

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

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2024 and 2023**

Address: No.7, Lixing 3rd Road, Hsinchu Science Park, Hsinchu City 30078, Taiwan
Telephone: (03)5780011

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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安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel + 886 2 8101 6666
傳真 Fax + 886 2 8101 6667
網址 Web kpmg.com/tw

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, 2024 and 2023, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2024 and 2023, as well as the changes in equity and cash flows for the nine months ended September 30, 2024 and 2023, 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 the Standard on Review Engagements 2410, "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 \$6,918,409 thousand and \$4,379,249 thousand, constituting 23% and 14% of consolidated total assets as of September 30, 2024 and 2023; total liabilities amounting to \$5,141,785 thousand and \$3,120,737 thousand, constituting 28% and 20% of consolidated total liabilities as of September 30, 2024 and 2023; total comprehensive income amounting to \$(66,818) thousand, \$(620,972) thousand, \$(439,943) thousand and \$(531,866) thousand, constituting 25%, 47%, 37% and 38% of consolidated total comprehensive income for the three months and nine months ended September 30, 2024 and 2023.

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 \$297,757 thousand and \$250,679 thousand as of September 30, 2024 and 2023, and its shares of profit of associates accounted for using the equity method amounting to \$1,224 thousand, \$7,928 thousand, \$(8,553) thousand and \$12,974 thousand for the three months and nine months ended September 30, 2024 and 2023, 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, 2024 and 2023, and of its consolidated financial performance for the three months and nine months ended September 30, 2024 and 2023, and its consolidated cash flows for the nine months ended September 30, 2024 and 2023 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 Huang, Yung-Hua and Yu, Sheng-Ho.

KPMG

Taipei, Taiwan (Republic of China)
November 7, 2024

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)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2024, December 31, 2023, and September 30, 2023

(Expressed in Thousands of New Taiwan Dollars)

Assets		September 30, 2024		December 31, 2023		September 30, 2023		Liabilities and Equity		September 30, 2024		December 31, 2023		September 30, 2023	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:							
1100	Cash and cash equivalents (note 6(a))	\$ 6,091,787	20	4,474,941	15	4,695,375	15	2100	Short-term borrowings (note 6(n))	\$ 24,304	-	434,223	2	692,465	2
1110	Financial assets at fair value through profit or loss - current (note 6(b))	276,776	1	80,691	-	73,242	-	2110	Short-term bills payable (note 6(o))	48,762	-	-	-	-	-
1120	Financial assets at fair value through other comprehensive income - current (notes 6(c) and 8)	142,042	-	150,676	-	139,266	-	2120	Financial liabilities at fair value through profit or loss - current (note 6(b))	-	-	331	-	11,159	-
1140	Contract assets - current (notes 6(z) and 7)	294,513	1	163,256	1	127,502	-	2130	Contract liabilities - current (notes 6(z) and 7)	599,834	2	580,676	2	526,900	2
1170	Notes and accounts receivable, net (note 6(e))	804,205	3	1,067,568	4	1,078,171	4	2170	Notes and accounts payable	594,112	2	668,796	2	828,170	3
1180	Accounts receivable from related parties (notes 6(e) and 7)	2,090	-	-	-	-	-	2280	Lease liability - current (note 6(s))	111,707	-	114,019	-	113,870	-
130X	Inventories (notes 6(f) and 9)	1,146,682	4	1,679,838	6	2,335,960	8	2320	Current portion of long-term borrowings, preference share liabilities and bonds payable (notes 6(p), (q) and (r))	6,265,607	21	5,878,968	20	2,820,545	9
1410	Prepayments (note 9)	106,391	-	143,975	1	621,968	2	2399	Other current liabilities (notes 6(e) and 7)	2,507,022	8	1,600,638	6	1,848,974	6
1460	Non-current assets held for sale (note 6(g))	-	-	-	-	546,892	2		Total current liabilities	<u>10,151,348</u>	<u>33</u>	<u>9,277,651</u>	<u>32</u>	<u>6,842,083</u>	<u>22</u>
1476	Other financial assets (notes 7 and 8)	2,923,062	10	2,228,561	8	1,534,609	5		Non-Current liabilities:						
1479	Other current assets	340,557	1	335,592	1	295,048	1	2500	Financial liabilities at fair value through profit or loss - non-current (notes 6(b) and (p))	8,705	-	11,643	-	14,221	-
	Total current assets	<u>12,128,105</u>	<u>40</u>	<u>10,325,098</u>	<u>36</u>	<u>11,448,033</u>	<u>37</u>	2530	Bonds payable (note 6(q))	-	-	-	-	2,981,865	10
	Non-current assets:							2540	Long-term borrowings (note 6(p))	5,902,391	20	4,098,246	14	3,565,944	11
1510	Financial assets at fair value through profit or loss - non-current (notes 6(b) and (r))	-	-	-	-	-	-	2580	Lease liability - non-current (note 6(s))	1,831,122	6	1,716,006	6	1,584,003	5
1517	Financial assets at fair value through other comprehensive income - non-current (notes 6(c) and 8)	1,361,212	4	610,925	2	592,051	2	2670	Other non-current liabilities (note 6(t))	603,714	2	531,058	2	557,146	2
1535	Financial assets at amortized cost - non-current (note 6(d))	-	-	-	-	-	-		Total non-current liabilities	<u>8,345,932</u>	<u>28</u>	<u>6,356,953</u>	<u>22</u>	<u>8,703,179</u>	<u>28</u>
1550	Investments accounted for using the equity method (note 6(h))	297,757	1	256,302	1	250,679	1		Total liabilities	<u>18,497,280</u>	<u>61</u>	<u>15,634,604</u>	<u>54</u>	<u>15,545,262</u>	<u>50</u>
1600	Property, plant and equipment (notes 6(j), 7 and 8)	10,222,912	34	11,125,753	39	11,067,993	35		Equity attributable to owners of parent (note 6(x))						
1755	Right-of-use assets (note 6(k))	1,802,678	6	1,681,614	6	1,546,604	5	3110	Ordinary shares	16,277,954	53	16,277,954	57	16,277,954	51
1760	Investment property, net (notes 6(l) and 8)	2,502,182	8	2,596,726	9	2,628,061	8	3200	Capital surplus	179,473	1	211,412	1	195,625	1
1780	Intangible assets (note 6(m))	48,998	-	2,964	-	3,038	-	3310	Legal reserve	-	-	35,473	-	35,473	-
1840	Deferred tax assets	415,252	1	414,183	1	649,447	2	3350	Accumulated profit or loss	(5,592,468)	(18)	(3,707,474)	(13)	(1,549,004)	(4)
1915	Prepayments - non-current (note 9)	1,093,942	4	1,215,978	4	2,071,051	7	3400	Other equity	706,965	2	(47,659)	-	(65,899)	-
1920	Refundable deposits (note 8)	151,053	1	175,340	1	160,913	1	3500	Treasury shares	(18,699)	-	(18,699)	-	(18,699)	-
1990	Other non-current assets (notes 7 and 8)	308,925	1	334,991	1	657,132	2		Total equity attributable to owners of parent	<u>11,553,225</u>	<u>38</u>	<u>12,751,007</u>	<u>45</u>	<u>14,875,450</u>	<u>48</u>
	Total non-current assets	<u>18,204,911</u>	<u>60</u>	<u>18,414,776</u>	<u>64</u>	<u>19,626,969</u>	<u>63</u>	36XX	Non-controlling interests	282,511	1	354,263	1	654,290	2
	Total assets	<u>\$ 30,333,016</u>	<u>100</u>	<u>28,739,874</u>	<u>100</u>	<u>31,075,002</u>	<u>100</u>		Total equity	<u>11,835,736</u>	<u>39</u>	<u>13,105,270</u>	<u>46</u>	<u>15,529,740</u>	<u>50</u>
									Total liabilities and equity	<u>\$ 30,333,016</u>	<u>100</u>	<u>28,739,874</u>	<u>100</u>	<u>31,075,002</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months and nine months ended September 30, 2024 and 2023

(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				
	2024		2023		2024		2023		
	Amount	%	Amount	%	Amount	%	Amount	%	
4000	Net operating revenues (notes 6(z) and 7)								
	\$	1,332,247	100	2,630,429	100	4,192,657	100	10,269,749	100
5110	Operating costs (notes 6(f), (s), (v), (aa) and 12)								
		<u>1,312,930</u>	<u>99</u>	<u>3,500,896</u>	<u>133</u>	<u>4,169,270</u>	<u>100</u>	<u>10,767,661</u>	<u>105</u>
5900	Gross profit (loss) from operations								
		<u>19,317</u>	<u>1</u>	<u>(870,467)</u>	<u>(33)</u>	<u>23,387</u>	<u>-</u>	<u>(497,912)</u>	<u>(5)</u>
	Operating expenses (notes 6(e), (s), (v), (aa) and 12):								
6100	Selling expenses	50,734	4	51,610	2	181,453	5	290,418	3
6200	General and administrative expenses	139,285	10	154,191	6	417,285	10	493,974	5
6300	Research and development expenses	19,671	1	13,517	-	58,764	1	49,180	-
6450	Impairment losses (Reversal of impairment losses) on trade receivable	<u>(26)</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>5,877</u>	<u>-</u>	<u>(5,413)</u>	<u>-</u>
	Total operating expense	<u>209,664</u>	<u>15</u>	<u>219,323</u>	<u>8</u>	<u>663,379</u>	<u>16</u>	<u>828,159</u>	<u>8</u>
	Income (Loss) from operations	<u>(190,347)</u>	<u>(14)</u>	<u>(1,089,790)</u>	<u>(41)</u>	<u>(639,992)</u>	<u>(16)</u>	<u>(1,326,071)</u>	<u>(13)</u>
	Non-operating income and expenses:								
7010	Other income (note 6(ab))	78,151	6	75,514	3	207,602	5	198,627	2
7020	Other gains and losses (note 6(ab))	(592,441)	(44)	(274,276)	(10)	(1,232,614)	(29)	(384,785)	(3)
7050	Finance costs (notes 6(q) and (s))	(113,602)	(8)	(93,147)	(4)	(310,735)	(7)	(261,539)	(3)
7060	Share of gain (loss) of associates and joint ventures accounted for using equity method (note 6(h))	1,224	-	7,928	-	(8,553)	-	12,974	-
7100	Interest income	<u>14,478</u>	<u>1</u>	<u>6,792</u>	<u>-</u>	<u>54,838</u>	<u>1</u>	<u>21,874</u>	<u>-</u>
		<u>(612,190)</u>	<u>(45)</u>	<u>(277,189)</u>	<u>(11)</u>	<u>(1,289,462)</u>	<u>(30)</u>	<u>(412,849)</u>	<u>(4)</u>
	Income (Loss) before income tax	<u>(802,537)</u>	<u>(59)</u>	<u>(1,366,979)</u>	<u>(52)</u>	<u>(1,929,454)</u>	<u>(46)</u>	<u>(1,738,920)</u>	<u>(17)</u>
7950	Less: income tax expense (note 6(w))	<u>810</u>	<u>-</u>	<u>3,057</u>	<u>-</u>	<u>1,534</u>	<u>-</u>	<u>6,075</u>	<u>-</u>
8200	Net income (loss)	<u>(803,347)</u>	<u>(59)</u>	<u>(1,370,036)</u>	<u>(52)</u>	<u>(1,930,988)</u>	<u>(46)</u>	<u>(1,744,995)</u>	<u>(17)</u>
8300	Other comprehensive income :								
8310	Items that may not be reclassified subsequently to profit or loss:								
8316	Unrealized gain on investments in equity instruments at fair value through other comprehensive income	467,945	35	9,276	-	652,860	16	119,770	1
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translation of foreign statements	<u>67,181</u>	<u>4</u>	<u>25,640</u>	<u>1</u>	<u>95,824</u>	<u>2</u>	<u>214,068</u>	<u>2</u>
8300	Total other comprehensive income	<u>535,126</u>	<u>39</u>	<u>34,916</u>	<u>1</u>	<u>748,684</u>	<u>18</u>	<u>333,838</u>	<u>3</u>
	Total comprehensive income (loss)	<u>\$ (268,221)</u>	<u>(20)</u>	<u>(1,335,120)</u>	<u>(51)</u>	<u>(1,182,304)</u>	<u>(28)</u>	<u>(1,411,157)</u>	<u>(14)</u>
	Net income (loss) attributable to:								
	Shareholders of the parent	\$ (803,849)	(59)	(1,367,679)	(52)	(1,919,874)	(46)	(1,730,511)	(17)
	Non-controlling interests	<u>502</u>	<u>-</u>	<u>(2,357)</u>	<u>-</u>	<u>(11,114)</u>	<u>-</u>	<u>(14,484)</u>	<u>-</u>
		<u>\$ (803,347)</u>	<u>(59)</u>	<u>(1,370,036)</u>	<u>(52)</u>	<u>(1,930,988)</u>	<u>(46)</u>	<u>(1,744,995)</u>	<u>(17)</u>
	Total comprehensive income (loss) attributable to:								
	Shareholders of the parent	\$ (258,635)	(19)	(1,355,157)	(52)	(1,179,074)	(28)	(1,426,349)	(14)
	Non-controlling interests	<u>(9,586)</u>	<u>(1)</u>	<u>20,037</u>	<u>1</u>	<u>(3,230)</u>	<u>-</u>	<u>15,192</u>	<u>-</u>
		<u>\$ (268,221)</u>	<u>(20)</u>	<u>(1,335,120)</u>	<u>(51)</u>	<u>(1,182,304)</u>	<u>(28)</u>	<u>(1,411,157)</u>	<u>(14)</u>
	Loss per share								
9750	Basic loss per share (NT dollars) (note 6(y))	<u>\$ (0.49)</u>		<u>(0.84)</u>		<u>(1.18)</u>		<u>(1.06)</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**Consolidated Statements of Changes in Equity****For the nine months ended September 30, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

	Attributable to owners of parent									Total equity
	Retained earnings				Other equity			Total equity attributable to owners of parent	Non-controlling interest	
	Share capital Ordinary shares	Capital surplus	Legal reserve	Accumulated profit or loss	Exchange differences on translation of foreign financial statements	Unrealized gains (loss) on financial assets at fair value through other comprehensive income	Treasury shares			
Balance at January 1, 2023	\$ 16,277,905	187,699	-	354,726	(447,440)	102,412	(18,699)	16,456,603	639,816	17,096,419
Net loss for the nine months ended September 30, 2023	-	-	-	(1,730,511)	-	-	-	(1,730,511)	(14,484)	(1,744,995)
Other comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	184,392	119,770	-	304,162	29,676	333,838
Total comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	(1,730,511)	184,392	119,770	-	(1,426,349)	15,192	(1,411,157)
Legal reserve appropriated	-	-	35,473	(35,473)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	(162,779)	-	-	-	(162,779)	-	(162,779)
Changes in equity of associates and joint ventures accounted for using the equity method	-	7,773	-	-	-	-	-	7,773	-	7,773
Conversion of convertible bonds	49	50	-	-	-	-	-	99	-	99
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	107	-	-	-	-	-	107	-	107
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	25,033	-	(25,033)	-	-	-	-
Difference between the price that has not been increased in proportion to shareholding and net value	-	(4)	-	-	-	-	-	(4)	4	-
Non-controlling interests	-	-	-	-	-	-	-	-	(722)	(722)
Balance at September 30, 2023	\$ 16,277,954	195,625	35,473	(1,549,004)	(263,048)	197,149	(18,699)	14,875,450	654,290	15,529,740
Balance at January 1, 2024	\$ 16,277,954	211,412	35,473	(3,707,474)	(275,092)	227,433	(18,699)	12,751,007	354,263	13,105,270
Net Loss for the nine months ended September 30, 2024	-	-	-	(1,919,874)	-	-	-	(1,919,874)	(11,114)	(1,930,988)
Other comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	87,940	652,860	-	740,800	7,884	748,684
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	(1,919,874)	87,940	652,860	-	(1,179,074)	(3,230)	(1,182,304)
Legal reserve used to offset accumulated deficits	-	-	(35,473)	35,473	-	-	-	-	-	-
Offset of deficit against capital surplus	-	(34,204)	-	34,204	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	-	(20,973)	-	-	-	(20,973)	-	(20,973)
Changes in equity of associates and joint ventures accounted for using the equity method	-	2,265	-	-	-	-	-	2,265	-	2,265
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	(13,824)	-	13,824	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-	(68,522)	(68,522)
Balance at September 30, 2024	\$ 16,277,954	179,473	-	(5,592,468)	(187,152)	894,117	(18,699)	11,553,225	282,511	11,835,736

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the nine months ended September 30, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

	For the nine months ended September 30	
	2024	2023
Cash flows from operating activities:		
Loss before income tax	\$ (1,929,454)	(1,738,920)
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	921,085	905,649
Amortization expense	5,493	1,730
Expected credit loss (gain)	26,549	(5,413)
Net loss on financial assets or liabilities at fair value through profit or loss	867	476
Interest expense	240,231	199,094
Interest income	(54,838)	(21,874)
Dividends income	(21,805)	(18,408)
Share of loss (profit) of associates and joint ventures accounted for using the equity method	8,553	(12,974)
Gain on disposal of property, plant and equipment and power facilities business held for sale	(38,177)	(5,074)
Impairment loss on assets	869,439	253,494
Reversal of inventories	(340,605)	884,256
Others	386,605	175,544
Total adjustments to reconcile profit (loss)	<u>2,003,397</u>	<u>2,356,500</u>
Changes in operating assets and liabilities:		
Contract assets - current	(131,256)	211,805
Notes and accounts receivable	283,051	1,355,766
Accounts receivable from related parties	(2,090)	8,667
Inventory	716,076	1,237,403
Prepayments (including non-current)	45,764	959,060
Other current assets	18,701	129,814
Increase in financial assets at fair value through profit or loss	(265,192)	-
Contract liabilities - current	2,264	145,796
Notes and accounts payable (including related parties)	(108,952)	(461,816)
Provisions	22,699	20,228
Other current liabilities	669,544	(94,175)
Total changes in operating assets and liabilities	<u>1,250,609</u>	<u>3,512,548</u>
Cash flows generated from operations	1,324,552	4,130,128
Income taxes paid	(14,890)	(8,421)
Net cash flows generated from operating activities	<u>1,309,662</u>	<u>4,121,707</u>
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(139,670)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	35,652	61,183
Acquisition of investments accounted for using the equity method	(18,719)	-
Acquisition of property, plant and equipment	(1,120,673)	(1,541,116)
Proceeds from disposal of property, plant and equipment and power facilities business	542,053	14,410
Decrease (increase) in refundable deposits	32,338	(4,821)
Acquisition of intangible assets	(8,867)	(1,528)
Increase in other financial assets	(685,605)	(565,515)
Decrease in other non-current assets	124,604	16,786
Net cash outflows resulting from business combination	(25,412)	-
Interest received	56,404	21,740
Dividends received	24,454	20,535
Net cash flows used in investing activities	<u>(1,183,441)</u>	<u>(1,978,326)</u>
Cash flows from financing activities:		
Decrease in short-term loans	(409,919)	(1,193,799)
Increase (decrease) in short-term bills payable	48,900	(100,000)
Proceeds from long-term borrowings	2,723,369	2,258,070
Repayments of long-term borrowings	(646,875)	(2,784,314)
Repayments of preference share liabilities	(4,469)	(6,475)
Payment of lease liabilities	(104,355)	(41,248)
Cash dividends paid	-	(162,672)
Interest paid	(239,801)	(200,015)
Others	(10,155)	62,696
Net cash flows generated from (used in) financing activities	<u>1,356,695</u>	<u>(2,167,757)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>133,930</u>	<u>(35,317)</u>
Net increase (decrease) in cash and cash equivalents	1,616,846	(59,693)
Cash and cash equivalents at beginning of period	4,474,941	4,755,068
Cash and cash equivalents at end of period	<u>\$ 6,091,787</u>	<u>4,695,375</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2024 and 2023

(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 7, 2024.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the IFRS Accounting Standards 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, 2024:

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Non-current Liabilities with Covenants”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

- (b) The impact of IFRS endorsed 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, 2025, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS21 “Lack of Exchangeability”

(Continued)

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

- (c) The impact of IFRS Accounting Standards 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
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. 	January 1, 2027

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

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. 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”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11

(4) Summary of material 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 Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2023. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2023.

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

(b) Basis of consolidation

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

Investor	Investee	Principal activity	% of Ownership			Note	
			September 30, 2024	December 31, 2023	September 30, 2023		
The Company	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 %		
	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	99.99 %	99.99 %	99.99 %		
	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 %		
	Zhongyang Corporation (“Zhongyang”)	Solar related business	100.00 %	100.00 %	100.00 %		
	Yong Liang Ltd. (“Yong Liang”)	Solar related business	19.94 %	19.94 %	19.94 %		
	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 %		
	Hong Yi Energy Co., Ltd. (“Hong Yi”)	Solar related business	100.00 %	100.00 %	100.00 %	6	
	United Intelligence Co., Ltd. (“United Intelligence”)	Electronic component manufacturing	100.00 %	100.00 %	100.00 %		
	Hong Wang Energy Co., Ltd. (“Hong Wang”)	Solar related business	100.00 %	- %	- %	4	
	DS Energy Technology Co., Ltd (“DS Energy”)	Solar related business	100.00 %	12.14 %	12.14 %	4	
	GES UK	General Energy Solutions USA. Inc. (“GES USA”)	Investment company	100.00 %	100.00 %	100.00 %	
		General Energy Solutions CANADA Inc. (“GES CANADA”)	Investment company	100.00 %	100.00 %	100.00 %	
	GES USA	NSP Germany	Solar related business	90.00 %	90.00 %	90.00 %	
MEGATWO, LLC (“MEGATWO”)		Solar related business	100.00 %	100.00 %	100.00 %		
GES 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 %	2	
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 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 %		
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 %			
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 %			

(Continued)

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

Investor	Investee	Principal activity	% of Ownership			Note
			September 30, 2024	December 31, 2023	September 30, 2023	
NSP NEVADA	Heywood Solar PGS, LLC("HEYWOOD")	Solar related business	45.00 %	45.00 %	45.00 %	
	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 %	
MEGATWO	Munisol S.A.P.I. de C.V.("Munisol")	Solar related business	100.00 %	100.00 %	100.00 %	
ASSET THREE	GES Asset Three Shima's, LLC("SHIMA'S")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Asset Three Waimea, LLC("WAIMEA")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Asset Three Honokawai, LLC("HONOKAWAI")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Asset Three Eleele, LLC("ELEELE")	Solar related business	100.00 %	100.00 %	100.00 %	
	GES Asset Three Hanalei, LLC("HANAIEI")	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 ("GES AC")	Solar related business	- %	- %	67.59 %
GES AC	Anderson North Solar Project LLC("ANDERSON N.")	Solar related business	- %	- %	100.00 %	2
	Anderson South Solar Project LLC("ANDERSON S.")	Solar related business	- %	- %	100.00 %	2
	Flora Solar Project LLC("Flora")	Solar related business	- %	- %	100.00 %	2
	Greenfield Solar Project LLC("Greenfield")	Solar related business	- %	- %	100.00 %	2
	Spiceland Solar Project LLC("Spiceland")	Solar related business	- %	- %	100.00 %	2
TEV II	TEV Solar Alpha18 LLC ("TEV Solar")	Solar related business	100.00 %	100.00 %	100.00 %	
TEV Solar	AC GES Solar 2018 LLC("AC GES Solar")	Solar related business	66.19 %	66.19 %	66.19 %	
AC GES Solar	Richmond 2 Solar Park, LLC("Richmond")	Solar related business	100.00 %	100.00 %	100.00 %	
	Rensselaer 2 Solar Park, LLC("Rensselaer")	Solar related business	100.00 %	100.00 %	100.00 %	
	Advance Solar Park, LLC("Advance")	Solar related business	100.00 %	100.00 %	100.00 %	
DelSolar Cayman	DelSolar("HK")Ltd.("DelSolar HK")	Investment company	100.00 %	100.00 %	100.00 %	
	DelSolar US Holdings("Delaware") Corporation("DelSolar US")	Investment company	100.00 %	100.00 %	100.00 %	
	NSP SYSTEM NEVADA HOLDING CORP("NSP NEVADA")	Solar related business	100.00 %	100.00 %	100.00 %	
	URE NSP Corporation("URE NSP")	Solar related business	100.00 %	100.00 %	100.00 %	
NSP BVI	NSP HK Holding Ltd.("NSP HK")	Solar related business	100.00 %	100.00 %	100.00 %	
NSP UK	NSP Indygen UK Ltd.("NSP Indygen")	Solar related business	100.00 %	100.00 %	100.00 %	
NSP System	Hsin Jin Optoelectronics ("Hsin Jin Optoelectronics")	Solar related business	80.00 %	80.00 %	80.00 %	
	Hsin Jin Solar Energy Co., Ltd. ("Hsin Jin Solar Energy")	Solar related business	60.00 %	60.00 %	60.00 %	
	Si Two Corp. ("Si Two")	Solar related business	100.00 %	100.00 %	100.00 %	
	Hong Ying Energy Co., Ltd. ("Hong Ying")	Solar related business	100.00 %	100.00 %	100.00 %	7
	Success Energy Co., Ltd ("Success")	Solar related business	100.00 %	100.00 %	100.00 %	5
	Jiangung	Jiangung Energy Power Co., Ltd. ("Jiangung")	Solar related business	100.00 %	100.00 %	100.00 %
Jiangung	Yong Liang Ltd. ("Yong Liang")	Solar related business	80.06 %	80.06 %	80.06 %	
DelSolar HK	DelSolar (Wu Jiang) Ltd. ("DelSolar Wu Jiang")	Solar related business	100.00 %	100.00 %	100.00 %	
DelSolar US	Clean Focus Renewables Inc.("CFR")	Solar related business	- %	- %	- %	3
	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 %	
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 %	

(Continued)

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

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

Note 2: The Group disposed of all the equity shares in 2023.

Note 3: The Group had liquidated and dissolved in 2023.

Note 4: Please refer to Note 13(a) for the details of subsidiaries.

Note 5: Lianxi Energy Power Co., Ltd. has changed its name to Success Energy Co., Ltd on October 20, 2023.

Note 6: Shanshang Energy Power Co., Ltd. has changed its name to Hong Yi Energy Co., Ltd. On March 28, 2024.

Note 7: Lianzhang Energy Power Co., Ltd. has changed its name to Hong Ying Energy Co., Ltd. On April 1, 2024.

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

(c) Non-current assets held for sale (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 Accounting Standards 34, Interim Financial Reporting.

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

(e) Business combination

The Group accounts for business combinations using the acquisition method. The goodwill arising from an acquisition is measured as the excess of (i) the consideration transferred (which is generally measured at fair value) and (ii) the amount of non-controlling interest in the acquiree, both over the identifiable net assets acquired at the acquisition date. If the amount calculated above is a deficit balance, the Group recognized that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed.

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

All acquisition-related transaction costs are expensed as incurred, except for the issuance of debt or equity instruments.

For each business combination, the Group measures any non controlling interests in the acquiree either at fair value or at the non controlling interest's proportionate share of the acquiree's identifiable net assets, if the non controlling interests are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation. Other components of non controlling interests are measured at their acquisition-date fair values, unless another measurement basis is required by the IFRS Accounting Standards endorsed by the FSC.

(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 International Accounting Standards (in accordance with IAS 34 "Interim Financial Reporting" and endorsed by the FSC) 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, 2023.

(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, 2023. Please refer to the 2023 annual consolidated financial statements.

(a) Cash and cash equivalents

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
Cash on hand, checking accounts and demand deposits	\$ 3,898,950	3,281,298	3,534,802
Time deposits	504,412	151,221	201,849
Cash equivalents - repurchase agreements collateralized by bonds	<u>1,688,425</u>	<u>1,042,422</u>	<u>958,724</u>
Cash and cash equivalents listed in the consolidated cash flow statements	<u><u>\$ 6,091,787</u></u>	<u><u>4,474,941</u></u>	<u><u>4,695,375</u></u>

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

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

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
Financial assets mandatorily measured at fair value through profit or loss:			
Derivatives not used for hedging			
Foreign exchange swap contracts	\$ -	16,022	-
Long call options	-	64,669	73,242
Non-derivative financial instruments			
Open-end funds	<u>276,776</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 276,776</u>	<u>80,691</u>	<u>73,242</u>
Current	\$ 276,776	80,691	73,242
Non-current	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 276,776</u>	<u>80,691</u>	<u>73,242</u>
Financial liabilities designated at fair value through profit or loss:			
Derivatives not used for hedging			
Foreign exchange swap contracts	\$ -	-	11,159
Short call options	<u>8,705</u>	<u>11,974</u>	<u>14,221</u>
Total	<u>\$ 8,705</u>	<u>11,974</u>	<u>25,380</u>
Current	\$ -	331	11,159
Non-current	<u>8,705</u>	<u>11,643</u>	<u>14,221</u>
Total	<u>\$ 8,705</u>	<u>11,974</u>	<u>25,380</u>

- (i) The short call options mentioned above including (1) derived from the loan contract signed with Indiana Municipal Power Agency (IMPA), and IMPA has the right to buy back all of the subsidiary shares which were designated on the specific date. Refer to note 6(p) for more details; (2) Other investor has the right to buy back preference shares of UREE in the specific period.
- (ii) The long call options listed above were derived from the issuance of preference shares by the Group, making an agreement with the preference shareholders that the Group has the right to buy back all shares on the specific date. Refer to note 6(r) for more details.

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

- (iii) As stated in Notes 6(p) and (r), both transactions on long call option between MEGASIXTEEN and its special shareholders and short call option between MEGASIXTEEN and IMPA had been completed in 2023.
- (iv) 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, 2024	December 31, 2023	September 30, 2023
Shorting call options-TEV II			
Estimated strike price	USD13,822 thousand	USD13,822 thousand	USD13,822 thousand
Expected volatility	20.69%	20.69%	23.78%
Duration	0.25 years	1 years	1.25 years
Discount rate	9.9395%	11.6533%	11.6533%
Longing call options-TEV II			
Estimated strike price		USD704 thousand	USD704 thousand
Expected volatility		20.40%	23.88%
Duration		0.5 years	0.75 years
Discount rate		11.6533%	11.6533%

In addition, the longing call options between TEV II and shareholders of preferred stock has been executed, and the relevant procedures are still being processed.

- (v) The Group uses derivative financial instruments to hedge the certain foreign exchange and interest rate risk the Group exposures arising from its operating, financing and investing activities. 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:

	Currency	Maturity Date	Contract Amount (in Thousands)
December 31, 2023			
Foreign exchange swap contracts	USD/NTD	January 8, 2024	USD23,000/ NTD721,809
September 30, 2023			
Foreign exchange swap contracts	USD/NTD	October 18, 2023	USD23,000/ NTD730,056

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

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Revaluation of derivatives listed in profit and loss	\$ 1,429	(45,560)	(16,699)	(94,797)
Revaluation of non-derivatives listed in profit and loss	7,799	-	11,584	-
	<u>\$ 9,228</u>	<u>(45,560)</u>	<u>(5,115)</u>	<u>(94,797)</u>

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

	September 30, 2024	December 31, 2023	September 30, 2023
Equity instrument measured at fair value through other comprehensive income:			
Domestic investments			
Listed ordinary shares	\$ 1,208,800	464,101	449,136
Unlisted ordinary shares	286,266	289,312	273,993
Overseas investments - unlisted ordinary shares	8,188	8,188	8,188
Total	<u>\$ 1,503,254</u>	<u>761,601</u>	<u>731,317</u>

- (i) The Group's equity instruments are not held for trading, therefore has been designated at fair value through other comprehensive income.
- (ii) Due to the requirement of its business development, the Group increased its investment in GaN Power Technology Co., Ltd. through ordinary shares, at the amount of \$11,100 thousand, in the third quarter of 2023.
- (iii) To strengthen the strategic layout, the Group increased investment Kai-Hong Energy Co., Ltd. ("Kai-Hong ") ordinary shares \$72,019 thousand in the second and third quarter of 2024.
- (iv) Due to the requirement of the business development, the Group increased investment Soar Taiwan Co., Ltd. ordinary shares \$67,652 thousand in the second and third quarter of 2024.
- (v) 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.

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

- (vi) During the nine months ended September 30, 2024 and 2023, the dividends of \$21,805 thousand and \$18,408 thousand, related to equity investments at fair value through other comprehensive income were recognized.
- (vii) During the nine months ended September 30, 2024 and 2023, the Group sold financial assets measured at fair value through other comprehensive gains and losses. The fair value at the time of disposal were \$50,877 thousand and \$72,283 thousand, and the accumulated disposal proceeds (losses) amounted to \$(13,824) thousand and \$25,033 thousand, transferred from other equity to retained earnings.
- (viii) For credit risk and market risk, please refer to note 6(ac).
- (ix) Please refer to Note 8 for details of the above-mentioned financial assets had been pledged as collateral.
- (d) Financial assets at amortized cost

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
Convertible preference shares - Phanes Holding Inc.	\$ <u> -</u>	<u> -</u>	<u> -</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.
- (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.
- (iv) The principal amount of the above-mentioned special stock transaction is USD5,000 thousand and the interest receivable is \$29,176 thousand. According to the future recoverability which based on the preference shares cash flow assessment, the Group recognized impairment loss on financial assets.
- (v) Financial assets at amortized cost had not been pledged as collateral.

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

(e) Notes and accounts receivables

	September 30, 2024	December 31, 2023	September 30, 2023
Notes and accounts receivable	\$ 843,064	1,100,422	1,095,800
Accounts receivable from related parties	2,090	-	-
Less: Loss Allowance	<u>(38,859)</u>	<u>(32,854)</u>	<u>(17,629)</u>
	<u>\$ 806,295</u>	<u>1,067,568</u>	<u>1,078,171</u>

- (i) As of September 30, 2024, December 31 and September 30, 2023, the Group expected to give sales returns and discounts to its customers, which recognized the provisions for \$723,839 thousand, \$59,486 thousand and \$83,968 thousand, respectively, under "other current liabilities".
- (ii) 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, 2024		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 724,169	0%~0.000%	-
1 to 30 days past due	14,947	0%~0.000%	-
31 to 60 days past due	2,283	0%~0.000%	-
More than 181 days past due	<u>103,755</u>	0%~100%	<u>38,859</u>
Total	<u>\$ 845,154</u>		<u>38,859</u>

	December 31, 2023		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 818,590	0%~0.000%	-
1 to 30 days past due	70,414	0%~0.143%	89
31 to 60 days past due	109,632	0%~1.097%	1,202
61 to 90 days past due	36	0%~1.465%	-
121 to 150 days past due	5,862	0%~22.153%	188
151 to 180 days past due	3,789	0%~46.651%	-
More than 181 days past due	<u>92,099</u>	0%~100%	<u>31,375</u>
Total	<u>\$ 1,100,422</u>		<u>32,854</u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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	September 30, 2023		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 959,178	0%~0.014%	90
1 to 30 days past due	45,522	0%~0.091%	41
31 to 60 days past due	5,863	0%~0.256%	2
61 to 90 days past due	3,789	0%~0.56%	-
More than 181 days past due	81,448	0%~100%	17,496
Total	\$ 1,095,800		17,629

(iii) The movement in the allowance for notes and accounts receivables were as follows:

	For the nine months ended September 30,	
	2024	2023
Balance at January 1	\$ 32,854	219,318
Impairment loss recognized (reversed)	5,877	(5,413)
Amounts written off	-	(196,289)
Foreign exchange gains (loss)	128	13
Balance at September 30	\$ 38,859	17,629

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

(f) Inventories

	September 30, 2024	December 31, 2023	September 30, 2023
Finished goods and products	\$ 562,822	990,945	1,036,663
Raw materials	227,837	294,435	288,643
Construction in progress	339,839	365,686	967,415
Work in progress	16,184	28,772	43,239
	\$ 1,146,682	1,679,838	2,335,960

(i) The constructions in progress listed above were the construction costs incurred to build power plants that the Group intended to sell, wherein one of the foreign applications for extension on its commercial operation, which had been denied by the local authority due to deficiency, resulted in future uncertainty. Please refer to Note 9 for details.

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Cost of goods sold	\$ 1,150,208	2,476,711	4,037,184	9,500,486
Unallocated production overheads	145,515	130,633	476,034	385,750
Write-downs and retirement of inventories (Reversal of write-downs)	20,237	894,460	(340,605)	884,256
Others	(3,030)	(908)	(3,343)	(2,831)
Total	\$ 1,312,930	3,500,896	4,169,270	10,767,661

(iii) As of September 30, 2024, December 31 and September 30, 2023, the inventories of the Group had not been pledged as collateral.

(g) Non-current assets held for sale

The equipment and assets and liabilities of the subsidiaries were presented as a disposal group held for sale, as the following.

	September 30, 2024	December 31, 2023	September 30, 2023
Assets held for sale	\$ -	-	546,892

(i) The non-current assets held for sale, which were measured at the lower of other carrying amount and fair value on September 30, 2023, and the impairment loss of \$121,545 thousand was recognized when it transferred to the non-current assets for sale in the third quarter of 2022. However, in consideration of the uncertainty of the performance progress, the Group reclassified the related assets from non-current assets held for sale to property, plant and equipment at the end of 2023, and the sale of these assets was completed in the first quarter of 2024.

(ii) The Group provides a performance guarantee for the transaction, please refer to Note 9.

(h) Investments accounted for using the equity method

	September 30, 2024	December 31, 2023	September 30, 2023
Associates	\$ 297,757	256,302	246,799
Joint ventures	-	-	3,880
	\$ 297,757	256,302	250,679

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

- (i) Please refer to note 13(b) for list of investments, percentage of ownership and main activities.
- (ii) The Group is not a controlling shareholder to the associates and it also cannot obtain more than half of the voting rights at board of directors and a shareholders' meeting. Therefore, it is determined that the Group has significant influence on its associates.
- (iii) Associates

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

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>	
Carrying amount of individually insignificant associates' equity	\$ <u>297,757</u>	<u>256,302</u>	<u>246,799</u>	
	<u>For the three months ended</u> <u>September 30,</u> <u>2024</u>	<u>For the three months ended</u> <u>September 30,</u> <u>2023</u>	<u>For the nine months ended</u> <u>September 30,</u> <u>2024</u>	<u>For the nine months ended</u> <u>September 30,</u> <u>2023</u>
Attributable to the Group				
Net income (loss)	\$ 1,224	7,928	(8,553)	12,974
Other comprehensive income (loss)	<u>25,963</u>	<u>6,097</u>	<u>31,672</u>	<u>(3,508)</u>
Comprehensive loss	<u>\$ 27,187</u>	<u>14,025</u>	<u>23,119</u>	<u>9,466</u>

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

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>	
The carrying amount of investments in the individually insignificant joint ventures	\$ <u>-</u>	<u>-</u>	<u>3,880</u>	

- (v) The aforementioned investments accounted for using the equity method of the Group had not been pledged as collateral.
- (vi) The investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

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

(i) Business combination

- (i) The Group acquired 54.82% of the shares in DS Energy Technology Co., Ltd., (“DS Energy”) obtaining control of DS Energy in May 2024. Therefore, the Group’s equity interest in DS Energy increased from 12.14% to 66.96%, and the acquisition amount is \$84,000 thousand.

The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the acquisition date.

Cash and cash equivalents	\$	43,363
Receivables		24,741
Other current assets		16,176
Property, plant and equipment (note 6(j))		42,120
Other non-current assets		15,588
Long-term and short-term borrowings		(37,059)
Notes and accounts payable		(9,643)
Contract liabilities - current		(16,894)
Other current liabilities		(13,517)
Other non-current liabilities		<u>(2,443)</u>
Total identifiable net assets acquired	\$	<u>62,432</u>

Goodwill arising from the acquisition has been recognized as follows:

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

- (ii) For the two months ended June 30, 2024, DS Energy contributed revenue of \$14,146 thousand and profit (loss) of \$(916) thousand to the Group’s results. If the acquisition had occurred on January 1, 2024, management estimated that consolidated revenue would have been \$37,716 thousand, and consolidated profit (loss) for the year would have been \$(440) thousand. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the acquisition date would have been the same if the acquisition had occurred on January 1, 2024.

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

(j) Property, plant and equipment

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

	<u>Land</u>	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Other equipment</u>	<u>Equipment to be inspected and construction in progress</u>	<u>Total</u>
Cost:						
Balance on January 1, 2024	\$ 764,841	4,507,573	15,550,015	8,481,760	569,615	29,873,804
Acquisition through business combination	-	-	-	47,461	-	47,461
Additions	-	-	2,521	41,872	985,995	1,030,388
Disposals	-	-	(8,002,457)	(1,123,015)	-	(9,125,472)
Reclassification	-	-	561,566	738,784	(1,255,234)	45,116
Effect of changes in foreign exchange rates	6,947	34,652	59,897	74,002	37	175,535
Balance on September 30, 2024	<u>\$ 771,788</u>	<u>4,542,225</u>	<u>8,171,542</u>	<u>8,260,864</u>	<u>300,413</u>	<u>22,046,832</u>
Balance on January 1, 2023	\$ 764,280	4,504,773	14,661,114	6,666,705	1,322,260	27,919,132
Additions	-	-	27,473	8,493	1,665,662	1,701,628
Disposals	-	-	(584,299)	(4,325)	-	(588,624)
Reclassification	-	-	1,426,702	1,168,707	(2,492,702)	102,707
Effect of changes in foreign exchange rates	(1,064)	(5,308)	(9,323)	98,211	(153)	82,363
Balance on September 30, 2023	<u>\$ 763,216</u>	<u>4,499,465</u>	<u>15,521,667</u>	<u>7,937,791</u>	<u>495,067</u>	<u>29,217,206</u>
Accumulated depreciation and impairment loss:						
Balance on January 1, 2024	\$ -	2,276,840	13,816,393	2,654,818	-	18,748,051
Acquisition through business combination	-	-	-	5,341	-	5,341
Depreciation	-	153,525	273,903	305,737	-	733,165
Impairment loss	-	-	531,628	322,506	4,343	858,477
Disposals	-	-	(8,000,352)	(621,003)	-	(8,621,355)
Effect of changes in foreign exchange rates	-	12,381	46,770	41,090	-	100,241
Balance on September 30, 2024	<u>\$ -</u>	<u>2,442,746</u>	<u>6,668,342</u>	<u>2,708,489</u>	<u>4,343</u>	<u>11,823,920</u>
Balance on January 1, 2023	\$ -	2,066,532	13,742,566	1,921,719	-	17,730,817
Depreciation	-	157,240	322,228	249,728	-	729,196
Impairment loss	-	-	246,172	7,322	-	253,494
Disposals	-	-	(584,299)	(4,325)	-	(588,624)
Effect of changes in foreign exchange rates	-	(1,739)	(6,123)	32,192	-	24,330
Balance on September 30, 2023	<u>\$ -</u>	<u>2,222,033</u>	<u>13,720,544</u>	<u>2,206,636</u>	<u>-</u>	<u>18,149,213</u>
Carrying amounts:						
Balance on January 1, 2024	<u>\$ 764,841</u>	<u>2,230,733</u>	<u>1,733,622</u>	<u>5,826,942</u>	<u>569,615</u>	<u>11,125,753</u>
Balance on September 30, 2024	<u>\$ 771,788</u>	<u>2,099,479</u>	<u>1,503,200</u>	<u>5,552,375</u>	<u>296,070</u>	<u>10,222,912</u>
Balance on January 1, 2023	<u>\$ 764,280</u>	<u>2,438,241</u>	<u>918,548</u>	<u>4,744,986</u>	<u>1,322,260</u>	<u>10,188,315</u>
Balance on September 30, 2023	<u>\$ 763,216</u>	<u>2,277,432</u>	<u>1,801,123</u>	<u>5,731,155</u>	<u>495,067</u>	<u>11,067,993</u>

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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- (i) The aforementioned property, plant and equipment had been pledged as collateral. Please refer to Note 8.
- (ii) For the nine months ended September 30, 2024 and 2023, capitalized borrowing costs were \$17,195 thousand and \$24,926 thousand, respectively, relating to the acquisition of constructing factory, with capitalization rates of 2.533%~3.36% and 2.6779%~3.39%, respectively.

(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, 2024	\$ <u>330,841</u>	<u>1,466,406</u>	<u>721</u>	<u>4,710</u>	<u>1,802,678</u>
Balance at December 31, 2023	\$ <u>335,696</u>	<u>1,333,521</u>	<u>1,062</u>	<u>11,335</u>	<u>1,681,614</u>
Balance at September 30, 2023	\$ <u>342,745</u>	<u>1,192,030</u>	<u>1,176</u>	<u>10,653</u>	<u>1,546,604</u>

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, 2024 and 2023. Please refer to the 2023 annual consolidated financial statements for other related information.

(l) Investment property

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

The details of investment property are as follows:

	<u>Properties</u>		<u>Right-of-use asset</u>	<u>Total</u>
	<u>Land</u>	<u>Buildings</u>	<u>Land</u>	
Carrying amount:				
Balance at September 30, 2024	\$ <u>747,300</u>	<u>1,624,928</u>	<u>129,954</u>	<u>2,502,182</u>
Balance at December 31, 2023	\$ <u>747,300</u>	<u>1,708,438</u>	<u>140,988</u>	<u>2,596,726</u>
Balance at September 30, 2023	\$ <u>747,300</u>	<u>1,736,274</u>	<u>144,487</u>	<u>2,628,061</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of investment property for the nine months ended September 30, 2024 and 2023. Please refer to the 2023 annual consolidated financial statements for other related information.

The fair value of the investment property was not significantly different from those disclosed in the annual consolidated financial statements for the year ended December 31, 2023.

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

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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(m) Intangible assets

	<u>Goodwill</u>	<u>Patents and Other</u>	<u>Total</u>
Carrying amount:			
Balance at September 30, 2024	\$ <u>42,196</u>	<u>6,802</u>	<u>48,998</u>
Balance at December 31, 2023	\$ <u>-</u>	<u>2,964</u>	<u>2,964</u>
Balance at September 30, 2023	\$ <u>-</u>	<u>3,038</u>	<u>3,038</u>

The Group acquired goodwill \$42,196 thousand through company combination for the six months ended June 30, 2024, and there were no such transaction for the nine months ended September 30, 2023, please refer to the Note 6(i) for other related information.

(n) Short-term borrowings

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Unsecured bank loans	\$ <u>24,304</u>	<u>434,223</u>	<u>692,465</u>
Range of interest rates	<u>2.53%</u>	<u>2.16%~3.161%</u>	<u>2.16%~3.161%</u>

(o) Short-term bills payable

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Commercial paper payable	\$ 48,900	-	-
Less: discounts on commercial paper payable	(138)	-	-
	<u>\$ 48,762</u>	<u>-</u>	<u>-</u>

(p) Long-term liabilities

	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
<u>Secured bank loans</u>			
Bank Loan - Syndicated loans	\$ 5,347,743	4,067,094	4,073,086
Bank Loan - Power Plant Project Loans	1,765,831	985,067	612,592
Bank Loan - Medium and Long-Term Loans	841,028	698,363	691,363
Other financing loan	386,702	366,448	732,078
<u>Unsecured bank loans</u>			
Bank Loan - Medium and Long-Term Loans	<u>827,965</u>	<u>872,173</u>	<u>273,973</u>
	9,169,269	6,989,145	6,383,092
Less: Current portion	<u>(3,266,878)</u>	<u>(2,890,899)</u>	<u>(2,817,148)</u>
Total	<u>\$ 5,902,391</u>	<u>4,098,246</u>	<u>3,565,944</u>
Range of interest rates	<u>2.295%~4.75%</u>	<u>2.17%~4.75%</u>	<u>2.17%~4.75%</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, 2024 and 2023. Please refer to the 2023 annual consolidated financial statements for other related information.
- 3) Compliance with loan contracts
 - a) The Group entered into a long-term loan agreement with Bank SinoPac. According to the terms and conditions on the contract, it requires the borrower, Yong Liang, to maintain certain financial ratios during the credit period. The financial ratios as of September 30, 2024, are in compliance with the above requirements.
 - b) The Group entered into \$6 billion syndicated loans with First Bank in the third quarter of 2021. According to the terms and conditions on the contract, it requires the Group to maintain certain financial ratios based on its annual and semiannual consolidated financial reports during the credit period. Although the Debt-To-Equity Ratio, Interest Protection Multiples (IPM) and its tangible equity as of June 30, 2024, and the Interest Protection Multiples (IPM) and its tangible equity as of December 31, 2023 did not meet the above requirements, no breach of contract was committed. Instead, the Group have to pay the compensation fees to all joint credit banks each month until the next utilization date or the base date of interest rate adjusted to improve the financial ratio. According to the terms on the contract, the financial ratios need not be reviewed this quarter.
 - c) 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 other banks had expired on September 30, 2024. The Group completed the negotiation to extend the maturity date to September 30, 2025, and the financial ratios before the maturity date need not be reviewed. As of September 30, 2024, the balance of bank loan was \$2,183,999 thousand.
 - d) The Group entered into \$6.8 billion syndicated loans with First Bank in the third quarter of 2023. According to the terms and conditions on the contract, it requires the Group to maintain certain financial ratios based on its annual and semiannual consolidated financial reports during the credit period. Although the Debt-To-Equity Ratio, Interest Protection Multiples (IPM) and its tangible equity as of June 30, 2024, and the Interest Protection Multiples (IPM) and its tangible equity as of December 31, 2023 did not meet the above requirements, no breach of contract was committed. Instead, the Group have to pay the compensation fees to all joint credit banks each month until the next utilization date or the base date of interest rate adjusted to improve the financial ratio. According to the terms on the contract, the financial ratios need not be reviewed this quarter.

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4) Other loan agreements

The Group signed two long term contracts, with a duration of 25 year, with IMPA in December of 2017 and June of 2018. According to the terms and conditions of the loan, IMPA has the right to purchase all the shares of both GES AC, a company owned by the Group through MEGASIXTEEN, and AC GES, a company owned by the Group through TEV II and TEV Solar, starting from December 2022 and 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 notes 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 performance of its embedded derivative resulted in the Group's long-term borrowings from IMPA in December 2017 to be paid off in December 2023.

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

(q) Bonds payable

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

	September 30, 2024	December 31, 2023	September 30, 2023
Issuance amount	\$ 3,000,000	3,000,000	3,000,000
Unamortized discount	(1,171)	(13,819)	(18,035)
Accumulated converted amount	(100)	(100)	(100)
Less: Current portion	<u>(2,998,729)</u>	<u>(2,986,081)</u>	<u>-</u>
Ending balance of bonds payable	<u>\$ -</u>	<u>-</u>	<u>2,981,865</u>
Equity component— conversion right (recorded as capital surplus)	<u>\$ 177,360</u>	<u>177,360</u>	<u>177,360</u>
	For the three months ended September 30,	For the nine months ended September 30,	
	2024	2023	2024
	2023	2024	2023
Embedded derivative component — revaluation profit (loss) on redemption rights (recorded as other gains and losses)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Interest expense	<u>\$ 4,216</u>	<u>4,216</u>	<u>12,648</u>
	<u>12,648</u>	<u>12,648</u>	<u>(900)</u>

(Continued)

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

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

	3rd domestic unsecured convertible bonds
Issuance amount	\$3,000,000 thousand
Issuance date	2021.10.25
Issuance price	At 104.18% of par value
Coupon rate	0%
Issuance period	2021.10.25~2024.10.25
Trustee bank	Bank SinoPac
Guarantee agencies	FIRST BANK and others
Redemption rights	The Company may redeem the bonds at face value with cash after January 26, 2022, and before September 14, 2024 that if the closing price of the common shares on TWSE on each trading day during a period of 30 consecutive trading dates exceeds at least 30% of the conversion price or if the outstanding balance of the bonds is less than 10% of the issuance amount.
Put option	None
Conversion period of convertible bonds	Each holder of the bonds will have the right at any time during the period from January 26, 2022, to October 25, 2024, to convert their bonds through Taiwan Depository & Clearing Corporation ("TDCC"). It is requested to the Company's stock agency to convert the convertible bonds held into the Company's ordinary shares in accordance with these regulations.
Conversion price	The conversion price is set at \$20.9 per share at the time of issuance. In the event of an adjustment to the conversion price of the Company's ordinary shares that complies with the terms of issuance, the conversion price shall be adjusted according to the formula specified in the terms of issuance. The conversion price has been adjusted to \$20.4 at present.

(r) Preference share liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
Class A preference shares	\$ -	1,988	3,397
Less: Current portion	-	(1,988)	(3,397)
Total	\$ -	-	-

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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	USD10,051 thousand
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 its 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, among which, the call option of MEGASIXTEEN was completed in 2023. Please refer to the note 6(b) for more details.

(s) Lease liabilities

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

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

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

	September 30, 2024	December 31, 2023	September 30, 2023
Current	<u>\$ 111,707</u>	<u>114,019</u>	<u>113,870</u>
Non-current	<u>\$ 1,831,122</u>	<u>1,716,006</u>	<u>1,584,003</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,	
	2024	2023	2024	2023
Interest on lease liabilities	<u>\$ 10,707</u>	<u>10,250</u>	<u>30,109</u>	<u>27,699</u>
Variable lease payments not included in the measurement of lease liabilities	<u>\$ 9,492</u>	<u>7,929</u>	<u>29,287</u>	<u>17,278</u>
Expenses relating to short-term leases	<u>\$ 920</u>	<u>789</u>	<u>3,016</u>	<u>4,951</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>\$ 879</u>	<u>220</u>	<u>1,497</u>	<u>493</u>

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

	For the nine months ended September 30,	
	2024	2023
Total cash outflow for leases	<u>\$ 168,264</u>	<u>91,669</u>

(t) Provisions

	September 30, 2024	December 31, 2023	September 30, 2023
Warranties	\$ 146,050	128,334	141,204
Site restoration	186,211	162,811	155,047
	<u>\$ 332,261</u>	<u>291,145</u>	<u>296,251</u>

There were no significant changes in provisions for the nine months ended September 30, 2024 and 2023. Please refer to the 2023 annual consolidated financial statements for other related information.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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(u) Operating lease

There were no significant changes in operating lease for the nine months ended September 30, 2024 and 2023. Please refer to the 2023 annual consolidated financial statements for other related information.

(v) Employee benefits

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to \$10,210 thousand, \$11,979 thousand, \$31,499 thousand and \$38,410 thousand for the three months and nine months ended September 30, 2024 and 2023, respectively.

(w) 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,	
	2024	2023	2024	2023
Income tax expense	\$ 810	3,057	1,534	6,075

(ii) For the nine months ended September 30, 2024 and 2023, there was no income tax recognized in other comprehensive income.

(iii) The Company's tax returns for the years through 2022 were assessed by the National Tax Bureau.

(x) Capital and other equity

Except for the following disclosure, there was no significant change in for capital and other equity for the periods from January 1 to September 30, 2024 and 2023. For the related information, please refer to the 2023 consolidated financial statements.

(i) Ordinary shares

	September 30,	December 31,	September 30,
	2024	2023	2023
Authorized share capital	\$ 36,000,000	36,000,000	36,000,000
Issued share capital	\$ 16,277,954	16,277,954	16,277,954
Total shares issued	1,627,795	1,627,795	1,627,795

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

(ii) Capital surplus

The Company's capital surplus includes share premium, conversion right of convertible bonds, change in equity of subsidiaries, associates and joint venture under equity method, restricted shares for employees, and treasury stock transactions, etc.

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

The resolution was approved during the general meetings of the shareholders held on June 21, 2024 to offset the deficit against the capital surplus and legal reserve of \$34,204 thousand and \$35,473 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. The appropriation for legal reserve is discontinued when the balance of the legal reserve equals the total authorized capital. Aside from the aforesaid, the Company may, under its Articles of Incorporation or as required by the government, appropriate or reverse for special reserve. The remaining balance of the earnings, if any, may be appropriated according to the Board of Directors. Besides, if the distribution plan is issuing new shares, it should be appropriated according to a resolution of a shareholder's meeting.

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

In principle, the Group distributes dividends via both shares and cash as their dividend policy, and cash dividends should not be less than 10% of total dividends distributed.

The company's board of directors resolved the profit distribution plan for the year of 2022 on March 13, 2023, and reported on the shareholders' meeting on June 28, 2023. The amount is as follows:

	For the year ended December 31, 2022	
	dividend per share	Amount
	(dollar/share)	Amount
Dividends distributed to ordinary shareholders:		
Cash	\$ 0.1	162,779

The offset of accumulated deficits for 2023 had been resolved, during the shareholder's meeting held on June 21, 2024. Since there was a net loss after tax in 2023, no surplus was distributed. Related information would be available at the Market Observation Post System website.

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

(iv) Treasury shares

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

	Number of shares held (in thousands of shares)	Carrying Amount	Market Price
Balance at September 30, 2024	<u>1,066</u>	<u>\$ 18,699</u>	<u>13,428</u>
Balance at December 31, 2023	<u>1,066</u>	<u>\$ 18,699</u>	<u>15,665</u>
Balance at September 30, 2023	<u>1,066</u>	<u>\$ 18,699</u>	<u>15,719</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.

(y) Loss per share

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Basic loss per share:				
Loss attributable to ordinary shareholders of the Company	<u>\$ (803,849)</u>	<u>(1,367,679)</u>	<u>(1,919,874)</u>	<u>(1,730,511)</u>
Weighted average number of ordinary shares outstanding (in thousands of shares)	<u>1,626,730</u>	<u>1,626,730</u>	<u>1,626,730</u>	<u>1,626,728</u>
Loss per share	<u>\$ (0.49)</u>	<u>(0.84)</u>	<u>(1.18)</u>	<u>(1.06)</u>

The ordinary share equivalents of the Group for the three months and nine months ended September 30, 2024 and 2023, 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,	
	2024	2023	2024	2023
Major products				
Solar products	\$ 1,024,327	2,355,525	3,461,203	9,622,454
Other	<u>307,920</u>	<u>274,904</u>	<u>731,454</u>	<u>647,295</u>
	<u>\$ 1,332,247</u>	<u>2,630,429</u>	<u>4,192,657</u>	<u>10,269,749</u>

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

(ii) Contract balance

	September 30, 2024	December 31, 2023	September 30, 2023
Notes and accounts receivable	<u>\$ 806,295</u>	<u>1,067,568</u>	<u>1,078,171</u>
Contract assets			
OEM contract	\$ 260,462	93,749	55,717
Construction contract	50,852	86,308	71,785
Less: allowance for impairment	<u>(16,801)</u>	<u>(16,801)</u>	<u>-</u>
Contract assets - current	<u>\$ 294,513</u>	<u>163,256</u>	<u>127,502</u>
Contract liabilities			
Sales of products	\$ 561,553	552,649	493,588
Construction contract	<u>38,281</u>	<u>28,027</u>	<u>33,312</u>
Contract liabilities - current	<u>\$ 599,834</u>	<u>580,676</u>	<u>526,900</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 from January 1 to September 30, 2024 and 2023 were \$340,557 thousand and \$336,097 thousand, respectively.
- 3) Contract asset is providing OEM contracts for customers that exchange equivalent consideration rights and recognized construction income which has not yet been requested until the reporting date.

(aa) Employee compensation and directors' remuneration

According to the Articles of Incorporation, 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.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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The remunerations to employees and directors are calculated based on the net profit before tax excluding the remunerations to employees and directors of each period, multiplied by the percentage of remunerations to employees and directors as specified in the Company's articles. These remunerations were expensed under operating costs or expenses for each period. If there are any subsequent adjustments to the actual remuneration amounts after the annual shareholder' meeting, the adjustment will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year. Shares distributed to employees as employee' remuneration are calculated based on the closing price of the Company's shares on the day before the approval by the Board of Directors. Due to accumulated loss for the nine months ended September 30, 2024 and 2023, the Group did not estimate its employees' and directors' remuneration.

(ab) Non-operating Income and Expenses

(i) Other income

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Lease income	\$ 52,364	49,763	155,976	142,961
Dividend income	11,753	17,207	21,805	18,408
Other income	14,034	8,544	29,821	37,258
	\$ 78,151	75,514	207,602	198,627

(ii) Other gains and losses

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Gains (losses) on foreign currency exchange	\$ (27,595)	52,198	13,393	69,730
Gains on disposal of property, plant and equipment and power facilities business	25,230	4,300	38,177	5,074
Losses on financial assets and liabilities	9,228	(45,560)	(5,115)	(94,797)
Expected credit losses	(91)	-	(20,672)	-
Impairment loss on assets	(600,085)	(253,494)	(869,439)	(253,494)
Other	872	(31,720)	(388,958)	(111,298)
	\$ (592,441)	(274,276)	(1,232,614)	(384,785)

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FM Co., one of the Group's clients, claimed that the products, which were not delivered according to the purchase order schedule, failed to meet their specifications and quality requirements, resulting in FM Co., to file a lawsuit against the Group demanding for compensation for the damage, wherein the court ruled in favor of FM Co. in the third quarter of 2023. However, both parties reached a settlement in the fourth quarter of 2023, in which the Group recognized \$53,506 thousand as compensation losses.

(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, 2023.

(i) Credit risk

1) Credit risk exposure

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

2) Concentration of credit risk

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

3) Credit risk of receivables and debt securities

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

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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(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, 2024					
Non-derivative financial liabilities					
Bank borrowings	\$ 10,060,664	3,555,129	3,345,959	484,476	2,675,100
Bonds payable	2,999,900	2,999,900	-	-	-
Short-term bills payable	48,900	48,900	-	-	-
Lease liabilities	2,351,266	159,991	152,024	149,286	1,889,965
Non-interest bearing liabilities	<u>2,292,993</u>	<u>2,292,993</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 17,753,723</u>	<u>9,056,913</u>	<u>3,497,983</u>	<u>633,762</u>	<u>4,565,065</u>
December 31, 2023					
Non-derivative financial liabilities					
Bank borrowings	\$ 8,190,883	3,520,232	886,992	1,779,283	2,004,376
Bonds payable	2,999,900	2,999,900	-	-	-
Lease liabilities	2,196,297	161,127	142,307	134,639	1,758,224
Non-interest bearing liabilities	2,156,866	2,156,866	-	-	-
Derivative financial liabilities (Note)					
Inflow	(721,809)	(721,809)	-	-	-
Outflow	<u>705,787</u>	<u>705,787</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 15,527,924</u>	<u>8,822,103</u>	<u>1,029,299</u>	<u>1,913,922</u>	<u>3,762,600</u>
September 30, 2023					
Non-derivative financial liabilities					
Bank borrowing	\$ 7,809,498	3,700,350	960,180	1,747,564	1,401,404
Bonds payable	2,981,865	-	2,981,865	-	-
Lease liabilities	2,077,628	150,829	137,035	124,750	1,665,014
Non-interest bearing liabilities	2,526,371	2,526,371	-	-	-
Derivative financial liabilities (Note)					
Inflow	(730,056)	(730,056)	-	-	-
Outflow	<u>741,215</u>	<u>741,215</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 15,406,521</u>	<u>6,388,709</u>	<u>4,079,080</u>	<u>1,872,314</u>	<u>3,066,418</u>

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

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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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 follows:

	September 30, 2024			December 31, 2023			September 30, 2023		
	Foreign currency (in thousands)	Exchange rate	NTD	Foreign currency (in thousands)	Exchange rate	NTD	Foreign currency (in thousands)	Exchange rate	NTD
Financial assets									
Monetary items									
USD	\$ 40,074	31.6250	1,267,340	61,042	30.7650	1,877,957	67,862	32.2650	2,189,567
EUR	1,582	35.2900	55,829	2,852	34.0500	97,111	4,850	33.9000	164,415
Non-Monetary items									
MYR	15,698	7.4365	116,741	12,328	6.4200	79,147	12,388	6.5730	81,424
Financial liabilities									
Monetary items									
USD	33,953	31.6250	1,073,764	28,085	30.7650	864,035	38,501	32.2650	1,242,228
EUR	897	35.2900	31,655	1,073	34.0500	36,536	2,517	33.9000	85,326

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 increased or decreased the net profit (loss) before tax for the nine months ended September 30, 2024 and 2023 by \$2,178 thousand and \$10,277 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, 2024 and 2023, 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.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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If the interest rate had increased or decreased by 0.25%, the Group's net income (loss) would have increased or decreased by \$1,310 thousand and \$3,454 thousand for the nine months ended September 30, 2024 and 2023 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 and financial assets at fair value through profit or loss. 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:

Prices of securities at the reporting date	For the nine months ended September 30, 2024		For the nine months ended September 30, 2023	
	Other comprehensive increase before income tax	Income before income tax	Other comprehensive increase before income tax	Income before income tax
Increasing 5%	\$ <u>60,440</u>	<u>13,839</u>	<u>22,457</u>	<u>-</u>
Decreasing 5%	\$ <u>(60,440)</u>	<u>(13,839)</u>	<u>(22,457)</u>	<u>-</u>

4) Fair value of financial instruments

a) Fair value hierarchy

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

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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	September 30, 2024				
	Book value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit and loss					
Open-end funds	\$ <u>276,776</u>	<u>276,776</u>	<u>-</u>	<u>-</u>	<u>276,776</u>
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	\$ 1,208,800	634,870	573,930	-	1,208,800
Non-quoted equity instruments measured at fair value	<u>294,454</u>	<u>-</u>	<u>-</u>	<u>294,454</u>	<u>294,454</u>
Subtotal	<u>\$ 1,503,254</u>	<u>634,870</u>	<u>573,930</u>	<u>294,454</u>	<u>1,503,254</u>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 6,091,787				
Accounts receivable (including related parties)	806,295				
Other financial assets	2,923,062				
Refundable deposits	151,053				
Other non-current assets	<u>307,000</u>				
	<u>\$ 10,279,197</u>				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	<u>\$ 8,705</u>	<u>-</u>	<u>-</u>	<u>8,705</u>	<u>8,705</u>
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	\$ 9,193,573				
Short-term bills payable	48,762				
Bonds payable	2,998,729				
Accounts payable (including related parties)	594,112				
Lease liabilities	1,942,829				
Other financial liabilities	<u>1,698,881</u>				
	<u>\$ 16,476,886</u>				

(Continued)

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

	December 31, 2023				
	Book value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Derivative financial assets	\$ <u>80,691</u>	<u>-</u>	<u>16,022</u>	<u>164,669</u>	<u>180,691</u>
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	\$ 464,101	232,051	232,050	-	464,101
Non-quoted equity instruments measured at fair value	<u>297,500</u>	<u>-</u>	<u>-</u>	<u>297,500</u>	<u>297,500</u>
Subtotal	<u>\$ 761,601</u>	<u>232,051</u>	<u>232,050</u>	<u>297,500</u>	<u>761,601</u>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 4,474,941				
Accounts receivable (including related parties)	1,067,568				
Other financial assets	2,228,561				
Refundable deposits	175,340				
Other non-current assets	<u>332,859</u>				
	<u>\$ 8,279,269</u>				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	\$ <u>11,974</u>	<u>-</u>	<u>-</u>	<u>11,974</u>	<u>11,974</u>
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	\$ 7,423,368				
Bonds payable	2,986,081				
Accounts payable (including related parties)	668,796				
Lease liabilities	1,830,025				
Preference share liabilities	1,988				
Other financial liabilities	<u>1,488,070</u>				
	<u>\$ 14,398,328</u>				

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

	September 30, 2023				
	Book value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit and loss					
Derivative financial assets	\$ <u>73,242</u>	<u>-</u>	<u>-</u>	<u>73,242</u>	<u>73,242</u>
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	\$ 449,136	218,766	230,370	-	449,136
Non-quoted equity instruments measured at fair value	<u>282,181</u>	<u>-</u>	<u>-</u>	<u>282,181</u>	<u>282,181</u>
Subtotal	<u>\$ 731,317</u>	<u>218,766</u>	<u>230,370</u>	<u>282,181</u>	<u>731,317</u>
Financial assets measured at amortized cost					
Cash and cash equivalent	\$ 4,695,375				
Accounts receivable (including related parties)	1,078,171				
Other financial assets	1,534,609				
Refundable deposits	160,913				
Other non-current assets	<u>654,932</u>				
	<u>\$ 8,124,000</u>				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	\$ <u>25,380</u>	<u>-</u>	<u>11,159</u>	<u>14,221</u>	<u>25,380</u>
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	\$ 2,981,865				
Bonds payable	7,075,557				
Accounts payable (including related parties)	828,170				
Lease liabilities	1,697,873				
Preference share liabilities	3,397				
Other financial liabilities	<u>1,698,201</u>				
	<u>\$ 14,285,063</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.

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

ii) Financial liabilities measured at amortized cost

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

c) Valuation techniques for financial instruments measured at fair value

i) Non-derivative financial instruments

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

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

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

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

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.

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

d) Transfer between Level 1 and level 3

The shares of EGAT held by the Group are classified as financial assets measured at fair value through other comprehensive income. The fair values on September 30, 2024, December 31 and September 30, 2023 were \$73,275 thousand, \$81,375 thousand and \$79,500 thousand respectively. The shares of EGAT began to be listed, and there were quotations in the active market in March 2023. Therefore, its fair value measurement was transferred from Level 3 to Level 1 on March 31, 2023.

The shares of TSC held by the Group are classified as financial assets measured at fair value through over comprehensive income. The fair values on September 30, 2024, December 31 and September 30, 2023 were \$419,553 thousand, \$137,101 thousand and \$121,848 thousand respectively. The shares of TSC began to be listed, and there were quotations in the active market in September 2024. Therefore, its fair value measurement was transferred from Level 3 to Level 1 on September 30, 2024.

e) Reconciliation of Level 3 fair values

The changes in Level 3 fair values for the nine months ended September 30, 2024 and 2023 are as follows:

	Derivative instrument - Net of fair value measured through profit and loss		Non quoted equity instrument - fair value through other comprehensive income	
	2024	2023	2024	2023
Opening balance	\$ 52,695	49,512	297,500	339,189
Additions / Disposals	(66,477)	-	139,670	11,100
Total gains and losses recognized in profit and loss	3,283	6,179	-	-
Reclassification	-	-	(5,615)	-
Transfer from Level 3	-	-	(137,101)	(68,108)
Effect of exchange rate changes	1,794	3,330	-	-
Ending balance	<u>\$ (8,705)</u>	<u>59,021</u>	<u>294,454</u>	<u>282,181</u>

As of September 30, 2024 and 2023, 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,	
	2024	2023
Total gains and losses recognized:		
In gains and losses, and presented in “other gains and losses”	<u>\$ 3,283</u>	<u>6,179</u>

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

- f) 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 follows:

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between significant unobservable inputs and fair value measurements</u>
Financial assets measured at fair value through profit and loss - derivatives instruments (long call options and short call options)	Option pricing model	·Stock price volatility (20.69%~28.32%, 20.69%~28.32% and 23.78%~27.82% for September 30, 2024, December 31 and September 30, 2023, 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
Financial assets measured at fair value through other comprehensive income - equity instruments without an active market	Income Approach	·Discount rate (11.6081% and 15.7236% for December 31 and September 30, 2023, respectively)	·The higher the ratio, the lower the fair value

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

- g) 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		The effect of fair value fluctuations in other comprehensive income	
			Favorable	Unfavorable	Favorable	Unfavorable
September 30, 2024						
Financial liabilities measured at fair value through profit and loss - derivatives instruments (short call options)	28.32%	+0.5%	-	(337)	-	-
	28.32%	-0.5%	334	-	-	-
Financial assets measured at fair value through other comprehensive income - equity instruments without an active market	11.6081%	+0.5%	-	-	-	(9,299)
	11.6081%	-0.5%	-	-	9,908	-
December 31, 2023						
Financial assets measured at fair value through profit and loss - derivatives instruments (long call options)	23.88%	+0.5%	-	-	-	-
	23.88%	-0.5%	-	-	-	-
Financial liabilities measured at fair value through profit and loss - derivatives instruments (short call options)	20.69%	+0.5%	-	(964)	-	-
	20.69%	-0.5%	307	-	-	-
Financial liabilities measured at fair value through profit and loss - derivatives instruments (short call options)	28.32%	+0.5%	-	(410)	-	-
	28.32%	-0.5%	407	-	-	-
Financial assets measured at fair value through other comprehensive income - equity instruments without an active market	11.6081%	+0.5%	-	-	-	(9,299)
	11.6081%	-0.5%	-	-	9,908	-
September 30, 2023						
Financial assets measured at fair value through profit and loss - derivatives instruments (long call options)	23.88%	+0.5%	-	-	-	-
	23.88%	-0.5%	-	-	-	-
Financial liabilities measured at fair value through profit and loss - derivatives instruments (short call options)	23.78%~27.82%	+0.5%	-	(663)	-	-
	23.78%~27.82%	-0.5%	650	-	-	-
Financial assets measured at fair value through other comprehensive income - equity instruments without an active market	15.7236%	+3%	-	-	-	(34,037)
	15.7236%	-3%	-	-	64,095	-

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.

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

(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, 2023.

(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, 2023. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2023.

(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, 2024 and 2023, 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, 2024	Cash flows	Foreign exchange movements and others	September 30, 2024
Long-term borrowings	\$ 6,989,145	2,076,494	103,630	9,169,269
Short-term borrowings	434,223	(409,919)	-	24,304
Shor-term bills payable	-	48,900	(138)	48,762
Lease liabilities	1,830,025	(104,355)	217,159	1,942,829
Preference share liabilities	1,988	(4,469)	2,481	-
Bonds payable	<u>2,986,081</u>	<u>-</u>	<u>12,648</u>	<u>2,998,729</u>
Total liabilities from financing activities	<u>\$ 12,241,462</u>	<u>1,606,651</u>	<u>335,780</u>	<u>14,183,893</u>

	January 1, 2023	Cash flows	Foreign exchange movements and others	September 30, 2023
Long-term borrowings	\$ 6,832,855	(526,244)	76,481	6,383,092
Short-term borrowings	1,895,215	(1,193,799)	(8,951)	692,465
Shor-term bills payable	99,931	(100,000)	69	-
Lease liabilities	1,472,444	(41,248)	266,677	1,697,873
Preference share liabilities	6,986	(6,475)	2,886	3,397
Bonds payable	<u>2,969,315</u>	<u>-</u>	<u>12,550</u>	<u>2,981,865</u>
Total liabilities from financing activities	<u>\$ 13,276,746</u>	<u>(1,867,766)</u>	<u>349,712</u>	<u>11,758,692</u>

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

(7) Related-party transactions:

- (a) Name and relationship with related parties

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

Note 1: The company had liquidated and dissolved in the first quarter of 2024.

- (b) Significant transactions with related parties

- (i) Sales, accounts receivable, contract assets and contract liabilities

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

	<u>For the three months ended</u>		<u>For the nine months ended</u>	
	<u>September 30,</u>		<u>September 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Associates	<u>\$ 1,991</u>	<u>23,126</u>	<u>12,787</u>	<u>71,092</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:

	<u>September 30, 2024</u>		<u>December 31, 2023</u>		<u>September 30, 2023</u>	
	<u>Accounts Receivable</u>	<u>Contract Assets</u>	<u>Accounts Receivable</u>	<u>Contract Assets</u>	<u>Accounts Receivable</u>	<u>Contract Assets</u>
Associates						
Apex	<u>\$ 2,090</u>	<u>14,147</u>	<u>-</u>	<u>29,349</u>	<u>-</u>	<u>12,185</u>

(Continued)

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

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

	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
Associates	\$ -	7,946	7,946

- (ii) 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(classified as other financial</u> <u>asstes and other non-current assets)</u>		
	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
Associates	\$ 776	398	381
Joint ventures	12,017	11,691	54,093
Other related parties			
CFC	271,233	263,857	313,258
Less: Impairment allowance	<u>(283,250)</u>	<u>(255,704)</u>	<u>(12,261)</u>
	<u>\$ 776</u>	<u>20,242</u>	<u>355,471</u>

	<u>Other current liabilities</u>		
	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
Associates	\$ 344	-	-
Joint ventures	-	-	25,415
	<u>\$ 344</u>	<u>-</u>	<u>25,415</u>

- (iii) Purchase of property, plant and equipment

	<u>Payables on equipment (classified as other</u> <u>current liabilities)</u>		
	<u>September 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>
Other related parties	\$ 2,230	2,169	2,275

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

(iv) Disposal of investee companies that adopt equity method

The Group invested in 28.67% of CFY's shares, with the right of redemption. Both parties agreed the Group require CFY to redeem all of its shares with certain conditions. The right has been executed by the Group in 2020, with the execution price of \$1,649,963 thousand. In addition, as of September 30, 2024, December 31 and September 30, 2023, the remaining balance on the above disposal amounting to \$0 thousand, \$111,535 thousand and \$116,974 thousand, respectively, which has not yet be collected.

(c) Key management personnel compensation

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Short-term employee benefits	\$ 7,747	11,927	29,332	37,649
Post-employment benefits	92	206	567	707
Total	\$ 7,839	12,133	29,899	38,356

(8) Pledged assets:

The carrying amounts of pledged assets were as follows:

Pledged assets	September 30,	December 31,	September 30,
	2024	2023	2023
Property, plant and equipment	\$ 5,364,374	4,379,412	4,446,024
Investment property	2,291,271	2,367,281	2,392,618
Financial assets at fair value through other comprehensive income	1,268,878	629,096	603,997
Restricted bank deposit (accounted for as other financial assets and other non-current assets)	3,162,077	2,365,038	1,624,497
Refundable deposit	151,053	175,340	160,913
	\$ 12,237,653	9,916,167	9,228,049

(9) Significant contingent liabilities and unrecognized commitments:

(a) Unrecognized contract commitments

(i) Unrecognized contract commitments

	September 30,	December 31,	September 30,
	2024	2023	2023
Unused letter of credit (in USD thousand)	\$ -	-	729
Unused letter of credit (in EUR thousand)	1,283	213	1,771
Bank guarantee (Note 13(a))	2,247,101	2,499,961	2,527,786

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

- (ii) The Group provides a performance guarantee for the sales of the solar power plant by the subsidiary, which has been approved by the board of directors in 2023. The guarantee includes the legality of the transactions and no tax arrears or other uncertainties. The guarantee amounts is equivalent to \$853,633 thousand.
- (iii) The Group have obtained orders for power facility construction and contracted the projects out to developers and contractors. The Group entered into construction and materials contract with several contractors, and the unpaid amounts were as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Unpaid amount	<u>\$ 2,765,442</u>	<u>2,263,492</u>	<u>2,414,093</u>

- (iv) The Group agreed to have an obligation to sell the shares of the investees in the specific period, please refer to note 6(b).
- (v) The Group signed an electricity purchase contract with several companies. According to the contract, the Group can sell its own power plant to these companies, who are not allowed to resell electricity without authorization from the Group. The contracts are irrevocable, with contract periods ranging from 20~31 years.
- (vi) Due to power plant installations, the Group signed non-fixed lease payment agreements with others, please refer to note 6(s).
- (vii) 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 of long-term purchase agreements, according to the suppliers' operations as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Advance payment	<u>\$ 1,997,929</u>	<u>2,007,444</u>	<u>2,084,757</u>
Accumulated impairment loss	<u>\$ 922,189</u>	<u>909,648</u>	<u>164,853</u>

- (viii) As of September 30, 2024, December 31 and September 30, 2023, the Group issued guarantee for Directorate General of Customs and sales project, amounting to \$643,597 thousand, \$740,014 thousand and \$703,942 thousand, respectively.
- (ix) The purchase contract between the Group and specific supplier stipulates that some of the photovoltaic modules purchase are restricted by the U.S. UFLPA Act, relevant obligations shall be assumed by the Group.

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

(b) Contingencies

- (i) The Group leased its plants to DU then a fire broke out in October 2017, and DU was affected and requested damages from the Group. The two parties reached a settlement in May 2019 that offset the money DU owed to the Group. However, EZ Bank, the mortgagee of DU's equipment, had objections to the settlement, and requested the Group to pay damages to DU, claim that the creditor's rights and debts could not be offset by the Group. The Group assessed that it was against DU that the creditor's rights of DU and DU's right to claim damages against the Group are legally offset, so EZ Bank's request has no basis. In this case, on July 1, 2021, the court judged that the Group should pay EZ Bank \$159,335 thousand. The Group has appointed a lawyer to file an appeal on the grounds that the judgment was unreasonably flawed.
- (ii) The Group and its subcontractor, FN Co., had a disagreement in the interpretation of the payment terms for the second phase of the construction and materials contract. For this reason, FN Co. requested \$79,841 thousand from the Group with a payment order. The Group assessed that FN Co. did not complete the contract requirements, so the Group objected to the above-mentioned payment order and will enter into litigation. However, the litigation process has not yet started, and the request of FN Co. has not been fulfilled according to the contract. Therefore, the Group evaluates that the case should not have an immediate or significant impact on its finance or business.
- (iii) The Group, FP and FQ Co. claimed for the arbitration due to a dispute over the maintenance contract. The Group has recognized estimated losses and will make necessary adjustments in the future depends on the results of the settlement.
- (iv) The Group's supplier, G Co. had the dispute with CE Co., and CE Co. filed a garnishment and transfer order to the Group, and requested \$70,480 thousand with 5% interest annually. In this case, CE Co. was ruled in favor of the first instance, and the Group has assessed and recognized possible losses. However, the Group appealed for the inaccuracies in the judgment. In 2021, the second instance ruled that the Group won the case, and the Supreme Court has now remanded it for retrial due to doubts about the application of laws and regulations.
- (v) The Group invested in the construction of solar power plants in Mexico according to its strategic overseas expansion plan. However, at the end of August 2023, the Mexican Energy Regulatory Commission notified the Group that its application for extension on commercial operation in November 2020 has been denied due to deficiency and changes in the local energy policy, resulting in future uncertainty. For that matter, the Group filed a lawsuit against the Mexican government and has appointed local lawyers to handle the case. Although the outcome of the litigation has not yet been determined, the Group has recognized the possible losses of \$897,607 thousand according to the currently available information. As of September 30, 2024, the carrying amount of the power plant was \$296,413 thousand, recognized as inventories.

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UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
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- (vi) FV Co., one of the Group's clients, claimed that the Group failed to deliver the goods according to the purchase order schedule, hence, filed a lawsuit against the Group and for the compensation of \$60,037 thousand, which the Group disagreed to and engaged a lawyer to handle the case. The case is under trial, and the Group has also recognized possible losses.
- (vii) The Group and its subcontractor, FW Co., had a dispute over relevant development application procedures, hence, filed a lawsuit against the Group and for the compensation of \$7,168 thousand, which the Group disagreed to and engaged a lawyer to handle the case.
- (viii) The Group and its subcontractor, FX Co., had a dispute over maintenance obligations under the construction contract, hence, filed a lawsuit against the Group and for the request payment of \$11,119 thousand. The Group had estimated relevant costs and engaged a lawyer to handle the case.
- (ix) The Group had signed a sales agreement with FG Co. However, affected by market conditions, FG Co. failed to perform by the order, which caused the Group to suffer losses due to retirement of inventories. Therefore, the Group applied to execute the Stand by LC issued by FG Co. to the Group, and get the payment of \$1,097,250 thousand. Subsequently, both parties conducted settlement negotiations, and FG Co. notified the Group to ship the goods, but the transaction price had yet to be negotiated. As of September 30, 2024, the Group had received advance payment after deducting the estimated delivery payment of \$49,873 thousand, recognized as contract liabilities.
- (x) FY Co., one of the Group's clients, negotiated with the Group to offset the payment via cash and inventory due to its financial difficulties. However, the Group received a notice from the U.S. court that the client's parent company had declared bankruptcy and the aforementioned assets had been used to offset the payment of US\$15,200 thousand, which should be included in the scope of liquidation distribution, resulting in the court to request the Group to return the said amount in June 2024. Thereafter, the Group has evaluated that the legality of this matter, which still needs further verification; hence, it assessed and recognized all the possible losses that may occur in the future.
- (xi) Since the Group have failed to comply with certain lease contracts on solar power plant, it has successively been receiving notices regarding contract termination from some lessors in July and August 2024, resulting in the Group to request for more room for improvement from the aforementioned lessors, who in turn, failed to respond accordingly. In light of the above matter, the Group decided to engage a lawyer to handle the case. Consequently, it assessed and recognized all the possible losses that may occur in the future. Please refer to Market Observation Post System for relevant information.

(10) Losses due to major disasters: None

(11) Subsequent Events:

The domestic secured convertible bonds issued by the Group at face value were due on October 25, 2024. As of the date of the consolidated financial statement, the Group had repaid the convertible bonds on schedule.

(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, 2024			For the three months ended September 30, 2023		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Nature						
Employee benefit expense						
Salaries	161,366	81,139	242,505	224,922	88,987	313,909
Labor and health insurance	15,162	6,202	21,364	20,278	7,144	27,422
Pension	6,748	3,462	10,210	8,154	3,825	11,979
Others	36,507	5,944	42,451	18,212	3,946	22,158
Depreciation expense (Note)	267,737	16,962	284,699	260,618	15,443	276,061
Amortization expense	294	3,261	3,555	5	624	629

Functions	For the nine months ended September 30, 2024			For the nine months ended September 30, 2023		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Nature						
Employee benefit expense						
Salaries	505,167	249,651	754,818	708,692	295,007	1,003,699
Labor and health insurance	48,089	19,703	67,792	67,114	25,045	92,159
Pension	20,742	10,757	31,499	25,791	12,619	38,410
Others	69,154	13,924	83,078	63,444	13,055	76,499
Depreciation expense (Note)	780,728	45,812	826,540	765,598	46,046	811,644
Amortization expense	843	4,650	5,493	5	1,725	1,730

Note: Exclude the depreciation expense of investment property \$31,515 thousand, \$31,335 thousand, \$94,545 thousand and \$94,005 thousand during the three months and nine months ended September 30, 2024 and 2023, respectively.

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

The followings were the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the nine months ended September 30, 2024:

- (i) Lending to other parties: Please see Table 1 attached.
- (ii) Guarantee and Endorsement for other parties: Please see Table 2 attached.
- (iii) Information regarding securities held at the reporting date (subsidiaries, associates and joint ventures not included): Please see Table 3 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: Please see Table 4 attached.
 - (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: Please see Table 5 attached.
 - (vii) Information regarding related-parties purchases and/or sales exceeding 100 million or 20% of the Group's paid-in capital: None.
 - (viii) Information regarding receivables from related-parties exceeding 100 million or 20% of the Company's paid-in capital: Please see Table 6 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 7 attached.
- (b) Information on investees:
- The followings are the information on investees for the nine months ended September 30, 2024: Please see Table 8 attached.
- (c) Information on investment in Mainland China: Please see Table 9 attached.
- (d) Major shareholders:

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

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

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

(Continued)

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

(14) Segment information:

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

For the nine months ended September 30, 2024	Solar energy	Others	Reconciliation and elimination	Total
Revenue				
Revenue from external customers	\$ 3,461,864	730,793	-	4,192,657
Intersegment revenues	79,376	-	(79,376)	-
Total revenue	<u>\$ 3,541,240</u>	<u>730,793</u>	<u>(79,376)</u>	<u>4,192,657</u>
Reportable segment profit or loss	<u>\$ (113,043)</u>	<u>136,430</u>	<u>-</u>	<u>23,387</u>
For the three months ended September 30, 2024	Solar energy	Others	Reconciliation and elimination	Total
Revenue				
Revenue from external customers	\$ 1,024,763	307,484	-	1,332,247
Intersegment revenues	11,238	-	(11,238)	-
Total revenue	<u>\$ 1,036,001</u>	<u>307,484</u>	<u>(11,238)</u>	<u>1,332,247</u>
Reportable segment profit or loss	<u>\$ (56,933)</u>	<u>76,250</u>	<u>-</u>	<u>19,317</u>
For the nine months ended September 30, 2023	Solar energy	Others	Reconciliation and elimination	Total
Revenue				
Revenue from external customers	\$ 9,623,744	646,005	-	10,269,749
Intersegment revenues	175,934	-	(175,934)	-
Total revenue	<u>\$ 9,799,678</u>	<u>646,005</u>	<u>(175,934)</u>	<u>10,269,749</u>
Reportable segment profit or loss	<u>\$ 63,107</u>	<u>(561,019)</u>	<u>-</u>	<u>(497,912)</u>
For the three months ended September 30, 2023	Solar energy	Others	Reconciliation and elimination	Total
Revenue				
Revenue from external customers	\$ 2,355,525	274,904	-	2,630,429
Intersegment revenues	59,230	-	(59,230)	-
Total revenue	<u>\$ 2,414,755</u>	<u>274,904</u>	<u>(59,230)</u>	<u>2,630,429</u>
Reportable segment profit or loss	<u>\$ (351,971)</u>	<u>(518,496)</u>	<u>-</u>	<u>(870,467)</u>

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
LENDING TO OTHER PARTIES
FOR THE NINE MONTHS ENDED September 30, 2024

TABLE 1

(In Thousands of New Taiwan Dollars)

No.	Name of the company providing loans to others	Party to transactions	Account classification	Related Party	Maximum balance of the period	Ending Balance	Amount actually drawn	Interest Rate Range (%)	Type of Loans (Note 2)	Amount of transaction	Purposes of the borrowers prepared	Allowance for bad debts	Collateral		Limit on loans to a single business	Limit on the amount of loans
													Name	Value		
1	Gintech ("Thailand") Limited	The Company	Other receivables	Y	262,960	0	0	0.00%	2	-	Operations	-		-	987,489 (Note 4)	987,489 (Note 4)
2	Gintech ("Thailand") Limited	The Company	Other receivables	Y	246,525	237,188	237,188	7.27%	2	-	Operations	-		-	987,489 (Note 4)	987,489 (Note 4)

Note 1: Fill in of numbers:

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

Note 2: 1. Where an inter-company or inter-firm business transaction calls for a loan arrangement.

2. Where a short-term financing facility is necessary.

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

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

Note 5: The aforementioned transactions about consolidated entities have been eliminated in the consolidated financial statements.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
 ENDORSEMENTS/GUARANTEES PROVIDED
 FOR THE NINE MONTHS ENDED September 30, 2024

TABLE 2

(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	Yong Liang	(2)	2,310,645	1,810,000	1,810,000	537,553	-	15.67	5,776,613	Y	N	N
0	The Company	GES Energy Middle East FZE	(2)	2,310,645	887,239	853,633	-	-	7.39	5,776,613	Y	N	N
0	The Company	UREE	(6)	2,310,645	119,270	119,270	119,270	-	1.03	5,776,613	N	N	N
1	GES USA	TEV SOLAR ALPHA18 LLC	(2)	790,800	330,344	317,831	317,831	-	160.76	988,500	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 500% of GES USA's net asset value, and the limit of the guaranteed amount for a single party was 400% 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, 2024

TABLE 3

(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	2024.9.30				Note
				Number of Shares	Carrying Amount	Percentage of Ownership	Fair Value	
The Company	<u>Funds</u>							
	Yuanta US 20+ Year AAA-A Corporate Bond ETF	-	Financial assets at fair value through profit or loss- current	1,750	62,422	-	62,422	
	Yuanta US 20+ Year BBB Corporate Bond ETF	-	Financial assets at fair value through profit or loss- current	1,450	53,229	-	53,229	
	Cathay BBB Corporate bond ex China Coupon 4.5% 10Yr+ 20% Sector Capped ETF	-	Financial assets at fair value through profit or loss- current	919	35,685	-	35,685	
	Yuanta U.S. Treasury 20+ Year Bond ETF	-	Financial assets at fair value through profit or loss- current	2,050	63,079	-	63,079	
	Cathay U.S. Treasury 20+ Year Bond ETF	-	Financial assets at fair value through profit or loss- current	1,950	62,361	-	62,361	
	<u>Shares</u>							
	CTCI Corporation	-	Financial assets at fair value through other comprehensive income- current	3,003	142,042	0.37%	142,042	
	ThinTech Materials Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income- non-current	7,000	573,930	6.93%	573,930	1
	Taiwan Speciality Chemicals Corporation	-	Financial assets at fair value through other comprehensive income- non-current	2,226	419,553	1.61%	419,553	
	NTNU Innovation Investment Holding Company	-	Financial assets at fair value through other comprehensive income- non-current	200	2,000	2.00%	2,000	
	ASIA GLOBAL VENTURE CAPITAL II CO., LTD	-	Financial assets at fair value through other comprehensive income- non-current	531	8,188	10.00%	8,188	
	SUN APPENNINO CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	0	-	26.09%	-	
	FICUS CAPITAL CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	0	-	28.07%	-	
	EVERGREEN AVIATION TECHNOLOGIES CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	750	73,275	0.20%	73,275	
	GaN Power Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income- non-current	1,110	11,100	2.44%	11,100	
	Kai-Hong Energy Co., Ltd.	-	Financial assets at fair value through other comprehensive income- non-current	7,202	72,019	8.33%	72,019	
	Soar Taiwan Co., Ltd.	-	Financial assets at fair value through other comprehensive income- non-current	6,765	67,652	9.44%	67,652	
	United Renewable Energy Engineering Co., Ltd.	Other related party	Financial assets at fair value through other comprehensive income- non-current	57,300	133,495	60.00%	133,495	2
	Convertible preference shares-Phanes Holding Inc.	Other related party	Financial assets at amortized cost- non-current	24	-	100.00%	-	3

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

Note 2: It is preference share. The shareholding ratio listed here is calculated based on the number of shares.

Note 3: Please refer to Note6(d) for details.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
MARKETABLE SECURITIES ACQUIRED AND DISPOSED AT COSTS OR PRICES OF AT LEAST \$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED September 30, 2024

TABLE 4

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

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares (thousands)	Amount	Shares (thousands)	Amount	Shares (thousands)	Amount	Carrying Amount	Gain (Loss) on Disposal	Shares (thousands)	Amount
The Company	<u>Shares</u> Shares-Utech	Investment accounted for using the equity method	Utech (Note1)	Subsidiary	54,805	(423,272)	38,000	380,000	(25,068)			(283,304) (Note2)	67,737	-326,576

Note 1 : Due to issue of shares and capital reduction to cover losses.

Note 2 : Included share of gain (loss) of associates accounted for using equity method and difference between the price that has not been increased in proportion to shareholding and net value.

Note 3 : The aforementioned transactions about consolidated entities have been eliminated in the consolidated financial statements.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
DISPOSAL OF REAL ESTATE EXCEEDING 300 MILLION OR 20% OF THE COMPANY'S PAID-IN CAPITAL
FOR THE NINE MONTHS ENDED September 30, 2024

TABLE 5

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

Company name	Property name	Date of Transaction	Original acquisition date	Book value	Transaction amount	Price collection situation	Disposal gain	Trading partner	Relationship with the Holding Company	Purpose of disposal	Reference for price determination	Other agreement terms
GES ME	Power facilities business	113.03.21	108.03.01	USD15,961	USD16,359	As shown in the contract	USD398	Siraj Power Machinery and Equipment Leasing LLC	Non-related party	Increase asset use efficiency	A third-party appraisal confirms that the price is in line with the current value	Relevant provisions of the Group's endorsement and guaranteed sale contract

(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, 2024

TABLE 6

(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	Grandson company	464,935	-	464,935	Receivable according to the financial situation	-	-
GES USA	Munisol	Grandson company	976,324	-	-	Receivable according to the financial situation	-	-
DelSolar US	Beryl	Subsidiary	480,335	-	-	Receivable according to the financial situation	-	-
TEV II	TEV Solar	Subsidiary	621,277	-	-	Receivable according to the financial situation	-	-
Beryl	CFC	Other related party	250,834	-	250,834	Receivable according to the financial situation	-	250,834
Richmond	TEV II	Grandson company	103,246	-	-	Receivable according to the financial situation	-	-
NSP NEVADA	GES USA	Affiliated company	203,433	-	-	Receivable according to the financial situation	-	-
GES UK	GES USA	Subsidiary	104,566	-	104,566	Receivable according to the financial situation	-	-
Gintech ("Thailand")	The Company	Parent company	241,117	-	-	Receivable according to the financial situation	-	-
USD1	Beryl	Affiliated company	120,773	-	-	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 transactions about consolidated entities 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, 2024

TABLE 7

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Related Party	Relationship(Note 2)	Intercompany transactions			
				Financial Statement Account	Amount	Trading Terms	Percentage of the consolidated net revenue or total assets
0	The Company	DeSolar US	1	Other receivable	464,935	Note 3	2%
0	The Company	Utech	1	Purchase	55,287	Note 3	1%
1	DeSolar US	Beryl	3	Other receivable	480,335	Note 3	2%
2	GES USA	Munisol	3	Other receivable	976,324	Note 3	3%
3	TEV II	TEV Solar	3	Other receivable	621,277	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 transactions about consolidated entities 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
 INVESTEEES(EXCLUDING INFORMATION ON INVESTEEES IN MAINLAND CHINA)
 FOR THE NINE MONTHS ENDED September 30, 2024

TABLE 8

(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, 2024			Investee recognized		Note
				September 30, 2024	December 31, 2023	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%	995,318	(52,969)	(52,969)	
	DelSolar Cayman	Cayman Islands	Investment company	NTD 5,187,602	NTD 5,187,602	164,266	100%	7,729	(26,972)	(26,972)	
	NSP BVI	British Virgin Islands	Investment company	NTD 104,617	NTD 164,294	443	100%	6,533	(7,584)	(7,584)	
	GES ME	The United Arab Emirates	Solar related business	NTD 418,805	NTD 418,805	4	100%	-	(2,216)	(2,216)	Note 7
	NSP UK	UK	Investment company	NTD 28,165	NTD 28,165	580	100%	54,632	(1,676)	(1,676)	
	NSP System	Taiwan	Solar related business	NTD 254,200	NTD 144,200	25,420	100%	79,134	(5,152)	(18,657)	Note 6
	Zhongyang	Taiwan	Solar related business	NTD 131,121	NTD 24,121	14,200	100%	143,078	2,746	2,746	Note 6
	DelSolar Singapore	Singapore	Investment company	NTD 29,743	NTD 29,743	1,250	100%	17,721	(101)	(101)	
	SMC	Taiwan	Solar related business	NTD 9,720	NTD 9,720	1,000	100%	10,088	83	83	
	Utech	Taiwan	Electronic component manufacturing	NTD 2,237,049	NTD 1,857,049	67,737	99.9989%	(326,576)	(283,314)	(283,304)	Note 6
	Yong Liang	Taiwan	Solar related business	NTD 249,000	NTD 249,000	24,900	19.94%	157,547	(243,036)	(48,461)	
	Yong Zhou	Taiwan	Solar related business	NTD 73,000	NTD 59,000	-	100%	7,090	(3,347)	(3,347)	Note 6
	GES UK	UK	Investment company	NTD 2,747,371	NTD 2,747,371	89,133	100%	318,525	(42,124)	(42,124)	
	TSST	Malaysia	Solar related business	NTD 417,692	NTD 417,692	97,701	42.12%	116,741	14,059	5,922	Note 1
	V5 Technology	Taiwan	Electronic component manufacturing and selling	NTD 132,803	NTD 114,084	8,458	21.04%	87,055	(83,784)	(17,727)	Note 1, 6
	Gintung	Taiwan	Electronic component manufacturing	NTD 34,341	NTD 34,341	13,460	36.38%	-	(22,636)	-	Note 1
	DS Energy	Taiwan	Solar related business	NTD 125,444	-	11,947	100%	103,553	(831)	(917)	Note 8
Hong Yi	Taiwan	Solar related business	NTD 23,500	NTD 20,100	2,350	100%	545	(28)	(28)	Note 6, 9	
United Intelligence	Taiwan	Electronic component	NTD 2,100	NTD 2,100	210	100%	530	(53)	(53)		
Solarbright	Taiwan	Solar related business	NTD 30,000	NTD 30,000	9,000	30%	93,961	10,842	3,252	Note 1	
Hong Wang	Taiwan	Solar related business	NTD 100	-	10	100%	83	(17)	(17)	Note 11	
UES	RES	Independent State of Samoa	Investment company	USD 64,406	USD 64,406	62,188	100%	995,318	(52,981)	-	Note 5
RES	Gintech ("Thailand")	Thailand	Solar related business	USD 64,155	USD 64,155	20,920	100%	987,489	(52,982)	-	Note 5
GES UK	GES USA	US	Investment company	USD 67,316	USD 65,930	53,416	100%	197,700	35,603	-	Note 5, 6
	NSP Germany	Germany	Solar related business	EUR 23	EUR 23	23	90%	909	-	-	Note 5
	GES CANADA	Canada	Investment company	USD 6,125	USD 6,125	5,540	100%	2,128	(99)	-	Note 5

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2024			Investee recognized		Note
				September 30, 2024	December 31, 2023	Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)	
GES USA	MEGATWO	US	Solar related business	USD 19,594	USD 19,594	19,594	100%	(718,507)	(7,777)	-	Note 5
	MEGAFIVE	US	Solar related business	USD 635	USD 635	635	100%	20,912	(1,297)	-	Note 5
	MEGASIX	US	Solar related business	USD 1,547	USD 1,547	1,547	100%	8,504	385	-	Note 5
	MEGAEIGHT	US	Solar related business	USD 748	USD 748	748	100%	6,964	763	-	Note 5
	MEGATWELVE	US	Solar related business	USD 168	USD 168	168	100%	1,237	401	-	Note 5
	MEGATHIRTEEN	US	Solar related business	USD 2,000	USD 2,000	2,000	100%	66,350	1,276	-	Note 5
	MEGANINETEEN	US	Solar related business	USD 132	USD 132	132	100%	(2,276)	90	-	Note 5
	MEGATWENTY	US	Solar related business	USD 124	USD 124	124	100%	4,265	636	-	Note 5
	ASSET TWO	US	Solar related business	USD -	USD -	-	-	(414)	-	-	Note 3, 5
	ASSET THREE	US	Solar related business	USD 2,839	USD 2,839	2,839	100%	19,593	(1,491)	-	Note 5
	SH4	US	Solar related business	USD 489	USD 489	489	100%	8,606	132	-	Note 5
	Schenectady	US	Solar related business	USD -	USD -	-	-	(23,287)	(189)	-	Note 3, 5
	SEG	US	Solar related business	USD 800	USD 800	800	100%	14,946	714	-	Note 5
	KINECT	US	Solar related business	USD 266	USD 266	266	100%	12,410	599	-	Note 5
	TEV II	US	Solar related business	USD 200	USD 200	0.2	100%	(84,974)	(1,830)	-	Note 5
HEYWOOD	US	Solar related business	USD 1,770	USD 1,770	-	55%	(5,624)	(649)	-	Note 5	
MEGATWO	Munisol	Mexico	Solar related business	USD 18,810	USD 18,810	353,308	100%	(696,628)	(7,777)	-	Note 5
ASSET THREE	SHIMA'S	US	Solar related business	USD 153	USD 153	153	100%	(1,042)	136	-	Note 5
	WAIMEA	US	Solar related business	USD 526	USD 526	526	100%	15,296	219	-	Note 5
	HONOKAWAI	US	Solar related business	USD 348	USD 348	348	100%	14,733	460	-	Note 5
	ELEELE	US	Solar related business	USD 637	USD 637	637	100%	16,646	(1,222)	-	Note 5
	HANALEI	US	Solar related business	USD 280	USD 280	280	100%	1,176	(422)	-	Note 5
	KAPAA	US	Solar related business	USD 761	USD 761	761	100%	14,920	(143)	-	Note 5
	KOLOA	US	Solar related business	USD 569	USD 569	569	100%	12,290	(456)	-	Note 5
TEV II	TEV Solar	US	Solar related business	USD 100	USD 100	0.1	100%	7,212	4,445	-	Note 4, 5
TEV Solar	AC GES Solar	US	Solar related business	USD 19,674	USD 19,674	0.1	66.19%	626,406	3,922	-	Note 4, 5
AC GES Solar	Richmond	US	Solar related business	USD 18,749	USD 18,749	18,749	100%	584,421	2,156	-	Note 4, 5
	Rensselaer	US	Solar related business	USD 9,593	USD 9,593	9,593	100%	303,577	1,897	-	Note 4, 5
	Advance	US	Solar related business	USD 534	USD 534	534	100%	16,727	49	-	Note 4, 5

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2024			Investee recognized		Note
				September 30, 2024	December 31, 2023	Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)	
NSP BVI	NSP HK	Hong Kong	Solar related business	USD -	USD -	-	100%	-	-	-	Note 5
DelSolar Cayman	DelSolar HK	Hong Kong	Investment company	USD 125,200	USD 125,200	125,200	100%	230,186	(4,316)	-	Note 5
	DelSolar US	US	Investment company	USD 24,800	USD 24,800	3	100%	(497,787)	(22,251)	-	Note 5
	NSP NEVADA	US	Solar related business	USD 14,265	USD 14,265	5,125	100%	257,953	(1,582)	-	Note 5
	URE NSP	US	Solar related business	USD 500	USD 500	500	100%	17,643	1,177	-	Note 5
NSP UK	NSP Indygen	UK	Solar related business	GBP -	GBP -	-	100%	12,455	23	-	Note 5
Utech	Jiangung	Taiwan	Solar related business	NTD 1,000,100	NTD 1,000,100	100,010	100%	827,779	(194,583)	-	Note 5
Jiangung	Yong Liang	Taiwan	Solar related business	NTD 1,000,000	NTD 1,000,000	100,000	80.06%	811,726	(243,036)	-	Note 5
NSP System	Hsin Jin Optoelectronics	Taiwan	Solar related business	NTD 10,647	NTD 10,647	-	80%	11,938	843	-	Note 5
	Hsin Jin Solar Energy	Taiwan	Solar related business	NTD 13,981	NTD 13,981	-	60%	16,172	1,904	-	Note 5
	Si Two	Taiwan	Solar related business	NTD 20,000	NTD 20,000	2,000	100%	16,596	350	-	Note 5
	Hong Ying	Taiwan	Solar related business	NTD 58,100	NTD 58,100	5,810	100%	22,357	(5)	-	Note 5, 10
	Success	Taiwan	Solar related business	NTD 13,100	NTD 13,100	1,310	100%	512	(7)	-	Note 5
DelSolar HK	DelSolar Wu Jiang	China	Solar related business	USD 120,000	USD 120,000	-	100%	216,492	(4,295)	-	Note 5
NSP NEVADA	HEYWOOD	US	Solar related business	USD 1,448	USD 1,448	-	45%	(4,892)	(649)	-	Note 5
	Industrial Park	US	Solar related business	USD 3,100	USD 3,100	-	100%	21,680	691	-	Note 5
	Hillsboro	US	Solar related business	USD 1,862	USD 1,862	-	100%	559	(2,028)	-	Note 5
DelSolar US	USD1	US	Solar related business	USD 3,582	USD 3,582	-	100%	120,356	-	-	Note 5
	JV2	US	Solar related business	USD 830	USD 830	-	67%	-	-	-	Note 1, 2, 5
	Beryl	US	Solar related business	USD -	USD -	-	100%	(652,286)	(1,499)	-	Note 5

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

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

Note 3 : The Group's structured entities.

Note 4 : According to the loan contract between the Group and IMPA, the Group cannot transfer the equity of the companies before the specified date. Please refer to note 6(p) for details.

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

Note 6 : The change in the investment amount is due to the company's capital increase in cash during nine months ended September 30, 2024.

Note 7 : It is the offset of long-term equity investment loan balance to other receivables.

Note 8 : It had been originally classified as financial assets at fair value through other comprehensive income-non-current, which include in consolidated entity since the Group's equity interest in the company increased in the second quarter of 2024.

Note 9 : As of March 28, 2024, the company Shanshang changed its name to Hong Yi.

Note 10 : As of April 1, 2024, the company Lianzhang changed its name to Hong Ying.

Note 11 : Hong Wang Energy Co., Ltd. was incorporated on March 29, 2024.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED September 30, 2024

TABLE 9

(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, 2024	Investment flows		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2024	Net Income (Loss) of the Investee (Note 2)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of September 30, 2024	Accumulated Repatriation of Investment Income as of September 30, 2024
					Outflow	Inflow						
DeSolar Wu Jiang	Solar related business	USD 120,000 \$ 3,795,000	Note 1	USD 120,000 \$ 3,795,000	-	-	USD 120,000 \$ 3,795,000	-4,295	100%	-4,295	216,492	-
NSP Nanchang	Solar related business	USD 0 \$ -	Note 1	USD 5,000 \$ 158,125	-	-	USD 5,000 \$ 158,125	-	-	-	-	-

Accumulated Outward Remittance for Investments in Mainland China as of September 30, 2024 (US\$ in Thousands)	Investment Amount Authorized by the Investment Commission, MOEA (US\$ in Thousands)	Upper Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
USD 143,450 4,536,606	USD 149,618 4,731,669	6,931,935

Note 1 : Investments Mainland China through a third region; The Group disposed of all the shares of NSP Nanchang in the third quarter of 2020.

Note 2 : Subsidiaries mentioned above were recognized on the basis of unaudited financial statements as September 30, 2024.

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

Note 4 : The exchange rate used is the rate on September 30, 2024.