

**United Renewable Energy Co., Ltd. and
Subsidiaries**

**Consolidated Financial Statements for the
Years Ended December 31, 2025 and 2024 and
Independent Auditors' Report**

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2025 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard No. 10, “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we have not prepared a separate set of consolidated financial statements of affiliates.

Very truly yours,

UNITED RENEWABLE ENERGY CO., LTD.

CHUM SAM HONG
Chairman

March 9, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
United Renewable Energy Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of United Renewable Energy Co., Ltd. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, based on our audits and the report of other auditors (refer to the Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Validity of Revenue Recognized from Specific Customers

Management is under pressure to meet forecasted targets; accordingly, auditing standards presume a risk of fraud in revenue recognition. Given that the United Renewable Energy Group's principal revenue streams arise from the sale of solar cells and modules, we consider that sales transactions with significant amounts, those exhibiting year-on-year growth, or those involving newly established customers may give rise to a material misstatement in the financial statements with respect to the occurrence assertion of revenue. Accordingly, revenue recognized from the aforementioned customers has been identified as a key audit matter. For the relevant accounting policies on revenue recognition, please refer to Note 4(p) to the consolidated financial statements.

We performed tests of controls to obtain an understanding of the design and operating effectiveness of the Company's processes and related internal controls over revenue recognition. We also selected appropriate samples from the detailed sales transactions with the aforementioned customers and inspected supporting documentation, including original sales orders, external shipping documents, and customer acknowledgements of receipt, to verify the occurrence of the sales transactions. In addition, we reviewed whether any significant sales returns occurred subsequent to the balance sheet date in order to assess whether revenue recognized from the aforementioned customers is free from material misstatement.

Assessment of Impairment for Property, Plant and Equipment of the Principal Operating Segments

As of December 31, 2025, the carrying amount of property, plant and equipment of the main cash-generating unit for solar cell and module manufacturing - the Tainan Plant - was \$1,904,049 thousand, representing 8% of the total consolidated assets, which is material to the overall financial statements. The United Renewable Energy Group is required to assess at each reporting date whether there are any indicators of impairment suggesting that its tangible assets may be impaired. If any such indicators exist, the recoverable amount of the asset must be estimated. If the recoverable amount of an individual asset cannot be determined, the recoverable amount of the cash-generating unit to which the asset belongs should be estimated. Management performs impairment assessments for property, plant and equipment. Because the determination of recoverable amounts involves management's assumptions and subjective judgments, the methodology directly affects the amount of impairment loss recognized. Accordingly, the impairment assessment of property, plant and equipment has been identified as a key audit matter. For accounting policies on impairment of property, plant and equipment, please refer to Notes 4(l) and 5, and for details of impairment losses on property, plant and equipment, please refer to Note 18.

Our principle audit procedures included:

1. Understand and review the Group's impairment assessment schedules for cash-generating units identified as having indicators of impairment.
2. Understand the basis and sources of information for the assumptions and related parameters used by management in estimating the recoverable amount, and assess the reasonableness of their achievability.
3. Obtain an understanding of, and consult with, our firm's internal specialists to evaluate the reasonableness of the assumptions and methodology used in the asset impairment assessment.

Other Matter

We did not audit the financial statements of V5 Technologies Co., Ltd., an investment accounted for using the equity method included in the consolidated financial statements of the Group, but such statements were audited by other auditors. Our opinion, insofar as it relates to the amounts included in the financial statements of V5 Technologies Co., Ltd., is based solely on the reports of other auditors. As of December 31, 2025, the carrying amount of investments in the investee companies accounted for using the equity method was \$200,159 thousand, representing 0.8% of total consolidated assets. For the period from January 1 to December 31, 2025, the Group's share of profit or loss of associates accounted for using the equity method amounted to \$110,552 thousand, representing (8.9%) of consolidated loss before tax.

We have also audited the parent company only financial statements of United Renewable Energy Co., Ltd. as of and for the year ended December 31, 2025, on which we have issued an unmodified opinion with other matter paragraph.

The consolidated financial statements of United Renewable Energy Co., Ltd. Group for the year ended December 31, 2024 were reviewed by other certified public accountants, who issued a review report with a unmodified opinion on March 14, 2025.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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 IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Wan-I Liao and Sheng-Tai Liang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 13, 2026

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 5,120,657	21	\$ 6,780,159	25
Financial assets at fair value through profit or loss - current (Notes 7 and 37)	248,976	1	262,028	1
Financial assets at fair value through other comprehensive income - current (Notes 8, 37 and 39)	102,089	-	115,916	-
Contract assets (Notes 29 and 38)	59,646	-	179,748	1
Notes and trade receivables (Notes 10 and 29)	523,996	2	679,173	3
Finance lease receivables (Note 11)	1,323	-	1,226	-
Trade receivables from related parties (Notes 10, 29 and 38)	4,229	-	4,157	-
Other receivables	9,347	-	16,088	-
Other receivables from related parties (Note 38)	653	-	20,368	-
Current tax assets (Notes 4 and 31)	19,763	-	16,833	-
Inventories (Note 12)	1,092,840	5	1,373,078	5
Prepayments (Note 13)	144,426	1	95,661	-
Non-current assets held for sale (Note 14)	-	-	371,401	1
Other financial assets (Notes 15 and 39)	310,115	1	455,365	2
Other current assets (Note 22)	380,531	2	325,663	1
Total current assets	<u>8,018,591</u>	<u>33</u>	<u>10,696,864</u>	<u>39</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 8, 37 and 39)	755,582	3	1,155,230	4
Investments accounted for using the equity method (Notes 17 and 39)	612,918	3	292,550	1
Property, plant and equipment (Notes 18 and 39)	9,006,137	37	9,458,960	34
Right-of-use assets (Note 19)	1,648,744	7	1,772,835	6
Investment properties (Notes 20 and 39)	2,361,495	10	2,470,667	9
Intangible assets (Notes 21 and 33)	59,413	-	45,558	-
Deferred tax assets (Notes 4 and 31)	138,167	1	143,017	1
Prepayments - non-current (Note 13)	944,579	4	1,079,966	4
Refundable deposits (Note 39)	192,582	1	155,765	1
Finance lease receivables (Note 11)	30,408	-	33,154	-
Other financial assets - non-current (Notes 15 and 39)	276,844	1	326,495	1
Other non-current assets	1,581	-	1,857	-
Total non-current assets	<u>16,028,450</u>	<u>67</u>	<u>16,936,054</u>	<u>61</u>
TOTAL	<u>\$ 24,047,041</u>	<u>100</u>	<u>\$ 27,632,918</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 23)	\$ 625,844	3	\$ 48,132	-
Short-term bills payable (Note 23)	43,318	-	47,658	-
Contract liabilities (Notes 29 and 38)	320,083	1	488,828	2
Notes and trade payable	359,903	2	722,598	3
Other payables (Note 25)	798,290	3	1,604,556	6
Other payables from related parties (Note 38)	2,560	-	2,654	-
Current tax liabilities (Notes 4 and 31)	1,225	-	638	-
Liabilities directly associated with non-current assets held for sale (Note 14)	-	-	426,954	2
Lease liabilities - current (Note 19)	109,719	1	108,435	-
Current portion of long-term borrowings and bonds payable (Notes 23 and 39)	6,741,368	28	3,415,998	12
Other current liabilities (Note 26)	91,103	-	201,654	1
Total current liabilities	<u>9,093,413</u>	<u>38</u>	<u>7,068,105</u>	<u>26</u>
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current (Notes 7 and 37)	34,197	-	258	-
Long-term borrowings (Notes 23 and 39)	2,244,097	10	6,812,965	25
Provisions - non-current (Note 26)	312,062	1	333,599	1
Deferred tax liabilities (Notes 4 and 31)	44,633	-	49,176	-
Lease liabilities - non-current (Note 19)	1,714,811	7	1,819,648	6
Other non-current liabilities	186,911	1	225,930	1
Total non-current liabilities	<u>4,536,711</u>	<u>19</u>	<u>9,241,576</u>	<u>33</u>
Total liabilities	<u>13,630,124</u>	<u>57</u>	<u>16,309,681</u>	<u>59</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Ordinary shares	16,277,954	67	16,277,954	59
Capital surplus	1,873	-	413,186	1
Accumulated deficit	(6,079,748)	(25)	(5,806,951)	(21)
Other equity	202,515	1	424,626	2
Treasury shares	(18,699)	-	(18,699)	-
Total equity attributable to owners of the Company	<u>10,383,895</u>	<u>43</u>	<u>11,290,116</u>	<u>41</u>
NON-CONTROLLING INTERESTS				
Total equity	<u>33,022</u>	<u>-</u>	<u>33,121</u>	<u>-</u>
TOTAL	<u>\$ 24,047,041</u>	<u>100</u>	<u>\$ 27,632,918</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 13, 2026)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 29 and 38)	\$ 3,046,560	100	\$ 5,784,135	100
OPERATING COSTS (Notes 12 and 30)	<u>3,710,314</u>	<u>122</u>	<u>5,146,129</u>	<u>89</u>
GROSS (LOSS) PROFIT	<u>(663,754)</u>	<u>(22)</u>	<u>638,006</u>	<u>11</u>
OPERATING EXPENSES (Notes 27 and 30)				
Selling expenses	150,779	5	214,923	4
General and administrative expenses	648,236	21	572,221	10
Research and development expenses	67,555	2	82,498	1
Expected credit loss (reversed) on trade receivables (Note 10)	<u>(827)</u>	<u>-</u>	<u>(2,969)</u>	<u>-</u>
Total operating expenses	<u>865,743</u>	<u>28</u>	<u>866,673</u>	<u>15</u>
LOSS FROM OPERATIONS	<u>(1,529,497)</u>	<u>(50)</u>	<u>(228,667)</u>	<u>(4)</u>
NON-OPERATING INCOME AND EXPENSES				
Other gains and losses (Note 30)	(97,042)	(3)	(1,555,304)	(27)
Finance costs (Note 30)	(369,069)	(12)	(441,721)	(8)
Share of the gain (loss) of associates and joint ventures (Note 17)	147,451	5	(2,619)	-
Interest income	76,310	2	89,572	2
Other income (Notes 30 and 38)	<u>528,408</u>	<u>17</u>	<u>272,962</u>	<u>5</u>
Total non-operating income and expenses	<u>286,058</u>	<u>9</u>	<u>(1,637,110)</u>	<u>(28)</u>
LOSS BEFORE INCOME TAX	(1,243,439)	(41)	(1,865,777)	(32)
INCOME TAX EXPENSE (Notes 4 and 31)	<u>3,085</u>	<u>-</u>	<u>279,934</u>	<u>5</u>
NET LOSS FOR THE PERIOD	<u>(1,246,524)</u>	<u>(41)</u>	<u>(2,145,711)</u>	<u>(37)</u>

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain on investments in equity instruments designated as at fair value through other comprehensive income	\$ 250,642	8	\$ 423,439	8
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>88,660</u>	<u>3</u>	<u>27,257</u>	<u>-</u>
Total other comprehensive income	<u>339,302</u>	<u>11</u>	<u>450,696</u>	<u>8</u>
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>\$ (907,222)</u>	<u>(30)</u>	<u>\$ (1,695,015)</u>	<u>(29)</u>
NET (LOSS) PROFIT ATTRIBUTABLE TO:				
Owner(s) of the Company	\$ (1,247,485)	(41)	\$ (2,134,357)	(37)
Non-controlling interests	<u>961</u>	<u>-</u>	<u>(11,354)</u>	<u>-</u>
	<u>\$ (1,246,524)</u>	<u>(41)</u>	<u>\$ (2,145,711)</u>	<u>(37)</u>
TOTAL COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO:				
Owner(s) of the Company	\$ (908,094)	(30)	\$ (1,675,896)	(29)
Non-controlling interests	<u>872</u>	<u>-</u>	<u>(19,119)</u>	<u>-</u>
	<u>\$ (907,222)</u>	<u>(30)</u>	<u>\$ (1,695,015)</u>	<u>(29)</u>
LOSS PER SHARE (NT\$; Note 32)				
Basic loss per share	<u>\$ (0.77)</u>		<u>\$ (1.31)</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 13, 2026)

(Concluded)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Company (Note 28)									
	Share Capital	Capital Surplus	Accumulated Deficit		Other Equity		Treasury Shares	Total	Non-controlling Interests (Note 28)	Total Equity
			Legal Reserve	Accumulated Deficit	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
BALANCE ON JANUARY 1, 2024	\$ 16,277,954	\$ 211,412	\$ 35,473	\$ (3,707,474)	\$ (275,092)	\$ 227,433	\$ (18,699)	\$ 12,751,007	\$ 354,263	\$ 13,105,270
Legal reserve to offset deficit	-	-	(35,473)	35,473	-	-	-	-	-	-
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	2,635	-	-	-	-	-	2,635	-	2,635
Capital surplus to offset deficit	-	(34,204)	-	34,204	-	-	-	-	-	-
Net loss for the year ended December 31, 2024	-	-	-	(2,134,357)	-	-	-	(2,134,357)	(11,354)	(2,145,711)
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	35,022	423,439	-	458,461	(7,765)	450,696
Total comprehensive (loss) income for the year ended December 31, 2024	-	-	-	(2,134,357)	35,022	423,439	-	(1,675,896)	(19,119)	(1,695,015)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	(20,973)	-	-	-	(20,973)	-	(20,973)
Changes in percentage of ownership interests in subsidiaries	-	233,343	-	-	-	-	-	233,343	(233,343)	-
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	(13,824)	-	13,824	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-	(68,680)	(68,680)
BALANCE ON DECEMBER 31, 2024	16,277,954	413,186	-	(5,806,951)	(240,070)	664,696	(18,699)	11,290,116	33,121	11,323,237
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	1,546	-	-	-	-	-	1,546	-	1,546
Capital surplus to offset deficit	-	(413,186)	-	413,186	-	-	-	-	-	-
Net (loss) income for the year ended December 31, 2025	-	-	-	(1,247,485)	-	-	-	(1,247,485)	961	(1,246,524)
Other comprehensive (loss) income for the year ended December 31, 2025, net of income tax	-	-	-	-	88,749	250,642	-	339,391	(89)	339,302
Total comprehensive (loss) income for the year ended December 31, 2025	-	-	-	(1,247,485)	88,749	250,642	-	(908,094)	872	(907,222)
Changes in percentage of ownership interests in subsidiaries	-	327	-	-	-	-	-	327	-	327
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	561,502	-	(561,502)	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-	(971)	(971)
BALANCE ON DECEMBER 31, 2025	\$ 16,277,954	\$ 1,873	\$ -	\$ (6,079,748)	\$ (151,321)	\$ 353,836	\$ (18,699)	\$ 10,383,895	\$ 33,022	\$ 10,416,917

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 13, 2026)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	\$ (1,243,439)	\$ (1,865,777)
Adjustments for:		
Depreciation expense	1,019,661	1,217,486
Amortization expense	4,531	8,740
Expected credit loss (reversed) on trade receivables	(827)	19,802
Net loss on fair value changes of financial assets at fair value through profit or loss	46,991	29,361
Interest expense	369,069	335,483
Interest income	(76,310)	(89,572)
Dividends income	(13,635)	(21,805)
Share of (profit) loss of associates accounted for using the equity method	(147,451)	2,619
Gain on disposal of property, plant and equipment	(400)	(38,208)
Gain on disposal of investments	(78,782)	-
Impairment loss on property, plant and equipment	82,940	1,194,929
Impairment loss on prepayments	73,493	13,677
(Reversal of) write-down of inventories	72,306	(376,302)
Recognition (reversal) of provisions	27,974	(16,075)
Others	(2,104)	(8,971)
Changes in operating assets and liabilities:		
Financial assets mandatorily measured at fair value through profit or loss	-	(265,192)
Contract assets	120,102	(16,492)
Notes and trade receivables	158,914	394,210
Trade receivables from related parties	(72)	(4,157)
Other receivables	10,046	16,260
Other receivables from related parties	(4,966)	126,962
Inventories	258,661	463,872
Prepayments	23,414	157,475
Other current assets	(54,868)	19,482
Contract liabilities	(168,745)	(108,742)
Notes and trade payable	(346,456)	13,785
Other payables	(528,941)	359,258
Other payables from related parties	-	141
Provisions	(45,108)	23,438
Other current liabilities	(118,650)	104,996
Cash (used in) generated from operations	(562,652)	1,690,683
Income tax paid	(5,428)	(18,070)
Net cash (used in) generated from operating activities	(568,080)	1,672,613

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ (86,720)	\$ (139,671)
Disposal of financial assets at fair value through other comprehensive income	586,653	35,652
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	1,312	2,688
Acquisition of long-term equity investments accounted for using the equity method	-	(18,719)
Disposal of long-term equity investments accounted for using the equity method	60,367	-
Net cash outflow on acquisition of subsidiaries	-	(40,637)
Net cash outflow on disposal of subsidiaries (Note 34)	(37,663)	-
Acquisition for property, plant and equipment (Note 35)	(680,069)	(1,341,594)
Proceeds from disposal of property, plant and equipment	400	542,327
(Increase) decrease in refundable deposits	(36,817)	27,626
Payments for other intangible assets	(18,403)	(8,960)
Decrease (increase) in other financial assets	194,902	1,582,185
Decrease in other non-current assets	1,227	38,394
Interest received	75,324	88,503
Dividends received	<u>15,406</u>	<u>24,454</u>
Net cash (used in) generated from investing activities	<u>75,919</u>	<u>792,248</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (repayments of) short-term borrowings	577,712	(386,091)
(Repayments of) proceeds from short-term bills payable	(4,400)	47,800
Repayments of bonds payable	-	(2,999,900)
Proceeds from long-term bank loans	53,094	4,326,226
Repayments of long-term bank loans	(1,316,711)	(787,498)
Repayments of preference share liabilities	-	(4,480)
Payment of the principal portion of lease liabilities	(99,861)	(119,352)
Interest paid	(330,739)	(332,919)
Payment of cash dividends to non-controlling interests	(971)	(1,069)
(Decrease) increase in guarantee deposits	(29,583)	33,070
Others	<u>-</u>	<u>(21,987)</u>
Net cash (used in) generated from financing activities	<u>(1,151,459)</u>	<u>(246,200)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(15,882)</u>	<u>105,419</u>
		(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	\$ (1,659,502)	\$ 2,324,080
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	<u>6,780,159</u>	<u>4,474,941</u>
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	<u>\$ 5,120,657</u>	<u>\$ 6,799,021</u>
	December 31	
	2025	2024
Cash and cash equivalents in the consolidated balance sheets	\$ 5,120,657	\$ 6,780,159
Cash and cash equivalents included in disposal groups held for sale	<u>-</u>	<u>18,862</u>
Cash and cash equivalents in the consolidated statements of cash flows	<u>\$ 5,120,657</u>	<u>\$ 6,799,021</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 13, 2026)

(Concluded)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

United Renewable Energy Co., Ltd., formerly Neo Solar Power Corp. (the “Company”, the Company and the entities controlled by the Company as 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 Company merged with the former Gintech Energy Corporation (“Gintech Energy”) and Solartech Energy Corporation (“Solartech Energy”), with the Company as the surviving company.

The consolidated financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements as of and for the year ended December 31, 2025 were approved by the Company’s board of directors on March 9, 2026.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of other standards and interpretations will not have a material impact on the Group’s financial position and financial performance.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- To classify items of income and expenses presented in the statement of profit or loss into the operating, investing, financing, income taxes and discontinued operations categories, the Group shall assess whether it has specified main business activities of investing in particular types of assets and providing financing to customers.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the above standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS Accounting Standards endorsed by the FSC with the effective dates (collectively, “Taiwan-IFRS Accounting Standards”).

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at fair value.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries, including structured entities).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

See Note 16, Table 6 and Table 7 for the detailed information of subsidiaries (including the percentage of ownership and main businesses).

e. Foreign currencies

In preparing the Company's financial statements, transactions in currencies other than the Company's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in foreign currencies are not retranslated.

f. Inventories

Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

g. Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint venture. A joint venture is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Under the equity method, investments in an associate and a joint venture are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of the equity of associates and joint ventures.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate and a joint venture at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of an associate and a joint venture at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate and joint venture. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates and joint ventures accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate and joint venture, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate and joint venture is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate and a joint venture equals or exceeds its interest in that associate and joint venture (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate and joint venture), the Group discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate and joint venture.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate and a joint venture. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate and joint venture attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate and joint venture. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate and joint venture on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

When the Group transacts with its associate and joint venture, profits and losses resulting from the transactions with the associate and joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the associate and joint venture that are not related to the Group.

h. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties include right-of-use assets and properties under construction that meet the definition of investment properties. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

k. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

l. Impairment of property, plant and equipment, right-of-use assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment properties and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

m. Non-current assets held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset (or disposal group) is available for immediate sale in its present condition. To meet the criteria for the sale being highly probable, the appropriate level of management must be committed to the sale, and the sale should be expected to qualify for recognition as a completed sale within 1 year from the date of classification.

When a sale plan would result in a loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale, regardless of whether the Group will retain a non-controlling interest in that subsidiary after the sale.

When a subsidiary, joint operation, joint venture, associate, or a portion of an interest in a joint venture or an associate previously classified as held for sale no longer meets the criteria to be classified as such, it is measured at the carrying amount that would have been recognized had such interests not been classified as held for sale. The consolidated financial statements for the prior periods with interests classified as held for sale are amended accordingly.

When a non-current asset (and disposal group) held for sale is reclassified as a non-current asset (and disposal group) held for distribution, the asset is measured at the lower of its carrying amount or fair value less costs to distribute, and the accounting treatment under the previous classification is not reversed.

n. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in debt instruments and equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividends or interest earned on such financial asset. Fair value is determined in the manner described in Note 37.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents and trade receivables at amortized cost, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i) Purchased or originated credit-impaired financial asset, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and
- ii) Financial asset that is not credit impaired on purchase or origination but has subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Cash equivalents include time deposits and repurchase agreements collateralized by bonds with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

iv. Investments in equity instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and
- ii) The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of a default occurring reflected in the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and the carrying amounts of such financial assets are not reduced.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

o. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

1) Warranties

Provisions for the expected cost of warranty obligations to assure that products comply with agreed-upon specifications are recognized on the date of sale of the relevant products at the best estimate by the management of the Company of the expenditures required to settle the Group's obligations.

2) Decommissioning and restoration obligation

The Group's decommissioning obligations are estimated based on the recycling costs of power station modules in accordance with the "Regulations for Installation and Management of Renewable Energy Generation Equipment" issued by the Energy Administration, Ministry of Economic Affairs. Such amounts are calculated based on the installed capacity of the power stations, and provisions are recognized at the present value of the expected decommissioning costs.

p. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

1) Revenue from the sale of goods

Revenue from the sale of goods comes from sales of solar cell and module. As solar cells and modules are sold in accordance with the transaction terms agreed with individual customers, the Group recognizes revenue and accounts receivable at the point in time when control of the goods is transferred to the customer.

2) Construction contract revenue

Customers control properties while the construction is in progress; thus, the Group recognizes revenue over time. The Group measures the progress on the basis of costs incurred relative to the total expected costs as there is a direct relationship between the costs incurred and the progress of satisfying the performance obligations. Contract assets are recognized during the construction and are reclassified to trade receivables at the point at which the customer is invoiced. If the milestone payments exceed the revenue recognized to date, then the Group recognizes contract liabilities for the difference. Certain payments, which are retained by the customer as specified in the contract, are intended to ensure that the Group adequately completes all of its contractual obligations. Such retention receivables are recognized as contract assets until the Group satisfies its performance obligations.

When the outcome of a performance obligation cannot be reasonably measured, contract revenue is recognized only to the extent of contract costs incurred in satisfying the performance obligation for which recovery is expected.

3) Electricity sales revenue

Revenue primarily comes from the sale of electricity and is recognized based on actual monthly electricity consumption and applicable tariff rates. The Group expects that, for all customer contracts, the period between the transfer of electricity to the customer and the payment by the customer does not exceed one year. Accordingly, the Group applies the practical expedient and does not adjust the transaction price for the effects of the time value of money.

4) Revenue from services

Service revenue comes from operation and maintenance management and solar energy planning services, and is recognized when the services are rendered.

q. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments less any lease incentives payable from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

When a lease includes both land and building elements, the Group assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated to the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably to the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss.

r. Employee benefits

Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

s. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Current tax payable is dependent on current taxable income. Taxable income is different from the net income before tax on the consolidated statement of comprehensive income for the reason that some revenue and expenses are taxable or deductible items in other periods, or not taxable or deductible items according to the Income Tax Act. The Group's current tax liabilities are calculated using the legislated tax rate on the balance sheet date.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

t. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they are received.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions and other key sources of estimation uncertainty at the end of the reporting period.

Impairment of property, plant and equipment

Impairment of equipment in relation to the production of handsets is evaluated based on the recoverable amount of the assets, which is the higher of its fair value less costs of disposal and its value in use. Any changes in the market prices, future cash flows or discount rates will affect the recoverable amount of the assets and may lead to the recognition of additional impairment losses or the reversal of impairment losses.

6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	2025	2024
Cash on hand	\$ 221	\$ 234
Checking accounts and demand deposits	2,164,761	4,716,971
Cash equivalents		
Time deposits	616,571	367,687
Repurchase agreements collateralized by bonds	<u>2,339,104</u>	<u>1,695,267</u>
	<u>\$ 5,120,657</u>	<u>\$ 6,780,159</u>

The market interest rate intervals of time deposits and repurchase agreements collateralized by bonds at the end of the reporting period were as follows:

	<u>December 31</u>	
	2025	2024
Time deposits with original maturities of three months or less	0.65%-3.80%	0.69%-1.25%
Repurchase agreements collateralized by bonds	1.20%-3.70%	1.20%-4.70%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	2025	2024
<u>Financial assets at FVTPL - current</u>		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Open end funds	<u>\$ 248,976</u>	<u>\$ 262,028</u>
<u>Financial liabilities at FVTPL - non-current</u>		
Financial liabilities designated as at FVTPL		
Derivative financial liabilities (not under hedge accounting)		
Short call options	<u>\$ 34,197</u>	<u>\$ 258</u>

The aforementioned short call option provides other investors with the right, within a specified period, to repurchase the preferred shares of UREE pursuant to the relevant contractual arrangements.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)		
<u>Current</u>		
Domestic investments		
Domestic listed shares	\$ <u>102,089</u>	\$ <u>115,916</u>
<u>Non-current</u>		
Domestic investments		
Listed ordinary shares	\$ 499,499	\$ 896,700
Unlisted ordinary shares	<u>251,895</u>	<u>253,030</u>
	<u>751,394</u>	<u>1,149,730</u>
Overseas investments		
Unlisted ordinary shares	<u>4,188</u>	<u>5,500</u>
	<u>\$ 755,582</u>	<u>\$ 1,155,230</u>

The investments in equity instruments are held for medium- to long-term strategic purposes and are expected to profit through long-term investments. The management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The Group invested in the ordinary shares of Kai-Hong Energy Co., Ltd. in the amounts of \$86,720 thousand and \$72,019 thousand in the third quarter of 2025 and second to third quarter of 2024, respectively. The investment is held for medium- to long-term strategic purposes. Accordingly, the management designated these investments as at FVTOCI.

The Group invested in the ordinary shares of Soar Taiwan Co., Ltd. in the amounts of \$67,652 thousand in the second to third quarter of 2024. The investment is held for medium- to long-term strategic purposes. Accordingly, the management designated these investments as at FVTOCI.

As of December 31, 2025 and 2024, the carrying amounts of the Group's investment in TTMC's private-placement shares were \$347,900 thousand and \$436,520 thousand, respectively; under Article 43-8 of the Securities and Exchange Act, there is a legally enforceable restriction on private-placement shares, which prevents their being traded.

During the years ended December 31, 2025 and 2024, the Group disposed of equity instruments classified as financial assets at fair value through other comprehensive income with fair values at the time of disposal of \$586,653 thousand and \$50,877 thousand, respectively. The accumulated gain (loss) of \$503,553 thousand and \$(13,824) thousand related to these disposals was reclassified from other equity to retained earnings.

In June 2025, following contractual modifications, the parent company obtained significant influence over the Class A preferred shares of United Renewable Energy Engineering Co., Ltd. The accounting treatment should reclassify the investment, previously recognized as a financial asset measured at fair value through other comprehensive income, to a long-term equity investment accounted for using the equity method at its fair value of \$162,872 thousand on the date of reclassification. The accumulated amount of \$57,949 thousand previously recognized in other equity arising from the measurement of this equity instrument investment has been transferred to retained earnings.

For the years ended December 31, 2025 and 2024, the Group recognized dividend income of \$13,635 thousand and \$21,805 thousand, respectively. Of these amounts, \$3,375 thousand and \$3,375 thousand were attributable to investments derecognized as of the respective year ends, while \$10,260 thousand and \$18,430 thousand were attributable to investments still held as of December 31, 2025 and 2024, respectively.

Refer to Note 39 for information relating to investments in equity instruments at FVTOCI pledged as security.

9. FINANCIAL ASSETS AT AMORTIZED COST

	<u>December 31</u>	
	2025	2024
<u>Current</u>		
Overseas investment		
Puttable preference shares (C-Shares III) - Phanes Holding Inc. (Phanes Holding)	\$ _____-	\$ _____-

- a. Phanes Holding Inc., a project developer, is an overseas unlisted company. To build a long-term cooperative strategic relationship with Phanes Holding Inc., the Group subscribed for the entire five-year callable preference shares (C-Shares III), totaling 24,000 shares, at par value.
- b. The above preference shares carried no voting and dividend rights. Instead they carried preferential rights on dividends at 7% of the par value. Under the agreement between the Group and Phanes Holding Inc., the preference shares can be redeemed prior to, or later than, the maturity date.
- c. The principal amount of the above special stock transaction was US\$5,000 thousand and the interest receivable was \$29,176 thousand. According to the future recoverability based on the preference shares cash flow assessment, the Group recognized an impairment loss on financial assets in 2021.

10. NOTES RECEIVABLE AND TRADE RECEIVABLES

	<u>December 31</u>	
	2025	2024
<u>Notes receivable</u>		
At amortized cost	\$ 102	\$ _____-

(Continued)

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Trade receivables</u>		
At amortized cost		
Gross carrying amount		
Trade receivables from non-related parties	\$ 537,020	\$ 709,194
Less: Allowance for impairment loss	<u>(13,126)</u>	<u>(30,021)</u>
	523,894	679,173
Trade receivables from related parties	<u>4,229</u>	<u>4,157</u>
	<u>\$ 528,123</u>	<u>\$ 683,330</u>
		(Concluded)

a. Notes receivable

The Group recognized the allowance loss of notes receivable based on the lifetime expected credit losses (ECLs), which are based on the customer's past default record and the industrial economic situation. As of December 31, 2025, the Group did not have overdue notes receivable; thus, no allowance loss was recognized.

b. Trade receivables (including those from related parties)

The Group's average credit periods for the sale of goods are 7 to 120 days. For construction and maintenance of power plants, the average credit periods are 7 to 120 days. No interest is accrued on the notes receivable and trade receivables; If the settlement of notes receivable and trade receivables exceed the credit period, the interest on the unpaid balances is accrued depending on circumstances. In addition, The Group reviews the recoverable amount of trade receivables individually at the balance sheet date to ensure that appropriate impairment losses have been recognized for uncollectible trade receivables. Through these measures, the Company's management believes that the Group's credit risk has been significantly reduced. In addition, the Group continually monitors its credit risk and the credit ratings of its counterparties and distributes the total transaction amount to different customers with qualified credit ratings.

The Group recognizes the allowance loss on trade receivables based on the lifetime expected credit losses (ECLs). The lifetime ECLs are calculated by using a reserve matrix, which includes the customers' overdue payment history, current financial conditions, and industrial economic conditions as well as GDP forecasts and industry outlook. Since the historical experience of credit losses of the Group shows that there are significant differences in the types of losses among different customer groups, the ECL rate is determined based on the reserve matrix for different types of losses of customer groups and the number of days that the trade receivables are overdue.

If there is evidence that the counterparty is in serious financial difficulty and the Group cannot determine a reasonable expected recoverable amount, the Group will directly write off the relevant receivables but will continue payment recovery activities, and any amount recovered will be recognized as profit or loss.

The Group measured the allowance for ECLs on trade receivables (including those from related parties) using a provision matrix, as shown below:

December 31, 2025

	Not Past Due	Less Than or Equal to 30 Days	31 to 60 Days	61 to 90 Days	91 to 120 Days	121 to 150 Days	151 to 180 Days	Over 180 Days	Individually Identified	Total
Expected credit loss (ECL) rate	-	-	-	-	-	-	44%	100%	-	
Gross carrying amount	\$ 440,303	\$ 3,890	\$ 17,574	\$ -	\$ -	\$ -	\$ 1,146	\$ 12,617	\$ 65,719	\$ 541,249
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-	(509)	(12,617)	-	(13,126)
Amortized cost	<u>\$ 440,303</u>	<u>\$ 3,890</u>	<u>\$ 17,574</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 637</u>	<u>\$ -</u>	<u>\$ 65,719</u>	<u>\$ 528,123</u>

December 31, 2024

	Not Past Due	Less Than or Equal to 30 Days	31 to 60 Days	61 to 90 Days	91 to 120 Days	121 to 150 Days	151 to 180 Days	Over 180 Days	Individually Identified	Total
Expected credit loss (ECL) rate	-	-	-	-	-	-	-	100%	-	
Gross carrying amount	\$ 610,579	\$ 7,852	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ 30,021	\$ 64,897	\$ 713,351
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-	-	(30,021)	-	(30,021)
Amortized cost	<u>\$ 610,579</u>	<u>\$ 7,852</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,897</u>	<u>\$ 683,330</u>

The movements of the loss allowance for trade receivables were as follows:

	<u>For the Year Ended December 31</u>	
	2025	2024
Balance on January 1	\$ 30,021	\$ 32,854
Impairment losses recognized (reversed)	(827)	(2,969)
Amounts written off	(16,068)	-
Foreign exchange gains	-	136
Balance on December 31	<u>\$ 13,126</u>	<u>\$ 30,021</u>

11. LEASE RECEIVABLES

	<u>December 31</u>	
	2025	2024
<u>Gross investment in leases</u>		
Not later than one year	\$ 3,475	\$ 3,553
Over one year to five years	14,609	14,936
More than five years	<u>29,973</u>	<u>35,178</u>
	48,057	53,667
Less: Unearned finance income	<u>(16,326)</u>	<u>(19,287)</u>
Present value of receivables on minimum lease payments	<u>\$ 31,731</u>	<u>\$ 34,380</u>
Current	\$ 1,323	\$ 1,226
Non-current	<u>30,408</u>	<u>33,154</u>
	<u>\$ 31,731</u>	<u>\$ 34,380</u>

The Group entered into an agreement to lease equipment for 20 years, which was treated as a finance lease.

The implied interest rate for the lease during the lease period will not change after the contract date is determined, and the implied interest rate for the lease is 6.91%.

The Group measures the allowance loss on lease receivables at the balance sheet date. For lease receivables whose credit risk has not significantly increased after the original recognition, impairment losses are measured at 12-month ECLs; for lease receivables whose credit risk has significantly increased after the original recognition, impairment losses are measured at lifetime ECLs.

As of December 31, 2025 and 2024, there were no overdue lease receivables, and considering that the counterparties' past record showed no defaults and the future development of the related industry of the lease target, the Group believed that the above lease receivables were not impaired.

As of December 31, 2025 and 2024, the lease receivables were neither overdue nor impaired.

12. INVENTORIES

	December 31	
	2025	2024
Finished goods and products	\$ 568,722	\$ 803,704
Construction in progress	385,927	339,600
Raw materials	133,838	207,922
Work in progress	<u>4,353</u>	<u>21,852</u>
	<u>\$ 1,092,840</u>	<u>\$ 1,373,078</u>

The above constructions in progress included construction costs incurred to build power plants that the Group intended to sell; and costs pertaining to a foreign application for extending of the Group's commercial operation, which was denied by the local authority due to a deficiency in meeting contract requirements, resulting in uncertainty. Please refer to Note 40 - Contingencies (Item 5) for details.

The breakdown of the cost of goods sold is as follows:

	For the Year Ended December 31	
	2025	2024
Cost of inventories sold	\$ 3,083,325	\$ 4,948,164
Unallocated production overheads	481,755	564,119
Write-downs and retirement of inventories (reversal)	72,306	(376,302)
Impairment loss on prepayments	73,493	13,677
Others	<u>(565)</u>	<u>(3,529)</u>
	<u>\$ 3,710,314</u>	<u>\$ 5,146,129</u>

13. PREPAYMENTS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Prepayments	\$ 996,546	\$ 1,090,917
Prepaid expenses	49,744	53,778
Prepayments for equipment	38,422	28,137
Other	<u>4,293</u>	<u>2,795</u>
	1,089,005	1,175,627
Less: Listed as current assets	<u>144,426</u>	<u>95,661</u>
Listed as non-current assets	<u>\$ 944,579</u>	<u>\$ 1,079,966</u>

14. NON-CURRENT ASSETS HELD FOR SALE

	<u>December 31,</u> <u>2024</u>
Bank deposit	\$ 18,862
Trade receivables	1,734
Property, plant and equipment	349,833
Other assets	<u>972</u>
Total assets held for sale	<u>\$ 371,401</u>
Bank borrowings	\$ 404,361
Other payables	<u>22,593</u>
Liabilities held for sale	<u>\$ 426,954</u>

In 2024, the Group resolved to sell some of the overseas subsidiaries, and the assets and liabilities of these subsidiaries were reported to the Group as held for sale. As of December 31, 2024, the Group's assets and liabilities held for sale amounted to \$371,401 thousand and \$426,954 thousand, respectively. The non-current assets held for sale were measured at the lower of their carrying amount and fair value, and an impairment loss of \$140,251 thousand was recognized in 2024 and recorded under "other gains and losses".

The Group disposed of the above subsidiaries in the first quarter of 2025; please refer to Note 34.

15. OTHER FINANCIAL ASSETS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Restricted bank deposits	\$ 586,959	\$ 781,860
Less: Listed as current assets	<u>310,115</u>	<u>455,365</u>
Listed as non-current assets	<u>\$ 276,844</u>	<u>\$ 326,495</u>

Certificates of deposits and reserve accounts were used as pledges for bank-guaranteed loans, performance bonds, and materials purchase loans; please refer to Note 39.

16. SUBSIDIARIES

The subsidiaries included in the consolidated financial statements were as follows:

Investor	Investee	Main Business	% of Ownership		Remark	
			2025	2024		
The Company	DelSolar Holding Singapore Pte. Ltd. (“DelSolar Singapore”)	Investment company	100.00	100.00	-	
	DelSolar Holding (Cayman) Ltd. (“DelSolar (Cayman)”)	Investment company	100.00	100.00	-	
	NSP Systems (BVI) Ltd. (“NSP BVI”)	Investment company	100.00	100.00	-	
	NSP UK Holding Limited (“NSP UK”)	Investment company	100.00	100.00	-	
	NSP System Development Corp. (“NSP System”)	Solar-related business	100.00	100.00	-	
	GES Energy Middle East FZE (“GES ME”)	Solar-related business	100.00	100.00	2	
	Utech Solar Corporation (“Utech”)	Electronic component manufacturing	99.99	99.99	3	
	Ultimate Energy Solution Limited (UES)	Investment company	100.00	100.00	-	
	Solartech Materials Corporation (SMC)	Solar-related business	100.00	100.00	4	
	Zhongyang Corporation (“Zhongyang”)	Solar-related business	100.00	100.00	-	
	Yong Liang Ltd. (“Yong Liang”)	Solar-related business	12.82	18.88	5	
	Yong Zhou Ltd. (“Yong Zhou”)	Solar-related business	100.00	100.00	-	
	General Energy Solutions UK Limited (GES UK)	Investment company	100.00	100.00	6	
	Hong Yi Energy Co., Ltd. (“Hong Yi”)	Solar-related business	100.00	100.00	7	
	United Intelligence Co., Ltd. (“United Intelligence”)	Electronic component manufacturing	100.00	100.00	8	
	Hong Wang Energy Co., Ltd. (“Hong Wang”)	Solar-related business	100.00	100.00	9	
	DS Energy Technology Co., Ltd (“DS Energy”)	Solar-related business	100.00	100.00	10	
	GES UK	General Energy Solutions USA. Inc. (“GES USA”)	Investment company	100.00	100.00	-
		General Energy Solutions CANADA Inc. (“GES CANADA”)	Investment company	100.00	100.00	-
	GES USA	NSP Germany	Solar-related business	90.00	90.00	-
		MEGATWO, LLC (“MEGATWO”)	Solar-related business	100.00	100.00	-
		GES MEGAFIVE, LLC (“MEGAFIVE”)	Solar-related business	100.00	100.00	-
		GES MEGASIX, LLC (“MEGASIX”)	Solar-related business	100.00	100.00	-
		GES MEGAEIGHT, LLC (“MEGAEIGHT”)	Solar-related business	100.00	100.00	-
		GES MEGATWELVE, LLC (“MEGATWELVE”)	Solar-related business	100.00	100.00	-
		GES MEGATHIRTEEN, LLC (“MEGATHIRTEEN”)	Solar-related business	100.00	100.00	-
		GES MEGANINETEEN, LLC (“MEGANINETEEN”)	Solar-related business	100.00	100.00	-
		GES MEGATWENTY, LLC (“MEGATWENTY”)	Solar-related business	100.00	100.00	-
		GES ASSET TWO, LLC (“ASSET TWO”)	Solar-related business	-	-	11 and 12
		GES ASSET THREE LLC (“ASSET THREE”)	Solar-related business	100.00	100.00	-
		SH4 SOLAR LLC (“SH4”)	Solar-related business	100.00	100.00	-
		Schenectady Solar, LLC (“Schenectady”)	Solar-related business	-	-	11
		SEG MI 57 LLC (“SEG”)	Solar-related business	100.00	100.00	-
		Kinect Solar Fund 1, LLC (“KINECT”)	Solar-related business	100.00	100.00	-
TEV II, LLC (TEV II)		Solar-related business	-	100.00	13	
MEGATWO ASSET THREE		Heywood Solar PGS, LLC (“HEYWOOD”)	Solar-related business	55.00	55.00	-
	Munisol S.A.P.I. de C.V. (“Munisol”)	Solar-related business	100.00	100.00	-	
	GES Asset Three Shima’s, LLC (“SHIMA’S”)	Solar-related business	100.00	100.00	-	
	GES Asset Three Waimea, LLC (“WAIMEA”)	Solar-related business	100.00	100.00	-	
	GES Asset Three Honokawai, LLC (“HONOKAWAI”)	Solar-related business	100.00	100.00	-	
	GES Asset Three Eleele, LLC (“ELEELE”)	Solar-related business	100.00	100.00	-	
	GES Asset Three Hanalei, LLC (“HANALEI”)	Solar-related business	100.00	100.00	-	
	GES Asset Three Kapaa, LLC (“KAPAA”)	Solar-related business	100.00	100.00	-	
	GES Asset Three Koloa, LLC (“KOLOA”)	Solar-related business	100.00	100.00	-	
	TEV II	TEV Solar Alpha18 LLC (“TEV Solar”)	Solar-related business	-	100.00	13
TEV Solar	AC GES Solar 2018 LLC (“AC GES Solar”)	Solar-related business	-	100.00	13	
AC GES Solar	Richmond 2 Solar Park, LLC (“Richmond”)	Solar-related business	-	100.00	13	
	Rensselaer 2 Solar Park, LLC (“Rensselaer”)	Solar-related business	-	100.00	13	
DelSolar Cayman	Advance Solar Park, LLC (“Advance”)	Solar-related business	-	100.00	13	
	DelSolar (HK) Ltd. (“DelSolar HK”)	Investment company	100.00	100.00	-	
	DelSolar US Holdings (Delaware) Corporation (“DelSolar US”)	Investment company	100.00	100.00	-	
NSP BVI NSP UK NSP NEVADA	NSP SYSTEM NEVADA HOLDING CORP. (“NSP NEVADA”)	Solar-related business	100.00	100.00	-	
	URE NSP Corporation (“URE NSP”)	Solar-related business	100.00	100.00	14	
	NSP HK Holding Ltd. (“NSP HK”)	Solar-related business	100.00	100.00	-	
	NSP Indygen UK Ltd. (“NSP Indygen”)	Solar-related business	100.00	100.00	-	
	HEYWOOD	Solar-related business	45.00	45.00	-	
	Industrial Park Drive Solar, LLC (“Industrial Park”)	Solar-related business	100.00	100.00	-	
	Hillsboro Town Solar, LLC (“Hillsboro”)	Solar-related business	100.00	100.00	-	
	NSP System	Hsin Jin Optoelectronics (“Hsin Jin Optoelectronics”)	Solar-related business	80.00	80.00	-
	Hsin Jin Solar Energy Co., Ltd. (“Hsin Jin Solar Energy”)	Solar-related business	60.00	60.00	-	
	Si Two Corp. (“Si Two”)	Solar-related business	100.00	100.00	-	
Utech	Hong Ying Energy Co., Ltd. (“Hong Ying”)	Solar-related business	100.00	100.00	15	
	Success Energy Co., Ltd (“Success”)	Solar-related business	100.00	100.00	-	
	Jiangung Energy Power Co., Ltd. (“Jiangung”)	Solar-related business	100.00	100.00	16	
Jiangung	Yong Liang Ltd. (“Yong Liang”)	Solar-related business	87.18	81.12	5	
DelSolar HK	DelSolar (Wu Jiang) Ltd. (“DelSolar Wu Jiang”)	Solar-related business	100.00	100.00	-	
DelSolar US	USD1 Owner LLC (“USD1”)	Solar-related business	100.00	100.00	-	
	Beryl Construction LLC (“Beryl”)	Solar-related business	100.00	100.00	-	
UES	Renewable Energy Solution Limited (“RES”)	Investment company	100.00	100.00	-	
RES	Gintech (Thailand) Limited (“Gintech (Thailand)”)	Solar-related business	100.00	100.00	-	

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

- Note 2: GES ME conducted a cash capital increase amounting to US\$350 thousand (equivalent to NT\$10,997 thousand) during the second quarter of 2025.
- Note 3: Utech implemented a capital reduction to offset accumulated losses amounting to \$574,315 thousand in September 2025, and subsequently conducted a cash capital increase of \$480,000 thousand in October 2025, all of which was subscribed for by the Company.
- Note 4: SMC was dissolved on October 21, 2025 and is currently undergoing liquidation.
- Note 5: In April 2025, Yong Liang conducted a cash capital increase of NT\$30,000 thousand, all of which was subscribed by Jianguang, resulting in an increase in its shareholding ratio from 81.12% to 81.54%. The Company did not participate in the subscription, and its shareholding ratio therefore decreased from 18.88% to 18.46%. In July 2025, Yong Liang carried out a capital reduction to offset accumulated losses in the amount of NT\$258,409 thousand. In October 2025, Yong Liang conducted a cash capital increase of NT\$480,000 thousand, all of which was subscribed by Jianguang, resulting in an increase in its shareholding ratio from 81.54% to 87.18%. The Company did not participate in the subscription, and its shareholding ratio therefore decreased from 18.46% to 12.82%.
- Note 6: GES UK conducted a cash capital increase amounting to US\$1,200 thousand (equivalent to NT\$36,679 thousand) in September 2025.
- Note 7: Shanshang Energy Power Co., Ltd. changed its name to Hong Yi Energy Co., Ltd. on March 28, 2024.
- Note 8: United Intelligence was dissolved on October 21, 2025 and is currently undergoing liquidation.
- Note 9: The Company established and invested in Hong Wang Energy Co., Ltd. on March 29, 2024.
- Note 10: The Company acquired 54.82% of the shares of DS Energy (DSE) on May 3, 2024 for a total ownership of 66.96% and obtained control of the investee, and transferred items recognized as “financial assets at fair value measured by other comprehensive gains and losses - non-current” to a subsidiary. For the business combination information, please refer to Note 33. In addition, from July 2024 to September 2024, the Company continued to acquire DSE’s shares; as of December 31, 2024, DSE had become a wholly owned subsidiary of the Company.
- Note 11: The subsidiary is a structured entity.
- Note 12: ASSET TWO was liquidated and dissolved in the third quarter of 2024.
- Note 13: The Group disposed of all of its equity in the investee in the first quarter of 2025.
- Note 14: URE NSP resolved a cash capital reduction of US\$279 thousand in April 2025, with the base date of the capital reduction on April 8, 2025.
- Note 15: Lianzhang Energy Power Co., Ltd. changed its name to Hong Ying Energy Co., Ltd. on April 1, 2024.
- Note 16: Jianguang conducted a cash capital increase of \$30,000 thousand in April 2025, all of which was subscribed for by Utech, with no change in the shareholding ratio after the increase. In July 2025, Jianguang implemented a capital reduction to offset accumulated losses amounting to \$213,322 thousand, with July 18, 2025 as the record date of the capital reduction, and subsequently conducted a cash capital increase of \$480,000 thousand in October 2025, all of which was subscribed for by Utech, with no change in the shareholding ratio after the increase.

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress	Total
<u>Accumulated depreciation and impairment</u>						
Balance on January 1, 2025	\$ -	\$ 2,523,726	\$ 6,866,832	\$ 2,663,142	\$ 23,068	\$ 12,076,768
Depreciation expenses	-	196,771	234,167	345,193	-	776,131
Impairment losses (reverses)	-	101	(12,940)	95,779	-	82,940
Disposals	-	-	(745,071)	(5,119)	-	(750,190)
Reclassification	-	-	-	18,725	(18,725)	-
Transfers to investment properties	-	(41,350)	-	-	-	(41,350)
Effects of foreign currency exchange differences	-	8,233	25,522	(13,861)	-	19,894
Balance on December 31, 2025	-	<u>2,687,481</u>	<u>6,368,510</u>	<u>3,103,859</u>	<u>4,343</u>	<u>12,164,193</u>
Carrying amount on December 31, 2025	<u>\$ 773,188</u>	<u>\$ 1,807,340</u>	<u>\$ 1,092,760</u>	<u>\$ 4,864,154</u>	<u>\$ 468,695</u>	<u>\$ 9,006,137</u>
<u>Cost</u>						
Balance on January 1, 2024	\$ 764,841	\$ 4,507,573	\$ 15,550,015	\$ 8,481,760	\$ 569,615	\$ 29,873,804
Acquisitions through business combinations (Note 33)	-	-	-	47,461	-	47,461
Additions	-	-	2,557	11,201	1,150,596	1,164,354
Disposals	-	-	(8,002,457)	(1,123,081)	-	(9,125,538)
Reclassification	-	-	563,260	937,302	(1,460,009)	40,553
Reclassify to assets held for sale	-	-	-	(660,998)	-	(660,998)
Effects of foreign currency exchange differences	5,070	25,290	43,638	122,013	81	196,092
Balance on December 31, 2024	<u>769,911</u>	<u>4,532,863</u>	<u>8,157,013</u>	<u>7,815,658</u>	<u>260,283</u>	<u>21,535,728</u>
<u>Accumulated depreciation and impairment</u>						
Balance on January 1, 2024	-	2,276,840	13,816,393	2,654,818	-	18,748,051
Acquisitions through business combinations (Note 33)	-	-	-	5,341	-	5,341
Depreciation expenses	-	204,128	359,231	402,146	-	965,505
Impairment losses	-	32,128	656,553	472,216	23,068	1,183,965
Disposals	-	-	(8,000,352)	(621,069)	-	(8,621,421)
Reclassify to assets held for sale	-	-	-	(311,165)	-	(311,165)
Effects of foreign currency exchange differences	-	10,630	35,007	60,855	-	106,492
Balance on December 31, 2024	-	<u>2,523,726</u>	<u>6,866,832</u>	<u>2,663,142</u>	<u>23,068</u>	<u>12,076,768</u>
Carrying amount on December 31, 2024	<u>\$ 769,911</u>	<u>\$ 2,009,137</u>	<u>\$ 1,290,181</u>	<u>\$ 5,152,516</u>	<u>\$ 237,215</u>	<u>\$ 9,458,960</u>

(Concluded)

The Group expects a decrease in future cash inflows from certain items of other equipment. As a result, their recoverable amounts of these assets were lower than their carrying amounts, and an impairment loss of \$83,843 thousand was recognized in 2025. This impairment loss was included under “other gains and losses” in the consolidated statement of comprehensive income. The Company determined that the recoverable amounts of these items of other equipment were determined based on value in use, using discount rate ranging from 7% to 12.8%.

The Group assessed the value of buildings, machinery and equipment, and other equipment that were expected to be disposed of and, accordingly, reversed impairment losses of \$7,782 thousand previously recognized in prior years in 2025. This reversal gain was included under “other gains and losses” in the consolidated statement of comprehensive income. The Group determined that the recoverable amounts of these buildings, machinery and equipment, and other equipment were determined based on fair value less costs of disposal. The related fair value were determined using the market approach, with key assumptions including the estimated selling price, and were classified as a Level 3 fair value measurement.

The Group assessed that certain power plant equipment was damaged and could no longer be used. As the equipment was determined to have no recoverable amount, an impairment loss of \$6,879 thousand was recognized in 2025. The impairment loss was presented under “other gains and losses” in the consolidated statement of comprehensive income.

In response to its operational transformation strategy, certain production lines were unable to undergo equipment upgrades. As a result, the Group expects a reduction in their future economic benefits, and the recoverable amounts of the related assets were determined to be lower than their carrying amounts. Accordingly, an impairment loss of \$1,183,965 thousand was recognized in 2024. This impairment loss was included under “other gains and losses” in the consolidated statement of comprehensive income.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	15-21 years
Electromechanical power equipment	15-21 years
Machinery and equipment	4-11 years
Other equipment	3-31 years

As of December 31, 2025 and 2024, the property, plant and equipment pledged as collaterals for bank borrowings are set out in Note 39.

On the Group’s capitalized interest for the periods for years ended December 31, 2025 and 2024, please refer to Note 30(c).

19. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2025	2024
<u>Carrying amount</u>		
Buildings	\$ 1,353,828	\$ 1,444,825
Land	288,100	323,470
Other equipment	<u>6,816</u>	<u>4,540</u>
	<u>\$ 1,648,744</u>	<u>\$ 1,772,835</u>
	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets	<u>\$ 22,598</u>	<u>\$ 229,171</u>
Depreciation charge for right-of-use assets		
Buildings	\$ 82,305	\$ 92,363
Land	29,251	29,484
Other equipment	<u>3,647</u>	<u>4,075</u>
	<u>\$ 115,203</u>	<u>\$ 125,922</u>

The Group expects a decrease in the future cash inflows from buildings used for power generation. As a result, their recoverable amount is lower than their carrying amount, and an impairment loss of \$10,963 thousand was recognized in 2024. This impairment loss has been recorded under “other gains and losses” in the consolidated statement of comprehensive income.

b. Lease liabilities

	December 31	
	2025	2024
<u>Carrying amount</u>		
Current	<u>\$ 109,719</u>	<u>\$ 108,435</u>
Non-current	<u>\$ 1,714,811</u>	<u>\$ 1,819,648</u>

The range of discount rates for lease liabilities was as follows:

	December 31	
	2025	2024
Buildings	2.02%-5.25%	2.02%-5.25%
Land	2.02%-3.26%	2.02%-3.26%
Other equipment	2.02%-3.42%	2.02%-2.65%

c. Material leasing activities and terms

The Group leases certain land, buildings, other equipment for operating purposes for a period of 3 to 30 years. The Group does not have a preferential right to acquire the leased land and buildings, and some of the lease agreements have renewal clauses.

d. Other lease information

	For the Year Ended December 31	
	2025	2024
Expenses relating to short-term leases	<u>\$ 2,274</u>	<u>\$ 3,981</u>
Expenses relating to low-value asset leases	<u>\$ 4,075</u>	<u>\$ 2,041</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 31,560</u>	<u>\$ 32,888</u>
Total cash outflow for leases	<u>\$ (179,382)</u>	<u>\$ (198,834)</u>

The Group elected to apply recognition exemptions to the leases of warehouses, parking spaces, and dormitories that qualify as short-term leases, and to photocopiers, which qualify for leases of low-value assets, and did not recognize right-of-use assets and lease liabilities on these leases.

20. INVESTMENT PROPERTY

	Properties		Right-of-use Asset	Total
	Land	Buildings	Land	
<u>Cost</u>				
Balance on January 1, 2025	\$ 747,300	\$ 2,772,531	\$ 209,862	\$ 3,729,693
From property, plant and equipment	-	54,385	-	54,385
From right-of-use assets	<u>-</u>	<u>-</u>	<u>7,842</u>	<u>7,842</u>
Balance on December 31, 2025	<u>747,300</u>	<u>2,826,916</u>	<u>217,704</u>	<u>3,791,920</u>

(Continued)

	Properties		Right-of-use Asset	Total
	Land	Buildings	Land	
<u>Accumulated depreciation</u>				
Balance on January 1, 2025	\$ -	\$ 1,175,439	\$ 83,587	\$ 1,259,026
Depreciation expense	-	113,380	14,947	128,327
From property, plant and equipment	-	41,350	-	41,350
From right-of-use assets	-	-	1,722	1,722
Balance on December 31, 2025	<u>-</u>	<u>1,330,169</u>	<u>100,256</u>	<u>1,430,425</u>
Carrying amount on December 31, 2025	<u>\$ 747,300</u>	<u>\$ 1,496,747</u>	<u>\$ 117,448</u>	<u>\$ 2,361,495</u>

Cost

Balance on January 1, 2024 and December 31, 2024	<u>\$ 747,300</u>	<u>\$ 2,772,531</u>	<u>\$ 209,862</u>	<u>\$ 3,729,693</u>
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Accumulated depreciation

Balance on January 1, 2024	-	1,064,093	68,874	1,132,967
Depreciation expense	-	111,346	14,713	126,059
Balance on December 31, 2024	<u>-</u>	<u>1,175,439</u>	<u>83,587</u>	<u>1,259,026</u>

Carrying amount on December 31, 2024	<u>\$ 747,300</u>	<u>\$ 1,597,092</u>	<u>\$ 126,275</u>	<u>\$ 2,470,667</u> (Concluded)
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Investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Buildings	6-24 years
Right-of-use assets	21-28 years

The amounts of the Group's investment properties pledged as collateral for borrowings are shown in Note 39.

Each lease contract included an initial non-cancellable lease term of 3 to 10 years-with subsequent lease periods negotiated with the lessees - and did not involve contingent rent.

Except for certain investment properties that were assessed by independent evaluators, the rest of the properties had not been assessed by independent evaluators but were measured by the Group's management using an evaluation model commonly used by market participants and based on Level 3 inputs, including market evidence showing similar real estate transaction prices.

	December 31	
	2025	2024
Fair value	<u>\$ 3,333,177</u>	<u>\$ 3,247,007</u>

Right-of-use assets included in investment properties are units of office space located in Hsinchu and Miaoli and subleased under operating leases to other Company.

The Group leases out its investment properties and other assets. Since substantially all the risks and rewards incidental to ownership of the underlying assets have not been transferred, these lease contracts are classified as operating leases.

The maturity analysis of lease payments is presented in the table below, showing the total undiscounted lease payments to be received after the reporting date:

	December 31	
	2025	2024
First year	\$ 342,158	\$ 313,311
Second year	320,265	268,747
Third year	303,205	272,234
Forth year	281,901	272,589
Fifth year	246,929	260,415
Sixth year and above	<u>732,123</u>	<u>971,386</u>
	<u>\$ 2,226,581</u>	<u>\$ 2,358,682</u>

For rental income arising from operating leases for the years 2025 and 2024, please refer to Note 30(a).

21. INTANGIBLE ASSETS

	December 31	
	2025	2024
Goodwill	\$ 42,196	\$ 42,196
Other intangible assets	<u>17,217</u>	<u>3,362</u>
	<u>\$ 59,413</u>	<u>\$ 45,558</u>

a. Goodwill

	December 31	
	2025	2024
Acquired cost	\$ 42,196	\$ 42,196
Less: Accumulated impairment	<u>-</u>	<u>-</u>
	<u>\$ 42,196</u>	<u>\$ 42,196</u>

The Group acquired DS Energy (DSE) on May 3, 2024, resulting in goodwill of \$42,196 thousand. When performing the impairment test, this goodwill is attributable solely to a single cash-generating unit of DSE. Therefore, the impairment assessment of goodwill is conducted by comparing the recoverable amount of DSE with the carrying amount of its net assets to determine whether an impairment loss should be recognized. The recoverable amount of DSE is determined based on value in use, using the Group's projected cash flows derived from its three-year financial budget. These cash flows are discounted in 2025 using an annual discount rate of 12.8%. Other key assumptions include expected operating revenue and gross profit margin, which are based on the cash-generating unit's historical operating performance and management's expectations of the market.

After assessment, the recoverable amount of DSE exceeds its carrying amount; therefore, no impairment loss was recognized.

b. Other intangible assets

	December 31		
	2025	2024	
Computer software	\$ 16,951	\$ 3,039	
Patents	<u>266</u>	<u>323</u>	
	<u>\$ 17,217</u>	<u>\$ 3,362</u>	
	Computer Software	Patents	Total
<u>Cost</u>			
Balance on January 1, 2025	\$ 12,646	\$ 1,284	\$ 13,930
Acquired	18,403	-	18,403
Derecognition	(1,244)	-	(1,244)
Effects of foreign currency exchange differences	<u>327</u>	<u>-</u>	<u>327</u>
Balance on December 31, 2025	<u>30,132</u>	<u>1,284</u>	<u>31,416</u>
<u>Accumulated amortization</u>			
Balance on January 1, 2025	9,607	961	10,568
Amortization expense	4,474	57	4,531
Derecognition	(1,244)	-	(1,244)
Effects of foreign currency exchange differences	<u>344</u>	<u>-</u>	<u>344</u>
Balance on December 31, 2025	<u>13,181</u>	<u>1,018</u>	<u>14,199</u>
Carrying amount on December 31, 2025	<u>\$ 16,951</u>	<u>\$ 266</u>	<u>\$ 17,217</u>
<u>Cost</u>			
Balance on January 1, 2024	\$ 7,852	\$ 1,284	\$ 9,136
Acquired	8,960	-	8,960
Acquisitions through business combinations	2,021	-	2,021
Derecognition	(6,585)	-	(6,585)
Effects of foreign currency exchange differences	<u>398</u>	<u>-</u>	<u>398</u>
Balance on December 31, 2024	<u>12,646</u>	<u>1,284</u>	<u>13,930</u>
<u>Accumulated amortization</u>			
Balance on January 1, 2024	5,269	903	6,172
Amortization expense	8,682	58	8,740
Acquisitions through business combinations	1,941	-	1,941
Derecognition	(6,585)	-	(6,585)
Effects of foreign currency exchange differences	<u>300</u>	<u>-</u>	<u>300</u>
Balance on December 31, 2024	<u>9,607</u>	<u>961</u>	<u>10,568</u>
Carrying amount on December 31, 2024	<u>\$ 3,039</u>	<u>\$ 323</u>	<u>\$ 3,362</u>

Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	1-3 years
Patents	10-20 years

22. OTHER CURRENT ASSETS

	<u>December 31</u>	
	2025	2024
Tax overpayment retained for offsetting the future tax payable	\$ 379,648	\$ 325,314
Other	<u>883</u>	<u>349</u>
	<u>\$ 380,531</u>	<u>\$ 325,663</u>

23. LOANS

a. Short-term borrowings

	<u>December 31</u>	
	2025	2024
<u>Unsecured borrowings</u>		
Bank loans	<u>\$ 625,844</u>	<u>\$ 48,132</u>

The interest ranges for unsecured bank loans were 2.48%-2.85% and 2.58% per annum as of December 31, 2025 and 2024, respectively.

b. Short-term bills payable

	<u>December 31</u>	
	2025	2024
Commercial papers	\$ 43,400	\$ 47,800
Less: Unamortized discount on bills payable	<u>(82)</u>	<u>(142)</u>
	<u>\$ 43,318</u>	<u>\$ 47,658</u>

c. Long-term borrowings

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Secured borrowings</u>		
Bank mortgage (including arrangement fee for syndicated loans)	\$ 6,093,560	\$ 6,839,693
Bank loans - power plant project loans	1,757,372	1,836,531
Bank loans - medium- and long-term loans	402,429	753,308
<u>Unsecured borrowings</u>		
Bank loans - medium- and long-term loans	<u>732,104</u>	<u>799,431</u>
	8,985,465	10,228,963
Less: Current portion	<u>(6,741,368)</u>	<u>(3,415,998)</u>
Long-term bank loans	<u>\$ 2,244,097</u>	<u>\$ 6,812,965</u>
Loan content		
Annual interest rate	2.30%-3.49%	2.30%-4.75%

1) The aforementioned bank secured loans will mature successively in 2026; the power plant project financing loans will mature successively in 2038; and the unsecured loans will mature successively in 2038.

2) Compliance with loan contracts

- a) The Group entered into a long-term loan agreement with Bank SinoPac. Under the contract, the borrower, Yong Liang, is required to maintain certain financial ratios annually during the credit period. As of December 31, 2025, the Group was in compliance with the relevant requirements.
- b) The Group entered into a \$6 billion syndicated loan, with First Bank as lead bank, in the third quarter of 2021. Under the contract, the Group is required to maintain certain financial ratios based on its annual and semiannual consolidated financial reports during the credit period. Although the Company did not meet the requirements for debt to equity ratio, interest protection multiples (IPM), and tangible equity as of December 31, 2024, the Group was not considered in default of the contract. But it need to pay compensation fees to all of the joint lending banks each month (a) until the next drawdown date, or (b) until the base date for the next interest rate adjustments if the Company's compliance issue is resolved. The loan was repaid in the fourth quarter of 2024.
- c) The Group entered into a \$4.5 billion syndicated loan agreement, with First Bank as lead bank. Under the contract, it requires Utech, a 100% subsidiary of the Company, is required to maintain certain financial ratios based on its annual financial reports during the credit period. This syndicated loan as well as loans from other banks matured on September 30, 2025. The Group completed negotiations to extend the maturity date to September 30, 2026, and the financial ratios are not required to be reviewed prior to the extended maturity date. As of December 31, 2025 and 2024, the bank loan balances were \$1,993,560 thousand and \$2,055,560 thousand, respectively.

d) The Group entered into a \$6.8 billion syndicated loan agreement, with First Bank as lead bank, in the third quarter of 2023. Under the contract, the Group was required to maintain certain financial ratios based on its annual and semiannual consolidated financial reports during the credit period. Although the Group did not meet the requirements for current ratio and interest protection multiples (IPM) as of December 31, 2025, interest protection multiples (IPM) and tangible equity as of June 30, 2025 and December 31, 2024 and the for debt to equity ratio, interest protection multiples (IPM), and tangible equity as of June 30, 2024, the Group was not considered in default of the contract. However, the Group is required pay compensation fees to all of the joint lending banks each month (a) until the next drawdown date or (b) the base date for the next interest rate adjustments if the Company’s compliance issue is resolved. In addition, pursuant to the first amendment agreement signed on January 29, 2026, it was agreed that the interest coverage ratio of the consolidated company for the first half and the full year of 2025 would not be reviewed.

3) Other loan agreements

The Group signed a 25-year loan contract with the Indiana Municipal Power Agency (IMPA) in June 2018. Under the contract, IMPA has the right to buy all the shares of AC GES, a company owned by the Group, through TEV II and TEV Solar, starting in June 2024. Therefore, this 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 as at fair value through profit or loss; please refer to Note 7. The contract restricts TEV Solar, AC GES Solar, Richmond, Rensselaer, and Advance from transferring the shares before the derivative instrument expires. In the first quarter of 2025, the Group disposed of its holding of shares of TEV II; thus, the Group reclassified the long-term loan as current liability held for sale; please refer to Note 14.

4) Please refer to Note 39 for details of the assets used as guarantees for the Group’s bank loans.

24. BONDS PAYABLE

	December 31, 2024
Issuance amount	\$ 3,000,000
Accumulated redeemed amount	(2,999,900)
Accumulated converted amount	<u>(100)</u>
Ending balance of bonds payable	<u>\$ -</u>
Interest expenses	<u>\$ 13,819</u>

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

3rd Domestic Unsecured Convertible Bonds	
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 if the closing price of the common shares on the Taiwan Stock Exchange 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 had the right at any time between January 26, 2022 and October 25, 2024 to convert their bonds through Taiwan Depository & Clearing Corporation (TDCC). The Company's stock agency was requested to convert the convertible bonds held into the Company's ordinary shares in accordance with these regulations.
Conversion price	The conversion price was set at NT\$20.9 per share at the time of issuance. If the conversion price of the Company's ordinary shares was adjusted, the adjustment was based on the formula specified in the terms of issuance. An adjustment resulted in the decrease in conversion price to NT\$20.4.

25. OTHER LIABILITIES

	December 31	
	2025	2024
Payables for purchases of equipment	\$ 213,133	\$ 506,106
Payables for litigation compensation	180,765	508,203
Payables for salaries or bonuses	127,540	183,264
Payables for pension	7,358	9,284
Payables for interests	7,057	6,761
Others	<u>262,437</u>	<u>390,938</u>
	<u>\$ 798,290</u>	<u>\$ 1,604,556</u>

26. PROVISIONS

	December 31	
	2025	2024
<u>Current</u>		
Discounts (a)	\$ 2,202	\$ 128,562
Restoration obligation (c)	<u>6,285</u>	<u>-</u>
	<u>\$ 8,487</u>	<u>\$ 128,562</u>

(Continued)

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Non-current</u>		
Warranties (b)	\$ 126,998	\$ 142,094
Restoration obligation (c)	<u>185,064</u>	<u>191,505</u>
	<u>\$ 312,062</u>	<u>\$ 333,599</u>
		(Concluded)
	Warranties	Restoration Obligation
Balance on January 1, 2025	\$ 142,095	\$ 191,505
Provision recognized for the year	29,856	8,166
Reversal recognized for the year	(8,132)	(35)
Payments made during the year	<u>(36,821)</u>	<u>(8,287)</u>
Balance on December 31, 2025	<u>\$ 126,998</u>	<u>\$ 191,349</u>
Balance on January 1, 2024	\$ 128,334	\$ 162,811
Provision recognized for the year	29,665	35,092
Reversal recognized for the year	(15,904)	(171)
Payments made during the year	<u>-</u>	<u>(6,227)</u>
Balance on December 31, 2024	<u>\$ 142,095</u>	<u>\$ 191,505</u>

- a. The Group expected to give discounts or concessions to its customers, which were recorded under “other current liabilities.”
- b. The Group’s warranty provision, which is mainly related to product sales, is based on historical warranty trends. This provision may vary as a result of the entry of new materials, altered manufacturing processes, or other events affecting product quality.
- c. The provision made by the Group for its site restoration cost is recognized as provision for the module recovery expense in accordance with Regulations Governing the Installation of Renewable Energy Power Generation Equipment and the expected costs of site restoration.

27. POST-EMPLOYMENT BENEFIT PLANS

The Group uses the retirement pension system under the Labor Pension Act, which is a government-managed defined contribution plan, and the pension is allocated to individual accounts with the Bureau of Labor Insurance at the rate of 6% of the employee’s monthly salary.

The total periodic pension costs of subsidiaries were recognized as current expenses in accordance with the local regulations of their respective jurisdictions where they are domiciled.

An analysis by function of the amounts recognized in profit or loss in respect of the defined contribution plan is as follows:

	For the Year Ended December 31	
	2025	2024
Operating cost	\$ 22,085	\$ 26,653
Operating expenses	<u>12,695</u>	<u>13,384</u>
	<u>\$ 34,780</u>	<u>\$ 40,037</u>

28. EQUITY

a. Share capital

Ordinary shares

	December 31	
	2025	2024
Shares authorized (in thousands of shares)	<u>3,600,000</u>	<u>3,600,000</u>
Authorized share capital	<u>\$ 36,000,000</u>	<u>\$ 36,000,000</u>
Share issued and fully paid shares (in thousands of shares)	<u>1,627,795</u>	<u>1,627,795</u>
Issued share capital	<u>\$ 16,277,954</u>	<u>\$ 16,277,954</u>

Issued common shares have a par value of NT\$10, and each share has one voting right and the right to receive dividends.

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

b. Capital surplus

	December 31	
	2025	2024
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*</u>		
Issuance of ordinary shares	\$ -	\$ 177,252
The difference between the consideration received or paid and the carrying amount of the subsidiaries' equity value during actual disposal or acquisition	327	233,344
<u>May only be used to offset a deficit</u>		
Share of changes in capital surplus of associates or joint ventures	<u>1,546</u>	<u>2,590</u>
	<u>\$ 1,873</u>	<u>\$ 413,186</u>

* Capital surplus may be used to offset losses; if the Company has no accumulated deficits, capital surplus may be distributed as cash dividends or transferred to share capital, and this transfer is limited to once a year based on a certain percentage of paid-in capital.

c. Retained earnings and dividend policy

Under the Articles of Incorporation, after-tax earnings are used to offset cumulative losses, and 10% of the remainder is set aside as a legal reserve. The appropriation for legal reserve is discontinued when the balance of the legal reserve equals the total authorized capital. In addition, the Company may, under its Articles of Incorporation or as required by the government, appropriate or reverse a special reserve. Any remaining balance of the earnings may be used for distribution of share or cash dividends based on a plan prepared by the board of directors for presentation and approval at the shareholders' meeting. For the policy on the distribution policy of employee and director remunerations based on the Company's Articles of Association, please refer to Note 30(f) - Employee and Director Remuneration.

Under the Company Law, two thirds of directors must be present in board meetings. If more than half of the directors present approve the distribution plan, then the board of directors is authorized to distribute dividends, bonuses, or all or a portion of the legal reserve and capital surplus in cash, as stipulated in Item 1 of Article 241 of the Company Law, in the form of cash, and to report such distribution to the shareholders' meeting.

In addition, under the Company's Articles of Association, the Company's dividends for distribution should be both in shares and in cash, and cash dividends should not be less than 10% of total dividends distributed.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's capital surplus. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's capital surplus, the excess may be transferred to capital or distributed in cash.

In their meeting on June 21, 2024, the shareholders approved the proposal for the appropriation of losses for the year ended December 31, 2023. As the Company incurred a net loss after tax for the year, no distribution of earnings was made.

In their meeting on June 21, 2024, the shareholders approved the offset of deficit by using \$34,204 thousand from capital surplus and \$35,473 thousand from legal reserve.

On May 26, 2025, the shareholders in their meetings approved the deficit offset plan for the year 2024 as follows:

	Deficit Offset Plan
Offset of accumulated deficits with capital surplus	<u>\$ 413,186</u>

On March 9, 2026, the Board of Directors in their meeting proposed the appropriation of losses for the year 2025 as follows:

	Deficit Offset Plan
Offset of accumulated deficits with capital surplus	<u>\$ 1,873</u>

The appropriation of losses for the year 2025 is subject to resolution at the annual general shareholders' meeting scheduled to be held on May 28, 2026.

d. Other equity

1) Exchange differences in the financial statements of foreign operating institutions

The exchange differences resulting from the translation of the net assets of foreign operations from their functional currencies into the presentation currency of the Group (i.e., the New Taiwan dollar) are recognized directly in other comprehensive income under “Exchange differences in the financial statements of foreign operating institutions.” The cumulative exchange differences previously recognized in other comprehensive income are reclassified to profit or loss when disposing of a foreign operation.

2) Unrealized gain or loss on financial assets at FVTOCI

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 664,696	\$ 227,433
Recognized for the year		
Unrealized gain	250,642	423,439
Disposal of equity instruments - cumulative gains and losses transferred to retained earnings	<u>(561,502)</u>	<u>13,824</u>
Balance on December 31	<u>\$ 353,836</u>	<u>\$ 664,696</u>

e. Treasury shares

The Company acquired treasury shares as result of its merger with Gintech Energy on October 1, 2018; the related information is as follows:

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount	Market Price
<u>December 31, 2025</u>			
Utech	1,066	<u>\$ 18,699</u>	<u>\$ 9,175</u>
<u>December 31, 2024</u>			
Utech	1,066	<u>\$ 18,699</u>	<u>\$ 10,763</u>

The shares of the Company held by Utech has been treated as treasury shares, which carry rights the same as those for regular shares, except the rights of cash injection and voting.

f. Non-controlling interests

	For the Year Ended December 31	
	2025	2024
Balance on January 1	\$ 33,121	\$ 354,263
Acquisition of non-controlling interests in TEV II	-	(233,343)
Attributable to non-controlling interests		
Net income (loss)	961	(11,354)
Decrease in non-controlling interests	-	(68,680)
Non-controlling interests cash dividends	(971)	-
Exchange differences arising on translation of the financial statements of foreign operations	<u>(89)</u>	<u>(7,765)</u>
Balance on December 31	<u>\$ 33,022</u>	<u>\$ 33,121</u>

29. REVENUE

a. Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Notes receivable (Note 10)	<u>\$ 102</u>	<u>\$ -</u>	<u>\$ 36,348</u>
Trade receivables (Note 10)	<u>\$ 523,894</u>	<u>\$ 679,173</u>	<u>\$ 1,031,220</u>
Trade receivables - related parties (Notes 10 and 38)	<u>\$ 4,229</u>	<u>\$ 4,157</u>	<u>\$ -</u>
Contract assets			
OEM contract	\$ -	\$ 140,578	\$ 93,749
Construction contract	76,447	55,971	86,308
Less: Allowance for impairment loss	<u>(16,801)</u>	<u>(16,801)</u>	<u>(16,801)</u>
Contract assets - current	<u>\$ 59,646</u>	<u>\$ 179,748</u>	<u>\$ 163,256</u>
Contract liabilities			
Sale of goods	\$ 272,377	\$ 446,187	\$ 552,649
Construction contract	<u>47,706</u>	<u>42,641</u>	<u>28,027</u>
Contract liabilities - current	<u>\$ 320,083</u>	<u>\$ 488,828</u>	<u>\$ 580,676</u>

The changes in contract liabilities balance primarily result from the timing difference between the satisfaction of performance obligations and the receipt of payments from customers.

The contract liabilities from the beginning of the year recognized as revenue during the period is as follows:

	For the Year Ended December 31	
	2025	2024
From the beginning contract liability		
Sale of goods	\$ 182,009	\$ 306,909
Power facility construction contracts	<u>41,933</u>	<u>27,974</u>
	<u>\$ 223,942</u>	<u>\$ 334,883</u>

b. Disaggregation of revenue

	For the Year Ended December 31	
	2025	2024
Major products		
Solar products	\$ 2,073,995	\$ 4,720,818
Others	<u>972,565</u>	<u>1,063,317</u>
	<u>\$ 3,046,560</u>	<u>\$ 5,784,135</u>

c. Customer contracts not yet fully satisfied

The expected timing of revenue recognition for performance obligations not yet fully satisfied is as follows:

	December 31	
	2025	2024
Sales of goods		
- In 2025	\$ -	\$ 182,009
- In 2026	272,377	264,178
Power facility construction contracts		
- In 2025	-	182,009
- In 2026	<u>47,706</u>	<u>708</u>
	<u>\$ 320,083</u>	<u>\$ 488,828</u>

30. NET PROFIT

a. Other income

	For the Year Ended December 31	
	2025	2024
Lease income	\$ 223,037	\$ 209,454
Dividend income	13,635	21,805
Other income	<u>291,736</u>	<u>41,703</u>
	<u>\$ 528,408</u>	<u>\$ 272,962</u>

Other income includes the reversal of prior years' estimated losses exceeding the settlement amount of \$231,703 thousand (see Note 40(a)12).

b. Other gains and losses

	For the Year Ended December 31	
	2025	2024
Gains on disposal of investments	\$ 78,782	\$ 2,754
Gains (losses) on foreign currency exchange	(21,362)	38,023
Gains on disposal of property, plant and equipment and power facilities business	400	38,208
Financial assets mandatorily classified at FVTPL	(46,432)	(11,416)
Expected credit loss	-	(22,771)
Impairment loss recognized on property, plant and equipment	(82,940)	(1,194,929)
Other	<u>(25,490)</u>	<u>(405,173)</u>
	<u>\$ (97,042)</u>	<u>\$ (1,555,304)</u>

c. Finance costs

	For the Year Ended December 31	
	2025	2024
Interest on bank loans	\$ 295,227	\$ 295,052
Interest on lease liabilities	41,612	40,572
Interest on convertible bonds	-	13,819
Other interest expense	<u>32,230</u>	<u>92,278</u>
	<u>\$ 369,069</u>	<u>\$ 441,721</u>

Information on capitalized interest is as follows:

	For the Year Ended December 31	
	2025	2024
Capitalized interest amount	<u>\$ 12,983</u>	<u>\$ 19,982</u>
Capitalized interest rate	2.67%-3.42%	2.53%-3.40%

d. Depreciation and amortization

	For the Year Ended December 31	
	2025	2024
An analysis of depreciation by function		
Operating costs	\$ 618,459	\$ 1,028,521
Operating expenses	272,875	62,906
Non-operating expenses	<u>128,327</u>	<u>126,059</u>
	<u>\$ 1,019,661</u>	<u>\$ 1,217,486</u>

(Continued)

	For the Year Ended December 31	
	2025	2024
An analysis of amortization by function		
Operating costs	\$ -	\$ 1,052
Operating expenses	<u>4,531</u>	<u>7,688</u>
	<u>\$ 4,531</u>	<u>\$ 8,740</u>

(Concluded)

e. Employee benefits expense

	For the Year Ended December 31	
	2025	2024
Post-employment benefits		
Defined contribution plans (Note 27)	\$ 34,780	\$ 40,037
Salaries	912,470	968,695
Labor and health insurance	75,272	91,377
Remuneration of directors	9,359	8,986
Other employee benefits	<u>54,214</u>	<u>102,406</u>
Total employee benefits expense	<u>\$ 1,086,095</u>	<u>\$ 1,211,501</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 676,904	\$ 824,482
Operating expenses	<u>409,191</u>	<u>387,019</u>
	<u>\$ 1,086,095</u>	<u>\$ 1,211,501</u>

f. Employee's compensation and directors' remuneration

The Company shall make these appropriations from the current year's earnings in this order: For paying taxes, offsetting any losses of prior years, and setting aside a legal reserve of 10% of the remaining profit. If there is any remainder from the earnings, the Company should appropriate no less than 3% for employees' compensation and no more than 2% for directors' compensation. Employee remuneration may be paid to employees of controlled or affiliated companies who meet certain conditions under relevant conditions and regulations set by the board of directors or its authorized persons. Under the amendment of the Securities and Exchange Act in August 2024, the Company approved an amendment of the Articles of Association at the shareholders' meeting in 2025, which will specify that the basic level employee compensation in the current year will be no less than 20% of the total employee remuneration.

For the years ended December 31, 2025 and 2024 and for the year ended December 31, 2024, the Company had net losses; thus, there was no need to estimate expenses for employee remuneration and directors' remuneration.

If there is a change in the proposed amounts after the date the annual consolidated financial statements have been authorized for issue, the differences are accounted for as a change in the accounting estimate in the following year.

g. Net (loss) gain on foreign currency exchange

	For the Year Ended December 31	
	2025	2024
Foreign exchange gains	\$ 62,276	\$ 131,407
Foreign exchange losses	<u>(83,638)</u>	<u>(93,384)</u>
Net profit (loss)	<u>\$ (21,362)</u>	<u>\$ 38,023</u>

31. INCOME TAXES

a. Income tax recognized in profit or loss

The major component of income tax expense was as follows:

	For the Year Ended December 31	
	2025	2024
Current tax		
For the current period	\$ 3,081	\$ 1,651
Adjustments for prior years	<u>4</u>	<u>-</u>
	3,085	1,651
Deferred tax		
For the current period	<u>-</u>	<u>278,283</u>
Income tax expense recognized in profit or loss	<u>\$ 3,085</u>	<u>\$ 279,934</u>

A reconciliation of accounting profit and income tax expenses is as follows:

	For the Year Ended December 31	
	2025	2024
Loss before tax	<u>\$ (1,243,439)</u>	<u>\$ (1,856,777)</u>
Income tax expense calculated at the statutory rate	\$ (248,688)	\$ (373,155)
Non-deductible expenses for tax purposes	(62,827)	10,748
Unrecognized deductible temporary differences and loss carryforwards	312,782	613,319
Effect of different tax rates of subsidiaries operating in other jurisdictions	1,814	7,789
Adjustments for prior years' tax	4	-
Other	<u>-</u>	<u>21,233</u>
Income tax expense recognized in profit or loss	<u>\$ 3,085</u>	<u>\$ 279,934</u>

b. Current tax assets and liabilities

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Current tax assets		
Tax refund receivable	<u>\$ 19,763</u>	<u>\$ 16,833</u>
Current tax liabilities		
Income tax payable	<u>\$ 1,225</u>	<u>\$ 638</u>

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2025

	Opening Balance	Recognized in Profit or Loss	Foreign Exchange Adjustment	Closing Balance
<u>Deferred tax assets</u>				
Loss carryforwards	\$ 107,561	\$ (10,617)	\$ (307)	\$ 96,637
Unrealized losses on FVTPL	-	7,184	-	7,184
Others	<u>35,456</u>	<u>(1,110)</u>	<u>-</u>	<u>34,346</u>
	<u>\$ 143,017</u>	<u>\$ (4,543)</u>	<u>\$ (307)</u>	<u>\$ 138,167</u>

Deferred tax liabilities

Unrealized gains on foreign currency translation	\$ 4,205	\$ (1,219)	\$ -	\$ 2,986
Unrealized gains on FVTPL	2,214	(2,214)	-	-
Non-proportionate gains on subsidiary disposal	7,301	-	-	7,301
Others	<u>35,456</u>	<u>(1,110)</u>	<u>-</u>	<u>34,346</u>
	<u>\$ 49,176</u>	<u>\$ (4,543)</u>	<u>\$ -</u>	<u>\$ 44,633</u>

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Foreign Exchange Adjustment	Closing Balance
<u>Deferred tax assets</u>				
Loss carryforwards	\$ 383,485	\$ (276,381)	\$ 457	\$ 107,561
Others	<u>30,698</u>	<u>4,758</u>	<u>-</u>	<u>35,456</u>
	<u>\$ 414,183</u>	<u>\$ (271,623)</u>	<u>\$ 457</u>	<u>\$ 143,017</u>

(Continued)

	Opening Balance	Recognized in Profit or Loss	Foreign Exchange Adjustment	Closing Balance
<u>Deferred tax liabilities</u>				
Unrealized gains on foreign currency translation	\$ 1,941	\$ 2,264	\$ -	\$ 4,205
Unrealized gains on FVTPL	2,576	(362)	-	2,214
Non-proportionate gains on subsidiary disposal	7,301	-	-	7,301
Others	<u>30,698</u>	<u>4,758</u>	<u>-</u>	<u>35,456</u>
	<u>\$ 42,516</u>	<u>\$ 6,660</u>	<u>\$ -</u>	<u>\$ 49,176</u>
				(Concluded)

- d. Deductible temporary differences and unused loss carryforwards for deferred income tax assets not recognized in the consolidated balance sheet

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Deductible temporary differences	\$ 2,380,140	\$ 2,440,566
Loss carryforwards	<u>3,605,171</u>	<u>4,281,876</u>
	<u>\$ 5,985,311</u>	<u>\$ 6,722,442</u>

- e. Information on unused loss carryforwards

Loss carryforwards as of December 31, 2025 comprised:

Unused Amount	Expiry Year
\$ 255,771	2025
1,230,640	2026
1,975,600	2027
2,948,357	2028
2,872,343	2029
2,388,400	2030
1,866,734	2031
296,337	2032
1,537,443	2033
746,589	2034
<u>2,390,827</u>	2035
<u>\$ 18,509,041</u>	

- f. Income tax assessments

The Company's tax filings for periods up to and including fiscal year 2023 have been assessed by the tax authorities, with no material differences between the assessment amounts and the application amounts.

32. LOSS PER SHARE

The net loss and weighted average number of ordinary shares of loss used in calculating loss per share were as follows:

Net loss for the period

	<u>For the Year Ended December 31</u>	
	2025	2024
Net loss for the period attributable to owners of the parent	<u>\$ (1,247,485)</u>	<u>\$ (2,134,357)</u>
Net loss used in the computation of basic loss per share	<u>\$ (1,247,485)</u>	<u>\$ (2,134,357)</u>

Number of shares

	<u>For the Year Ended December 31</u>	
	2025	2024
Weighted average number of ordinary shares used in the computation of basic loss per share	<u>1,626,730</u>	<u>1,626,730</u>

The Group may settle the remuneration of employees by cash or shares. The Company assumed that the entire amount of the employee remuneration will be settled in shares. Since the effect of the resulting potential shares is dilutive, these shares are included in the weighted average number of shares outstanding used in the computation of diluted loss per share. This dilutive effect of the potential shares is included in the computation of diluted loss per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

For the years ended December 31, 2025 and 2024, the Company incurred a net loss after tax, and therefore did not have to calculate the diluted earnings per share.

33. BUSINESS COMBINATION

a. Acquisition of subsidiaries

			Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
	Principal Activity	Date of Acquisition		
DS Energy	Solar-related business	May 3, 2024	66.96	<u>\$ 84,000</u>

The Group acquired DS Energy on May 3, 2024 to further expand the Group's operations in the solar energy sector.

b. Assets acquired and liabilities assumed as of the acquisition date

2024

	DS Energy
Cash and cash equivalents	\$ 43,363
Trade receivables	24,741
Other current assets	16,176
Property, plant and equipment	42,120
Other non-current assets	15,588
Long-term and short-term borrowings	(37,059)
Notes and trade payables	(9,643)
Contract liabilities - current	(16,894)
Other current liabilities	(13,517)
Other non-current liabilities	<u>(2,443)</u>
Identifiable net assets	<u>\$ 62,432</u>

c. Goodwill arising from acquisition

	DS Energy
Consideration transferred	\$ 84,000
Plus: Non-controlling interest in the acquiree (proportionate share of the fair value of the identifiable net assets)	20,628
Less: Fair value of identifiable net assets acquired	<u>(62,432)</u>
Goodwill recognized on acquisitions	<u>\$ 42,196</u>

34. DISPOSAL OF SUBSIDIARIES

In the first quarter of 2025, the Group disposed of its entire equity interest in, and lost control over, its subsidiary, TEV II. After the completion of this disposal, the consideration received amounted to \$37,663 thousand. The gain on disposal was \$22,051 thousand (including an exchange rate effect of \$(99) thousand), which was recognized under other gains and losses.

Analysis of assets and liabilities on loss of control

	TEV II
Current assets	
Notes and trade receivables, net	\$ 1,733
Prepayments	945
Other current assets	26
Non-current assets	
Property, plant and equipment	349,620
Current liabilities	
Current portion of long-term borrowings, preference share liabilities, and bonds payable	(13,004)
Non-current liabilities	
Long-term borrowings	(391,110)
Other current liabilities	<u>(7,825)</u>
Disposed of net assets	<u>\$ (59,615)</u>

35. CASH FLOW INFORMATION

a. Non-cash transactions

During the periods for the years ended December 31, 2025 and 2024, the Group engaged in the following investing activities involving partial cash transactions:

	For the Year Ended December 31	
	2025	2024
Acquisition of property, plant and equipment	\$ 413,946	\$ 1,164,354
Net change of equipment payables	293,067	193,553
Net change in prepayments for equipment	10,285	-
Increase in interest capitalized	(12,983)	(19,982)
Increase in provisions	(1,064)	(20,500)
Effect of exchange rate changes	<u>(23,182)</u>	<u>24,169</u>
Payments of cash	<u>\$ 680,069</u>	<u>\$ 1,341,594</u>

b. Changes in liabilities arising from financing activities

January 1 to December 31, 2025

	Opening Balance	Cash Flows	Non-cash Changes		Foreign Exchange Movements and Others	Closing Balance
			New Leases	Amortization of Interest		
Short-term borrowings	\$ 48,132	\$ 577,712	\$ -	\$ -	\$ -	\$ 625,844
Short-term bills payable	47,658	(4,400)	-	60	-	43,318
Long-term borrowings	10,228,963	(1,263,617)	-	-	20,119	8,985,465
Lease liabilities	<u>1,928,083</u>	<u>(99,861)</u>	<u>21,781</u>	<u>-</u>	<u>(25,473)</u>	<u>1,824,530</u>
	<u>\$ 12,252,836</u>	<u>\$ (790,166)</u>	<u>\$ 21,781</u>	<u>\$ 60</u>	<u>\$ (5,354)</u>	<u>\$ 11,479,157</u>

January 1 to December 31, 2024

	Opening Balance	Cash Flows	Non-cash Changes		Foreign Exchange Movements and Others	Closing Balance
			New Leases	Amortization of Interest		
Short-term borrowings	\$ 434,223	\$ (386,091)	\$ -	\$ -	\$ -	\$ 48,132
Short-term bills payable	-	47,800	-	(142)	-	47,658
Long-term borrowings	6,989,145	3,538,728	-	-	(298,910)	10,228,963
Bonds payable	2,986,081	(2,999,900)	-	13,819	-	-
Lease liabilities	1,830,025	(119,352)	216,029	-	1,381	1,928,083
Preference share liabilities	<u>1,988</u>	<u>(4,480)</u>	<u>-</u>	<u>-</u>	<u>2,492</u>	<u>-</u>
	<u>\$ 12,241,462</u>	<u>\$ 76,705</u>	<u>\$ 216,029</u>	<u>\$ 13,677</u>	<u>\$ (295,037)</u>	<u>\$ 12,252,836</u>

36. CAPITAL RISK MANAGEMENT

The Group's capital management objectives are to safeguard its capacity to continue operations, to continue providing shareholders with returns on their investments, to maintain the interests of other related parties, and to maintain an optimal capital structure to reduce capital cost.

The Group's management regularly reviews the Group's capital structure, including the cost of various capital components and related risks. To maintain or adjust the capital structure, the Group may adjust dividend payments to shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell assets to settle any liabilities.

37. FINANCIAL INSTRUMENTS

- a. Fair value of financial instruments that are not measured at fair value.

For financial assets and liabilities not measured at fair value, the carrying amounts approximating their fair values is not readily determinable.

- b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	\$ 248,976	\$ -	\$ -	\$ 248,976
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	\$ 253,688	\$ 347,900	\$ -	\$ 601,588
Domestic and foreign unlisted shares	-	-	256,083	256,083
	<u>\$ 253,688</u>	<u>\$ 347,900</u>	<u>\$ 256,083</u>	<u>\$ 857,671</u>
Financial liabilities at FVTPL				
Derivatives	\$ -	\$ -	\$ 34,197	\$ 34,197

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	\$ 262,028	\$ -	\$ -	\$ 262,028
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	\$ 576,096	\$ 436,520	\$ -	\$ 1,012,616
Domestic and foreign unlisted shares	-	-	258,530	258,530
	<u>\$ 576,096</u>	<u>\$ 436,520</u>	<u>\$ 258,530</u>	<u>\$ 1,271,146</u>
Financial liabilities at FVTPL				
Derivatives	\$ -	\$ -	\$ 258	\$ 258

There were no transfers between Levels 1 and 2 for the years ended December 31, 2025 and 2024.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended December 31, 2025

Financial Assets	Financial Assets at Fair Value Through Other Comprehensive Income Equity Instruments with No Public Offering Price
Balance on January 1, 2025	\$ 258,530
Recognised in other comprehensive income (unrealised valuation gains and losses of financial assets measured at fair value through other comprehensive income)	17,068
Additions	86,720
Capital reduction and refund of share capitals	(1,312)
Reclassification	<u>(104,923)</u>
Balance on December 31, 2025	<u>\$ 256,083</u>

Financial Liabilities	Financial Liabilities at Fair Value Through Profit or Loss Short Call Options
Balance on January 1, 2025	\$ 258
Recognized in profit or loss - unrealized	<u>33,939</u>
Balance on December 31, 2025	<u>\$ 34,197</u>

For the year ended December 31, 2024

Financial Assets	Financial Assets at Fair Value Through Profit or Loss Long Call Options	Financial Assets at Fair Value Through Other Comprehensive Income Unquoted Equity Instruments
Balance on January 1, 2024	\$ 64,669	\$ 297,500
Additions	-	139,670
Derecognition	(68,883)	-
Recognised in other comprehensive income (unrealised valuation gains and losses of financial assets measured at fair value through other comprehensive income)	-	(33,236)

(Continued)

Financial Assets	Financial Assets at Fair Value Through Profit or Loss	Financial Assets at Fair Value Through Other Comprehensive Income
	Long Call Options	Unquoted Equity Instruments
Reclassification	\$ -	\$ (5,615)
Transfer to Level 3	-	(137,101)
Capital reduction and refund of share capitals	-	(2,688)
Effect of exchange rate changes	<u>4,214</u>	<u>-</u>
Balance on December 31, 2024	<u>\$ -</u>	<u>\$ 258,530</u> (Concluded)

Financial Liabilities	Financial Liabilities at Fair Value Through Other Comprehensive Income
	Unquoted Equity Instruments
Balance on January 1, 2024	\$ 11,974
Recognized in profit or loss - unrealized	(11,730)
Effect of exchange rate changes	<u>14</u>
Balance on December 31, 2024	<u>\$ 258</u>

3) Valuation techniques and inputs used in Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Securities listed (OTC) in the ROC	The Group's investments in privately placed common shares are financial instruments with active markets that are subject to lock-up restrictions and are non-tradable. The fair values of these instruments were determined using market prices by the Group.

4) Valuation techniques and input values for Level 3 fair value measurement

a) Short call options

The fair value of short call options is estimated using the options pricing model, using volatility as a significant unobservable input. An increase in the volatility results in an increase in the fair value of these conversion options. As of December 31, 2025 and 2024, the volatilities used were 6.60% and 8.37%, respectively.

Sensitivity analysis

The Group considered its fair values measurements of financial instruments to be reasonable; however, applying different valuation models or parameters could lead to varying results. For financial instruments classified as Level 3, had the evaluation parameters changed, the impact on the profit or loss for the period would have been as follows:

	Inputs	Increase (+)/ Decrease (-)	Profit or Loss Changes Arising from Fair Value Movements
<u>December 31, 2025</u>			
Financial liabilities measured at FVTPL			
Short call options	6.60%	+0.1%	\$ (651)
	6.60%	-0.1%	<u>664</u>
			<u>\$ (13)</u>
<u>December 31, 2024</u>			
Financial liabilities measured at FVTPL			
Short call options	8.37%	+0.1%	\$ (56)
	8.37%	-0.1%	<u>67</u>
			<u>\$ (11)</u>

The favorable and unfavorable changes resulting from business combinations refer to fluctuations in fair values, which were determined using valuation techniques based on varying degrees of unobservable input parameters. Had the fair value of a financial instrument been influenced by more than one input, the table above would have reflected only the effect of changes in a single input, without accounting for the correlation or variability among those inputs.

b) Domestic and foreign unlisted shares

The fair values of domestic and foreign unlisted shares are assessed using either the market approach or the income approach.

A market approach involves estimating the value of the target company by using prices from recent actual market transactions involving identical or comparable assets and by also using implied value multiples derived from these transactions. This approach may also involve using a liquidity discount to account for any difficulty in quickly selling an asset.

The income approach involves determining the present value of expected returns on investments through a discounted cash flow analysis based on a projected discount rate.

c. Categories of financial instruments

	December 31	
	2025	2024
<u>Financial assets</u>		
FVTPL		
Mandatorily measured at FVTPL	\$ 248,976	\$ 262,028
Financial assets at amortized cost (Note 1)	6,438,423	8,437,570
Financial assets at FVTOCI		
Equity instruments	857,671	1,271,146
<u>Financial liabilities</u>		
FVTPL		
Held for trading	34,197	258
Financial liabilities at amortized cost (Note 2)	10,832,134	14,582,478

Note 1: The balance included financial assets measured at amortized cost, such as cash and cash equivalents, notes and trade receivables, trade receivables - related parties, other receivables, other receivables - related parties, other financial assets, and refundable deposits.

Note 2: The balance comprised financial liabilities measured at amortized cost, including short-term loans, short-term bills payable, notes and trade payables, certain other payables (excluding salaries and bonuses payable, labor and health insurance, pension liabilities, and business tax), other payables - related parties, long-term borrowings (including the current portion), corporate bonds payable, and guarantee deposits (recognized as other non-current liabilities)

d. Financial risk management objectives and policies

The Group's major financial instruments included financial assets and liabilities measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, trade receivables, trade payables, short-term borrowings, long-term borrowings, and lease liabilities. The financial management department of the Group centrally coordinates operations in domestic and international financial markets and analyzes and manages the financial risks to operations based on the extent and nature of the risks. These risks include market risk (foreign exchange, interest rate, equity price, commodity, and liquidity) and credit risk.

The Group uses derivative financial instruments to hedge exposures and mitigate the impact of risk. The use of derivative financial instruments is governed by policies approved by the Group's board of directors. Internal auditors continually review compliance with policies and monitor the risk exposure limits. The Group does not engage in transactions involving financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The primary market risks arising from the Group's operating activities are those on foreign exchange rates and interest rates.

There had been no changes in the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

For the carrying amounts of the Group's monetary assets and liabilities as of the balance sheet date that were denominated in non-functional currencies (including those monetary items denominated in non-functional currencies that have been offset in the consolidated financial statements), as well as the carrying amounts of derivative instruments exposed to foreign exchange risk, please refer to Note 42.

Sensitivity analysis

The Group was primarily affected by fluctuations in the USD, EUR and GBP exchange rates.

The following table illustrates the sensitivity analysis of the Group when the New Taiwan dollar (the functional currency) increases or decreases by 1% against the relevant foreign currency. The 1% sensitivity rate is the rate used internally by the Group for reporting foreign exchange risk to key management personnel and reflects management's assessment of reasonably possible changes in foreign exchange rates. A positive number in the table indicates a decrease in profit before tax when the New Taiwan dollar appreciated by 1% against the respective foreign currencies; conversely, a depreciation of the New Taiwan dollar by 1% against the respective foreign currencies would have the same impact in the opposite direction.

	<u>USD Impact</u>		<u>EUR Impact</u>		<u>GBP Impact</u>	
	<u>For the Year Ended</u>		<u>For the Year Ended</u>		<u>For the Year Ended</u>	
	<u>December 31</u>		<u>December 31</u>		<u>December 31</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
(Loss) profit	\$ (6,203)	\$ (759)	\$ (80)	\$ (294)	\$ (90)	\$ (111)

The forex effects shown above are primarily attributable to the USD-denominated, EUR-denominated and GBP-denominated bank deposits that remained outstanding and were not hedged by cash flow hedges, financial assets measured at amortized cost, short-term borrowings, and receivables and payables as of the balance sheet date.

b) Interest rate risk

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows.

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Fair value interest rate risk		
Financial assets	\$ 1,249,663	\$ 1,086,012
Financial liabilities	2,467,848	1,975,741
Cash flow interest rate risk		
Financial assets	4,682,045	6,684,780
Financial liabilities	9,011,309	10,277,095

Sensitivity analysis

The sensitivity analysis below was based on the Group's exposure to interest rate risk for both derivative and non-derivative financial instruments as of the balance sheet date. The rate of change used for internal reporting to the Group's key management personnel is an increase or decrease of 25 basis points, which also represents management's assessment of the reasonably possible change in interest rates.

Had interest rates increased/decreased by 25 basis points, with all other variables constant, the Group's pretax net loss for the years ended December 31, 2025 and 2024 would have increased/decreased by \$10,823 thousand and \$8,981 thousand, respectively, mainly because of exposure to interest rate risk on the Group's demand deposits, time deposits and long-term borrowings.

c) Price risk

In 2025 and 2024, the Group's price risk arising from investments in equity instruments and mutual funds mainly stemmed from investments classified as financial assets at FVTPL and financial assets at FVTOCI.

Sensitivity analysis

The sensitivity analysis below was based on the exposure to equity price risks at the end of the reporting period.

The analysis is based on the price risk exposure of equity securities and mutual funds at the end of the reporting period.

Had the prices of fund beneficiary certificates increased/decreased by 5%, the pretax profit or loss for the years ended December 31, 2025 and 2024 would have increased/decreased by \$12,449 thousand and \$13,101 thousand, respectively, as a result of the changes in the fair value of financial assets measured at FVTPL.

Had the prices of equity instruments held by FVTOCI increased/decreased by 5%, the pretax other comprehensive income for the years ended December 31, 2025 and 2024 would have increased/decreased by \$42,884 thousand and \$63,557 thousand, respectively, as a result of the changes in fair value of financial assets measured at FVTOCI.

2) Credit risk

Credit risk refers to the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations. At the end of the reporting period, the Group's maximum exposure to credit risk primarily arises from the carrying amounts of financial assets recognized in the consolidated balance sheet.

The Group evaluates key customers by using available financial information and historical transaction records. The Group continually monitors credit exposure and the credit ratings of counterparties.

The Group's credit risk was primarily concentrated on its top three customers. As of December 31, 2025 and 2024, the trade receivables from these customers accounted for 52% and 39%, respectively.

3) Liquidity risk

As of December 31, 2025, the Group's current ratio was 88.18%. The Group has a syndicated bank loan totaling \$3,159,040 thousand, which has already been renegotiated and extended with the banks prior to the issuance of this financial report. To further strengthen the working capital structure and enhance liquidity, the Group has actively implemented asset monetization measures. On October 20, 2025, the Board of Directors approved a resolution authorizing the Chairman to engage an intermediary to conduct a public tender for the sale of the factory and its ancillary equipment located in the Zhunan Science Park, Miaoli County. Subsequently, on January 13, 2026, the Group signed a real estate sale and purchase agreement with Siliconware Precision Industries Co., Ltd. for a pre-tax consideration of \$2,801,000 thousand, with an estimated disposal gain of approximately \$2,100,000 thousand. However, the aforementioned sale of real estate is still subject to approval by the Hsinchu Science Park Bureau, Ministry of Science and Technology. This transaction is intended to maintain sufficient cash and cash equivalents to support the company's operations and mitigate the impact of cash flow fluctuations.

The Group manages and maintains a level of cash and cash equivalents to support its operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank credit facilities and ensures compliance with the terms of loan agreements.

Bank borrowings are a significant source of liquidity for the Group. As of December 31, 2025 and 2024, the Group had unused bank credit facilities amounting to \$5,006,950 thousand and \$5,353,235 thousand, respectively.

The following table shows the Group's remaining contractual maturities of non-derivative financial liabilities with agreed repayment periods. The analysis is based on the earliest date on which the Group may be required to repay and is prepared using undiscounted cash flows of financial liabilities.

December 31, 2025

	On Demand or Up to 1 Month	Over 1 Month to 3 Months	Over 3 Months to 1 Year	Over 1 Year to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Variable interest rate liabilities	\$ 37,681	\$ 677,195	\$ 6,268,648	\$ 1,330,432	\$ 1,216,548
Fixed interest rate liabilities	-	43,318	606,069	-	-
Non-interest bearing liabilities	212,533	213,562	61,282	537,759	152,371
Lease liabilities	<u>9,301</u>	<u>114,668</u>	<u>1,443,081</u>	<u>507,994</u>	<u>100,451</u>
	<u>\$ 295,515</u>	<u>\$ 1,048,743</u>	<u>\$ 8,379,080</u>	<u>\$ 2,376,185</u>	<u>\$ 1,469,370</u>

December 31, 2024

	On Demand or Up to 1 Month	Over 1 Month to 3 Months	Over 3 Months to 1 Year	Over 1 Year to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Variable interest rate liabilities	\$ 38,922	\$ 352,892	\$ 3,363,858	\$ 5,878,622	\$ 1,395,675
Fixed interest rate liabilities	-	47,658	-	-	-
Non-interest bearing liabilities	249,082	312,572	1,125,868	459,683	171,448
Lease liabilities	<u>10,896</u>	<u>29,271</u>	<u>115,169</u>	<u>600,581</u>	<u>1,582,901</u>
	<u>\$ 298,900</u>	<u>\$ 742,393</u>	<u>\$ 4,604,895</u>	<u>\$ 6,938,886</u>	<u>\$ 3,150,024</u>

38. TRANSACTIONS WITH RELATED PARTIES

In addition to disclosures shown in other notes, the transactions between the Group and related parties are shown below. The terms and prices of the transactions were separately negotiated:

a. Names and relationships of related parties

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
Solarbright energy Co., Ltd.	Associate
Apex Solar Corporation (“Apex”)	Associate
V5 Technologies Co., Ltd.	Associate
Gintung Energy Corporation	Associate
V5med Inc.	Associate
Phanes Holding Inc.	Other related party
Oryx Solar System Solutions LLC	Other related party
Clean Focus Corporation (CFC)	Other related party
NSP ET CAP MN HOLDINGS LLC (JV2)	Joint venture

b. Sales revenue

Line Item	Related Party	<u>For the Year Ended December 31</u>	
		2025	2024
Sales	Associate	\$ <u>46,174</u>	\$ <u>21,961</u>

The terms of sale between the Group and the related party were based on conditions agreed upon by both parties.

c. Other income

Line Item	Related Party	<u>For the Year Ended December 31</u>	
		2025	2024
Other income	Associate	\$ <u>18,455</u>	\$ <u>4,726</u>

Other income was mainly rental income from the Company’s office space leased to affiliated enterprises. The transaction terms were mutually agreed upon by both parties, and the rent was payable monthly.

d. Contract assets

Line Item	Related Party/Name	<u>December 31</u>	
		2025	2024
Contract assets	Associate - Apex	\$ <u>5,035</u>	\$ <u>19,267</u>

e. Receivables from related parties

Line Item	Related Party/Name	December 31	
		2025	2024
Trade receivables from related parties	Associate - Apex	\$ <u>4,229</u>	\$ <u>4,157</u>

Outstanding trade receivables from related parties were not secured by any guarantees.

f. Other receivables

Line Item	Related Party/Name	December 31	
		2025	2024
Other receivables from related parties	Associate	\$ 653	\$ 1,506
	Joint venture	11,941	12,453
	Other related party	-	18,862
	CFC	269,203	280,725
	Less: Loss allowance	<u>(281,144)</u>	<u>(293,178)</u>
		\$ <u>653</u>	\$ <u>20,368</u>

Other receivables refer to advances made on behalf of a related party for the construction of a power plant.

Outstanding other receivables from related parties were not secured by any guarantees.

g. Other payables

Line Item	Related Party/Name	December 31	
		2025	2024
Other payables	Associate	\$ 344	\$ 344
	Other related party	<u>2,216</u>	<u>2,310</u>
		\$ <u>2,560</u>	\$ <u>2,654</u>

Other payables to affiliated companies were compensation payables, and other payables to other related parties were equipment payables.

h. Contract liabilities

Line Item	Related Party/Name	December 31	
		2025	2024
Contract liabilities	Associate	\$ <u>1,661</u>	\$ <u>-</u>

i. Endorsements and guarantees

For information on endorsements and guarantees provided by the Group to related parties, please refer to Table 2.

j. Compensation of key management personnel

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	\$ 40,418	\$ 45,591
Post-employment benefits	<u>861</u>	<u>979</u>
	<u>\$ 41,279</u>	<u>\$ 46,570</u>

The compensation of directors and other key management personnel was determined by the Compensation Committee on the basis of individual performance and market trends.

39. ASSETS PLEDGED AS COLLATERALS OR FOR SECURITY

The following assets had been pledged or mortgaged as collaterals for bank guarantees:

	December 31	
	2025	2024
Property, plant and equipment	\$ 4,440,745	\$ 5,296,354
Investment properties	2,175,589	2,265,934
Financial assets at FVTOCI	105,104	1,039,859
Restricted bank deposits (recognized as other financial assets)	586,959	781,860
Investment using the equity method	186,652	-
Refundable deposits	<u>192,582</u>	<u>155,765</u>
	<u>\$ 7,687,631</u>	<u>\$ 9,539,772</u>

40. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group were as follows:

a. Significant unrecognized contract commitments

1) Unrecognized contract commitments were as follows:

	December 31	
	2025	2024
Bank guarantee (Table 2)	<u>\$ 1,965,813</u>	<u>\$ 1,965,813</u>

2) Under the board of directors' approval, the Group provided a performance guarantee for the sale of a solar power plant by a subsidiary. The guarantee included clauses ensuring the legality of transactions and the absence of tax arrears or other uncertainties. The guarantee amount was equivalent to \$848,235 thousand.

- 3) The Group obtained orders for power facility construction and contracted the projects out to developers and contractors. The Group entered into construction and materials contract with several contractors, and the unpaid amounts were as follows:

	December 31	
	2025	2024
Unpaid amount	<u>\$ 2,136,955</u>	<u>\$ 2,497,119</u>

- 4) The Group agreed to an obligation to sell the shares of the investees within a specific period; please refer to Note 7.
- 5) The Group signed power purchase contracts with several companies. Under these contracts, the Group may sell electricity generated from its own power plant to these companies, And such companies are not permitted to resell the electricity without the Group' authorization. The contracts are irrevocable and have terms ranging from 15 to 30 years.
- 6) The Group has entered into a long-term purchase agreement with Supplier J for silicon wafer raw materials and has made advance payments under the contract. These advance payments are non-refundable and cannot be used for other purposes, but may only be offset against payables arising from actual purchases. After negotiation, the contract further stipulates that there is no minimum purchase quantity, and the transaction price is determined through mutual agreement based on the market price at the time of actual purchase. The term of the contract ends when the advance payments have been fully offset. The Group assesses the offsetting of advance payments based on production capacity and operational conditions, and any advance payments that cannot be offset as expected are reclassified to cost of sales as follow:

	December 31	
	2025	2024
Advance payment	<u>\$ 995,093</u>	<u>\$ 1,071,744</u>
Cumulative reclassification to cost of sales	<u>\$ 87,170</u>	<u>\$ 13,677</u>

- 7) The Group has entered into a long-term purchase agreement with Supplier G for silicon wafer raw materials and has made advance payments under the contract. These advance payments are non-refundable and cannot be used for other purposes, but may only be offset against payables arising from actual purchases. After negotiation, the contract further stipulates that there is no minimum purchase quantity, and the transaction price is determined through mutual agreement based on the market price at the time of actual purchase. The term of the contract ends when the advance payments have been fully offset. However, Supplier G has entered bankruptcy restructuring. After assessing the supplier's ability to fulfill the contract, the Group recognized an impairment loss of the full amount of advance payments totaling \$785,291 thousand in prior periods.
- 8) The Group has entered into a long-term purchase agreement with Supplier X for silicon wafer raw materials, under which the supplier is required to deliver the contracted quantities to the Group. The Group has made advance payments to the supplier under the contract. These advance payments are non-refundable and cannot be used for other purposes, but may only be offset against payables arising from actual purchases. However, Supplier X has ceased operations, and the Group recognized an impairment loss of the full amount of advance payments totaling \$124,357 thousand in prior periods.
- 9) As of December 31, 2025 and 2024, the Group issued guarantees to the Directorate General of Customs and for sales projects, amounting to \$570,964 thousand and \$736,602 thousand, respectively.

- 10) The Group and its subcontractor, FW Co., had a dispute over certain development application procedures. Hence, FW Co. filed a lawsuit against the Group and demanded compensation of \$6,973 thousand. The Group reached a settlement with FW Co. in the second quarter of 2025 and paid a settlement amount of \$1,320 thousand.
- 11) FY Co., one of the Group's clients, the Group to accept client payments in cash and inventory due to the client's financial difficulties. However, the Group received a notice from a U.S. court that the client's parent company had declared bankruptcy, and that the client's assets-amounting to US\$15,200 thousand-to be used as payment to the Company - were included in the scope of liquidation distribution, resulting in the U.S. court's requesting the Group to return the said amount in June 2024. After negotiations, both parties reached a settlement in October 2025, and the conditions for the effectiveness of the settlement agreement were met in November 2025. In November 2025, the Group reversed previously recognized estimated losses related to this matter exceeding the settlement amount, totaling \$231,703 thousand, and recognized it as other income.
- 12) FV Co., one of the Group's clients, claimed that the Group failed to deliver goods according to a purchase order schedule. Hence, FV Co. filed a lawsuit against the Group and demanded compensation of US\$1,898 thousand. In the first instance, the court ruled in favor of the Group, and FV did not file an appeal within the prescribed period. Accordingly, the litigation has been concluded. In 2025, the Group reversed the previously recognized estimated loss related to this matter, amounting to \$33,311 thousand, as a reduction of cost of sales.
- 13) The Group invested in the construction of solar power plants in Mexico according to its overseas expansion plan. However, at the end of August 2023, the Mexican Energy Regulatory Commission notified the Group that the November 2020 application for the extension of its commercial operation was denied due to deficiency and changes in the local energy policy, resulting in uncertainty. As a result, the Group filed a lawsuit against the Mexican government and appointed local lawyers to handle the case. In the second quarter of 2025, the Group received a favorable second-instance court judgment, determining that the denial by the Mexican National Energy Commission (formerly the Energy Regulatory Commission) of the Company's application was neither constitutional nor lawful. The Group recognized possible losses of \$1,226,394 thousand on this expansion project based on currently available information. As of December 31, 2025, the carrying amount of the power plant was \$338,602 thousand, recognized under inventory.
- 14) The Group had a dispute with its subcontractor, GC Co., over a construction contract. GC Co. requested payment of \$32,888 thousand without a passed acceptance inspection and applied for mediation. The Group had already estimated relevant costs. Following negotiations, a settlement was reached in February 2026. After deducting defect remediation costs and liquidated damages for delay from the outstanding construction payments, the Group paid \$14,200 thousand to GC Company and refunded its performance bond of \$1,842 thousand.

b. Contingencies

- 1) The Group leased its plants to DU. When a fire broke out in October 2017, 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.

- 2) The Group and its subcontractor, FN Co., had a disagreement on the payment terms for the second phase of the construction and materials contract. For this reason, FN Co. used a payment order to request \$79,841 thousand from the Group. However, the Group assessed that FN Co. did not complete the contract requirements, so the Group objected to this payment order and decided to enter into litigation to resolve this matter. The litigation process had not yet started, and the request of FN Co. had not been acted upon. Therefore, the Group evaluated that the case would not have an immediate or significant impact on its finance or business.
- 3) The Group, FP, and FQ Co. initiated arbitration for a dispute over a maintenance contract. The Group had recognized estimated losses and will make necessary adjustments in the future, depending on the results of the settlement.
- 4) The Group's supplier, G Co., had a dispute with CE Co. To settle this dispute, CE Co. filed a garnishment and transfer order against the Group, and requested from the Group \$60,480 thousand, with 5% interest annually. In the first instance court ruling, the court ruled in favor of CE Co. Thus, the Group has assessed and recognized possible losses on this case. However, the Group appealed the court decision, claiming inaccuracies in the judgment. In the second instance court ruling, that the Group won the case. When the case was elevated to the Supreme Court, it was remanded for retrial due to doubts about the application of laws and regulations. In the subsequent retrial (second remand), the court ruled against the Group, and the Group will file an appeal in accordance with the law.
- 5) The Group and its subcontractor, FX Co., had a dispute over maintenance obligations under a construction contract. FX Co. filed a lawsuit against the Group and demanded a payment of \$11,119 thousand. The Group has estimated the relevant costs and engaged a lawyer to handle the case.
- 6) During July 2024 and August 2024, the Group received notices of contract termination from some lessors due to the Group's failure to comply with the solar power plant lease contracts. Upon discovery of the terminations of the contracts, the Group started to make improvements based on the contracts and wrote to the lessors, requesting for cooperation in the improvement work. However, due to the failure to obtain responses from the lessors, it was not possible to complete the improvements on schedule; therefore, the Group engaged a lawyer to handle the case. One of the cases was dismissed by the district court on November 7, 2025, with respect to the Group's lawsuit seeking confirmation of the existence of the lease relationship, and the Group will file an appeal in accordance with the law. Please refer to the Market Observation Post System for relevant information. The Group was still estimating the possible loss on this case.
- 7) The Group had a dispute with GE Co. over a module warranty. GE Co. requested the replacement of all modules due to alleged defects in some modules and asked the Company to pay related costs of approximately US\$10,845 thousand. The Group had assessed that GE Co.'s request was unfounded, and the case has been referred to a lawyer for handling.
- 8) The Group has agreed with GD Co. to assist the power plant in obtaining related rights for a grid connection point within a specified contract period. If the above rights are not obtained within the contract period and no feasible alternative can be found, GD Co. has the right to request the Group to buy back the power plant. As of the date of this report, the related negotiations have not yet reached an agreement and the Group has estimated the possible loss.

41. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On October 20, 2025, the Board of Directors approved a resolution authorizing the Chairman to engage an intermediary to conduct a public tender for the sale of the factory and its ancillary equipment located in the Zhunan Science Park, Miaoli County. Subsequently, on January 13, 2026, the Group signed a real estate sale and purchase agreement with Siliconware Precision Industries Co., Ltd. for a pre-tax consideration of \$2,801,000 thousand, with an estimated disposal gain of approximately \$2,100,000 thousand. However, the aforementioned sale of real estate is still subject to approval by the Hsinchu Science Park Bureau, Ministry of Science and Technology.

42. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN-CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies are aggregated by foreign currencies other than the Company's functional currency, and the related exchange rates for these foreign currencies (including monetary items denominated in non-functional currencies that have been offset in the consolidated financial statements) were as follows:

For the year ended December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 33,633	31.4250 (USD:NTD)	\$ 1,056,917
EUR	453	36.8800 (EUR:NTD)	16,707
GBP	213	42.3100 (GBP:NTD)	9,012
Non-monetary items			
MYR	18,077	7.4785 (MYR:NTD)	135,187
<u>Financial liabilities</u>			
Monetary items			
USD	13,895	31.4250 (USD:NTD)	436,650
EUR	237	36.8800 (EUR:NTD)	8,741

For the year ended December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 35,556	32.7700 (USD:NTD)	\$ 1,165,170
EUR	2,153	34.1100 (EUR:NTD)	73,439
GBP	270	41.1400 (GBP:NTD)	11,108
Non-monetary items			
MYR	15,304	7.0685 (MYR:NTD)	108,176
<u>Financial liabilities</u>			
Monetary items			
USD	33,239	32.7700 (USD:NTD)	1,089,242
EUR	1,290	34.1100 (EUR:NTD)	44,002

For the three months and years ended December 31, 2025 and 2024, realized and unrealized foreign exchange gains (losses) were \$(21,362) thousand and \$38,023 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions of the Group entities.

43. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others: (Table 1)
- 2) Endorsements/guarantees provided: (Table 2)
- 3) Significant marketable securities held (not including investments in subsidiaries and associates): (Table 3)
- 4) Total purchases from or sales to related parties of at least \$100 million or 20% of the paid-in capital: None
- 5) Receivables from related parties amounting to at least \$100 million or 20% of the paid-in capital: (Table 4)
- 6) Intercompany relationships and significant intercompany transactions. (Table 5)

b. Information on investees: (Table 6)

c. Information on investments in mainland China:

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, investment gain or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 7
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: None
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes.
 - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receiving of services.

44. SEGMENT INFORMATION

Operating Segment Financial Information

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group's reportable segments are the solar energy segment and other segment.

Solar energy department: Manufactures and sells solar modules and related products.

a. Segment revenue and results

	Solar Energy	Other Segment	Elimination of Inter-Segment Revenue and Profit or Loss	Total
For the year ended <u>December 31, 2025</u>				
Revenue from external customers	\$ 2,089,733	\$ 956,827	\$ -	\$ 3,046,560
Inter-segment revenue	<u>42,414</u>	<u>-</u>	<u>(42,414)</u>	<u>-</u>
Consolidated revenue	<u>\$ 2,132,147</u>	<u>\$ 956,827</u>	<u>\$ (42,414)</u>	<u>\$ 3,046,560</u>
Segment (loss) profit	<u>\$ (757,972)</u>	<u>\$ 94,218</u>	<u>\$ -</u>	<u>\$ (663,754)</u>
For the year ended <u>December 31, 2024</u>				
Revenue from external customers	\$ 4,727,459	\$ 1,056,676	\$ -	\$ 5,784,135
Inter-segment revenue	<u>110,331</u>	<u>-</u>	<u>(110,331)</u>	<u>-</u>
Consolidated revenue	<u>\$ 4,837,790</u>	<u>\$ 1,056,676</u>	<u>\$ (110,331)</u>	<u>\$ 5,784,135</u>
Segment (loss) profit	<u>\$ 469,391</u>	<u>\$ 168,615</u>	<u>\$ -</u>	<u>\$ 638,006</u>

b. Segment assets

The Group does not provide the amounts of its assets to the operating decision maker for reference.

c. Revenue from major products and services

The following is an analysis of the Group's revenue from its major products and services.

	For the Year Ended December 31	
	2025	2024
Major products		
Solar products	\$ 2,073,995	\$ 4,720,818
Others	<u>972,565</u>	<u>1,063,317</u>
	<u>\$ 3,046,560</u>	<u>\$ 5,784,135</u>

d. Geographical information

The Group's revenue from continuing operations from external customers by location of customers and information on its non-current assets by location of assets are detailed below.

	Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31		December 31	
	2025	2024	2025	2024
Taiwan	\$ 2,775,324	\$ 3,254,152	\$ 13,990,767	\$ 14,402,171
Europe	109,949	366,687	12,449	12,104
USA	48,753	1,160,402	346,565	380,154
Singapore	5,335	752,566	-	-
Others	<u>107,199</u>	<u>250,328</u>	<u>508,076</u>	<u>516,883</u>
	<u>\$ 3,046,560</u>	<u>\$ 5,784,135</u>	<u>\$ 14,857,857</u>	<u>\$ 15,311,312</u>

Non-current assets exclude financial instruments and deferred tax assets.

e. Information on major customers

Single customers contributing 10% or more to the Group's revenue were as follows:

	For the Year Ended December 31	
	2025	2024
FZ Company	\$ 581,861	\$ 614,335
FA Company	337,151	Note
FG Company	Note	1,002,552
FO Company	Note	752,566

Note: Revenue less than 10% of the Group's revenue.

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

**FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing (Note 2)	Business Transaction Amount	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit	Note
													Item	Value			
1	Gintech (Thailand) Limited	United Renewable Energy Co., Ltd. (the "Company")	Other receivables from related party	Yes	\$ 249,113	\$ 235,688	\$ 235,688	7.27	b.	\$ -	Operations	\$ -	-	\$ -	\$ 916,709 (Note 4)	\$ 916,709 (Note 4)	
2	Gintech (Thailand) Limited	Yong Liang	Other receivables from related party	Yes	102,528	-	-	7.05	b.	-	Operations	-	-	-	366,684 (Note 3)	366,684 (Note 3)	
3	NSP UK Holding Limited	GES Energy Middle East FZE	Other receivables from related party	Yes	4,714	4,714	4,714	8.20	b.	-	Operations	-	-	-	54,486 (Note 4)	54,486 (Note 4)	

Note 1: Nature of financing:

- a. 0 represents the parent company.
- b. The subsidiaries start with number 1.

Note 2: a. Where an inter-company or inter-firm business transaction calls for a loan arrangement.
b. Where a short-term financing facility is necessary.

Note 3: According to the Company's Regulations Governing Loaning of Funds, the total amount of the loan should not exceed 40% of the parent company's net worth.

Note 4: According to the Company's Regulations Governing Loaning of Funds, the company lending to the parent company, or to overseas subsidiaries wholly-owned directly or indirectly by the parent company, should not exceed three years and the total amount of financing and the financing for a counterparty should not exceed 100% of its net worth.

Note 5: The above transaction with a consolidated entity was not included in the consolidated financial statements.

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee Receiver		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiary	Endorsement/ Guarantee Given by United Renewable Energy Co. on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship (Note 1)											
0	United Renewable Energy Co., Ltd. (the "Company")	Yong Liang	b.	\$ 2,076,779	\$ 1,810,000	\$ 1,810,000	\$ 489,192	\$ -	17.43	\$ 5,191,948	Y	N	N	
		GES Energy Middle East FZE	b.	2,076,779	896,551	848,235	-	-	8.17	5,191,948	Y	N	N	
		DS Energy	b.	2,076,779	36,543	36,543	16,197	-	0.35	5,191,948	Y	N	N	
		UREE	f.	2,076,779	119,270	119,270	119,270	-	1.15	5,191,948	N	N	N	

Note 1: The relation between guarantor and guarantee receiver:

- Ordinary business relationship.
- Subsidiary with more than 50 percent owned by the guarantor.
- An investee with more than 50 percent owned by both the guarantor and its subsidiary.
- An investee with more than 90 percent owned by the guarantor or its subsidiary.
- Fulfillment of contractual obligations is guaranteed by providing mutual endorsements and guarantees for peer or joint builders for a construction project to be done within the agreed time frame and at specified standards.
- An entity that is guaranteed and endorsed by all capital contributing shareholders in proportion to their shareholding percentages.
- The companies in the same industry together provide for each other joint and several securities for a performance guarantee of a sales contract for per-construction homes pursuant to the Consumer Protection Act.

Note 2: Under the "Rules of Guarantees by the Company," the ceiling for the total guaranteed amount is 50% of the Company's net asset value, and the limit on the guaranteed amount for a single party is 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.

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD

DECEMBER 31, 2025

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

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	December 31, 2025				Note
				Number of Shares (thousand shares)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
United Renewable Energy Co., Ltd. (the "Company")	<u>Funds</u>							
	Yuanta US 20+ Year AAA-A Corporate Bond ETF	-	Financial assets at fair value through profit or loss - current	1,750	\$ 56,262	-	\$ 56,262	
	Yuanta US 20 Year BBB Corporate Bond ETF	-	Financial assets at fair value through profit or loss - current	1,450	48,851	-	48,851	
	Cathay BBB Corporate bond ex China Coupon 4.5% 10Yr+ 20% Sector Capped ETF	-	Financial assets at fair value through profit or loss - current	919	32,836	-	32,836	
	Yuanta U.S. Treasury 20+ Year Bond ETF	-	Financial assets at fair value through profit or loss - current	2,050	55,842	-	55,842	
	Cathay U.S. Treasury 20+ Year Bond ETF	-	Financial assets at fair value through profit or loss - current	1,950	55,185	-	55,185	
	<u>Listed ordinary shares</u>							
	CTCI Corporation	-	Financial assets at fair value through other comprehensive income - current	3,304	102,089	0.37	102,089	3
	ThinTech Materials Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	7,000	347,900	6.45	347,900	1
	Taiwan Speciality Chemicals Corporation	-	Financial assets at fair value through other comprehensive income - non-current	480	151,599	0.32	151,599	
	<u>Unlisted ordinary shares</u>							
	Kai-Hong Energy Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	15,874	158,739	8.33	158,739	
	Soar Taiwan Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	6,765	67,652	3.53	67,652	
	United Renewable Energy Engineering Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income - non-current	38,300	12,404	40.10	12,404	2, 3
	GaN Power Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	1,110	11,100	2.29	11,100	
	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	397	4,188	10.00	4,188	

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

Note 2: It is a preference share, and the shareholding ratio shown here was calculated based on the number of shares.

Note 3: Collaterals had been pledged for the bank guarantees. Please refer to Note 39.

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 YEAR ENDED DECEMBER 31, 2025

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

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate (Note 1)	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
United Renewable Energy Co., Ltd. (the "Company")	DelSolar US	Sub-subsiary	\$ 461,994	-	\$ 461,994	Receivable according to the financial situation	\$ -	\$ -
GES USA	MUNTSOL	Under the same parent company	974,601	-	-	Receivable according to the financial situation	-	-
DelSolar US	Beryl	Under the same parent company	477,298	-	-	Receivable according to the financial situation	-	-
Beryl	CFC	Other related party	248,933	-	248,993	Receivable according to the financial situation	-	248,933
Gintech (Thailand)	The Company	Parent company	260,985	-	-	Receivable according to the financial situation	-	-
NSP NEVADA	GES USA	Under the same parent company	204,661	-	-	Receivable according to the financial situation	-	-
GES UK	GES USA	Under the same parent company	103,905	-	103,905	Receivable according to the financial situation	-	-
USD1	Beryl	Under the same parent company	119,584	-	-	Receivable according to the financial situation	-	-

Note 1: Receivables arising from power plant construction payments or procurement transactions do not apply to turnover rate.

Note 2: The above related party receivables were not included in the consolidated financial statements.

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

No. (Note 1)	Company Name	Counterparty	Flow of Transaction (Note 2)	Intercompany Transaction			
				Financial Statement Item	Amount (Note 4)	Terms	Percentage to Consolidated Total Gross Sales or Total Assets
0	United Renewable Energy Co., Ltd. (the "Company")	DelSolar US Gintech (Thailand)	a	Other receivables	\$ 461,994	Note 3	2
			a	Other expense payables	259,665	Note 3	1
1	DelSolar US	Bery1	c	Other receivables	477,298	Note 3	2
2	GES USA	Munisol	c	Other receivables	974,601	Note 3	4

Note 1: Company numbers:

- a. 0 represents the parent company.
- b. The subsidiaries start with number 1.

Note 2: The flow of transactions is shown below:

- a. From parent company to subsidiary.
- b. Transactions from subsidiary to parent company.
- c. Transactions between subsidiaries.

Note 3: Based on general trading conditions and prices.

Note 4: The above transactions were not included in the consolidated financial statements.

Note 5: Transactions with revenues less than 1% of the combined total revenue or total assets ratio are not disclosed.

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Business and Product	Investment Amount		Balance as of December 31, 2025			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2025	December 31, 2024	Shares (Thousands)	% of Ownership	Carrying Value			
United Renewable Energy Co., Ltd. (the "Company")	UES	Independent State of Samoa	Investment company	\$ 1,918,131	\$ 1,918,131	62,188	100	\$ 924,561	\$ (69,723)	\$ (69,723)	
	DelSolar Cayman	Cayman Islands	Investment company	5,187,602	5,187,602	164,266	100	13,709	6,800	6,800	
	NSP BVI	British Virgin Islands	Investment company	104,617	104,617	443	100	6,541	8	8	
	GES ME	The United Arab Emirates	Solar related business	429,802	418,805	4	100	-	(995)	(995)	Note 1
	NSP UK	UK	Investment company	28,165	28,165	580	100	54,486	(2,920)	(2,920)	
	NSP System	Taiwan	Solar-related business	254,200	254,200	25,420	100	99,778	(9,004)	(6,457)	
	Zhongyang	Taiwan	Solar-related business	131,121	131,121	14,200	100	146,240	4,114	4,114	
	DelSolar Singapore	Singapore	Investment company	29,743	29,743	1,250	100	16,711	(905)	(905)	
	SMC	Taiwan	Solar-related business	10,000	10,000	1,000	100	10,073	57	57	
	Utech	Taiwan	Solar-related business	2,717,049	2,237,049	58,306	99.99	(8,032)	(113,246)	(113,244)	
	Yong Liang	Taiwan	Solar-related business	249,000	249,000	20,130	12.82	158,697	(8,110)	(1,183)	
	Yong Zhou	Taiwan	Solar related business	73,000	73,000	-	100	1,780	(4,216)	(4,216)	
	GES UK	UK	Investment company	2,865,778	2,829,100	89,133	100	454,152	(30,644)	(30,644)	
	DS Energy	Taiwan	Solar-related business	125,444	125,444	11,947	100	107,937	2,886	2,886	
	Hong Yi	Taiwan	Solar-related business	23,500	23,500	2,350	100	530	(12)	(12)	Note 2
	United Intelligence	Taiwan	Electronic component related	2,100	2,100	210	100	466	(65)	(65)	
	Hong Wang	Taiwan	Solar-related business	100	100	10	100	68	(13)	(13)	Note 3
	TSST	Malaysia	Solar-related business	417,692	417,692	97,701	42.12	135,187	31,112	13,105	Note 4
	V5 Technology	Taiwan	Electronic component manufacturing and selling	129,152	132,803	8,170	19.66	200,159	581,838	110,552	Notes 4 and 5
	Gintung	Taiwan	Electronic component manufacturing	34,341	34,341	13,460	36.38	-	(261,686)	-	Note 4
	Solarbright	Taiwan	Solar-related business	30,000	30,000	9,000	30	90,920	7,134	14	Note 4
	UREE	Taiwan	Solar-related business	104,923	-	19,000	10	186,652	30,390	23,780	Notes 4, 6 and 7
	Solarbright	Apex	Taiwan	Solar-related business	273,809	273,809	27,381	100	285,092	-	7,175
UES	RES	Independent State of Samoa	Investment company	US\$ 64,406	US\$ 64,406	62,188	100	924,561	(69,722)	(69,722)	
RES	Gintech Thailand	Thailand	Solar related business	US\$ 64,155	US\$ 64,155	20,920	100	916,709	(69,745)	(69,745)	
GES UK	GES USA	US	Investment company	US\$ 69,666	US\$ 68,466	53,416	100	340,640	(30,342)	(30,342)	
	NSP Germany	Germany	Solar-related business	EUR -	EUR 23	23	90	(277)	-	-	
	GES CANADA	Canada	Investment company	US\$ 6,125	US\$ 6,125	5,540	100	2,024	(86)	(86)	
GES USA	MEGATWO	US	Solar-related business	US\$ 19,594	US\$ 19,594	19,594	100	(689,433)	(8,049)	(8,049)	
	MEGAFIVE	US	Solar-related business	US\$ 615	US\$ 635	635	100	21,416	(630)	(630)	
	MEGASIX	US	Solar-related business	US\$ 1,547	US\$ 1,547	1,457	100	6,280	(287)	(287)	
	MEGAEIGHT	US	Solar-related business	US\$ 748	US\$ 748	748	100	7,751	840	840	
	MEGATWELVE	US	Solar-related business	US\$ 168	US\$ 168	168	100	1,378	180	180	
	MEGATHIRTEEN	US	Solar-related business	US\$ 2,000	US\$ 2,000	2,000	100	65,022	(1,233)	(1,233)	
	MEGA NINETEEN	US	Solar-related business	US\$ 132	US\$ 132	132	100	(2,433)	(109)	(109)	
	MEGATWENTY	US	Solar-related business	US\$ 124	US\$ 124	124	100	4,690	610	610	
	ASSET THREE	US	Solar-related business	US\$ 2,839	US\$ 2,839	2,839	100	6,121	(12,711)	(12,711)	
	SH4	US	Solar-related business	US\$ 429	US\$ 489	439	100	6,764	119	119	
	Schenectady	US	Solar-related business	US\$ -	US\$ -	-	-	(23,334)	(193)	(193)	Note 8
	SEG	US	Solar-related business	US\$ 790	US\$ 800	790	100	15,047	667	667	
	KINECT	US	Solar-related business	US\$ 266	US\$ 266	266	100	12,994	530	530	
	HEYWOOD	US	Solar-related business	US\$ 1,770	US\$ 1,770	-	55	(6,275)	(416)	(229)	
MEGATWO	MUNISOL	Mexico	Solar-related business	US\$ 18,810	US\$ 18,810	353,508	100	(667,668)	(8,024)	(8,024)	

(Continued)

Investor Company	Investee Company	Location	Main Business and Product	Investment Amount		Balance as of December 31, 2025			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				December 31, 2025	December 31, 2024	Shares (Thousands)	% of Ownership	Carrying Value			
ASSET THREE	SHIMA'S	US	Solar-related business	US\$ 153	US\$ 153	153	100	\$ (743)	\$ 251	\$ 251	
	WAIMEA	US	Solar-related business	US\$ 456	US\$ 526	526	100	13,511	474	474	
	HONOKAWAI	US	Solar-related business	US\$ 348	US\$ 348	348	100	14,639	16	16	
	ELEELE	US	Solar-related business	US\$ 637	US\$ 637	637	100	12,777	(3,293)	(3,293)	
	HANAIEI	US	Solar-related business	US\$ 280	US\$ 280	280	100	(10,074)	(10,945)	(10,945)	
	KAPAA	US	Solar-related business	US\$ 761	US\$ 761	761	100	15,079	263	263	
	KOLOA	US	Solar-related business	US\$ 554	US\$ 569	569	100	12,443	604	604	
NSP BVI	NSP HK	Hong Kong	Solar-related business	US\$ -	US\$ -	-	100	-	-	-	
DelSolar Cayman	DelSolar HK	Hong Kong	Investment company	US\$ 125,200	US\$ 125,200	125,200	100	221,916	(5,306)	(5,306)	
	DelSolar US	US	Investment company	US\$ 24,800	US\$ 24,800	3	100	(471,556)	22,829	22,829	
	NSP NEVADA	US	Solar-related business	US\$ 14,265	US\$ 14,265	5,125	100	255,130	(1,228)	(1,228)	
	URE NSP	US	Solar-related business	US\$ 221	US\$ 500	500	100	8,397	1,438	1,438	
NSP UK	NSP Indygen	UK	Solar-related business	GBP -	GBP -	-	100	12,449	-	-	
Utech	Jiangung	Taiwan	Solar-related business	1,366,778	1,070,100	136,678	100	1,377,945	(7,215)	(7,215)	
Jiangung	Yong Liang	Taiwan	Solar-related business	1,369,293	1,070,000	136,929	87.18	1,362,171	(8,110)	(6,927)	
NSP System	Hsin Jin Optoelectronics	Taiwan	Solar-related business	10,647	10,647	-	80	11,856	650	520	
	Hsin Jin Solar Energy	Taiwan	Solar-related business	13,981	13,981	-	60	16,414	2,082	1,249	
	Si Two	Taiwan	Solar-related business	20,000	20,000	2,000	100	16,964	396	624	
	Hong Ying	Taiwan	Solar-related business	22,424	22,424	2,242	100	22,397	37	37	Note 9
	Success	Taiwan	Solar-related business	13,100	13,100	1,310	100	500	(11)	(11)	
DelSolar HK	DelSolar Wu Jiang	China	Solar-related business	US\$ 120,000	US\$ 120,000	-	100	208,190	(5,433)	(5,433)	
NSP NEVADA	HEYWOOD	US	Solar-related business	US\$ 1,448	US\$ 1,448	-	45	(5,134)	(416)	(187)	
	Industrial Park	US	Solar-related business	US\$ 3,100	US\$ 3,100	-	100	19,754	222	-	
	Hillsboro	US	Solar-related business	US\$ 1,862	US\$ 1,862	-	100	(1,137)	(1,270)	(1,270)	
DelSolar US	USD1	US	Solar-related business	US\$ 3,582	US\$ 3,582	-	100	119,584	-	-	
	JV2	US	Solar-related business	US\$ 830	US\$ 830	-	67	-	-	-	Notes 4 and 10
	Bery1	US	Solar-related business	US\$ -	US\$ -	-	100	(624,892)	22,988	22,988	

Note 1: It is a long-term equity investment loan balance offset against other receivables.

Note 2: As of March 28, 2024, Shanshang changed its company name to Hong Yi.

Note 3: Hong Wang Energy Co., Ltd. was incorporated on March 29, 2024.

Note 4: It is an equity method affiliated enterprise or a joint venture. The other entities are all subsidiaries of the consolidated entity. The intercompany transactions have not been included in the consolidated financial statements.

Note 5: The Company has a 19.66% equity interest in V5 Technology and one seat on its board of directors. Thus, the Company assessed that it has significant influence over the investee.

Note 6: In June 2025, the group obtained significant influence in accordance with the revised agreement. The carrying amount recognized at period-end is provisional.

Note 7: The carrying amount of investments accounted for using the equity method that were pledged as collateral for borrowings. Please refer to Note 39.

Note 8: Structured entity.

Note 9: As of April 1, 2024, Lianzhang changed its company name to Hong Ying.

Note 10: 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.

(Concluded)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investee Company	Main Business and Product	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Fund		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025
					Outward	Inward						
DelSolar Wu Jiang	Solar related business	US\$ 120,000 \$ 3,771,000	Note 1	US\$ 120,000 \$ 3,771,000	\$ -	\$ -	US\$ 120,000 \$ 3,771,000	\$ (5,433)	100	\$ (5,433)	\$ 208,190	\$ -

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2025 (US\$ in Thousands) (Note 4)	Investment Amount Authorized by the Investment Commission, MOEA (US\$ in Thousands)	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
US\$ 125,000 \$ 3,928,125	US\$ 149,618 \$ 4,701,746	\$ 6,230,337

Note 1: Investment in mainland China was through a third region.

Note 2: The above investment was not included in the consolidated financial statements.

Note 3: The December 31, 2025 exchange rate was used.

Note 4: This includes the cumulative investment amount in NSP Nanchang Co., Ltd. (NSP Nanchang). United Renewable Energy Co. divested its entire equity interest in NSP Nanchang in the third quarter of 2020, and as of December 31, 2025, the related proceeds had not yet been remitted back to Taiwan.