TWO")	Solar related business	- %	- %	- %	
	GES ASSET THREE LLC("ASSET THREE")	Solar related business	100.00 %	100.00 %	100.00 %	
	SH4 SOLAR LLC("SH4")	Solar related business	100.00 %	100.00 %	100.00 %	
	Cedar Falls Solar Farm, LLC("CEDAR FALLS")	Solar related business	- %	- %	100.00 %	4
	Schenectady Solar, LLC ("Schenectady")	Solar related business	- %	- %	- %	
	Village of Coxsackie Municipal Solar Project One, LLC (VOC)	Solar related business	- %	- %	- %	4
	SEG MI 57 LLC("SEG")	Solar related business	100.00 %	100.00 %	100.00 %	
	Kinect Solar Fund 1, LLC("KINECT")	Solar related business	100.00 %	100.00 %	100.00 %	
	RER CT 57, LLC("RER CT 57")	Solar related business	- %	- %	100.00 %	4
	TEV II, LLC("TEV II")	Solar related business	100.00 %	100.00 %	100.00 %	
	Heywood Solar PGS, LLC("HEYWOOD")	Solar related business	55.00 %	55.00 %	55.00 %	
	MP Solar, LLC("MP Solar")	Solar related business	- %	- %	55.00 %	4
	Ventura Solar LLC("Ventura")	Solar related business	- %	- %	55.00 %	4
	ILLINI POWER LLC	Solar related business	- %	- %	- %	4
	PS CS, LLC("PS CS")	Solar related business	- %	- %	- %	4
NSP NEVADA	Heywood Solar PGS, LLC ("HEYWOOD")	Solar related business	45.00 %	45.00 %	45.00 %	
	MP Solar, LLC ("MP Solar")	Solar related business	- %	- %	45.00 %	4
	Ventura Solar, LLC ("Ventura")	Solar related business	- %	- %	45.00 %	4
	Livermore Community Solar Farm, LLC("Livermore")	Solar related business	100.00 %	100.00 %	100.00 %	
	Industrial Park Drive Solar, LLC("Industrial Park")	Solar related business	100.00 %	100.00 %	100.00 %	
	Hillsboro Town Solar, LLC("Hillsboro")	Solar related business	100.00 %	100.00 %	100.00 %	

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Investor	Investee	Principal activity	% of Ownership			Note
			March 31, 2022	December 31, 2021	March 31, 2021	
GES CANADA	ELECTRONIC J.R.C., S.R.L.(“JRC”)	Solar related business	40.31 %	40.31 %	40.31 %	
MEGATWO	Munisol S.A.P.I. de C.V.(“MUNISOL”)	Solar related business	100.00 %	100.00 %	100.00 %	
ASSET THREE	GES Asset Three Shima’s, LLC(“SHIMA’S”)	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Asset Three Waimea, LLC(“WAIMEA”)	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Asset Three Honokawai, LLC(“HONOKAWAI”)	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Asset Three Eleele, LLC(“ELEELE”)	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Asset Three Hanalei, LLC(“HANALEI”)	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Asset Three Kapaa, LLC(“KAPAA”)	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Asset Three Koloa, LLC(“KOLOA”)	Solar related business	100.00 %	100.00 %	100.00 %	
	GES AC SOLAR 2017, LLC ( “GES AC”)	Solar related business	67.59 %	67.59 %	67.59 %	
MEGASIXTEEN	GES AC	Anderson North Solar Project LLC(“Anderson N.”)	100.00 %	100.00 %	100.00 %	
		Anderson South Solar Project LLC(“Anderson S.”)	100.00 %	100.00 %	100.00 %	
		Flora Solar Project LLC(“Flora”)	100.00 %	100.00 %	100.00 %	
		Greenfield Solar Project LLC(“Greenfield”)	100.00 %	100.00 %	100.00 %	
		Spiceland Solar Project LLC(“Spiceland”)	100.00 %	100.00 %	100.00 %	
TEV II	TEV Solar Alpha18 LLC ( “TEV Solar”)	Solar related business	100.00 %	100.00 %	100.00 %	
TEV Solar	AC GES Solar 2018 LLC(“AC GES Solar”)	Solar related business	66.19 %	66.19 %	66.19 %	
AC GES Solar	Richmond 2 Solar Park, LLC(“Richmond”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Rensselaer 2 Solar Park, LLC(“Rensselaer”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Advance Solar Park, LLC(“Advance”)	Solar related business	100.00 %	100.00 %	100.00 %	
DelSolar Cayman	DelSolar(“HK”)Ltd.(“DelSolar HK”)	Investment company	100.00 %	100.00 %	100.00 %	
	DelSolar US Holdings(“Delaware”) Corporation(“DelSolar US”)	Investment company	100.00 %	100.00 %	100.00 %	
	NSP SYSTEM NEVADA HOLDING CORP(“NSP NEVADA”)	Solar related business	100.00 %	100.00 %	100.00 %	
	URE NSP Corporation(“URE NSP”)	Solar related business	100.00 %	100.00 %	100.00 %	
NSP BVI	NSP HK Holding Ltd.(“NSP HK”)	Solar related business	100.00 %	100.00 %	100.00 %	
DelSolar Singapore	Neo Solar Power Vietnam Co., Ltd.(“NSP Vietnam”)	Technical management services	- %	- %	100.00 %	3
NSP UK	PV-Power-Park Pro 1 Verwaltungs GmbH(“PV-Power-Park”)	Solar related business	- %	- %	100.00 %	3
	NSP Indygen UK Ltd.(“NSP Indygen”)	Solar related business	100.00 %	100.00 %	100.00 %	
NSP System	Hsin Jin Optoelectronics ( “Hsin Jin Optoelectronics”)	Solar related business	80.00 %	80.00 %	80.00 %	
	Hsin Jin Solar Energy Co., Ltd. ( “Hsin Jin Solar Energy”)	Solar related business	60.00 %	60.00 %	60.00 %	
	Si Two Corp. ( “Si Two”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Tienyang Green Power Ltd. Co. ( “Tienyang”)	Solar related business	- %	- %	100.00 %	4
	Deyang Green Power Ltd. Co. ( “Deyang”)	Solar related business	- %	- %	100.00 %	4
	Shanyang Green Power Ltd. Co. ( “Shanyang”)	Solar related business	- %	- %	100.00 %	4
	Jeyang Green Power Ltd. Co. ( “Jeyang”)	Solar related business	- %	- %	100.00 %	4
	Lianzhang Energy Power Ltd. Co. ( “Lianzhang”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Lianxi Energy Power Ltd. Co. ( “Lianxi”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Liancheng Energy Power Ltd. Co. ( “Liancheng”)	Solar related business	- %	100.00 %	100.00 %	5
	Feng Yang Energy Power Ltd. Co. ( “Feng Yang”)	Solar related business	- %	- %	100.00 %	4

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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Investor	Investee	Principal activity	% of Ownership			Note
			March 31, 2022	December 31, 2021	March 31, 2021	
UREE	United Agriculture Ecology Ltd. Co. ("UAE")	Solar and agriculture-related business	- %	100.00 %	100.00 %	2
Utech	Jiangung Energy Power Ltd. Co. ("Jiangung")	Solar related business	100.00 %	100.00 %	- %	7
Jiangung	Yong Liang Ltd. ("Yong Liang")	Solar related business	63.86 %	63.86 %	- %	7
NSP HK	XYH (Suzhou) Energy Ltd. ("XYH Suzhou")	Solar related business	- %	- %	100.00 %	3
DelSolar HK	DelSolar (Wu Jiang) Ltd. ("DelSolar Wu Jiang")	Solar related business	100.00 %	100.00 %	100.00 %	
DelSolar US	DelSolar Development (Delaware) LLC ("DelSolar Development")	Solar related business	100.00 %	100.00 %	100.00 %	
	Clean Focus Renewables Inc. ("CFR")	Solar related business	100.00 %	100.00 %	100.00 %	6
	USD1 Owner LLC ("USD1")	Solar related business	100.00 %	100.00 %	100.00 %	
	Beryl Construction LLC ("Beryl")	Solar related business	100.00 %	100.00 %	100.00 %	
DelSolar Development	DSS-USF PHX LLC	Solar related business	100.00 %	100.00 %	100.00 %	
	DSS-RAL LLC	Solar related business	100.00 %	100.00 %	100.00 %	
UES	Renewable Energy Solution Limited ("RES")	Investment company	100.00 %	100.00 %	100.00 %	
RES	Gintech ("Thailand") Limited ("Gintech Thailand")	Solar related business	100.00 %	100.00 %	100.00 %	

Note 1: The subsidiary was deemed as a subsidiary of the Group in accordance with IFRS 10.

Note 2: The Group disposed of all the equity shares in three months ended March 31, 2022.

Note 3: The Group had liquidated and dissolved in 2021.

Note 4: The Group disposed of all the equity shares in 2021.

Note 5: The Group had liquidated and dissolved in three months ended March 31, 2022.

Note 6: The Group had been liquidating and dissolving during three months ended March 31, 2022.

Note 7: Please refer to the 2021 annual consolidated financial statements for other related information.

(ii) Subsidiaries not included in the consolidated financial statements: None.

(c) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pretax income for the interim reporting period by the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(d) Changes in accounting policies

During 2021, the Group adjusted useful life of partial equipment to reasonably reflect the future economic benefits of the asset. The useful life of equipment is extended to 27~30 years from the date of purchase. The effect of these changes on actual and expected depreciation expense, included in cost of sales, was as follows:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Later</u>
(Decrease) increase in depreciation expense	\$ <u>(13,451)</u>	<u>(13,451)</u>	<u>(13,451)</u>	<u>(13,451)</u>	<u>54,924</u>

**(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty**

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with note 5 of the consolidated financial statements for the year ended December 31, 2021.

**(6) Explanation of significant accounts:**

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2021. Please refer to the 2021 annual consolidated financial statements.

(a) Cash and cash equivalents

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Cash on hand, checking accounts and demand deposits	\$ 4,747,045	5,241,731	4,882,994
Time deposits	<u>8,500</u>	<u>12,442</u>	<u>20,650</u>
Cash and cash equivalents listed in the consolidated cash flow statements	<u>\$ 4,755,545</u>	<u>5,254,173</u>	<u>4,903,644</u>

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(b) Financial assets and liabilities at fair value through profit and loss

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Financial assets mandatorily measured at fair value through profit or loss:			
Derivatives not used for hedging			
Foreign exchange swap contracts	\$ -	4,443	-
Foreign exchange contracts	934	2,941	4,921
Long call options	161,614	157,067	180,394
Embedded derivative-redemption	<u>6,000</u>	<u>6,900</u>	<u>-</u>
Total	<b><u>\$ 168,548</u></b>	<b><u>171,351</u></b>	<b><u>185,315</u></b>
Current	\$ 69,348	74,255	4,921
Non-current	<u>99,200</u>	<u>97,096</u>	<u>180,394</u>
Total	<b><u>\$ 168,548</u></b>	<b><u>171,351</u></b>	<b><u>185,315</u></b>
Financial liabilities designated at fair value through profit or loss:			
Derivatives not used for hedging			
Forward exchange contracts	\$ 167	-	-
Foreign exchange swap contracts	9,288	-	793
Short call options	<u>52,605</u>	<u>51,820</u>	<u>87,044</u>
Total	<b><u>\$ 62,060</u></b>	<b><u>51,820</u></b>	<b><u>87,837</u></b>
Current	\$ 10,212	1,924	793
Non-current	<u>51,848</u>	<u>49,896</u>	<u>87,044</u>
Total	<b><u>\$ 62,060</u></b>	<b><u>51,820</u></b>	<b><u>87,837</u></b>

- (i) The short call options mentioned above derived from the loan contract signed with Indiana Municipal Power Agency (IMPA). Refer to note 6(p) for more details.
- (ii) The long call options listed above were derived from the issuance of preference shares by the Group, making an agreement with the preference shareholders that the Group has the right to buy back all shares on the specific date. Refer to note 6(r) for more details.

(Continued)



**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (iii) The fair value of the derivatives mentioned above is estimated using the Black-Scholes options evaluation model, and the relevant parameters were as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Shorting call options-MEGASIXTEEN			
Estimated strike price	USD13,347 thousand dollars	USD13,347 thousand dollars	USD13,347 thousand dollars
Expected volatility	22.0%	22.0%	33.0%
Duration	0.75 years	1 years	1.75 years
Discount rate	6.7473%	6.7473%	7.2898%
Shorting call options-TEV II			
Estimated strike price	USD13,822 thousand dollars	USD13,822 thousand dollars	USD13,822 thousand dollars
Expected volatility	30%	30%	25%
Duration	2.75 years	3 years	3.75 years
Discount rate	6.7473%	6.7473%	7.2898%
Longing call options-MEGASIXTEEN			
Estimated strike price	USD656 thousand dollars	USD656 thousand dollars	USD656 thousand dollars
Expected volatility	22.0%	22.0%	33.0%
Duration	0.75 years	1 years	1.75 years
Discount rate	6.7473%	6.7473%	7.2898%
Longing call options-TEV II			
Estimated strike price	USD704 thousand dollars	USD704 thousand dollars	USD704 thousand dollars
Expected volatility	32%	32%	27%
Duration	2.25 years	2.5 years	3.25 years
Discount rate	6.7473%	6.7473%	7.2898%

- (iv) The Group entered into such forward exchange contracts and foreign exchange swap contracts to mitigate risks that arises from exposure to exchange rate risk in business operations. The following derivative instruments, without the application of hedge accounting, were classified as financial assets mandatorily measured at fair value through profit or loss and held-for-trading financial liabilities:

(Continued)

**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

	<u>Currency</u>	<u>Maturity Date</u>	<u>Contract Amount (in Thousands)</u>
<b>March 31, 2022</b>			
Foreign exchange swap contracts	USD/NTD	April 8, 2022~April 25, 2022	NTD34,000/ USD962,438
Selling Forward exchange contracts	EUR/USD	April 21, 2022~May 16, 2022	EUR3,000/ USD3,383
<b>December 31, 2021</b>			
Foreign exchange swap contracts	NTD/USD	January 10, 2021~ March 8, 2022	NTD1,083,250/ USD39,000
Selling Forward exchange contracts	EUR/USD	January 10, 2022	EUR2,000/ USD2,377
<b>March 31, 2021</b>			
Foreign exchange swap contracts	USD/NTD	April 22, 2021	USD5,000/ NTD141,720
Selling Forward exchange contracts	EUR/USD	April 6, 2021~July 12, 2021	EUR5,900/USD7,099

(v) Financial instruments revalued at fair value through profit and loss were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Revaluation of derivatives listed in profit and loss	<b>\$ (31,415)</b>	<b>16,420</b>

(c) Financial assets at fair value through other comprehensive income

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Equity instrument measured at fair value through other comprehensive income:			
Domestic investments			
Listed ordinary shares	\$ 399,222	389,616	315,415
Unlisted ordinary shares	142,199	47,699	47,699
Overseas investments - unlisted ordinary shares	8,188	8,188	15,292
Total	<b>\$ 549,609</b>	<b>445,503</b>	<b>378,406</b>
Current	\$ 139,189	111,712	113,814
Non-current	410,420	333,791	264,592
Total	<b>\$ 549,609</b>	<b>445,503</b>	<b>378,406</b>

- (i) The Group's equity instruments are not held for trading, therefore has been designated at fair value through other comprehensive income.
- (ii) Due to the strengthen the strategic layout, the Group increase investment EVERGREEN AVIATION TECHNOLOGIES CORPORATION ("EGAT") ordinary shares \$94,500 thousand in first quarter of 2022.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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- (iii) Please refer to note 13(a) for details on the above mentioned equity instruments and fair value, among which the shares of ThinTech Materials Technology Co., Ltd. (“TTMC”) were privately placed and its ordinary shares are subject to transfer restrictions in accordance with Article 43-8 of the Securities and Exchange Act.
  - (iv) The Group did not dispose any equity instrument in the three months ended March 31, 2022 and 2021. During the period, the accumulated gains and losses were not transferred into equity.
  - (v) For credit risk and market risk, please refer to note 6(ad).
  - (vi) The financial assets mentioned above had been pledged as collateral for long-term borrowings; please refer to note 8.
- (d) Financial assets at amortized cost

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Convertible preference shares - Phanes Holding Inc.	\$ -	-	142,525

- (i) The Group assessed its expected cash flows until maturity, which covers the entirety of interests and principle, and therefore, measured at amortized costs.
- (ii) Phanes Holding Inc. a project developer, is an overseas unlisted company. In order to build a long-term cooperative strategic relationship with Phanes Holding Inc. the Group subscribed to the entire five-year callable preference shares (C-Shares III) for 24,000 shares, at par value, amounting to USD5,000 thousand. According to the future recoverability which based on the preference shares cash flow assessment, the Group recognized impairment loss on financial assets of \$163,650 thousand during the fourth quarter of 2021.
- (iii) The above preference shares carried no voting rights and no dividend rights. Instead they carried preferential rights on dividends specified at 7% of the par value. The preference shares can be redeemed prior to, or later than, the maturity date under the agreement between the Group and Phanes Holding Inc. As of March 31, 2021 the interest receivables, classified as other receivables from related parties, amounted to \$29,602 thousand. The Group recognized the interest receivable mentioned above as expected credit losses in the fourth quarter of 2021, classified as other gains and losses.
- (iv) Financial assets at amortized cost had not been pledged as collateral.

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(e) Notes and accounts receivables

	March 31, 2022	December 31, 2021	March 31, 2021
Notes and accounts receivable	\$ 2,167,431	2,075,173	2,929,601
Accounts receivable from related parties	213,822	225,413	210,006
Less: Loss Allowance	(201,576)	(203,677)	(572,647)
	<u>\$ 2,179,677</u>	<u>2,096,909</u>	<u>2,566,960</u>

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. The loss allowance provisions were determined as follows:

March 31, 2022			
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 2,030,769	0%~0.06%	829
1 to 30 days past due	57,995	0%~0.21%	115
31 to 60 days past due	15,213	0%~0.47%	72
61 to 90 days past due	7,863	0%~1.07%	84
91 to 120 days past due	11,400	0%~2.19%	-
121 to 150 days past due	229	0%~6.48%	-
151 to 180 days past due	-	0%~41.67%	-
More than 181 days past due	257,784	0%~100%	200,476
Total	<u>\$ 2,381,253</u>		<u>201,576</u>

  

December 31, 2021			
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 1,845,274	0%~0.18%	2,022
1 to 30 days past due	189,663	0%~0.98%	516
31 to 60 days past due	5,619	0%~2.43%	131
61 to 90 days past due	-	0%~6.42%	-
91 to 120 days past due	-	0%~11.16%	-
121 to 150 days past due	-	0%~25.58%	-
151 to 180 days past due	-	0%~56.16%	-
More than 181 days past due	260,030	0%~100%	201,008
Total	<u>\$ 2,300,586</u>		<u>203,677</u>

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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	<b>March 31, 2021</b>		
	<b>Gross carrying amount</b>	<b>Weighted-average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 1,650,887	0%~0.18%	1,102
1 to 30 days past due	146,340	0%~0.98%	1,147
31 to 60 days past due	212,518	0%~2.43%	4,106
61 to 90 days past due	34,723	0%~6.42%	441
91 to 120 days past due	18,294	0%~11.16%	616
121 to 150 days past due	2,231	0%~25.58%	-
151 to 180 days past due	8,435	0%~56.16%	1,333
More than 181 days past due	1,066,179	0%~100%	563,902
Total	<u>\$ 3,139,607</u>		<u>572,647</u>

The movement in the allowance for notes and trade receivables were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Balance at January 1	\$ 203,677	575,989
Impairment loss recognized (reversed)	(2,148)	622
Amounts written off	-	(4,961)
Foreign exchange gains (loss)	47	997
Balance at March 31	<u>\$ 201,576</u>	<u>572,647</u>

The aforementioned notes and accounts receivables of the Group had not been pledged as collateral.

(f) Inventories

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Construction in progress	\$ 1,262,715	1,169,849	1,838,442
Finished goods and products	778,431	447,809	863,419
Raw materials	676,603	884,942	480,982
Work in progress	243,998	150,995	92,024
	<u>\$ 2,961,747</u>	<u>2,653,595</u>	<u>3,274,867</u>

- (i) The construction in progress listed above is the construction cost incurred to build the power plant that the Group is intending to sell.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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(ii) The details of the cost of sales were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Cost of goods sold	\$ 3,932,132	2,960,750
Unallocated production overheads	11,000	92,307
Write-down and retirement of inventories(reversed)	(4,927)	64,087
Others	(8,382)	(65,147)
<b>Total</b>	<b>\$ 3,929,823</b>	<b>3,051,997</b>

(iii) The inventories of the Group has been pledged as collateral of March 31, 2021, please refer to note 8. There were no such pledged as collateral of December 31, 2021 and March 31, 2022.

(g) Non-current assets held for sale

The Group decided to sell some foreign subsidiaries and has begun to process some selling matters, the assets and liabilities of foreign subsidiaries were presented as a disposal group held for sale. As of March 31, 2022, the assets and liabilities of disposal group were \$1,432,367 thousand and \$1,027,841 thousand, as the following:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Cash and cash equivalents	\$ -	2,451	39,673
Inventories	-	635,456	-
Accounts receivable	50,766	49,090	55,733
Property, plant and equipment	1,135,005	1,109,793	1,430,708
Intangible assets	65,719	63,548	65,466
Restricted assets - non-current	156,466	259,369	155,865
Other assets	24,411	25,665	17,135
<b>Assets held for sale</b>	<b>\$ 1,432,367</b>	<b>2,145,372</b>	<b>1,764,580</b>
Bank borrowings	\$ 957,429	925,810	953,749
Other payables	35,653	34,576	37,213
Other liabilities	34,759	33,611	34,753
Lease liability - non-current	-	613,191	-
<b>Liabilities held for sale</b>	<b>\$ 1,027,841</b>	<b>1,607,188</b>	<b>1,025,715</b>

The impairment loss of \$21,317 thousand resulting from measuring at the lower of other carrying amount and fair value less costs to sell shall be disclosed in the consolidated statements of comprehensive income as of three month ended March 31, 2021.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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(h) Investments accounted for using the equity method

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Associates	\$ 215,567	208,145	158,824
Joint ventures	3,442	3,328	3,428
	<b><u>\$ 219,009</u></b>	<b><u>211,473</u></b>	<b><u>162,252</u></b>

- (i) Please refer to note 13(b) for list of investments, percentage of ownership and main activities.
- (ii) Considering the associates are not the biggest stockholders to the Group, besides, they cannot get more than half director seats or more than half of majority voting rights at the stockholder's meeting. Therefore, the Group only had significant influence on associates.
- (iii) Associates

The Group's financial information on investments in individually insignificant associates accounted for using the equity method at the reporting date was as follow. This financial information was included in the consolidated financial statements:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Carrying amount of individually insignificant associates' equity	<b><u>\$ 215,567</u></b>	<b><u>208,145</u></b>	<b><u>158,824</u></b>
		<b>For the three months ended March 31,</b>	
		<b><u>2022</u></b>	<b><u>2021</u></b>
Attributable to the Group			
Net income (loss)		\$ 1,203	(9,366)
Other comprehensive income (loss)		-	(4,049)
Comprehensive income (loss)		<b><u>\$ 1,203</u></b>	<b><u>(13,415)</u></b>

- (iv) The Group's financial information on investments in individually insignificant joint ventures accounted for using the equity method was as follow:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
The carrying amount of investments in the individually insignificant joint ventures	<b><u>\$ 3,442</u></b>	<b><u>3,328</u></b>	<b><u>3,428</u></b>

- (v) The aforementioned investments accounted for using the equity method of the Group had not been pledged as collateral.
- (vi) The investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments for the three months ended March 31, 2022 and 2021 have not been reviewed.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(i) Loss of control over a subsidiary

During three month ended March 31, 2022, the Group sold all of its shares in subsidiaries and loss control of them, with the considerations of \$9,996 thousand, respectively, the disposal loss was \$1 thousand, which was included in other gains and losses. There were no disposed subsidiary company of March 31, 2021.

The carrying amounts of assets and liabilities of subsidiary on the date of disposal were as follows:

	<b>For the three months ended March 31, 2022</b>
Cash and cash equivalents	\$ 11,268
Receivables	2,698
Construction contracts receivable	1,912
Other current assets	1,777
Right of use assets	1,227
Other non current assets	1,222
Accounts payable	(1,323)
Current liabilities	(638)
Lease liability	(1,235)
Non current liabilities	(249)
Carrying amount of subsidiary's net assets	<u><u>\$ 16,659</u></u>

(j) Property, plant and equipment

The movements of cost, depreciation and impairment loss of the property, plant and equipment of the Group were as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Equipment to be inspected and construction in progress</u>	<u>Total</u>
<b>Cost:</b>						
Balance on January 1, 2022	\$ 759,135	4,479,064	18,659,052	5,249,960	285,492	29,432,703
Additions	-	-	-	16,969	477,361	494,330
Disposals	-	-	(3,232,561)	(41,181)	-	(3,273,742)
Reclassification	-	-	10,846	85,803	25,673	122,322
Effect of changes in foreign exchange rates	2,447	12,205	15,338	102,517	342	132,849
Balance on March 31, 2022	<u><u>\$ 761,582</u></u>	<u><u>4,491,269</u></u>	<u><u>15,452,675</u></u>	<u><u>5,414,068</u></u>	<u><u>788,868</u></u>	<u><u>26,908,462</u></u>

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					Equipment to be inspected and construction in progress	Total
	Land	Buildings	Machinery and equipment	Other equipment		
Balance on January 1, 2021	\$ 787,322	4,513,175	19,168,372	7,519,158	222,641	32,210,668
Additions	-	-	-	971	155,882	156,853
Disposals	-	(979)	(6,472)	(949)	-	(8,400)
Reclassification	-	-	(3,347)	6,290	(18,594)	(15,651)
Reclassify to lease property	-	-	(2,826)	-	-	(2,826)
Reclassify to assets held for sale	(19,229)	-	-	(1,775,876)	(197,721)	(1,992,826)
Effect of changes in foreign exchange rates	(2,263)	(12,665)	(10,670)	70,522	(286)	44,638
Balance on March 31, 2021	<u>\$ 765,830</u>	<u>4,499,531</u>	<u>19,145,057</u>	<u>5,820,116</u>	<u>161,922</u>	<u>30,392,456</u>
<b>Accumulated depreciation</b>						
Balance on January 1, 2022	\$ -	1,851,219	17,196,768	2,171,021	-	21,219,008
Depreciation	-	52,339	132,965	51,547	-	236,851
Disposals	-	-	(3,232,169)	(41,181)	-	(3,273,350)
Effect of changes in foreign exchange rates	-	2,462	4,269	35,255	-	41,986
Balance on March 31, 2022	<u>\$ -</u>	<u>1,906,020</u>	<u>14,101,833</u>	<u>2,216,642</u>	<u>-</u>	<u>18,224,495</u>
Balance on January 1, 2021	\$ -	1,651,948	17,364,601	2,598,464	144,666	21,759,679
Depreciation	-	51,937	141,031	92,481	-	285,449
Disposals	-	(979)	(6,472)	(949)	-	(8,400)
Reclassification	-	-	(2,048)	(1,392)	-	(3,440)
Reclassify to lease property	-	-	(2,826)	-	-	(2,826)
Reclassify to assets held for sale	-	-	-	(415,746)	(146,372)	(562,118)
Effect of changes in foreign exchange rates	-	(1,876)	(2,792)	15,703	2,509	13,544
Balance on March 31, 2021	<u>\$ -</u>	<u>1,701,030</u>	<u>17,491,494</u>	<u>2,288,561</u>	<u>803</u>	<u>21,481,888</u>
<b>Carrying amounts:</b>						
Balance on January 1, 2022	<u>\$ 759,135</u>	<u>2,627,845</u>	<u>1,462,284</u>	<u>3,078,939</u>	<u>285,492</u>	<u>8,213,695</u>
Balance on March 31, 2022	<u>\$ 761,582</u>	<u>2,585,249</u>	<u>1,350,842</u>	<u>3,197,426</u>	<u>788,868</u>	<u>8,683,967</u>
Balance on January 1, 2021	<u>\$ 787,322</u>	<u>2,861,227</u>	<u>1,803,771</u>	<u>4,920,694</u>	<u>77,975</u>	<u>10,450,989</u>
Balance on March 31, 2021	<u>\$ 765,830</u>	<u>2,798,501</u>	<u>1,653,563</u>	<u>3,531,555</u>	<u>161,119</u>	<u>8,910,568</u>

- (i) Reclassify to assets held for sale, please refer to Note 6(g).
- (ii) The aforementioned property, plant and equipment of the Group had been pledged as collateral, please refer to Note 8.
- (iii) The group has started construction and costs \$5,087 thousand as of March 31, 2022. Capitalized borrowing costs relating to the acquisition of constructing factory, which using a capitalization rate of 1.9622%~2.53% are included.

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(k) Right-of-use assets

	<u>Land</u>	<u>Building</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Total</u>
<b>Carrying amount:</b>					
Balance at March 31, 2022	\$ <u>384,334</u>	<u>18,953</u>	<u>1,859</u>	<u>18,659</u>	<u>423,805</u>
Balance at December 31, 2021	\$ <u>385,988</u>	<u>23,651</u>	<u>2,695</u>	<u>18,674</u>	<u>431,008</u>
Balance at March 31, 2021	\$ <u>513,554</u>	<u>38,138</u>	<u>302</u>	<u>19,872</u>	<u>571,866</u>

The Group lease the land, building, machinery and equipment and other equipment of right-of-use asset to the third party, there were no significant additions, disposal, or recognition and reversal of the impairment losses of right-of-use assets leased by the Group for the three months ended March 31, 2022 and 2021. Please refer to the 2021 annual consolidated financial statements for other related information.

(l) Investment property

The investment property includes the property owned by the Group. The leases of investment properties contain an initial non-cancellable lease term of 3 ~ 10 years. Some leases provide the lessees with options to extend at the end of the term.

The details of investment property are as follows:

	<u>Properties</u>		<u>Right-of-use asset</u>	
	<u>Land</u>	<u>Buildings</u>	<u>Land</u>	<u>Total</u>
<b>Carrying amount:</b>				
Balance at March 31, 2022	\$ <u>747,300</u>	<u>1,903,311</u>	<u>165,479</u>	<u>2,816,090</u>
Balance at December 31, 2021	\$ <u>747,300</u>	<u>1,929,695</u>	<u>167,130</u>	<u>2,844,125</u>
Balance at March 31, 2021	\$ <u>747,300</u>	<u>1,898,708</u>	<u>69,242</u>	<u>2,715,250</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of investment property for the three months ended March 31, 2022 and 2021. Please refer to the 2021 annual consolidated financial statements for other related information.

The fair value of the investment property was not significantly different from those disclosed in the annual consolidated financial statements for the year ended December 31, 2021.

The investment property had been pledged as collateral for long-term borrowings, please refer to Note 8.

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(m) Intangible assets

	<u>Contract with Consultants</u>	<u>Contract with Customers</u>	<u>Other</u>	<u>Total</u>
<b>Carrying amount:</b>				
Balance at March 31, 2022	\$ -	-	4,878	4,878
Balance at December 31, 2021	\$ -	-	4,803	4,803
Balance at March 31, 2021	\$ -	-	2,931	2,931

Due to reclassification of the intangible asset to the asset held for sale, it decreased by \$65,466 thousand. Except for the above, there were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the three months ended March 31, 2022 and 2021. Please refer to the 2021 annual consolidated financial statements for other related information.

(n) Short-term borrowings

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Unsecured bank loans	\$ 307,615	50,389	2,262,426
Unused credit lines	\$ 5,880,674	5,917,913	2,717,110
Range of interest rates	1.99%~2.25%	1.85%	0.95%~1.86%

(i) There were no significant issues, repurchases and repayments of short-term borrowings for the three months ended March 31, 2022 and 2021, please refer to the 2021 annual consolidated financial statements for other related information.

(ii) Please refer to Note 8 for details of the guarantee situation of the consolidated company using assets to set mortgage for bank loans.

(o) Short-term notes and bills payable

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Commercial paper payable	\$ 106,600	221,300	237,700
Less: discounts on commercial paper payable	(21)	(47)	(105)
	<u>\$ 106,579</u>	<u>221,253</u>	<u>237,595</u>

There were no significant issues, repurchases and repayments of short-term notes and bills payable for the three months ended March 31, 2022 and 2021. Please refer to the 2021 annual consolidated financial statements for other related information.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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(p) Long-term liabilities

(i) Long-term borrowings

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
<u>Secured bank loans</u>			
6 billion syndicated loan from First Bank	\$ 2,261,600	2,657,486	-
4.5 billion syndicated loan from First Bank	2,207,560	2,219,560	2,255,560
10.13 billion syndicated loan from First Bank	-	-	4,264,523
IMPA	633,128	607,415	611,702
Cathay Bank	-	100,908	608,383
FMO & DEG Bank	-	-	-
KGI Bank Loan	-	-	250,000
Other financing loan	284,127	254,981	479,551
<u>Unsecured bank loans</u>			
King's Town Bank	-	-	240,000
0.5 billion syndicated loan from First Bank	-	-	56,250
Chailease International Financial Service. Co., Ltd.	-	-	54,573
Inventories repurchase financing loans	-	-	37,090
Other financing loan	119,920	119,895	177,447
	5,506,335	5,960,245	9,035,079
Less: Current portion	(2,373,901)	(2,434,533)	(4,528,903)
Total	<u>\$ 3,132,434</u>	<u>3,525,712</u>	<u>4,506,176</u>
Unused credit lines	<u>\$ 250,000</u>	<u>-</u>	<u>581,675</u>
Range of interest rates	<u>1.91%~4.75%</u>	<u>1.91%~4.75%</u>	<u>0.86%~5.75%</u>

- 1) The long-term loan contracts listed above will expire in November 2043.
- 2) Except for the following, there were no significant issues, repurchases and repayments of long-term borrowings for the three months ended March 31, 2022 and 2021. Please refer to the 2021 annual consolidated financial statements for other related information.

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3) Compliance with loan contracts

- a) The Group entered into a syndicated loan contract with FMO Bank and DEG Bank. According to the terms and conditions on the contract, it requires the borrower, JRC, to maintain certain financial ratios based on their annual and semiannual consolidated financial reports, wherein the balance of the special reserve account should not be below USD\$3,000 thousand. The Group intend to sell the subsidiaries and reclassify the related borrowings to liabilities held for sale, please refer to note 6(g).
- b) The Group entered into a middle-to-long-term guaranteed loan from CATHAY BANK. According to the terms and conditions of the contract, it requires that the borrower, GES USA, to maintain certain financial ratios during the credit period. The loan had already repaid in February of 2022.
- c) The Group entered into a long-term loan agreement with Bank SinoPac. According to the terms and conditions on the contract, it requires the borrower, Yong Liang, to maintain certain financial ratios during the credit periods.
- d) The Group entered into middle-to-long-term guaranteed loan with CATHAY BANK. According to the terms and conditions on the contract, it requires the borrower, MEGATWELVE, MEGATHIRTEEN and ASSETTHREE to maintain certain financial ratios based on its annual financial reports during the credit period. The ratios did not meet the above requirements on December 31, 2021, the Group has increased the compensation fund in accordance to the terms, and no breach of contract was committed. The loan had already repaid in February of 2022.
- e) The Group entered into \$10.13 billion and \$0.5 billion syndicated loans with First Bank. According to the terms and conditions on the contract, it requires the Group to maintain certain financial ratios based on its annual and semiannual consolidated financial reports during the credit period. The ratios did not meet the above requirements on June 30, 2021, the Group has increased the compensation fund. The loan had already repaid in the third quarter of 2022.
- f) The Group entered into \$6 billion syndicated loans with First Bank. According to the terms and conditions on the contract, it requires the Group to maintain certain financial ratios based on its annual and semiannual consolidated financial reports during the credit period. Although the Interest Protection Multiples (IPM) did not meet the above requirements, no breach of contract was committed.

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g) The Group entered into a \$4.5 billion syndicated loan with First Bank. According to the terms and conditions on the contract, it requires Utech's to maintain certain financial ratios based on its annual financial reports during the credit period. The abovementioned syndicated loans and other loans which were lent by Shanghai Commercial Bank had expired on September 30, 2021. The Group completed the negotiation with First Bank and Shanghai Commercial Bank to extend the loan maturity date to September 30, 2022. The financial ratios before the loan due date need not be reviewed. As of March 31, 2022, the balance of bank loan was \$2,327,480 thousand, which was expired, and the loan was extended until September 30, 2022.

4) Other loan agreements

The Group signed two long term contracts, with a duration of 25 year, with IMPA in December of 2017 and June of 2018. According to the terms and conditions of the loan, IMPA has the right to purchase all the shares of both GES AC, a company owned by the Group through MEGASIXTEEN, and AC GES, a company owned by the Group through TEV II and TEV Solar, starting from December 2022 to June 2024. Therefore, the contract includes an embedded derivative (selling a call option) that is not closely related to the main contract and is recognized as a financial liability designated at fair value through profit and loss; please refer to note 6(b) and (ad). According to the contracts, it restricts part of the consolidated entities to transfer the shares before the derivatives instrument expires; please refer to note 13(b).

The interest rates of MEGASIXTEEN and TEV II borrowing from IMPA were 4.25% and 4.75% respectively. After separating the short call option from the host contract, the adjusted loan interest rates became 11.08% and 11.38%, respectively.

5) Please refer to Note 8 for details of the guarantee situation of the consolidated company using assets to set mortgage for bank loans.

(q) Bonds payable

Information about the Group's issuance of secured convertible bonds is as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Issuance amount	\$ 3,000,000	3,000,000
Unamortized discount	(43,333)	(47,550)
Ending balance of bonds payable	<u><u>\$ 2,956,667</u></u>	<u><u>2,952,450</u></u>
Embedded derivative component— redemption rights (recorded as financial assets at fair value through profit or loss - non-current)	<u><u>\$ 6,000</u></u>	<u><u>6,900</u></u>
Equity component— conversion right (recorded as capital surplus)	<u><u>\$ 177,366</u></u>	<u><u>177,366</u></u>

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Embedded derivative component — revaluation profit (loss) on redemption rights (recorded as other gains and losses)	\$ <u>(900)</u>	<u>-</u>
Interest expense	\$ <u>4,217</u>	<u>-</u>

The issuance information on the secured convertible bonds was as follows:

	<b>3rd domestic secured convertible bonds</b>
Issuance amount	\$3,000,000 thousand
Issuance date	2021.10.25
Issuance price	At 104.18% of par value
Coupon rate	0%
Issuance period	2021.10.25~2024.10.25
Trustee bank	Bank SinoPac
Guarantee agencies	FIRST BANK and others
Redemption rights	The Company may redeem the bonds at face value with cash after January 26, 2022, and before September 14, 2024 that if the closing price of the common shares on TWSE on each trading day during a period of 30 consecutive trading dates exceeds at least 30% of the conversion price or if the outstanding balance of the bonds is less than 10% of the issuance amount.
Put option	None
Conversion period of convertible bonds	Each holder of the bonds will have the right at any time during the period from January 26, 2022, to October 25, 2024, to convert their bonds through Taiwan Depository & Clearing Corporation ("TDCC"). It is requested to the Company's stock agency to convert the convertible bonds held into the Company's ordinary shares in accordance with these regulations.
Conversion price	The conversion price is set at \$20.9 per share at the time of issuance. In the event of an adjustment to the conversion price of the Company's ordinary shares that complies with the terms of issuance, the conversion price shall be adjusted according to the formula specified in the terms of issuance.

(r) Preference share liabilities

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Class A preference shares	\$ 14,424	16,500	25,771
Less: Current portion	<u>(11,194)</u>	<u>(12,123)</u>	<u>(15,283)</u>
Total	<u>\$ 3,230</u>	<u>4,377</u>	<u>10,488</u>

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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The Group's subsidiaries, MEGASIXTEEN and TEV II, have issued Class A preference shares through GES AC and AC GES respectively. Relevant information was as follows:

	<u>issued by MEGASIXTEEN</u>	<u>issued by TEV II</u>
Issuance date	2017.12	2018.12
Total amount issued	USD11,920 thousand dollars	USD11,920 thousand dollars
percentages of Class A preference shares held by shareholders	32.41%	32.41%
Issuance terms		
- Voting rights	Yes	Yes
- Dividend rights	Shareholders will be given priority to receive cumulative cash dividend of 0.65% with a monthly fixed Asset Management Fee each quarter and are entitled to 99% of profits sharing before expiration date December 2022.	Shareholders will be given priority to receive cumulative cash dividend of 0.675% with a monthly fixed Asset Management Fee each quarter and are entitled to 99% of sharing earned before expiration date June 2024.
- Others	Starting from December 2022, the Group would be able to repurchase the entirety of Class A shares at contract price.	Starting from June 2024, the Group would be able to repurchase the entirety of Class A shares at contract price.

According to the above clauses, the Group has the financial obligation to make regular fixed payments to Class A preference shares shareholders. Therefore, the liabilities are separated and recognized as preference shares liabilities at the time of initial recognition.

In addition, the Group has the right to purchase all the Class A preference shares from the shareholders on a specified date. The above right is an embedded derivative call option, which is a financial asset designated at fair value through profit and loss at initial recognition, that is not closely related to the host contract. Please refer to note 6 (b) and (ad) for more details.

(s) Lease liabilities

The Group leases certain land, buildings and transportation equipment for operating with lease terms of 3 ~ 20 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. Therefore, some of these arrangements contain renewal options.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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Carrying amount of the lease liabilities of the Group were as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Current	<u>\$ 56,104</u>	<u>59,058</u>	<u>59,473</u>
Non-current	<u>\$ 554,260</u>	<u>560,061</u>	<u>596,247</u>

For the maturity analysis, please refer to note 6(ad) financial instruments.

The amounts recognized in profit or loss were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Interest on lease liabilities	<u>\$ 4,687</u>	<u>4,368</u>
Variable lease payments not included in the measurement of lease liabilities	<u>\$ 4,454</u>	<u>3,177</u>
Expenses relating to short-term leases	<u>\$ 2,491</u>	<u>12,878</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>\$ 74</u>	<u>527</u>

The amounts recognized in the statement of cash flows for the Group was as follow:

	<b>For the three months ended March 31, 2022</b>	<b>For the three months ended March 31, 2021</b>
Total cash outflow for leases	<u>\$ 29,742</u>	<u>28,962</u>

(t) Provisions

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Warranties	\$ 99,117	92,972	91,523
Onerous contracts	56,292	64,746	110,800
Site restoration	10,535	8,075	-
	<u>\$ 165,944</u>	<u>165,793</u>	<u>202,323</u>

There were no significant changes in provisions for the three months ended March 31, 2022 and 2021. Please refer to the 2021 annual consolidated financial statements for other related information.

(u) Operating lease

There were no significant changes in operating lease for the three months ended March 31, 2022. Please refer to the consolidated financial statements for the year ended December 31, 2021 for other related information.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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(v) Employee benefits

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to \$12,138 thousand and \$12,597 thousand for the three months ended March 31, 2022 and 2021, respectively.

(w) Income Taxes

(i) Components of income tax of the Group were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Income tax expense	<b>\$ 26,441</b>	<b>3,675</b>

(ii) For the three months ended March 31, 2022 and 2021, there was no income tax recognized in other comprehensive income.

(iii) The Company's tax returns for the years through 2019 were assessed by the National Tax Bureau.

(x) Capital and other equity

Except for the following disclosure, there was no significant change in for capital and other equity for the periods from January 1 to March 31, 2022 and 2021. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2021.

(i) Ordinary shares

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Authorized share capital	<b>\$ 36,000,000</b>	<b>36,000,000</b>	<b>36,000,000</b>
Issued share capital	<b>\$ 16,278,140</b>	<b>16,278,140</b>	<b>26,650,178</b>
Total shares issued	<b>\$ 1,627,814</b>	<b>1,627,814</b>	<b>2,665,018</b>

Of the Group's authorized shares, 80,000 thousand shares had been reserved for the issuance of employee share options.

(ii) Capital surplus

The Company's capital surplus includes share premium, subsidiaries, conversion right, number of changes in ownership of associates and joint venture recognized by equity method, and employee stock option, etc.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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(iii) Retained Earnings

According to the Articles of Incorporation, after tax earnings are initially used to offset cumulative losses, and 10% of the remainder is set aside as a legal reserve, except when the legal reserve of the Group reaches its paid in capital, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Group's Board of Directors as the basis for proposing a distribution plan, which will be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

In accordance with the Group Law, two thirds of authorized Board of Directors must be present, and more than half of the directors present will reach an agreement to distribute the dividends and bonuses or all or a portion of the legal reserve and capital reserve as stipulated in Item 1 of Article 241 of the Group Law in the form of cash, which is reported to the meeting of shareholders.

The Articles of Incorporation of the Group also stipulate a dividend policy that the issuance of share dividends takes precedence over the payment of cash dividends. In principle, cash dividends should be not less than 10% of total dividends distributed.

On March 11, 2022 and May 7, 2021, the capital reduction for covering accumulated deficits proposal and the loss compensation proposal for 2021 and 2020, had been resolved by the shareholders' meeting. Due to the net loss in 2021 and 2020, the Group did not distribute earnings. Related information can be found on the Market Observation Post System website of the Taiwan Stock Exchange.

(iv) Treasury shares

The Group acquired treasury shares as result of merging Gintech Energy on October 1, 2018. Related information was as follow:

	<b>Number of shares held (in thousands of shares)</b>	<b>Carrying Amount</b>	<b>Market Price</b>
Balance at March 31, 2022	\$ <u>1,066</u>	<u>18,699</u>	<u>24,511</u>
Balance at December 31, 2021	\$ <u>1,066</u>	<u>18,699</u>	<u>23,285</u>
Balance at March 31, 2021	\$ <u>1,883</u>	<u>18,699</u>	<u>28,252</u>

The shares of the Group held by Utech has been treated as treasury shares. They were same as general shareholders except for the rights of cash injection and the rights of voting. The change of the treasury shares was the capital reduction offset accumulated deficits.

(y) Share-based payment

As of March 31, 2022, the Group's restricted share plan for employees are as follows. There were no significant changes in share-based payment for the three months ended March 31, 2022 and 2021. Please refer to the 2021 annual consolidated financial statements for other related information.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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	<b>Restricted share plan for employees</b>	
	<b>Issued in 2020</b>	<b>Issued in 2019</b>
Grant date	August 11, 2020	November 11, 2019
Number of shares granted (in thousand shares)	795	2,205
Contract term	2 years	2 years
Recipients	Employees of the Company	Employees of the Company
Vested conditions	Still in service two years after the grant date	Still in service two years after the grant date
Other conditions	The Group will reduce capital and adjust the number of unowned shares	The Group will reduce capital and adjust the number of unowned shares

Information for the cost of share-based payment

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Wages expense	\$ <u>350</u>	<u>1,665</u>

(z) Earnings(loss) per share

Calculations on earnings(loss) per share of the Group were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Basic earnings(loss) per share:		
Profit(loss) attributable to ordinary shareholders of the Company	<u>600,353</u>	<u>(532,716)</u>
Weighted average number of ordinary shares outstanding (in thousands of shares)	<u>1,626,601</u>	<u>1,506,063</u>
Earnings(loss) per share	<u>0.37</u>	<u>(0.35)</u>
Diluted earnings per share:		
Profit attributable to ordinary shareholders of the Company	\$ 600,353	
Bonds discount and issuance costs amortized	<u>3,373</u>	
Total amount	<u>603,726</u>	
Weighted average number of ordinary shares outstanding (in thousands of shares)	1,626,601	
Effect of convertible bonds (in thousands of shares)	143,541	
Effect of restricted shares for employees (in thousands of shares)	<u>147</u>	
Weighted average number of ordinary shares (diluted) (in thousands of shares)	<u>1,770,289</u>	
Diluted earnings per share	\$ <u>0.34</u>	

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(aa) Revenue from contracts with customers

(i) Disaggregation of revenue:

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Major products		
Solar products	\$ 3,804,379	2,566,587
System	535,867	233,904
Other	342,027	204,477
	<u><b>\$ 4,682,273</b></u>	<u><b>3,004,968</b></u>

(ii) Contract balance

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Notes and accounts receivable	<u><b>\$ 2,179,677</b></u>	<u><b>2,096,909</b></u>	<u><b>2,566,960</b></u>
Contract assets			
OEM contract	\$ 95,567	105,607	-
Construction contract	344,758	109,580	63,269
Less: allowance for impairment	-	-	-
	<u><b>\$ 440,325</b></u>	<u><b>215,187</b></u>	<u><b>63,269</b></u>
Contract liabilities			
Sales of products	\$ 509,265	477,713	575,963
Construction contract	47,946	28,953	-
Power plant sales contract	-	-	35,544
	<u><b>\$ 557,211</b></u>	<u><b>506,666</b></u>	<u><b>611,507</b></u>

- 1) The details on accounts receivable and allowance for impairment, please refer to note 6(e).
- 2) The beginning balance of contract liabilities recognized as revenue at January 1 to March 31, 2022 and 2021 were \$204,767 thousand and \$167,724 thousand, respectively.
- 3) Contract asset is providing OEM contracts for customers that exchange equivalent consideration rights and recognized construction income which has not yet been requested until the reporting date.

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(ab) Employee compensation and directors' remuneration

According to the Articles of Association, once the Group has annual profit, it should appropriate no less than 3% of the profit to its employees and 2% or less to its directors and supervisors as remuneration. However, if the Group has accumulated deficits, the profit should be reserved to offset the deficit.

The recipients of above-mentioned remuneration may include employees of controlling or affiliated companies who meet certain conditions, and the relevant conditions and methods are authorized by the Board of Directors or by persons authorized by them.

Due to net loss for the three months ended March 31, 2022 and 2021, the Group did not estimate its employees', directors' and supervisors' remuneration.

(ac) Non-operating Income and Expenses

(i) Other income

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Lease income	\$ 49,049	29,706
Other income	64,021	13,973
	<b>\$ 113,070</b>	<b>43,679</b>

(ii) Other gains and losses

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Gain (loss) on foreign currency exchange	72,096	3,333
Gain on disposal of property, plant and equipment and power facilities business	33,434	74
Gain on disposals of investments	1	-
Impairment loss of non-current assets held for sale	-	(21,317)
Gains (Losses) on financial assets (liabilities)	(31,415)	16,420
Other	(12,610)	(13,134)
	<b>\$ 61,506</b>	<b>(14,624)</b>

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(ad) Financial Instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2021.

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets and contract assets represents the maximum amount exposed to credit risk.

2) Concentration of credit risk

The Group has a large customer base, and is diversified across different industries and geographical locations, not related to each other, therefore, the concentration of credit risk is not large.

3) Credit risk of receivables and debt securities

The Group's financial assets at amortized cost, accounts receivable and other receivables are all with low risk on the reporting date. Therefore, the Group measures the allowance for impairment based on the 12 months expected credit loss. Please refer to note 6(d), (e) for relevant credit risk information.

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>	<u>Over 3 years</u>
<b>March 31, 2022</b>					
Non-derivative financial liabilities					
Bank borrowings	\$ 6,424,485	2,813,786	665,863	1,906,627	1,038,209
Short-term notes and bills payable	106,600	106,600	-	-	-
Lease liabilities	789,709	71,636	55,018	54,724	608,331
Non-interest bearing liabilities	2,605,284	2,605,284	-	-	-
Derivative financial liabilities (Note)					
Inflow	(1,059,248)	(1,059,248)	-	-	-
Outflow	<u>1,067,769</u>	<u>1,067,769</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 9,934,599</u>	<u>5,605,827</u>	<u>720,881</u>	<u>1,961,351</u>	<u>1,646,540</u>

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	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>	<u>Over 3 years</u>
<b>December 31, 2021</b>					
Non-derivative financial liabilities					
Bank borrowings	\$ 6,619,127	2,625,798	776,875	2,193,578	1,022,876
Short-term notes and bills payable	221,300	221,300	-	-	-
Lease liabilities	798,978	74,879	55,952	53,537	614,610
Non-interest bearing liabilities	2,722,927	2,722,927	-	-	-
Derivative financial liabilities (Note)					
Inflow	(1,149,027)	(1,149,027)	-	-	-
Outflow	<u>1,141,643</u>	<u>1,141,643</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><b>\$ 10,354,948</b></u>	<u><b>5,637,520</b></u>	<u><b>832,827</b></u>	<u><b>2,247,115</b></u>	<u><b>1,637,486</b></u>
<b>March 31, 2021</b>					
Non-derivative financial liabilities					
Bank borrowing	\$ 11,984,874	6,965,222	1,844,229	1,949,031	1,226,392
Short-term notes and bills payable	237,700	237,700	-	-	-
Lease liabilities	848,416	69,757	69,551	53,110	655,998
Non-interest bearing liabilities	2,570,322	2,570,322	-	-	-
Derivative financial liabilities (Note)					
Inflow	(344,069)	(344,069)	-	-	-
Outflow	<u>339,941</u>	<u>339,941</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><b>\$ 15,637,184</b></u>	<u><b>9,838,873</b></u>	<u><b>1,913,780</b></u>	<u><b>2,002,141</b></u>	<u><b>1,882,390</b></u>

Note: The call option sold derives from the loan contract signed by the Group and IMPA (please refer to note 6(p) for more details). This financial liability is recognized at fair value (please refer to note 6(b)), and has been adjusted according to the real interest rate of the contract. The relevant cash flow also reflects the contractual cash flow of the bank loan, therefore it is not to be included in the cash flow from derivative financial instruments.

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

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(iii) Market risk

1) Currency risk

The Group's significant exposure to foreign currency risk was as follow:

	March 31, 2022			December 31, 2021			March 31, 2021		
	Foreign currency (in thousands)	Exchange rate	NTD	Foreign currency (in thousands)	Exchange rate	NTD	Foreign currency (in thousands)	Exchange rate	NTD
<b>Financial assets</b>									
<b>Monetary items</b>									
USD	\$ 100,982	28.6150	2,889,600	107,578	27.6700	2,976,683	158,462	28.5050	4,516,959
EUR	6,348	31.9500	202,819	4,753	31.3700	149,102	14,142	33.3700	471,919
CNY	255	4.5000	1,148	1,313	4.3440	5,704	2,787	4.3350	12,082
GBP	332	37.5500	12,467	325	37.3300	12,132	705	39.1400	27,594
<b>Non-Monetary items</b>									
MYR	11,176	6.5350	73,035	10,580	6.3630	67,322	10,572	6.5585	69,340
<b>Financial liabilities</b>									
<b>Monetary items</b>									
USD	52,812	28.6150	1,511,215	76,170	27.6700	2,107,624	171,239	28.5050	4,881,168
EUR	4,121	31.9500	131,666	953	31.3700	29,896	6,703	33.3700	223,679

The Group's exposure to currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts and other receivables, and accounts and other payables that are denominated in foreign currency. The weakening or strengthening of 1% on the above-mentioned foreign currency against the New Taiwanese Dollars would have decrease or increase the net profit (loss) before tax for the three months ended March 31, 2022 and 2021 by \$14,632 thousand and \$1,111 thousand, respectively. The analysis assumes that all other variables remain constant. The analysis is performed on the same basis for the two periods.

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the three months ended March 31, 2022 and 2021, foreign exchange gain (loss) (including realized and unrealized portions), please refer to note 6 (ac).

2) Interest rate risk

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.25% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

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If the interest rate had increased / decreased by 0.25%, the Group's net income would have decreased / increased by \$61 thousand and \$1,769 thousand for the three months ended March 31, 2022 and 2021 with all other variable factors remaining constant. This is mainly due to the exposure of the fair value interest rate risk of the Group's variable interest rate deposit and loans.

In addition, the Group's financial assets and liabilities with fixed interest rate are measured at amortized cost. The profit and loss of financial instruments are unaffected by fluctuations in interest rate on the reporting date, therefore, no sensitivity analysis has been disclosed.

3) Other market price risk

The Group's exposure to price risk on equity investments mainly arises from the investment of financial assets measured at fair value through other comprehensive income. If the price of the securities fluctuates on the reporting date (the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss), the impact on the consolidated income items are as follows:

<u>Prices of securities at the reporting date</u>	<u>For the three months ended March 31, 2022</u>	<u>For the three months ended March 31, 2021</u>
Increasing 5%	\$ <u>19,961</u>	<u>15,771</u>
Decreasing 5%	\$ <u>(19,961)</u>	<u>(15,771)</u>

4) Fair value of financial instruments

a) Fair value hierarchy

The Group's financial assets and liabilities measured at fair value through profit and loss, financial assets and liabilities for hedging and financial assets measured at fair value through other comprehensive income are measured at fair value on a recurring basis. The carrying amount and fair value of various types of financial assets and liabilities (including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required) are listed as follows:

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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	<b>March 31, 2022</b>				
	<b>Book value</b>	<b>Fair Value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial assets at fair value through profit and loss					
Derivative financial assets	\$ <b>168,548</b>	-	934	167,614	<b>168,548</b>
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	\$ 399,222	188,452	210,770	-	399,222
Non-quoted equity instruments measured at fair value	150,387	-	-	150,387	150,387
Subtotal	<b>\$ 549,609</b>	<b>188,452</b>	<b>210,770</b>	<b>150,387</b>	<b>549,609</b>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 4,755,545				
Accounts receivable (including related parties)	2,179,677				
Other receivables (including receivables from related parties)	549,742				
Other financial assets	797,367				
Refundable deposits	674,291				
Other non-current assets	411,853				
	<b>\$ 9,368,475</b>				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	\$ <b>62,060</b>	-	9,455	52,605	<b>62,060</b>
Financial liabilities measured at amortized cost					
Bonds payable	\$ 2,956,667				
Long-term and short-term borrowings	5,813,950				
Short-term bills payable	106,579				
Accounts payable (including related parties)	1,178,711				
Lease liabilities	610,364				
Preference share liabilities	14,424				
Other financial liabilities	1,426,573				
	<b>\$ 12,107,268</b>				

(Continued)

**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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<b>December 31, 2021</b>					
	<b>Book value</b>	<b>Fair Value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial assets at fair value through profit or loss					
Derivative financial assets	\$ <u>171,351</u>	<u>-</u>	<u>7,384</u>	<u>163,967</u>	<u>171,351</u>
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	\$ 389,616	167,366	222,250	-	389,616
Non-quoted equity instruments measured at fair value	<u>55,887</u>	<u>-</u>	<u>-</u>	<u>55,887</u>	<u>55,887</u>
Subtotal	<u>\$ 445,503</u>	<u>167,366</u>	<u>222,250</u>	<u>55,887</u>	<u>445,503</u>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 5,254,173				
Accounts receivable (including related parties)	2,096,909				
Other receivables (including related parties)	570,917				
Financial assets measured at amortized cost	924,036				
Other financial assets	654,938				
Refundable deposits	<u>453,208</u>				
	<u>\$ 9,954,181</u>				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	\$ <u>51,821</u>	<u>-</u>	<u>-</u>	<u>51,821</u>	<u>51,821</u>
Financial liabilities measured at amortized cost					
Bonds payable	\$ 2,952,450				
Long-term and short-term borrowings	6,010,634				
Short-term bills payable	221,253				
Accounts payable (including related parties)	1,355,764				
Lease liabilities	619,119				
Preference share liabilities	16,500				
Other financial liabilities	<u>1,367,163</u>				
	<u>\$ 12,542,883</u>				

(Continued)

**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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	March 31, 2021				
	Book value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit and loss					
Derivative financial assets	\$ <u>185,315</u>	<u>-</u>	<u>4,921</u>	<u>180,394</u>	<u>185,315</u>
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	\$ 315,415	166,805	148,610	-	315,415
Non-quoted equity instruments measured at fair value	<u>62,991</u>	<u>-</u>	<u>-</u>	<u>62,991</u>	<u>62,991</u>
Subtotal	<u>\$ 378,406</u>	<u>166,805</u>	<u>148,610</u>	<u>62,991</u>	<u>378,406</u>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 4,903,644				
Accounts receivable (including accounts receivables from related parties)	2,566,960				
Other receivables (including receivables from related parties)	716,417				
Financial assets measured at amortized cost	142,525				
Other financial assets	914,458				
Refundable deposits	<u>739,542</u>				
	<u>\$ 9,983,546</u>				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	\$ <u>87,837</u>	<u>-</u>	<u>793</u>	<u>87,044</u>	<u>87,837</u>
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	\$ 11,297,505				
Short-term bills payable	237,595				
Accounts payable (including accounts receivables from related parties)	1,315,394				
Lease liabilities	655,720				
Preference share liabilities	25,771				
Other financial liabilities	<u>1,254,929</u>				
	<u>\$ 14,786,914</u>				

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

b) Valuation techniques for financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

i) Financial assets measured at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by competitors are adopted.

ii) Financial liabilities measured at amortized cost

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

c) Valuation techniques for financial instruments measured at fair value

i) Non-derivative financial instruments

If the financial instruments have a quoted price in an active market, the fair value should be determined on that price. The price quoted in major exchanges and over-the-counter trading are all considered basis for fair value determination for listed equity instruments.

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide.

The financial instruments held by the Group are distinguished according to the evaluation sources used to determine its fair value as follows:

- Financial instruments with an active market: including listed company stocks and fund beneficiary certificates, etc. The fair value of these instruments is determined by reference to their respective market quotes.
- Financial instruments without active market: Fair value is based on valuation techniques or reference counterparty quotes. The fair value obtained through evaluation techniques can refer to the current fair value of other financial instruments with similar conditions and characteristics, discounted cash flow method or other evaluation techniques, including calculations based on market information available on the date of the consolidated balance sheet.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

ii) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models; forward foreign exchange contracts are usually evaluated based on the current forward exchange rate, and the fair value of other types of derivative financial instruments are determined based on appropriate option pricing models (such as the Black-Scholes model) or other evaluation methods.

d) Reconciliation of Level 3 fair values

The changes in Level 3 fair values for the three months ended March 31, 2022 and 2021 are as follows:

	<b>Derivative instrument - Net of fair value measured through profit and loss</b>		<b>Non quoted equity instrument - fair value through other comprehensive income</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Opening balance	\$ 112,146	82,317	55,887	62,991
Additions	-	-	94,500	-
Total gains and losses recognized in profit and loss	(734)	9,778	-	-
Effect of exchange rate changes	3,597	1,255	-	-
Ending balance	<u>\$ 115,009</u>	<u>93,350</u>	<u>150,387</u>	<u>62,991</u>

As of March 31, 2022 and 2021, the total gains and losses were included in “other gains and losses” and “unrealized gains and losses of financial assets at fair value through other comprehensive income”. The relevant assets were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Total gains and losses recognized:		
In gains and losses, and presented in “other gains and losses”	<u>\$ (734)</u>	<u>9,778</u>

e) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group’s financial instruments that use Level 3 inputs to measure fair value include “financial assets measured at fair value through profit or loss – derivative instruments” and “fair value through other comprehensive income – equity investments”.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

Most of the fair value classified as Level 3 are singular significant unobservable input value, except for equity investments without an active market, which has multiple significant unobservable input data. The significant unobservable input values of equity instruments without an active market are independent of each other, thus there are no correlation between them.

Quantified information of significant unobservable inputs was as follow:

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between significant unobservable inputs and fair value measurements</u>
Financial assets measured at fair value through profit and loss - derivatives instruments (long call options and short call options)	Option pricing model	Stock price volatility (22%~32% for March 31, 2022 and December 31, 2021, 25%~33% for March 31, 2021, respectively)	The higher the volatility of the stock price, the higher the fair value of longing the call option and lower the fair value of shorting the call option

- f) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

	<u>Input value</u>	<u>Increase(+) or decrease(-)</u>	<u>The effect of fair value fluctuations in profit and loss</u>	
			<u>Favorable</u>	<u>Unfavorable</u>
Financial assets measured at fair value through profit and loss - derivatives instruments (long call options)	22%~32%	+0.5%	-	-
Financial assets measured at fair value through profit and loss - derivatives instruments (short call options)	22%~32%	-0.5%	-	-
Financial assets measured at fair value through profit and loss - derivatives instruments (long call options)	22%~30%	+0.5%	-	(12,077)
Financial assets measured at fair value through profit and loss - derivatives instruments (short call options)	22%~30%	-0.5%	11,368	-

The favorable and unfavorable effects represent the changes in fair value, which is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

(ae) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in the consolidated financial statements for the year ended December 31, 2021.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

(af) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2021. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2021.

(ag) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow in the three months ended March 31, 2022 and 2021, were as follows:

- (i) Acquisition of Right-of-use assets by lease, please refer to note 6(k).
- (ii) Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2022	Cash flows	Foreign exchange movements and others	March 31, 2022
Long-term borrowings	\$ 5,960,245	(491,942)	38,032	5,506,335
Short-term borrowings	50,389	257,226	-	307,615
Short-term bills payable	221,253	(114,700)	26	106,579
Lease liabilities	619,119	(22,723)	13,968	610,364
Preference share liabilities	16,500	(4,335)	2,259	14,424
Bonds payable	2,952,450	-	4,217	2,956,667
Total liabilities from financing activities	<u>\$ 9,819,956</u>	<u>(376,474)</u>	<u>58,502</u>	<u>9,501,984</u>

	January 1, 2021	Cash flows	Foreign exchange movements and others	March 31, 2021
Long-term borrowings	\$ 10,482,412	(546,201)	(901,132)	9,035,079
Short-term borrowings	2,320,002	(80,944)	23,368	2,262,426
Short-term bills payable	174,810	62,800	(15)	237,595
Lease liabilities	655,934	(12,380)	12,166	655,720
Preference share liabilities	28,282	(4,387)	1,876	25,771
Total liabilities from financing activities	<u>\$ 13,661,440</u>	<u>(581,112)</u>	<u>(863,737)</u>	<u>12,216,591</u>

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(7) Related-party transactions:**

(a) Name and relationship with related parties

<u>Name of related party</u>	<u>Relationship with the Group</u>
Phanes Holding Inc.	Other related party
Oryx Solar System Solutions LLC	Other related party
ThinTech Materials Technology Co., Ltd.	Other related party
DS Energy Technology Co., Ltd.	Associate
Solarbright energy Co., Ltd. (“Solarbright”)	Associate
Apex Solar Corporation (“Apex”)	Associate (Note 1)
Clean Focus Yield Limited (“CFY”)	Other related party
Clean Focus Corporation (“CFC”)	Other related party
Verde Solar Inc.	Other related party
V5 Technologies Co., Ltd.	Associate
Gintung energy Corporation	Associate
CF MN DevCo One LLC	Joint venture
CF MN DevCo Two LLC	Joint venture
NSP ET CAP MN HOLDINGS LLC	Joint venture

Note 1: A former subsidiary of the Group, wherein the Company disposed all of Apex’s shares to Solarbright during the second quarter of 2021, hence Apex was listed as an associate.

(b) Significant transactions with related parties

(i) Sales, accounts receivable and contract assets

Details of sales by the Group to related parties were as follows:

	<b>For the three months ended March 31</b>	
	<b>2022</b>	<b>2021</b>
Associates	<b>\$ 51,816</b>	<b>18,566</b>

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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The terms of sale between the Group and related parties are negotiated by both parties based on the market conditions of the relevant products. The details of the accounts receivable and contract assets from the above transactions were as follows:

	<b>March 31, 2022</b>		<b>December 31, 2021</b>		<b>March 31, 2021</b>	
	<b>Accounts Receivable</b>	<b>Contract Assets</b>	<b>Accounts Receivable</b>	<b>Contract Assets</b>	<b>Accounts Receivable</b>	<b>Contract Assets</b>
Associates						
Apex	\$ 3,560	3,850	8,431	31,821	-	-
Others	-	-	13,665	-	554	-
Other related parties						
CFC	131,098	-	126,769	-	130,594	-
Verde Solar Inc.	79,164	-	76,549	-	78,859	-
Less: Impairment allowance	-	-	(25)	-	(1)	-
	<u><b>\$ 213,822</b></u>	<u><b>3,850</b></u>	<u><b>225,389</b></u>	<u><b>31,821</b></u>	<u><b>210,006</b></u>	<u><b>-</b></u>

(ii) Purchases, accounts payable and contract liabilities

Details of purchases by the Group to related parties were as follows:

	<b>For the three months ended March 31</b>	
	<b>2022</b>	<b>2021</b>
Associates	<u><b>\$ 3,996</b></u>	<u><b>3,704</b></u>

The terms of the purchase between the Group and related parties are based on conditions agreed upon by both parties. The details of the accounts payable and contract liabilities from the above transactions were as follows:

	<b>March 31, 2022</b>		<b>December 31, 2021</b>		<b>March 31, 2021</b>	
	<b>Accounts payable</b>	<b>Contract liabilities</b>	<b>Accounts payable</b>	<b>Contract liabilities</b>	<b>Accounts payable</b>	<b>Contract liabilities</b>
Associates	<u><b>\$ 5,245</b></u>	<u><b>33,305</b></u>	<u><b>-</b></u>	<u><b>23,223</b></u>	<u><b>-</b></u>	<u><b>-</b></u>

(iii) The following are mainly generated from mutual advance payments for building power facilities between the Group and related parties, which were including in other receivables and other current liabilities:

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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	<b>Other receivables</b>		
	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Associates	\$ 381	381	341
Joint ventures	47,652	46,078	47,235
Other related parties			
CFC	302,957	292,952	301,792
Less: Impairment allowance	(10,874)	(10,515)	(10,832)
	<b>\$ 340,116</b>	<b>328,896</b>	<b>338,536</b>
	<b>Other current liabilities</b>		
	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Associates	\$ -	165	-
Joint ventures	22,540	21,795	22,453
	<b>\$ 22,540</b>	<b>21,960</b>	<b>22,453</b>

- (iv) Purchase of property, plant and equipment

	<b>Payables on equipment (classified as other current liabilities)</b>		
	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Other related parties	<b>\$ 2,017</b>	<b>1,951</b>	<b>2,010</b>

- (v) Disposal of investee companies that adopt equity method

The Group invested in 28.67% of CFY's shares, with the right of redemption. Both parties agreed the Group require CFY to redeem all of its shares with certain conditions. The right has been executed by the Group in 2020, with the execution price of \$1,649,963 thousand. In addition, as of March 31, 2022, December 31 and March 31, 2021, the remaining balance on the above disposal amounting to \$103,741 thousand, \$100,315 thousand and \$167,478 thousand, respectively, which has not yet to be collected, accounted for as other receivables from related parties.

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(c) Key management personnel compensation

	<b>For the three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Short-term employee benefits	\$ 14,132	16,399
Post-employment benefits	304	357
Share-based payments	76	425
Total	<u><u>\$ 14,512</u></u>	<u><u>17,181</u></u>

Please refer to note 6(y) for further explanations related to share-based payments.

**(8) Pledged assets:**

The carrying amounts of pledged assets were as follows:

<b>Pledged assets</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Property, plant and equipment	\$ 3,644,185	3,908,489	5,105,608
Investment property	2,544,638	2,569,975	2,645,985
Non-current assets held for sale	1,184,488	1,253,441	1,179,935
Financial assets at fair value through other comprehensive income	-	-	113,700
Restricted bank deposit (accounted for as current assets and other non-current assets)	1,176,969	1,345,902	881,706
Inventory	-	-	277,432
Refundable deposit	674,291	654,938	739,542
Lease receivables (accounted for as other current assets and other non-current assets)	32,251	31,342	32,752
	<u><u>\$ 9,256,822</u></u>	<u><u>9,764,087</u></u>	<u><u>10,976,660</u></u>

**(9) Significant contingent liabilities and unrecognized commitments:**

(a) Unrecognized contract commitments

(i) Unrecognized contract commitments

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Unused letter of credit (in USD thousand)	\$ -	6	-
Unused letter of credit (in EUR thousand)	629	553	4,745
Bank guarantee (Note 13(a))	<u><u>\$ 3,270,034</u></u>	<u><u>3,239,679</u></u>	<u><u>3,704,898</u></u>

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
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- (ii) The Group have obtained orders for power facility construction and contracted the projects out to contractors. The Group entered into construction and materials contract with several contractors, and the unpaid amounts were as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Unpaid amount	<u>\$ 3,636,960</u>	<u>2,178,470</u>	<u>1,192,013</u>

- (iii) The Group agreed to buy back the Class A preference shares issued by GES AC and AC GES on specific dates; please see note 6(r) for more details. In addition, the Group and IMPA agreed to sell all the shares of GES AC and AC GES; please see note 6(p) for more details.
- (iv) The Group signed an electricity purchase contract with several companies. According to the contract, the Group can sell its own power plant to these companies, who are not allowed to resell electricity without authorization from the Group. The contracts are irrevocable, with contract periods ranging from 20 ~ 31 years.
- (v) Due to power plant installations, the Group signed non-fixed lease payment agreements with others, please refer to Note 6(s).
- (vi) The Group entered into separate long-term purchase agreements with several different silicon wafer suppliers. The Group has to make advance payments as guarantee and the suppliers shall meet the supply of materials in accordance with the contract terms. The advance payment may not be used for any other purposes than to deduct the payables arising from the purchase which is decided by both parties according to market price. In addition, the Group will recognize the impairments on the prepaid amounts according to the suppliers' operations as follows:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>	<b>March 31, 2021</b>
Advance payment	<u>\$ 2,099,769</u>	<u>2,100,857</u>	<u>2,110,395</u>
Accumulated impairment loss	<u>\$ 164,853</u>	<u>164,853</u>	<u>164,853</u>

- (vii) As of March 31, 2022 and March 31, 2021, the Group issued guarantee for Directorate General of Customs and sales Project, amounting to \$873,251 thousand and \$1,131,184 thousand, respectively.

(b) Contingencies

- (i) The Group leased its plants to DU then a fire broke out in October 2017, and DU was affected and requested damages from the Group. The two parties reached a settlement in May 2019 that offset the money DU owed to the Group. However, EZ Bank, the mortgagee of DU's equipment, had objections to the settlement, and requested the Group to pay damages to DU, claim that the creditor's rights and debts could not be offset by the Group. The Group assessed that it was against DU that the creditor's rights of DU and DU's right to claim damages against the Group are legally offset, so EZ Bank's request has no basis. In this case, on July 1, 2021, the court judged that the Group should pay EZ Bank \$159,335 thousand. The Group has appointed a lawyer to file an appeal on the grounds that the judgment was unreasonably flawed.

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**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (ii) The sales customers FD and FE of the Group, in accordance with their purchase orders that not requesting performance within the time limit and requested to the Group USD\$1,345 thousand for performance and damages, and the Group assessed their requests are unfounded, and made lawyers appoint to handle this case.

**(10) Losses due to major disasters: None**

**(11) Subsequent Events: None**

**(12) Others:**

Employee benefits, depreciation and amortization expense are summarized based on functions as follows:

Functions Nature	For the three months ended March 31, 2022			For the three months ended March 31, 2021		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Employee benefit expense						
Salaries	273,140	101,082	374,222	218,757	109,012	327,769
Labor and health insurance	24,123	8,286	32,409	20,751	7,288	28,039
Pension	9,884	2,254	12,138	8,176	4,421	12,597
Others	34,957	4,225	39,182	15,377	6,937	22,314
Depreciation expense (Note)	234,326	15,692	250,018	263,425	35,683	299,108
Amortization expense	-	645	645	463	2,395	2,858

Note: Exclude the depreciation expense of investment property \$31,336 thousand and \$26,011 thousand during the three months ended March 31, 2022 and 2021, respectively.

**(13) Other disclosures:**

(a) Information on significant transactions:

The followings were the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the three months ended March 31, 2022:

- (i) Lending to other parties: None.
- (ii) Guarantee and Endorsement for other parties: Please see Table 1 attached.
- (iii) Information regarding securities held at the reporting date (subsidiaries, associates and joint ventures not included): Please see Table 2 attached.
- (iv) Information regarding purchase or sale of securities for the period exceeding 300 million or 20% of the Group’s paid-in capital: : None.

(Continued)

**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

- (v) Information on acquisition of real estate with purchase amount exceeding 300 million or 20% of the Group's paid-in capital: None.
  - (vi) Information regarding receivables from disposal of real estate exceeding 300 million or 20% of the Group's paid-in capital: None.
  - (vii) Information regarding related-parties purchases and/or sales exceeding 100 million or 20% of the Group's paid-in capital: Please see Table 3 attached.
  - (viii) Information regarding receivables from related-parties exceeding 100 million or 20% of the Company's paid-in capital: Please see Table 4 attached.
  - (ix) Information regarding trading in derivative financial instruments: Please refer to Note 6(b) for related information.
  - (x) Significant transactions and business relationship between the parent company and its subsidiaries: Please see Table 5 attached.
- (b) Information on investees:
- The followings are the information on investees for the three months ended March 31, 2022: Please see Table 6 attached.
- (c) Information on investment in Mainland China: Please see Table 7 attached.
- (d) Major shareholders:

<b>Shareholder's Name</b>	<b>Shareholding</b>	<b>Shares</b>	<b>Percentage</b>
National Development Fund, Executive Yuan		99,084,679	6.08 %
Management Committee of Yaohua Glass Corporation Ltd.		94,573,203	5.80 %

Note 1: This Table provides the information of number of ordinary shares and special shares which were delivered through non-physical registration (including treasury shares) owned by major shareholders with ownership of 5% or greater and was calculated by Taiwan Depository & Clearing Corporation using the last business day at the end of the quarter. There might be a difference between the share capital listed on the Group's financial statements and the actual number of shares delivered through non-physical registration due to different basis of calculation.

Note 2: If the shareholder delivered the shares to the trust, the above information would be revealed by the individual trust account under fiduciary account opened by the trustee. As for the shareholders handled the insider ownership declarations with shareholdings over 10% in accordance with the Securities and Exchange Act, their shareholdings include the shares owned by themselves plus the shares delivered to the trust which they have the right on allocating the trust properties, please refer to the Market Observation Post System website for information about insider ownership declaration.

(Continued)



**UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

**(14) Segment information:**

The Group's operating segment information and reconciliation are as follows:

	<u>Solar energy</u>	<u>System</u>	<u>Others</u>	<u>Reconciliation and elimination</u>	<u>Total</u>
<b><u>For the three months ended March 31, 2022</u></b>					
Revenue					
Revenue from external customers	\$ 3,816,732	535,867	329,674	-	4,682,273
Intersegment revenues	<u>140,746</u>	<u>-</u>	<u>-</u>	<u>(140,746)</u>	<u>-</u>
Total revenue	<u>\$ 3,957,478</u>	<u>535,867</u>	<u>329,674</u>	<u>(140,746)</u>	<u>4,682,273</u>
Reportable segment profit or loss	<u>\$ 473,932</u>	<u>273,119</u>	<u>5,399</u>	<u>-</u>	<u>752,450</u>
				<b><u>Reconciliation and elimination</u></b>	<b><u>Total</u></b>
<b><u>For the three months ended March 31, 2021</u></b>					
Revenue					
Revenue from external customers	\$ 2,703,238	233,951	67,779	-	3,004,968
Intersegment revenues	<u>3,730</u>	<u>-</u>	<u>-</u>	<u>(3,730)</u>	<u>-</u>
Total revenue	<u>\$ 2,706,968</u>	<u>233,951</u>	<u>67,779</u>	<u>(3,730)</u>	<u>3,004,968</u>
Reportable segment profit or loss	<u>\$ (37,123)</u>	<u>(19,659)</u>	<u>9,753</u>	<u>-</u>	<u>(47,029)</u>

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES  
ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE THREE MONTHS ENDED March 31, 2022

TABLE 1 (In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Counter-party of guarantee and endorsement		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Maximum amount for guarantees and endorsements	Endorsement / Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement / Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship with the Company										
0	The Company	NSP System	(2)	3,177,501	500,000	500,000	106,600	-	3.15	7,943,753	Y	N	N
0	The Company	Yong Liang	(2)	3,177,501	1,810,000	1,810,000	540,401	-	11.39	7,943,753	Y	N	N
0	The Company	GES USA	(2)	3,177,501	429,225	429,225	-	-	2.70	7,943,753	Y	N	N
1	GES USA	MEGASIXTEEN	(2)	659,497	243,228	243,228	243,228	-	36.88	1,318,994	Y	N	N
1	GES USA	TEV SOLAR ALPHA18 LLC	(2)	659,497	287,581	287,581	287,581	-	43.61	1,318,994	Y	N	N

Note 1: The relation between guarantor and guarantee :

- (1) Ordinary business relationship.
- (2) Subsidiary which owned more than 50 percent by the guarantor.
- (3) An investee owned more than 50 percent in total by both the guarantor and its subsidiary.
- (4) An investee owned more than 90 percent by the guarantor or its subsidiary.
- (5) Fulfillment of contractual obligations by providing mutual endorsements and guarantees for peer or joint builders in order to undertake a construction project.
- (6) An entity that is guaranteed and endorsed by all capital contributing shareholders in proportion to their shareholding percentages.
- (7) The companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for per-construction homes pursuant to the Consumer Protection Act for each other.

Note 2: In accordance with the "Rules of Guarantees by the Company," the ceiling for the total guaranteed amount was 50% of the Company's net asset value, and the limit on the guaranteed amount for a single party was 20% of the Company's net asset value. But for business purposes, the limit of the guaranteed amount was the total of the purchases from or sales to the Company within the most recent year.

Note 3: Based on the "Rules of Guarantees by GES USA," the ceiling for the total guaranteed amount was 200% of GES USA's net asset value, and the limit of the guaranteed amount for a single party was 100% of GES USA's net asset value. But for business purposes, the limit on the guaranteed amount was the total of the purchases from or sales to GES USA within the most recent year. GES USA's net asset value is based on its latest settlement financial statement.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES  
MARKETABLE SECURITIES HELD  
FOR THE THREE MONTHS ENDED March 31, 2022

TABLE 2

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	2022.3.31				Note
				Number of Shares	Carrying Amount	Percentage of Ownership	Fair Value	
The Company	<u>Shares</u>							
	CTCI Corporation	-	Financial assets at fair value through other comprehensive income- current	3,003	139,189	0.39%	139,189	
	ThinTech Materials Technology Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income- non-current	7,000	210,770	9.52%	210,770	1
	GIGA SOLAR MATERIALS CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	266	49,263	0.35%	49,263	
	Taiwan Speciality Chemicals Corporation	-	Financial assets at fair value through other comprehensive income- non-current	2,226	45,699	1.61%	45,699	
	NTNU Innovation Investment Holding Company	-	Financial assets at fair value through other comprehensive income- non-current	200	2,000	2.00%	2,000	
	ASIA GLOBAL VENTURE CAPITAL II CO., LTD	-	Financial assets at fair value through other comprehensive income- non-current	531	8,188	10.00%	8,188	
	SUN APPENNINO CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	-	-	26.09%	-	
	FICUS CAPITAL CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	-	-	28.07%	-	
	EVERGREEN AVIATION TECHNOLOGIES CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	1,500	94,500	0.43%	94,500	
	Convertible preference shares-Phanes Holding Inc.	Other related party	Financial assets at amortized cost- non-current	24	-	100%	-	

Note 1: It is a private stock which subject to transfer restrictions in accordance with Article 43-8 of the Securities and Exchange Act.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES  
TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE THREE MONTHS ENDED March 31, 2022

TABLE 3 (In Thousands of New Taiwan Dollars)

Buyer/Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Company	Gintech(Tailand)	Grandson company	Purchase	162,726	6%	TT in advance	-	-	(68,519)	(6.55%)	1

Note 1 : The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES  
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE THREE MONTHS ENDED March 31, 2022

TABLE 4

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate (Note1)	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
The Company	DelSolar US	Subsidiary	688,949	-	688,949	Receivable according to the financial situation	-	-
The Company	GES ME	Subsidiary	591,672	-	591,672	Receivable according to the financial situation	-	-
The Company	NSP NEVADA	Subsidiary	504,173	-	504,173	Receivable according to the financial situation	-	-
The Company	NSP System	Subsidiary	147,942	-	-	Receivable according to the financial situation	-	-
GES USA	Munisol	Grandson company	843,814	-	-	Receivable according to the financial situation	-	-
DelSolar US	Beryl	Subsidiary	720,768	-	-	Receivable according to the financial situation	-	-
TEV II	TEV Solar	Subsidiary	563,004	-	-	Receivable according to the financial situation	-	-
Beryl	CFC	Other related party	415,598	-	-	Receivable according to the financial situation	-	-
NSP NEVADA	GES USA	Subsidiary	386,308	-	-	Receivable according to the financial situation	-	-
GES UK	GES USA	Subsidiary	251,996	-	251,996	Receivable according to the financial situation	-	-
USD1	Beryl	Associate	109,278	-	-	Receivable according to the financial situation	-	-
NSP BVI	CFY	Other related party	103,741	-	103,741	Receivable according to the schedule of signing contracts	-	-

Note 1 : Receivables arising from the payment of power plant construction payments or procurement transactions don't apply to turnover rate.

Note 2 : The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES  
BUSINESS RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE THREE MONTHS ENDED March 31, 2022

TABLE 5

(In Thousands of New Taiwan Dollars)

No (Note 1)	Company Name	Related Party	Relationship(Note 2)	Intercompany transactions			
				Financial Statement Account	Amount	Trading Terms	Percentage of the consolidated net revenue or total assets
0	The Company	DeSolar US	1	Other receivable	688,949	Note 3	2%
0	The Company	NSP NEVADA	1	Other receivable	504,173	Note 3	2%
0	The Company	GES ME	1	Other receivable	591,672	Note 3	2%
0	The Company	NSP System	1	Other receivable	147,942	Note 3	0%
0	The Company	Gintech(Thailand)	1	Purchase	162,726	Note 3	4%
0	The Company	Utech	1	Purchase	61,095	Note 3	1%
1	DeSolar US	Beryl	3	Other receivable	720,768	Note 3	2%
2	NSP System	Yong Liang	3	Sales revenue	72,378	Note 3	2%
3	GES USA	Munisol	3	Other receivable	843,814	Note 3	3%
4	GES USA	NSP NEVADA	3	Other expense payable	386,308	Note 3	1%
5	GES UK	GES USA	3	Other receivable	251,996	Note 3	1%
6	USD1	Beryl	3	Other receivable	109,278	Note 3	0%
7	TEV II	TEV Solar	3	Other receivable	563,004	Note 3	2%

Note 1: fill in of numbers:

1. 0 represents the parent company.
2. The subsidiaries start with number 1.

Note 2: Relationship with counterparty are represented below:

1. Transactions from parent company to subsidiary.
2. Transactions from subsidiary to parent company.
3. Transactions between subsidiaries.

Note 3: Based on general trading conditions and prices.

Note 4: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Note 5: If other transactions do not reach 1% of the combined total revenue or total assets ratio will not be disclosed.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES  
INVESTEESEXCLUDING INFORMATION ON INVESTEEES IN MAINLAND CHINA)  
FOR THE THREE MONTHS ENDED March 31, 2022

TABLE 6 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2022			Investee recognized		Note
				March 31, 2022	December 31, 2021	Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)	
The Company	UES	Independent State of Samoa	Investment company	NTD 1,918,131	NTD 1,918,131	62,188	100%	786,628	16,579	16,094	
	DelSolar Cayman	Cayman Islands	Investment company	NTD 4,906,789	NTD 4,906,789	155,126	100%	573,750	(8,232)	(8,232)	
	NSP BVI	British Virgin Islands	Investment company	NTD 164,294	NTD 470,424	7,350	100%	109,966	(4)	(4)	Note 9
	GES ME	The United Arab Emirates	Solar related business	NTD 418,805	NTD 418,805	4	100%	58,714	(1,800)	(1,800)	
	NSP UK	UK	Investment company	NTD 71,881	NTD 71,881	1,780	100%	95,505	(85)	(85)	
	NSP System	Taiwan	Solar related business	NTD 144,200	NTD 144,200	14,420	100%	72,643	16,266	4,064	
	Zhongyang	Taiwan	Solar related business	NTD 24,121	NTD 24,121	3,500	100%	37,689	(480)	(480)	
	UREE	Taiwan	Solar related business	NTD -	NTD 25,300	-	-	-	-	-	Note 7
	DelSolar Singapore	Singapore	Investment company	NTD 29,743	NTD 29,743	1,250	100%	16,593	(23)	(23)	
	BPS	Taiwan	Solar related business	NTD -	NTD 6,000	-	-	-	(536)	(321)	Note 7
	SMC	Taiwan	Solar related business	NTD 9,720	NTD 9,720	1,000	100%	9,896	11	11	
	Utech	Taiwan	Electronic component manufacturing	NTD 1,097,064	NTD 1,097,064	28,491	99.94%	(1,013,524)	(25,131)	(25,094)	
	Yong Liang	Taiwan	Solar related business	NTD 249,000	NTD 249,000	24,900	36.14%	228,803	991	358	
	Yong Zhou	Taiwan	Solar related business	NTD 59,000	NTD 46,500	-	100%	4,659	(1,217)	(1,217)	
	JRC	Dominican	Solar related business	NTD 431,397	NTD 431,397	145	59.69%	216,447	-	-	
	GES UK	UK	Investment company	NTD 2,747,371	NTD 2,644,899	89,134	100%	1,130,995	(17,780)	(17,780)	
	TSST	Malaysia	Solar related business	NTD 417,692	NTD 417,692	97,701	42.12%	73,038	1,742	734	Note 1
	V5 Technology	Taiwan	Electronic component manufacturing and selling	NTD 114,084	NTD 114,084	7,789	28.64%	48,947	6,040	1,215	Note 1
	Gintung	Taiwan	Electronic component manufacturing	NTD 34,341	NTD 34,341	13,460	36.38%	-	27,462	-	Note 1
	DS Energy Technology Co., Ltd.	Taiwan	Solar related business	NTD 10,500	NTD 10,500	1,050	18.93%	2,146	(2,128)	(403)	Note 1
	Dashiangying	Taiwan	Agriculture related business	NTD 100	NTD 100	10	100%	7	-	-	Note 8
	Shinkai	Taiwan	Agriculture related business	NTD 100	NTD 100	10	100%	7	-	-	Note 8
	Shanshang	Taiwan	Solar related business	NTD 20,100	NTD 20,100	2,010	100%	20,047	(3)	(3)	
	Dungshr	Taiwan	Electronic component	NTD 2,100	NTD 2,100	210	100%	586	-	-	
	Yanshan	Taiwan	Agriculture related business	NTD -	NTD 100	-	-	-	-	-	Note 6
	Solarbright	Taiwan	Solar related business	NTD 30,000	NTD 30,000	9,000	30%	91,436	(1,145)	(343)	Note 1
UES	RES	Independent State of Samoa	Investment company	USD 64,406	USD 64,406	62,188	100%	786,627	16,579	-	Note 5
RES	Gintech Thailand	Thailand	Solar related business	USD 64,155	USD 64,155	20,920	100%	779,609	16,076	-	Note 5
GES UK	GES USA	US	Investment company	USD 55,880	USD 52,180	57,116	100%	659,497	(17,441)	-	Note 5
	NSP Germany	Germany	Solar related business	EUR 23	EUR 23	23	90%	1,030	(20)	-	Note 5
	GES CANADA	Canada	Investment company	USD 12,025	USD 12,025	10,540	100%	194,810	(88)	-	Note 5
	GES JAPAN	Japan	Investment company	JPY 273,507	JPY 273,507	276	100%	18,655	(215)	-	Note 5

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2022			Investee recognized		Note
				March 31, 2022	December 31, 2021	Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)	
GES USA	MEGATWO	US	Solar related business	USD 19,594	USD 19,594	19,594	100%	71,596	(1,624)	-	Note 5
	MEGAFIVE	US	Solar related business	USD 635	USD 635	635	100%	13,486	(727)	-	Note 5
	MEGASIX	US	Solar related business	USD 2,627	USD 2,627	2,627	100%	8,177	(1,167)	-	Note 5
	MEGAEIGHT	US	Solar related business	USD 748	USD 748	748	100%	4,244	(80)	-	Note 5
	MEGATWELVE	US	Solar related business	USD 168	USD 168	168	100%	164	(142)	-	Note 5
	MEGATHIRTEEN	US	Solar related business	USD 2,000	USD 2,000	2,000	100%	55,767	376	-	Note 5
	MEGASIXTEEN	US	Solar related business	USD 11,981	USD 11,981	11,981	100%	276,859	(3,505)	-	Note 5
	MEGANINETEEN	US	Solar related business	USD 132	USD 132	132	100%	(2,390)	69	-	Note 5
	MEGATWENTY	US	Solar related business	USD 124	USD 124	124	100%	2,318	139	-	Note 5
	ASSET TWO	US	Solar related business	USD -	USD -	-	-	(329)	-	-	Note 3,5
	ASSET THREE	US	Solar related business	USD 2,839	USD 2,839	2,839	100%	16,102	(919)	-	Note 5
	SH4	US	Solar related business	USD 539	USD 539	539	100%	8,690	(69)	-	Note 5
	Schenectady	US	Solar related business	USD -	USD -	-	-	(20,592)	(55)	-	Note 3,5
	SEG	US	Solar related business	USD 800	USD 800	800	100%	11,634	41	-	Note 5
	KINECT	US	Solar related business	USD 266	USD 266	266	100%	9,563	(84)	-	Note 5
	TEV II	US	Solar related business	USD 200	USD 200	0.2	100%	(122,846)	(2,125)	-	Note 5
	HEYWOOD	US	Solar related business	USD 1,770	USD 1,770	-	55%	43,127	(975)	-	Note 5
GES CANADA	JRC	Dominican	Solar related business	USD 9,842	USD 9,842	97	40.31%	234,472	-	-	Note 5
MEGA TWO	Munisol	Mexico	Solar related business	USD 18,810	USD 18,810	353,508	100%	401,510	(1,624)	-	Note 5
ASSET THREE	SHIMA'S	US	Solar related business	USD 153	USD 153	153	100%	(1,208)	56	-	Note 5
MEGASIXTEEN	WAIMEA	US	Solar related business	USD 526	USD 526	526	100%	12,539	145	-	Note 5
	HONOKAWAI	US	Solar related business	USD 418	USD 418	418	100%	13,642	182	-	Note 5
	ELEELE	US	Solar related business	USD 637	USD 637	637	100%	16,110	141	-	Note 5
	HANALEI	US	Solar related business	USD 280	USD 280	280	100%	1,992	(97)	-	Note 5
	KAPAA	US	Solar related business	USD 761	USD 761	761	100%	13,683	192	-	Note 5
	KOLOA	US	Solar related business	USD 569	USD 569	569	100%	10,406	220	-	Note 5
	GES AC	US	Solar related business	USD 24,942	USD 24,942	0.1	67.59%	713,061	(5,600)	-	Note 4,5
	ANDERSON N.	US	Solar related business	USD 13,507	USD 13,507	13,507	100%	362,278	(2,186)	-	Note 4,5
	ANDERSON S.	US	Solar related business	USD 11,454	USD 11,454	11,454	100%	307,582	(1,709)	-	Note 4,5
	Flora	US	Solar related business	USD 1,915	USD 1,915	1,915	100%	52,457	(255)	-	Note 4,5
GES AC	Greenfield	US	Solar related business	USD 8,631	USD 8,631	8,631	100%	232,638	(1,223)	-	Note 4,5
	Spiceland	US	Solar related business	USD 1,275	USD 1,275	1,275	100%	34,579	(175)	-	Note 4,5
	TEV Solar	US	Solar related business	USD 100	USD 100	0.1	100%	2,604	(29)	-	Note 4,5
	AC GES Solar	US	Solar related business	USD 19,674	USD 19,674	0.1	66.19%	562,856	(2,867)	-	Note 4,5
	Richmond	US	Solar related business	USD 19,259	USD 19,259	19,259	100%	543,800	(2,034)	-	Note 4,5
	Rensselaer	US	Solar related business	USD 9,933	USD 9,933	9,933	100%	282,349	(743)	-	Note 4,5
	Advance	US	Solar related business	USD 534	USD 534	534	100%	15,105	(38)	-	Note 4,5

(Continued)



Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2022			Investee recognized		Note
				March 31, 2022	December 31, 2021	Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)	
NSP BVI	NSP HK	Hong Kong	Solar related business	USD -	USD -	-	100%	-	-	-	Note 5
DelSolar Cayman	DelSolar HK	Hong Kong	Investment company	USD 125,200	USD 125,200	125,200	100%	218,191	(1,493)	-	Note 5
	DelSolar US	US	Investment company	USD 24,800	USD 24,800	3	100%	302,298	(5,388)	-	Note 5
	NSP NEVADA	US	Solar related business	USD 5,125	USD 5,125	5,125	100%	38,675	(1,167)	-	Note 5
	URE NSP	US	Solar related business	USD 500	USD 500	500	100%	14,651	(36)	-	Note 5
NSP UK	NSP Indygen	UK	Solar related business	GBP -	GBP -	-	100%	48,005	(48)	-	Note 5
Utech	Jiangung	Taiwan	Solar related business	NTD 440,100	NTD 440,100	44,010	100%	460,270	553	-	Note 5
Jiangung	Yong Liang	Taiwan	Solar related business	NTD 440,000	NTD 440,000	44,000	63.86%	449,591	991	-	Note 5
NSP System	Hsin Jin Optoelectronics	Taiwan	Solar related business	NTD 10,647	NTD 10,647	-	80%	11,851	(226)	-	Note 5
	Hsin Jin Solar Energy	Taiwan	Solar related business	NTD 13,981	NTD 13,981	-	60%	15,959	(400)	-	Note 5
	Si Two	Taiwan	Solar related business	NTD 20,000	NTD 20,000	2,000	100%	15,242	115	-	Note 5
	Lianzhang	Taiwan	Solar related business	NTD 100	NTD 100	10	100%	(46)	(6)	-	Note 5
	Lianxi	Taiwan	Solar related business	NTD 100	NTD 100	10	100%	(12,405)	(3)	-	Note 5
	Liancheng	Taiwan	Solar related business	NTD -	NTD 100	-	-	-	-	-	Note 5,6
UREE	UAE	Taiwan	Agriculture related business	NTD -	NTD 100	-	-	-	-	-	Note 5,7
DelSolar HK	DelSolar Wu Jiang	China	Solar related business	USD 120,000	USD 120,000	-	100%	205,839	(1,478)	-	Note 5
DelSolar US	DelSolar Development	US	Solar related business	USD 2,200	USD 2,200	-	100%	19,099	(229)	-	Note 5
	CFR	US	Solar related business	USD 14,370	USD 14,370	14,370	100%	(73,182)	-	-	Note 5,8
	USD1	US	Solar related business	USD 3,582	USD 3,582	-	100%	187,583	-	-	Note 5
	JV2	US	Solar related business	USD 830	USD 830	-	67%	-	-	-	Note 1,2,5
	Beryl	US	Solar related business	USD -	USD -	-	100%	115,362	(5,005)	-	Note 5
DelSolar Development	DSS-USF PHX LLC	US	Solar related business	USD 370	USD 370	-	100%	9,351	(159)	-	Note 5
	DSS-RAL LLC	US	Solar related business	USD 835	USD 835	-	100%	8,156	(69)	-	Note 5
USD1	DevCo One	US	Solar related business	USD 444	USD 444	-	40%	1,721	-	-	Note 1,5
	DevCo Two	US	Solar related business	USD 444	USD 444	-	40%	1,721	-	-	Note 1,5

Note 1 : It is an investment accounted for using equity method and is an affiliated enterprise or a joint venture. Except for these entities, the remaining entities are all subsidiaries of the consolidated entity. The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Note 2 : Although the Group holds more than half of JV2's equity, according to the joint venture contract, all major management decisions of JV2 must be agreed by all directors. Therefore, the Group assess no control over JV2.

Note 3 : The Group's structured entities.

Note 4 : According to the loan contract between the Group and IMPA, the Group cannot transfer the equity of the companies before the specified date. Please refer to note6(p) for details.

Note 5 : The investor disclosed the profits and losses of the investment, which include the profits and losses of the investee; therefore, no disclosure is needed from the Company.

Note 6 : As of March 31, 2022, the company had liquidated and dissolved.

Note 7 : As of March 31, 2022, the Group disposed of all the equity shares.

Note 8 : As of March 31, 2022, the company is in the process of liquidation and dissolution.

Note 9 : The company processed capital reduction and refunded 306,103 thousand (USD 11,000 thousand) in the first quarter of 2022.

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES  
INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE THREE MONTHS ENDED March 31, 2022

TABLE 7

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2022	Investment flows		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2022	Net Income (Loss) of the Investee (Note 2)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of March 31, 2022	Accumulated Repatriation of Investment Income as of March 31, 2022
					Outflow	Inflow						
DelSolar Wu Jiang	Solar related business	USD 120,000 \$ 3,433,800	Note 1	USD 120,000 \$ 3,433,800	-	-	USD 120,000 \$ 3,433,800	(1,478)	100%	(1,478)	205,839	-
NSP Nanchang	Solar related business	USD 0 \$ -	Note 4	USD 5,000 \$ 143,075	-	-	USD 5,000 \$ 143,075	-	-	-	-	-

Accumulated Outward Remittance for Investments in Mainland China as of March 31, 2022 (US\$ in Thousands)	Investment Amount Authorized by the Investment Commission, MOEA (US\$ in Thousands)	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
USD 143,450 4,104,822	USD 149,618 4,281,319	9,532,503

Note 1 : Investments Mainland China through a third region.

Note 2 : Subsidiaries mentioned above were recognized on the basis of unaudited financial statements as March 31, 2022.

Note 3 : The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Note 4 : The exchange rate used is the rate on March 31, 2022.