

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

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2021 and 2020**

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

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Independent Auditors' Review Report

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

Introduction

We have reviewed the accompanying consolidated balance sheets of United Renewable Energy Co., Ltd. and its subsidiaries as of September 30, 2021 and 2020, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2021 and 2020, as well as the changes in equity and cash flows for the nine months ended September 30, 2021 and 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As stated in Note 4(b) and 13(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$6,235,830 thousand and \$9,318,052 thousand, constituting 20% and 24% of consolidated total assets as of September 30, 2021 and 2020; total liabilities amounting to \$3,899,446 thousand and \$4,103,219 thousand, constituting 23% and 21% of consolidated total liabilities as of September 30, 2021 and 2020; total comprehensive income (loss) amounting to \$(10,537) thousand, \$(143,210) thousand, \$(123,616) thousand and \$(635,870) thousand, constituting 16%, (74)%, 14% and 37% of consolidated total comprehensive income (loss) for the three months and nine months ended September 30, 2021 and 2020.

Furthermore, as stated in Note 6(h), the investments accounted for using the equity method of United Renewable Energy Co., Ltd. and its subsidiaries amounting to \$225,462 thousand and \$206,970 thousand as of September 30, 2021 and 2020, and its shares of profit (loss) of associates accounted for using the equity method amounting to \$8,317 thousand, \$(3,521) thousand, \$(4,303) thousand and \$1,954 thousand for the three months and nine months ended September 30, 2021 and 2020, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of United Renewable Energy Co., Ltd. and its subsidiaries as of September 30, 2021 and 2020, and of its consolidated financial performance for the three months and nine months ended September 30, 2021 and 2020, and its consolidated cash flows for the nine months ended September 30, 2021 and 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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

KPMG

Taipei, Taiwan (Republic of China)
November 10, 2021

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Reviewed only, not audited in accordance with the generally accepted auditing standards as of September 30, 2021 and 2020

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2021, December 31, 2020, and September 30, 2020

(Expressed in Thousands of New Taiwan Dollars)

		September 30, 2021		December 31, 2020		September 30, 2020				September 30, 2021		December 31, 2020		September 30, 2020	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Assets															
Current assets:															
1100	Cash and cash equivalents (note 6(a))	\$ 4,614,037	15	4,954,658	15	4,587,506	12	2100	Short-term borrowings (note 6(n))	\$ 3,225,255	10	2,320,002	7	2,673,550	7
1110	Financial assets at fair value through profit or loss - current (note 6(b))	3,897	-	2,714	-	7,387	-	2110	Short-term bills payable (note 6(o))	465,853	1	174,810	1	336,830	1
1120	Financial assets at fair value through other comprehensive income - current (note 6(c))	107,658	-	114,715	-	117,267	-	2120	Financial liabilities at fair value through profit or loss - current (note 6(b))	-	-	5,437	-	5,483	-
1140	Contract assets - current (notes 6(z) and 7)	149,481	-	175,041	1	230,486	1	2130	Contract liabilities - current (notes 6(z) and 7)	635,046	2	348,911	1	316,036	1
1170	Notes and accounts receivable, net (note 6(e))	2,241,824	7	2,078,846	6	2,718,083	7	2170	Notes and accounts payable	1,719,894	6	1,336,177	4	1,573,723	4
1180	Accounts receivable from related parties (notes 6(e) and 7)	251,659	1	206,901	1	221,473	-	2260	Liabilities related to non-current assets held for sale (note 6(g))	1,000,721	3	-	-	-	-
1200	Other receivables	224,094	1	174,376	1	1,962,666	5	2280	Lease liability - current (note 6(r))	32,464	-	50,913	-	26,520	-
1210	Other receivables from related parties (note 7)	439,579	1	785,448	2	1,169,442	3	2320	Current portion of long-term borrowings and preference share liabilities (notes 6(p) and (q))	3,169,843	10	5,381,804	17	5,347,832	14
130X	Inventories (notes 6(f) and 8)	3,159,605	10	3,517,082	11	3,684,765	9	2399	Other current liabilities (note 6(s) and 7)	1,736,756	6	1,626,370	5	1,268,687	3
1410	Prepayments (notes 7 and 9)	1,055,909	3	737,746	2	611,279	1	Total current liabilities		<u>11,985,832</u>	<u>38</u>	<u>11,244,424</u>	<u>35</u>	<u>11,548,661</u>	<u>30</u>
1460	Non-current assets held for sale (notes 6(g) and 8)	1,419,711	5	-	-	-	-	Non-Current liabilities:							
1476	Other financial assets (notes 8)	800,813	3	1,107,101	3	1,086,548	3	2500	Financial liabilities at fair value through profit or loss - non-current (notes 6(b) and (p))	66,700	-	99,741	-	103,572	-
1479	Other current assets	234,169	1	246,734	1	254,097	1	2540	Long-term borrowings (note 6(p))	3,914,194	13	5,115,671	16	6,828,691	17
Total current assets		<u>14,702,436</u>	<u>47</u>	<u>14,101,362</u>	<u>43</u>	<u>16,650,999</u>	<u>42</u>	2580	Lease liability - non-current (note 6(r))	598,564	2	605,021	2	767,546	2
Non-current assets:															
1510	Financial assets at fair value through profit or loss - non-current (notes 6(b) and (q))	170,427	1	182,058	1	212,620	1	2635	Preference share liabilities - non-current (note 6(q))	5,813	-	13,219	-	16,934	-
1517	Financial assets at fair value through other comprehensive income - non-current (notes 6(c) and 8)	408,986	1	276,774	1	537,536	1	2670	Other non-current liabilities (note 6(s))	321,825	1	358,511	1	292,962	1
1535	Financial assets at amortized cost - non-current (note 6(d))	139,300	-	140,475	-	144,825	-	Total non-current liabilities		<u>4,907,096</u>	<u>16</u>	<u>6,192,163</u>	<u>19</u>	<u>8,009,705</u>	<u>20</u>
1550	Investments accounted for using the equity method (notes 6(h) and 7)	225,462	1	176,322	1	206,970	1	Total liabilities		<u>16,892,928</u>	<u>54</u>	<u>17,436,587</u>	<u>54</u>	<u>19,558,366</u>	<u>50</u>
1600	Property, plant and equipment (notes 6(j), 7 and 8)	8,058,872	26	10,450,989	32	16,618,559	42	Equity attributable to owners of parent (notes 6(w) and (x))							
1755	Right-of-use assets (note 6(k))	442,078	1	568,497	2	775,420	2	3110	Ordinary shares	15,079,003	49	26,650,863	82	26,653,113	68
1760	Investment property, net (note 6(l) and 8)	2,875,369	9	2,741,260	8	-	-	3200	Capital surplus	1,348	-	7,877	-	3,871	-
1780	Intangible assets (note 6(m))	5,444	-	70,317	-	105,482	-	3350	Accumulated deficit	(1,021,476)	(3)	(11,581,063)	(36)	(6,724,612)	(17)
1840	Deferred tax assets	633,962	2	639,924	2	1,050,353	3	3400	Other equity	(590,435)	(2)	(802,046)	(2)	(958,463)	(3)
1915	Prepayments - non-current (note 9)	2,085,276	7	1,979,465	6	2,006,934	5	3500	Treasury shares	(18,699)	-	(18,699)	-	(18,699)	-
1920	Refundable deposits (note 8)	738,081	2	732,696	2	664,640	2	Total equity attributable to owners of parent		<u>13,449,741</u>	<u>44</u>	<u>14,256,932</u>	<u>44</u>	<u>18,955,210</u>	<u>48</u>
1942	Other receivables from related parties - non-current (note 7)	21,401	-	21,581	-	22,250	-	36XX	Non-controlling interests	726,856	2	767,182	2	809,732	2
1990	Other non-current assets (note 8)	562,431	3	378,981	2	326,720	1	Total equity		<u>14,176,597</u>	<u>46</u>	<u>15,024,114</u>	<u>46</u>	<u>19,764,942</u>	<u>50</u>
Total non-current assets		<u>16,367,089</u>	<u>53</u>	<u>18,359,339</u>	<u>57</u>	<u>22,672,309</u>	<u>58</u>	Total liabilities and equity		<u>\$ 31,069,525</u>	<u>100</u>	<u>32,460,701</u>	<u>100</u>	<u>39,323,308</u>	<u>100</u>
Total assets		<u>\$ 31,069,525</u>	<u>100</u>	<u>32,460,701</u>	<u>100</u>	<u>39,323,308</u>	<u>100</u>								

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

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months and nine months ended September 30, 2021 and 2020

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

	For the three months ended September 30				For the nine months ended September 30				
	2021		2020		2021		2020		
	Amount	%	Amount	%	Amount	%	Amount	%	
4000	Net operating revenues (notes 6(z) and 7)								
	\$	3,503,823	100	3,514,863	100	10,178,474	100	9,794,709	100
5110	Operating costs (notes 6(f)(r)(u), 7 and 12)								
		3,289,099	94	3,269,337	93	9,741,056	96	9,987,703	102
5900	Gross gain (loss) from operations								
		214,724	6	245,526	7	437,418	4	(192,994)	(2)
	Operating expenses (notes 6(e)(r)(u) and 12):								
6100	Selling expenses								
		93,040	3	104,095	3	328,738	3	375,812	4
6200	General and administrative expenses								
		187,447	5	204,257	6	634,696	6	731,914	7
6300	Research and development expenses								
		23,900	1	37,299	1	74,631	1	134,637	1
6450	Impairment loss (reversal of impairment loss) on trade receivable								
		(27,615)	(1)	(661)	-	47,526	-	(17,821)	-
		<u>276,772</u>	<u>8</u>	<u>344,990</u>	<u>10</u>	<u>1,085,591</u>	<u>10</u>	<u>1,224,542</u>	<u>12</u>
6500	Other income and expenses								
		-	-	12,801	-	-	-	-	-
	Loss from operations								
		(62,048)	(2)	(86,663)	(3)	(648,173)	(6)	(1,417,536)	(14)
	Non-operating income and expenses:								
7010	Other income (notes 6(ab) and 7)								
		80,543	2	178,522	5	207,636	2	290,000	3
7020	Other gains and losses (notes 6(g)(h) and (ab))								
		(15,459)	-	228,441	7	(128,220)	(1)	446,336	4
7050	Finance costs (note 6(p)(r))								
		(114,108)	(3)	(162,969)	(5)	(312,527)	(3)	(526,787)	(5)
7060	Share of gain (loss) of associates and joint ventures accounted for using equity method (note 6(h))								
		8,317	-	(3,521)	-	(4,303)	-	1,954	-
7100	Interest income								
		966	-	3,288	-	3,630	-	14,268	-
		(39,741)	(1)	243,761	7	(233,784)	(2)	225,771	2
	Loss before income tax								
		(101,789)	(3)	157,098	4	(881,957)	(8)	(1,191,765)	(12)
7950	Less: income tax expense (note 6(v))								
		(3,169)	-	10,387	-	729	-	18,333	-
8200	Net income (loss)								
		(98,620)	(3)	146,711	4	(882,686)	(8)	(1,210,098)	(12)
8300	Other comprehensive income:								
8310	Items that may not be reclassified subsequently to profit or loss:								
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income								
		126,526	4	139,579	4	125,156	1	21,387	-
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translation of foreign statements								
		(93,304)	(3)	(92,622)	(2)	(97,952)	(1)	(545,797)	(6)
8300	Total other comprehensive income (loss)								
		33,222	1	46,957	2	27,204	-	(524,410)	(6)
	Total comprehensive income (loss)								
	\$	<u>(65,398)</u>	<u>(2)</u>	<u>193,668</u>	<u>6</u>	<u>(855,482)</u>	<u>(8)</u>	<u>(1,734,508)</u>	<u>(18)</u>
	Net loss attributable to:								
	Shareholders of the parent								
	\$	(90,749)	(3)	142,259	4	(848,252)	(8)	(1,198,274)	(12)
	Non-controlling interests								
		(7,871)	-	4,452	-	(34,434)	-	(11,824)	-
	\$	<u>(98,620)</u>	<u>(3)</u>	<u>146,711</u>	<u>4</u>	<u>(882,686)</u>	<u>(8)</u>	<u>(1,210,098)</u>	<u>(12)</u>
	Total comprehensive income (loss) attributable to:								
	Shareholders of the parent								
	\$	(56,983)	(2)	203,730	6	(815,244)	(8)	(1,696,445)	(17)
	Non-controlling interests								
		(8,415)	-	(10,062)	-	(40,238)	-	(38,063)	(1)
	\$	<u>(65,398)</u>	<u>(2)</u>	<u>193,668</u>	<u>6</u>	<u>(855,482)</u>	<u>(8)</u>	<u>(1,734,508)</u>	<u>(18)</u>
	Loss per share								
9750	Basic loss per share (NT dollars) (note 6(y))								
	\$	<u>(0.06)</u>		<u>0.09</u>		<u>(0.56)</u>		<u>(0.80)</u>	

See accompanying notes to consolidated financial statements.

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

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the nine months ended September 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Share capital		Attributable to owners of parent					Total equity attributable to owners of parent	Non-controlling interest	Total equity
	Ordinary shares	Capital surplus	Accumulated deficits	Other equity		Unearned employees benefits	Treasury shares			
				Exchange differences on translation of foreign financial statements	Unrealized gains (loss) on financial assets at fair value through other comprehensive income					
Balance at January 1, 2020	\$ 26,653,375	118,989	(6,000,644)	(296,106)	283,492	(18,414)	(18,699)	20,721,993	762,242	21,484,235
Net loss for the nine months ended September 30, 2020	-	-	(1,198,274)	-	-	-	-	(1,198,274)	(11,824)	(1,210,098)
Other comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	(519,558)	21,387	-	-	(498,171)	(26,239)	(524,410)
Total comprehensive income (loss) for the nine months ended September 30, 2020	-	-	(1,198,274)	(519,558)	21,387	-	-	(1,696,445)	(38,063)	(1,734,508)
Other changes in capital surplus:										
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	7,819	-	-	-	-	-	7,819	-	7,819
Offset of deficit against capital surplus	-	(123,629)	123,629	-	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	(84,833)	-	-	-	-	(84,833)	84,833	-
Non-controlling interests	-	-	-	-	-	-	-	-	30	30
Compensation cost of restricted shares for employees	-	-	-	-	-	10,399	-	10,399	-	10,399
Difference between the price that has not been increased in proportion to shareholding and net value	-	-	(690)	-	-	-	-	(690)	690	-
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	436,200	-	(436,200)	-	-	-	-	-
Distribution of restricted shares for employees	7,950	(389)	-	-	-	(7,561)	-	-	-	-
Cancellation of restricted shares for employees	(8,212)	1,081	-	-	-	4,098	-	(3,033)	-	(3,033)
Balance at September 30, 2020	\$ 26,653,113	3,871	(6,724,612)	(815,664)	(131,321)	(11,478)	(18,699)	18,955,210	809,732	19,764,942
Balance at January 1, 2021	\$ 26,650,863	7,877	(11,581,063)	(669,674)	(124,956)	(7,416)	(18,699)	14,256,932	767,182	15,024,114
Net loss for the nine months ended September 30, 2021	-	-	(848,252)	-	-	-	-	(848,252)	(34,434)	(882,686)
Other comprehensive income (loss) for the nine months ended September 30, 2021	-	-	-	(92,148)	125,156	-	-	33,008	(5,804)	27,204
Total comprehensive income (loss) for the nine months ended September 30, 2021	-	-	(848,252)	(92,148)	125,156	-	-	(815,244)	(40,238)	(855,482)
Offset of deficit against capital surplus	-	(9,887)	9,887	-	-	-	-	-	-	-
Capital reduction to offset accumulated deficits	(11,571,175)	-	11,571,175	-	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	(12)	-	-	-	-	-	(12)	12	-
Non-controlling interests	-	-	-	-	-	-	-	-	(449)	(449)
Difference between the price that has not been increased in proportion to shareholding and net value	-	3,291	(321)	-	-	-	-	2,970	349	3,319
Compensation cost of restricted shares for employees	-	-	-	-	-	5,095	-	5,095	-	5,095
Cancellation of restricted shares for employees	(685)	79	-	-	-	606	-	-	-	-
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	(172,902)	-	172,902	-	-	-	-	-
Balance at September 30, 2021	\$ 15,079,003	1,348	(1,021,476)	(761,822)	173,102	(1,715)	(18,699)	13,449,741	726,856	14,176,597

See accompanying notes to consolidated financial statements.

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

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the nine months ended September 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30	
	2021	2020
Cash flows from operating activities:		
Loss before income tax	\$ (881,957)	(1,191,765)
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	904,732	1,620,113
Amortization expense	4,182	7,040
Expected credit loss (gain)	47,526	(17,821)
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(28,869)	(23,988)
Finance cost	255,686	526,787
Interest income	(3,630)	(14,268)
Dividends income	(14,178)	(89,028)
Compensation cost of restricted shares for employees	5,095	8,666
Share of loss of associates and joint ventures accounted for using the equity method	4,303	(1,954)
Loss (Gain) on disposal of property, plant and equipment and power facilities business held for sale	(94)	(243,997)
Loss (gain) on disposal of investments	86,004	(203,913)
Reversal of provisions	(102,964)	(37,579)
Impairment loss on prepayment	-	113,121
Other	(158,130)	9,457
Total adjustments to reconcile profit (loss)	<u>999,663</u>	<u>1,652,636</u>
Changes in operating assets and liabilities:		
Contract assets - current	25,560	252,761
Notes and accounts receivable	(264,880)	(674,738)
Accounts receivable from related parties	(39,839)	301,527
Other receivables	1,893	(50,657)
Other receivables from related parties	40,954	65,561
Inventory	522,900	1,065,300
Prepayments (including non-current)	(347,355)	166,005
Other current assets	10,633	505,239
Contract liabilities - current	286,136	(7,796)
Notes and accounts payable (including related parties)	367,026	151,668
Provisions	10,694	13,988
Other current liabilities	155,156	(169,538)
Total changes in operating assets and liabilities	<u>768,878</u>	<u>1,619,320</u>
Cash inflow generated from (used in) operations	886,584	2,080,191
Income taxes paid	(9,272)	(30,568)
Net cash flows generated from (used in) operating activities	<u>877,312</u>	<u>2,049,623</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(27,098)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	1,892,626
Acquisition of investments accounted for using the equity method	(60,000)	(30,000)
Proceeds from disposal of associates	341,827	1,078,760
Proceeds from disposal of subsidiaries	465,895	11,130
Acquisition of property, plant and equipment	(271,953)	(183,471)
Proceeds from disposal of property, plant and equipment and power facilities business held for sale	413	65,038
Decrease (increase) in refundable deposits	(16,789)	239,098
Acquisition of intangible assets	(3,890)	-
Increase in other financial assets	(102,489)	(438,351)
Decrease (increase) in other non-current assets	(105,067)	30,584
Interest received	5,458	10,468
Dividends received	14,924	95,577
Net cash flows generated from investing activities	<u>241,231</u>	<u>2,771,459</u>
Cash flows from financing activities:		
Increase (decrease) in short-term loans	924,690	(209,041)
Increase (decrease) in short-term bills payable	291,100	(79,200)
Proceeds from long-term borrowings	4,913,736	1,110,800
Repayments of long-term borrowings	(7,231,587)	(6,312,223)
Repayments of preference share liabilities	(12,704)	(13,700)
Payment of lease liabilities	(48,832)	(62,418)
Interest paid	(258,525)	(464,382)
Others	2,567	3,504
Net cash used in financing activities	<u>(1,419,555)</u>	<u>(6,026,660)</u>
Effect of exchange rate changes	<u>(39,609)</u>	<u>(578,232)</u>
Net decrease in cash and cash equivalents	<u>(340,621)</u>	<u>(1,783,810)</u>
Cash and cash equivalents at beginning of period	<u>4,954,658</u>	<u>6,371,316</u>
Cash and cash equivalents at end of period	<u>\$ 4,614,037</u>	<u>4,587,506</u>

See accompanying notes to consolidated financial statements.

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

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2021 and 2020

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

(1) Company history

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

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

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

The consolidated financial statements were approved and released by the Group’s Board of Directors on November 10, 2021.

(3) New standards, amendments and interpretations adopted:

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

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2021:

- Amendments to IFRS 4 “Extension of the Temporary Exemption from Applying IFRS 9”
- Amendments to IFRS 9, IAS39, IFRS7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform—Phase 2”

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from April 1, 2021:

- Amendments to IFRS 16 “Covid-19-Related Rent Concessions beyond June 30, 2021”

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

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2022, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 16 “Property, Plant and Equipment—Proceeds before Intended Use”
- Amendments to IAS 37 “Onerous Contracts—Cost of Fulfilling a Contract”

(Continued)

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

- Annual Improvements to IFRS Standards 2018–2020
- Amendments to IFRS 3 “Reference to the Conceptual Framework”

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

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

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of balance sheet, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.	January 1, 2023

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”
- Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

(4) Summary of significant accounting policies

(a) Statement of compliance

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

(Continued)

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

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

(b) Basis of consolidation

Please refer to Note 13 (b) for the details of subsidiaries, shareholding ratios and main businesses and products included in the consolidated financial report.

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

Investor	Investee	Principal activity	% of Ownership			Note
			September 30, 2021	December 31, 2020	September 30, 2020	
The Company	New Ray Investment Corp. ("New Ray Investment")	Investment company	- %	100.00 %	100.00 %	2
	DelSolar Holding Singapore Pte. Ltd. ("DelSolar Singapore")	Investment company	100.00 %	100.00 %	100.00 %	
	DelSolar Holding ("Cayman") Ltd. ("DelSolar Cayman")	Investment company	100.00 %	100.00 %	100.00 %	
	NSP Systems ("BVI") Ltd. ("NSP BVI")	Investment company	100.00 %	100.00 %	100.00 %	
	NSP UK Holding Limited ("NSP UK")	Investment company	100.00 %	100.00 %	100.00 %	
	Best Power Service Corp. ("BPS")	Solar related business	60.00 %	60.00 %	60.00 %	
	NSP System Development Corp. ("NSP System")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Energy Middle East FZE ("GES ME")	Solar related business	100.00 %	100.00 %	100.00 %	
	Utech solar corporation ("Utech")	Electronic component manufacturing	99.94 %	99.87 %	99.84 %	2
	Ultimate Energy Solution Limited ("UES")	Investment company	100.00 %	100.00 %	100.00 %	
	Solartech Materials Corporation ("SMC")	Solar related business	100.00 %	100.00 %	100.00 %	
	Apex solar Corporation ("Apex")	Solar related business	- %	100.00 %	100.00 %	2
	Zhongyang Corporation ("Zhongyang")	Solar related business	100.00 %	100.00 %	100.00 %	
	United Renewable Energy Engineering Co., Ltd. ("UREE")	Solar related business	100.00 %	100.00 %	100.00 %	
	Yong Liang Ltd. ("Yong Liang")	Solar related business	36.14 %	100.00 %	100.00 %	2
	Yong Zhou Ltd. ("Yong Zhou")	Solar related business	100.00 %	100.00 %	100.00 %	
	General Energy Solutions UK Limited ("GES UK")	Investment company	100.00 %	100.00 %	100.00 %	
	ELECTRONIC J.R.C. S.R.L ("JRC")	Solar related business	59.69 %	59.69 %	59.69 %	
	Dashianging Energy Power Ltd. Co. ("Dashianging")	Solar related business	100.00 %	100.00 %	100.00 %	5
	Shinkai Energy Power Ltd. Co. ("Shinkai")	Solar related business	100.00 %	100.00 %	100.00 %	5
	Shanshang Energy Power Ltd. Co. ("Shanshang")	Solar related business	100.00 %	100.00 %	100.00 %	
	Jianguang Energy Power Ltd. Co. ("Jianguang")	Solar related business	- %	100.00 %	100.00 %	2
	Dungshr Energy Power Ltd. Co. ("Dungshr")	Electronic component	100.00 %	100.00 %	100.00 %	
	Yanshan Energy Power Ltd. Co. ("Yanshan")	Solar related business	100.00 %	100.00 %	100.00 %	5

(Continued)

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

Investor	Investee	Principal activity	% of Ownership			Note
			September 30, 2021	December 31, 2020	September 30, 2020	
GES UK	General Energy Solutions USA, Inc. ("GES USA")	Investment company	100.00 %	100.00 %	100.00 %	
	GES JAPAN CORPORATION ("GES JAPAN")	Investment company	100.00 %	100.00 %	100.00 %	
	NCH Solar 1 Limited ("NCH Solar 1")	Solar related business	- %	100.00 %	100.00 %	2
	GES Solar 2 Limited ("GES Solar 2")	Solar related business	- %	100.00 %	100.00 %	2
	GES Solar 3 Limited ("GES Solar 3")	Solar related business	- %	100.00 %	100.00 %	2
	General Energy Solutions CANADA Inc. ("GES CANADA")	Investment company	100.00 %	100.00 %	100.00 %	
	NSP Germany	Solar related business	90.00 %	90.00 %	90.00 %	
GES USA	MEGATWO, LLC ("MEGATWO")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGATHREE, LLC ("MEGATHREE")	Solar related business	40.00 %	40.00 %	40.00 %	
	GES MEGAFIVE, LLC ("MEGAFIVE")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGASIX, LLC ("MEGASIX")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGAEIGHT, LLC ("MEGAEIGHT")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGATWELVE, LLC ("MEGATWELVE")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGATHIRTEEN, LLC ("MEGATHIRTEEN")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGASIXTEEN, LLC ("MEGASIXTEEN")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGANINETEEN, LLC ("MEGANINETEEN")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES MEGATWENTY, LLC ("MEGATWENTY")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES ASSET TWO, LLC ("ASSET TWO")	Solar related business	- %	- %	- %	2
	GES ASSET THREE LLC ("ASSET THREE")	Solar related business	100.00 %	100.00 %	100.00 %	
	SH4 SOLAR LLC ("SH4")	Solar related business	100.00 %	100.00 %	100.00 %	
	Cedar Falls Solar Farm, LLC ("CEDAR FALLS")	Solar related business	- %	100.00 %	100.00 %	2
	Schenectady Solar, LLC ("Schenectady")	Solar related business	- %	- %	- %	2
	Village of Coxsackie Municipal Solar ("VOC")	Solar related business	- %	- %	- %	2
	SEG MI 57 LLC ("SEG")	Solar related business	100.00 %	100.00 %	100.00 %	
	Kinect Solar Fund 1, LLC ("KINECT")	Solar related business	100.00 %	100.00 %	100.00 %	
	RER CT 57, LLC ("RER CT 57")	Solar related business	- %	100.00 %	100.00 %	2
	TEV II, LLC ("TEV II")	Solar related business	100.00 %	100.00 %	100.00 %	
	Heywood Solar PGS, LLC ("HEYWOOD")	Solar related business	55.00 %	55.00 %	55.00 %	
	MP Solar, LLC ("MP Solar")	Solar related business	- %	55.00 %	55.00 %	2
	Ventura Solar LLC ("Ventura")	Solar related business	- %	55.00 %	55.00 %	2
ILLINI POWER LLC	Solar related business	- %	- %	- %	2	
PS CS, LLC ("PS CS")	Solar related business	- %	- %	- %	2	
NSP NEVADA	HEYWOOD	Solar related business	45.00 %	45.00 %	45.00 %	
	MP Solar	Solar related business	- %	45.00 %	45.00 %	2
	Ventura	Solar related business	- %	45.00 %	45.00 %	2
	Livermore Community Solar Farm, LLC ("Livermore")	Solar related business	100.00 %	100.00 %	100.00 %	
	Industrial Park Drive Solar, LLC ("Industrial Park")	Solar related business	100.00 %	100.00 %	100.00 %	
Hillsboro Town Solar, LLC ("Hillsboro")	Solar related business	100.00 %	100.00 %	100.00 %		

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

Investor	Investee	Principal activity	% of Ownership			Note	
			September 30, 2021	December 31, 2020	September 30, 2020		
GES JAPAN	Hashimoto Corporation (“Hashimoto”)	Solar related business	- %	- %	100.00 %	3	
GES CANADA	ELECTRONIC J.R.C., S.R.L(“JRC”)	Solar related business	40.31 %	40.31 %	40.31 %	2	
MEGATWO	Munisol S.A.P.I. de C.V.(“MUNISOL”)	Solar related business	100.00 %	100.00 %	100.00 %		
ASSET THREE	GES Asset Three Shima’s, LLC(“SHIMA’S”)	Solar related business	100.00 %	100.00 %	100.00 %		
	GES Asset Three Waimea, LLC(“WAIMEA”)	Solar related business	100.00 %	100.00 %	100.00 %		
	GES Asset Three Honokawai, LLC(“HONOKAWAI”)	Solar related business	100.00 %	100.00 %	100.00 %		
	GES Asset Three Eleee, LLC(“ELEEE”)	Solar related business	100.00 %	100.00 %	100.00 %		
	GES Asset Three Hanalei, LLC(“HANALEI”)	Solar related business	100.00 %	100.00 %	100.00 %		
	GES Asset Three Kapaa, LLC(“KAPAA”)	Solar related business	100.00 %	100.00 %	100.00 %		
	GES Asset Three Koloa, LLC(“KOLOA”)	Solar related business	100.00 %	100.00 %	100.00 %		
	MEGASIXTEEN	GES AC SOLAR 2017, LLC (“GESAC”)	Solar related business	67.59 %	67.59 %	67.59 %	
	GES AC	Anderson North Solar Project LLC(“Anderson N.”)	Solar related business	100.00 %	100.00 %	100.00 %	
Anderson South Solar Project LLC(“Anderson S.”)		Solar related business	100.00 %	100.00 %	100.00 %		
Flora Solar Project LLC(“Flora”)		Solar related business	100.00 %	100.00 %	100.00 %		
Greenfield Solar Project LLC(“Greenfield”)		Solar related business	100.00 %	100.00 %	100.00 %		
Spiceland Solar Project LLC(“Spiceland”)		Solar related business	100.00 %	100.00 %	100.00 %		
TEV II	TEV Solar Alpha18 LLC (“TEV Solar”)	Solar related business	100.00 %	100.00 %	100.00 %		
TEV Solar	AC GES Solar 2018 LLC(“AC GESSolar”)	Solar related business	66.19 %	66.19 %	66.19 %		
AC GES Solar	Richmond 2 Solar Park, LLC(“Richmond”)	Solar related business	100.00 %	100.00 %	100.00 %		
	Rensselaer 2 Solar Park, LLC(“Rensselaer”)	Solar related business	100.00 %	100.00 %	100.00 %		
	Advance Solar Park, LLC(“Advance”)	Solar related business	100.00 %	100.00 %	100.00 %		
DelSolar Cayman	DelSolar(“HK”)Ltd.(“DelSolar HK”)	Investment company	100.00 %	100.00 %	100.00 %		
	DelSolar US Holdings(“Delaware”) Corporation(“DelSolar US”)	Investment company	100.00 %	100.00 %	100.00 %		
	NSP SYSTEM NEVADA HOLDING CORP(“NSP NEVADA”)	Solar related business	100.00 %	100.00 %	100.00 %		
	URE NSP Corporation(“URE NSP”)	Solar related business	100.00 %	100.00 %	100.00 %		
NSP BVI	NSP HK Holding Ltd.(“NSP HK”)	Solar related business	100.00 %	100.00 %	100.00 %		
	Clean Focus GP Limited(“CFGP”)	Solar operation management services	- %	- %	60.00 %	3	
DelSolar Singapore	Neo Solar Power Malaysia Sdn. Bhd(“NSP Malaysia”)	Technical management services	- %	- %	100.00 %	3	
	Neo Solar Power Vietnam Co., Ltd.(“NSP Vietnam”)	Technical management services	- %	100.00 %	100.00 %	2	
NSP UK	PV-Power-Park Pro 1 Verwaltungs GmbH(“PV-Power-Park”)	Solar related business	100.00 %	100.00 %	100.00 %		
	NSP Indygen UK Ltd.(“NSP Indygen”)	Solar related business	100.00 %	100.00 %	100.00 %		

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

Investor	Investee	Principal activity	% of Ownership			Note
			September 30, 2021	December 31, 2020	September 30, 2020	
NSP System	Hsin Jin Optoelectronics (“Hsin Jin Optoelectronics”)	Solar related business	80.00 %	80.00 %	80.00 %	
	Hsin Jin Solar Energy Co., Ltd. (“Hsin Jin Solar Energy”)	Solar related business	60.00 %	60.00 %	60.00 %	
	Si Two Corp. (“Si Two”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Tienyang Green Power Ltd. Co. (“Tienyang”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Deyang Green Power Ltd. Co. (“Deyang”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Shanyang Green Power Ltd. Co. (“Shanyang”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Jeyang Green Power Ltd. Co. (“Jeyang”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Lianzhang Energy Power Ltd. Co. (“Lianzhang”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Lianxi Energy Power Ltd. Co. (“Lianxi”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Liancheng Energy Power Ltd. Co. (“Liancheng”)	Solar related business	100.00 %	100.00 %	100.00 %	5
	Feng Yang Energy Power Ltd. Co. (“Feng Yang”)	Solar related business	100.00 %	100.00 %	100.00 %	
UREE	United Agriculture Ecology Ltd. Co. (“UAE”)	Solar and agriculture-related business	100.00 %	100.00 %	100.00 %	5
Utech	Jiangung	Agriculture related business	100.00 %	- %	- %	2
Jiangung	Yong Liang	Solar related business	63.86 %	- %	- %	2
NSP HK	XYH (Suzhou) Energy Ltd. (“XYH Suzhou”)	Solar related business	- %	100.00 %	100.00 %	6
CFGP	Clean Focus GP (HK) Limited. (“CFGP (HK)”)	Solar operation management services	- %	- %	100.00 %	4
DelSolar HK	DelSolar (Wu Jiang) Ltd. (“DelSolar Wu Jiang”)	Solar related business	100.00 %	100.00 %	100.00 %	
	NSP Japan Inc. (“NSP Japan”)	Solar related business	- %	- %	- %	4
	Neo Solar Power (Nanchang) Ltd. (“NSP Nanchang”)	Solar related business	- %	- %	- %	3
DelSolar US	DelSolar Development (Delaware) LLC (“DelSolar Development”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Clean Focus Renewables Inc. (“CFR”)	Solar related business	100.00 %	100.00 %	100.00 %	
	USD1 Owner LLC (“USD1”)	Solar related business	100.00 %	100.00 %	100.00 %	
	Beryl Construction LLC (“Beryl”)	Solar related business	100.00 %	100.00 %	100.00 %	
CFGP (HK)	Clean Focus GP (Shanghai) Limited. (“CFGP (Shanghai)”)	Solar operation management services	- %	- %	100.00 %	4
DelSolar Wu Jiang	Neo Solar Power (Nanchang) Ltd. (“NSP Nanchang”)	Solar related business	- %	- %	- %	3
DelSolar Development	DSS-USF PHX LLC	Solar related business	100.00 %	100.00 %	100.00 %	
	DSS-RAL LLC	Solar related business	100.00 %	100.00 %	100.00 %	
UES	Renewable Energy Solution Limited (“RES”)	Investment company	100.00 %	100.00 %	100.00 %	
RES	Gintech (“Thailand”) Limited (“Gintech (“Thailand”)	Solar related business	100.00 %	100.00 %	100.00 %	

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

Note 2: Please refer to Note 13 (b) for the details of subsidiaries.

Note 3: The Group disposed of all the equity shares in 2020, please refer to Note 13 (b) of the 2020 annual consolidated financial statements for other related information.

Note 4: The Group had liquidated and dissolved in 2020, please refer to Note 13 (b) of the 2020 annual consolidated financial statements for other related information.

Note 5: The Group had been liquidating and dissolving during nine months ended September 30, 2021.

Note 6: The Group had liquidated and dissolved in nine months ended September 30, 2021.

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

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

(c) Non-current assets (or disposal groups)

Non-current assets or disposal groups comprising assets and liabilities that are highly probable to be recovered primarily through sale rather than through continuing use, are reclassified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, generally, the assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to assets not within the scope of IAS 36 – Impairment of Assets. Such assets will continue to be measured in accordance with the Group's accounting policies. Impairment losses on assets initially classified as held for sale and any subsequent gains or losses on remeasurement are recognized in profit or loss. Gains are not recognized in excess of the cumulative impairment loss that has been recognized.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

(d) Income taxes

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

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

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

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

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with note 5 of the consolidated financial statements for the year ended December 31, 2020.

(6) Explanation of significant accounts:

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2020. Please refer to the 2020 annual consolidated financial statements.

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

(a) Cash and cash equivalents

	<u>September 30, 2021</u>	<u>December 31, 2020</u>	<u>September 30, 2020</u>
Cash on hand, checking accounts and demand deposits	\$ 4,605,537	4,927,839	4,566,856
Time deposits	<u>8,500</u>	<u>26,819</u>	<u>20,650</u>
Total	<u><u>\$ 4,614,037</u></u>	<u><u>4,954,658</u></u>	<u><u>4,587,506</u></u>

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

	<u>September 30, 2021</u>	<u>December 31, 2020</u>	<u>September 30, 2020</u>
Financial assets mandatorily measured at fair value through profit or loss:			
Derivatives not used for hedging			
Forward exchange contracts	\$ 2,945	-	780
Foreign exchange swap contracts	952	2,714	6,607
Long call options	<u>170,427</u>	<u>182,058</u>	<u>212,620</u>
Total	<u><u>\$ 174,324</u></u>	<u><u>184,772</u></u>	<u><u>220,007</u></u>
Current	\$ 3,897	2,714	7,387
Non-current	<u>170,427</u>	<u>182,058</u>	<u>212,620</u>
Total	<u><u>\$ 174,324</u></u>	<u><u>184,772</u></u>	<u><u>220,007</u></u>
Financial liabilities designated at fair value through profit or loss:			
Derivatives not used for hedging			
Forward exchange contracts	\$ -	5,437	5,339
Foreign exchange swap contracts	-	-	144
Short call options	<u>66,700</u>	<u>99,741</u>	<u>103,572</u>
Total	<u><u>\$ 66,700</u></u>	<u><u>105,178</u></u>	<u><u>109,055</u></u>
Current	\$ -	5,437	5,483
Non-current	<u>66,700</u>	<u>99,741</u>	<u>103,572</u>
Total	<u><u>\$ 66,700</u></u>	<u><u>105,178</u></u>	<u><u>109,055</u></u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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- (i) The short call options mentioned above derived from the loan contract signed with Indiana Municipal Power Agency (IMPA). Refer to note 6(p) for more details.
- (ii) The long call options listed above were derived from the issuance of preference shares by the Group, making an agreement with the preference shareholders that the Group has the right to buy back all shares on the specific date. Refer to note 6(q) for more details.
- (iii) The fair value of the derivatives mentioned above is estimated using the Black-Scholes options evaluation model, and the relevant parameters were as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Shorting call options-MEGASIXTEEN			
Estimated strike price	USD13,347 thousand dollars	USD13,347 thousand dollars	USD13,347 thousand dollars
Expected volatility	33.0%	33.0%	17.5%
Duration	1.25 years	2 years	2.25 years
Discount rate	7.2898%	7.2898%	1.60%
Shorting call options-TEV II			
Estimated strike price	USD13,822 thousand dollars	USD13,822 thousand dollars	USD13,822 thousand dollars
Expected volatility	25%	25%	18%
Duration	3.25 years	4 years	4.25 years
Discount rate	7.2898%	7.2898%	1.60%
Longing call options-MEGASIXTEEN			
Estimated strike price	USD656 thousand dollars	USD656 thousand dollars	USD656 thousand dollars
Expected volatility	33.0%	33.0%	17.5%
Duration	1.25 years	2 years	2.25 years
Discount rate	7.2898%	7.2898%	1.60%
Longing call options-TEV II			
Estimated strike price	USD704 thousand dollars	USD704 thousand dollars	USD704 thousand dollars
Expected volatility	27%	27%	18%
Duration	2.75 years	3.5 years	3.75 years
Discount rate	7.2898%	7.2898%	1.60%

(Continued)

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

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

	<u>Currency</u>	<u>Maturity Date</u>	<u>Contract Amount (in Thousands)</u>
September 30, 2021			
Selling Forward exchange contracts	EUR/USD	November 10, 2021~January 10, 2022	EUR5,500/ USD6,499
Foreign exchange swap contracts	NTD/USD	November 23, 2021	NTD251,640/ USD9,000
December 31, 2020			
Foreign exchange swap contracts	USD/NTD	February 9, 2021~March 22, 2021	USD20,000/ NTD564,600
Selling Forward exchange contracts	EUR/USD	January 4, 2021~ April 6, 2021	EUR6,900/ USD8,313
September 30, 2020			
Foreign exchange swap contracts	NTD/USD	October 8, 2020~December 22, 2020	NTD876,100/ USD30,000
Selling Forward exchange contracts	EUR/USD	October 21, 2020~January 4, 2021	EUR11,900/USD13,835

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

	<u>For the three months ended September 30,</u>		<u>For the nine months ended September 30,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	Revaluation of derivatives listed in profit and loss	\$ <u>12,053</u>	<u>16,172</u>	<u>28,615</u>

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

	<u>September 30, 2021</u>	<u>December 31, 2020</u>	<u>September 30, 2020</u>
Equity instrument measured at fair value through other comprehensive income:			
Domestic investments			
Listed ordinary shares	\$ 453,653	328,498	561,196
Unlisted ordinary shares	47,699	47,699	73,181
Overseas investments - unlisted ordinary shares	<u>15,292</u>	<u>15,292</u>	<u>20,426</u>
Total	<u>\$ 516,644</u>	<u>391,489</u>	<u>654,803</u>
Current	\$ 107,658	114,715	117,267
Non-current	<u>408,986</u>	<u>276,774</u>	<u>537,536</u>
Total	<u>\$ 516,644</u>	<u>391,489</u>	<u>654,803</u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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- (i) The Group's equity instruments are not held for trading, therefore has been designated at fair value through other comprehensive income.
- (ii) Please refer to note 13(a) for details on the above mentioned equity instruments and fair value, among which the shares of ThinTech Materials Technology Co., Ltd. ("TTMC") were privately placed and its ordinary shares are subject to transfer restrictions in accordance with Article 43-8 of the Securities and Exchange Act.
- (iii) During the nine months ended September 30, 2021 and 2020, the dividends of \$14,178 thousand and \$89,028 thousand, related to equity investments at fair value through other comprehensive income, respectively, were recognized.
- (iv) Due to the changes in strategic layout, the Group has sold its shares held in Apex and realized a loss of \$172,902 thousand, which was reclassified from other equity to retained earnings during the second quarter of 2021. During the third quarter of 2020, the Group sold parts of financial assets at fair value through other comprehensive income for \$1,892,626 thousand, and the accumulated disposal gain was \$436,200 thousand. Therefore, the Group reclassified this account from other equity to retained earnings.
- (v) For credit risk and market risk, please refer to note 6(ac).
- (vi) The financial assets mentioned above had been pledged as collateral for long-term borrowings; please refer to note 8.
- (d) Financial assets at amortized cost

	September 30, 2021	December 31, 2020	September 30, 2020
Convertible preference shares - Phanes Holding Inc.	<u>\$ 139,300</u>	<u>140,475</u>	<u>144,825</u>

- (i) The Group assessed its expected cash flows until maturity, which covers the entirety of interests and principle, and therefore, measured at amortized costs.
- (ii) Phanes Holding Inc. a project developer, is an overseas unlisted company. In order to build a long-term cooperative strategic relationship with Phanes Holding Inc. the Group subscribed to the entire five-year callable preference shares (C-Shares III) for 24,000 shares, at par value, amounting to USD5,000 thousand.
- (iii) The above preference shares carried no voting rights and no dividend rights. Instead they carried preferential rights on dividends specified at 7% of the par value. The preference shares can be redeemed prior to, or later than, the maturity date under the agreement between the Group and Phanes Holding Inc. As of September 30, 2021, December 31 and September 30, 2020, the interest receivables, classified as other receivables from related parties, amounted to \$28,932 thousand, \$29,176 thousand and \$27,886 thousand, respectively.
- (iv) As of September 30, 2021, December 31 and September 30, 2020, financial assets at amortized cost had not been pledged as security.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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(e) Notes and accounts receivables

	September 30, 2021	December 31, 2020	September 30, 2020
Notes and accounts receivable	\$ 2,504,828	2,654,828	3,298,864
Accounts receivable from related parties	251,659	206,908	221,478
Less: Loss Allowance	<u>(263,004)</u>	<u>(575,989)</u>	<u>(580,786)</u>
	<u>\$ 2,493,483</u>	<u>2,285,747</u>	<u>2,939,556</u>

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

September 30, 2021			
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 1,721,419	0%~0.18%	1,286
1 to 30 days past due	145,247	0%~0.98%	1,031
31 to 60 days past due	176,724	0%~2.43%	2,211
61 to 90 days past due	41,060	0%~6.42%	-
91 to 120 days past due	-	0%~11.16%	-
121 to 150 days past due	-	0%~25.58%	-
151 to 180 days past due	19,955	0%~56.16%	-
More than 181 days past due	<u>652,082</u>	0%~100%	<u>258,476</u>
Total	<u>\$ 2,756,487</u>		<u>263,004</u>
December 31, 2020			
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 1,464,649	0%~0.09%	825
1 to 30 days past due	230,088	0%~0.49%	653
31 to 60 days past due	76,778	0%~1.52%	1,132
61 to 90 days past due	17,015	0%~2.83%	354
91 to 120 days past due	25,008	0%~7.91%	-
121 to 150 days past due	3,417	0%~17.05%	-
151 to 180 days past due	6,220	0%~54.55%	1,092
More than 181 days past due	<u>1,038,561</u>	0%~100%	<u>571,933</u>
Total	<u>\$ 2,861,736</u>		<u>575,989</u>

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

	September 30, 2020		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 1,891,664	0%~0.09%	983
1 to 30 days past due	358,413	0%~0.49%	429
31 to 60 days past due	60,447	0%~1.52%	593
61 to 90 days past due	67,470	0%~2.83%	885
91 to 120 days past due	7,331	0%~7.91%	161
121 to 150 days past due	6,668	0%~17.05%	-
151 to 180 days past due	2,764	0%~54.55%	-
More than 181 days past due	<u>1,125,585</u>	0%~100%	<u>577,735</u>
Total	<u><u>\$ 3,520,342</u></u>		<u><u>580,786</u></u>

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

	For the nine months ended September 30,	
	2021	2020
Balance at January 1	\$ 575,989	602,251
Impairment loss recognized (reversed)	47,526	(17,821)
Amounts written off	(359,151)	(222)
Foreign exchange gains (loss)	<u>(1,360)</u>	<u>(3,422)</u>
Balance at September 30	<u><u>\$ 263,004</u></u>	<u><u>580,786</u></u>

The aforementioned notes and accounts receivables of the Group had not been pledged as collateral as of September 30, 2021, December 31 and September 30, 2020.

(f) Inventories

	September 30, 2021	December 31, 2020	September 30, 2020
Construction in progress	\$ 1,647,014	1,965,203	2,287,007
Finished goods and products	894,061	1,093,257	729,071
Raw materials	500,288	386,667	586,730
Work in progress	<u>118,242</u>	<u>71,955</u>	<u>81,957</u>
	<u><u>\$ 3,159,605</u></u>	<u><u>3,517,082</u></u>	<u><u>3,684,765</u></u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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- (i) The construction in progress listed above is the construction cost incurred to build the power plant that the Group is intending to sell.
- (ii) The details of the cost of sales were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2021	2020	2021	2020
Cost of goods sold	\$ 3,300,966	3,230,433	9,837,855	9,414,240
Unallocated production overheads	52,825	135,880	185,411	505,191
Write-down and retirement of inventories	(52,073)	(96,311)	(171,696)	69,429
Others	(12,619)	(665)	(110,514)	(1,157)
Total	\$ <u>3,289,099</u>	<u>3,269,337</u>	<u>9,741,056</u>	<u>9,987,703</u>

- (iii) The inventories of the Group had been pledged as collateral, please refer to note 8.

- (g) Non-current assets held for sale

During the nine months ended September 30, 2021, the Group decided to sell some foreign subsidiaries and has begun to process some selling matters, the assets and liabilities of foreign subsidiaries were presented as a disposal group held for sale. As of September 30, 2021, the assets and liabilities of disposal group were \$1,419,711 thousand and \$1,000,721 thousand, as the following:

	September 30, 2021
Accounts receivable	\$ 49,427
Property, plant and equipment	1,134,828
Intangible assets	63,985
Restricted assets - non-current	152,337
Other assets	19,134
Assets held for sale	\$ <u>1,419,711</u>
Bank borrowings	\$ 932,168
Other payables	34,712
Other liabilities	33,841
Liabilities held for sale	\$ <u>1,000,721</u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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The impairment loss of \$15,791 thousand resulting from measuring at the lower of other carrying amount and fair value less costs to sell shall be disclosed in the consolidated statements of comprehensive income.

(h) Investments accounted for using the equity method

	September 30, 2021	December 31, 2020	September 30, 2020
Associates	\$ 222,112	172,944	203,486
Joint ventures	<u>3,350</u>	<u>3,378</u>	<u>3,484</u>
	<u>\$ 225,462</u>	<u>176,322</u>	<u>206,970</u>

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

- 1) The Group held 28.67% of the equity of Clean Yield Focus (CFY). Both parties agreed to sell back all of the shares to CFY under certain terms and conditions, and the Group has executed the option in the first quarter of 2020, with the proceeds and gains on disposal of \$1,649,963 thousand and \$217,826 thousand, respectively, classified as other gains and losses; please refer to note 7.
- 2) The Group sold the 40% shares of Neo Cathay. for \$705,876 thousand, the gain of disposal was \$80,408 thousand, which was classified as other gain and loss. Besides, it had not collected for \$705,876 thousand as of September 30, 2020, it was accounted as other receivables. This payment was collected in October, 2020.
- 3) The Group's financial information on investments in individually insignificant associates accounted for using the equity method at the reporting date was as follow. This financial information was included in the consolidated financial statements:

	September 30, 2021	December 31, 2020	September 30, 2020
Carrying amount of individually insignificant associates' equity	<u>\$ 222,112</u>	<u>172,944</u>	<u>203,486</u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Attributable to the Group				
Net income(loss)	\$ 8,317	(3,521)	(4,303)	1,954
Other comprehensive income(loss)	<u>(1,696)</u>	<u>3,604</u>	<u>(9,096)</u>	<u>(10,689)</u>
Comprehensive income(loss)	<u>\$ 6,621</u>	<u>83</u>	<u>(13,399)</u>	<u>(8,735)</u>

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

	September 30,	December 31,	September 30,
	2021	2020	2020
The carrying amount of investments in the individually insignificant joint ventures	<u>\$ 3,350</u>	<u>3,378</u>	<u>3,484</u>

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Amount of individually insignificant associates' interests attributable to the Group:				
Net income(loss)	\$ -	-	-	-
Other comprehensive income(loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Comprehensive income(loss)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

- (v) The aforementioned investments accounted for using the equity method of the Group had not been pledged as collateral as of September 30, 2021, December 31 and September 30, 2020.
- (vi) The investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments for the nine months ended September 30, 2021 and 2020 have not been reviewed.

- (i) Loss of control over a subsidiary

For the nine months ended September 30, 2021, the Group sold all of its shares in subsidiaries and loss control of them, with the considerations of \$645,113 thousand and \$12,769 thousand, the disposal loss was \$86,004 thousand (including the effect of exchange rate changes of \$82,215 thousand) and \$94,322 thousand, which was included in other gains and losses.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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The carrying amounts of assets and liabilities of subsidiary on the date of disposal were as follows:

	For the nine months ended September 30,	
	2021	2020
Other current assets	\$ 98,249	143,521
Financial assets at fair value through other comprehensive income - non-current	27,098	-
Property, plant and equipment	647,997	-
Right-of-use assets	-	150,641
Other assets	80,538	7,748
Long-term borrowings	(158,221)	-
Current liabilities	(46,759)	(3,173)
Lease liability	-	(191,199)
Non-Current liabilities	-	(447)
Carrying amount of subsidiary's net assets	\$ 648,902	107,091

(j) Property, plant and equipment

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

	Land	Buildings	Machinery and equipment	Other equipment	Equipment to be inspected and construction in progress	Total
Cost:						
Balance on January 1, 2021	\$ 787,322	4,513,175	19,168,372	7,519,158	222,641	32,210,668
Additions	-	-	-	17,377	406,461	423,838
Disposals	-	(979)	(51,113)	(2,227)	-	(54,319)
Transfer in (out)	-	-	-	(916,977)	-	(916,977)
Reclassification	-	5,200	149,992	30,986	(204,013)	(17,835)
Reclassify to investment property	-	-	-	(262,256)	-	(262,256)
Reclassify to lease property	-	-	(2,826)	-	-	(2,826)
Reclassify to assets held for sale	(18,794)	-	-	(1,354,454)	(192,538)	(1,565,786)
Effect of changes in foreign exchange rates	(9,930)	(48,737)	(50,590)	(45,805)	(4,081)	(159,143)
Balance on September 30, 2021	\$ 758,598	4,468,659	19,213,835	4,985,802	228,470	29,655,364

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	<u>Land</u>	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Equipment to be inspected and construction in progress</u>	<u>Total</u>
Balance on January 1, 2020	\$ 1,541,409	8,176,387	21,497,167	7,193,271	874,195	39,282,429
Additions	-	11,554	170,044	3,460	(6,694)	178,364
Disposals	-	(1,245,986)	(1,941,644)	(80,810)	(139,306)	(3,407,746)
Reclassification	-	282,660	771,217	1,181,401	(378,821)	1,856,457
Effect of changes in foreign exchange rates	(8,245)	(36,950)	(138,416)	(199,138)	(17,776)	(400,525)
Balance on September 30, 2020	<u>\$ 1,533,164</u>	<u>7,187,665</u>	<u>20,358,368</u>	<u>8,098,184</u>	<u>331,598</u>	<u>37,508,979</u>
Accumulated depreciation						
Balance on January 1, 2021	\$ -	1,651,948	17,364,601	2,598,464	144,666	21,759,679
Depreciation	-	155,739	424,768	193,364	-	773,871
Disposals	-	(979)	(51,113)	(1,908)	-	(54,000)
Transfer in (out)	-	-	-	(268,980)	-	(268,980)
Reclassification	-	-	(2,048)	(1,392)	-	(3,440)
Reclassify to investment property	-	-	-	(143,805)	-	(143,805)
Reclassify to lease property	-	-	(2,826)	-	-	(2,826)
Reclassify to assets held for sale	-	-	-	(288,532)	(142,426)	(430,958)
Effect of changes in foreign exchange rates	-	(7,864)	(11,862)	(11,886)	(1,437)	(33,049)
Balance on September 30, 2021	<u>\$ -</u>	<u>1,798,844</u>	<u>17,721,520</u>	<u>2,075,325</u>	<u>803</u>	<u>21,596,492</u>
Balance on January 1, 2020	\$ -	1,952,218	16,886,978	1,121,904	256,371	20,217,471
Depreciation	-	261,556	981,263	315,579	-	1,558,398
Disposal	-	(360,204)	(1,965,351)	(63,858)	(101,350)	(2,490,763)
Reclassification	-	186,258	653,978	852,519	-	1,692,755
Effect of changes in foreign exchange rates	-	(3,370)	(41,225)	(36,143)	(6,703)	(87,441)
Balance on September 30, 2020	<u>\$ -</u>	<u>2,036,458</u>	<u>16,515,643</u>	<u>2,190,001</u>	<u>148,318</u>	<u>20,890,420</u>
Carrying amounts:						
Balance on January 1, 2021	<u>\$ 787,322</u>	<u>2,861,227</u>	<u>1,803,771</u>	<u>4,920,694</u>	<u>77,975</u>	<u>10,450,989</u>
Balance on September 30, 2021	<u>\$ 758,598</u>	<u>2,669,815</u>	<u>1,492,315</u>	<u>2,910,477</u>	<u>227,667</u>	<u>8,058,872</u>
Balance on January 1, 2020	<u>\$ 1,541,409</u>	<u>6,224,169</u>	<u>4,610,189</u>	<u>6,071,367</u>	<u>617,824</u>	<u>19,064,958</u>
Balance on September 30, 2020	<u>\$ 1,533,164</u>	<u>5,151,207</u>	<u>3,842,725</u>	<u>5,908,183</u>	<u>183,280</u>	<u>16,618,559</u>

- (i) During September 2020, the Group sold the building to non-related parties with the considerations of \$1,038,306 thousand, the gain of disposal was \$248,926 thousand. As of September 30, 2020, the payment mentioned above still have not been received, therefore, it was classified as other receivables. Besides, it should repay the bank mortgage for \$789,395 thousand, in priority when was received the payment.
- (ii) During the six months ended June 30, 2021, some buildings were transferred to investment property at the fair value of the building at the date of transfer, because they were no longer used by the Group, and it was decided that the building would be leased to a third party. Please refer to Note 6(1).

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(iii) Reclassify to assets held for sale, please refer to Note 6(g).

(iv) The aforementioned property, plant and equipment of the Group had been pledged as collateral, please refer to Note 8.

(k) Right-of-use assets

	<u>Land</u>	<u>Building</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Total</u>
Carrying amount:					
Balance at September 30, 2021	\$ <u>392,995</u>	<u>28,635</u>	<u>2,198</u>	<u>18,250</u>	<u>442,078</u>
Balance at December 31, 2020	\$ <u>523,240</u>	<u>23,887</u>	<u>65</u>	<u>21,305</u>	<u>568,497</u>
Balance at September 30, 2020	\$ <u>724,363</u>	<u>33,141</u>	<u>131</u>	<u>17,785</u>	<u>775,420</u>

The Group lease the land, building, machinery and equipment and other equipment that was classified as right-of-use asset. Except the disposal of a subsidiary, loss all control to it in the third quarter 2020 and right-of-use assets decreased by \$150,641 thousand. The Group lease land to the third party, which reclassified to investment property for \$109,390 thousand during the second quarter of 2021. Except for the above, there were no significant additions, disposal, or recognition and reversal of the impairment losses of right-of-use assets leased by the Group for the nine months ended September 30, 2021 and 2020. Please refer to the 2020 annual consolidated financial statements for other related information.

(l) Investment property

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

The details of investment property are as follows:

	<u>Properties</u>		<u>Right-of-use asset</u>	
	<u>Land</u>	<u>Buildings</u>	<u>Land</u>	<u>Total</u>
Carrying amount:				
Balance at September 30, 2021	\$ <u>747,300</u>	<u>1,958,985</u>	<u>169,084</u>	<u>2,875,369</u>
Balance at December 31, 2020	\$ <u>747,300</u>	<u>1,924,044</u>	<u>69,916</u>	<u>2,741,260</u>

The Group lease its own buildings and the land of right-of-use asset to the third party, which reclassified to investment property \$118,451 thousand and \$109,390 thousand, respectively. Except for the above, there were no significant additions, disposal, or recognition and reversal of impairment losses of investment property for the nine months ended September 30, 2021. Please refer to the 2020 annual consolidated financial statements for other related information.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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The fair value of the investment property was not significantly different from those disclosed in the annual consolidated financial statements for the year ended December 31, 2020.

At September 30, 2021 and December 31, 2020, the investment property had been pledged as collateral for long-term borrowings, please refer to Note 8.

(m) Intangible assets

	<u>Contract with Consultants</u>	<u>Contract with Customers</u>	<u>Other</u>	<u>Total</u>
Carrying amount:				
Balance at September 30, 2021	\$ -	-	5,444	5,444
Balance at December 31, 2020	\$ -	64,976	5,341	70,317
Balance at September 30, 2020	\$ -	98,299	7,183	105,482

Due to reclassification of the intangible asset to the asset held for sale, it decreased by \$63,985 thousand. Except for the above, there were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the nine months ended September 30, 2021 and 2020. Please refer to the 2020 annual consolidated financial statements for other related information.

(n) Short-term borrowings

	<u>September 30, 2021</u>	<u>December 31, 2020</u>	<u>September 30, 2020</u>
Secured bank loans	\$ -	93,837	-
Unsecured bank loans	3,225,255	2,226,165	2,673,550
Total	\$ 3,225,255	2,320,002	2,673,550
Unused credit lines	\$ 1,969,444	2,974,000	2,615,989
Range of interest rates	<u>1.00%~1.90%</u>	<u>0.95%~1.86%</u>	<u>1.16%~2.36%</u>

There were no significant issues, repurchases and repayments of short-term borrowings for the nine months ended September 30, 2021 and 2020, please refer to the 2020 annual consolidated financial statements for other related information.

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

(o) Short-term notes and bills payable

	<u>September 30, 2021</u>	<u>December 31, 2020</u>	<u>September 30, 2020</u>
Commercial paper payable	\$ 466,000	174,900	336,900
Less: discounts on commercial paper payable	(147)	(90)	(70)
	\$ 465,853	174,810	336,830

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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There were no significant issues, repurchases and repayments of short-term notes and bills payable for the nine months ended September 30, 2021 and 2020. Please refer to the 2020 annual consolidated financial statements for other related information.

(p) Long-term liabilities

(i) Long-term borrowings

	<u>September 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>	<u>September 30,</u> <u>2020</u>
<u>Secured bank loans</u>			
10.13 billion syndicated loan from First Bank \$	-	4,562,171	5,947,086
4.5 billion syndicated loan from First Bank	2,231,560	2,267,560	2,279,560
6 billion syndicated loan from First Bank	2,953,371	-	-
FMO & DEG Bank	-	953,376	996,658
Cathay Bank	523,546	605,254	629,705
KGI Bank Loan	250,000	250,000	250,000
Union Bank	65,000	-	-
IMPA	606,883	598,541	612,702
Chailease International Financial Services. Co., Ltd.	-	-	126,576
Inventories financing loans	-	-	107,510
Other financing loan	266,898	424,595	434,606
<u>Unsecured bank loans</u>			
King's Town Bank	\$ -	430,587	540,000
0.5 billion syndicated loan from First Bank	-	112,500	112,500
Chailease International Financial Service. Co., Ltd.	2,441	85,959	-
Union Bank	50,000	-	-
Inventories repurchase financing loans	-	69,069	-
Other financing loan	120,680	122,800	124,090
	<u>7,070,379</u>	<u>10,482,412</u>	<u>12,160,993</u>
Less: Current portion	<u>(3,156,185)</u>	<u>(5,366,741)</u>	<u>(5,332,302)</u>
Total	<u>\$ 3,914,194</u>	<u>5,115,671</u>	<u>6,828,691</u>
Unused credit lines	<u>\$ -</u>	<u>1,276,100</u>	<u>1,026,980</u>
Range of interest rates	<u>1.08%~4.75%</u>	<u>0.90%~7.82%</u>	<u>0.91%~7.82%</u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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- 1) The long-term loan contracts listed above will expire in November 2043.
- 2) Except for the following, there were no significant issues, repurchases and repayments of long-term borrowings for the nine months ended September 30, 2021 and 2020. Please refer to the 2020 annual consolidated financial statements for other related information.
- 3) Compliance with loan contracts
 - a) The Group entered into a syndicated loan contract with FMO Bank and DEG Bank. According to the terms and conditions on the contract, it requires the borrower, JRC, to maintain certain financial ratios based on their annual and semiannual consolidated financial reports, wherein the balance of the special reserve account should not be below USD\$3,000 thousand. The Group intend to sell the subsidiaries and reclassify the related borrowings to liabilities held for sale, please refer to note 6(g).
 - b) The Group entered into a middle-to-long-term guaranteed loan from CATHAY BANK. According to the terms and conditions of the contract, it requires that the borrower, GES USA, to maintain certain financial ratios during the credit period.
 - c) The Group entered into a long-term loan agreement with Bank SinoPac. According to the terms and conditions on the contract, it requires the borrower, Yong Liang, to maintain certain financial ratios on their financial report during the credit period.

As of September 30, 2021, December 31 and September 30, 2020, the Group did not breach any of the terms stated above.

- d) The Group entered into middle-to-long-term guaranteed loan with CATHAY BANK. According to the terms and conditions on the contract, it requires the borrower, MEGATWELVE, MEGATHIRTEEN and ASSETTHREE to maintain certain financial ratios based on its annual financial reports during the credit period. The ratios did not meet the above requirements on December 31, 2020, the Group has increased the compensation fund in accordance to the terms, and no breach of contract was committed. In accordance to the terms, there is no need to review the financial ratios as of September 30, 2021 and 2020.
- e) The Group entered into \$10.13 billion and 0.5 billion syndicated loans with First Bank. According to the terms and conditions on the contract, it requires the Group to maintain certain financial ratios based on its annual and semiannual consolidated financial reports during the credit period. The financial ratio need not be reviewed in this quarter. The \$10.13 billion and 0.5 billion syndicated loans are repaid in the third quarter 2021, respectively.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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- f) The Group entered into \$6 billion syndicated loans with First Bank. According to the terms and conditions on the contract, it requires the Group to maintain certain financial ratios based on its annual and semiannual consolidated financial reports during the credit period. The financial ratio need not be reviewed in this quarter and begins from the annual consolidated financial reports 2021.
- g) The Group entered into a \$4.5 billion syndicated loan with First Bank. According to the terms and conditions on the contract, it requires Utech's to maintain certain financial ratios based on its annual financial reports during the credit period. The abovementioned syndicated loans and other loans which were lent by Shanghai Commercial Bank had expired on September 30, 2021. The Group completed the negotiation with First Bank and Shanghai Commercial Bank to extend the loan maturity date to September 30, 2022. The financial ratios before the loan due date need not be reviewed. As of September 30, 2021, the balance of bank loan was \$2,352,240 thousand, which was expired, and the loan was extended until September 30, 2022.

4) Other loan agreements

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

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

(q) Preference share liabilities

	September 30, 2021	December 31, 2020	September 30, 2020
Class A preference shares	\$ 19,471	28,282	32,464
Less: Current portion	<u>(13,658)</u>	<u>(15,063)</u>	<u>(15,530)</u>
Total	<u>\$ 5,813</u>	<u>13,219</u>	<u>16,934</u>

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

The Group's subsidiaries, MEGASIXTEEN and TEV II, have issued Class A preference shares through GES AC and AC GES respectively. Relevant information was as follows:

	<u>issued by MEGASIXTEEN</u>	<u>issued by TEV II</u>
Issuance date	2017.12	2018.12
Total amount issued	USD11,920 thousand dollars	USD10,051 thousand dollars
percentages of Class A preference shares held by shareholders	32.41%	33.81%
Issuance terms		
- Voting rights	Yes	Yes
- Dividend rights	Shareholders will be given priority to receive cumulative cash dividend of 0.65% with a monthly fixed Asset Management Fee each quarter and are entitled to 99% of profits sharing before expiration date December 2022.	Shareholders will be given priority to receive cumulative cash dividend of 0.675% with a monthly fixed Asset Management Fee each quarter and are entitled to 99% of sharing earned before expiration date June 2024.
- Others	Starting from December 2022, the Group would be able to repurchase the entirety of Class A shares at contract price.	Starting from June 2024, the Group would be able to repurchase the entirety of Class A shares at contract price.

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

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

(r) Lease liabilities

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

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

Carrying amount of the lease liabilities of the Group were as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Current	<u>\$ 32,464</u>	<u>50,913</u>	<u>26,520</u>
Non-current	<u>\$ 598,564</u>	<u>605,021</u>	<u>767,546</u>

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

The amounts recognized in profit or loss were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2021	2020	2021	2020
Interest on lease liabilities	<u>\$ 4,275</u>	<u>6,363</u>	<u>12,986</u>	<u>23,047</u>
Variable lease payments not included in the measurement of lease liabilities	<u>\$ 3,336</u>	<u>2,519</u>	<u>9,329</u>	<u>7,886</u>
Expenses relating to short-term leases	<u>\$ 3,565</u>	<u>4,148</u>	<u>22,875</u>	<u>14,754</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>\$ 474</u>	<u>530</u>	<u>1,443</u>	<u>2,026</u>

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

	For the nine months ended September 30, 2021	For the nine months ended September 30, 2020
Total cash outflow for leases	<u>\$ 82,479</u>	<u>87,084</u>

(s) Provisions

	September 30, 2021	December 31, 2020	September 30, 2020
Warranties and others	\$ 99,618	88,955	152,429
Onerous contracts	72,983	175,916	-
Total	<u>\$ 172,601</u>	<u>264,871</u>	<u>152,429</u>

There were no significant changes in provisions for the nine months ended September 30, 2021 and 2020. Please refer to the consolidated financial statements for the year ended December 31, 2020 for other related information.

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

(t) Operating lease

There were no significant changes in operating lease for the nine months ended September 30, 2021 and 2020. Please refer to the consolidated financial statements for the year ended December 31, 2020 for other related information.

(u) Employee benefits

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to \$14,031 thousand, \$12,700 thousand, \$39,779 thousand and \$39,447 thousand for the three months and nine months ended September 30, 2021 and 2020, respectively.

(v) Income Taxes

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

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Current tax expense	\$ 1,240	8,030	3,894	15,981
Deferred tax expense	(4,409)	2,357	(3,165)	2,352
Income tax expense	<u>\$ (3,169)</u>	<u>10,387</u>	<u>729</u>	<u>18,333</u>

(ii) For the nine months ended September 30, 2021 and 2020, there was no income tax recognized in other comprehensive income.

(iii) The Company's tax returns for the years through 2018 were assessed by the National Tax Bureau.

(w) Capital and other equity

Except for the following disclosure, there was no significant change in for capital and other equity for the periods from January 1 to September 30, 2021 and 2020. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2020.

(i) Ordinary shares

	September 30,	December 31,	September 30,
	2021	2020	2020
Authorized share capital	<u>\$ 36,000,000</u>	<u>36,000,000</u>	<u>36,000,000</u>
Issued share capital	<u>\$ 15,079,003</u>	<u>26,650,863</u>	<u>26,653,113</u>
Total shares issued	<u>\$ 1,507,900</u>	<u>2,665,086</u>	<u>2,665,311</u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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Of the Group authorized shares, 80,000 thousand shares had been reserved for the issuance of employee share options.

Resolutions were approved during the general meetings of the shareholders held on May 7, 2021, to reduce capital to cover accumulated deficits \$11,571,175 thousand, and has already gotten the approval from the competent authority.

(ii) Capital surplus

The Company's capital surplus includes share premium, subsidiaries, number of changes in ownership of associates and joint venture recognized by equity method, and employee stock option, etc. Both resolutions were approved during the general meetings of the shareholders held on May 7, 2021 and June 22, 2020 to offset the deficit against the capital surplus of \$9,887 thousand and \$123,629 thousand, respectively.

(iii) Retained Earnings

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

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

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

On May 7, 2021, the capital reduction for covering accumulated deficits proposal and the loss compensation proposal had been resolved by the shareholders' meeting, and on June 22, 2020, the loss compensation proposal had been resolved by the shareholders' meeting. Related information can be found on the Market Observation Post System website of the Taiwan Stock Exchange.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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(iv) Treasury shares

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

	Number of shares held (in thousands of shares)	Carrying Amount	Market Price
Balance at September 30, 2021	<u>\$ 1,066</u>	<u>18,699</u>	<u>21,846</u>
Balance at December 31, 2020	<u>\$ 1,883</u>	<u>18,699</u>	<u>26,839</u>
Balance at September 30, 2020	<u>\$ 1,883</u>	<u>18,699</u>	<u>21,754</u>

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

(x) Share-based payment

As of September 30, 2021, the Group's restricted share plan for employees were as follows. There were no significant changes in for share-based payment for the nine months ended September 30, 2021 and 2020. Please refer to the consolidated financial statements for the year ended December 31, 2020 for other related information.

	Restricted share plan for employees		
	Issued in 2020	Issued in 2019	Issued by the original Solartech Energy
Grant date	August 11, 2020	November 11, 2019	October 1, 2018
Number of shares granted (in thousand shares)	795	2,205	4,896
Contract term	2 years	2 years	2 years
Recipients	Employees of the Company	Employees of the Company	Employees of former Solartech Energy
Vested conditions	Still in service two years after the grant date	Still in service two years after the grant date	Still in service three years after the grant date
Other conditions	The Group will reduce capital and adjustthe number of unowned shares	The Group will reduce capital and adjustthe number of unodwned shares	Taken on by the Group after the merging, with the outstanding amount of shares adjusted according to the exchange ratio on the merge date

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

(v) Information for the cost of share-based payment

	For the nine months ended September 30, 2021	For the nine months ended September 30, 2020
Wages expense	\$ 5,095	8,666

(y) Earnings (loss) per share

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2021	2020	2021	2020
Basic earnings (loss) per share:				
Profit (loss) attributable to ordinary shareholders of the Company	\$ (90,749)	142,259	(848,252)	(1,198,274)
Weighted average number of ordinary shares outstanding (in thousands of shares)	1,506,138	1,505,275	1,506,068	1,505,249
Earnings (loss) per share	\$ (0.06)	0.09	(0.56)	(0.80)

The ordinary share equivalents of the Company were not included in this calculation due to their anti-dilutive effects.

(z) Revenue from contracts with customers

(i) Disaggregation of revenue:

	For the three months ended September 30,		For the nine months ended September 30,	
	2021	2020	2021	2020
Major products				
Solar products	\$ 3,140,696	2,787,977	8,751,278	8,170,442
System	228,166	599,184	938,699	1,246,068
Other	134,961	127,702	488,497	378,199
	\$ 3,503,823	3,514,863	10,178,474	9,794,709

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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(ii) Contract balance

	September 30, 2021	December 31, 2020	September 30, 2020
Notes and accounts receivable	<u>\$ 2,493,483</u>	<u>2,285,747</u>	<u>2,939,556</u>
Contract assets			
Power plant construction contract	\$ 149,481	175,041	230,486
Less: allowance for impairment	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 149,481</u>	<u>175,041</u>	<u>230,486</u>
Contract liabilities			
Sales of products	\$ 572,884	313,883	292,608
Power plant construction contract	62,162	35,028	3,266
Power plant sales contract	<u>-</u>	<u>-</u>	<u>20,162</u>
	<u>\$ 635,046</u>	<u>348,911</u>	<u>316,036</u>

- 1) The details on accounts receivable and allowance for impairment, please refer to note 6(e).
- 2) The beginning balance of contract liabilities recognized as revenue at January 1 to September 30, 2021 and 2020 were \$235,872 thousand and \$247,122 thousand, respectively.

(aa) Employee compensation and directors' remuneration

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

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

Due to net loss for the year ended December 31, 2021 and 2020, the Group did not estimate its employees', directors' and supervisors' remuneration.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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(ab) Non-operating Income and Expenses

(i) Other income

	For the three months ended September 30,		For the nine months ended September 30,	
	2021	2020	2021	2020
Lease income	\$ 56,844	40,494	141,883	69,542
Dividend income	12,064	89,028	14,178	89,028
Other income	11,635	49,000	51,575	131,430
	<u>\$ 80,543</u>	<u>178,522</u>	<u>207,636</u>	<u>290,000</u>

(ii) Other gains and losses

	For the three months ended September 30,		For the nine months ended September 30,	
	2021	2020	2021	2020
Gain (loss) on foreign currency exchange	\$ (18,640)	(9,497)	(16,800)	(39,291)
Gain on disposal of property, plant and equipment and power facilities business	94	256,807	94	243,997
Gain (loss) on disposals of investments	(6,397)	(13,913)	(101,795)	203,913
Other	9,484	(4,956)	(9,719)	37,717
	<u>\$ (15,459)</u>	<u>228,441</u>	<u>(128,220)</u>	<u>446,336</u>

(ac) Financial Instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2020.

(i) Credit risk

1) Credit risk exposure

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

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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2) Concentration of credit risk

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

3) Credit risk of receivables and debt securities

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

(ii) Liquidity risk

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

	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>	<u>Over 3 years</u>
September 30, 2021					
Non-derivative financial liabilities					
Bank borrowings	\$ 10,976,099	6,557,655	921,583	2,459,754	1,037,107
Short-term notes and bills payable	466,000	466,000	-	-	-
Lease liabilities	814,059	75,848	60,123	53,468	624,620
Non-interest bearing liabilities	3,085,449	3,085,449	-	-	-
Derivative financial liabilities (Note)					
Inflow	(432,720)	(432,720)	-	-	-
Outflow	428,824	428,824	-	-	-
	<u>\$ 15,337,711</u>	<u>10,181,056</u>	<u>981,706</u>	<u>2,513,222</u>	<u>1,661,727</u>
December 31, 2020					
Non-derivative financial liabilities					
Bank borrowings	\$ 13,980,834	7,944,618	3,421,963	270,403	2,343,850
Short-term notes and bills payable	174,900	174,900	-	-	-
Lease liabilities	869,451	68,040	65,233	63,938	672,240
Non-interest bearing liabilities	2,510,349	2,510,349	-	-	-
Derivative financial liabilities (Note)					
Inflow	(798,127)	(798,127)	-	-	-
Outflow	800,849	800,849	-	-	-
	<u>\$ 17,538,256</u>	<u>10,700,629</u>	<u>3,487,196</u>	<u>334,341</u>	<u>3,016,090</u>

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	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>	<u>Over 3 years</u>
September 30, 2020					
Non-derivative financial liabilities					
Bank borrowing	\$ 16,188,591	8,331,571	5,126,416	705,873	2,024,731
Short-term notes and bills payable	336,900	336,900	-	-	-
Lease liabilities	1,081,364	66,860	65,174	66,050	883,280
Non-interest bearing liabilities	2,534,893	2,534,893	-	-	-
Derivative financial liabilities (Note)					
Inflow	(1,276,823)	(1,276,823)	-	-	-
Outflow	1,274,918	1,274,918	-	-	-
	<u>\$ 20,139,843</u>	<u>11,268,319</u>	<u>5,191,590</u>	<u>771,923</u>	<u>2,908,011</u>

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

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

(iii) Market risk

1) Currency risk

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

	<u>September 30, 2021</u>			<u>December 31, 2020</u>			<u>September 30, 2020</u>		
	<u>Foreign currency (in thousands)</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Foreign currency (in thousands)</u>	<u>Exchange rate</u>	<u>NTD</u>	<u>Foreign currency (in thousands)</u>	<u>Exchange rate</u>	<u>NTD</u>
Financial assets									
Monetary items									
USD	\$ 128,958	27.8600	3,592,770	139,557	28.0950	3,920,854	159,301	28.9650	4,614,153
EUR	10,684	32.3400	345,521	8,850	34.5400	305,679	13,318	33.9900	452,679
CNY	1,412	4.3040	6,077	3,957	4.3220	17,102	4,428	4.2500	18,819
Non-Monetary items									
MYR	10,350	6.3810	66,042	10,870	6.7015	72,842	10,945	6.6665	72,966
Financial liabilities									
Monetary items									
USD	134,128	27.8600	3,736,806	143,712	28.0950	4,037,589	152,469	28.9650	4,416,265
JPY	-	0.2491	-	102,113	0.2724	27,816	29,249	0.2745	8,029

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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The Group's exposure to currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts and other receivables, and accounts and other payables that are denominated in foreign currency. The weakening or strengthening of 1% on the above-mentioned foreign currency against the New Taiwanese Dollars would have decrease or increase the net profit (loss) before tax for the nine months ended September 30, 2021 and 2020 by \$2,076 thousand and \$6,614 thousand, respectively. The analysis assumes that all other variables remain constant. The analysis is performed on the same basis for the two periods.

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the nine months ended September 30, 2021 and 2020, foreign exchange gain (loss) (including realized and unrealized portions), please refer to note 6 (ab).

2) Interest rate risk

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

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

If the interest rate had increased / decreased by 0.25%, the Group's net income would have decreased / increased by \$2,023 thousand and \$5,815 thousand for the nine months ended September 30, 2021 and 2020 with all other variable factors remaining constant. This is mainly due to the exposure of the fair value interest rate risk of the Group's variable interest rate deposit and loans.

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

3) Other market price risk

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

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Prices of securities at the reporting date	For the nine months ended September 30, 2021	For the nine months ended September 30, 2020
Increasing 5%	\$ 22,683	28,060
Decreasing 5%	\$ (22,683)	(28,060)

4) Fair value of financial instruments

a) Fair value hierarchy

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

	September 30, 2021				
	Book value	Fair Value			
	Level 1	Level 2	Level 3		
Financial assets at fair value through profit and loss					
Derivative financial assets	\$ 174,324	-	3,897	170,427	174,324
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	\$ 453,653	158,253	295,400	-	453,653
Non-quoted equity instruments measured at fair value	62,991	-	-	62,991	62,991
Subtotal	\$ 516,644	158,253	295,400	62,991	516,644
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 4,614,037				
Accounts receivable (including related parties)	2,493,483				
Other receivables (including receivables from related parties)	685,074				
Financial assets measured at amortized cost	139,300				
Other financial assets	800,813				
Refundable deposits	738,081				
	\$ 9,470,788				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	\$ 66,700	-	-	66,700	66,700

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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		September 30, 2021			
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	\$ 10,295,634				
Short-term notes payable	465,853				
Accounts payable (including related parties)	1,719,894				
Lease liabilities	631,028				
Preference share liabilities	19,471				
Other financial liabilities	<u>1,365,556</u>				
	<u>\$ 14,497,436</u>				
		December 31, 2020			
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Derivative financial assets	<u>\$ 184,772</u>	<u>-</u>	<u>2,714</u>	<u>182,058</u>	<u>184,772</u>
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	\$ 328,498	169,038	159,460	-	328,498
Non-quoted equity instruments measured at fair value	<u>62,991</u>	<u>-</u>	<u>-</u>	<u>62,991</u>	<u>62,991</u>
Subtotal	<u>\$ 391,489</u>	<u>169,038</u>	<u>159,460</u>	<u>62,991</u>	<u>391,489</u>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 4,954,658				
Accounts receivable (including related parties)	2,285,747				
Other receivables (including related parties)	981,405				
Financial assets measured at amortized cost	140,475				
Other financial assets	1,486,082				
Refundable deposits	<u>732,696</u>				
	<u>\$ 10,581,063</u>				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	<u>\$ 105,178</u>	<u>-</u>	<u>5,437</u>	<u>99,741</u>	<u>105,178</u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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		December 31, 2020			
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	\$ 12,802,412				
Short-term notes payable	174,810				
Accounts payable (including related parties)	1,336,177				
Lease liabilities	655,934				
Preference share liabilities	28,282				
Other financial liabilities	<u>1,174,172</u>				
	<u>\$ 16,171,787</u>				
		September 30, 2020			
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss					
Derivative financial assets	<u>\$ 220,007</u>	<u>-</u>	<u>7,387</u>	<u>212,620</u>	<u>220,007</u>
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	\$ 561,196	443,036	118,160	-	561,196
Non-quoted equity instruments measured at fair value	<u>93,607</u>	<u>-</u>	<u>-</u>	<u>93,607</u>	<u>93,607</u>
Subtotal	<u>\$ 654,803</u>	<u>443,036</u>	<u>118,160</u>	<u>93,607</u>	<u>654,803</u>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 4,587,506				
Accounts receivable (including accounts receivables from related parties)	2,939,556				
Other receivables (including receivables from related parties)	3,154,358				
Financial assets measured at amortized cost	144,825				
Other financial assets	1,413,268				
Refundable deposits	<u>664,640</u>				
	<u>\$ 12,904,153</u>				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	<u>\$ 109,055</u>	<u>-</u>	<u>5,483</u>	<u>103,572</u>	<u>109,055</u>

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	September 30, 2020				
	Book value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	\$ 14,834,543				
Short-term notes payable	336,830				
Accounts payable (including accounts receivables from related parties)	1,573,723				
Lease liabilities	794,066				
Preference share liabilities	32,464				
Other financial liabilities	961,170				
	<u>\$ 18,532,796</u>				

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

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

i) Financial assets measured at amortized cost

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

ii) Financial liabilities measured at amortized cost

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

c) Valuation techniques for financial instruments measured at fair value

i) Non-derivative financial instruments

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

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

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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The financial instruments held by the Group are distinguished according to the evaluation sources used to determine its fair value as follows:

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

ii) Derivative financial instruments

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

d) Reconciliation of Level 3 fair values

The changes in Level 3 fair values for the nine months ended September 30, 2021 and 2020 are as follows:

	Derivative instrument - Net of fair value measured through profit and loss		Non quoted equity instrument - fair value through other comprehensive income	
	2021	2020	2021	2020
Opening balance	\$ 82,317	124,565	62,991	97,021
Total gains and losses recognized in profit and loss	22,249	23,721	-	-
Total gains and losses recognized in other comprehensive income	-	-	-	(3,414)
Disposal/Redemption	-	(35,654)	-	-
Effect of exchange rate changes	(839)	(3,584)	-	-
Ending balance	<u>\$ 103,727</u>	<u>109,048</u>	<u>62,991</u>	<u>93,607</u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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As of September 30, 2021 and 2020, the total gains and losses were included in “other gains and losses” and “unrealized gains and losses of financial assets at fair value through other comprehensive income”. The relevant assets were as follows:

	For the nine months ended September 30,	
	2021	2020
Total gains and losses recognized:		
In gains and losses, and presented in “other gains and losses”	\$ <u>22,249</u>	<u>23,721</u>
In other comprehensive income, and presented in “unrealized gains and losses from financial assets at fair value through other comprehensive income”	\$ <u>-</u>	<u>(3,414)</u>
e) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement		

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

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

Quantified information of significant unobservable inputs was as follow:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Financial assets measured at fair value through profit and loss - derivatives instruments (long call options and short call options)	Option pricing model	Stock price volatility (25%~33% for September 30, 2021, and 17%~18% for December 31 and September 30, 2020, respectively)	The higher the volatility of the stock price, the higher the fair value of longing the call option and lower the fair value of shorting the call option

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Financial assets measured at fair value through other comprehensive income - equity instruments without an active market	Black-Scholes options pricing model	<ul style="list-style-type: none"> · Value multiplier (1.56 for September 30, 2020) · Stock price volatility (53.77% for September 30, 2020) 	<ul style="list-style-type: none"> · The higher the value multiplier, the higher the fair value · The higher the volatility, the lower the fair value

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

	Input value	Increase(+) or decrease(-)	The effect of fair value fluctuations in profit and loss	
			Favorable	Unfavorable
Financial assets measured at fair value through profit and loss - derivatives instruments (long call options)	27%~33%	+0.5%	-	-
Financial assets measured at fair value through profit and loss - derivatives instruments (short call options)	25%~33%	+0.5%	-	(1,792)
	27%~33%	-0.5%	1,796	-

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

- (ad) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in the consolidated financial statements for the year ended December 31, 2020.

- (ae) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2020. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2020.

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

The Group's investing and financing activities which did not affect the current cash flow in the nine months ended September 30, 2021 and 2020, were as follows:

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

	January 1, 2021	Cash flows	Foreign exchange movements and others	September 30, 2021
Long-term borrowings	\$ 10,482,412	(2,317,851)	(1,094,182)	7,070,379
Short-term borrowings	2,320,002	924,690	(19,437)	3,225,255
Shor-term notes payable	174,810	291,100	(57)	465,853
Lease liabilities	655,934	(48,832)	23,926	631,028
Preference share liabilities	28,282	(12,704)	3,893	19,471
Total liabilities from financing activities	<u>\$ 13,661,440</u>	<u>(1,163,597)</u>	<u>(1,085,857)</u>	<u>11,411,986</u>

	January 1, 2020	Cash flows	Foreign exchange movements and others	September 30, 2020
Long-term borrowings	\$ 17,498,137	(5,201,423)	(135,721)	12,160,993
Short-term borrowings	2,988,798	(209,041)	(106,207)	2,673,550
Shor-term notes payable	415,458	(79,200)	572	336,830
Lease liabilities	1,018,299	(62,418)	(161,815)	794,066
Preference share liabilities	44,260	(13,700)	1,904	32,464
Total liabilities from financing activities	<u>\$ 21,964,952</u>	<u>(5,565,782)</u>	<u>(401,267)</u>	<u>15,997,903</u>

(7) Related-party transactions:

- (a) Name and relationship with related parties

<u>Name of related party</u>	<u>Relationship with the Group</u>
Phanes Holding Inc.	Other related party
Oryx Solar System Solutions LLC	Other related party
ThinTech Materials Technology Co., Ltd.	Other related party
Sino-American Silicon Products Inc. ("SAS")	Other related party (Note 2)

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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<u>Name of related party</u>	<u>Relationship with the Group</u>
Clean Focus Management Acquisition LLC (“CFM”)	Other related party
Neo Cathay Power Corp. (“Neo Cathay”)	Associate (Note 3)
Neo Cathay Electric Power Corp.	Associate (Note 3)
DS Energy Technology Co., Ltd.	Associate
Si One Corp.	Associate (Note 3)
Da Li Energy Co., Ltd.	Associate (Note 3)
Yong Han Ltd.	Associate (Note 3)
Yun Yeh Energy Inc.	Associate (Note 3)
Solarbright energy Co., Ltd. (“Solarbright”)	Associate
Apex Solar Corporation (“Apex”)	Associate (Note 4)
Clean Focus Yield Limited (“CFY”)	Other related party (Note 1)
Clean Focus Corporation (“CFC”)	Other related party (Note 1)
CF Gainesville Owner One, LLC	Other related party (Note 1)
CF SBC Owner One LLC	Other related party (Note 1)
CF Lessee LOB LLC	Other related party (Note 1)
Verde Solar Inc.	Other related party (Note 1)
V5 Technologies Co., Ltd.	Associate
Gintung energy Corporation	Associate
CF MN DevCo One LLC (“DevCo One”)	Joint venture
CF MN DevCo Two LLC (“DevCo Two”)	Joint venture
NSP ET CAP MN HOLDINGS LLC	Joint venture

Note 1: Former associates of the Group, wherein the Group disposed all of CFY’s shares in January 2020. In addition, due to the fact that the directors of CFY are the same as those of the Company, therefore, the Group has significant control over CFY; hence CFY and its subsidiaries were listed as other related parties of the Group.

Note 2: The Company did not serve as director of SAS in June 2020, and no longer has significant control over it. Therefore, only show the transactions as of June 2020.

Note 3: The Company disposed Neo Cathay's shares in September 2020, and no longer has significant control over it and its subsidiaries. Therefore, only show the transactions as of September 2020.

Note 4: A former subsidiary of the Group, wherein the Company disposed all of Apex’s shares to Solarbright during the second quarter of 2021, hence Apex was listed as an associate.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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(b) Significant transactions with related parties

(i) Sales, accounts receivable and contract assets

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

	For the three months ended		For the nine months ended	
	September 30		September 30	
	2021	2020	2021	2020
Associates	\$ 166,082	242,531	257,159	487,296
Other related parties	-	490	-	(2,585)
	<u>\$ 166,082</u>	<u>243,021</u>	<u>257,159</u>	<u>484,711</u>

The terms of sale between the Group and related parties are negotiated by both parties based on the market conditions of the relevant products. The details of the accounts receivable and contract assets from the above transactions were as follows:

	September 30, 2021		December 31, 2020		September 30, 2020	
	Accounts Receivable	Contract Assets	Accounts Receivable	Contract Assets	Accounts Receivable	Contract Assets
Associates						
Apex	\$ 46,945	38,504	-	-	-	-
Others	-	-	-	-	5,267	-
Other related parties						
CFC	127,639	-	129,183	-	136,080	-
Verde Solar Inc.	77,075	-	77,725	-	80,131	-
Less: Impairment allowance	-	-	(7)	-	(5)	-
	<u>\$ 251,659</u>	<u>38,504</u>	<u>206,901</u>	<u>-</u>	<u>221,473</u>	<u>-</u>

(ii) Purchases, accounts payable and contract liabilities

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

	For the three months ended		For the nine months ended	
	September 30		September 30	
	2021	2020	2021	2020
Associates	\$ 1,625	5,328	6,953	5,328
Other related parties	-	-	-	79,957
	<u>\$ 1,625</u>	<u>5,328</u>	<u>6,953</u>	<u>85,285</u>

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

	<u>September 30, 2021</u>		<u>December 31, 2020</u>		<u>September 30, 2020</u>	
	Accounts Payable	Contract Liabilities	Accounts Payable	Contract Liabilities	Accounts Payable	Contract Liabilities
Associates	\$ <u>2,132</u>	<u>41,788</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

	<u>Other receivables</u>		
	<u>September 30, 2021</u>	<u>December 31, 2020</u>	<u>September 30, 2020</u>
Associates	\$ 276	840	354
Joint ventures			
DevCo One and Two	35,805	35,880	148,132
Others	10,587	10,676	11,007
Other related parties			
CFC	294,963	297,451	306,712
CFM	-	-	159,472
Others	28,932	29,176	28,940
Less: Impairment allowance	<u>(10,587)</u>	<u>(10,676)</u>	<u>(11,007)</u>
	<u>\$ 359,976</u>	<u>363,347</u>	<u>643,610</u>
	<u>Other current liabilities</u>		
	<u>September 30, 2021</u>	<u>December 31, 2020</u>	<u>September 30, 2020</u>
Joint ventures			
DevCo One	\$ 21,945	22,130	134,188
Other related parties	<u>-</u>	<u>-</u>	<u>580</u>
	<u>\$ 21,945</u>	<u>22,130</u>	<u>134,768</u>

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(iv) Purchase of property, plant and equipment

	For the nine months ended		Payables on equipment (classified as other		
	September 30,		current liabilities)		
	2021	2020	September 30,	December 31,	September 30,
	2021	2020	2021	2020	2020
Other related parties	\$ -	32,271	1,964	1,981	32,829

(v) Disposal of associates

The Group invested in 28.67% of CFY's shares, with the right of redemption. Both parties agreed the Group require CFY to redeem all of its shares with certain conditions. The right has been executed by the Group in the first quarter of 2020, with the execution price of \$1,649,963 thousand and the profit of \$253,480 thousand, which includes the put option valuation gain of \$35,514 thousand, recognized in 2019; and also a gain on disposal of investments of \$217,826 thousand, as well as an impact of exchange rate differences of \$140 thousand, both recognized in the first quarter of 2020. Please refer to note 6(h) for more details. In addition, as of September 30, 2021, December 31 and September 30, 2020, the remaining balance on the above disposal amounting to \$101,004 thousand, \$443,682 thousand and \$548,082 thousand, respectively, which has not yet to be collected, accounted for as other receivables from related parties.

(vi) Disposal of subsidiaries

The Company disposed all of Apex's shares to Solarbright during the second quarter of 2021, with the consideration of \$198,282 thousand and the profit of \$83 thousand.

(vii) Acquisitions of financial assets

The Company acquired the marketable securities of Top Green Energy Technologies Inc. from Apex during the second quarter of 2021, with the consideration of \$27,098 thousand.

(c) Key management personnel compensation

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Short-term employee benefits	\$ 15,836	17,307	48,832	60,395
Post-employment benefits	361	366	1,084	1,251
Share-based payments	500	1,026	1,611	3,230
Total	\$ 16,697	18,699	51,527	64,876

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

(Continued)

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

(8) Pledged assets:

The carrying amounts of pledged assets were as follows:

Pledged assets	September 30, 2021	December 31, 2020	September 30, 2020
Property, plant and equipment	\$ 3,036,034	6,572,006	10,386,858
Investment property	2,595,312	2,671,322	-
Non-current assets held for sale	1,153,236	-	-
Financial assets at fair value through other comprehensive income	107,550	-	-
Restricted bank deposit (accounted for as other financial assets and other non-current assets)	1,331,532	1,453,667	1,379,712
Inventory	58,138	273,442	281,852
Refundable deposit	738,081	732,696	664,640
Lease receivables (accounted for as other financial assets and other non-current assets)	31,713	32,415	33,556
	<u>\$ 9,051,596</u>	<u>11,735,548</u>	<u>12,746,618</u>

(9) Significant contingent liabilities and unrecognized commitments:

(a) Unrecognized contract commitments

(i) Unrecognized contract commitments

	September 30, 2021	December 31, 2020	September 30, 2020
Unused letter of credit (in USD thousand)	\$ -	4,211	3,826
Unused letter of credit (in EUR thousand)	69	-	-
Bank guarantee (Note 13(a))	\$ 4,756,143	3,567,818	2,797,086

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

	September 30, 2021	December 31, 2020	September 30, 2020
Unpaid amount	\$ 2,132,947	643,249	668,004

(iii) The Group agreed to buy back the Class A preference shares issued by GES AC and AC GES on specific dates; please see note 6(q) for more details. In addition, the Group and IMPA agreed to sell all the shares of GES AC and AC GES; please see note 6(p) for more details.

(Continued)

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

- (iv) The Group signed an electricity purchase contract with several companies. According to the contract, the Group can sell its own power plant to these companies, who are not allowed to resell electricity without authorization from the Group. The contracts are irrevocable, with contract periods ranging from 20-27 years.
- (v) Due to power plant installations, the Group signed non-fixed lease payment agreements with others, please refer to Note 6(r).
- (vi) The Group entered into separate long-term purchase agreements with several different silicon wafer suppliers. The Group has to make advance payments as guarantee and the suppliers shall meet the supply of materials in accordance with the contract terms. The advance payment may not be used for any other purposes than to deduct the payables arising from the purchase which is decided by both parties according to market price. In addition, the Group will recognize the impairments on the prepaid amounts according to the suppliers' operations as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Advance payment	<u>\$ 2,101,227</u>	<u>2,160,495</u>	<u>2,190,339</u>
Accumulated impairment loss	<u>\$ 164,853</u>	<u>164,853</u>	<u>164,853</u>

- (vii) As of September 30, 2021, the Group issued guarantee for Directorate General of Customs and sales Project, amounting to \$911,160 thousand.

(b) Contingencies

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

(10) Losses due to major disasters: None

(11) Subsequent Events:

- (a) The Board of Directors resolved to increase capital and issue new shares through issuance of the third domestic secured convertible bonds on July 6, 2021. The Board of Directors resolved to increase capital and issue new shares through issuance of the third domestic secured convertible bonds on July 6, 2021, both effective on September 22, 2021. The cash capital increase date in on October 17, 2021, the record day is on November 1, 2021 and the estimated listing date of new shares is November 4, 2021. The convertible bond have issued and listed on October 25, 2021; related information can be found on the Market Observation Post System website.

(Continued)

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

(12) Others:

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

Functions	For the three months ended September 30, 2021			For the three months ended September 30, 2020		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Nature						
Employee benefit expense						
Salaries	209,214	109,919	319,133	187,798	118,726	306,524
Labor and health insurance	48,632	10,567	59,199	30,022	8,351	38,373
Pension	8,356	5,675	14,031	7,732	4,968	12,700
Others	32,653	5,685	38,338	19,362	8,635	27,997
Depreciation expense (Note)	229,141	29,310	258,451	436,006	70,195	506,201
Amortization expense	-	571	571	952	1,345	2,297

Functions	For the nine months ended September 30, 2021			For the nine months ended September 30, 2020		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Nature						
Employee benefit expense						
Salaries	615,752	336,824	952,576	560,985	383,990	944,975
Labor and health insurance	127,316	25,054	152,370	105,609	29,170	134,779
Pension	24,221	15,558	39,779	23,487	15,960	39,447
Others	71,967	16,705	88,672	61,582	24,917	86,499
Depreciation expense (Note)	715,062	95,938	811,000	1,382,987	237,126	1,620,113
Amortization expense	463	3,719	4,182	2,865	4,175	7,040

Note: Exclude the depreciation expense of investment property \$31,244 thousand and \$93,732 thousand during the three months and nine months ended September 30, 2021, respectively. There were no such situation in the three months ended September 31, 2020.

(13) Other disclosures:**(a) Information on significant transactions:**

The followings were the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the nine months ended September 30, 2021:

- (i) Lending to other parties: None.
- (ii) Guarantee and Endorsement for other parties: Please see Table 1 attached.
- (iii) Information regarding securities held at the reporting date (subsidiaries, associates and joint ventures not included): Please see Table 2 attached.

(Continued)

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

- (iv) Information regarding purchase or sale of securities for the period exceeding 300 million or 20% of the Group's paid-in capital: None.
- (v) Information on acquisition of real estate with purchase amount exceeding 300 million or 20% of the Group's paid-in capital: None.
- (vi) Information regarding receivables from disposal of real estate exceeding 300 million or 20% of the Group's paid-in capital: None.
- (vii) Information regarding related-parties purchases and/or sales exceeding 100 million or 20% of the Group's paid-in capital: Please see Table 3 attached.
- (viii) Information regarding receivables from related-parties exceeding 100 million or 20% of the Company's paid-in capital: Please see Table 4 attached.
- (ix) Information regarding trading in derivative financial instruments: Please refer to Note 6(b) for related information.
- (x) Significant transactions and business relationship between the parent company and its subsidiaries: Please see Table 5 attached.

- (b) Information on investees (exclude investees in Mainland China):

The followings are the information on investees for the nine months ended September 30, 2021: Please see Table 6 attached.

- (c) Information on investment in Mainland China: Please see Table 7 attached.
- (d) Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
National Development Fund, Executive Yuan		99,084,679	6.57 %
Management Committee of Yaohua Glass Corporation Ltd.		94,573,203	6.27 %

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

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

(Continued)

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

(14) Segment information:

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

	<u>Solar energy</u>	<u>System</u>	<u>Others</u>	<u>Reconciliation and elimination</u>	<u>Total</u>
For the nine months ended September 30, 2021					
Revenue					
Revenue from external customers	\$ 9,062,865	951,152	164,457	-	10,178,474
Intersegment revenues	<u>106,926</u>	<u>-</u>	<u>-</u>	<u>(106,926)</u>	<u>-</u>
Total revenue	<u>\$ 9,169,791</u>	<u>951,152</u>	<u>164,457</u>	<u>(106,926)</u>	<u>10,178,474</u>
Reportable segment profit or loss	<u>\$ 290,044</u>	<u>113,175</u>	<u>23,035</u>	<u>11,164</u>	<u>437,418</u>
For the three months ended September 30, 2021					
Revenue					
Revenue from external customers	\$ 3,200,557	240,572	62,694	-	3,503,823
Intersegment revenues	<u>63,898</u>	<u>-</u>	<u>-</u>	<u>(63,898)</u>	<u>-</u>
Total revenue	<u>\$ 3,264,455</u>	<u>240,572</u>	<u>62,694</u>	<u>(63,898)</u>	<u>3,503,823</u>
Reportable segment profit or loss	<u>\$ 140,488</u>	<u>53,123</u>	<u>9,949</u>	<u>11,164</u>	<u>214,724</u>
For the nine months ended September 30, 2020					
Revenue					
Revenue from external customers	\$ 8,544,600	1,246,068	4,041	-	9,794,709
Intersegment revenues	<u>76,613</u>	<u>-</u>	<u>-</u>	<u>(76,613)</u>	<u>-</u>
Total revenue	<u>\$ 8,621,213</u>	<u>1,246,068</u>	<u>4,041</u>	<u>(76,613)</u>	<u>9,794,709</u>
Reportable segment profit or loss	<u>\$ (564,659)</u>	<u>312,595</u>	<u>2,866</u>	<u>56,204</u>	<u>(192,994)</u>
For the three months ended September 30, 2020					
Revenue					
Revenue from external customers	\$ 2,914,582	599,184	1,097	-	3,514,863
Intersegment revenues	<u>14,992</u>	<u>-</u>	<u>-</u>	<u>(14,992)</u>	<u>-</u>
Total revenue	<u>\$ 2,929,574</u>	<u>599,184</u>	<u>1,097</u>	<u>(14,992)</u>	<u>3,514,863</u>
Reportable segment profit or loss	<u>\$ 55,627</u>	<u>132,810</u>	<u>885</u>	<u>56,204</u>	<u>245,526</u>

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
 ENDORSEMENTS/GUARANTEES PROVIDED
 FOR THE NINE MONTHS ENDED September 30, 2021

TABLE 1 (In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Counter-party of guarantee and endorsement		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Maximum amount for guarantees and endorsements	Endorsement / Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement / Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship with the Company										
0	The Company	Gintech (Thailand)	(3)	2,689,948	281,940	-	-	-	-	6,724,871	Y	N	N
0	The Company	GES UK	(2)	2,689,948	570,100	111,440	2,452	-	0.83	6,724,871	Y	N	N
0	The Company	GES USA	(2)	2,689,948	427,575	417,900	417,900	-	3.11	6,724,871	Y	N	N
0	The Company	NSP System	(2)	2,689,948	1,900,000	1,900,000	266,000	-	14.13	6,724,871	Y	N	N
0	The Company	Yong Liang	(2)	2,689,948	1,810,000	1,810,000	206,279	-	13.46	6,724,871	Y	N	N
0	The Company	Apex	(4)	2,689,948	387,215	-	-	-	-	6,724,871	Y	N	N
1	GES USA	TEV Solar	(2)	556,043	286,475	279,993	279,993	-	50.35	1,112,086	Y	N	N
1	GES USA	MEGASIXTEEN	(2)	556,043	242,293	236,810	236,810	-	42.59	1,112,086	Y	N	N

Note 1: The relation between guarantor and guarantee :

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

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

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

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
MARKETABLE SECURITIES HELD
FOR THE NINE MONTHS ENDED September 30, 2021

TABLE 2

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	2021.9.30				Note
				Number of Shares	Carrying Amount	Percentage of Ownership	Fair Value	
The Company	Shares							
	CTCI Corporation	-	Financial assets at fair value through other comprehensive income- current	3,003	107,658	0.39%	107,658	
	ThinTech Materials Technology Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income- non-current	7,000	295,400	9.52%	295,400	
	GIGA SOLAR MATERIALS CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	266	50,595	0.35%	50,595	
	Taiwan Speciality Chemicals Corporation	-	Financial assets at fair value through other comprehensive income- non-current	1,691	18,601	0.58%	18,601	
	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	770	15,292	10.00%	15,292	
	SUN APPENNINO CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	0	-	26.09%	-	
	FICUS CAPITAL CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	0	-	28.07%	-	
	Top Green Energy Technologies Inc.	Other related party	Financial assets at fair value through other comprehensive income- non-current	8,889	27,098	7.11%	27,098	
Convertible preference shares-Phanes Holding Inc.	Other related party	Financial assets at amortized cost- non-current	24	139,300	100%	139,300		

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED September 30, 2021

TABLE 3 (In Thousands of New Taiwan Dollars)

Buyer/Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Company	Utech	Subsidiary	Purchase	297,832	4%	OA 14 days after receipt	-	-	40,593	(2.89%)	1
The Company	Gintech(Tailand)	Grandson company	Sales	137,634	1%	60 days after the invoice date	-	-	365,174	17.72%	1
The Company	Gintech(Tailand)	Grandson company	Purchase	603,092	9%	Payment at sight	-	-	84,745	(6.02%)	1
The Company	Gintung	Associate	Sales	181,960	2%	Payment before shipment	-	-	-	0.00%	-

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

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED September 30, 2021

TABLE 4

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate (Note1)	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
The Company	DelSolar US	Subsidiary	670,771	-	670,771	Receivable according to the financial situation	-	-
The Company	NSP NEVADA	Subsidiary	490,871	-	490,871	Receivable according to the financial situation	-	-
The Company	GES ME	Subsidiary	586,442	-	586,442	Receivable according to the financial situation	-	-
The Company	Gintech (Thailand)	Subsidiary	365,174	0.71	129,381	Receivable according to the financial situation	-	-
The Company	NSP System	Subsidiary	287,723	-	254,861	Receivable according to the financial situation	-	-
The Company	UREE	Subsidiary	125,611	-	125,611	Receivable according to the financial situation	-	-
NSP BVI	The Company	Parent company	253,522	-	-	Receivable according to the financial situation	-	-
NSP BVI	CFY	Other related party	101,004	-	-	Receivable according to the schedule of signing contracts	-	-
DelSolar US	Beryl	Subsidiary	701,751	-	-	Receivable according to the financial situation	-	-
USD1	Beryl	Associate	106,395	-	-	Receivable according to the financial situation	-	-
NSP NEVADA	GES USA	Subsidiary	376,115	-	-	Receivable according to the financial situation	-	-
Beryl	CFC	Associate	404,632	-	-	Receivable according to the financial situation	-	-
GES USA	Munisol	Grandson company	818,273	-	-	Receivable according to the financial situation	-	-
TEV II	TEV Solar	Subsidiary	548,149	-	-	Receivable according to the financial situation	-	-
GES UK	GES USA	Subsidiary	245,347	-	-	Receivable according to the financial situation	-	-

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

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

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
 BUSINESS RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
 FOR THE NINE MONTHS ENDED September 30, 2021

TABLE 5

(In Thousands of New Taiwan Dollars)

No (Note 1)	Company Name	Related Party	Relationship(Note 2)	Intercompany transactions			Percentage of the consolidated net revenue or total assets
				Financial Statement Account	Amount	Trading Terms	
0	The Company	DeSolar US	1	Other receivable	670,771	Note 3	2%
0	The Company	NSP NEVADA	1	Other receivable	490,871	Note 3	2%
0	The Company	GES ME	1	Other receivable	586,442	Note 3	2%
0	The Company	Gintech(Thailand)	1	Account receivable	365,174	Note 3	1%
0	The Company	Gintech(Thailand)	1	Purchase	603,092	Note 3	6%
0	The Company	Gintech(Thailand)	1	Sales revenue	137,634	Note 3	1%
0	The Company	Utech	1	Purchase	297,832	Note 3	3%
1	DeSolar US	Beryl	3	Other receivable	701,751	Note 3	2%
2	GES USA	Munisol	3	Other receivable	818,273	Note 3	3%
2	GES USA	NSP NEVADA	3	Other expense payable	376,115	Note 3	1%
3	TEV II	TEV Solar	3	Other receivable	548,149	Note 3	2%

Note 1: fill in of numbers:

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

Note 2: Relationship with counterparty are represented below:

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

Note 3: Based on general trading conditions and prices.

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

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

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
 INVESTEESEXCLUDING INFORMATION ON INVESTEEES IN MAINLAND CHINA)
 FOR THE NINE MONTHS ENDED September 30, 2021

TABLE 6

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

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2021			Investee recognized		Note
				September 30, 2021	December 31, 2020	Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)	
The Company	UES	Independent State of Samoa	Investment company	NTD 1,918,131	NTD 1,918,131	62,188	100%	711,856	67,733	67,733	
	DelSolar Cayman	Cayman Islands	Investment company	NTD 4,906,789	NTD 4,906,789	155,126	100%	575,641	(25,100)	(24,910)	
	NSP BVI	British Virgin Islands	Investment company	NTD 470,424	NTD 470,424	18,350	100%	413,505	2,779	2,779	
	GES ME	The United Arab Emirates	Solar related business	NTD 418,805	NTD 418,805	4	100%	114,482	(66,036)	(66,036)	
	Apex	Taiwan	Solar related business	NTD -	NTD 165,994	-	-	-	3,861	1,115	Note 9,12
	NSP UK	UK	Investment company	NTD 71,881	NTD 71,881	1,780	100%	95,584	(61,328)	(61,328)	
	NSP System	Taiwan	Solar related business	NTD 144,200	NTD 144,200	14,420	100%	91,808	(11,539)	(11,539)	
	New Ray Investment	Taiwan	Investment company	NTD -	NTD 115,000	-	-	-	(65)	(65)	Note 8
	Zhongyang	Taiwan	Solar related business	NTD 24,121	NTD 24,121	3,500	100%	36,194	9,370	9,370	
	UREE	Taiwan	Solar related business	NTD 25,300	NTD 25,300	2,530	100%	6,044	4,672	4,672	
	DelSolar Singapore	Singapore	Investment company	NTD 29,743	NTD 29,743	1,250	100%	16,235	(259)	(259)	
	BPS	Taiwan	Solar related business	NTD 6,000	NTD 6,000	600	60%	13,112	(2,165)	(2,165)	
	SMC	Taiwan	Solar related business	NTD 9,720	NTD 9,720	1,000	100%	9,875	26	26	
	Utech	Taiwan	Electronic component manufacturing	NTD 1,017,070	NTD 717,070	28,491	99.94%	(961,770)	(190,176)	(78,873)	
	Yong Liang	Taiwan	Solar related business	NTD 249,000	NTD 249,000	24,900	36.14%	253,337	9,206	6,239	Note 10
	Yong Zhou	Taiwan	Solar related business	NTD 46,500	NTD 46,500	-	100%	(5,423)	(3,642)	(3,642)	
	JRC	Dominican	Solar related business	NTD 431,397	NTD 431,397	145	59.69%	210,248	(844)	(504)	
	GES UK	UK	Investment company	NTD 2,644,899	NTD 2,943,653	85,433	100%	1,017,298	(107,678)	(107,678)	
	TSST	Malaysia	Solar related business	NTD 417,692	NTD 417,692	97,701	42.12%	66,042	5,449	2,295	Note 1
	V5 Technology	Taiwan	Electronic component manufacturing and selling	NTD 114,084	NTD 114,084	7,789	32.73%	58,371	(13,925)	(7,049)	Note 1
	Gintung	Taiwan	Electronic component manufacturing	NTD 34,341	NTD 34,341	13,460	36.38%	-	-	-	Note 1
	DS Energy Technology Co., Ltd.	Taiwan	Solar related business	NTD 10,500	NTD 10,500	1,050	18.93%	3,418	(8,418)	(1,944)	Note 1
	Dashiangying	Taiwan	Agriculture related business	NTD 100	NTD 100	10	100%	7	(60)	(60)	Note 14
Shinkai	Taiwan	Agriculture related business	NTD 100	NTD 100	10	100%	7	(60)	(60)	Note 14	
Shanshang	Taiwan	Solar related business	NTD 20,100	NTD 20,100	2,010	100%	20,051	(8)	(8)		
Jiangung	Taiwan	Agriculture related business	NTD 100	NTD 100	-	-	-	(3)	(3)	Note 11	
Dungshr	Taiwan	Electronic component	NTD 2,100	NTD 2,100	210	100%	586	442	442		
Yanshan	Taiwan	Agriculture related business	NTD 100	NTD 100	10	100%	7	(60)	(60)		
Hemvan	Taiwan	Solar related business	NTD 30,000	NTD 30,000	9,000	30%	92,206	7,926	2,378	Note 1	
UES	RES	Independent State of Samoa	Investment company	USD 64,406	USD 64,406	62,188	100%	711,856	67,733	-	Note 7
RES	Gintech Thailand	Thailand	Solar related business	USD 64,155	USD 64,155	20,920	100%	705,024	67,784	-	Note 7

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2021			Investee recognized		Note
				September 30, 2021	December 31, 2020	Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)	
GES UK	GES USA	US	Investment company	USD 52,180	USD 52,180	53,416	100%	556,043	18,572	-	Note 7
	NSP Germany	Germany	Solar related business	EUR 23	EUR 23	23	90%	1,122	(492)	-	Note 6,7
	NCH Solar1	UK	Solar related business	GBP -	GBP 6,947	-	-	-	(1,418)	-	Note 7,12
	GES_Solar2	UK	Solar related business	GBP -	GBP 1,022	-	-	-	(195)	-	Note 7,12
	GES_Solar3	UK	Solar related business	GBP -	GBP 67	-	-	-	(172)	-	Note 7,12
	GES CANADA	Canada	Investment company	USD 12,025	USD 12,025	10,540	100%	189,698	(5,766)	-	Note 7
GES USA	GES JAPAN	Japan	Investment company	JPY 273,507	JPY 1,184,330	276	100%	21,644	(3,318)	-	Note 7
	MEGATWO	US	Solar related business	USD 19,514	USD 19,274	19,514	100%	44,298	(4,286)	-	Note 7
	MEGATHREE	US	Solar related business	USD 1,284	USD 1,284	1,284	40%	2,075	361	18	Note 1,7
	MEGAFIVE	US	Solar related business	USD 635	USD 635	635	100%	17,814	(643)	-	Note 7
	MEGASIX	US	Solar related business	USD 2,627	USD 2,627	2,627	100%	34,536	1,970	-	Note 7
	MEGAEIGHT	US	Solar related business	USD 748	USD 748	748	100%	4,277	524	-	Note 7
	MEGATWELVE	US	Solar related business	USD 168	USD 168	168	100%	425	13	-	Note 7
	MEGATHIRTEEN	US	Solar related business	USD 2,000	USD 2,000	2,000	100%	53,624	482	-	Note 7
	MEGASIXTEEN	US	Solar related business	USD 11,981	USD 11,981	11,981	100%	276,543	(1,914)	-	Note 7
	MEGANINETEEN	US	Solar related business	USD 132	USD 132	132	100%	(2,405)	309	-	Note 7
	MEGATWENTY	US	Solar related business	USD 124	USD 124	124	100%	2,060	644	-	Note 7
	ASSET TWO	US	Solar related business	USD -	USD -	-	-	(319)	(22)	-	Note 3,7
	ASSET THREE	US	Solar related business	USD 2,839	USD 2,839	2,839	100%	17,308	(385)	-	Note 7
	SH4	US	Solar related business	USD 539	USD 619	539	100%	8,610	456	-	Note 7
	CEDAR FALLS	US	Solar related business	USD -	USD 2,237	-	-	-	(36)	-	Note 7,12
	Schenectady	US	Solar related business	USD -	USD -	-	100%	(19,856)	(110)	-	Note 3,7
	VOC	US	Solar related business	USD -	USD 2,393	-	-	-	(10,158)	-	Note 3,7,12
	SEG	US	Solar related business	USD 800	USD 800	800	100%	14,335	959	-	Note 7
	KINECT	US	Solar related business	USD 266	USD 266	266	100%	9,341	590	-	Note 7
	RER CT 57	US	Solar related business	USD -	USD 1,931	-	-	-	1,562	-	Note 7,12
	TEV II	US	Solar related business	USD 200	USD 200	0.2	100%	(115,326)	2,994	-	Note 4,7
	Illini Power LLC	US	Solar related business	USD -	USD -	-	100%	(92)	(22)	-	Note 3,7
	PS CS LLC	US	Solar related business	USD -	USD -	-	100%	(91)	(22)	-	Note 3,7
HEYWOOD	US	Solar related business	USD 1,770	USD 1,770	-	55%	42,580	(505)	-	Note 7	
MP Solar	US	Solar related business	USD -	USD 3,251	-	-	-	(22)	-	Note 7,12	
Ventura	US	Solar related business	USD -	USD 3,013	-	-	-	(22)	-	Note 7,12	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2021			Investee recognized		Note	
				September 30, 2021	December 31, 2020	Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)		
NSP NEVADA	HEYWOOD	US	Solar related business	USD 1,448	USD 1,448	-	45%	34,547	(505)	-	Note 7	
	MP Solar	US	Solar related business	USD -	USD 2,660	-	-	-	(22)	-	Note 7,12	
	Ventura	US	Solar related business	USD -	USD 2,465	-	-	-	(22)	-	Note 7,12	
	Livermore	US	Solar related business	USD 150	USD 150	-	100%	(40,688)	(1,481)	-	Note 7	
	Industrial Park	US	Solar related business	USD 3,100	USD 3,100	-	100%	30,997	(4,144)	-	Note 7	
	Hillsboro	US	Solar related business	USD 1,862	USD 1,862	-	100%	36,981	(1,770)	-	Note 7	
GES CANADA	JRC	Dominican	Solar related business	USD 9,842	USD 9,842	97	40.31%	227,956	(844)	-	Note 7	
MEGA TWO	Munisol	Mexico	Solar related business	USD 18,730	USD 18,490	351,870	100%	365,508	(4,263)	-	Note 7	
ASSET THREE	SHIMA'S	US	Solar related business	USD 153	USD 153	153	100%	(1,245)	174	-	Note 7	
	WAIMEA	US	Solar related business	USD 526	USD 526	526	100%	12,133	96	-	Note 7	
	HONOKAWAI	US	Solar related business	USD 418	USD 418	418	100%	12,983	682	-	Note 7	
	ELEELE	US	Solar related business	USD 637	USD 637	637	100%	15,492	348	-	Note 7	
	HANALEI	US	Solar related business	USD 280	USD 280	280	100%	2,174	65	-	Note 7	
	KAPAA	US	Solar related business	USD 761	USD 761	761	100%	13,060	537	-	Note 7	
	KOLOA	US	Solar related business	USD 569	USD 569	569	100%	9,960	1	-	Note 7	
	MEGASIXTEEN	GES AC	US	Solar related business	USD 24,942	USD 24,942	0.1	67.59%	694,366	(11,021)	-	Note 5,7
	GES AC	ANDERSON N.	US	Solar related business	USD 13,507	USD 13,507	13,507	100%	357,411	(3,248)	-	Note 5,7
		ANDERSON S.	US	Solar related business	USD 11,454	USD 11,454	11,454	100%	303,236	(2,563)	-	Note 5,7
Flora		US	Solar related business	USD 1,915	USD 1,915	1,915	100%	51,605	(206)	-	Note 5,7	
Greenfield		US	Solar related business	USD 8,631	USD 8,631	8,631	100%	228,977	(1,911)	-	Note 5,7	
Spiceland		US	Solar related business	USD 1,275	USD 1,275	1,275	100%	33,998	(240)	-	Note 5,7	
TEV II	TEV Solar	US	Solar related business	USD 100	USD 100	100	100%	2,610	19	-	Note 5,7	
TEV Solar	AC GES Solar	US	Solar related business	USD 19,674	USD 19,674	0.1	66.19%	548,072	393	-	Note 5,7	
AC GES Solar	Richmond	US	Solar related business	USD 19,259	USD 19,259	19,259	100%	533,798	1,312	-	Note 5,7	
	Rensselaer	US	Solar related business	USD 9,933	USD 9,933	9,933	100%	277,026	1,400	-	Note 5,7	
	Advance	US	Solar related business	USD 534	USD 534	534	100%	14,786	32	-	Note 5,7	
NSP BVI	NSP HK	Hong Kong	Solar related business	USD -	USD -	-	100%	-	1	-	Note 7	
DelSolar Cayman	DelSolar HK	Hong Kong	Investment company	USD 125,200	USD 125,200	125,200	100%	211,599	2,102	-	Note 7	
	DelSolar US	US	Investment company	USD 24,800	USD 24,800	3	100%	304,708	(27,514)	-	Note 7	
	NSP NEVADA	US	Solar related business	USD 5,125	USD 5,125	5,125	100%	57,276	139	-	Note 7	
	URE NSP	US	Solar related business	USD 500	USD 500	500	100%	14,252	184	-	Note 7	
DelSolar Singapore	NSP Vietnam	Vietnam	Technical management services	USD -	USD 160	-	-	-	-	-	Note 7,8	
NSP UK	PV Power Park	Germany	Solar related business	GBP 20	GBP 20	-	100%	378	(9)	-	Note 7	
	NSP Indygen	UK	Solar related business	GBP -	GBP -	-	100%	48,071	(60,975)	-	Note 7	
Utech	Jiangung	Taiwan	Agriculture related business	NTD 440,100	NTD -	44,010	100%	455,659	(3)	(4)	Note 7,11	
Jiangung	Yong Liang	Taiwan	Solar related business	NTD 440,000	NTD -	44,000	63.86%	447,650	6,239	-	Note 7,10	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2021			Investee recognized		Note	
				September 30, 2021	December 31, 2020	Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)		
NSP System	Hsin Jin Optoelectronics	Taiwan	Solar related business	NTD 10,647	NTD 10,647	-	80%	11,861	998	-	Note 7	
	Hsin Jin Solar Energy	Taiwan	Solar related business	NTD 13,981	NTD 13,981	-	60%	15,902	2,151	-	Note 7	
	Si Two	Taiwan	Solar related business	NTD 20,000	NTD 20,000	2,000	100%	16,294	(105)	-	Note 7	
	Tienyang	Taiwan	Solar related business	NTD 100	NTD 100	10	100%	(310)	(11)	-	Note 7	
	Deyang	Taiwan	Solar related business	NTD 100	NTD 100	10	100%	(301)	(9)	-	Note 7	
	Shanyang	Taiwan	Solar related business	NTD 100	NTD 100	10	100%	(301)	(9)	-	Note 7	
	Jeyang	Taiwan	Solar related business	NTD 100	NTD 100	10	100%	(301)	(9)	-	Note 7	
	Lianzhang	Taiwan	Solar related business	NTD 100	NTD 100	10	100%	209	102	-	Note 7	
	Lianxi	Taiwan	Solar related business	NTD 100	NTD 100	10	100%	60	(60)	-	Note 7	
	Liancheng	Taiwan	Solar related business	NTD 100	NTD 100	10	100%	8	(8)	-	Note 7, 14	
	Feng Yang	Taiwan	Solar related business	NTD 100	NTD 100	10	100%	42	(18)	-	Note 7	
	UREE	UAE	Agriculture related business	NTD 100	NTD 100	10	100%	7	(60)	-	Note 7, 14	
	DelSolar HK	DelSolar Wu Jiang	China	Solar related business	USD 120,000	USD 120,000	-	100%	199,552	2,201	-	Note 7
	DelSolar US	DelSolar Development	US	Solar related business	USD 2,200	USD 2,200	-	100%	16,962	(3,434)	-	Note 7
CFR		US	Solar related business	USD 14,370	USD 14,370	14,370	100%	(71,108)	(3,350)	-	Note 7	
USD1		US	Solar related business	USD 3,582	USD 3,582	-	100%	182,645	(337)	-	Note 7	
JV2		US	Solar related business	USD 830	USD 830	-	67%	-	-	-	Note 1, 2, 7	
Beryl		US	Solar related business	USD -	USD -	-	100%	123,876	(19,921)	-	Note 7	
DelSolar Development		DSS-USF PHX LLC	US	Solar related business	USD 370	USD 370	-	100%	8,745	(1,062)	-	Note 7
		DSS-RAL LLC	US	Solar related business	USD 835	USD 835	-	100%	6,665	(2,827)	-	Note 7
USD1	DevCo One	US	Solar related business	USD 444	USD 444	-	40%	1,675	-	-	Note 1, 7	
	DevCo Two	US	Solar related business	USD 444	USD 444	-	40%	1,675	-	-	Note 1, 7	

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

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

Note 3 : The Group's structured entities.

Note 4 : GES USA and Telamon Enterprise Ventures (Telamon), non-related parties, established TEV II and obtained 50% of each of TEV II's equity in the contract agreement. According to the contract, GES USA was responsible for all related projects led by TEV II and assume the risk of variable remuneration. Therefore, GES USA has control over TEV II. Additionally, GES USA purchased a 50% stake in TEV II held by Telamon in August 2020.

Note 5 : According to the loan contract between the Group and IMPA, the Group cannot transfer the equity of the companies before the specified date. Please refer to note6(o) for details.

Note 6 : Due to organization reorganization on May 2020, NSP Germany was recognized under NSP UK before May, and its shares have been transferred to GES UK since June, becoming a 90% owned subsidiary.

Note 7 : The investor disclosed the profits and losses of the investment, which include the profits and losses of the investee; therefore, no disclosure is needed from the Company.

Note 8 : As of September 30, 2021, the company had liquidated and dissolved.

Note 9 : Due to the changes in strategic layout, the Company sold the Apex's shares to Solarbright energy in the second quarter of 2021.

Note 10 : Due to organization reorganization , it was originally recognized under URE as a 100% owned subsidiary , and its 63.86% shares have been transferred to Jianguo since June 2021.

Note 11 : Due to organization reorganization , it was originally recognized under URE as a 100% owned subsidiary , and its shares have been transferred to Utech since April 2021, becoming a 100% owned subsidiary.

Note 12 : As of September 30, 2021, the Group disposed of all the equity shares. Please refer to note 6(i) for details.

Note 13 : The abovementioned subsidiaries included in the consolidated financial report are all non-significant subsidiaries.

Note 14 : As of September 30, 2021, the company is in the process of liquidation and dissolution.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
 INFORMATION ON INVESTMENTS IN MAINLAND CHINA
 FOR THE NINE MONTHS ENDED September 30, 2021

TABLE 7 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Investment flows		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2021	Net Income (Loss) of the Investee (Note 2)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of September 30, 2021	Accumulated Repatriation of Investment Income as of September 30, 2021
					Outflow	Inflow						
DelSolar Wu Jiang	Solar related business	USD 120,000 \$ 3,343,200	Note 1	USD 120,000 \$ 3,343,200	-	-	USD 120,000 \$ 3,343,200	2,201	100%	2,201	199,552	-
NSP Nanchang	Solar related business	USD 0 \$ -	Note 4	USD 5,000 \$ 139,300	-	-	USD 5,000 \$ 139,300	Note 4	-	-	-	-

Accumulated Outward Remittance for Investments in Mainland China as of September 30, 2021 (US\$ in Thousands)	Investment Amount Authorized by the Investment Commission, MOEA (US\$ in Thousands)	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
USD 143,450 3,996,517	USD 149,618(Note 4) 4,168,357	8,069,845

Note 1 : Investments Mainland China through a third region.

Note 2 : Subsidiaries mentioned above were recognized on the basis of unaudited financial statements as September 30, 2021.

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

Note 4 : The Group disposed of all the shares of NSP Nanchang in the third quarter of 2020.

Note 5 : The exchange rate used is the rate on September 30, 2021.