Stock Code:3576

UNITED RENEWABLE ENERGY CO., LTD.
AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2020 and 2019

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.

Table of contents

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.)
Telephone 電話 + 886 2 8101 6666
Fax 傳真 + 886 2 8101 6667
Internet 網址 home.kpmg/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. (the Company) and its subsidiaries (the Group) as of September 30, 2020, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2020, and changes in equity and cash flows for the nine months ended September 30, 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As stated in Note 4(b) and 13(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to $9,318,052 thousand, constituting 24% of the consolidated total assets; and the total liabilities amounting to $4,103,219 thousand, constituting 21% of the consolidated total liabilities as of September 30, 2020; as well as the total comprehensive income (loss) amounting to $(143,210) thousand and $(635,870) thousand, constituting (74)% and 37% of the consolidated total comprehensive income (loss) for three months and nine months ended September 30, 2020, respectively.

Furthermore, as stated in Note 6 (h), the investments accounted for using the equity method of the Group amounting to $206,970 thousand as of September 30, 2020, and its shares of profit (loss) of associates accounted for using the equity method amounting to $(3,521) thousand and $1,954 thousand for three months and nine months ended September 30, 2020, respectively, 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 the Group as of September 30, 2020, and of its consolidated financial performance for the three months and nine months ended September 30, 2020, and its consolidated cash flows for the nine months ended September 30, 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matter

We did not review the financial statements of the Group as of September 30, 2019. Those financial statements were reviewed by other auditors and expressed a Qualified Conclusion on those statements dated November 8, 2019 due to the financial statements of certain non-significant subsidiaries and investments accounted for using the equity method were prepared by these investee companies, and not reviewed by other auditors.

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

KPMG

Taipei, Taiwan (Republic of China)
November 12, 2020

Notes to Readers

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

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

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

Reviewed only, not audited in accordance with the generally accepted auditing standards as of September 30, 2020 and 2019

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2020, December 31, 2019, and September 30, 2019

(Expressed in Thousands of New Taiwan Dollars)

		September 30, 2020		December 31, 2019		September 30, 2019	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (note 6(a))	$ 4,587,506	12	6,371,316	14	4,670,975	9
1110	Financial assets at fair value through profit or loss - current (note 6(b))	7,387	-	2,392	-	3,972	-
1120	Financial assets at fair value through other comprehensive income - current (note 6(c))	117,267	-	114,414	-	125,225	-
1140	Contract assets - current (notes 6(w) and 7)	230,486	1	483,247	1	157,906	-
1170	Notes and accounts receivable, net (note 6(e))	2,718,083	7	2,060,117	4	2,864,348	5
1180	Accounts receivable from related parties (notes 6(e) and 7)	221,473	-	515,469	1	674,497	1
1200	Other receivables (note 6(f) and (j))	1,962,666	5	153,196	-	236,150	1
1210	Other receivables from related parties (notes 6(d)(f) and 7)	1,169,442	3	656,913	1	683,879	1
130X	Inventories (notes 6(g) and 8)	3,684,765	9	4,944,580	11	5,903,805	11
1410	Prepayments (notes 7 and 9)	611,279	1	752,686	2	1,136,807	2
1476	Other financial assets (note 8)	1,086,548	3	617,391	1	4,342,588	8
1479	Other current assets	254,097	1	830,607	2	868,336	2
		16,650,999	42	17,502,328	37	21,668,488	40
	Non-current assets:						
1510	Financial assets at fair value through profit or loss - non-current (notes 6(b) and (p))	212,620	1	268,379	1	254,310	-
1517	Financial assets at fair value through other comprehensive income - non-current (notes 6(c) and 8)	537,536	1	2,411,482	5	2,022,927	4
1535	Financial assets at amortized cost - non-current (note 6(d))	144,825	-	149,975	-	155,100	-
1550	Investments accounted for using the equity method (notes 6(h), 7 and 8)	206,970	1	2,130,415	5	2,265,018	4
1600	Property, plant and equipment (notes 6(j), 7 and 8)	16,618,559	42	19,064,958	40	21,503,314	40
1755	Right-of-use assets (note 6(k))	775,420	2	981,114	2	1,033,935	2
1780	Intangible assets (note 6(l))	105,482	-	115,357	-	262,834	1
1840	Deferred tax assets	1,050,353	3	1,056,550	2	1,074,332	2
1915	Prepayments - non-current (notes 7 and 9)	2,006,934	5	2,184,811	5	2,206,923	4
1920	Refundable deposits	664,640	2	911,486	2	993,607	2
1942	Other receivables from related parties - non-current (note 6 and 7)	22,250	-	23,041	-	24,127	-
1990	Other non-current assets (note 8)	326,720	1	426,588	1	440,095	1
		22,672,309	58	29,724,156	63	32,236,522	60
	Total assets	$ 39,323,308	100	47,226,484	100	53,905,010	100

		September 30, 2020		December 31, 2019		September 30, 2019	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (note 6(n))	$ 2,673,550	7	2,988,798	7	3,966,419	8
2110	Short-term bills payable (note 6(m))	336,830	1	415,458	1	396,336	1
2120	Financial liabilities at fair value through profit or loss - current (note 6(b))	5,483	-	755	-	-	-
2130	Contract liabilities - current (notes 6(w) and 7)	316,036	1	323,832	1	453,567	1
2170	Notes and accounts payable (note 7)	1,573,723	4	1,505,764	3	2,052,973	4
2280	Lease liability - current (note 6(q))	26,520	-	65,778	-	28,935	-
2320	Current portion of long-term borrowings, preference share liabilities and bonds payable (notes 6(o) and (p))	5,347,832	14	5,737,284	12	8,816,442	16
2399	Other current liabilities	1,268,687	3	1,480,497	3	1,870,148	3
		11,548,661	30	12,518,166	27	17,584,820	33
	Non-Current liabilities:						
2500	Financial liabilities at fair value through profit or loss - non-current (notes 6(b) and (o))	103,572	-	143,814	-	196,993	-
2540	Long-term borrowings (note 6(o))	6,828,691	17	11,776,935	25	11,429,159	21
2580	Lease liability - non-current (note 6(q))	767,546	2	952,521	2	1,032,181	2
2635	Preference share liabilities - non-current (note 6(p))	16,934	-	28,178	-	33,077	-
2670	Other non-current liabilities (note 6(r))	292,962	1	322,635	1	338,317	1
		8,009,705	20	13,224,083	28	13,029,727	24
	Total liabilities	19,558,366	50	25,742,249	55	30,614,547	57
	Equity attributable to owners of parent (notes 6(t) and (u))						
3110	Ordinary shares	26,653,113	68	26,653,375	57	25,133,724	47
3200	Capital surplus	3,871	-	118,989	-	642,115	1
3350	Accumulated deficit	(6,724,612)	(17)	(6,000,644)	(13)	(3,021,663)	(6)
3400	Other equity	(958,463)	(3)	(31,028)	-	(282,373)	-
3500	Treasury shares	(18,699)	-	(18,699)	-	(18,699)	-
	Total equity attributable to owners of parent	18,955,210	48	20,721,993	44	22,453,104	42
36XX	Non-controlling interests	809,732	2	762,242	1	837,359	1
	Total equity	19,764,942	50	21,484,235	45	23,290,463	43
	Total liabilities and equity	$ 39,323,308	100	47,226,484	100	53,905,010	100

See accompanying notes to consolidated financial statements.

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

Reviewed only, not audited in accordance with generally accepted auditing standards

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months and nine months ended September 30, 2020 and 2019

(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			
		2020		2019		2020		2019	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Net operating revenues (notes 6(w) and 7)**	$ 3,514,863	100	4,251,012	100	9,794,709	100	14,258,631	100
5110	Operating costs (notes 6(g)(u), 7 and 12)	3,269,337	93	4,671,144	110	9,987,703	102	14,742,312	104
5900	**Gross profit (loss) from operations**	245,526	7	(420,132)	(10)	(192,994)	(2)	(483,681)	(4)
5910	Less: Unrealized gains from sales	-	-	1,594	-	-	-	14,637	-
5950	**Realized gross loss**	245,526	7	(421,726)	(10)	(192,994)	(2)	(498,318)	(4)
	Operating expenses (notes 6(u) and 12):								
6100	Selling expenses	104,095	3	172,915	4	375,812	4	875,805	6
6200	General and administrative expenses	204,257	6	288,068	7	731,914	7	870,113	6
6300	Research and development expenses	37,299	1	56,198	1	134,637	1	148,061	1
6450	Impairment loss (reversal of impairment loss) on trade receivable	(661)	-	(2,253)	-	(17,821)	-	(18,153)	-
	Total operating expense	344,990	10	514,928	12	1,224,542	12	1,875,826	13
6500	**Other income and expenses**	12,801	-	(6,976)	-	-	-	(11,880)	-
	Loss from operations	(86,663)	(3)	(943,630)	(22)	(1,417,536)	(14)	(2,386,024)	(17)
	Non-operating income and expenses (notes 6(d)(h)(i)(q)(y) and 7):								
7010	Other income	178,522	5	117,522	3	290,000	3	211,844	2
7020	Other gains and losses	228,441	7	(4,058)	(1)	446,336	4	195,538	2
7050	Finance costs	(162,969)	(5)	(217,168)	(5)	(526,787)	(5)	(660,521)	(5)
7060	Share of gain (loss) of associates and joint ventures accounted for using the equity method	(3,521)	-	(93,349)	(2)	1,954	-	(90,561)	(1)
7100	Interest income	3,288	-	12,417	-	14,268	-	38,581	-
	Total non-operating income and expenses	243,761	7	(184,636)	(5)	225,771	2	(305,119)	(2)
	Profit (loss) before income tax	157,098	4	(1,128,266)	(27)	(1,191,765)	(12)	(2,691,143)	(19)
7950	Income tax expense (note 6(s))	10,387	-	1,350	-	18,333	-	48,839	-
8200	**Net profit (loss)**	146,711	4	(1,129,616)	(27)	(1,210,098)	(12)	(2,739,982)	(19)
8300	**Other comprehensive income:**								
8310	**Items that may not be reclassified subsequently to profit or loss**:								
8316	Unrealized loss on investments in equity instruments at fair value through other comprehensive income	139,579	4	(18,784)	-	21,387	-	425,676	3
8360	**Items that may be reclassified subsequently to profit or loss:**								
8361	Exchange differences on translation of foreign statements	(92,622)	(2)	(80,712)	(2)	(545,797)	(6)	152,986	1
8300	**Total other comprehensive income (loss)**	46,957	2	(99,496)	(2)	(524,410)	(6)	578,662	4
	Total comprehensive income (loss)	**$ 193,668**	**6**	**(1,229,112)**	**(29)**	**(1,734,508)**	**(18)**	**(2,161,320)**	**(15)**
	Net profit (loss) attributable to:								
	Shareholders of the parent	$ 142,259	4	(1,139,542)	(27)	(1,198,274)	(12)	(2,706,918)	(19)
	Non-controlling interests	4,452	-	9,926	-	(11,824)	-	(33,064)	-
		$ 146,711	**4**	**(1,129,616)**	**(27)**	**(1,210,098)**	**(12)**	**(2,739,982)**	**(19)**
	Total comprehensive income (loss) attributable to:								
	Shareholders of the parent	$ 203,730	6	(1,237,707)	(29)	(1,696,445)	(17)	(2,135,748)	(15)
	Non-controlling interests	(10,062)	-	8,595	-	(38,063)	(1)	(25,572)	-
		$ 193,668	**6**	**(1,229,112)**	**(29)**	**(1,734,508)**	**(18)**	**(2,161,320)**	**(15)**
	Earnings (loss) per share								
9750	Basic earnings (loss) per share (NT dollars) (note 6(v))	**$**	**0.05**		**(0.45)**		**(0.45)**		**(1.08)**

See accompanying notes to consolidated financial statements.

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

Reviewed only, not audited in accordance with generally accepted auditing standards

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the nine months ended September 30, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	Attributable to owners of parent									
	Share capital			Other equity						
	Ordinary shares	Capital surplus	Accumulated deficits	Exchange differences on translation of foreign financial statements	Unrealized gains (loss) on financial assets at fair value through other comprehensive income	Unearned employees benefits	Treasury shares	Total equity attributable to owners of parent	Non-controlling interest	Total equity
Balance at January 1, 2019	$ 25,157,599	1,011,023	(369,468)	(328,960)	(527,897)	(16,586)	(18,699)	24,907,012	897,999	25,805,011
Effect of retrospective application	-	-	(306,410)	(959)	-	-	-	(307,369)	(34,173)	(341,542)
Balance at January 1, 2019 as restated	25,157,599	1,011,023	(675,878)	(329,919)	(527,897)	(16,586)	(18,699)	24,599,643	863,826	25,463,469
Net loss for the nine months ended September 30, 2019	-	-	(2,706,918)	-	-	-	-	(2,706,918)	(33,064)	(2,739,982)
Other comprehensive income (loss) for the nine months ended September 30, 2019	-	-	-	145,494	425,676	-	-	571,170	7,492	578,662
Total comprehensive income (loss) for the nine months ended September 30, 2019	-	-	(2,706,918)	145,494	425,676	-	-	(2,135,748)	(25,572)	(2,161,320)
Other changes in capital surplus:										
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	(367)	-	-	-	-	(367)	367	-
Offset of deficit against capital surplus	-	(369,468)	369,468	-	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-	(1,262)	(1,262)
Compensation cost of restricted shares for employees	-	333	-	-	-	(1,827)	-	(1,494)	-	(1,494)
Cancellation of restricted shares for employees	(23,875)	227	-	-	-	14,718	-	(8,930)	-	(8,930)
Disposal of investment in equity instruments designated at fair value through other comprehensive income	-	-	(7,968)	-	7,968	-	-	-	-	-
Balance at September 30, 2019	**$ 25,133,724**	**642,115**	**(3,021,663)**	**(184,425)**	**(94,253)**	**(3,695)**	**(18,699)**	**22,453,104**	**837,359**	**23,290,463**
Balance at January 1, 2020	$ 26,653,375	118,989	(6,000,644)	(296,106)	283,492	(18,414)	(18,699)	20,721,993	762,242	21,484,235
Net loss for the nine months ended September 30, 2020	-	-	(1,198,274)	-	-	-	-	(1,198,274)	(11,824)	(1,210,098)
Other comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	(519,558)	21,387	-	-	(498,171)	(26,239)	(524,410)
Total comprehensive income (loss) for the nine months ended September 30, 2020	-	-	(1,198,274)	(519,558)	21,387	-	-	(1,696,445)	(38,063)	(1,734,508)
Other changes in capital surplus:										
Changes in equity of associates and joint ventures accounted for using the equity method	-	7,819	-	-	-	-	-	7,819	-	7,819
Offset of deficit against capital surplus	-	(123,629)	123,629	-	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	(84,833)	-	-	-	-	(84,833)	84,833	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	30	30
Compensation cost of restricted shares for employees	-	-	-	-	-	10,399	-	10,399	-	10,399
Difference between the price that has not been increased in proportion to shareholding and net value	-	-	(690)	-	-	-	-	(690)	690	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	436,200	-	(436,200)	-	-	-	-	-
Issuance of share for exercise of employees	7,950	(389)	-	-	-	(7,561)	-	-	-	-
Cancellation of restricted shares for employees	(8,212)	1,081	-	-	-	4,098	-	(3,033)	-	(3,033)
Balance at September 30, 2020	**$ 26,653,113**	**3,871**	**(6,724,612)**	**(815,664)**	**(131,321)**	**(11,478)**	**(18,699)**	**18,955,210**	**809,732**	**19,764,942**

See accompanying notes to consolidated financial statements.

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

Reviewed only, not audited in accordance with generally accepted auditing standards

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the nine months ended September 30, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

		For the nine months ended September 30	
		2020	2019
Cash flows from operating activities:			
Loss before income tax	$	(1,191,765)	(2,691,143)
Adjustments:			
Adjustments to reconcile profit (loss):			
Depreciation expense		1,620,113	2,653,491
Amortization expense		7,040	17,268
Expected credit loss (gain)		(17,821)	12,002
Net gain (loss) on financial assets or liabilities at fair value through profit or loss		(23,988)	(9,949)
Finance cost		526,787	660,521
Interest income		(14,268)	(40,455)
Dividends income		(89,028)	(75,153)
Compensation cost of restricted shares for employees		8,666	(1,494)
Share of loss (gain) of associates and joint ventures accounted for using the equity method		(1,954)	90,561
Loss (Gain) on disposal of property, plant and equipment and power facilities business held for sale		(243,997)	9,989
Gain on disposal of investments		(203,913)	(212,773)
Reversal of provisions		(37,579)	(179,236)
Impairment loss on prepayment		113,121	15,895
Other		9,457	(40,325)
Total adjustments to reconcile profit (loss)		1,652,636	2,900,342
Changes in operating assets and liabilities:			
Contract assets - current		252,761	(61,289)
Notes and accounts receivable		(674,738)	(261,767)
Accounts receivable from related parties		301,527	(123,316)
Other receivables		(50,657)	(8,450)
Other receivables from related parties		65,561	346,939
Inventory		1,065,300	(1,331,358)
Prepayments (including non-current)		166,005	(439,962)
Other current assets		505,239	(326)
Contract liabilities - current		(7,796)	108,315
Notes and accounts payable (including related parties)		151,668	(12,310)
Provisions		13,988	45,873
Other current liabilities		(169,538)	(510,549)
Total changes in operating assets and liabilities		1,619,320	(2,248,200)
Cash inflow generated from operations		2,080,191	(2,039,001)
Income taxes received (paid)		(30,568)	990
Net cash flows generated from (used in) operating activities		2,049,623	(2,038,011)
Cash flows from investing activities:			
Proceeds from disposal of financial assets at fair value through other comprehensive income		1,892,626	6,755
Acquisition of investments accounted for using the equity method		(30,000)	-
Proceeds from disposal of associates		1,078,760	-
Proceeds from disposal of subsidiaries		11,130	747,551
Acquisition of property, plant and equipment		(183,471)	(713,077)
Proceeds from disposal of property, plant and equipment and power facilities business held for sale		65,038	31,148
Decrease in refundable deposits		239,098	17,065
Increase in other receivables due from related parties		-	(12,446)
Acquisition of intangible assets		-	(34)
Increase in other financial assets		(438,351)	(439,596)
Decrease in other non-current assets		30,584	40,909
Interest received		10,468	70,617
Dividends received		95,577	90,360
Net cash flows generated from investing activities		2,771,459	(160,748)
Cash flows from financing activities:			
Decrease in short-term loans		(209,041)	(2,911,324)
Increase (decrease) in short-term bills payable		(79,200)	119,900
Proceeds from long-term borrowings		1,110,800	9,982,309
Repayments of long-term borrowings		(6,312,223)	(9,280,909)
Repayments of preference share liabilities		(13,700)	(4,923)
Payment of lease liabilities		(62,418)	(45,188)
Interest paid		(464,382)	(559,998)
Others		3,504	3,728
Net cash used in financing activities		(6,026,660)	(2,696,405)
Effect of exchange rate changes on cash and cash equivalents		(578,232)	10,294
Net (decrease) increase in cash and cash equivalents		(1,783,810)	(4,884,870)
Cash and cash equivalents at beginning of period		6,371,316	9,555,845
Cash and cash equivalents at end of period	$	**4,587,506**	**4,670,975**

See accompanying notes to consolidated financial statements.

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2020 and 2019

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

(1) Company history

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

On October 1, 2018, the Company merged with former Gintech Energy Corporation ("Gintech") and Solartech Energy Corporation ("Solartech"), with the Company as the sole surviving company. On March 31, 2019, the Company merged with former General Energy Solutions Inc. (GES), with the Company 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 Company's board of directors on November 12, 2020.

(3) New standards, amendments and interpretations adopted:

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

The following new standards, interpretations and amendments have been endorsed by the FSC and are effective for annual periods beginning on or after January 1, 2020.

New, Revised or Amended Standards and Interpretations	Effective date per IASB
Amendments to IFRS 3 "Definition of a Business"	January 1, 2020
Amendments to IFRS 9, IAS39 and IFRS7 "Interest Rate Benchmark Reform"	January 1, 2020
Amendments to IAS 1 and IAS 8 "Definition of Material"	January 1, 2020
Amendments to IFRS 16 "Covid-19-Related Rent Concessions"	June 1, 2020

The Group assesses that the adoption of the abovementioned standards would not have any material impact on its consolidated financial statements.

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

The following new standards, interpretations and amendments have been endorsed by the FSC and are effective for annual periods beginning on or after January 1, 2021:

New, Revised or Amended Standards and Interpretations	Effective date per IASB
Amendments to IFRS 4 "Extension of the Temporary Exemption from Applying IFRS 9"	January 1, 2021

(Continued)

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

The Group assesses that the adoption of the abovementioned amendments would not have any material impact on its consolidated financial statements.

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

As of the date, the following IFRSs that have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

New, Revised or Amended Standards and Interpretations	Effective date per IASB
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	Effective date to be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 16 "Property, Plant and Equipment－Proceeds before Intended Use"	January 1, 2022
Amendments to IAS 37 "Onerous Contracts－Cost of Fulfilling a Contract"	January 1, 2022
Annual Improvements to IFRS Standards 2018-2020	January 1, 2022
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 9, IAS39, IFRS7, IFRS 4 and IFRS 16 "Interest Rate Benchmark Reform－Phase 2"	January 1, 2021

Those which may be relevant to the Group are set out below:

Issuance / Release Dates	Standards or Interpretations	Content of amendment
January 23, 2020	Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of balance sheet, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

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

Issuance / Release Dates	Standards or Interpretations	Content of amendment
May 14, 2020	Amendments to IAS 37 "Onerous Contracts－Cost of Fulfilling a Contract"	The amendments clarify that the ' costs of fulfilling a contract' comprises the costs that relate directly to the contract as follows: ● the incremental costs – e.g. direct labor and materials; and ● an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.

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

(4) Summary of significant accounting policies

(a) Statement of compliance

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

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2019. For related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2019.

(b) Basis of consolidation

For the related information about list of subsidiaries, percentage of ownership and main activities, please refer to note 13(b).

(c) Income taxes

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

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

(Continued)

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

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

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

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with note 5 of the consolidated financial statements for the year ended December 31, 2019.

(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, 2019. Please refer to the 2019 annual consolidated financial statements.

(a) Cash and cash equivalents

	September 30, 2020	December 31, 2019	September 30, 2019
Cash on hand, checking accounts and demand deposits	$ 4,566,856	6,368,716	4,666,580
Time deposits	20,650	2,600	4,395
Cash and cash equivalents listed in the consolidated cash flow statements	**$ 4,587,506**	**6,371,316**	**4,670,975**

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

	September 30, 2020	December 31, 2019	September 30, 2019
Financial assets mandatorily measured at fair value through profit or loss:			
Derivatives not used for hedging			
Forward exchange contracts	$ 780	-	3,972
Foreign exchange swap contracts	6,607	2,392	-
Long call options	212,620	232,865	254,310
Put options	-	35,514	-
Total	**$ 220,007**	**270,771**	**258,282**
Current	$ 7,387	2,392	3,972
Non-current	212,620	268,379	254,310
Total	**$ 220,007**	**270,771**	**258,282**

(Continued)

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

	September 30, 2020	December 31, 2019	September 30, 2019
Financial liabilities designated at fair value through profit or loss:			
Derivatives not used for hedging			
Forward exchange contracts	$ 5,339	755	-
Interest swap contract	144	-	-
Short call options	103,572	143,814	196,993
Total	**$ 109,055**	**144,569**	**196,993**
Current	$ 5,483	755	-
Non-current	103,572	143,814	196,993
Total	**$ 109,055**	**144,569**	**196,993**

(i) The short call options mentioned above derived from the loan contract signed with IMPA. Refer to note 6(o) for more details.

(ii) The long call options listed above were derived from the issuance of preference shares by the Group, making an agreement with the preference shareholders that the Group has the right to buy back all shares on the specific date. Refer to note 6(p) for more details.

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

	September 30, 2020	December 31, 2019	September 30, 2019
Shorting call options-MEGA 16			
Estimated strike price	USD13,347 thousand dollars	USD13,347 thousand dollars	USD13,347 thousand dollars
Expected volatility	17.5%	17.5%	18%
Duration	2.25 years	3 years	3.25 years
Risk-free rate	1.60%	1.60%	2.80%
Shorting call options-TEV II			
Estimated strike price	USD13,822 thousand dollars	USD13,822 thousand dollars	USD13,822 thousand dollars
Expected volatility	18%	18%	18%
Duration	4.25 years	5 years	5.25 years
Risk-free rate	1.60%	1.60%	2.90%

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

	September 30, 2020	December 31, 2019	September 30, 2019
Longing call options-MEGA 16			
Estimated strike price	USD656 thousand dollars	USD656 thousand dollars	USD656 thousand dollars
Expected volatility	17.5%	17.5%	18%
Duration	2.25 years	3 years	3.25 years
Risk-free rate	1.60%	1.60%	2.80%
Longing call options-TEV II			
Estimated strike price	USD704 thousand dollars	USD704 thousand dollars	USD704 thousand dollars
Expected volatility	18%	18%	18%
Duration	3.75 years	4.5 years	4.75 years
Risk-free rate	1.60%	1.60%	2.90%

(iv) The put options derived from an agreement between the Group and associate company Clean Focus Yield Limited (CFY) stating that 100% of the shares held can be sold back to CFY under certain conditions. The Group has executed the option in January of 2020. Please refer to note 6(h) for more details.

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

	Currency	Maturity Date	Contract Amount (in Thousands)
September 30, 2020			
Foreign exchange swap contracts	NTD/USD	October 8, 2020~ December 22, 2020	EUR876,100/ USD30,000
Selling Forward exchange contracts	EUR/USD	October 21, 2020~ January 4, 2021	EUR11,900/ USD13,835
December 31, 2019			
Foreign exchange swap contracts	NTD/USD	January 21, 2020	NTD661,573/ USD22,000
Selling Forward exchange contracts	EUR/USD	January 17, 2020	EUR3,000/ USD3,339
September 30, 2019			
Selling Forward exchange contracts	EUR/USD	December 24, 2019	EUR12,000/ USD13,315

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,	
	2020	**2019**	**2020**	**2019**
Revaluation of derivatives listed in profit and loss	$ 16,172	38,656	49,691	25,551

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

	September 30, 2020	December 31, 2019	September 30, 2019
Equity instrument measured at fair value through other comprehensive income:			
Domestic investments			
Listed ordinary shares	$ 561,196	2,428,875	2,050,598
Unlisted ordinary shares	73,181	76,595	75,417
Overseas investments - unlisted ordinary shares	20,426	20,426	22,137
Total	$ 654,803	2,525,896	2,148,152
Current	$ 117,267	114,414	125,225
Non-current	537,536	2,411,482	2,022,927
Total	$ 654,803	2,525,896	2,148,152

(i) The Group's equity instruments are not held for trading, therefore has been designated at fair value through other comprehensive income.

(ii) Please refer to note 13(a) for details on the above mentioned equity instruments and fair value, among which the shares of ThinTech Materials Technology Co., Ltd. ("TTMC") were privately placed and its ordinary shares are subject to transfer restrictions in accordance with Article 43-8 of the Securities and Exchange Act.

(iii) Due to the changes in strategic layout during July 2020, the Group sold parts of financial assets at fair value through other comprehensive income for $1,892,626 thousand, and the accumulated disposal gain was $436,200 thousand. Therefore, the Group transferred this account from other equity to retained earnings. The Group did not dispose any strategic investments in the nine months ended September 30, 2019. During the period, the accumulated gains and losses were not transferred into equity.

(iv) For credit risk and market risk, please refer to note 6(z).

(v) The financial assets mentioned above had been pledged as collateral for long-term borrowings; please refer to note 8.

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

(d) Financial assets at amortized cost

		September 30, 2020	December 31, 2019	September 30, 2019
Convertible preference shares - Phanes Holding Inc.	$	**144,825**	**149,975**	**155,100**

(i) The Group assessed its expected cash flows until maturity, which covers the entirety of interests and principle, and therefore, measured at amortized costs.

(ii) Phanes Holding Inc. a project developer, is an overseas unlisted company. In order to build a long-term cooperative strategic relationship with Phanes Holding Inc. the Group subscribed to the entire five-year callable preference shares (C-Shares III) for 24,000 shares, at par value, amounting to USD5,000 thousand.

(iii) The above preference shares carried no voting rights and no dividend rights. Instead they carried preferential rights on dividends specified at 7% of the par value. The preference shares can be redeemed prior to, or later than, the maturity date under the agreement between the Group and Phanes Holding Inc. For the nine months ended September 30, 2020 and 2019, the interest income of convertible preference shares amounted to $6,889 thousand and $8,568 thousand, respectively. As of September 30, 2020, December 31 and September 30, 2019, the interest receivables, classified as other receivables from related parties, amounted to $27,886 thousand, $20,997 thousand and $18,977 thousand, respectively.

(iv) Credit risk

The Group considers the debtor's current financial situation and the industry's prospects to derive at the 12-months or lifetime Expected Credit Loss (ECL) of the debt instrument. The Group came to the conclusion that the debtor's credit risk is low and has sufficient ability to pay off the contracted cash flow, and therefore, there was no ECL rate.

(v) As of September 30, 2020, December 31 and September 30, 2019, financial assets at amortized cost had not been pledged as security.

(e) Notes and accounts receivables

		September 30, 2020	December 31, 2019	September 30, 2019
Notes and accounts receivable	$	3,298,864	2,653,904	3,457,796
Accounts receivable from related parties		221,478	523,933	675,278
Less: Loss Allowance		(580,786)	(602,251)	(594,229)
	$	**2,939,556**	**2,575,586**	**3,538,845**

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

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

	December 31, 2019		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 1,434,430	0%~0.22%	938
1 to 30 days past due	252,724	0%~4.09%	6,451
31 to 60 days past due	155,176	0%~4.10%	2,443
61 to 90 days past due	125,901	0%~11.53%	3,466
91 to 120 days past due	20,778	0%~19.89%	3,789
121 to 150 days past due	26,219	0%~27.55%	589
151 to 180 days past due	5,402	0%~26.35%	845
More than 181 days past due	579,146	0%~100%	5,669
Signs of Counterparty Default	578,061	100%	578,061
Total	**$ 3,177,837**		**602,251**

(Continued)

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

	September 30, 2019		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 2,706,817	0%~0.22%	2,001
1 to 30 days past due	202,834	0%~4.09%	1,700
31 to 60 days past due	49,950	0%~4.10%	272
61 to 90 days past due	11,710	0%~11.53%	600
91 to 120 days past due	119,404	0%~19.89%	-
121 to 150 days past due	12,615	0%~27.55%	-
151 to 180 days past due	1,517	0%~26.35%	-
More than 181 days past due	444,747	0%~100%	6,176
Signs of Counterparty Default	583,480	100%	583,480
Total	**$ 4,133,074**		**594,229**

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

	For the nine months ended September 30,	
	2020	**2019**
Balance at January 1	$ 602,251	622,654
Impairment loss recognized (reversed)	(17,821)	(18,153)
Amounts written off	(222)	(3,963)
Foreign exchange gains (loss)	(3,422)	(6,309)
Balance at September 30	**$ 580,786**	**594,229**

The aforementioned notes and accounts receivables of the Group had not been pledged as collateral as of September 30, 2020, December 31 and September 30, 2019.

(f) Other receivables

	September 30, 2020	December 31, 2019	September 30, 2019
Other receivables from related parties	$ 1,202,699	691,352	719,794
Others	1,967,275	157,805	240,759
Less: Loss Allowances	(15,616)	(16,007)	(16,397)
	$ 3,154,358	**833,150**	**944,156**
Current	$ 3,132,108	810,109	920,029
Non-Current	22,250	23,041	24,127
	$ 3,154,358	**833,150**	**944,156**

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

(i) For those with credit risk that did not increase significantly since initial recognition, 12-month ECL was applied; and for those with credit risk that increased significantly since initial recognition, lifetime ECL was applied.

(ii) Analysis of the aging schedule of other receivables are as follows:

	September 30, 2020		December 31, 2019		September 30, 2019	
	Gross carrying amount	Impairment Recognized	Gross carrying amount	Impairment Recognized	Gross carrying amount	Impairment Recognized
0 to 60 days past due	$ 3,099,115	11,007	838,933	11,398	915,299	11,788
61 to 90 days past due	-	-	-	-	15,629	-
91 to 120 days past due	55,034	-	-	-	5,452	4,609
Over 120 days	15,825	4,609	10,224	4,609	24,173	-
	$ 3,169,974	**15,616**	**849,157**	**16,007**	**960,553**	**16,397**

(iii) The movements in loss allowances for other account receivable were as follows:

	For the nine months ended September 30,	
	2020	**2019**
Balance at January 1	$ 16,007	8,400
Impairment loss recognized (reversed)	-	30,155
Amounts written off	-	(22,142)
Foreign exchange gains (loss)	(391)	(16)
Balance at September 30	**$ 15,616**	**16,397**

(g) Inventories

	September 30, 2020	December 31, 2019	September 30, 2019
Construction in progress	$ 2,287,007	2,533,566	2,886,905
Finished goods and products	729,071	1,769,145	2,310,078
Raw materials	586,730	606,876	635,927
Work in progress	81,957	34,993	70,895
	$ 3,684,765	**4,944,580**	**5,903,805**

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

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

(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,	
	2020	**2019**	**2020**	**2019**
Cost of goods sold	$ 3,230,433	4,178,797	9,414,240	13,396,470
Unallocated production overheads	135,880	517,565	505,191	1,237,000
Write-down and retirement of inventories	(96,311)	(23,050)	69,429	113,274
Others	(665)	(2,168)	(1,157)	(4,432)
Total	**$ 3,269,337**	**4,671,144**	**9,987,703**	**14,742,312**

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

(h) Investments accounted for using the equity method

	September 30, 2020	**December 31, 2019**	**September 30, 2019**
Associates	$ 203,486	2,126,807	2,261,288
Joint ventures	3,484	3,608	3,730
	$ 206,970	**2,130,415**	**2,265,018**

(i) Please refer to note 13(b) for list of investments, percentage of ownership and main activities.

(ii) Considering the associates and joint ventures are not the biggest stockholders to the Group, besides, they cannot get more than half director seats or more than half of majority voting rights at the stockholder’ s meeting. Therefore, the Group only had significant influence on associates and joint ventures.

(iii) Associates

1) The Group held 28.67% of the equity of Clean Yield Focus (CFY). Both parties agreed to sell back all of the shares to CFY under certain terms and conditions, and the Group has executed the option in the first quarter of 2020, with the proceeds and gains on disposal of $1,649,963 thousand and $217,826 thousand, respectively, classified as other gains and losses; please refer to note 7.

2) The Group sold the 40% shares of Neo Cathay. for $705,876 thousand, the gain of disposal was $80,408 thousand, which was classified as other gain and loss. Besides, it had not collected for $705,876 thousand as of September 30, 2020, it was accounted as other receivables. This payment was collected in October, 2020.

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

3) 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:

	September 30, 2020	December 31, 2019	September 30, 2019
Carrying amount of individually insignificant associates' equity	$ 203,486	2,126,807	2,261,288

	For the three months ended September 30, 2020	For the three months ended September 30, 2019	For the nine months ended September 30, 2020	For the nine months ended September 30, 2019
Attributable to the Group				
Net income(loss)	$ (3,521)	(31,011)	1,954	(26,813)
Other comprehensive income(loss)	3,604	(4,022)	(10,689)	687
Comprehensive income(loss)	$ 83	(35,033)	(8,735)	(26,126)

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

	September 30, 2020	December 31, 2019	September 30, 2019
The carrying amount of investments in the individually insignificant associates	$ 3,484	3,608	3,730

	For the three months ended September 30, 2020	For the three months ended September 30, 2019	For the nine months ended September 30, 2020	For the nine months ended September 30, 2019
Amount of individually insignificant associates' interests attributable to the Group:				
Net income(loss)	$ -	(62,338)	-	(63,748)
Other comprehensive income	-	-	-	-
Comprehensive income	$ -	(62,338)	-	(63,748)

(v) The investments accounted for using the equity method have been pledged as collateral for bank loans, refer to note 8.

(vi) The investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments for the nine months ended September 30, 2020 and 2019 have not been reviewed.

(Continued)

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

(i) Loss of control of subsidiaries

For the nine months ended September 30, 2020 and 2019, the Group sold all of its shares in subsidiaries and loss control of them, with the considerations of $12,769 thousand and $747,551 thousand, the disposal gains (loss) are $(94,322) thousand and $212,773 thousand, respectively, which were included in other gains and losses.

	For the nine months ended September 30, 2020	2019
Other current assets	$ 143,521	5,653
Property, plant and equipment (deducting unrealized profit)	-	719,242
Right of use asset	150,641	-
Other assets	7,748	19,458
Long term loans	-	(192,767)
Current liability	(3,173)	-
Lease liability	(191,199)	-
Non-current liability	(447)	-
Carrying amount of subsidiary's net assets	**$ 107,091**	**551,586**

(j) Property, plant and equipment

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

	Land	Buildings	Machinery and equipment	Other equipment	Equipment to be inspected and construction in progress	Total
Cost:						
Balance on January 1, 2020	$ 1,541,409	8,176,387	21,497,167	7,193,271	874,195	39,282,429
Additions	-	11,554	170,044	3,460	(6,694)	178,364
Disposals	-	(1,245,986)	(1,941,644)	(80,810)	(139,306)	(3,407,746)
Reclassification	-	282,660	771,217	1,181,401	(378,821)	1,856,457
Effect of changes in foreign exchange rates	(8,245)	(36,950)	(138,416)	(199,138)	(17,776)	(400,525)
Balance on September 30, 2020	**$ 1,533,164**	**7,187,665**	**20,358,368**	**8,098,184**	**331,598**	**37,508,979**
Balance on January 1, 2019	$ 1,537,278	8,154,114	20,796,539	7,573,508	2,964,541	41,025,980
Additions	-	-	53,869	171,463	476,908	702,240
Disposals	-	-	(45,017)	(1,072,990)	(83,540)	(1,201,547)
Reclassification	-	-	583,394	12,887	(1,946,170)	(1,349,889)
Effect of changes in foreign exchange rates	5,511	25,574	28,516	382,285	(188,923)	252,963
Balance on September 30, 2019	**$ 1,542,789**	**8,179,688**	**21,417,301**	**7,067,153**	**1,222,816**	**39,429,747**

(Continued)

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

		Land	Buildings	Machinery and equipment	Other equipment	Equipment to be inspected and construction in progress	Total
Accumulated depreciation							
Balance on January 1, 2020	$	-	1,952,218	16,886,978	1,121,904	256,371	20,217,471
Additions		-	261,556	981,263	315,579	-	1,558,398
Disposal		-	(360,204)	(1,965,351)	(63,858)	(101,350)	(2,490,763)
Reclassification		-	186,258	653,978	852,519	-	1,692,755
Effect of changes in foreign exchange rates		-	(3,370)	(41,225)	(36,143)	(6,703)	(87,441)
Balance on September 30, 2020	$	-	2,036,458	16,515,643	2,190,001	148,318	20,890,420
Balance on January 1, 2019	$	-	1,175,351	13,071,809	1,301,363	257,949	15,806,472
Depreciation		-	283,615	1,899,136	397,735	-	2,580,486
Disposal		-	-	(27,664)	(413,504)	-	(441,168)
Effect of changes in foreign exchange rates		-	566	(18,717)	(1,206)	-	(19,357)
Balance on September 30, 2019	$	-	1,459,532	14,924,564	1,284,388	257,949	17,926,433
Carrying amounts:							
Balance on January 1, 2020	$	1,541,409	6,224,169	4,610,189	6,071,367	617,824	19,064,958
Balance on September 30, 2020	$	1,533,164	5,151,207	3,842,725	5,908,183	183,280	16,618,559
Balance on January 1, 2019	$	1,537,278	6,978,763	7,724,730	6,272,145	2,706,592	25,219,508
Balance on September 30, 2019	$	1,542,789	6,720,156	6,492,737	5,782,765	964,867	21,503,314

(i) The Group sold the building to non-related parties with the considerations of $1,038,306 thousand, the gain of disposal was $248,926 thousand. As of September 30, 2020, the payment mentioned above still have not been received, therefore, it was classified as other receivables. Besides, it should repay the bank mortgage for $789,395 thousand, in priority when was received the payment.

(ii) Property, plant and equipment were pledged as collateral for long-term borrowings and short-term borrowings. Please refer to note 8.

(k) Right-of-use assets

		Land	Building	Machinery and equipment	Other equipment	Total
Carrying amount:						
Balance at September 30, 2020	$	724,363	33,141	131	17,785	775,420
Balance at December 31, 2019	$	746,073	164,308	41,159	29,574	981,114
Balance at September 30, 2019	$	758,127	214,289	42,583	18,936	1,033,935

The Group leases the lands, buildings, machines and other equipment that was classified as right-of-use assets. Due to the disposal of a subsidiary and loss all control to it, right-of-use assets decreased by $150,641 thousand.

(Continued)

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

Except for the above, there were no significant additions, disposal, or recognition and reversal of the impairment losses of right-of-use assets leased by the Group for the nine months ended September 30, 2020 and 2019. Please refer to the 2019 annual consolidated financial statements for other related information.

(l) Intangible assets

	Contract with Consultants	Contract with Customers	Other	Total
Carrying amount:				
Balance at September 30, 2020	$ -	98,299	7,183	105,482
Balance at December 31, 2019	$ -	103,712	11,645	115,357
Balance at September 30, 2019	$ 128,942	109,027	24,865	262,834

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the nine months ended September 30, 2020 and 2019. Please refer to the 2019 annual consolidated financial statements for other related information.

(m) Short-term notes and bills payable

	September 30, 2020	December 31, 2019	September 30, 2019
Commercial paper payable	$ 336,900	416,100	396,900
Less: discounts on commercial paper payable	(70)	(642)	(564)
	$ 336,830	415,458	396,336

There were no significant issues, repurchases and repayments of short-term notes and bills payable for the nine months ended September 30, 2020 and 2019. Please refer to the 2019 annual consolidated financial statements for other related information.

(n) Short-term borrowings

	September 30, 2020	December 31, 2019	September 30, 2019
Secured bank loans	$ -	244,459	249,632
Unsecured bank loans	2,673,550	2,744,339	3,716,787
Total	$ 2,673,550	2,988,798	3,966,419
Unused credit lines	$ 2,615,989	2,700,284	2,253,480
Range of interest rates	1.16%~2.36%	1.73%~6.27%	1.54%~6.27%

(i) There were no significant issues, repurchases and repayments of short-term borrowings for the nine months ended September 30, 2020 and 2019. Please refer to the 2019 annual consolidated financial statements for other related information.

(ii) For the collateral for borrowings, please refer to note 8.

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

(o) Long-term liabilities

(i) Long-term borrowings

	September 30, 2020	December 31, 2019	September 30, 2019
Secured bank loans			
10.13 billion syndicated loan from First Bank	$ 5,947,086	9,803,460	8,864,599
4.5 billion syndicated loan from First Bank	2,279,560	2,327,560	2,339,560
FMO & DEG Bank	996,658	1,071,422	1,121,001
Cathay Bank	629,705	678,119	289,307
KGI Bank Loan	250,000	250,000	250,000
CTBC bank loan	-	171,374	162,640
IMPA	612,702	620,998	637,476
Machinery and equipment financing from EQUVO Pte. Ltd., Taiwan Branch (Singapore)	-	488,134	531,939
Chailease International Financial Services. Co., Ltd.	126,576	143,061	172,471
Inventories financing loans	107,510	168,837	234,629
Other financing loan	434,606	497,140	508,422
Unsecured bank loans			
King's Town Bank loan	540,000	904,916	980,000
0.5 billion syndicated loan from First Bank	112,500	225,000	225,000
Other financing loan	124,090	148,116	196,240
	12,160,993	17,498,137	16,513,284
Less: Current portion	(5,332,302)	(5,721,202)	(5,084,125)
Total	$ **6,828,691**	**11,776,935**	**11,429,159**
Unused credit lines	$ **1,026,980**	**506,040**	**1,232,760**
Range of interest rates	**0.91%~7.82%**	**1.49%~7.82%**	**1.49%~7.82%**

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, 2020 and 2019. Please refer to the 2019 annual consolidated financial statements for other related information.

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

3) Compliance with loan contracts

a) The Group entered into a syndicated loan contract with FMO Bank and DEG Bank. According to the terms and conditions on the contract, it requires the borrower, Electronic J.R.C Srl (JCR), to maintains certain financial ratios based on their annual and semiannual consolidated financial reports, wherein the balance of the special reserve account should not be below USD$3,000 thousand.

b) The Group entered into a middle-to-long-term guaranteed loan from Cathay Bank. According to the terms and conditions of the contract, it requires that the borrower, GES USA, to maintain certain financial ratios during the credit period.

c) The Group entered into a long-term loan agreement with Far Eastern International Bank. According to the terms and conditions on the contract, it requires the borrower, Yong Liang, to maintain certain financial ratios based on their annual and semiannual consolidated financial reports.

d) The Group entered into $10.13 billion and $500 million syndicated loans with First Bank. According to the terms and conditions on the contract, it requires the Company to maintain certain financial ratios based on its annual and semiannual consolidated financial reports during the credit period.

As of September 30, 2020, December 31 and September 30, 2019, the Group did not breach any of the terms stated above.

e) 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 and semiannual consolidated financial reports during the credit period. The abovementioned syndicated loans expired on September 30, 2020, however, the syndicated loans bank has agreed to extend the loan until September 30, 2021. The financial ratio before the loan due date need not be reviewed.

f) The Group entered into a syndicated loan with CTBC Bank, wherein the Company is a joint guarantor. According to the terms and conditions of the contract, it requires Gintech (Thailand) Limited (Gintech (Thailand)) and the Company to maintain certain financial ratios. The Group failed to comply with the relevant regulations on December 31, 2019 and September 30, 2019. However, it was still in the improvement period, therefore, no breach of contract was committed. Instead, the Group will only need to pay the additional interest in accordance with the contract. The loan had already repaid in the second quarter of 2020.

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 MEGA 16, and AC GES, a company owned by the Group through TEV Solar, starting from December 2022 to June 2024. Therefore, the contract includes an embedded derivative (selling a call option) that is not closely related to the main contract and is recognized as a financial liability designated at fair value through profit and loss; please refer to note 6(b) and (z). According to the contracts, it restricts part of the consolidated entities to transfer the shares before the derivatives instrument expires; please refer to note 13(b).

The interest rates of MEGA 16 and TEV II borrowing from IMPA were 4.25% and 4.75% respectively. After separating the short call option from the host contract, the adjusted loan interest rates became 11.08% and 11.38%, respectively.

(ii) Bonds payable

		September 30, 2020	December 31, 2019	September 30, 2019
Secured convertible bonds	$	-	-	3,715,685
Less: current portion		-	-	(3,715,685)
Total	$	**-**	**-**	**-**

The Group failed to comply with the financial rate based on the corporate bond agreement issued on September 30, 2019. The Group recognized the compensation in accordance with the contract.

There were no significant issues, repurchases and repayments of bonds payable for the nine months ended September 30, 2020 and 2019. The corporate bonds listed above had been fully repaid in October 2019, please refer to the 2019 annual consolidated financial statements for other related information.

(iii) For the collateral for borrowings, please refer to note 8.

(p) Preference share liabilities

		September 30, 2020	December 31, 2019	September 30, 2019
Class A preference shares	$	32,464	44,260	49,709
Less: Current portion		(15,530)	(16,082)	(16,632)
Total	$	**16,934**	**28,178**	**33,077**

The Group’s subsidiaries, MEGA 16 and TEV II, have issued Class A preference shares through GES USA and GES AC respectively. Relevant information was as follows:

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

	issued by MEGA 16	issued by TEV II
Issuance date	2017.12	2018.12
Total amount issued	USD11,920 thousand dollars	USD10,051 thousand dollars
percentages of Class A preference shares held by shareholders	32.41%	33.81%
Issuance terms		
- Voting rights	Yes	Yes
- Dividend rights	Shareholders will be given priority to receive cumulative cash dividend of 0.65% with a monthly fixed Asset Management Fee each quarter and are entitled to 99% of profits sharing before expiration date December 2022.	Shareholders will be given priority to receive cumulative cash dividend of 0.675% with a monthly fixed Asset Management Fee each quarter and are entitled to 99% of sharing earned before expiration date June 2024.
- Others	Starting from December 2022, the Group would be able to repurchase the entirety of Class A shares at contract price.	Starting from June 2024, the Group would be able to repurchase the entirety of Class A shares at contract price.

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

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

(q) Lease liabilities

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

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

	September 30, 2020	December 31, 2019	September 30, 2019
Current	$ 26,520	65,778	28,935
Non-current	$ 767,546	952,521	1,032,181

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

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

The amounts recognized in profit or loss were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Interest on lease liabilities	$ 6,363	8,067	23,047	25,632
Variable lease payments not included in the measurement of lease liabilities	$ 2,519	535	7,886	3,226
Expenses relating to short-term leases	$ 4,148	390	14,754	4,225
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	$ 530	7,656	2,026	17,051

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

	For the nine months ended September 30, 2020	For the nine months ended September 30, 2019
Total cash outflow for leases	$ 87,084	69,690

(r) Provisions

	September 30, 2020	December 31, 2019	September 30, 2019
Warranty	$ 152,429	176,069	171,611

There were no significant changes in provisions for the nine months ended September 30, 2020 and 2019. Please refer to the consolidated financial statements for the year ended December 31, 2019 for other related information.

(s) Income Taxes

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Current tax expense	$ 7,677	1,350	15,628	48,839
Deferred tax expense	2,710	-	2,705	-
Income tax expense	$ 10,387	1,350	18,333	48,839

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

(ii) There was no income tax recognized directly in equity or other comprehensive income for the nine months ended September 30, 2020 and 2019.

(iii) The Company's tax returns for the years through 2017 were assessed by the National Tax Bureau.

(t) Capital and other equity

Except for the following disclosure, there was no significant change for capital and other equity for the periods from January 1 to September 30, 2020 and 2019. For the related information, please refer to the consolidated financial statements for the year ended December 31, 2019.

(i) Ordinary shares

	September 30, 2020	December 31, 2019	September 30, 2019
Authorized share capital	**$ 36,000,000**	**32,000,000**	**32,000,000**
Issued share capital	**$ 26,653,113**	**26,653,375**	**25,133,724**
Total shares issued	**$ 2,665,311**	**2,665,338**	**2,513,372**

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

A resolution was passed during the board meeting held on June 14, 2019 for the issuance of 150,000 thousand ordinary shares for cash under public subscription, with par value of $10 per share, issued at a discount of $6.52. The Group has received the approval from the Financial Supervisory Commission for its capital increase on August 13, 2019, with December 10, 2019 as the base date.

To meet the strategy of the Group, a resolution was passed during the general meeting of shareholders held on June 22, 2020 for a $4,000,000 thousand capital increase for cash. After the capital increase, the Company's capital amounted to $36,000,000 thousand, with 3,600,000 ordinary shares, at a par value of $10 per share.

(ii) Information on capital surplus of the Company were as follows:

	September 30, 2020	December 31, 2019	September 30, 2019
Share premium	$ 8	123,629	641,992
Employee share options	(3,956)	-	-
Restricted shares for employees	7,819	(4,640)	123
	$ 3,871	**118,989**	**642,115**

Both resolutions were approved during the general meetings of the shareholders held on June 22, 2020 and June 17, 2019 to offset the deficit against the capital surplus of $123,629 thousand and $369,468 thousand, respectively.

(Continued)

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

(iii) Retained Earnings

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

In accordance with the Company Law, two thirds of authorized board of directors must be present, and more than half of the directors present will reach an agreement to distribute the dividends and bonuses or all or a portion of the legal reserve and capital reserve as stipulated in Item 11 of Article 241 of the Company Law in the form of cash, which is reported to the meeting of shareholders.

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

On June 22, 2020 and June 17, 2019, the Company has accumulated deficit and the Company's board of directors resolved not to appropriate the earnings. Related information can be found on the Market Observation Post System website of the Taiwan Stock Exchange.

(iv) Treasury shares

The Company 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, 2020	$ 1,883	18,699	21,754
Balance at December 31, 2019	$ 1,883	18,699	14,427
Balance at September 30, 2019	$ 1,883	18,699	15,407

The shares of the Company 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.

(u) Share-based payment

As of September 30, 2020, the following equity-settled share-based payment arrangements had already been made. There were no significant changes in share-based payment for the nine months ended September 30, 2020 and 2019. Please refer to the consolidated financial statements for the year ended December 31, 2019 for other related information.

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

	Restricted share plan for employees				
	Issued in 2017	**Issued in 2019**	**Issued in 2020**	**Issued by the original Gintech Energy**	**Issued by the original Solartech Energy**
Grant date	September 15, 2017	November 11, 2019	August 11, 2020	October 1, 2018	October 1, 2018
Number of shares granted (in thousand shares)	1,855	2,205	795	1,225	4,896
Contract term	2 years	2 years	2 years	0.5 years	2 years
Recipients	Employees of the former Neo Solar Power Corporation	Employees of the Company	Employees of the Company	Employees of former Gintech Energy	Employees of former Solartech Energy
Vested conditions	Still in service two years after the grant date	Still in service two years after the grant date	Still in service two years after the grant date	Still in service two years after the grant date	Still in service three years after the grant date
Other conditions	-	-	-	Taken on by the Group after the merging, with the outstanding amount of shares adjusted according to the exchange ratio on the merge date	Taken on by the Group after the merging, with the outstanding amount of shares adjusted according to the exchange ratio on the merge date

The Group recognized its share-based payment cost in each period as follow:

	For the nine months ended September 30,	
	2020	**2019**
Wages expense	$ 8,666	(1,494)

(v) Earnings (loss) per share

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	**2019**	**2020**	**2019**
Basic earnings (loss) per share:				
Profit (loss) attributable to ordinary shareholders of the Company	$ 142,259	(1,139,542)	(1,198,274)	(2,706,918)
Weighted average number of ordinary shares outstanding (in thousands of shares)	2,660,325	2,509,643	2,660,279	2,509,105
Earnings (loss) per share	$ 0.05	(0.45)	(0.45)	(1.08)

(Continued)

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

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

(w) Revenue from contracts with customers

(i) Disaggregation of revenue:

	For the nine months ended September 30, 2020				
	Modules	**Solar cells**	**Power facilities**	**Other**	**Total**
Revenue from contract with customers					
Revenue from sale of products	$ 6,454,246	1,715,239	-	7,610	8,177,095
Other revenues	1,030	99,525	1,246,068	270,991	1,617,614
	$ 6,455,276	**1,814,764**	**1,246,068**	**278,601**	**9,794,709**

	For the three months ended September 30, 2020				
	Modules	**Solar cells**	**Power facilities**	**Other**	**Total**
Revenue from contract with customers					
Revenue from sale of products	$ 2,127,551	659,334	-	337	2,787,222
Other revenues	596	36,969	599,184	90,892	727,641
	$ 2,128,147	**696,303**	**599,184**	**91,229**	**3,514,863**

	For the nine months ended September 30, 2019				
	Modules	**Solar cells**	**Power facilities**	**Other**	**Total**
Revenue from contract with customers					
Revenue from sale of products	$ 7,656,570	5,097,046	1,815	(45)	12,755,386
Other revenues	-	-	1,207,605	295,640	1,503,245
	$ 7,656,570	**5,097,046**	**1,209,420**	**295,595**	**14,258,631**

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

	For the three months ended September 30, 2019				
	Modules	Solar cells	Power facilities	Other	Total
Revenue from contract with customers					
Revenue from sale of products	$ 2,344,139	1,564,189	(8)	(227)	3,908,093
Other revenues	-	-	245,930	96,989	342,919
	$ 2,344,139	1,564,189	245,922	96,762	4,251,012

(ii) Contract balance

	September 30, 2020	December 31, 2019	September 30, 2019
Notes and accounts receivable	$ 2,939,556	2,575,586	3,538,845
Contract assets			
Power plant construction contract	$ 230,486	483,247	157,906
Less: allowance for impairment	-	-	-
	$ 230,486	483,247	157,906
Contract liabilities			
Sales of products	$ 292,608	253,899	169,571
Power plant construction contract	3,266	42,777	283,996
Power plant sales contract	20,162	27,156	-
	$ 316,036	323,832	453,567

1) The details on accounts receivable and allowance for impairment, please refer to note 6(e).

2) The beginning balance of contract liabilities recognized as revenue at January 1 to September 30, 2020 and 2019 were $247,122 thousand and $271,230 thousand respectively.

(x) Employee compensation and directors' remuneration

According to the Articles of Association, once the Company 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 Company has accumulated deficits, the profit should be reserved to offset the deficit.

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

Due to net loss for the nine months ended September 30, 2020 and 2019, the Company did not estimate its employees', directors' and supervisors' remuneration.

(y) Non-operating Income and Expenses

(i) Other income

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Lease income	$ 40,494	1,049	69,542	17,512
Dividend income	89,028	75,153	89,028	75,153
Other income	49,000	41,320	131,430	119,179
	$ 178,522	**117,522**	**290,000**	**211,844**

(ii) Other gains and losses

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Gain (loss) on foreign currency exchange	$ (9,497)	(15,442)	(39,291)	9,684
Gain (loss) on disposal of property, plant and equipment and power facilities business	256,807	-	243,997	1,904
Gain on disposals of investments	(13,913)	-	203,913	212,773
Other	(4,956)	11,384	37,717	(28,823)
	$ 228,441	**(4,058)**	**446,336**	**195,538**

(z) 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, 2019.

(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.

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

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) and (f) for relevant credit risk information.

(ii) Liquidity risk

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

	Contractual cash flows	Within 1 year	1-2 years	2-3 years	Over 3 years
September 30, 2020					
Non-derivative financial liabilities					
Bank borrowings	$16,188,591	8,331,571	5,126,416	705,873	2,024,731
Short-term notes and bills payable	336,900	336,900	-	-	-
Lease liabilities	1,081,364	66,860	65,174	66,050	883,280
Non-interest bearing liabilities	2,534,893	2,534,893	-	-	-
Derivative financial liabilities (Note)					
Inflow	(1,276,823)	(1,276,823)	-	-	-
Outflow	1,274,918	1,274,918	-	-	-
	$20,139,843	**11,268,319**	**5,191,590**	**771,923**	**2,908,011**
December 31, 2019					
Non-derivative financial liabilities					
Bank borrowings	$22,233,975	8,963,705	3,906,722	6,453,209	2,910,339
Short-term notes and bills payable	416,100	416,100	-	-	-
Lease liabilites	1,429,016	88,037	110,353	106,241	1,124,385
Non-interest bearing liabilities	2,594,319	2,594,319	-	-	-
	$26,673,410	**12,062,161**	**4,017,075**	**6,559,450**	**4,034,724**
September 30, 2019					
Non-derivative financial liabilities					
Bank borrowing	$25,302,073	8,494,860	2,807,633	7,295,275	6,704,305
Short-term notes and bills payable	396,900	396,900	-	-	-
Bonds payable	3,715,685	3,715,685	-	-	-
Lease liabilities	1,443,781	84,558	118,945	113,194	1,127,084
Non-interest bearing liabilities	3,557,119	3,557,119	-	-	-
	$34,415,558	**16,249,122**	**2,926,578**	**7,408,469**	**7,831,389**

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

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

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

(iii) Market risk

1) Currency risk

The Group’s significant exposure to foreign currency risk was as follows:

	September 30, 2020			December 31, 2019			September 30, 2019		
	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	$ 159,301	28.9650	4,614,153	191,455	29.9950	5,742,693	284,197	31.0200	8,815,791
EUR	13,318	33.9900	452,679	4,183	33.6200	140,632	15,755	33.8700	533,622
CNY	4,428	4.2500	18,819	11,007	4.3000	47,330	8,260	4.3560	35,981
Non-Monetary items									
MYR	10,945	6.6665	72,966	12,310	7.0380	86,638	26,298	6.6802	175,676
Financial liabilities									
Monetary items									
USD	152,469	28.9650	4,416,265	169,121	29.9950	5,072,784	305,283	31.0200	9,469,879
JPY	29,249	0.2745	8,029	1,540,794	0.2760	425,259	2,500,806	0.2877	719,482

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 strengthening or weakening of 1% on the above-mentioned foreign currency against the New Taiwanese Dollars would have increase or decrease by $6,614 thousand and decrease or increase by $8,040 thousand in the net profit (loss) before tax for the nine months ended September 30, 2020 and 2019, 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, 2020 and 2019, foreign exchange gain (loss) (including realized and unrealized portions), please refer to note 6 (y).

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.

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

If the interest rate had increased / decreased by 0.25%, the Group's net income would have decreased / increased by $5,815 thousand and $8,236 thousand for the nine months ended September 30, 2020 and 2019 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 Company's financial assets and liabilities with fixed interest rate are measured at amortized cost. The profit and loss of financial instruments are unaffected by fluctuations in interest rate on the reporting date, therefore, no sensitivity analysis has been disclosed.

3) Other market price risk

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

Prices of securities at the reporting date	For the nine months ended September 30, 2020	For the nine months ended September 30, 2019
Increasing 5%	$ 28,060	107,408
Decreasing 5%	$ (28,060)	(107,408)

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:

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

	September 30, 2020				
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss					
Derivative financial assets	$ 220,007	-	7,387	212,620	220,007
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	$ 561,196	443,036	118,160	-	561,196
Non-quoted equity instruments measured at fair value	93,607	-	-	93,607	93,607
Subtotal	$ 654,803	443,036	118,160	93,607	654,803
Financial assets measured at amortized cost					
Cash and cash equivalent	4,587,506				
Accounts receivable (including accounts receivables from related parties)	2,939,556				
Other receivables (including receivables from related parties)	3,132,108				
Financial assets measured at amortized cost	144,825				
Other financial assets	1,413,268				
Refundable deposits	664,640				
	$ 12,881,903				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	$ 109,055	-	5,483	103,572	109,055
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	14,834,543				
Short-term notes payable	336,830				
Accounts payable (including accounts receivables from related parties)	1,573,723				
Lease liabilities	794,066				
Preference share liabilities	32,464				
Other financial liabilities	961,170				
	$ 18,532,796				

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

	December 31, 2019				
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Derivative financial assets	$ 270,771	-	2,392	268,379	270,771
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	$ 2,428,875	2,287,336	141,539	-	2,428,875
Non-quoted equity instruments measured at fair value	97,021	-	-	97,021	97,021
Subtotal	$ 2,525,896	2,287,336	141,539	97,021	2,525,896
Financial assets measured at amortized cost					
Cash and cash equivalent	6,371,316				
Accounts receivable (including accounts receivables from related parties)	2,575,586				
Other receivables (including receivables from related parties)	833,150				
Financial assets measured at amortized cost	149,975				
Other financial assets	982,245				
Refundable deposits	911,486				
	$ 11,823,758				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	$ 144,569	-	755	143,814	144,569
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	20,486,935				
Short-term notes payable	415,458				
Accounts payable (including accounts receivables from related parties)	1,505,764				
Lease liabilities	1,018,299				
Preference share liabilities	44,260				
Other financial liabilities	1,088,555				
	$ 24,559,271				

(Continued)

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

	September 30, 2019				
		Fair Value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss					
Derivative financial assets	$ 258,282	-	3,972	254,310	258,282
Financial assets at fair value through other comprehensive income					
Listed domestic stocks	$ 2,050,598	1,922,148	128,450	-	2,050,598
Non-quoted equity instruments measured at fair value	97,554	-	-	97,554	97,554
Subtotal	$ 2,148,152	1,922,148	128,450	97,554	2,148,152
Financial assets measured at amortized cost					
Cash and cash equivalent	4,670,975				
Accounts receivable (including accounts receivables from related parties)	3,538,845				
Other receivables (including receivables from related parties)	944,156				
Financial assets measured at amortized cost	155,100				
Other financial assets	4,781,685				
Refundable deposits	993,607				
	$ 15,084,368				
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	$ 196,993	-	-	196,993	196,993
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	20,479,703				
Short-term notes payable	396,336				
Accounts payable (including accounts receivables from related parties)	2,052,973				
Lease liabilities	1,061,116				
Bonds payable	3,715,685	-	-	3,715,685	3,715,685
Preference share liabilities	49,709				
Other financial liabilities	1,501,497				
	$ 29,257,019				

(Continued)

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

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

i) Financial assets measured at amortized cost

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

ii) Financial liabilities measured at amortized cost

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

c) Valuation techniques for financial instruments measured at fair value

i) Non-derivative financial instruments

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

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

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

- Financial instruments with an active market: including listed company stocks and fund beneficiary certificates, etc. The fair value of these instruments is determined by reference to their respective market quotes.

(Continued)

- Financial instruments without active market: Fair value is based on valuation techniques or reference counterparty quotes. The fair value obtained through evaluation techniques can refer to the current fair value of other financial instruments with similar conditions and characteristics, discounted cash flow method or other evaluation techniques, including calculations based on market information available on the date of the consolidated balance sheet.

ii) Derivative financial instruments

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

d) Reconciliation of Level 3 fair values

The changes in Level 3 fair values for the nine months ended September 30, 2020 and 2019 are as follow:

	Derivative instrument - Net of fair value measured through profit and loss		Non quoted equity instrument - fair value through other comprehensive income	
	For the nine months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Opening balance	$ 124,565	51,340	97,021	135,751
Total gains and losses recognized in profit and loss	23,721	5,516	-	-
Total gains and losses recognized in other comprehensive income	-	-	(3,414)	(38,197)
Disposal/Redemption	(35,654)	461	-	-
Effect of exchange rate changes	(3,584)	-	-	-
Ending balance	$ 109,048	57,317	93,607	97,554

As of September 30, 2020 and 2019, 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 follow:

	For the nine months ended September 30,	
	2020	**2019**
Total gains and losses recognized:		
In gains and losses, and presented in "other gains and losses"	$ 23,721	5,516
In other comprehensive income, and presented in "unrealized gains and losses from financial assets at fair value through other comprehensive income"	$ (3,414)	(38,197)

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

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

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

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Financial assets measured at fair value through profit and loss - derivative instruments (put options)	Black-Scholes options pricing model	·Stock price volatility (38.58% for December 31, 2019)	·The higher the volatility of the stock price, the higher the fair value
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 (17%~18% for September 30, 2020, December 31 and September 30, 2019 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

(Continued)

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Financial assets measured at fair value through other comprehensive income - equity instruments without an active market	Black-Scholes options pricing model	·Value multiplier (1.56, 1.63 and 1.45 for September 30, 2020, December 31 and September 30, 2019 respectively) ·Stock price volatility (53.77%, 38.22% and 38.25% for September 30, 2020, December 31 and September 30, 2019 respectively)	·The higher the value multiplier, the higher the fair value ·The higher the volatility, the lower the fair value

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

			The effect of fair value fluctuations in profit and loss		The effect of fair value fluctuations in other comprehensive income	
	Input value	Increase(+) or decrease(-)	Favorable	Unfavorable	Favorable	Unfavorable
Financial assets measured at fair value through profit and loss - derivatives instruments (long call options)	17%~18%	+0.5%	-	-	-	-
	17%~18%	-0.50%	-	-	-	-
Financial assets measured at fair value through profit and loss - derivatives instruments (short call options)	17.5%~18%	+0.5%	-	(2,649)	-	-
	17.5%~18%	-0.50%	2,645	-	-	-
Financial assets measured at fair value through other comprehensive income - equity instruments without an active market	1.56	+0.5%	-	-	1,354	-
	1.56	-0.50%	-	-	-	(1,236)
	53.77%	+0.1%	-	-	-	(353)
	53.77%	-0.1%	-	-	353	-

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.

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

(aa) 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, 2019.

(ab) Capital management

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, 2019. In addition, there were no significant changes in the Group' s capital management information as disclosed for the year ended December 31, 2019. Please refer to the consolidated financial statements for the year ended December 31, 2019 for further details.

(ac) 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, 2020 and 2019, 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, 2020	**Cash flows**	**Foreign exchange movements and others**	**September 30, 2020**
Long-term borrowings	$ 17,498,137	(5,201,423)	(135,721)	12,160,993
Short-term borrowings	2,988,798	(209,041)	(106,207)	2,673,550
Shor-term notes paybale	415,458	(79,200)	572	336,830
Lease liabilities	1,018,299	(62,418)	(161,815)	794,066
Preference share liabilities	44,260	(13,700)	1,904	32,464
Total liabilities from financing activities	**$ 21,964,952**	**(5,565,782)**	**(401,267)**	**15,997,903**

	January 1, 2019	**Cash flows**	**Foreign exchange movements and others**	**September 30, 2019**
Long-term borrowings	$ 15,804,007	701,400	7,877	16,513,284
Short-term borrowings	6,869,628	(2,911,324)	8,115	3,966,419
Shor-term notes paybale	276,436	119,900	-	396,336
Lease liabilities	1,085,503	(45,188)	20,801	1,061,116
Preference share liabilities	60,694	(4,923)	(6,062)	49,709
Total liabilities from financing activities	**$ 24,096,268**	**(2,140,135)**	**30,731**	**21,986,864**

(7) Related-party transactions:

(a) Name and relationship with related parties

Name of related party	Relationship with the Group
Phanes FZ LLC	Other related party
Phanes Holding Inc.	Other related party
Oryx Solar System Solutions LLC	Other related party
ThinTech Materials Technology Co., Ltd. (“TTMC”)	Other related party
Sino-American Silicon Products Inc. (“SAS”)	Other related party (Note 3)
Taiwan Speciality Chemicals Corporation (“TSCC”)	Other related party (Note 3)
Top Green Energy Technologies Inc. (“TGET”)	Other related party
Clean Focus Management Acquisition LLC (“CFM”)	Other related party
Neo Cathay Power Corp. (“Neo Cathay”)	Associate (Note 4)
Neo Cathay Electric Power Corp. (“Neo Cathay Electric”)	Associate (Note 4)
DS Energy Technology Co., Ltd. (“DSET”)	Associate
Si One Corp. (“Si One”)	Associate (Note 4)
Da Li Energy Co., Ltd. (“Da Li Energy”)	Associate (Note 4)
Yong Han Ltd. (“Yong Han”)	Associate (Note 4)
Yun Yeh Energy Inc. (“Yun Yeh”)	Associate (Note 4)
Solarbright energy Co., Ltd.	Associate
Clean Focus Yield Limited (“CFY”)	Other related party (Note 1)
Clean Focus Corporation(“CFC”)	Other related party (Note 1)
CF Gainesville Owner One, LLC	Other related party (Note 1)
CF SBC Owner One LLC	Other related party (Note 1)
CF Lessee LOB LLC	Other related party (Note 1)
Verde Solar Inc.	Other related party (Note 1)
V5 Technologies Co., Ltd. (“V5 Technologies”)	Associate
Gintung energy Corporation (“Gintung”)	Associate
Sunshine PV Corporation (“Sunshine PV”)	Associate (Note 2)
CF MN DevCo One LLC (“DevCo One”)	Joint venture
CF MN DevCo Two LLC (“DevCo Two”)	Joint venture
NSP ET CAP MN HOLDINGS LLC (“JV2”)	Joint venture

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

Note 2: The Company resigned from the board of directors of Sunshine PV in May 2019, and no longer has significant control over it. Therefore, only show the transactions as of May 2019.

Note 3: The Company did not serve as director of SAS in June 2020, and no longer has significant control over it. Therefore, only show the transactions as of June 2020.

Note 4: The Company disposed Neo Cathay' s shares in September 2020, and no longer has significant control over it and its subsidiaries. Therefore, only show the transactions as of September 2020.

(b) Significant transactions with related parties

(i) Sales, accounts receivable and contract assets

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

	For the three months ended September 30, 2020	For the three months ended September 30, 2019	For the nine months ended September 30, 2020	For the nine months ended September 30, 2019
Associates	$ 242,531	173,964	487,296	661,623
Other related parties	490	(4)	(2,585)	11,210
	$ 243,021	**173,960**	**484,711**	**672,833**

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

	September 30, 2020		December 31, 2019		September 30, 2019	
	Accounts Receivable	**Contract Assets**	**Accounts Receivable**	**Contract Assets**	**Accounts Receivable**	**Contract Assets**
Associates						
CFC	$ -	-	280,111	-	445,266	-
Verde Solar Inc.	-	-	82,981	-	85,817	-
Da Li Energy	-	-	119,371	50,967	146,427	44,488
Si One	-	-	25,559	364,151	(7,246)	53,957
Yong Han	-	-	2,277	45,940	1,040	45,940
Others	5,267	-	13,634	-	3,980	-
Other related parties						
CFC	136,080	-	-	-	-	-
Verde Solar Inc.	80,131	-	-	-	-	-
Others	-	-	-	-	(6)	-
Less: Impairment allowance	(5)	-	(8,464)	-	(781)	-
	$ 221,473	**-**	**515,469**	**461,058**	**674,497**	**144,385**

(Continued)

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

(ii) Purchases, accounts payable, contract liabilities and prepayments

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	2019	2020	2019
Associates	$ 5,328	-	5,328	-
Other related parties	-	1,808	79,957	3,455
	$ 5,328	1,808	85,285	3,455

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

	September 30, 2020		December 31, 2019		September 30, 2019	
	Accounts Payable	Contract Liabilities	Accounts Payable	Contract Liabilities	Accounts Payable	Contract Liabilities
Associates						
Da Li Energy	$ -	-	-	-	-	145,833
Si One	-	-	-	32,588	-	136,996
Others	-	-	-	7,083	-	-
Other related parties	-	-	6,652	11	1,501	11
	$ -	-	6,652	39,682	1,501	282,840

In addition, the details of prepayments made by the Group related to purchase were as follows:

	September 30, 2020	December 31, 2019	September 30, 2019
Other related parties			
SAS	$ -	1,117,975	1,118,347

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

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

	Other receivables		
	September 30, 2020	December 31, 2019	September 30, 2019
Associates			
CFC	$ -	320,566	328,419
Others	354	1,470	12,175
Joint ventures			
DevCo One	148,132	153,166	158,400
Others	11,007	11,398	11,788
Other related parties			
CFC	306,712	-	-
CFM	159,472	183,755	190,035
Others	28,940	20,997	18,977
Less: Impairment allowance	(11,007)	(11,398)	(11,788)
	$ 643,610	**679,954**	**708,006**

	Other current liabilities		
	September 30, 2020	December 31, 2019	September 30, 2019
Associates	$ -	600	160,369
Joint ventures			
DevCo One	134,188	138,960	143,709
Other related parties	580	4,229	7,373
	$ 134,768	**143,789**	**311,451**

(iv) Purchase of property, plant and equipment

	For the nine months ended September 30,		Payables on equipment (classified as other current liabilities)		
	2020	2019	September 30, 2020	December 31, 2019	September 30, 2019
Other related parties	**$ 32,271**	**63,141**	**32,829**	**964**	**-**

(v) Loaning of funds and interest income

Details of loaning of funds between the Group and related parties from January 1 to September 30, 2019 were as follows. There were no such loans from January 1 to September 30, 2020.

	Maximum balance of the current period	Ending balance	Interest rate
Associates			
CFY	$ 107,590	-	5 %
Sunshine PV	200,000	-	1.608 %
		-	

(Continued)

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

Details on interest income received by the Group due to the above-mentioned loaning of funds and investments in convertible preference shares issued by other related parties were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	**2019**	**2020**	**2019**
Other related parties				
Phanes Holding Inc.	$ 2,096	2,887	6,889	8,568
Associates				
CFY	-	-	-	2,809
Others	-	-	-	1,336
Joint ventures	-	1	-	392
	$ 2,096	**2,888**	**6,889**	**13,105**

(vi) Disposal of associates

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

(vii) Other income

	For the three months ended September 30,		For the nine months ended September 30,	
	2020	**2019**	**2020**	**2019**
Associates	$ 959	325	2,531	14,331
Other related parties	356	4,457	371	5,367
	$ 1,315	**4,782**	**2,902**	**19,698**

(viii) Dividend income

	For the three months ended September 30, 2020	For the three months ended September 30, 2019	For the nine months ended September 30, 2020	For the nine months ended September 30, 2019
Other related parties				
SAS	$ -	65,581	-	65,581
Others	7,000	9,572	7,000	9,572
	$ 7,000	75,153	7,000	75,153

(c) Key management personnel compensation

	For the three months ended September 30, 2020	For the three months ended September 30, 2019	For the nine months ended September 30, 2020	For the nine months ended September 30, 2019
Short-term employee benefits	$ 17,307	21,228	60,395	72,671
Post-employment benefits	366	539	1,251	1,557
Share-based payments	1,026	(115)	3,230	902
Total	$ 18,699	21,652	64,876	75,130

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

(8) Pledged assets:

The carrying amounts of pledged assets were as follows:

Pledged assets	September 30, 2020	December 31, 2019	September 30, 2019
Property, plant and equipment	$ 10,386,858	13,226,082	16,663,931
Financial assets at fair value through other comprehensive income	-	2,172,922	1,796,923
Restricted bank deposit (accounted for as current assets and non-current assets)	1,379,712	947,105	4,745,214
Investments accounted for using the equity method	-	559,639	593,573
Inventory	281,852	290,734	161,429
Refundable deposit	664,640	911,486	993,607
Lease receivables (accounted for as current assets and non-current assets)	33,556	35,140	36,471
	$ 12,746,618	18,143,108	24,991,148

(Continued)

(9) Significant contingent liabilities and unrecognized commitments:

(a) Unrecognized contract commitments

(i) Unrecognized contract commitments

	September 30, 2020	December 31, 2019	September 30, 2019
Unused letter of credit (in USD thousand)	$ 3,826	3,411	8,676
Bank guarantee (Note 13(a))	$ 2,797,086	4,024,226	4,992,509

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

	September 30, 2020	December 31, 2019	September 30, 2019
Unpaid amount	$ 668,004	907,301	455,478

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

(iv) The Group signed an electricity purchase contract with several companies. According to the contract, the Group can sell its own power plant to these companies, who are not allowed to resell electricity without authorization from the Group. The contracts are irrevocable, with contract periods ranging from 20-25 years.

(v) 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. In addition, the Group will recognize the impairments on the prepaid amounts according to the suppliers' operations as follows:

	September 30, 2020	December 31, 2019	September 30, 2019
Advance payment	$ 2,190,339	2,213,188	2,221,364
Accumulated impairment loss	$ 164,853	51,732	51,732

(vi) As of September 30, 2020, the Group issued guarantee for Directorate General of Customs and sales Project, amounting to $925,798 thousand.

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

(b) Contingencies

The Group failed to fulfill the procurement contract obligations with Supplier K. Therefore, Supplier K filed a lawsuit against the Group in the HsinChu District Court, requesting the compensation of NTD$500,000 thousand. The HsinChu District Court ruled against the Group on October 13, 2017, wherein the Group needed to pay for the damages caused to Supplier K plus, interest. The Group disagreed with the decision made by the district court; and therefore, filed an appeal to the Taiwan High Court. As of September 30, 2020, this case was still in progress. The Group engaged a lawyer to defend its case; however, it has already estimated and accounted for the possibility of losing the case.

(10) Losses due to major disasters: None

(11) Subsequent Events: None

(12) Others:

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

Functions	For the three months ended September 30, 2020			For the three months ended September 30, 2019		
Nature	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Employee benefit expense	244,914	140,680	385,594	430,694	197,419	628,113
Depreciation expense	436,006	70,195	506,201	798,678	63,043	861,721
Amortization expense	952	1,345	2,297	3,992	1,758	5,750

Functions	For the nine months ended September 30, 2020			For the nine months ended September 30, 2019		
Nature	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Employee benefit expense	751,663	454,037	1,205,700	1,360,213	587,347	1,947,560
Depreciation expense	1,382,987	237,126	1,620,113	2,466,289	187,202	2,653,491
Amortization expense	2,865	4,175	7,040	3,992	13,276	17,268

(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, 2020:

(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: Please see Table 6 attached.

(viii) Information regarding receivables from related-parties exceeding 100 million or 20% of the Company's paid-in capital: Please see Table 7 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 8 attached.

(b) Information on investees:

The followings are the information on investees for the nine months ended September 30, 2020: Please see Table 9 attached.

(c) Information on investment in Mainland China: Please see Table 10 attached.

(d) Major shareholders:

Shareholding Shareholder's Name	Shares	Percentage
National Development Fund, Executive Yuan	175,119,300	6.56 %
Management Committee of Yaohua Glass Corporation Ltd.	167,145,851	6.27 %

Note 1: This Table provides the information of number of ordinary shares and special shares which were delivered through non-physical registration (including treasury shares) owned by major shareholders with ownership of 5% or greater and was calculated by Taiwan Depository & Clearing Corporation using the last business day at the end of the quarter. There might be a difference between the share capital listed on the Company'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 three months ended September 30, 2020	Modules	Solar cells	Power facilities	Others	Reconciliation and elimination	Total
Revenue						
Revenue from external customers	$ 2,128,147	696,303	599,184	91,229	-	3,514,863
Intersegment revenues	27,917	190,448	9,056	128,223	(355,644)	-
Total revenue	$ **2,156,064**	**886,751**	**608,240**	**219,452**	**(355,644)**	**3,514,863**
Reportable segment profit or loss	$ **259,114**	**(63,650)**	**132,810**	**(138,952)**	**56,204**	**245,526**

For the three months ended September 30, 2019	Modules	Solar cells	Power facilities	Others	Reconciliation and elimination	Total
Revenue						
Revenue from external customers	$ 2,344,139	1,564,189	245,922	96,762	-	4,251,012
Intersegment revenues	68,904	72,309	3,741	419,889	(564,843)	-
Total revenue	$ **2,413,043**	**1,636,498**	**249,663**	**516,651**	**(564,843)**	**4,251,012**
Reportable segment profit or loss	$ **213,204**	**(594,178)**	**72,673**	**(111,831)**	**(1,594)**	**(421,726)**

For the nine months ended September 30, 2020	Modules	Solar cells	Power facilities	Others	Reconciliation and elimination	Total
Revenue						
Revenue from external customers	$ 6,455,276	1,814,764	1,246,068	278,601	-	9,794,709
Intersegment revenues	95,287	361,100	39,493	551,880	(1,047,760)	-
Total revenue	$ **6,550,563**	**2,175,864**	**1,285,561**	**830,481**	**(1,047,760)**	**9,794,709**
Reportable segment profit or loss	$ **590,692**	**(763,342)**	**312,595**	**(389,143)**	**56,204**	**(192,994)**

For the nine months ended September 30, 2019	Modules	Solar cells	Power facilities	Others	Reconciliation and elimination	Total
Revenue						
Revenue from external customers	$ 7,656,570	5,097,046	1,209,420	295,595	-	14,258,631
Intersegment revenues	118,115	130,476	86,726	1,147,252	(1,482,569)	-
Total revenue	$ **7,774,685**	**5,227,522**	**1,296,146**	**1,442,847**	**(1,482,569)**	**14,258,631**
Reportable segment profit or loss	$ **731,776**	**(1,038,214)**	**227,806**	**(405,049)**	**(14,637)**	**(498,318)**

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
FINANCING PROVIDED TO OTHERS
FOR THE NINE MONTHS ENDED September 30, 2020

TABLE 1

(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing (Note 1)	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
1	GES JAPAN	GES UK	Other receivables from related party	Y	252,900	-	-	-	2	-	Operating capital	-	-	-	714,067	714,067
2	DelSolar Wu Jiang	NSP Nanchang	Other receivables from related party	Y	194,760	-	-	-	2	-	Operating capital	-	-	-	183,851	183,851
3	NSP Indygen UK Ltd	UNITED RENEWABLE ENERGY CO.,LTD.	Other receivables from related party	Y	76,940	-	-	-	2	-	Operating capital	-	-	-	105,368	105,368

Note 1: The nature of financing purposes:

1) Represents entities with business transaction with the Group;

2) Represents where an inter-company or inter-firm short-term financing facility is necessary.

Note 2: The financing company's total financing amount for one counterparty should not exceed 40% of the financing company's net asset value. The net asset value of GES JAPAN and DelSolar Wu Jiang is based on the latest settlement financial statement.

Note 3: The financing company's total financing should not exceed 20% of its net asset value. A single financing should not exceed the transaction amount between the financing company and counterparty within one year and should not exceed the highest amount of purchases or sales.

Note 4: The Company's total amount of financing for short-term financing should not exceed 20% of its net asset value and the financing for a counterparty should not exceed 10% of its net asset value.

Note 5: Overseas subsidiaries wholly-owned directly or indirectly by the Company are not subjected to Note 2. The financing company's total financing should not exceed three years and the total amount of financing and the financing for a counterparty should not exceed 100% of its net asset value.

Note 6: The aforementioned inter-company transactions 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, 2020

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	Gintech (Thailand)	(2)	3,791,042	897,510	275,760	-	-	1.45	9,477,605	Y	N	N
		GES UK	(2)	3,791,042	604,600	579,300	354,618	-	3.06	9,477,605	Y	N	N
		GES USA	(2)	3,791,042	559,176	434,475	434,475	-	2.29	9,477,605	Y	N	N
		NSP System	(2)	3,791,042	500,000	500,000	297,500	-	2.64	9,477,605	Y	N	N
		NSP Indygen	(2)	3,791,042	356,220	-	-	-	-	9,477,605	Y	N	N
		Yong Liang	(2)	3,791,042	347,250	207,250	78,773	-	1.09	9,477,605	Y	N	N
		Apex	(2)	3,791,042	263,000	263,000	261,000	-	1.39	9,477,605	Y	N	N
		NSP NEVADA	(2)	3,791,042	46,110	-	-	-	-	9,477,605	Y	N	N
		The Company(Note4)	(2)	3,791,042	51,120	-	-	-	-	9,477,605	N	N	N
1	GES USA	TEV Solar	(4)	1,113,229	304,415	291,098	291,098	-	26.15	2,226,458	Y	N	N
		MEGA16	(4)	1,113,229	257,465	246,203	246,203	-	22.12	2,226,458	Y	N	N
		Munisol	(4)	1,113,229	134,488	-	-	-	-	2,226,458	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 homespursuant to the Consumer Protection Act for each other.

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

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

Note 4: In accordance with the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” Article 4.1.1. (3), although, the guaranteed party is the Company, the Company issued a separate promissory note to a non-financial enterprise to meet the financing needs, which is still in accordance with the term "endorsements/guarantees" under Article 4 of the regulations.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

FOR THE NINE MONTHS ENDED September 30, 2020

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	2020.9.30				Note
				Number of Shares	Carrying Amount	Percentage of Ownership	Fair Value	
The Company	Shares							
	CTCI Corporation	-	Financial assets at fair value through other comprehensive income- current	3,003	117,267	0.39%	117,267	
	SAS	-	Financial assets at fair value through other comprehensive income- non-current	3,365	325,769	0.57%	325,769	
	TTMC	Other related party	Financial assets at fair value through other comprehensive income- non-current	7,000	118,160	9.52%	118,160	1
	EXOJET Technoloy Corporation	Other related party	Financial assets at fair value through other comprehensive income- non-current	5,885	25,482	12.06%	25,482	
	TSCC	-	Financial assets at fair value through other comprehensive income- non-current	1,691	18,601	0.58%	18,601	
	NTNU Innovation Investment Holding Company	-	Financial assets at fair value through other comprehensive income- non-current	200	2,000	2.00%	2,000	
	ASIA GLOBAL VENTURE CAPITAL II CO., LTD	-	Financial assets at fair value through other comprehensive income- non-current	1,000	20,426	10.00%	20,426	
	SUN APPENNINO CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	-	-	26.09%	-	
	FICUS CAPITAL CORPORATION	-	Financial assets at fair value through other comprehensive income- non-current	-	-	28.07%	-	
	Convertible preference shares-Phanes Holding Inc.	Other related party	Financial assets at amortized cost- non-current	24	144,825	100%	144,825	
Apex	Shares							
	TGET	Other related party	Financial assets at fair value through other comprehensive income- non-current	8,889	27,098	7.11%	27,098	

Note 1：Private placement ordinary shares, subjected to transfer restrictions in accordance with Article 43-8 of the Securities and Exchange Act.

(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, 2020

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	Amount	Shares	Amount	Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Shares (thousands)	Amount
	Shares													
The Company	NSP BVI	Investment accounted for using the equity method	(Note1)	Subsidiary	50,050	1,411,425	-	-	31,700	955,755	955,755	213,689 (Note4)	18,350	669,359
The Company	JRC	Investment accounted for using the equity method	(Note3)	Subsidiary	1	466	144	427,680 (Note3)				(199,396) (Note4)	145	228,750
The Company	Neo Cathay	Investment accounted for using the equity method	San Ching Engineering	Non-related party	60,000	608,967			60,000	705,876	625,468	80,408 (Note8)	-	-
NSP BVI	CFY	Investment accounted for using the equity method	CFY(Note2)	Other related party	9,672	1,169,805	-	-	9,672	1,649,963	1,396,483 (Note2)	253,480 (Note2)	-	-
DelSolar Wu Jiang and Desolar HK	NSP Nanchang	Investment accounted for using the equity method	(Note3)	Subsidiary	-	(561,223)	-	675,321 (Note3)	-	12,769	107,091	(94,322) (Note7)	-	-
The Company	Shares-SAS	Financial assets at fair value through other comprehensive income- non-current	(Note5)	(Note6)	21,860	2,172,922			18,495	1,892,626	1,444,460	448,166	3,365	325,769

Note 1：Cash capital reduction.

Note 2：The Group executed put option and recognized call option valuation gains of $35,514 thousand recognized in the year 2019, impact of exchange rate differences of $140 thousand, and gains on disposal of investments of $217,826 thousand recognized in the first and second quarter of 2020.Please refer to note6(h) and 7.In addition, carrying amount includes financial assets measured at fair value through profit or loss-the right to sell.

Note 3：Issuance of common stock for cash.

Note 4：Included share of loss (gains) of associates accounted for using equity method and cumulative translation adjustment.

Note 5：Securities sold on the open market of stock exchange.

Note 6：Originally was other related party of the Group, the Company didn't serve as a director of SAS since the end of June 2020, and no longer has a significant influence over it. Therefore, SAS is non-related parties since July 2020.

Note 7：The Group disposed of all the equity shares of NSP Nanchang in the third quarter of 2020. Please refer to Note 6(i).

Note 8：The Group disposed of all the equity shares of Neo Cathay in the third quarter of 2020. Please refer to Note 6(h)and 7.

Note 9：The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

DISPOSAL PROPERTIES, PLANTS AND ERUIPMENT AT COSTS OR PRICES OF AT LEAST $300 MILLION OR 20% OF THE PAID-IN CAPITAL

FOR THE NINE MONTHS ENDED September 30, 2020

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
The Company	Jhunan Science Park Jhunan plant A	109/7/9	97/3/1~100/8/25	789,380	1,038,306	As shown in the contract	248,926	Taiwan Mask Corporation	Non-related party	Increase asset use efficiency	Refer to the actual transaction prices, market conditions of neighboring real estate, and the appraisal report.	N

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST $100 MILLION OR 20% OF THE PAID-IN CAPITAL

FOR THE NINE MONTHS ENDED September 30, 2020

TABLE 6

(In Thousands of New Taiwan Dollars)

Buyer/Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Company	Utech	Subsidiary	Purchase	363,237	6%	OA 7 days after receipt	-	-	(168,241)	(10.41%)	2
The Company	Gintech(Tailand)	Subsidiary	Purchase	372,746	7%	60 days from the invoice date	-	-	(60,427)	(3.74%)	2
The Company	Gintech(Tailand)	Subsidiary	Sale	(195,732)	2%	60 days from the invoice date	-	-	119,956	5.09%	2
NSP System	Si One	Associate	Sale	(290,693)	3%	15 days from the invoice date	-	-	(Note1)	-	1
NSP System	Da Li	Associate	Sale	(152,310)	2%	15 days from the invoice date	-	-	(Note1)	-	1

Note 1: Originally was an associate of the Group. Howevwe,the Group disposed of all the shares in September 2020, it no longer has the significant influence on the company, which became non-related party to the Group since September 2020.

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

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL

FOR THE NINE MONTHS ENDED September 30, 2020

TABLE 7

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate (Note1)	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
The Company	DelSolar US	Subsidiary	936,337	-	948,336	Receivable according to the financial situation	-	-
The Company	GES ME	Subsidiary	610,801	-	617,107	Receivable according to the financial situation	-	-
The Company	NSP NEVADA	Subsidiary	531,459	-	538,154	Receivable according to the financial situation	-	-
The Company	Gintech (Thailand)	Subsidiary	298,569	-	201,506	Receivable according to the financial situation	18,796	-
The Company	GES USA	Subsidiary	182,667	-	106,906	Receivable according to the financial situation	-	-
NSP NEVADA	GES USA	Subsidiary	235,413	-	-	Receivable according to the financial situation	-	-
NSP UK	NSP Indygen	Subsidiary	111,529	-	-	Receivable according to the financial situation	-	-
DelSolar US	CFR	Subsidiary	888,891	-	-	Receivable according to the financial situation	-	-
CFR	CFC	Associate	341,489	-	-	Receivable according to the financial situation	-	-
CFR	CFM	Associate	159,308	-	-	Receivable according to the financial situation	-	-
CFR	DevCo One	Associate	117,109	-	-	Receivable according to the financial situation	-	-
USD1	CFR	Associate	254,072	-	-	Receivable according to the financial situation	-	-
GES JAPAN	Hashimoto	Subsidiary	187,921	-	187,921	Receivable according to the financial situation	-	-
GES USA	MUNISOL	Grandson company	838,620	-	-	Receivable according to the financial situation	-	-
TEV II	TEV Solar	Subsidiary	569,890	-	-	Receivable according to the financial situation	-	-
Utech	The Company	Parent company	168,241	-	-	Receivable according to the financial situation	-	-
NSP BVI	The Company	Parent company	120,783	-	-	Receivable according to the financial situation	-	-
NSP BVI	CFY	Other related party	548,082	-	-	Receivable according to the schedule of signing contracts	-	-
Gintech (Thailand)	The Company	Parent company	160,711	2.28	-	Receivable according to the financial situation	-	-

Note 1：Receivables arising from the payment of power plant construction payments or procurement transactions don’t apply to turnover rate.
Note 2：The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

BUSINESS RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

FOR THE NINE MONTHS ENDED September 30, 2020

TABLE 8

(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	DelSolar US	1	Other receivable	914,647	Note 3	2%
0	The Company	GES ME	1	Other receivable	608,000	Note 3	2%
0	The Company	Gintech(Thailand)	1	Purchase	372,746	Note 3	4%
0	The Company	Gintech(Thailand)	1	Sales	195,732	Note 3	2%
0	The Company	NSP NEVADA	1	Other receivable	510,340	Note 3	1%
0	The Company	Utech	1	Purchase	363,237	Note 3	4%
1	DeSolar US	CFR	3	Other receivable	888,891	Note 3	2%
2	GES USA	MUNISOL	3	Other receivable	838,620	Note 3	2%
3	NSP SYSTEM	General Energy Solutions USA	3	Other receivable	235,413	Note 3	1%
4	USD1 Owner LLC	CLEAN FOCUS RENEWABLES	3	Other receivable	254,072	Note 3	1%
5	TEV II	TEV Solar	3	Other receivable	569,890	Note 3	1%

Note 1: fill in of numbers :

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

Note 2: Relationship with counterparty are represented below :

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

Note 3: Based on general trading conditions and prices.

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

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

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES

INVESTEES(EXCLUDING INFORMATION ON INVESTEES IN MAINLAND CHINA)

FOR THE NINE MONTHS ENDED September 30, 2020

TABLE 9

(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, 2020			Investee recognized		Note
				September 30,2020		December 31, 2019		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	1,910,636	NTD	1,910,636	61,930	100%	1,542,054	(280,754)	(280,754)	
	DelSolar Cayman	Cayman Islands	Investment company	NTD	4,906,789	NTD	4,906,789	155,126	100%	731,134	(172,729)	(172,441)	
	NSP BVI	British Virgin Islands	Investment company	NTD	421,535	NTD	1,426,179	18,350	100%	669,359	215,573	215,573	Note 13
	GES ME	The United Arab Emirates	Solar related business	NTD	418,805	NTD	418,805	4	100%	352,722	7,367	7,367	Note 13
	Apex	Taiwan	Solar related business	NTD	165,994	NTD	165,994	50,500	100%	200,933	10,042	10,042	Note 13
	NSP UK	UK	Investment company	NTD	138,967	NTD	138,967	3,580	100%	220,148	48,762	48,762	
	NSP System	Taiwan	Solar related business	NTD	144,200	NTD	144,200	14,420	100%	153,131	7,871	641	
	Prime Energy	Taiwan	Electronic component manufacturing and selling	NTD	-	NTD	90,000	-	-%	-	-	(17)	Note 7
	New Ray Investment	Taiwan	Investment company	NTD	115,000	NTD	115,000	11,500	100%	59,478	(6)	(6)	
	Zhongyang	Taiwan	Solar related business	NTD	24,121	NTD	24,121	3,500	100%	30,412	(4,799)	(4,799)	
	Huiyang	Taiwan	Solar related business	NTD	-	NTD	30,427	-	-%	-	-	-	Note 7
	UREE	Taiwan	Solar related business	NTD	20,000	NTD	20,000	2,000	100%	12,958	(1,530)	(1,530)	
	DelSolar Singapore	Singapore	Investment company	NTD	29,743	NTD	29,743	1,250	100%	18,335	495	495	
	BPS	Taiwan	Solar related business	NTD	6,000	NTD	6,000	600	60.00%	25,805	7,240	4,452	
	SMC	Taiwan	Solar related business	NTD	9,720	NTD	9,720	1,000	100%	9,840	(4)	-	
	Utech	Taiwan	Electronic component manufacturing and selling	NTD	617,084	NTD	337,114	40,358	99.84%	(227,756)	(265,011)	(242,497)	
	Yong Liang	Taiwan	Solar related business	NTD	249,000	NTD	249,000	24,900	100%	269,655	19,774	20,872	Note 13
	Yong Zhou	Taiwan	Solar related business	NTD	46,500	NTD	46,500	-	100%	1,816	(4,013)	(4,013)	
	Ever Lite	Taiwan	Electronic component selling	NTD	-	NTD	-	-	-%	-	-	-	
	Yong Shun	Taiwan	Solar related business	NTD	-	NTD	2,000	-	-%	-	(1)	(1)	Note 7
	JRC	Dominican	Solar related business	NTD	431,397	NTD	3,717	145	59.69%	228,750	(12,778)	1,408	Note 13
	GES UK	UK	Investment company	NTD	3,170,893	NTD	3,170,893	103,890	100%	2,173,539	(105,308)	(105,308)	Note 13
	Neo Cathay	Taiwan	Investment company	NTD	-	NTD	600,000	-	-	-	57,626	23,050	Note 1,12
	TSST	Malaysia	Solar related business	NTD	417,692	NTD	417,692	97,701	42.12%	72,966	(7,083)	(2,983)	Note 1
	V5 Technology	Taiwan	Electronic component manufacturing and selling	NTD	114,084	NTD	114,084	7,789	32.73%	65,228	(15,075)	(9,360)	Note 1
	Gintung	Taiwan	Electronic component manufacturing	NTD	34,341	NTD	34,341	13,460	36.38%	-	32,152	-	Note 1
	DSET	Taiwan	Solar related business	NTD	10,500	NTD	10,500	1,050	35%	1,778	(5,218)	(1,826)	Note 1
	Solar PV	Cayman Islands	Investment company	NTD	-	NTD	-	-	-%	-	-	-	Note 1,7
	Dashiangying	Taiwan	Agriculture related business	NTD	100	NTD	100	10	100%	71	-	-	
	Shinkai	Taiwan	Agriculture related business	NTD	100	NTD	100	10	100%	71	-	-	
	Shanshang	Taiwan	Agriculture related business	NTD	100	NTD	100	10	100%	71	-	-	
	Jiangung	Taiwan	Agriculture related business	NTD	100	NTD	100	10	100%	71	-	-	
	Dungshr	Taiwan	Agriculture related business	NTD	100	NTD	100	10	100%	1,378	(1)	(693)	
	Yanshan	Taiwan	Agriculture related business	NTD	100	NTD	100	10	100%	71	-	-	
	Hemvan	Taiwan	Solar related business	NTD	30,000	NTD	-	3,000	30%	29,977	(77)	(23)	
UES	RES	Independent State of Samoa	Investment company	USD	64,148	USD	64,148	61,930	100%	1,506,011	(280,754)	-	Note 10
RES	Gintech Thailand	Thailand	Solar related business	USD	63,897	USD	63,897	20,840	100%	1,498,873	(280,870)	-	Note 10,13

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount				Balance as of September 30, 2020			Investee recognized		Note
				September 30,2020		December 31, 2019		Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)	
GES UK	GES-USA	US	Investment company	USD	52,180	USD	52,180	53,416	100%	1,113,229	(64,194)	-	Note 10
	NSP Germany	Germany	Solar related business	EUR	23	EUR	-	23	90%	1,622	255,058	-	Note 9,10
	NCH Solar1	UK	Solar related business	GBP	6,947	GBP	7,447	6,947	100%	291,332	8,668	-	Note 10
	GES_Solar2	UK	Solar related business	GBP	1,022	GBP	1,022	1,022	100%	27,171	867	-	Note 10
	GES_Solar3	UK	Solar related business	GBP	67	GBP	67	67	100%	(3,803)	(312)	-	Note 10
	GES CANADA	Canada	Investment company	USD	12,025	USD	12,025	10,540	100%	219,825	(15,985)	-	Note 10
	GES JAPAN	Japan	Investment company	JPY	2,764,330	JPY	2,764,330	276	100%	714,067	3,501	-	Note 10
GES USA	MEGATWO	US	Solar related business	USD	19,094	USD	17,723	19,094	100%	244,927	(4,441)	-	Note 10
	MEGATHREE	US	Solar related business	USD	1,284	USD	1,284	1,284	40%	33,539	(542)	(27)	Note 1,10
	MEGAFIVE	US	Solar related business	USD	635	USD	635	635	100%	17,442	(1,075)	-	Note 10
	MEGASIX	US	Solar related business	USD	2,627	USD	2,627	2,627	100%	46,385	(1,748)	-	Note 10
	MEGAEIGHT	US	Solar related business	USD	760	USD	760	760	100%	18,089	(661)	-	Note 10
	MEGATWELVE	US	Solar related business	USD	168	USD	168	168	100%	2,313	(174)	-	Note 10
	MEGATHIRTEEN	US	Solar related business	USD	2,000	USD	2,000	2,000	100%	54,835	64	-	Note 10
	MEGASIXTEEN	US	Solar related business	USD	11,981	USD	11,981	11,981	100%	302,194	(11,596)	-	Note 10,13
	MEGASEVENTEEN	US	Solar related business	USD	-	USD	51	-	-%	-	-	-	Note3,7,10
	MEGA NINIETEEN	US	Solar related business	USD	132	USD	132	132	100%	2,039	(90)	-	Note 10
	MEGATWENTY	US	Solar related business	USD	124	USD	124	124	100%	4,639	274	-	Note 10
	ASSET ONE	US	Solar related business	USD	-	USD	1,060	-	-%	-	(2,393)	-	Note 7,10
	ASSET TWO	US	Solar related business	USD	-	USD	-	-	-%	(309)	(24)	-	Note 3,10
	ASSET THREE	US	Solar related business	USD	2,839	USD	2,839	2,839	100%	52,729	(1,073)	-	Note 10
	CENERGY	US	Solar related business	USD	-	USD	-	-	100%	-	-	-	Note3,7,10
	SH4	US	Solar related business	USD	619	USD	619	619	100%	16,966	(146)	-	Note 10
	CEDAR FALLS	US	Solar related business	USD	2,237	USD	2,287	2,237	100%	59,153	651	-	Note 10
	Schenectady	US	Solar related business	USD	-	USD	-	-	-%	(5,761)	(204)	-	Note 3,10
	VOC	US	Solar related business	USD	-	USD	-	-	-%	(4,485)	(3,085)	-	Note 3,10
	SEG	US	Solar related business	USD	800	USD	800	800	100%	19,388	(994)	-	Note 10
	KINECT	US	Solar related business	USD	266	USD	266	266	100%	6,447	508	-	Note 10
	RER CT 57	US	Solar related business	USD	1,931	USD	2,031	1,931	100%	58,683	2,625	-	Note 10
	TEV II	US	Solar related business	USD	100	USD	100	0.2	100%	(110,759)	(8,912)	-	Note4,10,13
	Illini Power LLC	US	Solar related business	USD	-	USD	-	-	-%	(69)	(48)	-	Note 3,10
	PS CS LLC	US	Solar related business	USD	-	USD	-	-	-%	(69)	(48)	-	Note 3,10
	HEYWOOD	US	Solar related business	USD	-	USD	-	-	55%	27,675	(1,081)	-	Note 10
	Energy Group NY 63	US	Solar related business	USD	-	USD	-	-	-%	-	(1)	-	Note 3,10
	MP Solar	US	Solar related business	USD	3,251	USD	3,251	-	55%	93,535	(533)	-	Note 10
	Ventura	US	Solar related business	USD	3,013	USD	3,013	3,013	55%	86,873	(330)	-	Note 10

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount				Balance as of September 30, 2020			Investee recognized		Note
				September 30,2020		December 31, 2019		Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)	
NSP NEVADA	HEYWOOD	US	Solar related business	USD	1,448	USD	1,448	-	45%	40,458	(1,081)	-	Note 10
	MP Solar	US	Solar related business	USD	2,660	USD	2,660	-	45%	76,528	(533)	-	Note 10
	Ventura	US	Solar related business	USD	2,465	USD	2,465	-	45%	71,078	(330)	-	Note 10
	Livermore	US	Solar related business	USD	150	USD	150	-	100%	1,473	(16)	-	Note 10
	Industrial Park	US	Solar related business	USD	400	USD	400	-	100%	9,809	(1,668)	-	Note 10
	Hillsboro	US	Solar related business	USD	1,862	USD	1,862	-	100%	52,861	(920)	-	Note 10
GES JAPAN	Hashimoto	Japan	Solar related business	JPY	238,450	JPY	238,450	5	100%	62,816	4,294	-	Note 10
GES CANADA	JRC	Dominican	Solar related business	USD	7,511	USD	7,511	97	40.31%	256,121	(14,214)	-	Note 10
MEGATWO	MUNISOL	Mexico	Solar related business	USD	18,310	USD	16,840	343,490	100%	455,538	(4,414)	-	Note 10
ASSET THREE	SHIMA'S	US	Solar related business	USD	153	USD	153	153	100%	3,706	(147)	-	Note 10
	WAIMEA	US	Solar related business	USD	526	USD	526	526	100%	16,271	382	-	Note 10
	HONOKAWAI	US	Solar related business	USD	418	USD	418	418	100%	13,622	681	-	Note 10
	ELEELE	US	Solar related business	USD	637	USD	637	637	100%	19,982	540	-	Note 10
	HANALEI	US	Solar related business	USD	280	USD	280	280	100%	7,349	(58)	-	Note 10
	KAPAA	US	Solar related business	USD	761	USD	761	761	100%	21,782	348	-	Note 10
	KOLOA	US	Solar related business	USD	569	USD	569	569	100%	17,309	142	-	Note 10
MEGASIXTEEN	GES AC	US	Solar related business	USD	24,942	USD	24,942	0.1	68%	722,066	(7,603)	-	Note 8,10,13
GES AC	ANDERSON N.	US	Solar related business	USD	13,507	USD	13,507	13,507	100%	377,531	(2,945)	-	Note 8,10,13
	ANDERSON S.	US	Solar related business	USD	11,454	USD	11,454	11,454	100%	319,974	(2,826)	-	Note 8,10,13
	Flora	US	Solar related business	USD	1,915	USD	1,915	1,915	100%	54,142	(210)	-	Note 8,10,13
	Greenfield	US	Solar related business	USD	8,631	USD	8,631	8,631	100%	241,580	(1,215)	-	Note 8,10,13
	Spiceland	US	Solar related business	USD	1,275	USD	1,275	1,275	100%	35,763	(239)	-	Note 8,10,13
TEV II	TEV Solar	US	Solar related business	USD	100	USD	100	0.1	100%	2,746	31	-	Note 8,10,13
TEV Solar	AC GES Solar	US	Solar related business	USD	19,674	USD	19,674	0.1	66%	569,834	3,110	-	Note 8,10,13
AC GES Solar	Richmond	US	Solar related business	USD	19,259	USD	19,259	19,259	100%	556,302	1,575	-	Note 8,10,13
	Rensselaer	US	Solar related business	USD	9,933	USD	9,933	9,933	100%	288,085	1,655	-	Note 8,10,13
	Advance	US	Solar related business	USD	534	USD	534	534	100%	15,392	48	-	Note 8,10,13
NSP BVI	CFY	Cayman Islands	Investment company	USD	-	USD	39,000	-	-%	-	-	-	Note 1,5,10
	CFGP	British Virgin Islands	Solar operation management services	USD	6,000	USD	6,000	30	60%	474	-	-	Note 10
	NSP Stars	British Virgin Islands	Trust company	USD	-	USD	-	-	-%	-	-	-	Note 10
	NSP HK	Hong Kong	Solar related business	USD	-	USD	-	-	100%	-	-	-	Note 10
DelSolar Cayman	DelSolar HK	Hong Kong	Investment company	USD	125,200	USD	125,200	125,200	100%	196,334	(113,923)	-	Note 10
	DelSolar US	US	Investment company	USD	24,800	USD	24,800	3	100%	362,312	(68,593)	-	Note 10
	NSP NEVADA	US	Solar related business	USD	5,125	USD	5,125	5,125	100%	170,044	16,973	-	Note 10
	URE NSP	US	Solar related business	USD	500	USD	500	500	100%	14,869	(7,186)	-	Note 10
DelSolar Singapore	NSP Malaysia	Malaysia	Technical management services	USD	760	USD	760	760	100%	3,902	-	-	Note 10
	NSP Vietnam	Vietnam	Technical management services	USD	160	USD	160	-	100%	412	502	-	Note 10
NSP UK	NSP Germany	Germany	Solar related business	GBP	-	GBP	17	-	-%	-	255	-	Note 9,10
	PV Power Park	Germany	Solar related business	GBP	20	GBP	20	-	100%	407	(297)	-	Note 10
	NSP Indygen	UK	Solar related business	GBP	-	GBP	-	-	100%	105,368	49,427	-	Note 10
NSP System	Hsin Jin Optoelectronics	Taiwan	Solar related business	NTD	10,647	NTD	10,647	-	80%	11,151	1,086	-	Note 10
	Hsin Jin Solar Energy	Taiwan	Solar related business	NTD	13,981	NTD	13,981	-	60%	14,660	1,927	-	Note 10
	Si Two	Taiwan	Solar related business	NTD	20,000	NTD	20,000	2,000	100%	19,272	(164)	-	Note 10

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount				Balance as of September 30, 2020			Investee recognized		Note
				September 30,2020		December 31, 2019		Shares (Thousands)	% of Ownership	Carrying Value	Net Income (Loss) of the Investee	Investment Gain (Loss)	
NSP System	Tienyang	Taiwan	Solar related business	NTD	100	NTD	100	10	100%	(396)	(10)	-	Note 10
	Deyang	Taiwan	Solar related business	NTD	100	NTD	100	10	100%	(389)	(10)	-	Note 10
	Shanyang	Taiwan	Solar related business	NTD	100	NTD	100	10	100%	(389)	(10)	-	Note 10
	Jeyang	Taiwan	Solar related business	NTD	100	NTD	100	10	100%	(389)	(10)	-	Note 10
	Lianzhang	Taiwan	Solar related business	NTD	100	NTD	100	10	100%	63	(19)	-	Note 10
	Lianxi	Taiwan	Solar related business	NTD	100	NTD	100	10	100%	71	(11)	-	Note 10
	Liancheng	Taiwan	Solar related business	NTD	100	NTD	100	10	100%	71	(11)	-	Note 10
	Feng Yang	Taiwan	Solar related business	NTD	100	NTD	-	10	100%	68	(19)	-	Note 10
NSP HK	XYH Suzhou	China	Solar related business	USD	-	USD	-	-	100%	-	-	-	Note 10
UREE	UAE	Taiwan	Agriculture related business	NTD	100	NTD	100	10	100%	71	-	-	Note 10
CFGP	CFGP (HK)	Hong Kong	Solar operation management services	USD	530	USD	530	-	100%	-	-	-	Note 10
DelSolar HK	DelSolar Wu Jiang	China	Solar related business	USD	120,000	USD	120,000	-	100%	183,851	(101,972)	-	Note 10
	NSP JAPAN	Japan	Solar related business	USD	-	USD	97	-	-%	-	-	-	Note 7,10
	NSP Nanchang	China	Solar related business	USD	-	USD	5,000	-	-%	-	-	-	Note 10,13
DelSolar US	DelSolar Development	US	Solar related business	USD	4,850	USD	4,850	-	100%	99,771	(8,193)	-	Note 10
	CFR	US	Solar related business	USD	14,370	USD	14,370	14,370	100%	(53,665)	(58,513)	-	Note 10
	USD1	US	Solar related business	USD	3,582	USD	3,582	-	100%	190,237	(614)	-	Note 10
	JV2	US	Solar related business	USD	830	USD	830	-	67%	-	-	-	Note 1,2,10
	Beryl	US	Solar related business	USD	-	USD	-	-	100%	149,359	(754)	-	Note 10
DelSolar Wu Jiang	NSP Nanchang	China	Solar related business	USD	-	USD	39,000	-	-%	-	-	-	Note 10,13
DelSolar Development	DSS-USF PHX LLC	US	Solar related business	USD	1,370	USD	1,370	-	100%	39,570	(2,764)	-	Note 10
	DSS-RAL LLC	US	Solar related business	USD	2,555	USD	2,555	-	100%	61,249	(5,902)	-	Note 10
CFR	Rugged solar LLC	US	Solar related business	USD	2,784	USD	2,784	-	-%	80,644	-	-	Note 3,10
USD1	DevCo One	US	Solar related business	USD	444	USD	444	-	40%	1,742	-	-	Note 1,10
	DevCo Two	US	Solar related business	USD	444	USD	444	-	40%	1,742	-	-	Note 1,10
CFGP (HK)	CFGP (Shanghai)	China	Solar operation management services	USD	530	USD	530	-	100%	-	-	-	Note 10
NSP Stars	CFY	Cayman Islands	Investment company	USD	-	USD	-	-	-%	-	-	-	Note 6,10

Note1：It is an investments accounted for using equity method and is an affiliated enterprise or a joint venture. Except for these entities, the remaining entities are all subsidiaries of the consolidated entity.The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

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

Note 3：The Group's structured entities.

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

Note 5：The Group had executed the call option of CFY share in the first quarter of 2020, please refer to the note6(h).

Note 6：Before reaching specific conditions, NSP Stars could not adopt surplus distribution rights to CFY share.

Note 7：As of September 30 2020, the company had liquidated and dissolved.

Note 8：According to the loan contract between the Group and IMPA, the Group cannot transfer the equity of the companies before the specified date. Please refer to note6(o) for details.

Note 9：Due to organization reorganization on May 2020, NSP Germany was recognized under NSP UK before May, and its shares have been transferred to GES UK since June, becoming a 90% owned subsidiary.

Note 10：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 11：The abovementioned subsidiaries included in the consolidated financial report are all non-significant subsidiaries.

Note 12：As of September 30 2020, the Group disposed of all the equity shares. Please refer to note 6(i) for details.

Note 13：Non-significant subsidiaries reviewed by independent auditors. Remaining non-significant subsidiaries and investments accounted for using equity method were not reviewed by independent auditors.

(Continued)

UNITED RENEWABLE ENERGY CO., LTD. AND SUBSIDIARIES
INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED September 30, 2020

TABLE 10

(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, 2020	Investment flows		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2020	Net Income (Loss) of the Investee(Note 2)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of September 30, 2020	Accumulated Repatriation of Investment Income as of September 30, 2020
					Outflow	Inflow						
DelSolar Wu Jiang	Solar related business	USD 120,000 $ 3,475,800	Note 1	USD 120,000 $ 3,475,800	-	-	USD 120,000 $ 3,475,800	(101,972)	100%	(101,972)	183,851	-
NSP Nanchang	Solar related business	USD 0 $ -	Note 1	USD 5,000 $ 144,825	-	-	USD 5,000 $ 144,825	(Note 4)	-	(1,408)	0	-

Accumulated Outward Remittance for Investments in Mainland China as of September 30, 2020 (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 4,155,029	USD 149,618(note 4) 4,333,685	11,373,126

Note 1：Investments Mainland China through a third region.
Note 2：Subsidiaries mentioned above were recognized on the basis of unaudited financial statements as September 30, 2020.
Note 3：The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.
Note 4：The Group disposed of all the shares of NSP Nanchang in the third quarter of 2020.
Note 5：The exchange rate used is the rate on September 30, 2020.