

**Stock Code:3576**



**United Renewable Energy Co., Ltd.**  
**(Former name : Neo Solar Power Corp.)**

**Handbook for the 2021 Annual  
Meeting of Shareholders**

**MEETING TIME : May 7, 2021**

**PLACE : No.7, Li-Hsin 3<sup>rd</sup> Rd., Hsinchu Science Park,  
Hsinchu, Taiwan ( International conference hall**

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**United Renewable Energy Co., Ltd.**  
**Procedure for the 2021 Annual**  
**Meeting of Shareholders**

- 1 Call the Meeting to Order**
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- 6 Matters for Election**
- 7 Matters for Other**
- 8 Other Business and Special Motion**
- 9 Meeting Adjourned**

# **United Renewable Energy Co., Ltd.**

## **2021 Annual General Shareholders' Meeting Agenda**

Time : 9:30 AM, Friday, May 7, 2021

Place : No.7, Li-Hsin 3<sup>rd</sup> Rd., Hsinchu Science Park, Hsinchu, Taiwan  
( International conference hall)

1. Call Meeting to Order
2. Chairman's Address
3. Report Items :
  - (1)2020 business report.
  - (2)Audit committee's report of 2020.
  - (3)The status of status of issuing common stock to increase capital by private placement.
  - (4)The Company resolved to abandon the private placement of common shares approved at the 2020 Annual Shareholders' Meeting for the remaining period.
  - (5)The status of sound business plan.
4. Matters for Ratification :
  - (1)2020 business report and financial statements.
  - (2)2020 appropriation of loss.
5. Matters for Discussion :
  - (1)Proposal of loss compensation by capital reduction presented for discussion.
  - (2)Proposal for a capital increased by cash or issuing overseas depositary receipt through issuing common stock.
  - (3)Proposal for a capital increased by private placement.
6. Matters for Election :  
Election for directors (Including Independent Directors)
7. Matters for Other :  
To remove restrictions on the prohibition of business for new ly elected directors (Including Independent Directors)
8. Other Business and Special Motion
9. Meeting Adjourned

## Report Items

### Item 1

Motion : 2020 business report.

Please refer to ANNEX 1 ,the 2020 Business Report.

### Item 2

Motion : Audit committee's report of 2020.

Please refer to ANNEX 2 ,the Audit Committee's report of 2020.

### Item 3

Motion : The status of status of issuing common stock to increase capital by private placement..

1. Based on the need of the operational plan of the company, on March 28, 2018, the company submitted the following proposal to the shareholders' meeting for the first approval: Cash capital increase via the issuance of privately placed ordinary shares within the limit of 380,000 thousand shares: Passed. The same proposal was revised in the fifth shareholders meeting on October 1, 2018 in which the total amount of the private placement was NT \$2,781,306,962 with the issuance of 334,291,702 shares of common stock at par value of NT \$8.32 (dollars) per share. The subscribers of the private placement shall be affiliated to the National Development Fund, Executive Yuan or the management committee member of Yaohua Glass Co., Ltd.
2. Please refer to ANNEX 3.

### Item 4

Motion : The Company resolved to abandon the private placement of common shares approved at the 2020 Annual Shareholders' Meeting for the remaining period.

1. The Company at the annual shareholders' meeting dated 22 June 2020, resolved to issue up to 250,000,000 common shares for capital increase through private placement. According to Item 7 of Article 43-6 of the Securities and Exchange Act, a private placement of common shares may be carried out in installments within one year from the date of the resolution of the shareholders' meeting.
2. To date the aforesaid private placement of common shares has not been executed. URE plans to abandon the original private placement for the remaining period.

### Item 5

Motion : The status of sound business plan.

1. According to the Financial Supervision and Administration Commission of the Republic of China on August 13, 2019, the issue of the certificate No. 1080323978, the sound operational plan mentioned by the company when reporting the capital increase by issuing ordinary shares The implementation situation requires the report of the shareholders' meeting
2. The status of sound business plan, Please refer to ANNEX 4.

## Matters for Ratification

### Item 1

(Proposed by the Board of Directors)

Motion : 2020 business report and financial statements.

Explanatory Notes:

1. URE's 2020 Standalone and Consolidated Financial Statements were audited by

KPMG Taiwan CPAs, Chen-chien Chen, and Yung-hua Huang. The aforementioned and FY 2020 business report have been approved by the audit committee.

2. 2020 Business Report, Independent Auditors' Report, and the aforementioned Financial Statements are attached hereto as ANNEX 1 & 5.

Resolution :

## **Item2**

**(Proposed by the Board of Directors)**

Motion : 2020 appropriation of loss.

### Explanatory Notes:

1. To accept 2020 appropriation of loss, For the loss offsetting list, please refer to ANNEX 6.

Resolution :

## **Matters for Discussion**

### **Item 1**

**(Proposed by the Board of Directors)**

Motion : Proposal of loss compensation by capital reduction presented for discussion

### Explanatory Notes:

1. This Company's end-of-year loss for compensation in 2020 came up with NT\$ 11,571,175,670 and in order to perfect the financial structure throughout the company and satisfy need for operation and development in future, we propose to compensate accrued loss by capital reduction.
2. This Company's paid capital was NT\$26,650,863,320 and a total number of shares issued was 2,665,086,332, It has deducted treasury stock, i.e., 225,000 shares, that has not been cancelled.

Proposed capital to reduce: NT\$11,571,175,670

The number of shares to eliminate: 1,157,117,566 shares in Ordinary share class.

Capital reduction percent: 43.41764% approx., i.e., 565.8236 shares per 1,000 shares are exchanged.

Paid capital after reduction: NT\$15,079,687,650

3. In this case of reduced number of shares, our shareholders exchanged 565.8236 shares per 1,000 shares based on the held percent listed in the Shareholders List on the base day of capital reduction and shares exchange; shareholders can register to combine odd lots that are less than one share after capital reduction with the stock transfer agent of the company during the period spanning from five (5) days prior to the day of stop transfer of reduced capital & shares exchange to one (1) day prior to the stop transfer day; the odd lots which remain less than one share after combination or overdue combination shall be appropriated with cash based on face value (calculate until dollar, rounding down below) and the President subscribes it by consulting it with specified individual. New share reissued after capital reduction is in non-physical issuance, with the rights and obligations same as originally issued ones.
4. In case that the total number of outstanding shares is affected by change of the share capital, thereby changing the capital reduction percent, we propose to authorize our President to handle it with full power in the Shareholders Meeting.
5. In this case, upon passing by resolution in the Shareholders Meeting and approval by competent authority, we propose to agree our President to be authorized to stipulate base day of capital reduction, base day of capital reduction and shares exchange and the listed day of new shares and other related affairs.

Resolution :

**Item 2****(Proposed by the Board of Directors)**

Motion : Proposal for a capital increased by cash or issuing overseas depository receipt through issuing common stock.

Explanatory Notes:

1. For the purpose of fulfilling the capital needs of the Company's quest for prime competitiveness via business expansion and development, sound financial operations, strong ability to pay back loans, additional funding may be required, thus, the board submits plans to issue, at an appropriate time and quantity schedule, up to 250,000,000 common shares and/or common shares for Global Depository Receipts (later referred as "the issuance").

(1) For the issuance of new common shares by capital increase.

According to Article 28, Section 1 of the Regulations Governing the Offering and Issuance of Securities, it is proposed to authorize the Board of Directors to adopt either "Book Building" or "Public Subscription for public offering". The percentage allocated for public offering is detailed in the following sections.

A. Book Building

(a) According to Article 267 of the Company Act, 10% to 15% of the new shares to be issued will be reserved for subscription by the employees of the Company, although for those unsubscribed or renounced by the employees, it is further proposed to authorize the Chairman to allot these shares for subscription by designated persons at its issue price. According to Article 28 Section 1 of the Regulations Governing the Offering and Issuance of Securities, for the remaining 85% to 90% of the new shares to be issued, it is proposed to have all existing shareholders waive their pre-emptive rights in proportion to their respective shareholding and conduct a public offering through book building, which will be made in strict accordance with the Rules Governing Underwriting and Resale of Securities by Securities Firms issued by the Taiwan Securities Association.

(b) According to Article 7 of the Disciplinary Rules for Securities Underwriters Assisting Issuing Companies in the Offering and Issuance of Securities issued by the Taiwan Securities Association ("Disciplinary Rules"), the actual price of the new common shares for cash by capital increase may not lower than 90% of average closing price of the common shares of the Company for either one, three or five business days prior to the pricing date after adjustment for any distribution of stock/cash dividends or capital reduction. It is proposed to authorize, after the expiry of the book building period, the Chairman to determine the actual issue price of the new common shares after discussion with and agreed by the lead underwriter considering the status of book building.

B. Public Subscription:

(a) According to Article 267 of the Company Act, 10% to 15% of the new shares to be issued will be reserved for subscription by the employees of the Company. 10% of the new shares will be allotted for public offering. The remaining 75%-80% of the new shares to be issued will be allocated for the subscription by the shareholders in proportion to their respective shareholding as shown on the shareholder register as of the record date. For those unsubscribed shares by employees and shareholders, it is further proposed to authorize the Chairman to allot these shares for subscription by designated persons at its issue price.

(b) According to Article 6 of the Disciplinary Rules, the actual issue price of the new common shares by capital increase may not be lower than 70% of the average closing price of the common shares of the Company for either

one, three or five business days prior to the date of pricing date after adjustment for any distribution of stock/cash dividends or capital reduction. It is proposed to authorize the Chairman to determine the actual issue price of the new common shares after discussion with and agreed by the lead underwriter.

- C. It is proposed to authorize the Board of Directors to handle all relevant matters of the issuance of new shares such as but not limited to its conditions, number of shares to be issued, price, raised amount, capital purpose plan, forecasted schedule, estimated potential impacts, determination of the respective effective date and receipt period of proceeds, underwriting and fundraising agreements. It is proposed to authorize the Board of Directors to handle all relevant matters of the issuance of new shares upon receipt of approvals from the competent authorities.
- (2) Capital increase by issuing underlying common stock for Global Depository Receipts (GDR) offering.
- A. According to Article 267 of the Company Act, 10% to 15% of the new shares to be issued will be reserved for subscription by the employees of the Company, although for those unsubscribed by the employees, it is further proposed to authorize the Chairman to allot these shares for subscription by designated persons at its issue price. According to Article 28 Section 1 of the Regulations Governing the Offering and Issuance of Securities, for the remaining 85% to 90% of the new shares to be issued, it is proposed to have all existing shareholders waive their pre-emptive rights in proportion to their respective shareholding and conduct a public offering as the underlying shares of the proposed issuance of GDRs.
  - B. According to Article 9 of the Disciplinary Rules, the issue price of the new common shares by capital increase may not be lower than 90% of the closing price of common shares on the Taiwan Stock Exchange or 90% of average closing price of the common shares of the Company for either one, three or five business days prior to the pricing date, after adjustment for any distribution of stock/cash dividends or capital reduction. It is proposed to authorize the Chairman, within the scope of the local regulations and capital market situation to negotiate with the actual issue price with the lead underwriter.
  - C. It is proposed to authorize the Board of Directors to handle all relevant matters of the issuance of new shares such as but not limited to its conditions, number of shares to be issued, price, raised amount, capital purpose plan, forecasted schedule, estimated potential benefits, determination of the respective underwriters and other relevant matters. It is proposed to authorize the Chairman to execute all agreements and documents and handle all relevant matters of the issuance of new shares upon receipt of approvals from the competent authorities.
- 2. Calculated based upon the maximum number of the issuance of new shares for cash by capital increase for the issuance of GDRs (i.e., 250,000,000 common shares), the shareholder equity may be diluted by 9.38% to the maximum. As the funds raised from the issuance of GDRs will be used to support and strengthen the expansion of the Company, its financial operations, its ability to pay back loans and/or other future developments, this proposal shall have positive impact on the shareholder equity.
  - 3. The pricing of this issuance shall abide all existent regulations and be governed by the verifiable fair pricing mechanisms established by the Taiwan Stock Exchange, thus, is expected to fulfill the highest standards of rationality.

4. The shareholder's rights and obligations of the new shares to be issued for cash by capital increase or for the issuance of GDRs shall rank pari passu in all respects with the issued and outstanding common shares of the Company.
5. It is proposed to authorize the Board of Directors to handle all relevant matters of the issuance of new shares upon receipt of approvals from the competent authorities.

Resolution :

### **Item 3**

**(Proposed by the Board of Directors)**

Motion : Proposal for a capital increased by private placement.

#### Explanatory Notes

1. In order to expand operational scale, increase operation fund, or meet the Company's need for funds for its future development to maintain the Company's continuing business development and increase its competitiveness relieve funding needs, the Company plans to proceed with a private placement by no more than 250,000,000 common shares, at NT\$10 per share face value.
2. In accordance with Provision 6, Article 43 in the Securities and Exchange Law, the private placement is described as follows:

(A) Base and reason for price setting:

1. Price for the private placement must not be set lower than 80% of either of the following two bases, whichever is higher, on the price fixing day on the price fixing base authorized to the Board of Directors by a resolution from shareholders meeting.
  - (1) the simple arithmetical average closing price of the common shares of the Company for either 1, 3 or 5 consecutive business days before pricing date, after adjustment for any gratuitous distribution of stock dividends, cash dividends or capital reduction.
  - (2) the simple arithmetical average closing price of the common shares of the Company for the 30 consecutive business days before pricing date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
2. In respect of actual issue price for this private placement of the Company's common shares, at no lower than the percentage resolved by shareholders' meeting, the Board of Directors is authorized to determine it to consult particular persons and according to the market's situation in the future. This private placement of the Company's common shares might have to be issued under face value due to changes in the market, under consideration of stable management and sound financial structure of the Company. If for every share issue under face value, the difference between face value and actual private placement price lead to accumulated deficit on the books, which will be offset depending on future operation of the Company. After benefit from capital increase occurs, financial structure improves, which will benefit long term development of the Company and have positive impact on Shareholder's Equity.
3. The aforementioned private placement price is determined in accordance with relevant regulations for listed firms for private placement of securities. Therefore, the basis for pricing of private placement for the Company's common shares is quite reasonable.

(B) Selection of specific persons:

Pursuant to the specific persons specified in Article 43-6 in the Securities and Exchange Law, as well as Letter No.0990046878 dated 1 Sept. 2010 from the Financial Supervisory Commission, Executive Yuan. As the Company has not yet decided any specific fund-raisers, it is proposed that the Board of Directors

authorizes the Chairman to place one who can yield direct or indirect benefits in the future as the top consideration and selects from specific persons who meet regulations of the Competent Authorities.

(C) Essential reasons for the private placement:

1. Reasons for not adopting public issue: As currently the fund-raising market's condition is not easy to grasp, and in order to ensure the efficiency and feasibility of raising a fund and effectively lower its cost, the Company desires to increase its cash capital by private placement of its common shares. In addition, by authorizing the Board of Directors to undertake a private placement depending on the market's condition and as the Company actually needs, mobility and efficiency of the Company's fund-raising will be increased.
  2. Privately-placed amount: not more than 250,000,000 common shares of the Company; In respect of total amount for the private placement in accordance with the actual situation, the Board of Directors is authorized to decide it. It can be handled once or twice within a year.
  3. Purposes for the privately-placed fund: to expand the operational scale, increase the operational fund, or meet the needs for the Company's future development.
  4. Expected benefits: In addition to expanding the Company's operational scale in the future, effectively decreasing fund costs, and ensuring fund-raising efficiency, this plan expects to increase the Company's competitiveness, And strengthen the overall financial structure and solvency. raise its operational efficiency and benefit shareholders' equities positively.
3. All the rights and obligations for the privately placed common shares are the same as those for the issued common shares of the Company. However, according to the Securities Exchange Act, except for being transferred to a transferee meeting the requirement under Article 43-8 of the Securities Exchange Act, the privately placed common shares cannot be sold within three years after their delivery. After three years from the delivery of privately placed common shares, according to related regulations, the Company shall apply with the competent authorities for public issuance.
  4. In the case of this private placement of ordinary shares, if later the private placement cannot be completed within one year. It is proposed that the Shareholders' Meeting authorizes the Board of Directors with full power and authority to handle related matters. the Board of Directors will be convened before the deadline for discussing not to continue the private placement and publish the information compared to a major message on the Market Observation Post System (MOPS).
  5. If corrections to issue conditions, plan items, fund utilizing progress, expected potential benefits, as well as matters not specified, or corrections required due to change in law or regulation or opinions of the Competent Authorities and based on operational assessment or objective environment, It is proposed that the Shareholders' Meeting authorizes the Board of Directors with full power and authority to handle related matters.
  6. For the sake of proceeding with the private placement of common shares, It is proposed that the Board of Directors authorizes the Chairman or the Chairman may authorize a company manager designated by him/her to sign and deliberate all contracts and documents related to this private placement and sign all affairs related to this private placement on behalf of the Company.
  7. Regarding proposal 2 and 3 proposed to this shareholders' meeting, after the proposals are resolved during the shareholders' meeting, the company proposes to authorize board of directors to conduct capital increase in cash by issuing ordinary

shares at an appropriate timing within the ceiling amount of 250,000 thousand ordinary shares and participate in the issuance of overseas depositary receipt by conducting capital increase in cash from issuance of ordinary shares or conducting fund raising by methods such as issuing ordinary shares by private placement at an appropriate timing where the above may be conducted simultaneously, separately, in multiple times or only one of them is selected to conduct depending on actual situation.

Resolution :

## **Matters for Election**

### **Item 1**

**(Proposed by the Board of Directors)**

Motion : Election for directors (Including Independent Directors)

#### Explanatory Notes

1. The tenure of the 6th-term directors will be expired on November 19, 2021, existing directors will be discharged in advance and re-elected.
2. The term of new directors is effective immediately after the election, and shall serve for a term of three years (2021/5/7~2024/5/6).
3. Pursuant to “Articles of Incorporation”, the Company elects 11 directors among whom include three independent directors for the 7th-term. The Company adopts the candidate nomination system as per Article 192-1 of Company Act. The candidates was approved by existing directors in 15th board meeting of directors, please refer to the Director Candidates as attached in this handbook, please refer to ANNEX 7

Resolution :

## **Matters for Other**

### **Item 1**

**(Proposed by the Board of Directors)**

Motion : To remove restrictions on the prohibition of business for newly elected directors (Including Independent Directors).

#### Explanatory Notes

1. According to the Article 209 of Company Act, any director acting for himself/herself, or for any other person within the scope of the Company business, should provide the shareholders' meeting with explanations about any important matters of such acts and should acquire the approval of the shareholders' meeting.
2. It is proposed to seek approval in the general shareholders' meeting allowing directors and independent directors elected in the general shareholders' meeting to engage in acts of competition under Article 209 of Company Act from the date of the term of the directors and independent directors, thus be released from the competition restriction (provided that there is no damage to the interests of the Company).

Resolution :

## **Other Business and Special Motion**

## **Meeting Adjourned**

# **Annex**

## Annex 1

# United Renewable Energy Co., Ltd. Business Report

Dear Shareholders,

On behalf of the Management Team of United Renewable Energy (URE), I would like to thank you all for your continued support.

According to the World Bank Group, global economy contract by 4.3 in 2020 due to COVID -19 pandemic. In the long term, negative impact on investment and employment remains, global economy is still expected to recover in 2021, however at weaker rate. The severe climate catastrophes caused by global warming persists, governments around world is using aggressive policies to reach carbon neutral, this lead to continue growth in development of renewable energy sector. The consolidated revenue of URE reached NT\$12.5 billion. With hard work and dedication from all our employees, the sales volume of solar cell and module increased significantly and URE maintain leadership position in Taiwan market.

At the moment URE mass produce p-Perc monocrystalline solar cell “Black 22” and “BiFi”, with conversion efficiency reach 22.9%, the LID and PID outperformed traditional solar cell. URE continued to develop high conversion and efficiency products such as “Peach” M6 450W and M10 530W module products for international market. URE double glass half cut module “Glory Peach” can reach 420W in front which has same efficiency as 470w, 1500VDC design, low LID, PID resistant and passed 10x IEC test. At same time its weight is 20% lighter, thus bought new era to the bifacial modules. URE continued to patent numerous licenses, and produce products that are resistant to salt erosion and environmental friendly. The products also complied with ITRI standard as no water pollution as per water quality standard by EPA. The products are especially suited to Taiwan environment.

URE solar cell and module was awarded Taiwan Excellent PV award by Bureau of Energy, Ministry of Economic Affairs in 2020, and its eight consecutive years that URE has the honor of receiving this award. URE module passes the newest and most strict testing by organizations such as TUV Rheinland and IEC, and was certified by the organizations, at same time URE product also certified as clean energy product by organizations from numerous countries. URE was also on the list of Bloomberg New Energy Finance Tier 1 Module Manufacturer List in 2020, further recognized URE’s excellence in the PV field.

URE expands downstream solar system project business actively. URE has built up its core competences in development, construction, sales, and financing for global solar system projects. As well as providing O&M service for solar system. URE is largest developer of PV systems in Taiwan, with accumulated installed capacity and project under development/construction over 1.5GW. In overseas market, URE forms strategic alliances with internationally renowned renewable energy management companies. URE focus on the development of the projects and sold it to asset management companies. In USA, URE is expected to sell 50MW of solar station to Empower, at same time URE continue to work with local EPC to complete utility scale project of 60MW in State of Maine. In UK, URE is expected to complete development and sale of 100MW of solar station to Aviva. In Taiwan, URE group win about 50MW of government projects in Yilan, Tainan, Yunlin and various school roofs projects in 4<sup>th</sup> quarter of 2020. Recently we also win project from Taiwan Railway and Taiwan Water Corporation. URE is able to provide one stop services from professional consultation to module supply to customers, which increase URE’s competitiveness. URE also have large utility scale projects in Yunlin, Changhua, Pingtung in development, those will be largest projects in next 5years. According to Bloomberg New Energy Finance forecast, as much as 209 GW of solar PV could be installed globally in 2021. Due to the future potential and stable income from solar system, URE will aggressively develop global solar system business which can also create demand for solar cell and module products and driving future growth.

In order to provide total solutions for the renewable energy, URE invested in design and development of Energy Storage System (ESS) products in ZEUS series, URE’s industrial ESS is the first in Taiwan to achieve UL9540 certification by UL laboratory and can stabilize the intermittent renewable power. URE collaborated with UL to develop product, and also passed the UL9540 test in heated environment. URE’s BMS was certified with IEC 60730, and reliability is foremost in the market. According to U.S. Department of Energy, annual global deployments of stationary storage (excluding PSH) are projected to exceed 300 GWh in 2030, representing a 27% compound annual growth rate.

URE successfully developed the first hydrogen fuel cell vehicle, but it’s still unable to compete in terms of

cost with traditional scooters and lack of hydrogen fuel stations, URE decide to stop the plan to develop hydrogen fuel scooters. But with zero emission, the hydrogen fuel cell electric scooter is the first choice to reduce air pollution. Hydrogen fuel cells technology provided people an alternative for clean energy. The hydrogen fuel cell can still be use in all kinds of transportation vehicle such as drone, truck, bus etc.

As leader in the Solar industry and outstanding Corporate Citizen, URE feels oblige to promote clean energy, energy conservation to our customers, user, partner and general public around the world, URE feels it's our duty to care for the environment and make contribution to society. URE will continue to focus on module brand and solar system business, improve competitiveness of Taiwan solar industry. With the support from government fund and policy, URE will strive to assist Taiwan energy supply sector complete transformation, and reached government target of cumulated installed solar PV capacity of 20GW by 2025.

The following are highlight of 2020 performance and business plan for the 2021:

## I. The report on 2020 business result

### 1. 2020 Financial Performance

Item	Unit: NT\$'000	
	2020	2019
Consolidated Net Sales	12,511,034	18,139,112
Consolidated Gross Loss	(932,680)	(982,531)
Consolidated Loss from Operation	(4,614,257)	(5,221,950)
Consolidated Loss After Income Tax	(6,162,307)	(5,769,189)
Net Loss Attributable to Shareholders of the Parent	(6,139,015)	(5,686,065)

### 2. Budget Implementation

URE did not provide nor disclose any budget forecast to the public.

### 3. Analysis of Receipts, Expenditures, and Profitability

#### (1) Analysis of Receipts and Expenditures

In 2020, the net cash generated in operating activities amount to NT\$2.2 billion, net cash generated from investing activities amount to NT\$4.97 billion, the net cash used in financing activities amount to NT\$8.2 billion. URE will continue to maintain sufficient cash position and finance operation will continue to be conservative and prudent.

#### (2) Analysis of Profitability

The consolidated revenue decreased by 31% from previous year to NT\$12.5 billion, which was mainly due to COVID-19 pandemic negatively impact URE's oversea business. The gross margin is -7%, the operating expenses declined by 29%, the net loss for the year was NT\$6.2 billion, the increase was result of once-off asset impairment loss. URE's finance is stable and sound, cash and cash equivalents amount to NT\$4.95 billion by the end of 2020, URE will continue to maintain sufficient cash position and finance operation will continue to be conservative and prudent.

### 4. Examine Research and Development Work

At the moment URE mass produce p-Perf monocrystalline solar cell "Black 22" and "BiFi", with conversion efficiency reach 22.9%, the LID and PID outperformed traditional solar cell. URE continued to develop high conversion and efficiency products such as "Peach" M6 450W and M10 530W module products for international market. URE double glass half cut module "Glory Peach" can reach 420W in front which has same efficiency as 470w, 1500VDC design, low LID, PID resistant and passed 10x IEC test. At same time its weight is 20% lighter, thus bought new era to the bifacial modules.

## II. 2021 Business Plan and Future Developmental Strategy

### Business Policy, Sales Volume Forecast and Other Important Production and Sales Policies

#### 1. Production Policies

Total production capacity of solar cell is about 2.7GW, the module production capacity will reach 1.5GW in 2-3 years with vertical integration, and downstream system business will reach 1.5GW within next 5 years.

#### 2. Research and Development

URE maintain leadership position with investment in technology. In N-type solar cell conversion efficiency could reach 23.5% in 3Q of 2021. Bifacial HJT products “Glory HELLO), the highest conversion efficiency could reach 24.5%, power output 340W equivalent to module conversion efficiency of 20.8%, and right now it’s in mass production.

### 3.Sales Policies

In order to keep up with growing global demand for renewable energy, URE will continue to expand in existing market and improve penetration to the newly developed market for customers. At same time, utilized growth potential in Taiwan domestic market, expand module production capacity and develop high end module brand. URE will build a strong system sales team in order to develop global system business and sales channel.

### 4.System Business

In domestic market, with URE premium quality solar cell and module products, and Taiwan Government’s short term goal of 8.75GW accumulated PV capacity by 2021, and long term goal of 20GW accumulated PV capacity by 2025, URE will continue to expand domestic system business. And use experience accumulated in domestic market to aggressively develop international system business. The overseas pipeline projects are expected to be above 100MW, URE will continue to develop US solar projects. In the future, with vertical integration of solar industry, URE will be able to provide total solution to our customers.

### 5.New Business Development

2021 is the beginning of new era for Energy Storage Systems, the important policy such as Articles for “major user of electricity” and “trial platform for trading of energy” will be implemented this year. URE’s industrial energy storage system is just right for customers who are major user of electricity and complied with Taiwan Power’s platform.

## III.Effect of External Competition, the Legal Environment and the Overall Business Environment

1. Taiwan government promote carbon reduction and increase in renewable energy, the green energy industry is one of the “5+2” innovative industries plan and 20GW PV installed target still on track for 2025, URE will aggressively develop and construct solar system business in order to achieve target set by government.
2. The amendments to Renewable Energy Development Act passed by Legislative Yuan, in which user of electricity exceeds a certain capacity shall install or provide space to install renewable energy power generation and storage facilities or purchase a certain amount of electricity generated from renewable energy and a certificate, it is expected to come into effect by 2021. This will increase the investment in renewable energy generation and storage by corporations, URE will aggressively work with our clients to total provide solution for renewable energy generation and storage, and achieve the target set by government of renewable energy to total energy generated ratio of 20% by 2025.
3. URE keep close watch on the foreign exchange risk control as our products tend to export to overseas market, URE monitor foreign exchange fluctuation and utilize hedge instrument to lower the risk of foreign exchange fluctuation.
4. URE will continue to diversify and expand system investment to gain global market share in response to the trade war, it is expect to low the risk of international trade dispute.
5. Many countries have reach grid parity, the outlook for solar industry are optimistic. URE implement strategic transformation to compete in the global market, URE will also maintain competitive advantage in terms of cost and R&D, URE will continue to achieve the annual target in terms of business plan.
6. URE will focus on strength module brand and increase solar system business, and hope to integrate the green energy supply chain to provide more added values, at same time regain profitability and growth for our shareholders.
7. The Council of Agriculture issue working guideline regarding agricultural land alternation, which limited large utility scale project development.
8. URE has always been aggressive in the international solar market; URE is expected to expand solar system business internationally.

Chairman Dr. Hong

## Annex 2

### United Renewable Energy Co., Ltd. Audit Committee's Review Report

The Board of Directors has prepared the Company's 2020 Business Report, Financial Statements, and loss offsetting list. The CPA firm of KPMG Taiwan was retained to audit URE's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and loss offsetting list have been reviewed and determined to be correct and accurate by the Audit Committee members of United Renewable Energy Co., Ltd.. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report. °

The Audit Committee of United Renewable Energy Co., Ltd

Chairman : Independent Director WENG, MING-JENG

March 25, 2021

## Annex 3

### Processing situation of 2018 private placement of common shares

Item	Private placement of common shares of 2018			
Type of private placement security	Common shares			
The date and amount approved by Shareholdings' Meeting	The total amount of private placement of common share approved by Extraordinary Shareholdings' Meeting of March.28, 2018 is within 380 million shares.			
The criteria and the reasonableness for determination of the price.	<p>1. According to "Directions for Public Companies Conducting Private Placements of Securities", the reference price shall be the higher of the following two calculations:</p> <p>a. The simple average closing price of the common shares of the TWSE listed or TPEX listed company for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.</p> <p>b. The simple average closing price of the common shares of the TWSE listed or TPEX listed company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.</p> <p>The price per share fixed for privately placed common shares would be not lower than 80 percent of the reference price.</p> <p>2. As above, The simple average closing price for the 30 business days before May 11, 2018, after adjustment for capital reduction is reference price, NT\$10.4. The price per share for private placement of common share is NT\$8.32, equal to 80% of the reference price. It's conformed to the resolution of Extraordinary Shareholders' Meeting.</p>			
The method for selecting the specific persons	In accordance with Article 43-6 of the Securities and Exchange Act.			
In the reasons for the necessity for conducting the private placement	Comparing to public offering, private placement of common stock can ensure the mobility and the timeliness of raising fund, and also reduce the cost of funding.			
The date of the price has been paid up in full	Oct 15, 2018			
Placee	Placee	Qualification	Shares	Relationship with the company
	National Development Fund, Executive Yuan Delegate: Chiou Yih-Peng	Article 43-6, paragraph 1, subparagraph 2 of the Securities and Exchange Act	167,145,851	NA
	United Renewable Energy Co., Ltd Delegate: Chou Chung-Pin	Article 43-6, paragraph 1, subparagraph 2 of the Securities and Exchange Act	167,145,851	NA
The actual private placement price	NT\$8.32 per share.			
The discrepancy between actual private price and reference price	The actual private placement price NT\$8.32 is 80% of the reference price NT\$10.4.			
Any effect of the private placement on shareholder equity	The Securities and Exchange Act regulates the qualification of placee, 3-year limit of transference, so there is certain protection on shareholder equity. °			
The status of utilization of the funds and the plan implementation progress	To enrich working capital and refund the short-term loan. As of Dec. 31, 2020, the NTD\$1,4921,375 thousand from private placement has been utilized.			
The realization of plan benefits	After capital increase, it would improve the financial structure, business operation and development, and benefit to the shareholders' equity.			

## Annex 4

### United Renewable Energy Co., Ltd. The status of sound business plan

In Million of New Taiwan Dollars

Quarter Account Names	Fourth quarter of 2020 (Estimate)		Fourth quarter of 2020 (Actual number)		difference	Description
	Amount	%	Amount	%	%	
Operating Revenue	10,381	100.0	2,716	100.0	(73.8)	
Operating Costs	10,156	97.8	3,400	125.3	(66.50)	Caused by provision for loss of idle inventory and construction in progress
Gross Profit (or Loss))	224	2.2	(683)	(25.2)	(404.5)	—
Operating Expenses	515	5.0	535	19.7	4	—
Other Income and Expenses	0	0.0	(1,978)	(72.8)	-	Mainly caused by provision for impairment of assets
Profit (or Loss) from Operations	(290)	(2.8)	(3,197)	(17.7)	(1001.7)	—
Non-Operating Income and Expenses	202	1.9	(1,347)	(49.6)	(766.80)	Caused by loss of disposed idle assets
Net loss attributable to Shareholders of the parent	(88)	(0.8)	(4,941)	(181.9)	(5,503.90)	Mainly caused by provision for non-recurring expense included but not limited to impairment and inventory evaluation

Quarter Account Names	threeeth quarter of 2020 (Estimate)		threeeth quarter of 2020 (Actual number)		difference	Description
	Amount	%	Amount	%	%	
Operating Revenue	10,381	100	3,515	100	(66.1)	The revenue of battery from overseas sales declined significantly due to the effect of COVID-19; system sales delayed due to laws and regulation as well as COVID-19.
Operating Costs	10,152	97.8	3,269	93.0	(67.8)	—
Gross Profit (or Loss))	229	2.2	246	7.0	7.2	—
Operating Expenses	511	4.9	345	9.8	(32.5)	It is caused by reduced freight charge and salary expense.
Other Income and Expenses	0	0.00	13	0.4	0.00	—
Profit (or Loss) from Operations	(282)	(2.7)	(87)	(2.5)	(69.3)	—
Non-Operating Income and Expenses	(140)	(1.4)	244	6.9	(273.6)	It is mainly for disposition of equity gains in Chunan Plant A and VisEra Technologies Company Ltd.
Net loss attributable to Shareholders of the parent	(422)	(4.1)	142	4.0	(133.7)	-

Account Names \ Quarter	second quarter of 2020 (Estimate)		second quarter of 2020 (Actual number)		difference	Description
	Amount	%	Amount	%	%	
Operating Revenue	9,202	100.0	3,293	100.0	(64.2)	Battery and module revenue from overseas orders declined significantly due to the effect of COVID-19.
Operating Costs	9,140	99.3	3,451	104.8	(62.2)	—
Gross Profit (or Loss))	62	0.7	(158)	(4.8)	(353.6)	It is mainly caused by the sales volume not as expected.
Operating Expenses	521	5.7	416	12.6	(20.1)	It is caused by reduced operating expense, freight charge and salary expense.
Other Income and Expenses	0	0.0	(12)	(0.4)	0.0	—
Profit (or Loss) from Operations	(459)	(5.0)	(586)	(17.8)	27.6	—
Non-Operating Income and Expenses	(58)	(0.6)	(57)	(1.7)	(1.6)	—
Net loss attributable to Shareholders of the parent	(517)	(5.6)	(641)	(19.5)	24.0	

Account Names \ Quarter	first quarter of 2020 (Estimate)		first quarter of 2020 (Actual number)		difference	Description
	Amount	%	Amount	%	%	
Operating Revenue	7,028	100.0	2,987	100.0	(57.5)	It was mainly caused by the shipments of outsourced and self-manufactured battery not as expected.
Operating Costs	7,090	100.9	3,268	109.4	(53.9)	
Gross Profit (or Loss))	(62)	(0.9)	(281)	(9.4)	355.6	Affected by COVID, the sales to overseas markets was not as expected.
Operating Expenses	513	7.3	463	15.5	(9.6)	—
Other Income and Expenses	0	0.0	(1)	(0.0)	0.0	It is caused by less sales, the sales expense reduces compared to estimates and less depreciation.
Profit (or Loss) from Operations	(575)	(8.2)	(745)	(25.0)	29.7	—
Non-Operating Income and Expenses	5	0.1	39	1.3	648.6	The net gain or loss on disposals of investment increases compared to estimates.
Net loss attributable to Shareholders of the parent	(569)	(8.1)	(700)	(23.4)	23.0	

## Annex 5

# Independent Auditors' Report

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

### Opinion

We have audited the financial statements of United Renewable Energy Co., Ltd.( “the Company” ), which comprise the balance sheets as of December 31, 2020, and the statements of comprehensive income, changes in equity and cash flows for the year ended December 31, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020, and its financial performance and its cash flows for the year ended December 31, 2020 in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor' s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ( “the Code” ), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgment, the key audit matters that should be disclosed in this audit report are as follows:

#### 1. Revenue recognition

Please refer to note 4 (p) “Revenue recognition” for accounting policy and note 6 (v) “Revenue from contracts with customers” of the parent company only financial statements for further information.

Description of key audit matter:

The Company' s revenues are derived from the sales of solar modules and cells. Revenue recognition is also dependent on whether the specified sales terms in each individual contract are met. In consideration of the high volume of sales transactions, revenue recognition is one of the key areas our audit focused on.

How the matter was addressed in our audit:

Our principal audit procedures included: understanding of revenue recognition policies and assessing whether revenue recognition policies are appropriate based on sales terms and revenue recognition criteria; understanding the design and process of implementation of internal controls and testing operating effectiveness; testing selected sales samples and agreeing to customer orders, delivery note and related documentation supporting sales recognition; testing sales cut-off, on a sample basis, for transactions incurred within a certain period before or after the balance sheet date by reviewing related sales terms, inspecting delivery documents, and other related supporting document to evaluate whether the revenue was recorded in proper period.

## 2. Assessment of impairment of non-financial assets

Please refer to note 4 (n) “Impairment of non-financial assets” for accounting policy and note 5 “assumptions and judgments, and major sources of estimation uncertainty for impairment of non-financial assets” of the parent company only financial statements for further information.

Description of key audit matter:

The Company belongs to a high capital expenditure industry, and its production capacity relies on the customer needs. However, in an environment where market supply exceeds demand, product prices continue to decline. Therefore, the assessment of long-term non-financial asset impairment is important. The process of asset impairment assessment relies on the subjective judgment of the management. It is an accounting estimate with a high degree of uncertainty. Therefore, the assessment of impairment of non-financial assets is one of the key areas our audit focused on.

How the matter was addressed in our audit:

Our principal audit procedures included: assessing the cash-generating units recognized by the management that might have internal and external signs of impairment, and considering whether all assets that required annual impairment tests have been fully included in the assessment scope; evaluating whether the evaluation method used by the management to measure the recoverable amount of each cash-generating unit complies with the International Financial Reporting Standards, and reviewing its related calculations and various assumptions used, as well as conducting sensitivity analysis on important assumptions.

## 3. Investment accounted for using the equity method

Please refer to note 4 (i) “Investment in subsidiaries ” for accounting policy and note 6 (g) “Investment accounted for using the equity method” of the parent company only financial statements for further information.

Description of key audit matter:

The Company invests in the construction of power plants via its subsidiaries, accounted for using the equity method. The assessment of impairment of the subsidiaries’ property, plant and equipment, and the evaluation of the power plants under construction are affected by the market environment and government policies, resulting in uncertainties in the recoverability of its non-financial assets. Therefore, the investment accounted for using the equity method is one of the key areas our audit focused on.

How the matter was addressed in our audit:

Our principal audit procedures included: assessing the policies of investments accounted for using the equity method whether they comply with the government regulations; planning and auditing the 2020 financial reports of the investments accounted for using the equity method in accordance with the regulations of Taiwan Auditing Standards in order to recognize the investment gains and losses under the equity method; performing the abovementioned audit procedures related to the impairment of non-financial assets.

In addition, regarding the evaluation of the power plant under construction, the audit procedures include:

- (a) Obtaining the comparative information of the total budget and actual accumulated expenditures of the projects currently under construction for the long-term equity investment, and understanding the completion progress of each power plant project and additional costs needed to be invested as of the reporting date.
- (b) Reviewing the net realizable value of the power plants under construction as assessed by the management, including whether the evaluation method used complies with the International Financial Reporting Standards; checking the calculation of the net realizable value of the power plants under construction by the management, and evaluating the source of the estimated sales price.

### **Other Matter**

We did not audit the financial statements of the Company as of December 31, 2019. Those financial statements were audited by other auditors who expressed an unqualified opinion with emphasis of matter and other matter paragraphs on those statements dated March 26, 2020.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management' s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company' s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor' s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor' s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investments accounted for using the equity method to express an opinion on these financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

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

KPMG

Taipei, Taiwan (Republic of China)  
March 25, 2021

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

**Balance Sheets**

**December 31, 2020 and 2019**

**(Expressed in Thousands of New Taiwan Dollars)**

Assets		December 31, 2020		December 31, 2019		Liabilities and Equity		December 31, 2020		December 31, 2019	
		Amount	%	Amount	%			Amount	%	Amount	%
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalents (note 6(a))	\$ 3,605,677	13	4,842,610	12	2100	Short-term borrowings (note 6(l))	\$ 2,320,002	9	2,688,848	7
1110	Financial assets at fair value through profit or loss - current (note 6(b))	2,714	-	2,392	-	2120	Financial liabilities at fair value through profit or loss - current (note 6(b))	5,437	-	755	-
1120	Financial assets at fair value through other comprehensive income - current (note 6(c))	114,715	-	114,414	-	2130	Contract liabilities - current (notes 6(v) and 7)	261,976	1	252,409	1
1140	Contract assets - current (notes 6(v) and 7)	-	-	45,940	-	2170	Notes and accounts payable	1,164,553	4	1,162,458	3
1170	Notes and accounts receivable, net (notes 6(e) and (v))	1,815,386	7	1,461,274	4	2180	Accounts payable to related parties (note 7)	166,180	1	355,607	1
1180	Accounts receivable from related parties (notes 6(e) and 7)	155,970	1	391,540	1	2280	Lease liability - current (note 6(n))	10,610	-	13,077	-
1200	Other receivables	19,793	-	292,525	1	2320	Current portion of long-term liabilities (note 6(m))	2,335,756	9	2,412,274	6
1210	Other receivables from related parties (note 7)	403,188	1	566,577	2	2399	Other current liabilities (notes 6(o) and 7)	1,591,973	5	1,185,968	3
130X	Inventories (note 6(f))	1,487,041	6	2,206,693	6		<b>Total current liabilities</b>	<u>7,856,487</u>	<u>29</u>	<u>8,071,396</u>	<u>21</u>
1410	Prepayments (notes 7 and 9)	319,866	1	336,000	1		<b>Non-Current liabilities:</b>				
1476	Other financial assets (note 8)	1,020,807	4	418,076	1	2540	Long-term borrowings (note 6(m))	3,088,571	11	9,443,162	24
1479	Other current assets	197,833	1	544,317	1	2580	Lease liability - non-current (note 6(n))	258,841	1	384,067	1
	<b>Total current assets</b>	<u>9,142,990</u>	<u>34</u>	<u>11,222,358</u>	<u>29</u>	2650	Credit balance of investments accounted for using equity method (note 6(g))	1,279,873	5	264,541	1
	<b>Non-current assets:</b>					2670	Other non-current liabilities (notes 6(o) and (r))	258,907	1	217,626	-
1517	Financial assets at fair value through other comprehensive income - non-current (notes 6(c) and 8)	249,676	1	2,323,725	6		<b>Total non-current liabilities</b>	<u>4,886,192</u>	<u>18</u>	<u>10,309,396</u>	<u>26</u>
1535	Financial assets at amortized cost - non-current (note 6(d))	140,475	1	149,975	-		<b>Total liabilities</b>	<u>12,742,679</u>	<u>47</u>	<u>18,380,792</u>	<u>47</u>
1550	Investments accounted for using the equity method (notes 6(g) and 8)	4,819,040	18	8,942,776	23		<b>Equity (note 6(s))</b>				
1600	Property, plant and equipment (notes 6(h), 7 and 8)	4,439,234	16	10,151,154	26	3110	Ordinary shares	26,650,863	99	26,653,375	68
1755	Right-of-use assets (note 6(i))	192,327	1	391,844	1	3200	Capital surplus	7,877	-	118,989	-
1760	Investment property (note 6(j))	2,741,259	10	-	-	3350	Accumulated deficit	(11,581,063)	(43)	(6,000,644)	(15)
1780	Intangible assets (note 6(k))	1,924	-	4,234	-	3400	Other equity	(802,046)	(3)	(31,028)	-
1840	Deferred tax assets (note 6(r))	622,822	2	621,087	2	3500	Treasury shares	(18,699)	-	(18,699)	-
1915	Prepayments - non-current (notes 7 and 9)	1,942,715	7	2,140,674	5		<b>Total equity</b>	<u>14,256,932</u>	<u>53</u>	<u>20,721,993</u>	<u>53</u>
1920	Refundable deposits	706,987	3	847,319	2						
1942	Other receivables from related parties - non-current (note 7)	2,000,162	7	2,186,254	6						
1990	Other non-current assets (note 8)	-	-	121,385	-						
	<b>Total non-current assets</b>	<u>17,856,621</u>	<u>66</u>	<u>27,880,427</u>	<u>71</u>						
	<b>Total assets</b>	<u>\$ 26,999,611</u>	<u>100</u>	<u>39,102,785</u>	<u>100</u>		<b>Total liabilities and equity</b>	<u>\$ 26,999,611</u>	<u>100</u>	<u>39,102,785</u>	<u>100</u>

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

**Statements of Comprehensive Income**

**For the years ended December 31, 2020 and 2019**

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

		<u>2020</u>		<u>2019</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	<b>Net operating revenues (notes 6(v) and 7)</b>	\$ 10,716,898	100	14,911,766	100
5110	Operating costs (notes 6(f)(t), 7 and 12)	11,052,705	103	15,687,440	105
5900	<b>Gross loss from operations</b>	(335,807)	(3)	(775,674)	(5)
5920	Add: Realized profit from sales	24,147	-	52,618	-
5950	<b>Realized gross loss</b>	(311,660)	(3)	(723,056)	(5)
<b>Operating expenses (notes 6(e)(t) and 12):</b>					
6100	Selling expenses	321,263	3	765,350	5
6200	General and administrative expenses	775,609	7	878,522	6
6300	Research and development expenses	154,162	2	161,832	1
6450	Impairment loss (reversal of impairment loss) on trade receivable	(14,875)	-	(5,598)	-
	<b>Total operating expense</b>	1,236,159	12	1,800,106	12
6500	<b>Other income and expenses</b>	(891,547)	(8)	(1,132,505)	(7)
	<b>Loss from operations</b>	(2,439,366)	(23)	(3,655,667)	(24)
<b>Non-operating income and expenses:</b>					
7010	Other income (notes 6(x) and 7)	311,704	3	208,103	2
7020	Other gains and losses (notes 6(g)(h) and (x))	(157,592)	(1)	(142,958)	(1)
7050	Finance costs (note 6(n))	(349,226)	(3)	(553,899)	(4)
7060	Share of gain (loss) of subsidiaries and associates accounted for using equity method (note 6(g))	(3,517,700)	(33)	(1,581,970)	(11)
7100	Interest income	13,165	-	40,802	-
		(3,699,649)	(34)	(2,029,922)	(14)
	<b>Loss before income tax</b>	(6,139,015)	(57)	(5,685,589)	(38)
7950	Less: income tax expense (note 6(r))	-	-	476	-
8200	<b>Net loss</b>	(6,139,015)	(57)	(5,686,065)	(38)
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that may not be reclassified subsequently to profit or loss:</b>				
8316	Unrealized gain(loss) on investments in equity instruments at fair value through other comprehensive income	125,711	1	792,673	5
8330	Share of other comprehensive income(loss) of subsidiaries accounted for using equity method	(11,966)	-	10,748	-
8360	<b>Items that may be reclassified subsequently to profit or loss:</b>				
8361	Exchange differences on translation of foreign statements	(327,526)	(3)	(175,050)	(1)
8380	Share of other comprehensive income(loss) of subsidiaries accounted for using equity method	(46,042)	-	209,029	1
8300	<b>Total other comprehensive income (loss)</b>	(259,823)	(2)	837,400	5
	<b>Total comprehensive loss</b>	<u>\$ (6,398,838)</u>	<u>(59)</u>	<u>(4,848,665)</u>	<u>(33)</u>
	<b>Loss per share</b>				
9750	Basic loss per share (NT dollars) (note 6(u))	<u>\$ (2.31)</u>		<u>(2.26)</u>	

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

**Statements of Changes in Equity**

**For the years ended December 31, 2020 and 2019**

**(Expressed in Thousands of New Taiwan Dollars)**

	Share capital			Other equity				Total 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	
<b>Balance at January 1, 2019</b>	\$ 25,157,599	1,011,023	(675,712)	(330,085)	(527,897)	(16,586)	(18,699)	24,599,643
Net loss for the year ended December 31, 2019	-	-	(5,686,065)	-	-	-	-	(5,686,065)
Other comprehensive income (loss) for the year ended December 31, 2019	-	-	-	33,979	803,421	-	-	837,400
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	(5,686,065)	33,979	803,421	-	-	(4,848,665)
Other changes in capital surplus:								
Offset of deficit against capital surplus	-	(369,468)	369,468	-	-	-	-	-
Issuance of new shares	1,500,000	(522,000)	-	-	-	-	-	978,000
Compensation cost of employee shares options	-	3,638	-	-	-	-	-	3,638
Compensation cost of restricted shares for employees	-	333	-	-	-	8,483	-	8,816
Distribution of restricted shares for employees	22,050	(4,741)	-	-	-	(17,309)	-	-
Cancellation of restricted shares for employees	(26,274)	204	-	-	-	6,998	-	(19,072)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	(7,968)	-	7,968	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	-	-	(367)	-	-	-	-	(367)
<b>Balance at December 31, 2019</b>	26,653,375	118,989	(6,000,644)	(296,106)	283,492	(18,414)	(18,699)	20,721,993
Net loss for the year ended December 31, 2020	-	-	(6,139,015)	-	-	-	-	(6,139,015)
Other comprehensive income (loss) for the year ended December 31, 2020	-	-	-	(373,568)	113,745	-	-	(259,823)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	(6,139,015)	(373,568)	113,745	-	-	(6,398,838)
Other changes in capital surplus:								
Changes in equity of associates and joint ventures accounted for using equity method	-	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	-	-	(84,834)	-	-	-	-	(84,834)
Changes in ownership interests in subsidiaries	-	473	-	-	-	-	-	473
Compensation cost of restricted shares for employees	-	-	-	-	-	12,558	-	12,558
Distribution of restricted shares for employees	7,950	1,201	(1,591)	-	-	(7,560)	-	-
Cancellation of restricted shares for employees	(10,462)	1,429	-	-	-	6,000	-	(3,033)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	522,193	-	(522,193)	-	-	-
Adjustments to capital surplus and retained earnings for changes in subsidiaries equity	-	1,595	(801)	-	-	-	-	794
<b>Balance at December 31, 2020</b>	\$ 26,650,863	7,877	(11,581,063)	(669,674)	(124,956)	(7,416)	(18,699)	14,256,932

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

**Statements of Cash Flows**

**For the years ended December 31, 2020 and 2019**

**(Expressed in Thousands of New Taiwan Dollars)**

	<u>2020</u>	<u>2019</u>
<b>Cash flows from operating activities:</b>		
Loss before income tax	\$ (6,139,015)	(5,685,589)
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expense	1,315,807	2,217,292
Amortization expense	2,310	3,864
Expected credit loss (gain)	(14,875)	12,753
Net loss(gain) on financial assets or liabilities at fair value through profit or loss	4,360	(1,637)
Finance cost	349,226	553,899
Interest income	(13,165)	(40,802)
Dividends income	(89,028)	(73,953)
Compensation cost of restricted shares for employees	10,826	(301)
Share of loss of subsidiaries and associates accounted for using equity method	3,517,700	1,581,970
Loss (gain) on disposal of property, plant and equipment	(188,040)	12,120
Loss (gain) on disposal of investments	(80,408)	138,117
Impairment loss on property, plant and equipment	891,547	1,120,558
Impairment loss on prepayment	116,788	1,766
Compensation cost of employee shares options	-	3,638
Others	68,988	59,966
<b>Total adjustments to reconcile profit (loss)</b>	<u>5,892,036</u>	<u>5,589,250</u>
<b>Changes in operating assets and liabilities:</b>		
Contract assets - current	45,940	(32,559)
Notes and accounts receivable	(401,747)	510,705
Accounts receivable from related parties	248,106	164,402
Other receivables	276,824	(314,935)
Other receivables from related parties	217,577	132,985
Inventory	624,694	(436,371)
Prepayments (including non-current)	99,577	73,186
Other current assets	345,012	60,933
Contract liabilities - current	9,567	60,102
Notes and accounts payable (including related parties)	(78,459)	(435,653)
Provisions	95,058	(130,063)
Other current liabilities	313,139	(488,695)
<b>Total changes in operating assets and liabilities</b>	<u>1,795,288</u>	<u>(835,963)</u>
Cash inflow generated from (used in) operations	1,548,309	(932,302)
Income taxes received (paid)	1,472	(187)
<b>Net cash flows generated from (used in) operating activities</b>	<u>1,549,781</u>	<u>(932,489)</u>
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	(48,840)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	2,241,455	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	6,470	-
Acquisition of investments accounted for using equity method	(872,430)	(634,695)
Proceeds from disposal of associates	705,876	-
Proceeds from disposal of subsidiaries	110,746	150,066
Proceeds from capital reduction of investments accounted for using equity method	1,250,081	-
Acquisition of property, plant and equipment	(25,940)	(213,174)
Proceeds from disposal of property, plant and equipment	1,059,800	269,968
Decrease (increase) in refundable deposits	140,332	(21,724)
Decrease (increase) in other receivables from related parties	-	(74,976)
Decrease (increase) in other financial assets	(479,705)	3,548,462
Interest received	6,136	49,263
Dividends received	159,138	114,067
<b>Net cash flows generated from investing activities</b>	<u>4,253,119</u>	<u>3,187,257</u>
<b>Cash flows from financing activities:</b>		
Decrease in short-term loans	(282,273)	(3,416,844)
Decrease in short-term bills payable	-	(79,963)
Repayments of bonds payable	-	(3,728,400)
Proceeds from long-term borrowings	1,562,610	12,365,564
Repayments of long-term borrowings	(7,960,609)	(10,243,976)
Increase in guarantee deposits received	55,779	4,539
Payment of lease liabilities	(25,666)	(19,196)
Proceeds from issuance of ordinary shares	-	978,000
Interest paid	(335,865)	(521,422)
<b>Net cash used in financing activities</b>	<u>(6,986,024)</u>	<u>(4,661,698)</u>
<b>Effect of exchange rate changes</b>	<u>(53,809)</u>	<u>(36,937)</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(1,236,933)</u>	<u>(2,443,867)</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>4,842,610</u>	<u>7,286,477</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 3,605,677</u>	<u>4,842,610</u>

## Independent Auditors' Report

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

### Opinion

We have audited the consolidated financial statements of United Renewable Energy Co., Ltd. and its subsidiaries ( "the Group" ), which comprise the consolidated balance sheets as of December 31, 2020, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards ( "IFRSs" ), International Accounting Standards ( "IASs" ), Interpretations developed by the International Financial Reporting Interpretations Committee ( "IFRIC" ) or Standing Interpretations Committee ( "SIC" ) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ( "the Code" ), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgment, the key audit matters that should be disclosed in this audit report are as follows.

#### 1. Revenue recognition

Please refer to note 4 (q) "Revenue recognition" for accounting policy and note 6 (y) "Revenue from contracts with customers" of the consolidated financial statements for further information.

Description of key audit matter:

The Group's revenues are derived from the sales of solar modules, power plant and cells. Revenue recognition is also dependent on whether the specified sales terms in each individual contract are met. In consideration of the high volume of sales transactions generated from world-wide operations, revenue recognition is one of the key areas our audit focused on.

How the matter was addressed in our audit:

Our principal audit procedures included: understanding of revenue recognition policies and assessing whether revenue recognition policies are appropriate based on sales terms and revenue recognition criteria; understanding the design and process of implementation of internal controls and testing operating effectiveness; testing selected sales samples and agreeing to customer orders, delivery note and related documentation supporting sales recognition; testing sales cut-off, on a sample basis, for transactions incurred within a certain period before or after the balance sheet date by reviewing related sales terms, inspecting delivery documents, and other related supporting document to evaluate whether the revenue was recorded in proper period.

## 2. The valuation of power plants under construction

Please refer to note 4 (h) “Inventory” for accounting policy and note 5 “assumptions and judgments, and major sources of estimation uncertainty for valuation of power plants under construction” of the consolidated financial statements for further information.

Description of key audit matter:

The Group developed its power plants under construction and sold them to earn profits. Therefore, the project revenue of the power plants under construction and the estimated marketable price are deemed essential by the Group, the valuation of power plants under construction is one of the key areas our audit focused on.

How the matter was addressed in our audit:

Our principal audit procedures included: obtaining the comparative information of the total budget and actual accumulated expenditures of the projects currently under construction for the long-term equity investment and understanding the completion progress of each power plant project and additional costs needed to be invested as of the reporting date; reviewing the net realizable value of the power plants under construction as assessed by the management, including whether the evaluation method used complies with the International Financial Reporting Standards; checking the calculation of the net realizable value of the power plants under construction by the management, and evaluating the source of the estimated sales price.

## 3. Assessment of impairment of non-financial assets

Please refer to note 4 (o) “Impairment of non-financial assets” for accounting policy and note 5 “assumptions and judgments, and major sources of estimation uncertainty for impairment of non-financial assets” of the consolidated financial statements for further information.

Description of key audit matter:

The Group belongs to a high capital expenditure industry, and its production capacity relies on the customer needs. However, in an environment where market supply exceeds demand, product prices continue to decline. Therefore, the assessment of long-term non-financial asset impairment is important. The process of asset impairment assessment relies on the subjective judgment of the management. It is an accounting estimate with a high degree of uncertainty. Therefore, the assessment of impairment of non-financial assets is one of the key areas our audit focused on.

How the matter was addressed in our audit:

Our principal audit procedures included: assessing the cash-generating units recognized by the management that might have internal and external signs of impairment, and considering whether all assets that required annual impairment tests have been fully included in the assessment scope; evaluating whether the evaluation method used by the management to measure the recoverable amount of each cash-generating unit complies with the International Financial Reporting Standards, and reviewing its related calculations and various assumptions used, as well as conducting sensitivity analysis on important assumptions.

## **Other Matter**

We did not audit the consolidated financial statements of the Group as of December 31, 2019. Those financial statements were audited by other auditors who expressed an unqualified opinion with emphasis of matter and other matter paragraphs on those statements dated March 26, 2020.

The Group has prepared its parent company only financial statements as of and for the years ended December 31, 2020 and 2019, on which we and other auditors expressed an unqualified opinion and an unqualified opinion with emphasis of matter and other matter paragraphs, respectively.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation developed by IFRIC or SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

KPMG

Taipei, Taiwan (Republic of China)  
March 25, 2021

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

**Consolidated Balance Sheets**

**December 31, 2020 and 2019**

**(Expressed in Thousands of New Taiwan Dollars)**

Assets		December 31, 2020		December 31, 2019		Total assets			December 31, 2020		December 31, 2019	
		Amount	%	Amount	%				Amount	%	Amount	%
<b>Current assets:</b>												
1100	Cash and cash equivalents (note 6(a))	\$ 4,954,658	15	6,371,316	14	2100	Short-term borrowings (note 6(m))	\$ 2,320,002	7	2,988,798	7	
1110	Financial assets at fair value through profit or loss - current (note 6(b))	2,714	-	2,392	-	2110	Short-term bills payable (note 6(n))	174,810	1	415,458	1	
1120	Financial assets at fair value through other comprehensive income - current (note 6(c))	114,715	-	114,414	-	2120	Financial liabilities at fair value through profit or loss - current (note 6(b))	5,437	-	755	-	
1140	Contract assets - current (notes 6(y) and 7)	175,041	1	483,247	1	2130	Contract liabilities - current (notes 6(y) and 7)	348,911	1	323,832	1	
1170	Notes and accounts receivable, net (note 6(e))	2,078,846	6	2,060,117	4	2170	Notes and accounts payable	1,336,177	4	1,505,764	3	
1180	Accounts receivable from related parties, net (notes 6(e) and 7)	206,901	1	515,469	1	2280	Lease liability - current (note 6(q))	50,913	-	65,778	-	
1200	Other receivables	174,376	1	153,196	-	2320	Current portion of long-term borrowings, preference share liabilities and bonds payable (notes 6(o) and (p))	5,381,804	17	5,737,284	12	
1210	Other receivables from related parties (note 7)	785,448	2	656,913	1	2399	Other current liabilities (note 6(r) and 7)	1,626,370	5	1,480,497	3	
130X	Inventories (notes 6(f) and 8)	3,517,082	11	4,944,580	11		<b>Total current liabilities</b>	11,244,424	35	12,518,166	27	
1410	Prepayments (notes 7 and 9)	737,746	2	752,686	2		<b>Non-Current liabilities:</b>					
1476	Other financial assets (note 8)	1,107,101	3	617,391	1	2500	Financial liabilities at fair value through profit or loss - non-current (notes 6(b) and (o))	99,741	-	143,814	-	
1479	Other current assets	246,734	1	830,607	2	2540	Long-term borrowings (note 6(o))	5,115,671	16	11,776,935	25	
	<b>Total current assets</b>	14,101,362	43	17,502,328	37	2580	Lease liability - non-current (note 6(q))	605,021	2	952,521	2	
	<b>Non-current assets:</b>					2635	Preference share liabilities - non-current (note 6(p))	13,219	-	28,178	-	
1510	Financial assets at fair value through profit or loss - non-current (notes 6(b) and (o))	182,058	1	268,379	1	2670	Other non-current liabilities (notes 6(r) and (u))	358,511	1	322,635	1	
1517	Financial assets at fair value through other comprehensive income - non-current (notes 6(c) and 8)	276,774	1	2,411,482	5		<b>Total non-current liabilities</b>	6,192,163	19	13,224,083	28	
1535	Financial assets at amortized cost - non-current (note 6(d))	140,475	-	149,975	-		<b>Total liabilities</b>	17,436,587	54	25,742,249	55	
1550	Investments accounted for using the equity method (notes 6(g), 7 and 8)	176,322	1	2,130,415	5		<b>Equity attributable to owners of parent (notes 6(v) and (w))</b>					
1600	Property, plant and equipment (notes 6(i), 7 and 8)	10,450,989	32	19,064,958	40	3110	Ordinary shares	26,650,863	82	26,653,375	57	
1755	Right-of-use assets (note 6(j))	568,497	2	981,114	2	3200	Capital surplus	7,877	-	118,989	-	
1760	Investment property, net (note 6(k))	2,741,260	8	-	-	3350	Accumulated deficit	(11,581,063)	(36)	(6,000,644)	(13)	
1780	Intangible assets (note 6(l))	70,317	-	115,357	-	3400	Other equity	(802,046)	(2)	(31,028)	-	
1840	Deferred tax assets (note 6(u))	639,924	2	1,056,550	2	3500	Treasury shares	(18,699)	-	(18,699)	-	
1915	Prepayments - non-current (notes 7 and 9)	1,979,465	6	2,184,811	5		<b>Total equity attributable to owners of parent</b>	14,256,932	44	20,721,993	44	
1920	Refundable deposits (note 8)	732,696	2	911,486	2		Non-controlling interests	767,182	2	762,242	1	
1942	Other receivables from related parties - non-current (note 7)	21,581	-	23,041	-		<b>Total equity</b>	15,024,114	46	21,484,235	45	
1990	Other non-current assets (note 8)	378,981	2	426,588	1							
	<b>Total non-current assets</b>	18,359,339	57	29,724,156	63							
							<b>Total liabilities and equity</b>	\$ 32,460,701	100	47,226,484	100	

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

**Consolidated Statements of Comprehensive Income**

**For the years ended December 31, 2020 and 2019**

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

		2020		2019	
		Amount	%	Amount	%
4000	<b>Net operating revenues (notes 6(y) and 7)</b>	\$ 12,511,034	100	18,139,112	100
5110	Operating costs (notes 6(f)(q)(t), 7 and 12)	13,443,714	107	19,121,643	105
5900	<b>Gross loss from operations</b>	(932,680)	(7)	(982,531)	(5)
5920	Add: Realized(unrealized) profit from sales	56,204	-	(1,792)	-
5950	<b>Realized gross loss</b>	(876,476)	(7)	(984,323)	(5)
<b>Operating expenses (notes 6(e)(q)(t) and 12):</b>					
6100	Selling expenses	514,828	4	1,090,967	6
6200	General and administrative expenses	1,090,358	9	1,167,887	7
6300	Research and development expenses	176,893	1	218,674	1
6450	Impairment loss (reversal of impairment loss) on trade receivable	(22,405)	-	(6,593)	-
	<b>Total operating expense</b>	1,759,674	14	2,470,935	14
6500	<b>Other income and expenses (note 6(i))</b>	(1,978,107)	(16)	(1,766,692)	(10)
	<b>Loss from operations</b>	(4,614,257)	(37)	(5,221,950)	(29)
<b>Non-operating income and expenses:</b>					
7010	Other income (notes 6(d)(s)(aa) and 7)	347,489	3	241,234	1
7020	Other gains and losses (notes 6(g)(h) and (aa))	(802,967)	(7)	282,582	2
7050	Finance costs (note 6(q))	(651,941)	(5)	(874,294)	(5)
7060	Share of gain (loss) of associates and joint ventures accounted for using equity method (note 6(g))	(31,686)	-	(187,589)	(1)
7100	Interest income	17,930	-	53,461	-
		1,121,175	(9)	(484,606)	(3)
	<b>Loss before income tax</b>	(5,735,432)	(46)	(5,706,556)	(32)
7950	Less: Income tax expense (note 6(u))	426,875	3	62,633	-
8200	<b>Net loss</b>	(6,162,307)	(49)	(5,769,189)	(32)
8300	<b>Other comprehensive income:</b>				
8310	<b>Items that may not be reclassified subsequently to profit or loss:</b>				
8316	Unrealized gain(loss) on investments in equity instruments at fair value through other comprehensive income	113,745	1	803,421	5
8360	<b>Items that may be reclassified subsequently to profit or loss:</b>				
8361	Exchange differences on translation of foreign statements	(422,528)	(4)	16,651	-
8300	<b>Total other comprehensive income (loss)</b>	(308,783)	(3)	820,072	5
	<b>Total comprehensive income (loss)</b>	<b>\$ (6,471,090)</b>	<b>(52)</b>	<b>(4,949,117)</b>	<b>(27)</b>
<b>Net loss attributable to:</b>					
	Shareholders of the parent	\$ (6,139,015)	(49)	(5,686,065)	(31)
	Non-controlling interests	(23,292)	-	(83,124)	(1)
		<b>\$ (6,162,307)</b>	<b>(49)</b>	<b>(5,769,189)</b>	<b>(32)</b>
<b>Total comprehensive income (loss) attributable to:</b>					
	Shareholders of the parent	\$ (6,398,838)	(51)	(4,848,665)	(27)
	Non-controlling interests	(72,252)	(1)	(100,452)	-
		<b>\$ (6,471,090)</b>	<b>(52)</b>	<b>(4,949,117)</b>	<b>(27)</b>
<b>Loss per share</b>					
9750	Basic loss per share (NT dollars) (note 6(x))	<b>\$ (2.31)</b>		<b>(2.26)</b>	

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

**Consolidated Statements of Changes in Equity**

**For the years ended December 31, 2020 and 2019**

**(Expressed in Thousands of New Taiwan Dollars)**

	Share capital		Attributable to owners of parent					Total equity attributable to owners of parent	Non-controlling interest	Total equity
	Ordinary shares	Capital surplus	Accumulated deficits	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			
<b>Balance at January 1, 2019</b>	\$ 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	-	-	(306,244)	(1,125)	-	-	-	(307,369)	(34,173)	(341,542)
Balance at January 1, 2019 as restated	25,157,599	1,011,023	(675,712)	(330,085)	(527,897)	(16,586)	(18,699)	24,599,643	863,826	25,463,469
Net loss for the year ended December 31, 2019	-	-	(5,686,065)	-	-	-	-	(5,686,065)	(83,124)	(5,769,189)
Other comprehensive income (loss) for the year ended December 31, 2019	-	-	-	33,979	803,421	-	-	837,400	(17,328)	820,072
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	(5,686,065)	33,979	803,421	-	-	(4,848,665)	(100,452)	(4,949,117)
Other changes in capital surplus:										
Offset of deficit against capital surplus	-	(369,468)	369,468	-	-	-	-	-	-	-
Issuance of new shares	1,500,000	(522,000)	-	-	-	-	-	978,000	-	978,000
Distribution of restricted shares for employees	22,050	(4,741)	-	-	-	(17,309)	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-	(1,499)	(1,499)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	(7,968)	-	7,968	-	-	-	-	-
Compensation cost of restricted shares for employees	-	333	-	-	-	8,483	-	8,816	-	8,816
Cancellation of restricted shares for employees	(26,274)	204	-	-	-	6,998	-	(19,072)	-	(19,072)
Changes in equity of associates and joint ventures accounted for using equity method	-	-	(367)	-	-	-	-	(367)	367	-
Compensation costs of employee shares options	-	3,638	-	-	-	-	-	3,638	-	3,638
<b>Balance at December 31, 2019</b>	<b>26,653,375</b>	<b>118,989</b>	<b>(6,000,644)</b>	<b>(296,106)</b>	<b>283,492</b>	<b>(18,414)</b>	<b>(18,699)</b>	<b>20,721,993</b>	<b>762,242</b>	<b>21,484,235</b>
Net loss for the year ended December 31, 2020	-	-	(6,139,015)	-	-	-	-	(6,139,015)	(23,292)	(6,162,307)
Other comprehensive income (loss) for the year ended December 31, 2020	-	-	-	(373,568)	113,745	-	-	(259,823)	(48,960)	(308,783)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	(6,139,015)	(373,568)	113,745	-	-	(6,398,838)	(72,252)	(6,471,090)
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	-	-	(84,834)	-	-	-	-	(84,834)	84,834	-
Changes in ownership interests in subsidiaries	-	473	-	-	-	-	-	473	(473)	-
Non-controlling interests	-	-	-	-	-	-	-	-	(7,970)	(7,970)
Distribution of restricted shares for employees	7,950	1,201	(1,591)	-	-	(7,560)	-	-	-	-
Cancellation of restricted shares for employees	(10,462)	1,429	-	-	-	6,000	-	(3,033)	-	(3,033)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	522,193	-	(522,193)	-	-	-	-	-
Adjustments to capital surplus and retained earnings for changes in subsidiaries' equity	-	1,595	(801)	-	-	-	-	794	801	1,595
Compensation cost of restricted shares for employees	-	-	-	-	-	12,558	-	12,558	-	12,558
<b>Balance at December 31, 2020</b>	<b>\$ 26,650,863</b>	<b>7,877</b>	<b>(11,581,063)</b>	<b>(669,674)</b>	<b>(124,956)</b>	<b>(7,416)</b>	<b>(18,699)</b>	<b>14,256,932</b>	<b>767,182</b>	<b>15,024,114</b>

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

**Consolidated Statements of Cash Flows**

**For the years ended December 31, 2020 and 2019**

**(Expressed in Thousands of New Taiwan Dollars)**

	<u>2020</u>	<u>2019</u>
<b>Cash flows from operating activities:</b>		
Loss before income tax	\$ (5,735,432)	(5,706,556)
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (loss):</b>		
Depreciation expense	2,058,233	3,348,315
Amortization expense	8,900	22,933
Expected credit loss (gain)	(22,405)	23,504
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	5,508	(74,862)
Finance cost	651,941	874,294
Interest income	(17,930)	(55,982)
Dividends income	(89,028)	(75,153)
Compensation cost of restricted shares for employees	10,826	(301)
Compensation cost of employee shares options	-	3,638
Share of loss of associates and joint ventures accounted for using the equity method	31,686	187,589
Loss (Gain) on disposal of property, plant and equipment and power facilities business held for sale	598,885	11,988
Gain on disposal of investments	(204,861)	(212,773)
Impairment loss on property, plant and equipment	1,977,516	1,617,369
Impairment loss on intangible assets	591	137,904
Impairment loss on prepayment	116,788	1,766
Other	451,479	(49,675)
<b>Total adjustments to reconcile profit (loss)</b>	<u>5,578,129</u>	<u>5,760,554</u>
<b>Changes in operating assets and liabilities:</b>		
Contract assets - current	308,206	(386,630)
Notes and accounts receivable	(49,122)	521,608
Accounts receivable from related parties	312,647	24,373
Other receivables	83,252	123,076
Other receivables from related parties	352,681	390,026
Inventory	801,045	(376,619)
Prepayments (including non-current)	94,512	(43,799)
Other current assets	419,515	(26,317)
Contract liabilities - current	25,079	(21,420)
Notes and accounts payable (including related parties)	(148,907)	(518,495)
Provisions	88,784	(128,904)
Other current liabilities	113,888	(792,414)
<b>Total changes in operating assets and liabilities</b>	<u>2,401,580</u>	<u>(1,235,515)</u>
Cash inflow generated from (used in) operations	2,244,277	(1,181,517)
Income taxes paid	(25,660)	(43,209)
<b>Net cash flows generated from (used in) operating activities</b>	<u>2,218,617</u>	<u>(1,224,726)</u>
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of financial assets at fair value through other comprehensive income	2,241,455	6,755
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	6,470	-
Acquisition of investments accounted for using the equity method	(30,000)	-
Proceeds from disposal of associates	1,873,903	-
Proceeds from disposal of subsidiaries	247,957	747,551
Acquisition of property, plant and equipment	(254,697)	(691,430)
Proceeds from disposal of property, plant and equipment and power facilities business held for sale	1,132,792	8,580
Decrease in refundable deposits	157,224	97,448
Increase in other receivables from related parties	-	(11,360)
Acquisition of intangible assets	-	(564)
Decrease (increase) in other financial assets	(504,920)	3,341,546
Decrease (increase) in other non-current assets	(10,839)	40,864
Interest received	13,300	64,431
Dividends received	95,577	90,360
<b>Net cash flows generated from investing activities</b>	<u>4,968,222</u>	<u>3,694,181</u>
<b>Cash flows from financing activities:</b>		
Decrease in short-term loans	(422,748)	(3,843,502)
Increase (decrease) in short-term bills payable	(241,200)	139,022
Repayments of bonds payable	-	(3,728,400)
Proceeds from long-term borrowings	1,768,160	13,150,879
Repayments of long-term borrowings	(8,703,728)	(11,406,920)
Repayments of preference share liabilities	(17,978)	(4,923)
Payment of lease liabilities	(80,518)	(59,470)
Proceeds from issuance of ordinary shares	-	978,000
Interest paid	(596,186)	(846,638)
Others	54,732	4,870
<b>Net cash used in financing activities</b>	<u>(8,239,466)</u>	<u>(5,617,082)</u>
<b>Effect of exchange rate changes</b>	<u>(364,031)</u>	<u>(36,902)</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(1,416,658)</u>	<u>(3,184,529)</u>
<b>Cash and cash equivalents at beginning of period</b>	6,371,316	9,555,845
<b>Cash and cash equivalents at end of period</b>	<u>\$ 4,954,658</u>	<u>6,371,316</u>

## Annex 6

### United Renewable Energy Co., Ltd. Appropriation of Loss Statement Year 2020

Unit: NT\$

Item	Amount	
	Total	Grand Total
Initial cumulative undistributed earnings		(5,877,014,502)
Current period after-tax net loss	(6,139,014,767)	
Disposal of financial assets as fair value through other comprehensive income	522,192,838	
The disposed difference between the equity price and accounted value of subsidiary	(84,833,543)	
Limit employees' equity shares to be issued with discount	(1,590,675)	
Difference between the price of subsidiary and net value that the capital was not increased by the proportion holding shares	(802,278)	
Amount to be compensated this year		(11,581,062,927)
Current year compensation items		
Statutory surplus reserve	0	
Capital reserve-Long-term investment not recognized pursuant to proportions holding shares	1,594,591	
Capital reserve -Subsidiary's variation of ownership and equity recognized	473,208	
Capital reserve- Recognizedvariationof the net value of affiliates and joint venture equity with equity method	7,819,458	
Amount to be compensated after this year		(11,571,175,670)
<p>Note: Company's loss is compensated by capital reserve -Long-term investment not recognized pursuant to proportions holding sharesNT\$1,594,591, capital reserve - Subsidiary's variation of ownership and equity recognized NT\$473,208, capital reserve - Recognizedvariationof the net value of affiliates and joint venture equity with equity method NT\$7,819,458. After compensation, the amount to be compensated is NT\$11,571,175,670.</p>		

## Annex 7

### United Renewable Energy Co., Ltd. Director (Includes Independent Director) Candidates

Position	Name	Major Education/ Work Experience	Current Occupation	The name of the government or legal person represented	Shareholdings
Director	Hong, Chum-Sam	<ol style="list-style-type: none"> <li>1.Ph.D.,of Electrical Engineering National Tsing Hua University</li> <li>2.Chairman&amp;CEO, Neo Solar Power Corp.</li> <li>3.Vice General Manager &amp; Head of Plant, Kwanghua Amorphous Silicon Co., Ltd.</li> <li>4.Battery Pack of Materials Research Institute, Institute of Industrial Technology/Leader of Film Team.</li> <li>5.Host of Power Subsystem, Space Program by the National Space Center.</li> <li>6.Was honored as the highest in the international solar cells field, PVSEC-23 Special Award, Academician of Asia Pacific Institute of Materials.</li> </ol>	<ol style="list-style-type: none"> <li>1.Chairman,United Renewable Energy Co., Ltd</li> <li>2.Director,V5 Technologies Co., Ltd</li> </ol>	—	2,411,945
Director	Lin, Kun-Si	<ol style="list-style-type: none"> <li>1.Ph.D., Business Administration, University of Kentucky, USA.</li> <li>2.MBA, National Chiao Tung University, Taiwan.</li> <li>3.Bachelor, Electronic Engineering, National Chiao Tung University, Taiwan.</li> <li>4.Chairman&amp;CEO, Neo Solar Power Corp.</li> <li>5.Senior Vice President, TSMC.</li> </ol>	<ol style="list-style-type: none"> <li>1.Chairman,Rafael Microelectronics, Inc.</li> <li>2.Chairman,V5 Technologies Co., Ltd</li> </ol>	—	3,675,187
Director	Pan, Wen-Whe	<ol style="list-style-type: none"> <li>1. PhD. Fiber&amp;Polymer Eng., North Carolina State Unniversity</li> <li>2.Director&amp;General Manager ,Gintech Energy Corporation.</li> <li>3.General Manager, So Yang Enterprise Co., Ltd.</li> <li>4.Director Engineering &amp; Lab. Supervisor, Sumitomo Electric Industries, Ltd. (US).</li> <li>5.Director,Ecove Environment Corporation .</li> <li>6.Director,Ecove Solar Energy Corporation.</li> </ol>	<ol style="list-style-type: none"> <li>1.Director&amp;CEO,United Renewable Energy Co., Ltd</li> <li>2.Director, Zhong-Wei Investment Co.,Ltd</li> </ol>	—	2,848,476
Director	Lin, Wen-Yuan	<ol style="list-style-type: none"> <li>1.Master of Graduate School of Civil Engineering, University of Hawaii, USA.</li> <li>2.Vice Chairman, Commission of</li> </ol>	<ol style="list-style-type: none"> <li>1.Chairman, Eastern Broadcasting Co., Ltd.</li> <li>2.Chairman,Taiwan Styrene Monomer</li> </ol>	—	—

Position	Name	Major Education/ Work Experience	Current Occupation	The name of the government or legal person represented	Shareholdings
		National Corporations. Ministry of Economic Affairs. 3.Chairman,Taiwan Power Company. 4.Chairman,Taiwan Cogeneration Corporation 6.Chairman,China Steel Corporation.	3.Chairman, Yangmingshan Tien Lai. Resort & Spa.		
Director	Liu,Kong-Hsin	1.National Taiwan Ocean University Department of Shipping & Ttransportation Management. 2.Assistant Vice President, Formosa Plastics Group. 3.Director, Formosa Chemicals & Fibre Corporation. 4.Chairman ,Solartech Energy Corp.	1President, Long Deed Corporation 2.Independent Director, Keysheen (Cayman) Holdings Co., Limited 3.Director, Taiwan Speciality Chemicals Corp. 4.Director,Top Green Energy Technologies Inc	Long deed corporation	1,765,165
Director	Faa-Jeng Lin	1.Ph. D., Electrical Engineering, National Tsing-Hua University 2.IEEE Fellow. 3 Member, Science and Technology Policy Advisory Office, Board of Science & Technology, Executive Yuan, Taiwan. 4.Director, Joint Research Center, National Central University	1.Chair Professor, Dept. of Electrical Engineering, Dean, College of Electrical Engineering and Computer Science, National Central University 2.Executive Director. Taiwan Power Company	National Development Fund, Executive Yuan	175,119,300
Director	Chou Chung-Pin	1.Master of Industrial Management , National Taiwan University of Science and Technology. 2.Industrial Development Bureau Division Director	Industrial Development Bureau Secretary General	Yaohua Glass Co., Ltd. Management Commission	167,145,851
Director	Chiang, Wen-Hsing	1.National Chung Cheng University Department of Finance Master's degree. 2.National Tsing Hua University Department of Materials Science and Engineering Bachelor's degree. 3.Delta Electronics, Inc. Power and system BG DC power BU Sr. Director. 4.Taiwan Optoelectronic Semiconductor Industry Association Vice-Chairman3.Delta Electronics, Inc. Power and system BG DC power BU Sr. Director.	General Manager Building Automation Solutions BU Delta Electronics, Inc,	—	—

Position	Name	Major Education/ Work Experience	Current Occupation	The name of the government or legal person represented	Shareholdings
		5.Photonics Industry & Technology Development Association Supervisor. 6.TOSIA Vice Chairman.			
Independent Director	Chang Jing-Shin	1.Ph.D.,National Tsing Hua University. 2.Assistant Professor,National Chi Nan University.	—	—	—
Independent Director	Tsai Ming-Fang	1Ph.D.,degrees,Graduate Institute of Industrial Economics, National Central University. 2.Independent Director ,First Life Insurance Co.,Ltd. 3.Independent Director BankTaiwan Securities Co.,Ltd.	1.Professor , Department of Industrial Economics , Tamkang University. 2.Independent Director ,Taiwan Financial Holding Co.,Ltd. 3.Independent Director ,Bank of Taiwan. 4.Director ,Grand Carhay Venture Capital Co., Ltd. 5.Director ,Eminent II Venture Capital Corporation.	—	—
Independent Director	Chang,Chien-Yi	1.Ph.D., Economics, National Taipei University Taiwan. 2.Associate Fellow,Division II,Taiwan Institute Of Economic Research. 3.Assistant Fellow,Division II,Taiwan Institute Of Economic Research. 4.Assistant Fellow,Department Of Mainland China Conomic,Chung Hua Institute for Economic Research.	1.President,Taiwan Institute of Economic Research. 2.Director,Research Division II,Taiwan Institute Of Economic Research. 3.Research Fellow,Taiwan Institute of Economic Research. 4.Board of Director,Central Bank of the Republic of China(Taiwan ). 5.Board of Director, Chang Bank . 6.Board of Director, Yang Ming Marine Tarnsport. 7.Board of Director, Asia Pacific Emerging Industries Venture Capital Co.,Ltd.	—	—

# APPENDIX

## **APPENDIX 1**

# **Articles of Incorporation of United Renewable Energy Co., Ltd.**

### **Chapter I. General Provisions**

#### **Article 1**

This Corporation, organized under the Company Act of the Republic of China, shall be named: United Renewable Energy Co., Ltd. (the "Corporation").

#### **Article 2**

The scope of business of the Corporation shall be:

1. CC01080 Electronic Parts and Components Manufacturing
2. CC01090 Batteries Manufacturing
3. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
4. IG03010 Energy Technology Services.
5. E601010 Electrical Systems Business
6. F119010 Wholesale of Electronic Materials (Operation is restricted to be made outside Hsinchu Science Park)
7. F219010 Retail Sale of Electronic Materials (Operation is restricted to be made outside Hsinchu Science Park)
8. F401010 International Trade

To research, develop, design, manufacture and sell following products:

- (1) Solar batteries and related systems.
- (2) Solar power generation modules and wafers.
- (3) Also engage in imports and exports in relation to the products of the Corporation.

#### **Article 3**

The Corporation may make investment in other company to meet business demand. The Corporation may, upon the resolution adopted by the board of directors, also act as a shareholder with limited liability of another company, and its investment may exceed 40% of the paid-in capital of the Corporation, notwithstanding Article 13 of the Company Act.

#### **Article 4**

The Corporation may, upon the resolution adopted by the board of directors, provide guarantee or endorsement to other company to meet business or investment demand.

#### **Article 5**

The Corporation shall have its head office in Hsinchu Science Park. When deemed necessary, branches, factories and offices may be set up at appropriate locations within or outside the territories of the Republic of China by resolution of the Board of Directors.

### **Chapter II. Shares**

#### **Article 6**

The total capital of the Corporation is authorized at NT\$36,000,000,000, which is divided into 3,600,000,000 common shares with a par value of NT\$10 per share. Out of the total capital, NT\$800,000,000, which are divided into 80,000,000 common shares with a par value of NT\$10 per share, are reserved for issuing employee stock options, with the board of directors authorized to handle it in accordance with the Company Acts and relevant laws and regulations.

#### **Article 6-1**

The treasury stock purchased in accordance with law by the Company can be transferred to the targets including the employees who are eligible to the control of conditions or the subsidiary employees.

The Company's employee stock option certificates are issued to the targets including the employees who are eligible to the control of certain conditions or the subsidiary employees.

When the Company issues new shares, the employees who purchased the shares include the employees who are eligible to the control of certain conditions or the subsidiary employees. The Company's issuance of new restricted employee shares to the targets include the employees who are eligible to the control of certain conditions or the subsidiary employees.

#### **Article 7**

The Company's stock adopts an inscribed manner. And, with signatures or seals by 3 or more directors, after being approved by the Competent Authorities or an issue registration institution ratified by the Competent Authorities under law, the stock can then be issued. Shares issued by the Company are free of printing share, but they should be registered at a Central Securities Depository (CSD).

#### **Article 8**

The share certificates of the Corporation shall bear the shareholders' names. If the shareholder is an individual shareholder, his/her name and resident address shall be stated in the roster of shareholders. If the shareholder is a corporate shareholder, the name of its representative and his/her resident address shall be stated in the roster of shareholders. If the share certificate is owned by two shareholders or more, a representative shall be elected among them.

#### **Article 9**

Regarding registration of share transfer, no change of account name and ownership transfer is allowed within 60 days before a shareholders' meeting is held, within 30 days before an extraordinary shareholders' meeting is held, or within 5 days before the base day when Company decides to distribute dividends and bonus or other benefits. The Company's shareholders proceed with share related affairs, including share transfer, loss, inheritance, grant, and loss, change of chop or address change under the Company Law, "Criteria Governing Handling of Stock Affairs by Public Stock Companies", and other related law and regulation.

### **Chapter III. Shareholders' Meetings**

#### **Article 10**

Shareholders' meetings of the Corporation are of two kinds, namely, general meetings and special meetings.

General meetings shall be called by the Board of Directors, within six months after the end of each fiscal year.

Special meetings may be called by the Board of Directors in accordance with law, if necessary.

#### **Article 11**

30-day prior written notice shall be sent to all shareholders at their latest places of residence as registered with the Corporation for the convocation of a general meeting; 15-day written prior notice shall be sent to all shareholders at their latest places of residence as registered with the Corporation for the convocation of a special meeting. All notices shall state the purpose for the convocation of the meeting.

After the Corporation publicly issues share certificates, notice of convocation of meeting by publication may be made to the shareholder holding less than 1,000 registered shares.

#### **Article 12**

The quorum for all shareholders' meetings shall be the presence of shareholders representing more than one half of the total issued and outstanding shares; unless otherwise provided in the Company Act. All resolutions shall be passed by the concurrence of shareholders representing a majority of votes of the shareholders present, unless otherwise provided in the Company Act.

#### **Article 13**

If a shareholder is unable to attend a shareholders' meeting in person, such shareholder may authorize a proxy to attend the meeting, and exercise all rights of such shareholder, by the power of attorney printed by the Corporation specifying the scope of authorization to represent him/her at the meeting, in accordance with Article 177 of the Company Act.

**Article 14**

The shareholders of the Corporation shall be entitled to one vote for each share, but a shareholder have no voting power, if such shareholder is subject to the circumstance as specified in Article 179 of the Company Act.

**Article 15**

When a Shareholders' meeting is called by the Board of Directors, the Chairman of the Board shall serve as chairman of the meeting. In case the Chairman of the Board is unable to exercise his functions because of leave of absence, the Vice Chairman of the Board of Directors, shall preside in lieu of him; or if the Vice Chairman of the Board of Directors is unable to exercise his functions because of leave of absence, the Chairman of the Board shall designate one of the Directors to preside in lieu of him, otherwise the Directors shall elect one from among themselves to preside in lieu of the Chairman.

**Article 16**

Shareholders meeting's resolutions shall be made into minutes, which, after being signed or sealed by the Chairman, are distributed to all shareholders within 20 days after the meeting. Distribution of the above-said minutes shall proceed pursuant to the Company Law. The minutes, along with the signature book of attending shareholders and power of attorney for attendance forms, shall be kept in the Company.

**Chapter IV. Directors****Article 17**

The Corporation shall have 9 to 13 Directors, all to be elected at a shareholders' meeting from the persons with disposing capacity. The tenure of office of Directors will be 3 years and they will be eligible for re-election. The independent directors shall not be less than three in number and shall not be less than one-fifth of the total number of directors. The directors (, which includes independent directors,) are elected according to Article 192-1 of the Company Law shareholders from the list of candidates who are nominated. All relevant matters are followed by the Company Law and Securities and Exchange Act. For regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors, it shall be handled in accordance with the related provisions of the competent authority.

**Article 17-1**

The Corporation may secure liability insurance against any claims against directors in their performance of the business of the Corporation, to protect the rights and interest of all directors and minimize the risk of the Corporation's business operation.

**Article 18**

The Directors are members of the Board and shall elect from among themselves a Chairman of the Board with concurrence of a majority of Directors present at a Board meeting attended by at least two-thirds of the Directors. The Vice Chairman shall also be elected in the same manner. For the aggregate shareholding ratio of all shareholders after the Corporation publicly issued its share certificates, it shall be handled in accordance with the related provisions of the competent authority.

**Article 19**

The Chairman shall externally represent the Corporation and shall internally preside at the shareholders' meetings and the Board of Directors' meeting.

**Article 20**

The Chairman of the Board shall serve as the chairman of the Board of Directors' meeting. In case the Chairman of the Board cannot exercise his functions for some reasons, the Vice Chairman of the Board shall preside in lieu of him; or the Vice Chairman of the Board is unable to exercise his functions for some reasons, the Chairman of the Board shall designate one of the Directors to preside in lieu of him, otherwise the Directors shall elect one from among themselves to preside in lieu of the Chairman.

### **Article 21**

The Board of Directors' meeting shall be called by the Chairman of the Board; provided that the initial meeting of each term of the Board of Directors shall be called by the director who receives the number of ballots representing the greatest number of votes. The notice for the Board of Directors' Meeting shall state the date, place and agenda of the meeting, and shall be sent by letter, e-mail or fax to each Director 7 days prior to the meeting; provided, however, that in case of emergency, the meeting may be called by the Board of Directors at any time by email or telephone. If Director can attend the meeting in person, it shall be deemed as a waiver of notice.

### **Article 22**

The Board of Directors is authorized to determine the remuneration of the Directors, with reference to the standards of the same industry in Taiwan.

For payment of remuneration of the Directors in their participation in performance of business or their holding concurrent positions of the Corporation, the Shareholders' meeting authorize the Chairman of the Board to handle it in accordance with the Rules for Internal Administration of the Corporation.

### **Article 23**

The Board of Directors adopts resolutions in the Board of Directors' Meeting to perform its functions. At least one Board of Directors' meeting shall be held each quarter.

### **Article 24**

The functions and powers of the Board of Directors are as follows:

- (1) To formulate important rules and regulations;
- (2) To decide the business policies and plans for the Corporation;
- (3) To approve budget and closing of books;
- (4) To appoint and discharge managerial officers;
- (5) To recommend distribution of profits or covering of losses;
- (6) To formulate and approve the purchase and disposition of important assets and immovable;
- (7) To provide, in the name of the Corporation, guarantee, endorsement, acceptance of bills, and undertaking to other party; to formulate rules for advancing money to, lending money to, and borrowing money from other person.

The Board of Directors may set up all kinds of functional committees. These functional committees shall formulate the rules for their own functions and powers. Implementation shall be made of these rules after the Board of Directors approves them.

### **Article 25**

A Director may by written authorization appoint another Director to attend a Board meeting on his behalf and to vote for him on all matters presented at such meeting. No Director may act as a proxy for more than one other Director.

### **Article 26**

Resolution matters of the Board of Directors shall be made into minutes, which, after being signed or sealed by the Chairman or chair of the Board of Directors, are distributed to all directors. The minutes, along with the signature book of attending directors and power of attorney for attendance forms, shall be kept in the Company.

### **Article 27**

The Corporation establishes an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee is composed of 3 independent directors, one of them is convener, and at least one of them shall have accounting or financial expertise. A resolution of the audit committee shall have the concurrence of one-half or more of all members. The audit committee established by the Corporation in accordance with law is responsible for exercising the functions and powers of supervisor prescribed in the Company Act, Securities and Exchange Act, other laws and regulations, the Articles of Incorporation of the Corporation, and all Rules. The provisions of Article 25 of these Articles of Incorporation hereto with regard to attendance by proxy at meeting shall apply mutatis mutandis to the attendance of independent directors at audit committee.

### **Article 28**

The supervisor system will be revoked at the establishment date of audit committee. The term of

incumbent supervisor ends at the establishment date of audit committee of the Corporation.

#### **Article 29**

The Board of Directors may appoint several secretaries and assistants to handle and keep the minutes of Board of Directors' meeting and Shareholders' meeting, and the important documents and contracts for the Corporation.

### **Chapter V Managerial Officers**

#### **Article 30**

The Corporation may have managerial officers. Their appointment and dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.

#### **Article 31**

The Corporation may have one Chief Operating Officer, who shall take charge of all daily affairs of the Corporation, supervise, execute and manage the business of the Corporation in compliance with the instruction of the Chairman of the Board.

### **Chapter VII. Accounting**

#### **Article 32**

At the end of each fiscal year, the Board of Directors shall prepare the following statements and forward them on to the audit committee for examination; the audit committee shall examine them and submit an audit report to the General Shareholders' Meeting for ratification:

- (1) Business report.
- (2) Financial statements.
- (3) Proposal concerning appropriation of net profits or covering of losses.

#### **Article 33**

The Company shall, after retaining the amount of accumulated deficit cover, deduct the profit before appropriating remuneration of employees and directors from the current profit before tax. If there is still a surplus, the remuneration of employees shall be no less than 3%, and the remuneration of directors shall not exceed 2%. Actual value of appropriation shall be made by the Board of Directors with more than two-thirds of the directors' attendance and the resolution by more than half of the directors.

Targets of the employees' remuneration issuance shall include the employees who are eligible to the control of certain conditions or the subsidiary employees. The Board of Directors or its authorized person are authorized to set the relevant conditions and procedures.

Whether the employees' remuneration should be in stock or cash shall be made by the Board of Directors with more than two-thirds of the directors' attendance and the resolution by more than half of the Directors and reported to the shareholders' meeting.

#### **Article 33-1**

If the Company has surplus earnings after settlement of each fiscal year, the company shall, after all taxes have been paid and its accumulated losses have been covered, first set aside 10% of such earnings as a legally required reserve and then set a certain amount by law as special reserve at the time of earnings distribution. When the legal reserve reaches the total amount of paid-in capital, it shall not be appropriated, If earnings still left after the arrangements above, with cumulative unappropriated retained earnings, the Board of Directors shall propose to distribute the proposal. When issuing new shares, it should be first submitted to the shareholders' meeting for resolution and then distributed.

In accordance with the provisions of the Company Act, the Company authorizes more than two-thirds of the directors from the Board of Directors to attend, and the resolution by more than half of the directors. All or a part of dividends and bonuses or the legal reserve and additional paid-in capital stipulated by Paragraph 1 of Article 241 of the Company Act shall be distributed in cash and reported to the shareholders' meeting.

The shareholders' bonus is based on the principle of matching stock dividends and cash dividends,

and the distributed cash dividends are not be less than 10% of the total bonus of shareholders.

## **Chapter VIII. Supplement Provisions**

### **Article 34**

After the Company's shares go public, if the Company's shares are to be cancelled of going public, the Board of Directors shall be requested for a special\_resolution. And this article shall not be changed during emerging stock period and listed period.

### **Article 35**

Any matters not provided for in these Articles of Incorporation shall be governed by the Company Act and related laws and regulations.

### **Article 36**

These Articles of Incorporation are adopted on August 12, 2005.

The 1st amendment is made on September 12, 2005.

The 2nd amendment is made on November 3, 2005.

The 3rd amendment is made on November 21, 2005.

The 4th amendment is made on December 30, 2005.

The 5th amendment is made on May 17, 2006.

The 6th amendment is made on July 28, 2006.

The 7th amendment is made on August 28, 2006.

The 8th amendment is made on May 17, 2007.

The 9th amendment is made on December 26, 2007.

The 10th amendment (Part I) is made on May 30, 2008.

The 10th amendment (Part II, 1st revision) is made on May 30, 2008.

The 10th amendment (Part II, 2nd revision) is made on May 30, 2008.

The 11th amendment is made on June 30, 2008.

The 12th amendment is made on June 19, 2009.

The 13th amendment is made on June 18, 2010.

The 14th amendment is made on April 11, 2011

The 15th amendment is made on June 19, 2012

The 16th amendment is made on May 31, 2013

The 17th amendment is made on June 11, 2014

The 18th amendment is made on June 16, 2016

The 19th amendment is made on June 14, 2017

The 20th amendment is made on March 28, 2018. The amendment to Articles 6 and 17 were effected on March 28, 2018. The amendment to Article 1 will be effective on the merger record date with Gintech Energy Corporation and Solartech Energy Corporation.

The 21st amendment was made on June 17, 2019

The 22st amendment was made on June 22, 2020

United Renewable Energy Co., Ltd.  
Chairman: Hong, Chum-Sam

## APPENDIX 2

### United Renewable Energy Co., Ltd. Rules for Election of Directors

Reformulate on Jun 13, 2014

#### Article 1

Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

#### Article 2

The election of directors shall adopt a disclosed cumulative voting method. Each share represents a weighted number of voting rights equivalent to the number of directors to be elected; such voting rights may be exercised to collectively elect a single candidate or may be distributed among several candidates.

This Company's directors shall be elected by adopting the candidate nomination system specified in Article 192-1 of the ROC Company Law.

The qualification and way of electing independent director of the Company shall conform to the regulations including "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies".

#### Article 3

Election of directors of this Company shall be held at the shareholders' meeting. The board of directors shall prepare ballots and note the number of voting rights.

Each voter will be identified by his/her attendance card number as printed on his/her ballot.

#### Article 4

At the beginning of the election, the Chairman shall appoint several persons each to check and record the ballots. The persons to check the ballots may be appointed from among the shareholders present.

#### Article 5

The ballot box used for voting shall be prepared by this Company and checked in public by the person to check the ballots before voting.

#### Article 6

If the candidate is a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name and shareholder's number. If the candidate is not a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name and the candidate's ID number. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) should be filled in the column. If there are several representatives, each of the representatives' names must be filled in.

#### Article 7

Capable attendant to the Shareholders Meeting shall be elected as the Director of the Company; In the election of directors of this Company, independent directors and non-independent directors should be elected from the same election with the effective seats calculated specifically. Candidates who acquire more votes should individually win the seats of directors. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.

#### Article 8

Ballots shall be deemed void under the following conditions:

- (1) The ballot was not prepared by a person with the right to convene.
- (2) A blank ballot is placed in the ballot box.
- (3) The writing is unclear and indecipherable or has been altered.
- (4) If the candidate is a shareholder of this Company, the name or shareholder's number of the candidate filled in the ballot inconsistent with the shareholders' register. If the candidate is not a shareholder of this Company, the name or ID number of the candidate filled in the ballot is incorrect.
- (5) Other words or marks are entered in addition to the number of voting rights allotted.

(6) The candidate's name is same as that of other shareholders and Shareholder Account No. or I. D. Card No. which is for identification is not filled.

(7) Two or more than two elected persons are filled and listed in the same ballot.

Article 9

The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.

Article 10

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

Article 11

(1) The elected person as the Director in this Company who does not meet the conditions set forth in Article 10 of the Measures herein shall determine the elected Director pursuant to this article and the elected status shall void.

(2) The elected director is one who has the highest votes representing voting rights with two or two above among all.

Article 12

Any subject matters uncovered in the Measures herein shall be subject to the Company Act and related laws and regulations.

Article 13

These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

## APPENDIX 3

### United Renewable Energy Co., Ltd. Rules and Procedures of Shareholders' Meeting

Established on May 17, 2007

#### Article 1

The rules of procedures for the company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

#### Article 2

Unless otherwise provided by law or regulation, the company's shareholders meetings shall be convened by the board of directors.

#### Article 3

The venue for a shareholders meeting shall be the premises of the company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

#### Article 4

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, its proxy shall be assigned in accordance with the provisions in the Company Act.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

#### Article 5

When the shareholder cannot attend the shareholders meeting in person, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the company and stating the scope of the proxy's authorization.

If one person is entrusted by two or more shareholders at the same time, its acting voting rights shall not exceed 3 percent of the total number of voting rights of the issued shares unless approved by stock transfer agency of trust business or competent agencies for securities. When it exceeds the voting rights, it shall not be counted towards number of votes.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting and shall deliver the proxy form to the company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

#### Article 6

The company shall prepare attendance book for the shareholders attended in person or the entrusted proxy by the shareholder to sign-in his/her attendance. Sign-in cards handed in by the attending shareholders can also be considered as sign-in attendance to replace signing in on the attendance book. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

#### Article 7

Attendance at shareholders meetings shall be calculated based on numbers of shares.

#### Article 8

The chair shall call the meeting to order when the attending shareholders represent a majority of the total number of issued shares. When the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made.

If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the agreement of a majority of the votes represented by the attending shareholders can be formed as tentative resolution.

After the tentative resolution formed in accordance with the preceding paragraph, when, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

#### Article 9

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. However, the execution of its voting rights is calculated based on its shareholdings.

#### Article 10

The company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

#### Article 11

The company shall make an uninterrupted audio and video recording of the proceedings of the shareholders meeting and the recorded materials shall be retained for at least 1 year.

#### Article 12

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

#### Article 13

Before speaking, an attending shareholder or proxy must specify on a speaker's slip the subject of the speech, his/her shareholder account number or attendance card number, and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance or proxy who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

#### Article 14

For the proposals listed in the meeting agenda by the shareholders or proxies, if there is an amendment or an alternative to a proposal or extraordinary motions put forward by the shareholders, it shall be seconded by other shareholders or proxies. Same applies when there is a change to the meeting agenda or extraordinary motions of meeting adjourned.

#### Article 15

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.

If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

#### Article 16

When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

#### Article 17

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

#### Article 18

For the discussion of proposals, when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

#### Article 19

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the company.

Vote counting shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting shall be announced on-site at the meeting, and a record made of the vote.

#### Article 20

When a meeting is in progress, the chair may announce a break based on time considerations.

#### Article 21

Except as otherwise provided in the Company Act and in this company's articles of incorporation, the passage of a proposal shall require over an affirmative vote of the majority number of the voting rights represented by the attending shareholders.

The passage of a proposal shall consider as passed after the chair asking for all the shareholders in attendance and none holds other opinions. This is as effective as voting.

If other opinions exist, then the passage of a proposal shall undergo discussion and voting. However, after the chair has asked for other opinions and announced with confirmation, other opinions shall not be submitted additionally.

#### Article 22

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

#### Article 23

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

#### Article 24

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting. The meeting minutes may be produced and distributed in electronic form in accordance with the provisions in the Company Act.

#### Article 25

When a meeting is in progress, the chair may announce a break based on time considerations.

If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

#### Article 26

Provisions in the Company Act and the company's articles of incorporation shall be complied for matters not mentioned herein.

#### Article 27

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

## APPENDIX 4

# United Renewable Energy Co., Ltd.

## Shareholdings of Directors

1. The paid-in capital of the company is NT\$ 26,653,113,320 and the total number of issued shares is 2,665,311,332 shares till book closure date for the current annual shareholders meeting, March 9, 2021.
2. According to Article 26 of Securities Exchange Act, the legal least shareholdings of directors and the shareholdings of the individual and all directors registered on shareholders list till book closure date for the current annual shareholders meeting, March 9, 2021 have satisfied legal standard numbers.

(1) Legal least shareholdings of directors till March 9, 2021:

Position	Minimum shares	Recorded of the shareholders register
Directors	63,967,471 Shares	352,965,924 Shares

(2) Details for shareholdings of the directors till March 9, 2021.

Position	Name	Shareholdings
Chairman	Hong, Chum-Sam	2,411,945
Directors	Lin, Kun-Si	3,675,187
Directors	Pan, Wen-Whe	2,848,476
Directors	Lin, Wen-Yuan	0
Directors	LONG DEED CORPORATION Delegate: Liu, Kong-Hsin	1,765,165
Directors	National Development Fund, Executive Yuan Delegate: Chiou Yih-Peng	175,119,300
Directors	Yaohua Glass Co., Ltd. Management Commission Delegate: Chou, Chung-Pin	167,145,851
Directors	Chiang, Wen-Hsing	0
Independent Director	Weng, Ming-Jeng	0
Independent Director	Andrew C. Hsu	0
I Independent Director	Tsai, Ming-Fang	0
Total		352,965,924

3. The Company has established the audit committee. Therefore, supervisors' shareholding requirements are not applicable. ◦