

United Renewable Energy Co., Ltd.

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

INDEPENDENT AUDITORS' REPORT

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

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit 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 Financial Statements section of our report. We are independent of the Company 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 financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide an opinion on these matters.

The key audit matter of the Company's financial statements for the year ended December 31, 2025 is described as follows:

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 Company 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(m) to the 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 10% of the total assets, which is material to the overall financial statements. The United Renewable Energy Company 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(j) and 5, and for details of impairment losses on property, plant and equipment, please refer to Note 15.

Our principle audit procedures included:

1. Understand and review the Company'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 financial statements of the Company, 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 1% of total assets. For the period from January 1 to December 31, 2025, the Company's share of profit or loss of associates accounted for using the equity method amounted to \$110,552 thousand, representing (8.9%) of loss before tax.

The financial statements of United Renewable Energy Co., Ltd. Company 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company 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 Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company'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 Company'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 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 Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Company 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 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 financial statements are intended only to present the 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 financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying 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 financial statements shall prevail.

UNITED RENEWABLE ENERGY CO., LTD.

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

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 3,523,715	18	\$ 4,952,153	22
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 32)	248,976	1	262,028	1
Financial assets at fair value through other comprehensive income - current (Notes 4, 8, 32 and 34)	102,089	1	115,916	1
Contract assets (Note 26)	49,200	-	16,252	-
Notes and trade receivables (Notes 4, 10 and 26)	277,385	2	458,699	2
Trade receivables - related parties (Notes 10, 26 and 33)	13,189	-	28,866	-
Other receivables	7,036	-	9,103	-
Other receivables - related parties (Note 33)	56,452	-	60,245	-
Current tax assets (Note 28)	10,731	-	9,014	-
Inventories (Notes 4 and 11)	633,364	3	917,219	4
Prepayments (Note 12)	121,039	1	75,315	-
Other financial assets (Notes 13 and 34)	225,503	1	387,370	2
Other current assets	<u>335,695</u>	<u>2</u>	<u>288,159</u>	<u>1</u>
Total current assets	<u>5,604,374</u>	<u>29</u>	<u>7,580,339</u>	<u>33</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4, 8, 32 and 34)	755,582	4	1,155,230	5
Investments accounted for using the equity method (Notes 4, 14 and 34)	2,608,647	13	2,281,246	10
Property, plant and equipment (Notes 4, 15 and 34)	5,599,919	29	6,100,349	27
Right-of-use assets (Note 16)	965,032	5	1,038,841	5
Investment properties (Notes 17 and 34)	2,237,945	11	2,325,093	10
Intangible assets (Notes 4 and 18)	16,952	-	1,304	-
Deferred tax assets (Notes 4 and 28)	116,055	1	120,410	1
Prepayments - non-current (Note 12)	918,456	5	1,053,282	5
Refundable deposits (Note 34)	134,564	1	127,280	1
Other receivables - related parties - non-current (Note 33)	468,932	2	552,170	2
Other financial assets - non-current (Notes 13 and 34)	163,939	1	188,221	1
Other non-current assets	<u>1,581</u>	<u>-</u>	<u>1,857</u>	<u>-</u>
Total non-current assets	<u>13,987,604</u>	<u>72</u>	<u>14,945,283</u>	<u>67</u>
TOTAL	<u>\$ 19,591,978</u>	<u>100</u>	<u>\$ 22,525,622</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 19)	\$ 600,000	3	\$ -	-
Short-term bills payable (Notes 4 and 19)	43,318	-	47,658	-
Contract liabilities (Note 26)	102,976	1	151,994	1
Notes and trade payable (Note 20)	324,039	2	457,533	2
Other payables (Note 22)	599,565	3	1,351,212	6
Other payables from related parties (Note 33)	268,038	2	268,251	1
Lease liabilities - current (Note 16)	44,058	-	44,800	-
Current portion of long-term borrowings (Notes 19 and 34)	4,545,449	23	1,155,231	5
Other current liabilities (Note 23)	<u>48,101</u>	<u>-</u>	<u>174,500</u>	<u>1</u>
Total current liabilities	<u>6,575,544</u>	<u>34</u>	<u>3,651,179</u>	<u>16</u>
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current (Notes 7 and 32)	34,197	-	258	-
Bonds payable (Notes 4 and 21)	-	-	-	-
Long-term borrowings (Notes 19 and 34)	1,212,697	6	5,726,336	25
Deferred tax liabilities (Note 28)	29,697	-	34,052	-
Provisions - non-current (Note 23)	231,410	1	249,816	1
Lease liabilities - non-current (Note 16)	1,005,161	5	1,061,378	5
Credit balance for using equity methods (Notes 4 and 14)	8,032	-	375,987	2
Guarantee deposits	<u>111,345</u>	<u>1</u>	<u>136,500</u>	<u>1</u>
Total non-current liabilities	<u>2,632,539</u>	<u>13</u>	<u>7,584,327</u>	<u>34</u>
Total liabilities	<u>9,208,083</u>	<u>47</u>	<u>11,235,506</u>	<u>50</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 25)				
Share capital				
Ordinary shares	<u>16,277,954</u>	<u>83</u>	<u>16,277,954</u>	<u>72</u>
Capital surplus	<u>1,873</u>	<u>-</u>	<u>413,186</u>	<u>2</u>
Accumulated deficit	<u>(6,079,748)</u>	<u>(31)</u>	<u>(5,806,951)</u>	<u>(26)</u>
Other equity	<u>202,515</u>	<u>1</u>	<u>424,626</u>	<u>2</u>
Treasury shares	<u>(18,699)</u>	<u>-</u>	<u>(18,699)</u>	<u>-</u>
Total equity	<u>10,383,895</u>	<u>53</u>	<u>11,290,116</u>	<u>50</u>
TOTAL	<u>\$ 19,591,978</u>	<u>100</u>	<u>\$ 22,525,622</u>	<u>100</u>

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

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

UNITED RENEWABLE ENERGY CO., LTD.

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 26 and 33)	\$ 2,534,321	100	\$ 4,299,046	100
OPERATING COSTS (Notes 11, 27 and 33)	<u>3,186,800</u>	<u>126</u>	<u>3,724,883</u>	<u>87</u>
GROSS (LOSS) PROFIT	<u>(652,479)</u>	<u>(26)</u>	<u>574,163</u>	<u>13</u>
REALIZED GAIN ON SALES	<u>3,176</u>	<u>-</u>	<u>3,119</u>	<u>-</u>
OPERATING EXPENSES (Note 27)				
Selling expenses	107,990	4	163,860	4
General and administrative expenses	543,888	21	444,818	10
Research and development expenses	67,555	3	82,498	2
Expected credit loss (reversed) on trade receivables (Note 10)	<u>(1,413)</u>	<u>-</u>	<u>(1,492)</u>	<u>-</u>
Total operating expenses	<u>718,020</u>	<u>28</u>	<u>689,684</u>	<u>16</u>
LOSS FROM OPERATIONS	<u>(1,367,323)</u>	<u>(54)</u>	<u>(112,402)</u>	<u>(3)</u>
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 27 and 33)	496,991	20	272,502	6
Other gains and losses (Note 27)	(78,205)	(3)	(1,085,298)	(25)
Finance costs (Notes 27 and 33)	(290,462)	(11)	(315,287)	(7)
Share of the gain (loss) of associates and joint ventures	(69,061)	(3)	(684,387)	(16)
Interest income	<u>60,575</u>	<u>2</u>	<u>68,798</u>	<u>2</u>
Total non-operating income and expenses	<u>119,838</u>	<u>5</u>	<u>(1,743,672)</u>	<u>(40)</u>
LOSS BEFORE INCOME TAX	(1,247,485)	(49)	(1,856,074)	(43)
INCOME TAX EXPENSE (Notes 4 and 28)	<u>-</u>	<u>-</u>	<u>(278,283)</u>	<u>(6)</u>
NET LOSS FOR THE YEAR	<u>(1,247,485)</u>	<u>(49)</u>	<u>(2,134,357)</u>	<u>(49)</u>

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UNITED RENEWABLE ENERGY CO., LTD.

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	10	\$ 423,439	10
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	88,749	3	35,022	1
	<u>339,391</u>	<u>13</u>	<u>458,461</u>	<u>11</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	\$ <u>(908,094)</u>	<u>(36)</u>	\$ <u>(1,675,896)</u>	<u>(38)</u>
LOSS PER SHARE (NT\$; Note 29)				
Basic loss per share	\$ <u>(0.77)</u>		\$ <u>(1.31)</u>	

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

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

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UNITED RENEWABLE ENERGY CO., LTD.

**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			Total Equity
			Legal Reserve	Accumulated Deficit	Exchange Differences on Translating Foreign Operations	Unrealized Gain/(Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Shares	
BALANCE ON JANUARY 1, 2024	\$ 16,277,954	\$ 211,412	\$ 35,473	\$ (3,707,474)	\$ (275,092)	\$ 227,433	\$ (18,699)	\$ 12,751,007
Appropriation of earnings for 2023 and use of legal reserve to offset accumulated 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
Capital surplus to offset deficit	-	(34,204)	-	34,204	-	-	-	-
Net loss for the year ended December 31, 2024	-	-	-	(2,134,357)	-	-	-	(2,134,357)
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	35,022	423,439	-	458,461
Total comprehensive (loss) income for the year ended December 31, 2024	-	-	-	(2,134,357)	35,022	423,439	-	(1,675,896)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	(20,973)	-	-	-	(20,973)
Changes in percentage of ownership interests in subsidiaries	-	233,343	-	-	-	-	-	233,343
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	(13,824)	-	13,824	-	-
BALANCE ON DECEMBER 31, 2024	16,277,954	413,186	-	(5,806,951)	(240,070)	664,696	(18,699)	11,290,116
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	1,546	-	-	-	-	-	1,546
Capital surplus to offset deficit	-	(413,186)	-	413,186	-	-	-	-
Net profit for the year ended December 31, 2025	-	-	-	(1,247,485)	-	-	-	(1,247,485)
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	88,749	250,642	-	339,391
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	(1,247,485)	88,749	250,642	-	(908,094)
Changes in percentage of ownership interests in subsidiaries	-	327	-	-	-	-	-	327
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	561,502	-	(561,502)	-	-
BALANCE ON DECEMBER 31, 2025	\$ 16,277,954	\$ 1,873	\$ -	\$ (6,079,748)	\$ (151,321)	\$ 353,836	\$ (18,699)	\$ 10,383,895

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

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

UNITED RENEWABLE ENERGY CO., LTD.

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	\$ (1,247,485)	\$ (1,856,074)
Adjustments for:		
Depreciation expense	696,753	735,070
Amortization expense	2,755	2,611
Expected credit loss (reversed) on trade receivables	(1,413)	(1,492)
Net loss on fair value changes of financial assets at fair value through profit or loss	46,991	7,801
Interest expense	290,462	211,637
Interest income	(60,575)	(68,798)
Dividends income	(13,635)	(21,805)
Share of (profit) loss of associates accounted for using the equity method	69,061	684,387
Gain on disposal of property, plant and equipment	(400)	(25,426)
Reclassification of property, plant and equipment to expenses	5,743	3,891
Gain on disposal of investments	(56,731)	-
Impairment loss on property, plant and equipment	70,269	732,776
Impairment loss on prepayments	73,493	13,677
(Reversal of) write-down of inventories	44,387	(414,790)
Recognition (reversal) of provisions	21,709	(15,804)
Realized gain on transactions with subsidiaries	(3,176)	(3,119)
Gain on lease modification	-	2,144
Others	58,226	24,706
Changes in operating assets and liabilities:		
Financial assets mandatorily measured at fair value through profit or loss	-	(265,192)
Contract assets	(32,948)	(11,851)
Notes and trade receivables	185,635	480,970
Trade receivables from related parties	15,677	(28,824)
Other receivables	3,188	-
Other receivables from related parties	75,629	-
Inventories	218,933	543,774
Prepayments	26,374	192,925
Other current assets	(47,534)	6,461
Contract liabilities	(49,018)	16,671
Notes and trade payable	(117,255)	(145,094)
Other payables	(508,724)	-
Other payables from related parties	12,243	-
Provisions	(41,120)	25,846
Other current liabilities	(126,398)	526,225
Cash (used in) generated from operations	(388,884)	1,353,303
Income tax paid	(1,717)	(4,990)
Net cash generated from (used in) operating activities	(390,601)	1,348,313

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UNITED RENEWABLE ENERGY CO., LTD.

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	(585,623)	(834,777)
Disposal of long-term equity investments accounted for using the equity method	60,367	-
Acquisition for property, plant and equipment (Note 30)	(366,143)	(956,509)
Proceeds from disposal of property, plant and equipment	400	27,634
(Increase) decrease in refundable deposits	(7,284)	19,258
Payments for other intangible assets	(18,403)	(2,350)
Decrease (increase) in other financial assets	186,148	2,348,980
Interest received	59,454	67,997
Dividends received	16,646	21,805
	<u>(153,193)</u>	<u>590,707</u>
Net cash (used in) generated from investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (repayments of) short-term borrowings	600,000	(204,000)
(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	-	3,976,327
Repayments of long-term bank loans	(1,123,421)	(645,645)
(Decrease) increase in guarantee deposits	(25,155)	20,940
Payment of the principal portion of lease liabilities	(44,368)	(64,655)
Interest paid	(273,438)	(208,776)
	<u>(870,782)</u>	<u>(77,909)</u>
Net cash (used in) generated from financing activities		
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	<u>(13,862)</u>	<u>(2,114)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,428,438)	1,858,997
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>4,952,153</u>	<u>3,093,156</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 3,523,715</u>	<u>\$ 4,952,153</u>

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

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

(Concluded)

UNITED RENEWABLE ENERGY CO., LTD.

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

2. APPROVAL OF THE FINANCIAL STATEMENTS

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

3. APPLICATION OF NEW AND REVISED STANDARDS, AMENDMENTS 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 Company’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 financial statements were authorized for issue, the Company has assessed that the application of other standards and interpretations will not have a material impact on the Company'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 Company 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 Company 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 Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company 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 Company as a whole, the Company 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 Company 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 Company shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the Company 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 financial statements were authorized for issue, the Company is continuously assessing the possible impact of the application of the above standards and interpretations on the Company’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 parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

The 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.

The Company accounts for subsidiaries by using the equity method in the preparation of the parent company only financial statements. In order to agree with the amount of net profit, other comprehensive income and equity attributable to owners of the company in the consolidated financial statements, the differences of the accounting treatment between the parent company only basis and the consolidated basis are adjusted through “investments accounted for using the equity method”, “share of profit or loss of subsidiaries accounted for using the equity method”, and relevant equity items in the parent company only financial statements.

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 Company 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. 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.

For the purposes of presenting parent company only financial statements, the assets and liabilities of the Company and its foreign operations (including of the subsidiaries' operations in other countries or currencies used different from the Company) are translated into New Taiwan dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

e. 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.

f. Investments in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the Company's share of equity of subsidiaries.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are accounted for as equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

When the Company's share of loss of a subsidiary exceeds its interest in that subsidiary (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 Company's net investment in the subsidiary), the Company continues recognizing its share of further loss.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business 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 Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes a business over the cost of acquisition is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of the previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides this, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Company directly disposed of the related assets or liabilities.

Profit or loss resulting from downstream transactions is eliminated in full only in the Company financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries is recognized only in the Company financial statements and only to the extent of interests in the subsidiaries that are not related to the Company.

g. 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.

h. 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.

i. 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.

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

At the end of each reporting period, the Company 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 Company 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.

k. Financial instruments

Financial assets and financial liabilities are recognized when the Company 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 32.

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

The Company always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Company 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 Company 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 Company 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 Company 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 Company 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.

l. 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 Company's obligations.

2) Decommissioning and restoration obligation

The Company'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.

m. Revenue recognition

The Company 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 Company 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 Company recognizes revenue over time. The Company 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 Company 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 Company adequately completes all of its contractual obligations. Such retention receivables are recognized as contract assets until the Company 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 Company 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 Company 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.

n. Leases

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

1) The Company 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 Company 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 Company as lessee

The Company 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 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 Company 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.

o. 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.

p. 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 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 Company'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 Company 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 Company 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.

q. Government grants

Government grants are not recognized until there is reasonable assurance that the Company 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 Company 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 Company'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	\$ 131	\$ 171
Checking accounts and demand deposits	1,231,098	3,267,294
Cash equivalents		
Time deposits	50,000	65,116
Repurchase agreements collateralized by bonds	<u>2,242,486</u>	<u>1,619,572</u>
	<u>\$ 3,523,715</u>	<u>\$ 4,952,153</u>

The market rate intervals of cash in bank time deposits and repurchase agreements at the end of the reporting period were as follows:

	<u>December 31</u>	
	2025	2024
Time deposits with original maturities less than 3 months	1.245%	0.685%-0.85%
Bonds with repurchase agreements	1.22%-1.25%	1.22%-1.25%

7. FINANCIAL ASSETS 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>
<u>Investments in equity instruments at fair value through other comprehensive income (FVTOCI)</u>		
<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 Company's strategy of holding these investments for long-term purposes.

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

Refer to Note 34 for information relating to investments in equity instruments at FVTOCI pledged as security.

9. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Investments in debt instruments classified as at FVTOCI were as follows:

	<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 Company 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 Company 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 Company 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	\$ 277,283	\$ 475,389
Less: Allowance for impairment loss	<u>-</u>	<u>(16,690)</u>
	277,283	458,699
Trade receivables from related parties	<u>13,189</u>	<u>28,866</u>
	<u>\$ 290,472</u>	<u>\$ 487,565</u>
		(Concluded)

a. Notes receivable

The Company 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 and 2024, the Company did not have overdue notes receivable; thus, no allowance loss was recognized.

b. Trade receivables (including those from related parties)

The Company'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 Company 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 Company's credit risk has been significantly reduced. In addition, the Company 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 Company 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 Company 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 Company cannot determine a reasonable expected recoverable amount, the Company 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 Company 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	-	-	-	-	-	-	-	-	-	-
Gross carrying amount	\$ 202,769	\$ 3,831	\$ 17,641	\$ 512	\$ -	\$ -	\$ -	\$ -	\$ 65,719	\$ 290,472
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-	-	-	-	-
Amortized cost	<u>\$ 202,769</u>	<u>\$ 3,831</u>	<u>\$ 17,641</u>	<u>\$ 512</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,719</u>	<u>\$ 290,472</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	\$ 413,103	\$ 9,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,690	\$ 64,897	\$ 504,255
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-	-	(16,690)	-	(16,690)
Amortized cost	<u>\$ 413,103</u>	<u>\$ 9,565</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,897</u>	<u>\$ 487,565</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	\$ 16,690	\$ 18,182
Impairment losses recognized (reversed)	(1,413)	(1,492)
Amounts written off	<u>(15,277)</u>	<u>-</u>
Balance on December 31	<u>\$ -</u>	<u>\$ 16,690</u>

11. INVENTORIES

	<u>December 31</u>	
	2025	2024
Finished goods and products	\$ 568,257	\$ 802,821
Raw materials	60,754	92,546
Work in progress	<u>4,353</u>	<u>21,852</u>
	<u>\$ 633,364</u>	<u>\$ 917,219</u>

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

	<u>For the Year Ended December 31</u>	
	2025	2024
Cost of inventories sold	\$ 2,587,633	\$ 3,719,645
Unallocated production overheads	481,755	409,566
Impairment loss on prepayments	73,493	13,677
Write-downs and retirement of inventories (reversal)	44,387	(414,790)
Others	<u>(468)</u>	<u>(3,215)</u>
	<u>\$ 3,186,800</u>	<u>\$ 3,724,883</u>

12. PREPAYMENTS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Prepayments	\$ 996,546	\$ 1,087,576
Prepaid expenses	12,299	1,452
Prepayments for equipment	11,056	12,544
Other	<u>19,594</u>	<u>27,025</u>
	1,039,495	1,128,597
Less: Listed as current assets	<u>121,039</u>	<u>75,315</u>
Listed as non-current assets	<u>\$ 918,456</u>	<u>\$ 1,053,282</u>

13. OTHER FINANCIAL ASSETS

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Restricted bank deposits	\$ 389,442	\$ 575,591
Less: Listed as current assets	<u>225,503</u>	<u>387,370</u>
Listed as non-current assets	<u>\$ 163,939</u>	<u>\$ 188,221</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 34.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Investments in subsidiaries	\$ 1,995,729	\$ 1,988,696
Investments in associates	<u>612,918</u>	<u>292,550</u>
	<u>\$ 2,608,647</u>	<u>\$ 2,281,246</u>

a. Investments in subsidiaries

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Ultimate Energy Solution Limited (UES)	\$ 924,561	\$ 959,519
DelSolar Holding (Cayman) Ltd. (“DelSolar (Cayman)”)	13,709	(2,452)
NSP Systems (BVI) Ltd. (“NSP BVI”)	6,541	6,813
GES Energy Middle East FZE (“GES ME”)	-	-
NSP UK Holding Limited (“NSP UK”)	54,486	55,905
NSP System Development Corp. (“NSP System”)	99,778	105,469
Zhongyang Corporation (“Zhongyang”)	146,240	143,259

(Continued)

	December 31	
	2025	2024
DelSolar Holding Singapore Pte. Ltd. (“DelSolar Singapore”)	\$ 16,711	\$ 18,378
Solartech Materials Corporation (SMC)	10,073	10,123
Utech Solar Corporation (“Utech”)	(8,032)	(373,535)
Yong Liang Ltd. (“Yong Liang”)	158,697	156,217
Yong Zhou Ltd. (“Yong Zhou”)	1,780	5,996
General Energy Solutions UK Limited (GES UK)	454,152	420,812
DS Energy Technology Co., Ltd (“DS Energy”)	107,937	105,051
Hong Yi Energy Co., Ltd. (“Hong Yi”)	530	542
United Intelligence Co., Ltd. (“United Intelligence”)	466	531
Hong Wang Energy Co., Ltd. (“Hong Wang”)	68	81
	<u>1,987,697</u>	<u>1,612,709</u>
Negative balance of equity method investments reclassified to non-current liabilities	<u>8,032</u>	<u>375,987</u>
	<u>\$ 1,995,729</u>	<u>\$ 1,988,696</u>
		(Concluded)

The percentages of ownership interests and voting rights in subsidiaries held by the Company as of the balance sheet date are as follows:

Name of Associate	Proportion of Ownership and Voting Rights		Remark
	December 31		
	2025	2024	
UES	100.00%	100.00%	
DelSolar (Cayman)	100.00%	100.00%	
NSP BVI	100.00%	100.00%	
GES ME	100.00%	100.00%	1
NSP UK	100.00%	100.00%	
NSP System	100.00%	100.00%	
Zhongyang	100.00%	100.00%	
DelSolar Singapore	100.00%	100.00%	
SMC	100.00%	100.00%	2
Utech	99.99%	99.99%	3
Yong Liang	12.82%	18.88%	4
Yong Zhou	100.00%	100.00%	
GES UK	100.00%	100.00%	5
DS Energy	100.00%	100.00%	6
Hong Yi	100.00%	100.00%	7
United Intelligence	100.00%	100.00%	8
Hong Wang	100.00%	100.00%	9

For information on the nature of business, principal place of business and country of incorporation of the above subsidiaries, please refer to Table 5.

Note 1: 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 2: SMC was dissolved on October 21, 2025 and is currently undergoing liquidation.

- 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: In April 2025, Yong Liang conducted a cash capital increase of NT\$30,000 thousand, all of which was subscribed by Jiangung, 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 Jiangung, 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 5: GES UK conducted a cash capital increase amounting to US\$1,200 thousand (equivalent to NT\$36,679 thousand) in September 2025.
- Note 6: 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. 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 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.

The shares of profit or loss and other comprehensive income of subsidiaries accounted for using the equity method for the years ended December 31, 2025 and 2024 were recognized based on the subsidiaries’ audited financial statements.

b. Investments in associates

Investments in joint ventures that are not individually material:

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
The Group’s share of:		
Net income (loss) for the period	\$ 147,451	\$ (2,619)
Other comprehensive loss for the period	<u> -</u>	<u> 20,162</u>
Total comprehensive income (loss) for the period	<u>\$ 147,451</u>	<u>\$ 17,543</u>

The Group accounts for all of the above related parties under the equity method.

For information on the nature of business, principal place of business, and country of incorporation of the above-mentioned associates, please refer to TABLE 5.

The above investment in an associate includes the difference between the cost of investment recognized by the company in United Renewable Energy Engineering Co., Ltd. and the net equity acquired. As the measurement of the identifiable assets acquired and liabilities assumed of the investee has not yet been completed, provisional amounts have been recognized as of the balance sheet date. During the measurement period, retrospective adjustments or recognition of additional assets or liabilities will be made to reflect new information about facts and circumstances that existed as of the acquisition date.

15. PROPERTY, PLANT AND EQUIPMENT

Assets Used by the Company

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress	Total
<u>Cost</u>						
Balance on January 1, 2025	\$ 689,296	\$ 3,398,382	\$ 4,760,468	\$ 3,224,445	\$ 169,625	\$ 12,242,216
Additions	-	-	-	-	103,020	103,020
Disposals	-	-	(745,072)	(5,016)	-	(750,088)
Reclassification	-	-	21,068	140,140	(166,951)	(5,743)
Transfers from inventories	-	-	-	-	20,535	20,535
Transfers to investment properties	-	(54,385)	-	-	-	(54,385)
Balance on December 31, 2025	<u>689,296</u>	<u>3,343,997</u>	<u>4,036,464</u>	<u>3,359,569</u>	<u>126,229</u>	<u>11,555,555</u>
<u>Accumulated depreciation and impairment</u>						
Balance on January 1, 2025	-	1,892,480	3,571,224	655,095	23,068	6,141,867
Depreciation expenses	-	157,900	207,537	169,501	-	534,938
Impairment losses	-	-	-	70,269	-	70,269
Disposals	-	-	(745,072)	(5,016)	-	(750,088)
Transfers to investment properties	-	(41,350)	-	-	-	(41,350)
Balance on December 31, 2025	-	<u>2,009,030</u>	<u>3,033,689</u>	<u>889,849</u>	<u>23,068</u>	<u>5,955,636</u>
Carrying amount on December 31, 2025	<u>\$ 689,296</u>	<u>\$ 1,334,967</u>	<u>\$ 1,002,775</u>	<u>\$ 2,469,720</u>	<u>\$ 103,161</u>	<u>\$ 5,599,919</u>
<u>Cost</u>						
Balance on January 1, 2024	\$ 689,296	\$ 3,398,382	\$ 12,202,971	\$ 2,739,348	\$ 426,139	\$ 19,456,136
Additions	-	-	-	-	810,617	810,617
Disposals	-	-	(8,002,456)	(103,028)	-	(8,105,484)
Reclassification	-	-	559,953	588,125	(1,151,969)	(3,891)
Transfers from inventories	-	-	-	-	84,838	84,838
Balance on December 31, 2024	<u>689,296</u>	<u>3,398,382</u>	<u>4,760,468</u>	<u>3,224,445</u>	<u>169,625</u>	<u>12,242,216</u>
<u>Accumulated depreciation and impairment</u>						
Balance on January 1, 2024	-	1,731,504	10,700,229	518,838	-	12,950,571
Depreciation expenses	-	160,976	234,585	167,374	-	562,935
Impairment losses	-	-	636,759	71,810	23,068	731,637
Disposals	-	-	(8,000,349)	(102,927)	-	(8,103,276)
Balance on December 31, 2024	-	<u>1,892,480</u>	<u>3,571,224</u>	<u>655,095</u>	<u>23,068</u>	<u>6,141,867</u>
Carrying amount on December 31, 2024	<u>\$ 689,296</u>	<u>\$ 1,505,902</u>	<u>\$ 1,189,244</u>	<u>\$ 2,569,350</u>	<u>\$ 146,557</u>	<u>\$ 6,100,349</u>

In response to its operational transformation strategy, certain production lines were unable to undergo equipment upgrades. The Company therefore expects a reduction in their future economic benefits, resulting in recoverable amounts being lower than their carrying amounts. Accordingly, an impairment loss of \$731,637 thousand was recognized in 2024. This impairment loss has been included under “other gains and losses” in the statement of comprehensive income.

The Company expects a decrease in the future cash inflows from certain items of other equipment. As a result, their recoverable amount is lower than their carrying amount, and an impairment loss of \$70,269 thousand was recognized in 2025. This impairment loss has been included under “other gains and losses” in the statement of comprehensive income. The Company determined the recoverable amount of these items of other equipment based on value in use, using a discount rate 12.8%.

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	3-20 years

As of December 31, 2025 and 2024, the property, plant and equipment pledged as collaterals for bank borrowings are set out in Note 34.

On the Company's capitalized interest for the periods for years ended December 31, 2025 and 2024, please refer to Note 27(c).

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2025	2024
<u>Carrying amount</u>		
Buildings	\$ 808,154	\$ 873,245
Land	151,146	163,334
Transportation equipment	5,580	1,655
Office equipment	<u>152</u>	<u>607</u>
	<u>\$ 965,032</u>	<u>\$ 1,038,841</u>
	For the Year Ended December 31	
	2025	2024
Additions to right-of-use assets	<u>\$ 12,220</u>	<u>\$ 131,273</u>
Depreciation charge for right-of-use assets		
Buildings	\$ 46,056	\$ 57,720
Land	6,070	6,304
Transportation equipment	2,931	3,620
Office equipment	<u>455</u>	<u>455</u>
	<u>\$ 55,512</u>	<u>\$ 68,099</u>

The Company 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 \$1,139 thousand was recognized in 2024. This impairment loss has been recorded under "other gains and losses" in the statement of comprehensive income.

b. Lease liabilities

	December 31	
	2025	2024
<u>Carrying amount</u>		
Current	<u>\$ 44,058</u>	<u>\$ 44,800</u>
Non-current	<u>\$ 1,005,161</u>	<u>\$ 1,061,378</u>

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

	December 31	
	2025	2024
Buildings	2.02%-3.25%	2.02%-3.25%
Land	3.26%	3.26%
Transportation equipment	2.51%-3.42%	2.02%-2.65%
Office equipment	2.11%	2.11%

c. Material leasing activities and terms

The Company leases certain land, buildings, other equipment for operating purposes for a period of 3 to 30 years. The Company 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>\$ 302</u>	<u>\$ 1,224</u>
Expenses relating to low-value asset leases	<u>\$ 527</u>	<u>\$ 501</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 4,902</u>	<u>\$ 5,335</u>
Total cash outflow for leases	<u>\$ (74,596)</u>	<u>\$ (94,616)</u>

The Company 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.

17. INVESTMENT PROPERTY

	<u>Properties</u>		<u>Right-of-use Asset</u>	<u>Total</u>
	<u>Land</u>	<u>Buildings</u>	<u>Land</u>	
<u>Cost</u>				
Balance on January 1, 2025	\$ 747,300	\$ 2,510,274	\$ 75,293	\$ 3,332,867
From property, plant and equipment	-	54,385	-	54,385
From right-of-use assets	-	-	7,842	7,842
Balance on December 31, 2025	<u>747,300</u>	<u>2,564,659</u>	<u>83,135</u>	<u>3,395,094</u>
<u>Accumulated depreciation</u>				
Balance on January 1, 2025	-	991,640	16,134	1,007,774
Depreciation expense	-	103,380	2,923	106,303
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>1,136,370</u>	<u>20,779</u>	<u>1,157,149</u>
Carrying amount on December 31, 2025	<u>\$ 747,300</u>	<u>\$ 1,428,289</u>	<u>\$ 62,356</u>	<u>\$ 2,237,945</u>
<u>Cost</u>				
Balance on January 1, 2024 and December 31, 2024	<u>\$ 747,300</u>	<u>\$ 2,510,274</u>	<u>\$ 75,293</u>	<u>\$ 3,332,867</u>
<u>Accumulated depreciation</u>				
Balance on January 1, 2024	-	890,293	13,445	903,738
Depreciation expense	-	101,347	2,689	104,036
Balance on December 31, 2024	<u>-</u>	<u>991,640</u>	<u>16,134</u>	<u>1,007,774</u>
Carrying amount on December 31, 2024	<u>\$ 747,300</u>	<u>\$ 1,518,634</u>	<u>\$ 59,159</u>	<u>\$ 2,325,093</u>

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 Company's investment properties pledged as collateral for borrowings are shown in Note 34.

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.

The fair value of investment properties has not been assessed by independent valuers and is determined solely by the Company's management with reference to market evidence of transaction prices for similar real estate. The related fair values are as follows:

	December 31	
	2025	2024
Fair value	<u>\$ 3,183,024</u>	<u>\$ 3,112,593</u>

Right-of-use assets included in investment properties represent land located in Hsinchu that is leased by the Company and subleased under operating leases to other companies.

The Company 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	\$ 307,531	\$ 281,774
Second year	289,409	253,895
Third year	289,589	257,893
Forth year	268,285	258,973
Fifth year	235,582	246,800
Sixth year and above	<u>732,123</u>	<u>960,039</u>
	<u>\$ 2,122,519</u>	<u>\$ 2,259,374</u>

For rental income arising from operating leases for the years 2025 and 2024, please refer to Note 27(a).

18. INTANGIBLE ASSETS

	December 31	
	2025	2024
Computer software	<u>\$ 16,952</u>	<u>\$ 1,304</u>
		Computer Software
<u>Cost</u>		
Balance on January 1, 2025		\$ 3,287
Acquired		18,403
Derecognition		<u>(1,975)</u>
Balance on December 31, 2025		<u>31,416</u>
		(Continued)

	Computer Software
<u>Accumulated amortization</u>	
Balance on January 1, 2025	\$ 1,983
Amortization expense	2,755
Derecognition	<u>(1,975)</u>
Balance on December 31, 2025	<u>2,763</u>
Carrying amount on December 31, 2025	<u>\$ 16,952</u>
<u>Cost</u>	
Balance on January 1, 2024	\$ 5,653
Acquired	2,350
Derecognition	<u>(4,716)</u>
Balance on December 31, 2024	<u>3,287</u>
<u>Accumulated amortization</u>	
Balance on January 1, 2024	4,088
Amortization expense	2,611
Derecognition	<u>(4,716)</u>
Balance on December 31, 2024	<u>1,983</u>
Carrying amount on December 31, 2024	<u>\$ 1,304</u> (Concluded)

No impairment loss was recognized or reversed for intangible assets for the years ended December 31, 2025 and 2024.

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

Computer software	1-3 years
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19. LOANS

a. Short-term borrowings

	<u>December 31</u>	
	2025	2024
<u>Unsecured borrowings</u>		
Bank loans	<u>\$ 600,000</u>	<u>\$ -</u>

The interest rate for unsecured bank loans was 2.478% per annum as of December 31, 2025.

b. Short-term bills payable

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
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)	\$ 4,100,000	\$ 4,784,133
Bank loans - power plant project loans	633,717	659,814
Bank loans - medium- and long-term loans	402,429	753,308
<u>Unsecured borrowings</u>		
Bank loans - medium- and long-term loans	<u>622,000</u>	<u>684,312</u>
	5,758,146	6,881,567
Less: Current portion	<u>(4,545,449)</u>	<u>(1,155,231)</u>
Long-term bank loans	<u>\$ 1,212,697</u>	<u>\$ 5,726,336</u>
Loan content		
Annual interest rate	2.51%-3.49%	2.51%-3.48%

1) The aforementioned bank secured loans will mature successively in 2026; the power plant project financing loans will mature successively in 2032; and the unsecured loans will mature successively in 2038.

2) Compliance with loan contracts

The Company 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 Company was 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 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, it was not considered in default of the contract. But the Company should 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 Company for the first half and the full year of 2025 would not be reviewed.

3) Please refer to Note 34 for details of the assets used as guarantees for the Company's bank loans.

20. NOTES PAYABLE AND TRADE PAYABLES

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Notes payable</u>		
Operating	\$ <u>-</u>	\$ <u>2</u>
<u>Trade payables</u>		
Operating	\$ <u>324,039</u>	\$ <u>457,531</u>

21. BONDS PAYABLE

	December 31, 2024
Issuance amount	\$ 3,000,000
Accumulated converted amount	(100)
Accumulated redeemed amount	<u>(2,999,900)</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:

<u>3rd Domestic Unsecured Convertible Bonds</u>	
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.

22. OTHER LIABILITIES

	December 31	
	2025	2024
Payables for litigation compensation	\$ 180,765	\$ 508,203
Payables for purchases of equipment	127,239	375,204
Payables for salaries or bonuses	117,872	174,379
Payables for interests	29,673	12,649
Payables for pension	4,076	6,446
Others	<u>139,940</u>	<u>274,331</u>
	<u>\$ 599,565</u>	<u>\$ 1,351,212</u>

23. PROVISIONS

	December 31	
	2025	2024
<u>Current</u>		
Discounts (a)	<u>\$ 2,202</u>	<u>\$ 128,562</u>
<u>Non-current</u>		
Warranties (b)	\$ 126,998	\$ 142,075
Restoration obligation (c)	<u>104,412</u>	<u>107,741</u>
	<u>\$ 231,410</u>	<u>\$ 249,816</u>
	Warranties	Restoration Obligation
Balance on January 1, 2025	\$ 142,075	\$ 107,741
Provision recognized for the year	29,856	1,005
Reversal recognized for the year	(8,112)	(35)
Payments made during the year	<u>(36,821)</u>	<u>(4,299)</u>
Balance on December 31, 2025	<u>\$ 126,998</u>	<u>\$ 104,412</u>
Balance on January 1, 2024	\$ 128,214	\$ 86,321
Provision recognized for the year	29,665	25,408
Reversal recognized for the year	(15,804)	(171)
Payments made during the year	<u>-</u>	<u>(3,817)</u>
Balance on December 31, 2024	<u>\$ 142,075</u>	<u>\$ 107,741</u>

- a. The Company expected to give discounts or concessions to its customers, which were recorded under “other current liabilities.”
- b. The Company’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 Company 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.

24. POST-EMPLOYMENT BENEFIT PLANS

The Company 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 Company recognized total expenses of NT\$32,747 thousand and NT\$40,085 thousand in the statements of comprehensive income in respect of the defined contribution plan for the years 2025 and 2024, respectively.

25. EQUITY

- a. Share capital

Ordinary shares

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
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

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<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 27(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 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 Company (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.

26. REVENUE

a. Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Notes receivable and trade receivables (Note 10)	<u>\$ 277,385</u>	<u>\$ 458,699</u>	<u>\$ 958,339</u>
Trade receivables - related parties (Notes 10)	<u>\$ 13,189</u>	<u>\$ 28,866</u>	<u>\$ 42</u>
Contract assets			
Construction contract	<u>\$ 49,200</u>	<u>\$ 16,252</u>	<u>\$ 4,401</u>
Contract liabilities			
Sale of goods	\$ 62,618	\$ 118,503	\$ 115,375
Construction contract	<u>40,358</u>	<u>33,491</u>	<u>19,948</u>
Contract liabilities - current	<u>\$ 102,976</u>	<u>\$ 151,994</u>	<u>\$ 135,323</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:

	<u>For the Year Ended December 31</u>	
	2025	2024
From the beginning contract liability		
Sale of goods	\$ 63,459	\$ 60,849
Power facility construction contracts	<u>33,491</u>	<u>19,948</u>
	<u>\$ 96,950</u>	<u>\$ 80,797</u>

b. Disaggregation of revenue

	<u>For the Year Ended December 31</u>	
	2025	2024
Major products		
Solar products	\$ 2,044,352	\$ 3,887,923
Others	<u>489,969</u>	<u>411,123</u>
	<u>\$ 2,534,321</u>	<u>\$ 4,299,046</u>

c. Customer contracts not yet fully satisfied

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

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Sales of goods		
- In 2025	\$ -	\$ 63,459
- In 2026	62,618	55,044
Power facility construction contracts		
- In 2025	-	33,491
- In 2026	<u>40,358</u>	<u>-</u>
	<u>\$ 102,976</u>	<u>\$ 151,994</u>

27. NET PROFIT

a. Other income

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Lease income	\$ 208,778	\$ 194,175
Dividend income	13,635	21,805
Service income	17,504	17,504
Other income	<u>257,074</u>	<u>39,018</u>
	<u>\$ 496,991</u>	<u>\$ 272,502</u>

Other income includes the reversal of prior years' estimated losses exceeding the settlement amount of \$231,703 thousand (see Note 35(a)11).

b. Other gains and losses

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Gains on disposal of investments	\$ 56,731	\$ 2,754
Gains (losses) on foreign currency exchange	6,264	17,464
Gains on disposal of property, plant and equipment	400	25,426
Financial assets mandatorily classified at FVTPL	(46,432)	(11,761)
Impairment loss recognized on property, plant and equipment	(70,269)	(732,776)
Other	<u>(24,899)</u>	<u>(386,405)</u>
	<u>\$ (78,205)</u>	<u>\$ (1,085,298)</u>

c. Finance costs

	<u>For the Year Ended December 31</u>	
	2025	2024
Interest on bank loans	\$ 219,964	\$ 170,832
Interest on lease liabilities	24,497	22,901
Interest on convertible bonds	-	13,819
Other interest expense	<u>46,001</u>	<u>107,735</u>
	<u>\$ 290,462</u>	<u>\$ 315,287</u>

Information on capitalized interest is as follows:

	<u>For the Year Ended December 31</u>	
	2025	2024
Capitalized interest amount	<u>\$ 4,482</u>	<u>\$ 15,368</u>
Capitalized interest rate	3.32%-3.42%	3.18%-3.40%

d. Depreciation and amortization

	<u>For the Year Ended December 31</u>	
	2025	2024
An analysis of depreciation by function		
Operating costs	\$ 517,585	\$ 589,502
Operating expenses	72,865	41,532
Non-operating expenses	<u>106,303</u>	<u>104,036</u>
	<u>\$ 696,753</u>	<u>\$ 735,070</u>
An analysis of amortization by function		
Operating expenses	<u>\$ 2,755</u>	<u>\$ 2,611</u>

e. Employee benefits expense

	<u>For the Year Ended December 31</u>	
	2025	2024
Post-employment benefits		
Defined contribution plans (Note 24)	\$ 32,747	\$ 40,085
Salaries	846,803	822,821
Labor and health insurance	69,146	84,456
Remuneration of directors	9,359	8,986
Other employee benefits	<u>50,997</u>	<u>69,901</u>
Total employee benefits expense	<u>\$ 1,009,052</u>	<u>\$ 1,026,249</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 650,494	\$ 699,076
Operating expenses	<u>358,558</u>	<u>327,173</u>
	<u>\$ 1,009,052</u>	<u>\$ 1,026,249</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 years 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 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	\$ 20,105	\$ 95,917
Foreign exchange losses	<u>(13,841)</u>	<u>(78,453)</u>
Net profit (loss)	<u>\$ 6,264</u>	<u>\$ 17,464</u>

28. 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
Deferred tax		
For the current period	<u>\$ -</u>	<u>\$ (278,283)</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>\$ (1,247,485)</u>	<u>\$ (1,856,074)</u>
Income tax expense calculated at the statutory rate	\$ 249,497	\$ 371,215
Non-deductible expenses for tax purposes	62,343	(9,375)
Unrecognized loss carryforwards	(466,082)	(161,919)
Unrecognized deductible temporary differences	<u>154,242</u>	<u>(478,204)</u>
Income tax expense recognized in profit or loss	<u>\$ _____</u>	<u>\$ (278,283)</u>

b. Current tax assets and liabilities

	December 31	
	2025	2024
Current tax assets		
Tax refund receivable	<u>\$ 10,731</u>	<u>\$ 9,014</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	Closing Balance
<u>Deferred tax assets</u>			
Loss carryforwards	\$ 100,078	\$ (10,617)	\$ 89,461
Unrealized losses on FVTPL	-	7,184	7,184
Others	<u>20,332</u>	<u>(922)</u>	<u>19,410</u>
	<u>\$ 120,410</u>	<u>\$ (4,355)</u>	<u>\$ 116,055</u>
<u>Deferred tax liabilities</u>			
Unrealized gains on foreign currency translation	\$ 4,205	\$ (1,219)	\$ 2,986
Unrealized gains on FVTPL	2,214	(2,214)	-
Others	<u>27,633</u>	<u>(922)</u>	<u>26,711</u>
	<u>\$ 34,052</u>	<u>\$ (4,355)</u>	<u>\$ 29,697</u>

For the year ended December 31, 2024

	Opening Balance	Recognized in Profit or Loss	Closing Balance
<u>Deferred tax assets</u>			
Loss carryforwards	\$ 376,459	\$ (276,381)	\$ 100,078
Others	<u>16,262</u>	<u>4,070</u>	<u>20,332</u>
	<u>\$ 392,721</u>	<u>\$ (272,311)</u>	<u>\$ 120,410</u>
<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
Others	<u>23,563</u>	<u>4,070</u>	<u>27,633</u>
	<u>\$ 28,080</u>	<u>\$ 5,972</u>	<u>\$ 34,052</u>

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

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Deductible temporary differences	\$ 2,325,733	\$ 2,384,335
Loss carryforwards	<u>3,567,847</u>	<u>3,101,765</u>
	<u>\$ 5,893,580</u>	<u>\$ 5,486,100</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
1,973,963	2027
2,943,320	2028
2,861,383	2029
2,378,373	2030
1,850,123	2031
240,950	2032
1,457,701	2033
734,941	2034
<u>2,359,379</u>	2035
<u>\$ 18,286,544</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.

29. 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 Company 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.

30. CASH FLOW INFORMATION

a. Non-cash transactions

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

	<u>For the Year Ended December 31</u>	
	2025	2024
Acquisition of property, plant and equipment	\$ 103,020	\$ 810,617
Net change of equipment payables	260,421	141,705
Net change in prepayments for equipment	10,847	-
Increase in interest capitalized	(4,882)	(15,368)
Increase in provisions	(591)	-
Effect of exchange rate changes	<u>(2,672)</u>	<u>19,555</u>
Payments of cash	<u>\$ 366,143</u>	<u>\$ 956,509</u>

b. Changes in liabilities arising from financing activities

January 1 to December 31, 2025

	Opening Balance	Cash Flows	Non-cash Changes Amortization of Interest	Others	Closing Balance
Short-term borrowings	\$ -	\$ 600,000	\$ -	\$ -	\$ 600,000
Short-term bills payable	47,658	(4,400)	60	-	43,318
Long-term borrowings	6,881,567	(1,123,421)	-	-	5,758,146
Lease liabilities	<u>1,106,178</u>	<u>(44,368)</u>	<u>-</u>	<u>(12,591)</u>	<u>1,049,219</u>
	<u>\$ 8,035,403</u>	<u>\$ (572,189)</u>	<u>\$ 60</u>	<u>\$ (12,591)</u>	<u>\$ 7,450,683</u>

January 1 to December 31, 2024

	Opening Balance	Cash Flows	Non-cash Changes Amortization of Interest	Others	Closing Balance
Short-term borrowings	\$ 204,000	\$ (204,000)	\$ -	\$ -	\$ -
Short-term bills payable	-	47,800	(142)	-	47,658
Long-term borrowings	3,522,284	3,330,682	-	28,601	6,881,567
Bonds payable	2,986,081	(2,999,900)	13,819	-	-
Lease liabilities	<u>1,058,062</u>	<u>(64,655)</u>	<u>-</u>	<u>112,771</u>	<u>1,106,178</u>
	<u>\$ 7,770,427</u>	<u>\$ 109,927</u>	<u>\$ 13,677</u>	<u>\$ 141,372</u>	<u>\$ 8,035,403</u>

31. CAPITAL RISK MANAGEMENT

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

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

December 31, 2024

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

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 Other Comprehensive Income
	Unquoted Equity Instruments
Balance on January 1, 2024	\$ 297,500
Additions	139,670
Capital reduction and refund of share capitals	(2,688)
Reclassification	(5,615)
Transfer to Level 3	(137,101)
Recognised in other comprehensive income (unrealised valuation gains and losses of financial assets measured at fair value through other comprehensive income)	<u>(33,236)</u>
Balance on December 31, 2024	<u>\$ 258,530</u>
	Financial Liabilities at Fair Value Through Other Comprehensive Income
	Short Call Options
Financial Liabilities	
Balance on January 1, 2024	\$ 11,643
Recognized in profit or loss - unrealized	<u>(11,385)</u>
Balance on December 31, 2024	<u>\$ 258</u>

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Securities listed (OTC) in the ROC	The Company'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 Company.

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 Company 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><u>\$ (13)</u></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><u>\$ (11)</u></u>

c. Categories of financial instruments

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
<u>Financial assets</u>		
FVTPL		
Mandatorily measured at FVTPL	\$ 248,976	\$ 262,028
Financial assets at amortized cost (Note 1)	4,870,715	6,764,107
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)	7,582,437	8,961,830

Note 1: The balance included financial assets measured at amortized cost, such as cash and cash equivalents, time deposits with original maturities of more than three months, notes receivable, trade receivables, trade receivables - related parties, other receivables (excluding tax refund receivables), other receivables - related parties, restricted demand deposits, restricted time deposits, and refundable deposits.

Note 2: The balance comprised financial liabilities measured at amortized cost, including short-term borrowings, short-term bills payable, notes payable, trade payables, trade payables - related parties, certain other payables, other payables - related parties, long-term borrowings (including the current portion), and guarantee deposits.

d. Financial risk management objectives and policies

The Company's major financial instruments include equity investments, trade receivables, trade payables, borrowings, lease liabilities. The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Company through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

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

There had been no changes in the Company'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 Company'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 financial statements), as well as the carrying amounts of derivative instruments exposed to foreign exchange risk, please refer to Note 37.

Sensitivity analysis

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

The following table illustrates the sensitivity analysis of the Company 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 Company 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>	
	2025	2024	2025	2024	2025	2024
(Loss) profit	\$ (1,680)	\$ 2474	\$ (70)	\$ (294)	\$ (88)	\$ (103)

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 Company is exposed to interest rate risk because entities in the Company borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetites ensuring the most cost-effective hedging strategies are applied.

The carrying amounts of the Company'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	\$ 480,073	\$ 579,123
Financial liabilities	1,692,537	1,153,836
Cash flow interest rate risk		
Financial assets	3,567,519	5,075,730
Financial liabilities	5,758,146	6,881,567

Sensitivity analysis

The sensitivity analysis below was based on the Company'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 Company'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 Company's pretax net loss for the years ended December 31, 2025 and 2024 would have increased/decreased by \$5,477 thousand and \$4,515 thousand, respectively, mainly because of exposure to interest rate risk on the Company's demand deposits, time deposits and long-term borrowings.

c) Price risk

In 2025 and 2024, the Company'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 Company if a counterparty fails to meet its contractual obligations. At the end of the reporting period, the Company's maximum exposure to credit risk primarily arises from the carrying amounts of financial assets recognized in the balance sheet.

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

The Company'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 42% and 34%, respectively.

3) Liquidity risk

As of December 31, 2025, the Company's current ratio was 85.23%. The Company 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 Company 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 Company 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 Company 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 Company. As of December 31, 2025 and 2024, the Company had unused bank credit facilities amounting to \$2,446,893 thousand and \$4,232,271 thousand, respectively.

The following table shows the Company’s remaining contractual maturities of non-derivative financial liabilities with agreed repayment periods. The analysis is based on the earliest date on which the Company 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	\$ 27,418	\$ 617,525	\$ 4,039,616	\$ 845,664	\$ 509,168
Fixed interest rate liabilities	-	43,318	606,069	-	-
Non-interest bearing liabilities	201,611	157,783	28,151	375,233	150,156
Lease liabilities	<u>6,085</u>	<u>12,170</u>	<u>53,510</u>	<u>278,039</u>	<u>955,772</u>
	<u>\$ 235,114</u>	<u>\$ 830,796</u>	<u>\$ 4,727,346</u>	<u>\$ 1,498,936</u>	<u>\$ 1,615,096</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	\$ 28,429	\$ 304,878	\$ 1,032,105	\$ 5,387,836	\$ 617,629
Fixed interest rate liabilities	-	47,658	-	-	-
Non-interest bearing liabilities	119,036	203,776	1,008,932	263,265	169,345
Lease liabilities	<u>7,768</u>	<u>12,243</u>	<u>54,629</u>	<u>279,777</u>	<u>1,033,604</u>
	<u>\$ 155,233</u>	<u>\$ 568,555</u>	<u>\$ 2,095,666</u>	<u>\$ 5,930,867</u>	<u>\$ 1,820,578</u>

33. TRANSACTIONS WITH RELATED PARTIES

In addition to disclosures shown in other notes, the transactions between the Company and related parties are shown below:

a. Names and relationships of related parties

<u>Name of Related Party</u>	<u>Relationship with the Company</u>
Beryl Construction LLC (“Beryl”)	Subsidiary
DelSolar US Holdings (Delaware) Corporation (“DelSolar US”)	Subsidiary
GES Energy Middle East FZE (“GES ME”)	Subsidiary
DelSolar Holding (Cayman) Ltd. (“DelSolar (Cayman)”)	Subsidiary
Gintech (Thailand) Limited (“Gintech (Thailand)”)	Subsidiary
NSP SYSTEM NEVADA HOLDING CORP. (“NSP NEVADA”)	Subsidiary
URE NSP Corporation (“URE NSP”)	Subsidiary
Hong Yi Energy Co., Ltd. (“Hong Yi”)	Subsidiary
Zhongyang Corporation (“Zhongyang”)	Subsidiary
Yong Zhou Ltd. (“Yong Zhou”)	Subsidiary

(Continued)

<u>Name of Related Party</u>	<u>Relationship with the Company</u>
Yong Liang Ltd. (“Yong Liang”)	Subsidiary
DelSolar (Wu Jiang) Ltd. (“DelSolar Wu Jiang”)	Subsidiary
Solartech Materials Corporation (SMC)	Subsidiary
Hsin Jin Optoelectronics (“Hsin Jin Optoelectronics”)	Subsidiary
Jiangung Energy Power Co., Ltd. (“Jiangung”)	Subsidiary
Utech Solar Corporation (“Utech”)	Subsidiary
NSP System Development Corp. (“NSP System”)	Subsidiary
Hsin Jin Solar Energy Co., Ltd. (“Hsin Jin Solar Energy”)	Subsidiary
Si Two Corp. (“Si Two”)	Subsidiary
Hong Ying Energy Co., Ltd. (“Hong Ying”)	Subsidiary
Success Energy Co., Ltd (“Success”)	Subsidiary
DS Energy Technology Co., Ltd (“DS Energy”)	Subsidiary
Hong Wang Energy Co., Ltd. (“Hong Wang”)	Subsidiary
Solarbright energy Co., Ltd.	Associate
Gintung Energy Corporation	Associate
V5 Technologies Co., Ltd.	Associate
V5med Inc.	Associate
Apex Solar Corporation (“Apex”)	Associate
Phanes Holding Inc.	Other related party

(Concluded)

b. Sales revenue

Line Item	Related Party	<u>For the Year Ended December 31</u>	
		2025	2024
Sales	Subsidiary	\$ 21,230	\$ 30,633
	Associate	<u>19,631</u>	<u>15,255</u>
		<u>\$ 40,861</u>	<u>\$ 45,888</u>

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

c. Purchases of goods

Related Party	<u>For the Year Ended December 31</u>	
	2025	2024
Subsidiary	<u>\$ -</u>	<u>\$ 56,943</u>

d. Other income

Line Item	Related Party	<u>For the Year Ended December 31</u>	
		2025	2024
Other income	Subsidiary	\$ 15,745	\$ 15,745
	Associate	<u>18,455</u>	<u>7,438</u>
		<u>\$ 34,200</u>	<u>\$ 23,183</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.

e. Receivables from related parties

Line Item	Related Party/Name	December 31	
		2025	2024
Trade receivables from related parties	Subsidiary		
	Yong Liang	\$ 12,751	\$ 18,228
	Zhongyang	438	489
	NSP System	-	8,088
	Si Two	-	70
	Associate	<u>-</u>	<u>1,991</u>
		<u>\$ 13,189</u>	<u>\$ 28,866</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	Subsidiary		
	DelSolar US	\$ 461,994	\$ 481,768
	Other	56,143	58,739
	GES ME	6,594	70,402
	Associate	<u>653</u>	<u>1,506</u>
		525,384	612,415
	Less: Listed as current assets	<u>56,452</u>	<u>60,245</u>
	Listed as non-current assets	<u>\$ 468,932</u>	<u>\$ 552,170</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 related parties	Subsidiary	<u>\$ 32,350</u>	<u>\$ 22,476</u>

Other payables to subsidiaries comprised payables for equipment, operation and maintenance expenses, and interest on borrowings. As of December 31, 2025 and 2024, payables for equipment to related parties amounted to NT\$2,148 thousand and NT\$14,604 thousand, respectively.

h. Loans from related parties

Related Party/Name	For the Year Ended December 31	
	2025	2024
Gintech Thailand	\$ <u>235,688</u>	\$ <u>245,775</u>

Interest expense

Related Party/Name	For the Year Ended December 31	
	2025	2024
Gintech Thailand	\$ <u>16,632</u>	\$ <u>18,046</u>

The Company obtained loans from related parties at interest rates based on the average interest rates of short-term borrowings from financial institutions in the year the funds were provided. The loans are unsecured.

i. Endorsements and guarantees

For information on endorsements and guarantees provided by the Company 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.

34. 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	\$ 2,804,542	\$ 3,122,080
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)	389,442	575,591
Investment using the equity method	186,652	-
Refundable deposits	<u>134,564</u>	<u>127,280</u>
	\$ <u>5,795,893</u>	\$ <u>7,130,744</u>

35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

a. Significant unrecognized contract commitments

1) Unrecognized contract commitments were as follows:

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

2) Under the board of directors' approval, the Company 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 Company obtained orders for power facility construction and contracted the projects out to developers and contractors. The Company entered into construction and materials contract with several contractors, and the unpaid amounts were as follows:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Unpaid amount	<u>\$ 338,164</u>	<u>\$ 530,884</u>

4) The Company agreed to have an obligation to sell the shares of the investees within a specific period; please refer to Note 7.

5) The Company signed power purchase contracts with several companies. Under these contracts, the Company can sell its own power plant to these companies, but these companies are not allowed to resell electricity without authorization from the Company. The contracts are irrevocable and have terms ranging from 15 to 30 years.

6) The Company 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 Company 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:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
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 Company 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 Company recognized an impairment loss of the full amount of advance payments totaling \$785,291 thousand in prior periods.
- 8) The Company 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 Company. The Company 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 Company 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 Company issued guarantees to the Directorate General of Customs and for sales projects, amounting to \$570,964 thousand and \$736,602 thousand, respectively.
- 10) The Company and its subcontractor, FW Co., had a dispute over certain development application procedures. Hence, FW Co. filed a lawsuit against the Company and demanded compensation of \$6,973 thousand. The Company 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 Company's clients, the Company to accept client payments in cash and inventory due to the client's financial difficulties. However, the Company 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 Company 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 Company 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 Company's clients, claimed that the Company failed to deliver goods according to a purchase order schedule. Hence, FV Co. filed a lawsuit against the Company and demanded compensation of US\$1,898 thousand. In the first instance, the court ruled in favor of the Company, and FV did not file an appeal within the prescribed period. Accordingly, the litigation has been concluded. In 2025, the Company reversed the previously recognized estimated loss related to this matter, amounting to \$33,311 thousand, as a reduction of cost of sales.
- 13) The Company 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 Company 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 Company paid \$14,200 thousand to GC Company and refunded its performance bond of \$1,842 thousand.

b. Contingencies

- 1) The Company leased its plants to DU. When a fire broke out in October 2017, DU was affected and requested damages from the Company. The two parties reached a settlement in May 2019 that offset the money DU owed to the Company. However, EZ Bank, the mortgagee of DU's equipment, had objections to the settlement, and requested the Company to pay damages to DU, claim that the creditor's rights and debts could not be offset by the Company. The Company assessed that it was against DU that the creditor's rights of DU and DU's right to claim damages against the Company are legally offset, so EZ Bank's request has no basis. In this case, on July 1, 2021, the court judged that the Company should pay EZ Bank \$159,335 thousand. The Company has appointed a lawyer to file an appeal on the grounds that the judgment was unreasonably flawed.
- 2) The Company, FP, and FQ Co. initiated arbitration for a dispute over a maintenance contract. The Company had recognized estimated losses and will make necessary adjustments in the future, depending on the results of the settlement.
- 3) The Company's supplier, G Co., had a dispute with CE Co. To settle this dispute, CE Co. filed a garnishment and transfer order against the Company, and requested from the Company \$60,480 thousand, with 5% interest annually. In the first instance court ruling, the court ruled in favor of CE Co. Thus, the Company has assessed and recognized possible losses on this case. However, the Company appealed the court decision, claiming inaccuracies in the judgment. In the second instance court ruling, that the Company 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 Company, and the Company will file an appeal in accordance with the law.
- 4) In August 2024, the Company received notices of contract termination from some lessors due to the Company's failure to comply with the solar power plant lease contracts. Upon discovery of the terminations of the contracts, the Company 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 Company 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 Company's lawsuit seeking confirmation of the existence of the lease relationship, and the Company will file an appeal in accordance with the law. Please refer to the Market Observation Post System for relevant information. The Company was still estimating the possible loss on this case.
- 5) The Company 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 Company had assessed that GE Co.'s request was unfounded, and the case has been referred to a lawyer for handling.
- 6) The Company 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 Company to buy back the power plant. As of the date of this report, the related negotiations have not yet reached an agreement and the Company has estimated the possible loss.

36. 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 Company 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.

37. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN-CURRENCIES

The Company'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 were as follows:

For the year ended December 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 19,226	31.4250 (USD:NTD)	\$ 604,177
EUR	426	36.8800 (EUR:NTD)	15,711
GBP	208	42.3100 (GBP:NTD)	8,800
Non-monetary items			
USD	45,049	31.4250 (USD:NTD)	1,415,673
MYR	18,077	7.4785 (MYR:NTD)	135,188
GBP	1,288	42.3100 (GBP:NTD)	54,487
<u>Financial liabilities</u>			
Monetary items			
USD	13,880	31.4250 (USD:NTD)	436,179
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	\$ 20,946	32.7700 (USD:NTD)	\$ 686,400
EUR	2,153	34.1100 (EUR:NTD)	73,439
GBP	251	41.1400 (GBP:NTD)	10,326
Non-monetary items			
USD	42,816	32.7700 (USD:NTD)	1,403,069
MYR	15,304	7.0685 (MYR:NTD)	108,176
GBP	1,359	41.1400 (GBP:NTD)	55,904

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 28,496	32.7700 (USD:NTD)	\$ 933,814
EUR	1,290	34.1100 (EUR:NTD)	44,002
			(Concluded)

For the years ended December 31, 2025 and 2024, realized and unrealized foreign exchange gains were \$6,264 thousand and \$17,464 thousand, respectively. It is impractical to disclose net foreign exchange gains by each significant foreign currency due to the variety of the foreign currency transactions of the Company entities.

38. 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)

b. Information on investees: (Table 5)

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 6
- 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.

UNITED RENEWABLE ENERGY CO., LTD.

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.

UNITED RENEWABLE ENERGY CO., LTD.

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.

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 34.

UNITED RENEWABLE ENERGY CO., LTD.

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)	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
United Renewable Energy Co., Ltd. (the "Company")	DelSolar US	Sub-subsidiary	\$ 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: Receivables arising from power plant construction payments or procurement transactions do not apply to turnover rate.

UNITED RENEWABLE ENERGY CO., LTD.

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)	Note 1
	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)	
	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)	
	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)	
	TSST	Malaysia	Solar-related business	417,692	417,692	97,701	42.12	135,187	31,112	13,105	
	V5 Technology	Taiwan	Electronic component manufacturing and selling	129,152	132,803	8,170	19.66	200,159	581,838	110,552	
	Gintung	Taiwan	Electronic component manufacturing	34,341	34,341	13,460	36.38	-	(261,686)	-	
Solarbright	Taiwan	Solar-related business	30,000	30,000	9,000	30	90,920	7,134	14		
UREE	Taiwan	Solar-related business	104,923	-	19,000	10	186,652	30,390	23,780		

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 Company 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 34.

UNITED RENEWABLE ENERGY CO., LTD.

**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 3)	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 December 31, 2025 exchange rate was used.

Note 3: 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.

UNITED RENEWABLE ENERGY CO., LTD.

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UNITED RENEWABLE ENERGY CO., LTD.**STATEMENT OF CASH AND CASH EQUIVALENTS****DECEMBER 31, 2025****(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

Item	Description	Amount
Cash on hand and petty cash		\$ <u>131</u>
Cash in banks		
Checking accounts and demand deposits		1,196,946
Foreign currency demand deposits - USD	US\$567 thousand @31.425	17,827
Foreign currency demand deposits - GBP	GBP208 thousand @42.31	8,784
Foreign currency demand deposits - EUR	EUR204 thousand @36.88	7,534
Foreign currency demand deposits - RMB	RMB2 thousand @4.5	<u>7</u>
		<u>1,231,098</u>
Cash equivalents		
Repurchase agreements collateralized by bonds - TWD	Expire in, January 2025 with APR1.22%-1.25%	2,242,486
Time deposits - TWD	Expire in, February 2025 with APR1.245%	<u>50,000</u>
		<u>2,292,486</u>
		<u>\$ 3,523,715</u>

UNITED RENEWABLE ENERGY CO., LTD.

STATEMENT OF CHANGES IN FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
 FOR THE YEAR ENDED DECEMBER 31, 2025
 (In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Name	January 1, 2025		Additions		Decrease		Valuation Adjustments	December 31, 2025		Collateral	Note
	Number of Shares (In Thousands)	Amount	Number of Shares (In Thousands)	Amount	Number of Shares (In Thousands)	Amount		Number of Shares (In Thousands)	Amount		
<u>Current</u>											
Domestic listed shares											
CTCI Corporation	3,003	\$ 115,916	301	\$ -	-	\$ -	\$ (13,827)	3,304	\$ 102,089	Y	1
<u>Non-current</u>											
Domestic listed shares											
ThinTech Materials Technology Co., Ltd	7,000	436,520	-	-	-	-	(88,620)	7,000	347,900	N	
Evergreen Aviation Technologies Corporation	750	72,900	-	-	(750)	(47,250)	(25,650)	-	-	N	
Taiwan Speciality Chemicals Corporation	2,226	387,280	-	-	(1,746)	(35,850)	199,831	480	151,599	N	
		<u>896,700</u>		<u>-</u>		<u>(83,100)</u>	<u>(314,101)</u>		<u>499,499</u>		
Domestic unlisted shares											
Kai Hong Energy Co., Ltd.	7,202	72,019	8,672	86,720	-	-	-	15,874	158,739	N	
Soar Taiwan Co., Ltd.	6,765	67,652	-	-	-	-	-	6,765	67,652	N	
United Renewable Energy Engineering Co., Ltd.	57,300	100,259	-	-	(19,000)	(104,923)	17,068	38,300	12,404	Y	2
GaN Power Technology Co., Ltd.	1,110	11,100	-	-	-	-	-	1,110	11,100	N	
NTNU Innovation Investment Holding Company	200	2,000	-	-	-	-	-	200	2,000	N	
		<u>253,030</u>		<u>86,720</u>		<u>(104,923)</u>	<u>17,068</u>		<u>251,895</u>		
Foreign unlisted common shares											
ASIA GLOBAL VENTURE CAPITAL II CO., LTD.	441	5,500	-	-	(44)	(1,312)	-	397	4,188	N	3
		<u>1,155,230</u>		<u>86,720</u>		<u>(189,335)</u>	<u>(297,033)</u>		<u>755,582</u>		
		<u>\$ 1,271,146</u>		<u>\$ 86,720</u>		<u>\$ (189,335)</u>	<u>\$ (310,860)</u>		<u>\$ 857,671</u>		

Note 1: The increase during the year was due to the distribution of stock dividends.

Note 2: The decrease during the year was due to the Company obtaining significant influence over United Renewable Energy Engineering Co., Ltd. in June 2025 as a result of a modification of the contract in respect of its Class A preferred shares investment. Accordingly, the investment previously classified as financial assets at fair value through other comprehensive income was reclassified to investments accounted for using the equity method at its fair value of NT\$162,872 thousand on the date of reclassification. In addition, the cumulative gain previously recognized in other equity amounting to NT\$57,949 thousand in relation to the equity instrument investment was transferred to retained earnings.

Note 3: The decrease during the year was due to capital reduction with a cash refund of NT\$1,312 thousand.

UNITED RENEWABLE ENERGY CO., LTD.

STATEMENT OF NOTE RECEIVABLES

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

Customer Name	Amount
Unrelated parties	
Company A	<u>\$ 102</u>

UNITED RENEWABLE ENERGY CO., LTD.

STATEMENT OF TRADE RECEIVABLES

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

Customer Name	Amount
Unrelated parties	
Company FA	\$ 54,602
Company FZ	40,145
Others (Note)	<u>182,536</u>
	<u>\$ 277,283</u>

Note: The amount of individual customer included in others does not exceed 10% of the account balance.

UNITED RENEWABLE ENERGY CO., LTD.

STATEMENT OF INVENTORIES

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

Item	Amount	
	Cost	Net Realizable Value
Finished goods	\$ 568,257	\$ 591,301
Raw materials	60,754	99,617
Work in progress	<u>4,353</u>	<u>4,353</u>
Net amount	<u>\$ 633,364</u>	<u>\$ 695,271</u>

UNITED RENEWABLE ENERGY CO., LTD.

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investees	Balance, January 1, 2025			Increase (Decrease)		Exchange Differences on Translation Foreign Operation	Share from Subsidiaries Accounted for Using the Equity Method	Share of Changes in Equity of Associates and Joint Ventures Accounted for Using the Equity Method	Deferred Realized (Unrealized) Gross Profit	Balance, December 31, 2025			Unit Price	Collateral	Note
	Shares (In Thousands)	% of Ownership	Amount	Shares (In Thousands)	Amount					Shares (In Thousands)	% of Ownership	Amount			
Adopted the equity method to evaluate Subsidiaries															
UES	62,188	100.00	\$ 959,519	-	\$ -	\$ 34,765	\$ (69,723)	\$ -	\$ -	62,188	100.00	\$ 924,561	\$ 924,561	N	
DelSolar Cayman	164,266	100.00	(2,452)	-	(360)	9,721	6,800	-	-	164,266	100.00	13,709	13,709	N	2
NSP BVI	433	100.00	6,813	-	-	(280)	8	-	-	433	100.00	6,541	6,541	N	
GES ME	4	100.00	-	-	(1,925)	2,920	(995)	-	-	4	100.00	-	(58,397)	N	3
NSP UK	580	100.00	55,905	-	-	1,501	(2,920)	-	-	580	100.00	54,486	54,486	N	
NSP System	25,420	100.00	105,469	-	-	-	(6,457)	-	766	25,420	100.00	99,778	155,738	N	4
Zhongyang	14,200	100.00	143,259	-	(1,133)	-	4,114	-	-	14,200	100.00	146,240	146,240	N	5
DelSolar Singapore	1,250	100.00	18,378	-	-	(762)	(905)	-	-	1,250	100.00	16,711	16,711	N	
SMC	1,000	100.00	10,123	-	(107)	-	57	-	-	1,000	100.00	10,073	10,073	N	5
Utech	67,737	99.99	(373,535)	(9,432)	480,000	-	(113,244)	(1,253)	-	58,305	99.99	(8,032)	474,586	N	6
Yong Liang	24,900	18.88	156,217	(4,770)	-	-	(1,183)	1,253	2,410	20,130	12.82	158,697	200,311	N	7
Yong Zhou	-	100.00	5,996	-	-	-	(4,216)	-	-	-	100.00	1,780	1,780	N	
GES UK	89,133	100.00	420,812	-	36,679	26,978	(30,644)	327	-	89,133	100.00	454,152	459,168	N	8
DS Energy	11,947	100.00	105,051	-	-	-	2,886	-	-	11,947	100.00	107,937	65,984	N	9
Hong Yi	2,350	100.00	542	-	-	-	(12)	-	-	2,350	100.00	530	530	N	
United Intelligence	210	100.00	531	-	-	-	(65)	-	-	210	100.00	466	466	N	
Hong Wang	10	100.00	81	-	-	-	(13)	-	-	10	100.00	68	68	N	
			<u>1,612,709</u>		<u>513,154</u>	<u>74,843</u>	<u>(216,512)</u>	<u>327</u>	<u>3,176</u>			<u>1,987,697</u>	<u>2,472,555</u>		
Joint ventures															
TSST	97,701	42.12	108,176	-	-	13,906	13,105	-	-	97,701	42.12	135,187	135,187	N	
V5 Technology	8,459	21.04	91,697	(289)	(3,636)	-	110,552	1,546	-	8,170	19.66	200,159	200,159	N	10
Gintung	13,460	36.38	-	-	-	-	-	-	-	13,460	36.38	-	(99,698)	N	
Solarbright	9,000	30.00	92,677	-	(1,771)	-	14	-	-	9,000	30.00	90,920	90,920	N	11
UREE	-	-	-	19,000	162,872	-	23,780	-	-	19,000	10.00	186,652	186,652	Y	12
			<u>292,550</u>		<u>157,465</u>	<u>13,906</u>	<u>147,451</u>	<u>1,546</u>	<u>-</u>			<u>612,918</u>	<u>513,220</u>		
			<u>1,905,259</u>		<u>\$ 670,619</u>	<u>\$ 88,749</u>	<u>\$ (69,061)</u>	<u>\$ 1,873</u>	<u>\$ 3,176</u>			<u>2,600,615</u>	<u>2,985,775</u>		
Credit balance of investments accounted for using the equity method			<u>375,987</u>									<u>8,032</u>	<u>-</u>		
			<u>\$ 2,281,246</u>									<u>\$ 2,608,647</u>	<u>\$ 2,985,775</u>		

Note 1: The subsidiaries accounted for using the equity method as described above were based on financial statements for the same periods audited by independent auditors.

Note 2: The decrease during the year was due to the offset of the credit balance of long-term equity investments against other receivables from related parties.

Note 3: GES ME carried out capital increases in April and May 2025 amounting to US\$150 thousand (NT\$4,963 thousand) and US\$200 thousand (NT\$6,034 thousand), respectively. In addition, NT\$12,920 thousand of the credit balance of long-term equity investments was offset against other receivables from related parties.

Note 4: The difference between the carrying amount and the share of net assets of NSP System was attributable to unrealized downstream gross profit of NT\$43,311 thousand and unrealized upstream gross profit of NT\$12,649 thousand.

Note 5: The decrease during the year was due to earnings distribution.

Note 6: Utech carried out a capital reduction to offset accumulated losses of NT\$574,315 thousand in September 2025 and a cash capital increase of NT\$480,000 thousand in October 2025. The difference between the carrying amount and the share of net assets was attributable to the difference between the acquisition cost and the fair value of identifiable assets and liabilities acquired, amounting to NT\$(482,618) thousand.

Note 7: Yong Liang carried out a capital reduction to offset accumulated losses of NT\$258,409 thousand in July 2025. The difference between the carrying amount and the share of net assets was attributable to unrealized downstream gross profit of NT\$41,614 thousand.

Note 8: The increase during the year was due to a cash capital increase of US\$1,200 thousand (NT\$36,679 thousand) by GES UK in September 2025 (refer to Note 14). The difference between the carrying amount and the share of net assets was attributable to unrealized upstream gross profit of NT\$5,016 thousand.

Note 9: The difference between the carrying amount and the share of net assets of DS Energy was attributable to the difference between the acquisition cost and the fair value of identifiable assets and liabilities acquired, amounting to NT\$41,953 thousand.

Note 10: The decrease during the year was due to the disposal of equity-method investments in associates.

Note 11: The decrease during the year was due to earnings distribution from associates accounted for using the equity method.

Note 12: The Company obtained significant influence over the investee in June 2025 in accordance with the revised contractual arrangements.

UNITED RENEWABLE ENERGY CO., LTD.

**STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

Item	Balance, January 1, 2025	Additions	Decrease	Reclassified to Investment Properties	Balance, December 31, 2025
Land	\$ 200,466	\$ -	\$ -	\$ (7,842)	\$ 192,624
Buildings	980,257	7,642	(62,840)	-	925,059
Transportation equipment	9,341	4,578	(2,611)	-	11,308
Office equipment	<u>2,276</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,276</u>
	<u>\$ 1,192,340</u>	<u>\$ 12,220</u>	<u>\$ (65,451)</u>	<u>\$ (7,842)</u>	<u>\$ 1,131,267</u>

UNITED RENEWABLE ENERGY CO., LTD.**STATEMENT OF CHANGES IN ACCUMULATED DEPRECIATION AND ACCUMULATED
IMPAIRMENT OF RIGHT-OF-USE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

Item	Balance, January 1, 2025	Additions	Decrease	Reclassified to Investment Properties	Balance, December 31, 2025
Land	\$ 37,132	\$ 6,070	\$ -	\$ (1,722)	\$ 41,480
Buildings	109,290	46,056	(38,443)	-	116,903
Transportation equipment	5,408	2,931	(2,611)	-	5,728
Office equipment	<u>1,669</u>	<u>455</u>	<u>-</u>	<u>-</u>	<u>2,124</u>
	<u>\$ 153,499</u>	<u>\$ 55,512</u>	<u>\$ (41,054)</u>	<u>\$ (1,722)</u>	<u>\$ 166,235</u>

UNITED RENEWABLE ENERGY CO., LTD.

STATEMENT OF SHORT-TERM LOANS

DECEMBER 31, 2025

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

Creditor	Remark	Bank Letter of Credit Borrowing	Contract Period	Range of Interest Rates (%)	Loan Commitments	Collateral
Taiwan Cooperative Bank	working capital	<u>\$ 600,000</u>	2025.05.02-2026.04.30	Note	<u>\$ -</u>	N

Note: The interest rate of the above borrowings was 2.478%.

UNITED RENEWABLE ENERGY CO., LTD.

STATEMENT OF TRADE PAYABLES

DECEMBER 31, 2025

(In Thousands of New Taiwan Dollars)

Vendor Name	Amount
Unrelated parties	
Company FP	\$ 136,845
Company GG	29,695
Company GH	29,622
Company GF	16,403
Company GI	15,268
Other (Note)	<u>96,206</u>
	<u>\$ 324,039</u>

Note: The amount of individual customer included in others does not exceed 5% of the account balance.

UNITED RENEWABLE ENERGY CO., LTD.

STATEMENT OF LEASE LIABILITIES

DECEMBER 31, 2025

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

Item	Contract Period	Discount Rate (%)	Balance, December 31, 2025	Note
Land	2007.8.13- 2037.12.31	3.26	\$ 234,900	Factory land
Buildings	2021.6.22- 2044.12.16	2.02-3.25	808,579	Office premises and power plant rooftops
Transportation equipment	2023.5.26- 2029.7.6	2.51-3.42	5,631	Company vehicles
Office equipment	2021.5.1- 2026.4.30	2.11	<u>(109)</u>	Office machinery
Lease liabilities			1,049,219	
Decrease: Lease liabilities - current			<u>(44,058)</u>	
Lease liabilities - non-current			<u>\$ 1,005,161</u>	

UNITED RENEWABLE ENERGY CO., LTD.

STATEMENT OF LONG-TERM BORROWINGS

DECEMBER 31, 2025

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

Bank	Description	Borrowing Amount			Contract Term	Interest Rate (%)	Pledged or Borrowed
		Due Within One Year	Due Beyond One Year	Total			
Secured							
First Commercial Bank	Secured borrowings	\$ 4,100,000	\$ -	\$ 4,100,000	2023.09-2026.09	Note	Land and buildings
King's Town Bank	Secured borrowings	145,029	-	145,029	2022.12-2026.08	Note	Real estate
CTBC Bank	Secured borrowings	257,400	-	257,400	2023.12-2026.12	Note	Machinery and equipment
Entie Commercial Bank	Project financing for power plants	35,481	497,577	533,058	2024.03-2030.07	Note	Movable equipment
Bank of Shanghai	Project financing for power plants	7,539	93,120	100,659	2023.03-2032.03	Note	Movable equipment
Unsecured							
Taiwan Cooperative Bank	Unsecured borrowings	-	622,000	622,000	2023.12-2038.12	Note	None
		<u>\$ 4,545,449</u>	<u>\$ 1,212,697</u>	<u>\$ 5,758,146</u>			

Note: The above interest rate interval of borrowings were 2.514% to 3.4926%.

UNITED RENEWABLE ENERGY CO., LTD.

**STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

Item	Quantities (In Thousands of Pieces)	Amount
Solar cells and modules	3,856	\$ 2,044,352
Others (Note)		<u>489,969</u>
Net operating revenue		<u>\$ 2,534,321</u>

Note: Others mainly represent revenue from electricity sales and construction.

UNITED RENEWABLE ENERGY CO., LTD.

**STATEMENT OF OPERATING COST
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

Item	Amount
Direct material	
Raw materials at the beginning of the year	\$ 92,546
Add: Raw materials purchased during the year	895,964
Less: Transferred to expenses	137,647
Write-off of raw materials	133
Raw materials at the end of the year	<u>60,754</u>
Direct materials consumed for the year	789,976
Direct labor	200,368
Manufacturing overhead	<u>729,355</u>
Manufacturing cost	1,719,699
Add: Work in process at the beginning of the year	21,852
Less: Work in process at the end of the year	<u>4,353</u>
Cost of finished goods	1,737,198
Add: Finished goods at the beginning of the year	802,821
Purchased finished goods	279,369
Unallocated fixed manufacturing overhead	356,216
Unallocated direct labor	125,539
Others	56,605
Less: Transferred to expenses and others	32,087
Transferred to property, plant and equipment	20,535
Write-off of finished goods	1,152
Finished goods at the end of the year	568,257
Other operating cost	<u>451,083</u>
Operating cost	<u>\$ 3,186,800</u>

UNITED RENEWABLE ENERGY CO., LTD.**STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

Item	Selling Expenses	General and Administrative Expenses	Research and Development Expenses	Amount
Salaries expense	\$ 36,144	\$ 243,402	\$ 25,913	\$ 305,459
Depreciation expense	853	71,467	545	72,865
Freight expense	28,184	7,863	189	36,236
Service fees	14,157	37,751	1,013	52,921
Certification fees	2,068	560	13,505	16,133
Other (Note)	<u>26,584</u>	<u>182,845</u>	<u>26,390</u>	<u>235,819</u>
	<u>\$ 107,990</u>	<u>\$ 543,888</u>	<u>\$ 67,555</u>	<u>\$ 719,433</u>

Note: The balance of each item does not exceed 10% of the balance of this account.

UNITED RENEWABLE ENERGY CO., LTD.

STATEMENT OF LONG-TERM BORROWINGS STATEMENT OF EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION FOR THE YEAR
DECEMBER 31, 2025

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

Item	For the Year Ended December 31							
	2025				2024			
	Operating Costs	Operating Expenses	Non-operating Expenses	Total	Operating Costs	Operating Expenses	Non-operating Expenses	Total
Employee benefits expense								
Salaries expense	\$ 541,344	\$ 305,459	\$ -	\$ 846,803	\$ 554,105	\$ 268,716	\$ -	\$ 822,821
Labor and health insurance expense	48,190	20,956	-	69,146	61,197	23,259	-	84,456
Pension expense	20,949	11,798	-	32,747	26,662	13,423	-	40,085
Directors' remuneration	-	9,359	-	9,359	-	8,986	-	8,986
Other employee benefits expense	40,011	10,986	-	50,997	57,112	12,789	-	69,901
Depreciation expense	517,585	72,865	106,303	696,753	589,502	41,532	104,036	735,070
Amortization expense	-	2,755	-	2,755	-	2,611	-	2,611

Note 1: The Company had 865 and 1,148 employees for the years ended December 31, 2025 and 2024, respectively, of which 9 and 9 were directors who did not concurrently serve as employees. The basis of calculation is consistent with that used for employee benefits expense.

Note 2: The Company's average employee benefits expense amounted to NT\$1,168 thousand and NT\$893 thousand for the years ended December 31, 2025 and 2024, respectively. The average employee salaries expense amounted to NT\$989 thousand and NT\$722 thousand, respectively. The change in the average employee salaries expense was 36.98%.

Note 3:

a. Directors' remuneration policy:

The remuneration of the Company's directors is determined by the Board of Directors with reference to industry practices in Taiwan. Where directors participate in the Company's operations or concurrently hold other positions in the Company, their remuneration is authorized by the shareholders' meeting and determined by the Chairman in accordance with the Company's internal policies.

b. Managers' compensation policy:

Managers' compensation comprises salaries, bonuses and employees' compensation. Salaries are determined based on individual performance and the Company's operating performance, approved by the Chairman, reviewed by the Remuneration Committee, and submitted to the Board of Directors for resolution.

c. Employees' compensation policy:

Employees' compensation comprises salaries, bonuses and employees' compensation. Salaries are determined based on employees' educational background, professional knowledge and skills, and years of experience, with reference to market conditions. Bonuses and employees' compensation are granted based on the nature of duties, departmental characteristics and incentive objectives. The Company conducts periodic performance evaluations, which serve as the basis for promotion, training and development, and compensation decisions.

Note 4: In accordance with the Company's Articles of Incorporation, the Company shall appropriate not less than 3% of profit before tax, before deduction of employees' and directors' compensation, as employees' compensation, and not more than 2% as directors' remuneration. However, if the Company has accumulated losses, such losses shall first be offset before making the aforesaid appropriations.