Stock Code: 8422

Cleanaway Company Limited

Individual financial report and accountant's audit report
2021 and 2020

(若與中文版有差異以中文版為主)
The English report is a translation of the original in Chinese for information purpose only. In case of a discrepancy, the Chinese version will prevail.

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Accountant's Audit Report

Cleanaway Company Limited For your information:

Audit opinions

We have audited the Parent Company Only Balance Sheets of Cleanaway Company Limited as of December 31, 2021 and 2020, and the Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, Parent Company only Statements of Cash Flows, and Notes to Parent Company Only Financial Statements (including the summary on significant accounting policies) from January 1 to December 31, 2021 and 2020.

In our opinion, the Parent Company Only Financial Statements referred to above present fairly, in all material respects, the parent company only financial position of Cleanaway Company Limited as of December 31, 2021 and 2020 and its financial performance and cash flows from January 1 to December 31, 2021 and 2020 in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

Basis of Audit Opinions

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards. Our responsibilities under those standards are further described in the Accountant's Responsibilities for the Audit of the Parent Company Only Financial Statements section of this report. We, subject to the norm of independence, have stayed independent from Cleanaway Company Limited as required by The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled other responsibilities as stipulated by the Norm. 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 refer to the matters that, in our professional judgment, were of most significance in our audit of the 2021 Parent Company Only Financial Statements of Cleanaway Company Limited. These matters have been addressed in the context of our audit of the Parent Company Only Financial Statements as a whole, and in forming our audit opinion. As such, we do not express a separate opinion on these matters.

We have identified the key audit matters in the 2021 Parent Company Only Financial Statements of Cleanaway Company Limited as follows:

Recognition of solidification revenue

For the accounting policies for operating revenue, please refer to Note 4(13) to the Parent Company Only Financial Statements.

Cleanaway Company Limited is a company that provides intermediate solidification treatment services for hazardous wastes. The hazardous wastes after solidification process are buried by its subsidiaries that operate landfill businesses. The aforesaid intermediate solidification treatment process is subject to a number of steps. There is a lead time from the receipt of the wastes to the completion of the disposal for landfill, which may affect the appropriateness of the timing of revenue recognition due to the manual operation. Therefore, the timing for recognition of solidification revenue is considered by us to be a key audit matter for the year. Therefore, the recognition time point is considered by us to be a key audit matter for the year.

The key audit procedures conducted by us in regard to the aforementioned matter are as follows:

1. Understand and test the effectiveness of internal controls concerning the accuracy of timing for solidification revenue recognition. The relevant control points of Cleanaway Company Limited include the recognized revenue forms automatically generated by the system based on the completion of inspection of solidification and the timing of entry into the landfill. The records are checked one by one manually to verify whether the account receivables generated by the system are consistent with the waste management summary table.
2. Perform the cut-off test on revenue recognized before and after the end of year and check the acceptance reports on waste disposal and documents from external environmental agencies to ensure the appropriateness of the timing of revenue recognition.

Responsibilities of management and governing body for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the accounting reports in accordance with "Regulations of Financial Treatment of Industrial and Commercial Groups" promulgated by Ministry of the Interior and Enterprise Accounting Standards and its interpretations, and for maintenance of necessary internal control in the preparation of the Parent Company Only Financial Statements, so as to ensure that the Parent Company Only Financial Statements are free from material misstatements, whether due to fraud or error.

In preparing the Parent Company Only Financial Statements, management is responsible for assessing the ability of Cleanaway Company Limited to continue as a going concern, disclosing relevant matters and adopting the going concern basis of accounting, unless the management intends either to liquidate Cleanaway Company Limited, or cease its operations, or has no other realistic alternative but to do so.

The governing body of Cleanaway Company Limited (including Supervisors) are responsible for supervising the preparation of the financial statements.

Auditor's responsibilities for the audit of the parent company only financial statements

The purpose of our audit on the Parent Company Only Financial Statements is to obtain reasonable assurance as to whether the Parent Company Only Financial Statements as a whole contain material misstatement due to fraud or error, and to provide an audit report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted accounting standards (GAAP) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material. The misstated amounts are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Parent Company Only Financial Statements; design and carry out appropriate countermeasures for the evaluated risks; obtain sufficient and appropriate audit evidence to provide a basis for our audit 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 controls relevant to the audit in order to design appropriate audit procedures under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of Cleanaway Company Limited.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude, based on the audit evidence obtained, on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists for events or conditions that may cast significant doubts on the ability of Cleanaway Company Limited to continue as a going concern. If we reckon that material uncertainties exist in the events or conditions, we are obliged to include in our audit report a reminder that draws the attention of users of the Parent Company Only Financial Statements to relevant disclosures contained therein, or to modify our audit opinion when such disclosures are considered inappropriate. 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 Cleanaway Company Limited to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Parent Company Only Financial Statements (including relevant notes), and whether it fairly presents the underlying transactions and events.

6. Obtain sufficient and appropriate audit evidence concerning the financial information of entities within Cleanaway Company Limited to express an opinion on the Parent Company Only Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Group and the preparation of an audit opinion on Cleanaway Company Limited.

We communicate with the governing body 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 the governing body 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 the governing body, we determined the key audit matters of Cleanaway Company Limited's Parent Company Only Financial Statements for 2021. 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.

Deloitte & Touche

Chin-chuan Shih, CPA

Yong-Ming Qiu, CPA

Securities and Futures Commission Approval No.
Tai Cai Zheng Liu Zi No. 0930128050

Financial Supervisory Commission Approval No.
Jin Guan Zheng Shen Zi No. 1100356048

Republic of China February 25, 2022

Cleanaway Company Limited

Individual Balance Sheets

December 31, 2021 and 2020

Unit: thousand NTD

Code	Assets	December 31, 2021 Amount	%	December 31, 2020 Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes 4 and 6)	$ 69,485	1	$ 510,801	8
1136	Financial assets at amortized cost - current (Notes 4, 7 and 28)	6,131	-	115,770	2
1140	Contract assets - current (Notes 4 and 20)	82,785	1	138,377	2
1170	Accounts receivable (Notes 4, 8 and 20)	107,402	2	158,244	3
1181	Accounts receivable - related parties (Notes 4, 20 and 27)	8,573	-	8,270	-
1210	Other receivables - related parties (Notes 4 and 27)	401,055	6	448,247	7
1330	Inventories (Note 4)	1,653	-	2,003	-
1479	Other current assets (Notes 13 and 28)	4,471	-	13,645	-
1482	Contract performance costs (Notes 4 and 20)	1,185	-	345	-
11XX	Total current assets	682,740	10	1,395,702	22
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4, 9 and 26)	5,000	-	-	-
1550	Investments accounted for using the equity method (Notes 4, 5 and 10)	4,096,489	62	3,265,187	50
1560	Contract assets - non-current (Notes 4 and 20)	10,521	-	-	-
1600	Property, plant and equipment (Notes 4, 11 and 28)	1,345,940	20	1,357,602	21
1755	Right-of-use assets (Notes 4 and 12)	369,844	6	378,583	6
1840	Deferred tax assets (Notes 4 and 22)	4,309	-	4,323	-
1915	Prepayments for land and equipment (Note 13)	500	-	1,383	-
1920	Refundable deposits (Notes 4 and 13)	95,059	1	47,378	1
1990	Other non-current assets (Note 13)	32,952	1	21,953	-
15XX	Total non-current assets	5,960,614	90	5,076,409	78
1XXX	Total assets	$ 6,643,354	100	$ 6,472,111	100

Code	Liabilities and equity	December 31, 2021 Amount	%	December 31, 2020 Amount	%
	Current liabilities				
2100	Short-term loans (Note 14)	$ 100,000	1	$ -	-
2170	Accounts payable (Note 15)	5,227	-	4,014	-
2180	Account payable - related parties (Note 27)	69,125	1	41,404	1
2219	Other payables (Note 16)	239,825	4	234,753	4
2220	Other payables - related parties (Note 27)	11,397	-	9,192	-
2230	Income tax liabilities for the current period (Notes 4 and 22)	36,543	1	32,058	1
2280	Lease liabilities - current (Notes 4, 12 and 27)	8,438	-	7,940	-
2399	Other current liabilities (Notes 4, 16 and 20)	839	-	21,084	-
21XX	Total current liabilities	471,394	7	350,445	6
	Non-current liabilities				
2550	Cost provisions for plant restoration and maintenance (Notes 4, 5 and 17)	7,196	-	7,070	-
2580	Lease liabilities - non-current (Notes 4, 12 and 27)	372,158	6	376,830	6
2640	Net defined benefit liabilities - non-current (Notes 4 and 18)	11,990	-	12,284	-
2645	Guarantee deposits received (Notes 4 and 27)	-	-	10,000	-
25XX	Total non-current liabilities	391,344	6	406,184	6
2XXX	Total liabilities	862,738	13	756,629	12
	Equity (Note 19)				
	Share capital				
3110	Ordinary shares	1,088,880	16	1,088,880	17
3200	Capital surplus	1,706,221	26	1,701,911	26
	Retained earnings				
3310	Statutory surplus reserves	1,409,227	21	1,291,588	20
3320	Special surplus reserves	2,780	-	2,771	-
3350	Undistributed earnings	1,576,579	24	1,633,095	25
3300	Total retained earnings	2,988,586	45	2,927,454	45
	Other equity				
3410	Exchange differences on translation of financial statements of foreign operating institutions (Notes 4 and 10)	(2,529)	-	(2,369)	-
3420	Unrealized profit or loss on valuation of financial assets at fair value through other comprehensive income (Notes 4 and 10)	(542)	-	(394)	-
3400	Total other equity	(3,071)	-	(2,763)	-
3XXX	Total equity	5,780,616	87	5,715,482	88
	Total liabilities and equity	$ 6,643,354	100	$ 6,472,111	100

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Chairman: Yang Chinghsiang　　Manager: Yang Yungfa　　Accounting Supervisor: Hong Pingcheng

Cleanaway Company Limited

Parent Company Only Statements of Comprehensive Income

January 1 to December 31, 2021 and 2020

Unit: Thousands NTD
Earnings per share is dollar

Code		2021 Amount	2021 %	2020 Amount	2020 %
4000	Net operating income (Notes 4, 20 and 27)	$ 912,436	100	$ 1,082,227	100
5000	Operating cost (Notes 4, 17, 18, 21 and 27)	618,610	68	720,676	67
5900	Gross profit	293,826	32	361,551	33
	Operating expenses (Notes 18, 21 and 27)				
6200	Administrative expenses	113,566	13	102,561	9
6300	Research and development expenses	27,589	3	20,025	2
6450	Expected credit losses (reversal of gains) (Notes 4, 8 and 27)	221	-	(89)	-
6000	Total operating expenses	141,376	16	122,497	11
6900	Net operating profit	152,450	16	239,054	22
	Non-operating income and expenses				
7070	Share of interests of subsidiaries and associates accounted for using the equity method (Notes 4 and 10)	1,039,018	114	987,942	91
7100	Interest income (Note 27)	2,350	-	5,172	1
7190	Other income	2,026	-	4,807	-
7610	Loss on disposal of property, plant and equipment (Note 4)	(835)	-	-	-
7625	Loss on disposal of investment	(1)	-	-	-
7228	Gains on lease termination	47	-	19	-
7510	Interest expense (Notes 4 and 27)	(4,928)	-	(4,575)	-
7000	Total non-operating income and expenses	1,037,677	114	993,365	92

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Code		2021 Amount	2021 %	2020 Amount	2020 %
7900	Profit before tax	$ 1,190,127	130	$ 1,232,419	114
7950	Income tax expense (Notes 4 and 22)	36,958	4	55,200	5
8200	Net profit for the current year	1,153,169	126	1,177,219	109
	Other comprehensive income				
8310	Items that will not be reclassified to profit or loss				
8311	Remeasurement of defined benefit plan (Notes 4 and 18)	(178)	-	(1,070)	-
8326	Unrealized profit or loss on valuation on investments in equity instruments at fair value through other comprehensive income of associates (Notes 4 and 10)	(164)	-	(394)	-
8330	Share of other comprehensive income of subsidiaries and associates accounted for using the equity method - Items that will not be reclassified to profit or loss (Notes 4 and 10)	624	-	27	-
8349	Income tax relating to items that will not be reclassified (Notes 4 and 22)	35	-	214	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of financial statements of foreign operating institutions (Notes 4 and 10)	(161)	-	402	-
8300	Other comprehensive income for the current year, net of income tax	156	-	(821)	-
8500	Total comprehensive income for the current year	$ 1,153,325	126	$ 1,176,398	109
	Earnings per share (Note 23)				
9710	Basic	$ 10.59		$ 10.81	
9810	Diluted	$ 10.57		$ 10.78	

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Chairman: Yang Chinghsiang Manager: Yang Yungfa Accounting Supervisor: Hong Pingcheng

Cleanaway Company Limited

Individual Statements of Changes in Equity

January 1 to December 31, 2021 and 2020

Unit: thousand NTD

Code		Ordinary shares	Capital surplus	Retained earnings: Statutory surplus reserves	Retained earnings: Special surplus reserves	Retained earnings: Undistributed earnings	Other equity: Foreign operating institutions Financial Statement Conversion Exchange difference	Other equity: Unrealized gain/(loss) on investments in equity instruments at fair value through other comprehensive income	Total equity
A1	Balance as of January 1, 2020	$ 1,088,880	$ 1,701,911	$ 1,173,690	$ 1,915	$ 1,664,339	($ 2,771)	$ -	$ 5,627,964
	Earnings distribution in 2019								
B1	Provision of statutory surplus reserve	-	-	117,898	-	(117,898)	-	-	-
B3	Provision of special surplus reserve	-	-	-	856	(856)	-	-	-
B5	Cash dividends	-	-	-	-	(1,088,880)	-	-	(1,088,880)
D1	Net profit in 2020	-	-	-	-	1,177,219	-	-	1,177,219
D3	Other after-tax comprehensive incomes in 2020	-	-	-	-	(829)	402	(394)	(821)
Z1	Balance as of December 31, 2020	1,088,880	1,701,911	1,291,588	2,771	1,633,095	(2,369)	(394)	5,715,482
	Earnings distribution in 2020								
B1	Provision of statutory surplus reserve	-	-	117,639	-	(117,639)	-	-	-
B3	Provision of special surplus reserve	-	-	-	9	(9)	-	-	-
B5	Cash dividends	-	-	-	-	(1,088,880)	-	-	(1,088,880)
C7	Changes in associates recognized using the equity method	-	4,310	-	-	-	-	-	4,310
D1	Net profit in 2021	-	-	-	-	1,153,169	-	-	1,153,169
D3	Other after-tax comprehensive incomes in 2021	-	-	-	-	481	(161)	(164)	156
M5	Difference between acquisition or disposal price and book value of equity of subsidiary (Note 24)	-	-	-	-	(3,209)	-	-	(3,209)
M7	Changes in ownership interests in subsidiaries	-	-	-	-	(413)	-	-	(413)
T1	Changes in associates not based on shareholding ratio	-	-	-	-	(16)	1	16	1
Z1	Balance as of December 31, 2021	$ 1,088,880	$ 1,706,221	$ 1,409,227	$ 2,780	$ 1,576,579	($ 2,529)	($ 542)	$ 5,780,616

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Chairman: Yang Chinghsiang　　Manager: Yang Yungfa　　Accounting Supervisor: Hong Pingcheng

Cleanaway Company Limited

Individual Statements of Cash Flows

January 1 to December 31, 2021 and 2020

Unit: thousand NTD

Code		2021	2020
	Cash flows from operating activities		
A10000	Profit before tax	$ 1,190,127	$ 1,232,419
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation expenses	43,797	43,388
A20900	Interest expenses	4,928	4,575
A21200	Interest income	(2,350)	(5,172)
A22400	Share of interests of subsidiaries and associates accounted for using the equity method	(1,039,018)	(987,942)
A22500	Loss on disposal of property, plant and equipment	835	-
A23100	Loss on disposal of investment	1	-
A29900	Gains on lease termination	(47)	(19)
A30000	Net changes in assets and liabilities related to business activities		
A31125	Contract assets	45,071	171,866
A31150	Accounts receivable	50,842	91,026
A31160	Accounts receivable - related parties	(303)	300
A31190	Other receivables - related parties	5,633	(22)
A31200	Inventories	350	(257)
A31240	Other current assets	9,174	9,711
A31280	Contract performance costs	(840)	3,585
A32150	Accounts payable	1,213	(357)
A32160	Accounts payable - related parties	27,721	(8,897)
A32180	Other payables	5,072	(930)
A32190	Other payables - related parties	2,205	704
A32200	Cost provisions for plant restoration and maintenance	126	149
A32230	Other current liabilities	(20,245)	20,613
A32240	Net defined benefit liabilities	(472)	(421)
A33000	Cash inflow from operations	323,820	574,319
A33100	Interest received	2,295	5,254
A33300	Interest paid	(4,928)	(4,622)
A33500	Income tax paid	(32,424)	(36,675)
AAAA	Net cash inflow from operating activities	288,763	538,276

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Code		2021	2020
	Cash flows from investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	($ 5,000)	$ -
B00040	Acquisition of financial assets at amortized cost	-	(26,557)
B00050	Disposal of financial assets at amortized cost	109,639	-
B01800	Acquisition of investments accounted for using the equity method	(820,000)	-
B02700	Acquisition of properties, plants and equipments	(21,264)	(17,357)
B02800	Disposal of properties, plants and equipments	1,040	-
B03700	Increase in refundable deposits	(50,010)	(19,409)
B03800	Decreases in refundable deposits	2,329	4,567
B04300	Increase in other receivables - related parties	(86,000)	-
B04400	Decrease in other receivables - related parties	-	96,000
B06700	Increase in other non-current assets	(10,999)	(7,353)
B07100	Increase in prepayments for land and equipment	-	(1,783)
B07600	Dividends received	1,156,317	1,134,321
BBBB	Cash inflow from investing activities	276,052	1,162,429
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	100,000	-
C01700	Repayment of long-term borrowings	-	(200,000)
C03000	Increase in guarantee deposits received	-	10,000
C03100	Decrease in guarantee deposits received	(10,000)	-
C03800	Decrease in other payables - related parties	-	(55,000)
C04020	Repayment of the principal amount of rentals	(7,251)	(8,419)
C04500	Issuance of cash dividends	(1,088,880)	(1,088,880)
CCCC	Net cash outflow from financing activities	(1,006,131)	(1,342,299)
EEEE	Net (decrease) increase in cash and cash equivalents	(441,316)	358,406
E00100	Balance of cash and cash equivalents at the beginning of the year	510,801	152,395
E00200	Balance of cash and cash equivalents at the end of the year	$ 69,485	$ 510,801

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Chairman: Yang Chinghsiang Manager: Yang Yungfa Accounting Supervisor: Hong Pingcheng

Cleanaway Company Limited

Notes for Parent company only financial statements

Between January 1 to December 31 of 2020 and 2021

(Unless additionally stated, the currency is based on one thousand NTD.)

I. Corporate History

Cleanaway Company Limited, hereinafter referred to as the company, was established on May 4, 1999 in accordance with the provisions of the Company Law of the Republic of China and the Ordinance on Foreign Investment. It is mainly engaged in the operation of intermediate solidification plants involving waste disposal procedures.

On February 12, 2000, the company obtained the waste disposal permit from Kaohsiung county government, which is valid until July 1, 2001. The validity period and extension of the aforementioned operating license are vested by local government authorities, which are authorized by the central government. The company has experienced many extensions, and the current operating license is valid until July 1, 2024.

The shares of the company have been listed and traded in Taiwan Stock Exchange since October 5, 2011.

Parent company only financial statements are shown in functional currency of the company, NTD.

II. Date and Procedures of Passing of Financial Statements

Parent company only financial statements was adopted by the Board of Directors on February 25, 2022.

III. Applicability of Newly Issued and Revised Standards and Interpretations

(1) For the first time, IFRS, IAS, IFRIC and SIC, hereinafter referred to as “IFRSs”, have been approved and issued by the Financial Supervisory Commission, hereinafter referred to as “FSC”.

Applicable IFRSs approved and issued by FSC will not result in a material change in the accounting policies of the company.

(2) IFRSs endorsed by the FSC for application in 2022

Newly Issued/Amended/Revised Guidelines and Explanations	Effective Date Published by IASB
"Annual Improvements to IFRSs between 2018 to 2020"	January 1, 2022 (Note 1)
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022 (Note 2)
Amendments to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use"	January 1, 2022 (Note 3)
Amendments to IAS 37 "Onerous Contracts - Cost of Fulfilling a Contract"	January 1, 2022 (Note 4)

Note 1: Amendments to IFRS 9 apply to swaps or changes in terms of financial liabilities that occur during the annual reporting period beginning on or after January 1, 2022; IAS 41, Agriculture, applies to fair value measurements during the annual reporting period beginning on or after January 1, 2022; and IFRS 1, First-time Adoption of IFRSs, applies retroactively during the annual reporting period beginning on or after January 1, 2022.

Note 2: This amendment applies to business combinations for which the acquisition date falls within the annual reporting period beginning on or after January 1, 2022.

Note 3: This amendment applies to plant, property and equipment that are in the location and condition necessary to achieve the management's intended mode of operation on or after January 1, 2021.

Note 4: This amendment applies to contracts for which all obligations have not been fulfilled as of January 1, 2022.

As of the date of issuance of this Parent company only financial statements, the company has assessed that the amendments to the above standards and explanations will not have a material impact on the financial position and results.

(3) IFRSs issued by the International Accounting Standards Board (IASB) but not yet endorsed by the FSC

Newly Issued/Amended/Revised Guidelines and Explanations	Effective Date of IASB Issuance (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	TBD
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “First-time application of IFRS 17 and IFRS 9 - Comparative information”	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 1, 2023
Amendment to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 2)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 3)
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023 (Note 4)

Note 1: Unless otherwise stated, the aforementioned new/amended/revised standards or interpretations shall take effect during the annual reporting period commencing after each such date.

Note 2: This amendment applies to deferral during the annual reporting period beginning on or after January 1, 2023.

Note 3: This amendment applies to changes in accounting estimates and changes in accounting policies that occur during the annual reporting period beginning on or after January 1, 2023.

Note 4: Except for the recognition of deferred tax on temporary differences in leases and ex-service obligations on January 1, 2022, this amendment applies to transactions occurring on or after January 1, 2022.

As of the date of issuance of this Parent company only financial statements, the company continues to evaluate the impact of the amendments to the above standards and explanations on the financial position and results of operations, and the related impact will be disclosed upon completion of the assessment.

IV. Summary statements of significant accounting policies

(1) Statements of Compliance

This Parent company only financial statements are prepared in accordance with the standards for the preparation of financial reports of Securities Issuers.

(2) Basis of Preparation

In addition to financial instruments measured at fair value and net defined benefit assets and liabilities measured at the present value of defined benefit obligations less the fair value of plan assets, the Parent company only financial statements are prepared on a historical cost basis.

Fair value measurements are classified into Levels 1 to 3 according to the observability and significance of the relevant inputs:

1. Level 1 Inputs: refers to the quoted prices (unadjusted) for identical assets or liabilities available in the active market on the measurement date.
2. Level 2 Inputs: refers to inputs other than the quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. the prices) or indirectly (i.e. derived from the prices).
3. Tier 3 Input Value refers to the non-observable input value of an asset or liability.

Preparing the Parent company only financial statements, the company adopted the equity method for its investment subsidiaries and associates. In order to make it equal for the profit, loss, other comprehensive income as well as equity for the current year in the Parent company only financial statements, and the profit, loss, other comprehensive income as well as equity attributable to the owners of the company in the consolidated financial statements of the company for the current year, the individual basis and a number of accounting treatment differences under the consolidated basis are adjusted for “Investments using the equity method”, “Share of profit or loss of subsidiaries and associates recognized under the equity method” and “Share of other comprehensive income or loss of subsidiaries recognized under the equity method”.

(3) Classification of current and non-current assets and liabilities

Current assets include:

1. Assets held primarily for the purpose of trading;
2. Assets expected to be realized within 12 months after the balance sheet date; and
3. Cash or a cash equivalent (excluding assets restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date).

Current liabilities include:

1. Liabilities held primarily for trading purposes;
2. Liabilities to be settled within 12 months after the balance sheet date; and
3. Liabilities of which the settlement cannot be unconditionally deferred till at least 12 months after the balance sheet date.

Those that are not included in the above current assets or current liabilities are classified as non-current assets or non-current liabilities.

(4) Foreign Currency

When the company prepares the Parent company only financial statements, the transactions in foreign currencies other than the company's functional currency, the currencies will be translated into the functional currency at the exchange rate prevailing on the date of the transaction.

Monetary items denominated in foreign currencies are translated at the closing exchange rate on each balance sheet date. Exchange differences arising from the settlement of monetary items or on translating monetary items shall be recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value in foreign currencies are translated at the exchange rate prevailing on the date when the fair value is determined, and the resulting exchange differences are included in profit or loss for the current period, except for changes in fair value that are recognized in other comprehensive income, in which case the resulting exchange differences are included in the other comprehensive income.

Non-monetary items denominated in foreign currencies that are measured at historical costs are translated at the exchange rate prevailing on the transaction date and will not be re-translated.

At the time of preparing the Parent company only financial statements, the assets and liabilities of the company's foreign operating institutions including subsidiaries whose currencies are different, or the countries located in different countries, are translated into NTD at the exchange rate prevailing on each balance sheet date. The items of income and expenses are translated at the current average exchange rate, and the resulting exchange differences are included in other comprehensive income or loss.

(5) Inventory

Inventory is raw material. The value of inventory shall be determined based on the cost or net realizable value (NRV), whichever is lower. With the exception of inventory of the same category, individual items shall be assessed when comparing the cost and NRV. Net realizable value is the balance of the estimated selling price under normal circumstances less the estimated cost to complete the required investment and the estimated cost to complete the sale. Inventory cost is calculated using the weighted average method.

(6) Investment in subsidiaries

The company uses the equity method for its investment in subsidiaries.

Subsidiary means an entity controlled or managed by the company.

Under the equity method, the investment is originally recognized at cost, and the book amount obtained thereafter increases or decreases according to the subsidiary's share of profit or loss, and the distribution of other comprehensive income and profit, which the company is entitled to. In addition, changes in other interests in subsidiaries to which the companies entitled to are recognized on the basis of the shareholding ratio.

When a change in the company's ownership interest in a subsidiary does not result in a loss of control, it is treated as an equity transaction. The difference between the book amount of the investment and the fair value of the consideration paid or received is directly recognized as an equity.

Losses continue to be recognized on a shareholding basis when the company's share of the loss to a subsidiary is equal to or greater than its interest in the subsidiary including the carrying amount of the subsidiary under the equity method and other long-term interests that are substantially part of the company's net investment component in the subsidiary.

The amount, constituting goodwill at the acquisition date, by which the acquisition cost exceeds the net fair value of the identifiable assets and liabilities of the company's subsidiaries includes the carrying amount of the investment and can not be amortized; the amount by which the net fair value of the identifiable assets and liabilities of the company's subsidiaries at the acquisition date exceeds the acquisition cost is regarded as current income.

When the company evaluates impairment, it considers the cash-generating units in the financial report as a whole and compares the recoverable amount with the carrying amount. Subsequently, when the recoverable amount of an asset increases, the reversal of the impairment loss is recognized in profit. However, the carrying amount of the asset after the reversal of the impairment loss shall not exceed the carrying amount of the asset after the impairment loss is not recognized, less the carrying amount after amortization. Impairment losses attributable to goodwill can not be reversed in subsequent periods.

Unrealized gains and losses on forward transactions between the company and its subsidiaries can be eliminated in the Parent company only financial statements. Profits and losses arising from countercurrent and side-flow transactions between the company and its subsidiaries are recognized in the Parent company only financial statements merely to the extent that they are unrelated to the company's interests in the subsidiaries.

(7) Investment in affiliate enterprises

Associates are the enterprises of which the company has significant influence but which are not subsidiaries.

The company adopts the equity method for the investment in associates.

Under the equity method, the investment in associates is originally recognized at cost, and the book amount obtained thereafter increases or decreases by the company's share in the profits and losses of associates and the distribution of other comprehensive income and profit. In addition, changes in the company's entitlement to associates' interests are recognized on the basis of the shareholding ratio.

The amount, constituting goodwill at the acquisition date, by which the acquisition cost exceeds the company's share of the net fair value of the identifiable assets and liabilities of the associates includes the carrying amount of the investment and can not be amortized; the amount by which the company's share of the net fair value of the identifiable assets and liabilities of the associates at the acquisition date exceeds the acquisition cost is regarded as profit or loss for the current period.

When an associate issues new shares, the company does not subscribe in accordance with the shareholding ratio, resulting in a change in the shareholding ratio, and thus the net equity of the investment increases or decreases; its increase or decrease will be adjusted for capital surplus - applying the equity method to recognize the changes in the net equity of the affiliate as well as the joint ventures, and also to invest. However, if the company fails to subscribe to or acquire new shares based on its shareholding ratio and causes its ownership interest in the affiliate enterprise to decrease, the amounts related to the affiliate enterprise recognized in other comprehensive income (loss) shall be decreased proportionally and reclassified on the accounting basis as would be required if the affiliate had directly disposed of the related assets or liabilities. The aforementioned adjustment is required to be credited to capital surplus, but the capital surplus derived from investment accounted for using equity method is not sufficient, the difference shall be temporarily credited to retained earnings.

Further losses are discontinued when the company's share of the loss to an associate equals or exceeds its interest (including the carrying amount of the investment in the associate under the equity method and other long-term interests that are substantially part of the company's net investment component in the associate). The company recognizes additional losses and liabilities only to the extent that statutory obligations, constructive obligations or payments having been made on behalf of associates are incurred.

As assessing the impairment, the company considers the overall carrying amount of the investment including goodwill as a single asset compared to the recoverable amount and the carrying amount, and conducts an impairment test. The recognized impairment loss is not divided into any assets that form a part of the carrying amount of the investment including goodwill. Any reversal of the impairment loss is recognized only to the extent of the subsequent increases in the recoverable amount of investment.

The company ceased to use the equity method on the date when its investment ceased to be an associate, and its retained interest in the original associate is measured at fair value. The difference between the fair value and the disposal price and the carrying amount of the investment on the date when the equity method is discontinued is regarded as the profit and loss for the current period. In addition, the basis accounting policies for amounts of the affiliate enterprise shown in other comprehensive profit or loss accounts shall follow the same basis applicable to the company for direct disposal of related assets or liabilities of affiliate enterprises. Where an investment in an associate becomes a joint venture, or an investment in a joint venture becomes an investment in an associate, the company continues to apply the equity method without re-measuring the retained interest.

Profits and losses arising from countercurrent, forward and side-flow transactions between the company and associates are recognized in Parent company only financial statements merely to the extent that they are unrelated to the company's interests in the associates.

(8) Property, Plant and Equipment

Property, plant and equipment are recognized at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

PP&E under construction are recognized at cost less accumulated impairment loss. The cost shall include professional service expenses and the borrowing costs eligible for capitalization. Such assets shall be classified into appropriate PP&E categories upon completion and reaching the expected use status, and then be depreciated.

Property, plants and equipment individually depreciate for each material part on a straight-line basis over their useful lives. The company reviews the estimated useful life, residual value, and depreciation method at least at the end of each year, and defers the effect of changes in the applicable accounting estimates.

When derecognizing PP&E, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized in profit or loss.

(9) Contract cost-related assets

Expenditures related to waste disposal and clearing services provided by the company and directly related to customer contracts that will enhance future resources to meet performance obligations are recognized as contract performance costs mainly including solidification processing costs and clearing labor, to the extent that the amounts are recoverable, and are transferred to operating costs when the performance obligations are met.

(10) Impairment of Property, plant, and equipment, Right-of-use assets, and Contract cost-related assets

At each balance sheet date, the company assesses whether there are any indications that property, plants, equipment, and right-of-use assets may have been impaired. If there is any indication of impairment, the recoverable amount of the asset is estimated. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to each cash generating unit on a reasonable and consistent basis.

The recoverable amount is the fair value minus cost of sales or its value in use, whichever is higher. If the recoverable amount of individual asset or the cash-generating unit is lower than its carrying amount, the carrying amount of the asset or the cash-generating unit shall be reduced to the recoverable amount and the impairment loss shall be recognized in profit or loss.

The impairment of the inventory, property, plant and equipment, and intangible assets recognized in the customer's contract are recognized based on the inventory impairment regulations and the aforementioned regulations. Then, the carrying amount of the contract cost-related assets that exceed the expected remaining consideration receivable for the provision of related products or labor services shall be deducted by directly related costs and listed as an impairment loss. The carrying amount of the contract cost-related assets is subsequently added to the cash-generating unit for the impairment assessment of cash-generating units.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount does not exceed the carrying amount (net of amortization and depreciation) that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. The reversal of an impairment loss is recognized in profit or loss.

(11) Financial instruments

Financial assets and financial liabilities are recognized in the individual balance sheet when the company becomes a party to the contractual terms of the instrument.

When financial assets and financial liabilities are initially recognized, if the financial assets or financial liabilities are not measured at fair value through profit or loss, they are measured at fair value plus the transaction cost directly attributable to the acquisition or issue of the financial assets or financial liabilities. Transaction costs that are directly attributable to the acquisition or issue of financial assets or financial liabilities measured at fair value through profit or loss are recognized immediately in profit or loss.

1. Financial assets

Conventional transactions in financial assets are recognized and derecognized using trade date accounting.

(1) Measurement type

The types of financial assets held by the company are financial assets measured at amortized cost, and also are the equity instrument investments measured at fair value through other comprehensive income.

A. Financial assets at amortized cost

The company's investment financial assets are classified as financial assets measured at amortized cost if both of the following conditions are met:

Where the financial asset is held under a certain business model with the purpose of holding financial assets to collect contractual cash flow; and

The terms of the contract give rise to cash flows on a given date which are exclusively for the payment of principal and interest on the outstanding principal amount.

Financial assets measured at amortized cost, including cash and cash equivalents, accounts receivable measured at amortized cost, accounts receivable - related parties, other receivables - related parties, bank time deposits with an original maturity exceeding more than 3 months, and refundable deposits, etc., are measured after original recognition at the aggregate carrying amount less the amortized cost of any impairment loss, which is determined by the effective interest method; and any foreign exchange profits or losses are recognized in profit or loss.

Except for the two following conditions, income from interest shall be calculated based on the effective interest rate multiplied by the total carrying amount of financial assets:

For purchased or originated credit-impaired financial assets, interest income is calculated at the credit-adjusted effective interest rate times the financial assets at amortized cost.

Financial assets that are not credit-impaired by acquisition or creation but subsequently become credit-impaired should be calculated as interest income from the effective interest rate multiplied by the cost of the financial assets amortized over the next reporting period after the impairment of credit.

Credit-impaired financial assets are those for which the issuer or borrower has experienced major financial difficulties or defaults, the borrower is likely to claim bankruptcy or other financial reorganization, or the active market for financial assets disappears due to financial difficulties.

Cash equivalents include time deposits and bonds with repurchase agreement with maximum maturity of 3 months, which are highly liquid, readily converted into a known amount of cash and have relatively low risk in price changes. They are used for satisfying short-term cash commitments.

B. Investments in equity instruments at fair value through other comprehensive income

Upon original recognition, the company may make an irrevocable choice to invest in equity instruments that are not held for trading and are not recognized or contemplated by the acquirer of the business combination and are designated to be measured at fair value through other comprehensive income.

Investments in equity instruments at fair value through other comprehensive income are measured at fair value, with subsequent changes in fair value reported in other comprehensive income and accumulated in other equity. When the investment is disposed of, the accumulated profit or loss is transferred directly to retained earnings and is not reclassified to profit or loss.

Dividends invested in equity instruments at fair value through other comprehensive income are recognized in profit or loss when the right to receive payments from the company is established, unless the dividend clearly represents the recovery of part of the investment cost.

(2) Impairment of financial assets and contract assets

At each balance sheet date, the Company evaluates the impairment losses on financial assets measured at amortized cost (including accounts receivable) and contract assets based on expected credit losses.

Accounts receivable and contract assets are recognized as a provision for losses based on expected credit losses during the continuation period. Other financial assets are first assessed based on whether the credit risk has increased significantly since the original recognition. If there is no significant increase in risks, an allowance shall be recognized at the amount equal to 12-month expected credit losses. If the risks have increased significantly, an allowance shall be recognized at the amount equal to lifetime expected credit losses.

Expected credit losses are the weighted average credit losses with the risk of default as the weight. The 12-month expected credit losses represent the expected credit losses from possible defaults of the financial instrument within 12 months after the reporting date. The lifetime expected credit losses represent the expected credit losses from all possible defaults over the life of the financial instrument.

For the purpose of internal credit risk management and without considering the collateral held, the company determines that the following circumstances represent that a financial asset has been defaulted:

A. There is internal or external information showing that the debtor is no longer able to pay off its debts.

B. Overdue for more than 120 days unless there is reasonable and justifiable information showing that a later benchmark for default is appropriate.

The carrying amount of all financial assets is adjusted for impairment loss through the allowance account. However, the allowance for the investment in the debt instruments measured at fair value through other comprehensive income is recognized in other comprehensive income, without reducing its carrying amount.

(3) Derecognition of financial assets

The company excludes financial assets only when the contractual rights to cash flows from the financial assets lapse, or when the financial assets have been transferred and substantially all the risks and compensation of ownership of the assets have been transferred to other enterprises.

When financial assets are derecognized in their entirety at amortized cost, the difference between the carrying amount and the consideration received is recognized in profit or loss. When investments in equity instruments measured at fair value through other comprehensive income or loss are derecognized in their entirety, the cumulative gains or losses are transferred directly to retained earnings and are not reclassified to profit or loss.

2. Equity instruments

The equity instruments issued by the company are recognized at the price obtained after deducting the direct issuance costs.

3. Financial liabilities

(1) Subsequent measurements

All financial liabilities are measured at amortized cost using the effective interest method.

(2) Derecognition of financial liabilities

When derecognizing financial liabilities, the difference between the carrying amount and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(12) Reserve for plant restoration and maintenance costs

After the solidification plant treats the waste, the impact caused by the physical characteristics of the waste on the environment will naturally decrease over time. The total restoration cost will be estimated according to previous experience and the plant area restoration and maintenance cost provision will be made.

(13) Revenue recognition

After the company has recognized the performance obligation in the customer contract, the transaction price shall be amortized into each performance obligation and the revenue shall be recognized when the performance obligation is satisfied.

1. Revenue from waste disposal

Revenue for solidification is recognized when Toxicity Characteristic Leaching Procedures ("TCLP") are completed, compression laboratory acceptance reports on intermediate treatment of hazardous wastes are issued, and the stabilized hazardous wastes can be transported to landfill sites.

2 Revenue from contaminated and illegal dump sites cleanup

The contamination and discard site of the rectification project contract is the area controlled by the customer. During the rectification process, the customer benefits simultaneously from the environmental improvement of the contaminated plant site. Therefore, the company gradually recognizes the revenue according to the degree of completion of the contract. As the cost of investing in the rectification project is directly related to the degree of completion of the performance obligation, the company measures the progress of completion in terms of the actual investment cost as a proportion of the estimated total contract cost. The company gradually recognized the contract assets in the rectification project and transferred them to accounts receivable at the time of issuance of the invoice. If the payments collected for cleanup projects exceed the recognized revenue amount, the difference shall be recognized as contract liabilities. The retention money for the projects withheld by the client in accordance with the terms of the contract is intended to ensure that the company completes all of its contractual obligations and is recognized as a contractual asset before the completion of the performance obligations of the contract.

(14) Lease

The company is the lessee

The company assesses whether the contract is or includes a lease on the execution date of the contract.

A right-of-use asset and a lease liability are recognized for all leases at the inception date of such leases, except for leases qualified for recognition exemption, e.g. leases with low-value underlying assets and short-term leases, for which an expense is recognized on a straight-line basis over the lease term.

A right of use asset is initially measured at cost (including the initial measured amount of lease liability, the amount of lease payments made to the lessors less lease incentives received prior to the inception of the lease, initial direct costs and the estimated costs of restored underlying assets), and subsequently measured at cost less accumulated depreciation and accumulated impairment, adjusted for any remeasurements of the lease liability. The right-of-use assets are separately represented on the individual balance sheet.

Right-of-use assets are depreciated on a straight-line basis from the commencement date of the leases to the end of their useful lives or the end of the lease terms, whichever is earlier.

Lease liabilities are originally measured at the present value of lease payments (including fixed payments and fluctuant lease payments depending on the index or rate). Lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the rate is not readily determinable, the lessee's incremental borrowing rate will be used.

Subsequently, the lease liabilities are measured on an amortized cost basis using the effective interest method, and the interest expense is apportioned over the lease term. In the event of a change in future lease payments during the lease term or as a result of a change in the index or rate used to determine lease payments, the company re-measures the lease liabilities and adjusts the right-of-use assets accordingly, except that if the carrying amount of the right-of-use assets has been reduced to zero, the remaining re-measured amount is recognized in profit or loss. Lease liabilities are separately represented on the individual balance sheet.

(15) Employee benefits

1. Short-term employee benefits

Liabilities related to short-term employee benefits are measured at the non-discounted amount expected to be paid in exchange for employee services.

2. Post-employment benefits

The retirement pension of a defined contribution retirement plan is the amount of contribution payable during the employee's period of service, and is recognized as an expense.

The defined benefit costs of the defined benefit retirement plan, including service costs, net interest, and remeasurement, are actuarially calculated by applying the projected unit benefit method. Service costs including current service costs and net interest on net defined benefit liabilities are recognized as employee benefit expenses when occurring. The remeasurement amount (including actuarial gains and losses and the return on plan assets after deducting interest) is recognized in other comprehensive income and presented in retained earnings when it occurs. It shall not be reclassified to profit or loss in subsequent periods.

The net defined benefit liability is the shortfall in the provision for defined benefit retirement plans.

XVI. Income tax

Income tax expense is the sum of current income tax and deferred tax.

1. Current income tax

The company determines the income (loss) for the current period in accordance with the laws and regulations formulated by the jurisdiction of income tax so as to calculate the income tax payable (recoverable).

Income tax on undistributed earnings calculated in accordance with the Income Tax Act of the Republic of China is recognized in the year when the Shareholders' Meeting is held.

Adjustments to income tax payable in the prior years are included in the income tax of the current year.

2. Deferred income tax

Deferred tax is calculated from the temporary difference between the carrying amounts of assets and liabilities and the tax base on which taxable income is calculated. Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets are recognized when it is probable that taxable profit will be available against which the deductible temporary difference could be utilized.

Taxable temporary differences relating to investment subsidiaries are recognized as deferred income tax liabilities, unless the company has control over the point in time at which the temporary differences are reversed and it is probable that the temporary differences will not be reversed in the foreseeable future. Deferred tax assets are recognized for deductible temporary differences associated with such investments only to the extent that it is probable that sufficient taxable profits will be available to allow the temporary differences to be realized and to the extent that reversal is expected in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that there will be sufficient taxable profits to allow all or part of the asset to be recovered. Those initially not recognized as deferred tax assets are also reviewed at each balance sheet date and the carrying amount will be increased if it is probable that future taxable profits will be available to recover all or part of the asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred income tax liabilities and assets are measured to reflect the lease tax consequences arising from the manner in which the company expects to recover or liquidate the carrying amount of its assets and liabilities at the balance sheet date.

3. Current and deferred tax

Current and deferred taxes are recognized in profit or loss, except for current and deferred taxes related to items recognized in other comprehensive income or directly in equity, which are recognized in other comprehensive income or directly in equity, respectively.

V. Significant Accounting Judgments, Estimates and Key Sources of Uncertainty over Assumptions

In adopting accounting policies, the company's management is required to make relevant judgements, estimates and assumptions based on historical experience and other relevant factors for those whose information is not readily available from other sources. Actual results may differ from estimates.

(1) Judgment of significant influence on affiliates

Holds a shareholding ratio in the investee company of less than 20%, but has a significant influence

As described in note 10, the company holds 19.23% of voting rights in respect of Chung Tai company. The management has a significant influence on the Chung Tai company by considering that the company has authority over two of seven directors in the Board of Directors of Chung Tai company.

(2) Estimated cost for plant restoration and maintenance

The company has provided for the cost of plant area restoration and maintenance based on past experience, which is measured and recognized as described in Note 4(12) and the company regularly reviews the reasonableness of the estimates. However, the maintenance time and characteristics of solidification plants (sites) may require additional provisions for liabilities in the future due to the change in the environmental laws, regulations and the environment of the plants. Refer to Note 17 for the carrying amount of the provision for plant restoration and maintenance costs.

VI. Cash and cash equivalents

	December 31, 2021	December 31, 2020
Cash on hand	$ 190	$ 70
Checking accounts and demand deposits	40,495	101,931
Cash equivalents		
Bank time deposit with original maturity date within 3 months	28,800	258,800
Bonds with repurchase agreement	-	150,000
	$ 69,485	$ 510,801

The annual interest rate ranges of bank time deposit with original maturity date within 3 months and bonds with repurchase agreement on the balance sheet date were as follows:

	December 31, 2021	December 31, 2020
Bank time deposit with original maturity date within 3 months	0.39%	0.37%～0.39%
Bonds with repurchase agreement	-	0.27%

VII. Management of Credit Risks of Investments in Debt Instruments

The debt instruments invested by the company are financial assets measured at amortized cost.

	December 31, 2021	December 31, 2020
Bank time deposits with original maturity exceeding 3 months	$ 6,131	$ 115,770
Current	$ 6,131	$ 115,770
Non-current	-	-
	$ 6,131	$ 115,770

The allowance for losses for financial assets measured at amortized cost as of December 31, 2021 and 2020 was both NT$0. The amortized cost and the carrying amount are consistent.

The debt instrument investment policy adopted by the company serves only to sign debt instruments, a certificate of time deposit, with low credit risks in reputable financial institutions. The company regularly focuses on the credit ratings of financial institutions and related financial news to assess whether the credit risk of debt instrument investments from original recognition has significantly increased.

Due to the normal credit rating of the company's financial institutions, there is no abnormal sign or breach of contract. As the financial institutions that conduct business transactions with the company have low credit risks and have sufficient capacity to repay contractual cash flows, they are subject to the 12-month expected credit loss method and the expected credit loss rate was 0%. Their credit ratings in both 2021 and 2020 have remained unchanged.

The annual interest rate ranges of bank time deposits with original maturity dates over 3 months on the balance sheet date were as follows:

	December 31, 2021	December 31, 2020
Bank time deposits with original maturity exceeding 3 months	0.35%～0.76%	0.38%～0.795%

Refer to Note 28 for information on the pledge of debt instrument investments.

VIII. Accounts receivable

	December 31, 2021	December 31, 2020
Accounts receivable	$ 108,527	$ 159,118
Less: Loss allowance	(1,125)	(874)
	$ 107,402	$ 158,244

The credit period provided by the company for labor services is 30 to 120 days. In order to mitigate the credit risk, the company's management has assigned a dedicated team to be responsible for the determination of credit lines, approval of credit and other monitoring procedures to ensure that appropriate actions have been taken to recover overdue receivables. In addition, the company will review the recoverable amount of each receivable on the balance sheet date to ensure that appropriate impairment losses have been provided for uncollectible receivables. Accordingly, the company's management indicates that the credit risk of the company has been significantly reduced.

The company applies the simplified approach of IFRS 9 to recognize allowance for losses for accounts receivable based on expected credit losses during the lifetime. Lifetime expected credit losses are calculated based on the bad debt provision matrix which accounts for the customer's past default records, current financial status, economic conditions in the industry, and outlook of the industry. The company's customers can be divided into government authorities and general enterprises, and the credit risk assessments are described as follows:

(1) In principle, government institutions do not have credit quality issues. If difficulties in collection arise, assessment would be performed separately.

(2) With regard to the credit quality of accounts receivable of general enterprises, except for the contracts with overall amounts less than NT$1,000 thousand exempted from credit collection and credit review, the company conducts prior financial and credit investigations including past transaction information, records of bounced check and breach of trust, etc. before accepting new customers. The credit lines and ratings of customers shall be reviewed regularly. The historical credit loss experience of the company shows that there is no significant difference in the loss pattern of general enterprises in different sectors, so the provision matrix does not further differentiate the customer base, and the expected credit loss rate is determined only by the number of overdue days of accounts receivable.

If there is evidence that the counterparty is experiencing severe financial difficulties and that the company cannot reasonably expect the recoverable amount, for instance the counterparty is liquidating or the debt has been overdue for more than 365 days, the company will recognize 100% of the allowance for losses and continue to pursue the repayment.

The company's allowance for losses on accounts receivable based on the provision matrix is as follows:

December 31, 2021

	Government institutions	General companies: Not overdue	overdue 1～210 days	overdue 211～240 days	overdue 241～365 days	overdue 365 days	Total
Expected credit loss rate	0%	0%～1%	1%～2%	10%	20%	100%	
Total carrying amount	$ 919	$ 107,558	$ -	$ -	$ 50	$ -	$ 108,527
Loss allowance (individual assessment)	-	-	-	-	(50)	-	(50)
Loss allowance (lifetime expected credit losses)	-	(1,075)	-	-	-	-	(1,075)
Amortized cost	$ 919	$ 106,483	$ -	$ -	$ -	$ -	$ 107,402

December 31, 2020

	Government institutions	General companies: Not overdue	overdue 1～210 days	overdue 211～240 days	overdue 241～365 days	overdue 365 days	Total
Expected credit loss rate	0%	0%～1%	1%～2%	10%	20%	100%	
Total carrying amount	$ 71,715	$ 87,403	$ -	$ -	$ -	$ -	$ 159,118
Loss allowance (lifetime expected credit losses)	-	(874)	-	-	-	-	(874)
Amortized cost	$ 71,715	$ 86,529	$ -	$ -	$ -	$ -	$ 158,244

Changes in allowance for losses on accounts receivable are as follows:

	2021	2020
Balance at the beginning of the year	$ 874	$ 958
Add (subtract): Provisions (reversals) for impairment losses in the current period	251	(84)
Balance at the end of the year	$ 1,125	$ 874

IX. Financial assets at fair value through other comprehensive income

	December 31, 2021	December 31, 2020
Investments in equity instruments at fair value through other comprehensive income		
Unlisted (over-the-counter) company shares	$ 5,000	$ -
Non-current	$ 5,000	$ -

The company subscribed for the ordinary shares of Aquis Sport Culture Co., Ltd. in July 2021 and acquired 10% of the voting shares. The shares were designated as other comprehensive income for medium- and long-term strategic purposes and were measured at fair value through profit or loss.

X. Investment accounted for using equity method

	December 31, 2021	December 31, 2020
Investment in subsidiaries	$ 3,023,667	$ 2,214,565
Investment in affiliate enterprises	1,072,822	1,050,622
	$ 4,096,489	$ 3,265,187

(1) Investment in subsidiaries

	December 31, 2021	December 31, 2020
Unlisted (over-the-counter) company		
Da Tsang Industrial Company Limited	$ 1,448,923	$ 1,039,712
Chi Wei Company Limited	746,724	757,100
Cleanaway Energy Company Limited	363,310	47,277
Cleanaway Enterprise Company Limited	337,122	229,081
Kang Lien Enterprise Company Limited	67,805	70,139
Cleanaway Investment Company Limited	53,249	54,549
CCL Investment Holding Company Limited	6,534	16,707
	$ 3,023,667	$ 2,214,565

1. The direct and indirect ownership and voting rights of the company in each of its subsidiaries are 100% on balance date, except for Cleanaway Energy Company Limited.
2. The company increased its investments in Da Tsang Industrial Company Limited and Kang Lien Enterprise Company Limited in 2021 in the amount of 100 million NT dollars and 400 million NT dollars respectively.
3. In order to maintain the stability of the company's operating rights, the company purchased from Huanxing Technology Co., Ltd. 2 million shares issued by Cleanaway Energy Company Limited. with cash 20 million NT dollars in May 2021, and the shareholding ratio increased from 55% to 75%. The company subsequently increased its investment in Cleanaway Energy Company Limited. with cash 300 million NT dollars in September 2021.
4. (1) The share of (loss) profits of subsidiaries recognized under the equity method adopted by the company in 2021 and 2020 are as follows:

	2021	2020
Da Tsang Industrial Company Limited	$ 537,351	$ 358,226
Chi Wei Company Limited	470,455	585,464
Cleanaway Enterprise Company Limited	8,041	11,821
Kang Lien Enterprise Company Limited	1,241	10,381
Cleanaway Energy Company Limited	(758)	(4,182)
Cleanaway Investment Company Limited	(857)	3,087
CCL Investment Holding Company Limited	(10,074)	(4,255)
	$ 1,005,399	$ 960,542

(2) The share of other comprehensive (loss) income of the subsidiaries recognized under the equity method adopted by the company in 2021 and 2020 are as follows:

	2021	2020
Kang Lien Enterprise Company Limited	$ 583	($ 29)

The share of profit or loss and other comprehensive income of the subsidiaries recognized under the equity method in 2021 and 2020 was recognized in accordance with the financial statements of the subsidiaries as audited by the certified public accountant (CPA) for the same period.

5. 2021 and 2020 cash dividends received from subsidiaries are as follows:

	2021	2020
Chi Wei Company Limited	$ 480,831	$ 524,525
Da Tsang Industrial Company Limited	528,114	403,225
Kang Lien Enterprise Company Limited	4,158	4,801
	$ 1,013,103	$ 932,551

6. As of December 31, 2021 and 2020, the exchange differences recognized by the company in the financial statements of cumulative foreign operating institutions of the following subsidiaries are as follows:

	December 31, 2021	December 31, 2020
Cleanaway Investment Company Limited	($ 248)	($ 218)
Da Tsang Industrial Company Limited	(1,159)	(1,133)
CCL Investment Holding Company Limited	(1,097)	(998)
	($ 2,504)	($ 2,349)

(2) Investment in affiliate enterprises

	December 31, 2021	December 31, 2020
Investment in affiliate enterprises		
Cleanaway SUEZ Environmental Resources Limited (Cleanaway SUEZ)	$ 684,050	$ 667,009
Chung Tai Resource Technology Corp. (Chung Tai)	388,772	383,613
	$ 1,072,822	$ 1,050,622

Company Name	Main Businesses	Main operating premises	The ratio of shareholding and voting rights December 31, 2021	December 31, 2020
Cleanaway SUEZ	Waste management	Kaohsiung	29%	29%
Chung Tai Company	Waste management	Taoyuan	19.23%	20.02%

Cleanaway SUEZ

The company, SUEZ NWS (Taiwan) Environmental Services Limited (formerly, Taiwan Sheng Ta International Waste Processing Co., Ltd.), and RSEA Engineering Corporation were authorized by the competent authority to jointly establish Cleanaway SUEZ on July 31, 2018. Cleanaway SUEZ obtained business operations in the Dafa Plant of RSEA Engineering Corporation on the baseline date of November 1, 2018. The company obtained 29% of the total outstanding shares of Cleanaway SUEZ totaling 21,750 thousand shares with a total investment amount of NT$650,000 thousand. The company shall use this reinvestment to increase the categories of intermediate processing of hazardous industrial waste to provide customers with comprehensive solutions for waste disposal.

The financial information of Cleanaway SUEZ is summarized as follows:

	December 31, 2021	December 31, 2020
Current assets	$ 156,013	$ 173,663
Non-current assets	1,467,344	1,140,179
Current liabilities	(354,218)	(274,478)
Non-current liabilities	(401,725)	(230,713)
Equity	$ 867,414	$ 808,651
shareholding ratio of the company	29%	29%
equity the company is entitled to	$ 251,550	$ 234,509
Goodwill	432,500	432,500
Carrying amount of investment	$ 684,050	$ 667,009

	2021	2020
Operating income	$ 420,399	$ 369,477
Net profit for the period	$ 58,762	$ 38,293
Other comprehensive income (loss)	-	-
Total comprehensive income	$ 58,762	$ 38,293

Chung Tai

In order to expand the environmental protection business, the company invested in Chung Tai in February 2019. The company acquired 20.02% of the total number of issued shares of Chung Tai, amounting to 15.6 million shares, and the total investment amount was NT$374,400 thousand. The equity registration of the aforesaid investment was approved by the competent authority in April 2019. Subsequently, Chung Tai handled the cash capital increase in August 2021. The company considered that the purpose of the capital increase was to introduce strategic investors and, at the request of Chung Tai, the company waived the equity interest in the capital increase. After the capital increase, the company's shareholding ratio in Chung Tai decreased to 19.23%. The increase in the net equity resulting from the change in shareholding ratio was adjusted by NT$4,373 thousand to increase the capital reserve. Chung Tai's main business operations include waste resource recycling and industrial waste disposal services.

The financial information of Chung Tai is summarized as follows:

	December 31, 2021	December 31, 2020
Current assets	$ 321,632	$ 302,085
Non-current assets	3,037,748	2,566,363
Current liabilities	(272,868)	(297,592)
Non-current liabilities	(1,575,977)	(1,178,388)
Equity	$ 1,510,535	$ 1,392,468
shareholding ratio of the company	19.23%	20.02%
equity the company is entitled to	$ 290,476	$ 278,772
Goodwill	50,849	50,849
Concessions	47,447	53,992
Carrying amount of investment	$ 388,772	$ 383,613

	2021	2020
Operating income	$ 519,570	$ 455,936
Net profit for the period	$ 119,113	$ 115,760
Other comprehensive income (loss)	(671)	(1,201)
Total comprehensive income	$ 118,442	$ 114,559

The company holds 19.23% of the shares of Chung Tai. Because the company controls only two of the seven directors of the Board of Directors of Chung Tai, Chung Tai is classified as an affiliate enterprise accounted for using the equity method.

The company's shares of the profits or losses of the associates and of other comprehensive profits or losses recognized based on the equity method in 2021 and 2020 were respectively NT$33,619 thousand, NT$(129) thousand, and NT$27,400 thousand, and NT$(338) thousand, which were recognized in accordance with the financial statements of the associate audited by CPA during the same period.

The cash dividends of the investment associates, which the company gained in 2021 and 2020, were NT$15,600 thousand and NT$19,843 thousand respectively. As of December 31, 2021and 2020, the exchange differences recognized by the company on the translation of the financial statements of the accumulated foreign operating institutions of investment associates were NT$(26) thousand and NT$(20) thousand respectively.

XI. Property, Plant and Equipment

	Land	Houses and buildings	Machinery and equipment	Laboratory equipment	Transportation equipment	Office equipment	Other equipment	Construction in progress and equipment awaiting examination	Total
Cost									
Balance as at January 1, 2021	$ 862,576	$ 539,655	$ 48,062	$ 24,576	$ 27,875	$ 52,522	$ 40,879	$ -	$ 1,596,145
Additions	-	7,549	1,075	4,529	3,770	1,374	2,967	-	21,264
Disposals	-	-	(5,000)	-	(6,800)	-	-	-	(11,800)
Amount transferred from prepayments for land and equipment	-	-	-	-	-	468	415	-	883
Balance as of December 31, 2021	$ 862,576	$ 547,204	$ 44,137	$ 29,105	$ 24,845	$ 54,364	$ 44,261	$ -	$ 1,606,492
Accumulated depreciation									
Balance as at January 1, 2021	$ -	$ 128,859	$ 37,563	$ 15,445	$ 26,125	$ 15,792	$ 14,759	$ -	$ 238,543
Depreciation expenses	-	14,276	1,971	6,195	597	5,851	3,044	-	31,934
Disposals	-	-	(3,125)	-	(6,800)	-	-	-	(9,925)
Reclassification	-	-	-	-	-	(28)	28	-	-
Balance as of December 31, 2021	$ -	$ 143,135	$ 36,409	$ 21,640	$ 19,922	$ 21,615	$ 17,831	$ -	$ 260,552
Net amount as at December 31, 2021	$ 862,576	$ 404,069	$ 7,728	$ 7,465	$ 4,923	$ 32,749	$ 26,430	$ -	$ 1,345,940
Cost									
Balance as of January 1, 2020	$ 862,576	$ 527,798	$ 46,757	$ 24,576	$ 27,323	$ 48,291	$ 39,412	$ 1,744	$ 1,578,477
Additions	-	8,877	807	-	552	1,731	1,387	3,818	17,172
Disposals	-	-	(2,084)	-	-	-	-	-	(2,084)
Amount transferred from prepayments for land and equipment	-	2,980	2,582	-	-	2,500	80	(5,562)	2,580
Balance as of December 31, 2020	$ 862,576	$ 539,655	$ 48,062	$ 24,576	$ 27,875	$ 52,522	$ 40,879	$ -	$ 1,596,145
Accumulated depreciation									
Balance as of January 1, 2020	$ -	$ 113,158	$ 37,573	$ 9,910	$ 25,660	$ 10,392	$ 12,028	$ -	$ 208,721
Depreciation expenses	-	15,701	2,074	5,535	465	5,400	2,731	-	31,906
Disposals	-	-	(2,084)	-	-	-	-	-	(2,084)
Balance as of December 31, 2020	$ -	$ 128,859	$ 37,563	$ 15,445	$ 26,125	$ 15,792	$ 14,759	$ -	$ 238,543
Net amount as of December 31, 2020	$ 862,576	$ 410,796	$ 10,499	$ 9,131	$ 1,750	$ 36,730	$ 26,120	$ -	$ 1,357,602

(1) No impairment loss was recognized or reversed in 2021 and 2020.

(2) Property, plants and equipment are depreciated on a straight-line basis over the following useful lives:

Houses and buildings	
Main building of intermediate treatment solidification plant	20 years
Ancillary facilities of plants	10-15 years
Main building and ancillary facilities of operation headquarters	50 years
Other facilities	3-5 years

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Machinery and equipment	
Solidification production equipment	10 years
Thermal desorption equipment	3-5 years
Instrumentations	3-5 years
Laboratory equipment	3-5 years
Transportation equipment	
Acquisition of brand new transportation vehicles	5 years
Acquisition of used transportation vehicles	3 years
Office equipment	
Office furniture	5-10 years
Information communication equipment	3-6 years
Information communication equipment - extra-low-voltage systems engineering	50 years
Other equipment	
Monitoring facilities	11 years
Generators	15 years
Lease improvement and others	3-9.75 years

(3) For the amount of property, plants and equipment set as collateral by the company, please refer to Note 28.

XII. Lease agreement

(1) Right-of-use assets

	December 31, 2021	December 31, 2020
Carrying amount of right-of-use assets		
Land	$ 347,884	$ 360,873
Buildings	8,641	9,922
Transportation equipment	3,245	7,788
Machinery and equipment	10,074	-
	$ 369,844	$ 378,583

	2021	2020
Addition of right-of-use assets	$ 13,689	$ 64,098
Depreciation expense of right-of-use assets		
Land	$ 7,778	$ 6,501
Buildings	1,281	1,243
Transportation equipment	1,888	3,738
Machinery and equipment	916	-
	$ 11,863	$ 11,482

Apart from the increase and recognition of depreciation expenses listed above, the company's right-of-use assets were not substantially subleased and impaired in 2021 and 2020.

(2) Lease liabilities

	December 31, 2021	December 31, 2020
Carrying amount of lease liabilities		
Current	$ 8,438	$ 7,940
Non-current	$ 372,158	$ 376,830

The range of the discount rate of lease liabilities is as follows:

	December 31, 2021	December 31, 2020
Land	1.25%	1.25%
Buildings	1.25%	1.25%
Transportation equipment	1.52%～3.5%	0.8%～3.5%
Machinery and equipment	1.5%	-

(3) Important lease activities and terms

Considering the gradual increase in business scale and employee number, the company leased 15 lots of land, including parcel number 184 at Dade Section, Gangshan District, Kaohsiung City from Ho Tsang Co., Ltd. on May 31, 2013. The monthly rent is originally set at NT$613 thousand which will be adjusted based on the percentage of change in the Consumer Price Index (at all-item level) of the month released by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan every 2 years from the inception of lease. If the changes exceed 5%, the rent will be adjusted by 5%. The lease term is 20 years, which starts on June 1, 2013 and ends on May 31, 2033. The lease can be renewed with the original conditions at the end of lease term. The agreement regarding building constructed on the leased land would be renewed if both parties can reach consensus at the end of lease term. If the company decides against renewing the agreement, the building would be transferred to Ho Tsang Co., Ltd. without any compensation. If Ho Tsang Co., Ltd. terminates the lease agreement before the end of lease term for 55 years, it shall compensate the company with the net book value of the building.

(4) Other lease information

	2021	2020
Short-term lease expense	$ 47	$ 860
Total cash (outflow) amount of lease	($ 12,081)	($ 13,350)

The company chooses to apply the recognition exemption to lease of buildings and transportation equipment that qualify for a short-term lease, and does not recognize the relevant right-of-use assets and lease liabilities for such a lease.

XIII. Other assets

	December 31, 2021	December 31, 2020
Refundable deposits	$ 95,059	$ 47,378
Prepayment for equipment	500	1,383
Restricted bank deposits (Note 28)	147	-
Others	37,276	35,598
	$ 132,982	$ 84,359
Current	$ 4,471	$ 13,645
Non-current	128,511	70,714
	$ 132,982	$ 84,359

(1) Guaranteed deposits paid are mainly bid bonds, performance bonds and rental deposits paid in cash.

(2) The changes in the prepayments for equipment are as follows:

	2021	2020
Balance at the beginning of the year	$ 1,383	$ 2,180
Additions	-	1,783
Reclassified to property, plant and equipment	(883)	(2,580)
Balance at the end of the year	$ 500	$ 1,383

XIV. Loans

(1) Short-term loans

	December 31, 2021	December 31, 2020
Unsecured loans		
Credit line loans	$ 100,000	$ -

The interest rate of bank revolving loans was 0.8% to 0.825% on December 31, 2021.

(2) Long-term loans

The company signed a loan contract with the Trust and Commercial Bank of China, secured by the company's own land (refer to Note 28). The loan maturity date is September 14, 2023. The total loan amount is NT$200,000 thousand, with an annual interest rate of 0.59% added to the 3-month interest rate of Taipei Financial Industry Placements.

According to the contract, repayment of the principal is provided with a grace period of 2 years starting from the drawdown. Cleanaway shall repay NT$7,500 thousand in each quarter starting from the month of the expiry of the grace period (September 30, 2020) and the balance shall be repaid in one payment upon maturity. The drawdown amount shall be used to purchase land registered in Guantan Section, Guanyin District, Taoyuan City. The aforementioned loans were fully repaid in advance in March 2020. As of December 31, 2021, the company has not written off the land use rights.

XV. Accounts payables

	December 31, 2021	December 31, 2020
Accounts payables	$ 5,227	$ 4,014

Accounts payable of the company are mainly aimed at the payment to vendors. The average payment period is 60 to 90 days. The company has the financial risk management policy to ensure all payables can be paid within the agreed credit periods.

XVI. Other liabilities

	December 31, 2021	December 31, 2020
Other payables		
Accrued excavation cost	$ 87,582	$ 75,925
Accrued employee compensation/bonus	85,130	93,776
Accrued remuneration to directors and supervisors	34,000	34,000
Business tax payable	9,518	6,597
Salaries and wages payable	5,935	5,547
Accrued maintenance cost	3,701	4,404
Payable for clean-up and transport cost	3,514	1,160
Leave benefit payable	2,359	2,259
Payable for service fees	1,761	1,700
Payable for overheads or entertainment cost	326	305
Other accrued expenses	5,999	9,080
	$ 239,825	$ 234,753

Accrued excavation cost consists of cleanup fees for contaminated and illegal dump sites.

	December 31, 2021	December 31, 2020
Other current liabilities		
Contract liabilities (Note 20)	$ -	$ 20,305
Withheld taxes, etc.	839	779
	$ 839	$ 21,084

XVII. Reserve for plant restoration and maintenance costs

	2021	2020
Balance at the beginning of the year	$ 7,070	$ 6,921
Add: provision for restoration and maintenance costs	126	149
Balance at the end of the year	$ 7,196	$ 7,070

Provision for recovery and maintenance costs for each period is as follows:

	2021	2020
Cost for restoration (recognized under operating costs)	$ 126	$ 149

XVIII. Post-employment benefit plans

(1) Defined contribution plans

The retirement pension system applied by the company under the "Regulations on Pensions for Workers" is a defined contribution retirement plan administered by the government. The retirement pension is allocated to the individual account of the Labor Insurance Bureau by 6% of the monthly salary of the employee.

(2) Defined benefit plans

The retirement pension system implemented by the company under the "Labor Standards Act" of the Republic of China is a defined benefit retirement plan administered by the government. Pension is based on the employee's years of service rendered and the average wages over the six months prior to retirement. The company shall allocate the employee retirement pension based on 2% of the total monthly salary of the employees, and transfer it to the special account of the Bank of Taiwan in the name of the Workers' Retirement Preparation Pension Supervisory Committee. Before the end of the year, if the special account balance is estimated to be insufficient to pay the workers who meet the retirement conditions within the next year, the difference shall be appropriated once before the end of March of the following year. The account is managed by the Labor Fund Operations Bureau of the Ministry of Labor, and the Company has no right to influence the investment management strategy.

The amounts of defined benefit plans included in the individual balance sheet are as follows:

	December 31, 2021	December 31, 2020
The present value of defined benefit obligations	$ 22,155	$ 22,181
Fair value of plan assets	(10,165)	(9,897)
Net defined benefit liabilities	$ 11,990	$ 12,284

Changes in net defined benefit liabilities were as follows:

	Defined benefits Present value of obligations	Plan assets Fair value	Net defined benefits Liabilities
January 1, 2020	$ 21,751	($ 10,116)	$ 11,635
Interest expense (income)	152	(71)	81
Recognized in profit or loss	152	(71)	81
Remeasurement			
Return on plan assets (excluding amounts that are included in net interest)	-	(339)	(339)
Actuarial losses - Changes in financial assumptions	748	-	748
Actuarial losses - Adjustments based on history	661	-	661
Recognized in other comprehensive income	1,409	(339)	1,070
Benefit payments	(1,131)	1,131	-
Employer's contribution	-	(502)	(502)
December 31, 2020	22,181	(9,897)	12,284
Interest expense (income)	66	(29)	37
Recognized in profit or loss	66	(29)	37
Remeasurement			
Return on plan assets (excluding amounts that are included in net interest)	-	(150)	(150)
Actuarial losses - Changes in demographic assumptions	16	-	16
Actuarial gains - Changes in financial assumptions	(728)	-	(728)
Actuarial losses - Adjustments based on history	1,040	-	1,040
Recognized in other comprehensive income	328	(150)	178
Benefit payments	(420)	420	-
Employer's contribution	-	(509)	(509)
December 31, 2021	$ 22,155	($ 10,165)	$ 11,990

The amount recognized in profit or loss of the defined benefit plan is summarized by function as follows:

	2021	2020
Operating cost	$ 18	$ 41
Operating expenses	19	40
	$ 37	$ 81

The company is exposed to the following risks due to the retirement pension system of the "Labour Basis Law":

1. Investment risk: The Labor Fund Administration of the Ministry of Labor invests the Labor Pension Fund respectively in domestic (foreign) equity securities, debt securities, and bank deposits through its own operation and entrusted operation. The profits gained

by the company is subject to the amount of company's planned asset allocation, which can't be lower than 2-year time deposit interest rate of the local bank.

2. Interest rate risks: A fall in government bond interest rates will result in increase in the present value of defined benefit obligations, with a corresponding increase in the return on debt investment in plan assets, both of which have a partially offsetting effect on the net defined benefit obligation.
3. Salary risks: The present value of the defined benefit obligations is calculated by referring to the future salaries of members of the plan. Hence, an increase in the member's salary will result in an increase in the present value of defined benefit obligations.

The present value of the company's defined benefit obligations is actuarially determined by a qualified actuary, and the significant assumptions at the measurement date are as follows:

	December 31, 2021	December 31, 2020
Discount rate	0.70%	0.30%
Expected growth rate of salaries	3.00%	3.00%

In the event of a reasonably possible change in each of the significant actuarial assumptions, with all other assumptions remaining constant, the amount by which the present value of defined benefit obligations is increased (decreased) would be as follows:

	December 31, 2021	December 31, 2020
Discount rate		
Increase by 0.25%	($ 429)	($ 472)
Decrease by 0.25%	$ 441	$ 486
Expected growth rate of salaries		
Increase by 0.25%	$ 375	$ 417
Decrease by 0.25%	($ 367)	($ 408)

As the actuarial assumptions may be correlated with each other and it is not probable that only a single assumption will change, the above sensitivity analysis may not reflect actual changes in the present value of the defined benefit obligations.

	December 31, 2021	December 31, 2020
Amount of contribution expected within 1 year	$ 514	$ 500
Average maturity period of defined benefit obligations	8 years	9 years

XIX. Equity

(1) share capital

Ordinary Shares

	December 31, 2021	December 31, 2020
Number of authorized shares ('000 shares)	200,000	200,000
Authorized share capital	$ 2,000,000	$ 2,000,000
Number of shares issued and fully paid ('000 shares)	108,888	108,888
Issued share capital	$ 1,088,880	$ 1,088,880

Common shares are issued with par value of NT$10 per share and each common share is entitled to one unit of voting right and dividends.

The authorized capital included 10,000 thousand shares allocated for the exercise of employee stock warrants.

(2) Capital surplus

	December 31, 2021	December 31, 2020
Used to offset deficits, distribute cash dividends, or transfer share capital (1)		
Premium on issuance of shares	$ 1,701,775	$ 1,701,775
May be used to offset a deficit only		
Changes in ownership interests in subsidiaries (2)	136	136
Changes in the net equity of affiliate enterprises accounted for using the equity method	4,310	-
	$ 1,706,221	$ 1,701,911

1. This type of capital surplus may be used to offset deficits, or, when there is no deficit, to issue cash dividends or increase share capital, provided, however, that the increase in share capital is restricted to a certain ratio of paid-in capital every year.
2. This type of capital surplus is recognized as equity transaction effect due to changes in subsidiary, or recognized as adjustment value of capital surplus from subsidiary by using the equity method.

(3) Retained earnings and dividend policy

In accordance with the provisions of the company's Articles of Incorporation on the earnings distribution, if there exist any earnings as it comes to close annual general accounts, tax shall be paid first, the accumulated loss shall be compensated, and 10% shall be added to the statutory earnings reserve. However, when the statutory earnings reserve has reached the amount of the company's paid-in capital, it shall not be appropriated again, and the rest shall be appropriated or transferred to the special earnings reserve in accordance with the laws and regulations. If any remaining earnings along with the accumulated undistributed earnings take place, the Board of Directors shall set up a profit distribution plan, and convene the Shareholders' Meeting to resolve on the distribution of shareholders' dividends. Refer to Note 21(3) for the policy on allocation of remuneration of employees and directors and supervisors stipulated in the Articles of Association of the Company.

The distribution of dividends to shareholders of the company may be made in cash or by way of shares, provided that the proportion of distribution of cash dividends to shareholders is no less than 10% of the total amount of shareholders' dividends. The company is under the growth stage. The types and ratios of such distribution of earnings will be submitted to Shareholders' Meeting based on the current operating conditions, the interests of shareholders, the balance of dividends, and the planning of capital requirements, which are judged and decided by the Board of Directors .

In accordance with the provisions of Articles 240 and 241 of the Company Law, the company authorizes the Board of Directors with two-thirds or more of the Directors present as well as half of the Directors resolving, to issue cash dividends and bonuses and cash distributions of capital reserves or statutory earnings reserves in compliance with the provisions of the Company Law, and to report to the Shareholders' Meeting.

The legal reserve shall be supplemented until the balance equals the Cleanaway's total paid-in capital. Legal surplus reserves are used to cover losses. When Cleanaway is not in deficit, the portion of the statutory surplus reserve exceeding 25% of the total paid-in share capital can be distributed as cash in addition to being used as share capital.

On August 6, 2021, the Board of Directors of the Company proposed to amend the Articles of Incorporation, specifying that when the amount of the net decrease in other equity accumulated in the previous period and the net increase in the fair value of investment properties accumulated in the previous period are provided for in the special surplus reserve. If the undistributed surplus in the previous period is insufficient, the amount of the undistributed surplus shall be included in the amount of the undistributed surplus in the current period from the net profit after tax plus the net profit after tax. Prior to the amendment of the Articles of Incorporation, the company made provision for undistributed earnings from the previous period in accordance with the law.

Earnings distribution plans of the company in 2020 and 2019 are as follows:

	2020	2019
Legal surplus reserve	$ 117,639	$ 117,898
Special reserve (Note)	$ 9	$ 856
Cash dividends	$ 1,088,880	$ 1,088,880
Cash dividend for each share (NT$)	$ 10.00	$ 10.00

Note: In accordance with the Jin-Guan-Zheng-Fa Letter No. 1010012865, the company appropriates amounts equivalent to the special reserve from the net deduction to other equities in the final accounts of the year. If the deduction to other equities is subsequently reversed, a part of the appropriated earnings may be reversed.

The above cash dividends were distributed according to the resolution of the Board of Directors on February 26, 2021 and March 20, 2020, respectively. The distribution of the remaining earnings were also resolved by the shareholders' meeting on August 6, 2021 and June 12, 2020, respectively.

XX. Revenue

	2021	2020
Revenue from contracts with customers		
Revenue from waste disposal	$ 680,675	$ 839,960
Revenue from contaminated and illegal dump sites cleanup	229,310	239,281
Other revenue	2,451	2,986
	$ 912,436	$ 1,082,227

Please refer to Note 4(13) for the explanation of the main labor revenue and the time point when the substantial performance obligation is satisfied. The contract of the contamination and dump site rectification project will accept the request for payment after the customer adopts the stage acceptance, the expense for the disposal and removal of waste shall be subject to the agreed collection cycle when the service is completed.

Each Performance Obligation provides its respective services in accordance with the business listed in its License and recognizes that type of revenue at its separate selling price.

(1) Contract balance

	December 31, 2021	December 31, 2020
Accounts receivable (Note 8)	$ 108,527	$ 159,118
Accounts receivable - related parties (Note 27)	8,626	8,353
	$ 117,153	$ 167,471
Contract assets - current		
Contaminated and illegal dump site cleanup	$ 73,751	$ 129,343
Waste management	9,034	9,034
	$ 82,785	$ 138,377
Contract assets - non-current		
Contaminated and illegal dump site cleanup	$ 10,521	$ -
Contractual liabilities		
Waste management	$ -	$ 20,305

Changes in contractual assets and liabilities are mainly due to the difference between the point in time when the contract of the rectification project for contamination and dump site rectification project and the waste disposal contract meet the performance obligation and the point in time when the customer pays.

Contract assets will be transferred to accounts receivable at the time of invoicing, and the characteristics of credit risk are the same as those of accounts receivable arising from similar contracts. Therefore, the company also adopts the same expected credit loss rate as that of accounts receivable to recognize the loss allowance of contract assets based on the expected credit loss during the continuous period. The main customers of the company's contractual assets are government authorities.

(2) Contract cost-related assets

	December 31, 2021	December 31, 2020
Contract performance costs		
Waste clean-up and transport cost	$ 1,185	$ 345

Operating costs mainly comprise costs associated with solidification, such as the depreciation of landfill sites, facilities and equipment, cost of staff at the intermediate treatment solidification plant and landfill sites, cement and solidifying agents; costs of waste clean-up and transport, including cost of staff for clean-up and transport and the repair and depreciation of associated equipment; and costs of waste disposal, such as the costs of contaminated and illegal dump sites cleanup.

Related costs of contracts for which investments have been implemented but contract performance obligations have not been completed are deferred to assets - contract performance costs at the end of each month. They are reclassified under operating costs in line with revenue recognition after services are completed in the following month.

(3) Contracts with customers that have not been fully completed

As of December 31, 2021, the total transaction price of the outstanding performance obligations was NT$3,004,212 thousand. The company gradually recognized the revenue with the contamination and dump site rectification project. The contracts of rectification projects for the contamination and dump site will be completed in 2022 to 2023.

XXI. Net profit

Net profit for the period consists of the following items:

(1) Depreciation

	2021	2020
Property, Plant and Equipment	$ 31,934	$ 31,906
Right-of-use assets	11,863	11,482
	$ 43,797	$ 43,388

	2021	2020
Depreciation expense summarized by function		
Operating cost	$ 11,718	$ 12,214
Operating expenses	32,079	31,174
	$ 43,797	$ 43,388

(2) Employee benefits expenses

	2021	2020
Post-employment benefits (note 18)		
Defined contribution plans	$ 3,384	$ 3,104
Defined benefit plans	37	81
	3,421	3,185
Salary expenses	116,533	118,448
Employee insurance premiums	7,632	6,605
Other employee benefits	3,348	3,297
Total employee benefits expenses	$ 130,934	$ 131,535
Summary by function		
Operating cost	$ 33,412	$ 32,567
Operating expenses	97,522	98,968
	$ 130,934	$ 131,535

(3) Employee Compensation and Remuneration for Directors and Supervisors

In accordance with the provisions of the Articles of Incorporation, the company shall allocate the pre-tax profit before the deduction of the remuneration of employees and directors and supervisors in the current year by no less than 1% and no more than 5% respectively. Employee compensation and remuneration for Directors and Supervisors for 2021 and 2020 were resolved by the Board of Directors on February 25, 2022 and February 26, 2021, respectively, as follows:

Estimated percentage

	2021	2020
Employees remuneration	2.37%	2.96%
Remuneration for Directors and Supervisors	2.71%	2.61%

Amount

	2021		2020	
	Cash	Stock	Cash	Stock
Employees remuneration	$ 29,686	$ -	$ 38,621	$ -
Remuneration for Directors and Supervisors	34,000	-	34,000	-

If the amount remains unchanged after the date of issuance of the Parent Company Only Financial Statements, it shall be treated as a change in accounting estimates and adjusted to the accounts in the following year.

The actual amounts allocated for the remuneration of employees and directors and supervisors in 2020 and 2019 did not differ from the amounts recognized in the Parent Company Only Financial Statements in 2020 and 2019.

For information on the remuneration of employees and directors and supervisors adopted by the Board of Directors of the company, please refer to the "Public Information Observatory" of the Taiwan Stock Exchange.

XXII. Income tax

(1) Main components of income tax expense recognized in profit or loss

	2021	2020
Current income tax		
Occurred in the current period	$ 36,680	$ 55,172
Surtax on unappropriated retained earnings	-	-
Adjustments for prior years	229	(785)
	36,909	54,387
Deferred income tax		
Occurred in the current period	49	185
Adjustments for prior years	-	628
	49	813
Income tax expenses recognized in profit or loss	$ 36,958	$ 55,200

Reconciliation between the accounting income and the income tax expense is stated as follows:

	2021	2020
Net profit before tax	$ 1,190,127	$ 1,232,419
Income tax expense calculated from profit before tax based on statutory tax rate	$ 238,025	$ 246,484
Unrealized share of profit or loss of subsidiary under equity method	(207,803)	(197,589)
Non-deductible expenses	6,507	6,462
Adjustments of current income tax expenses in previous years	229	(785)
Adjustments for deferred income tax expense of prior periods	-	628
Income tax expenses recognized in profit or loss	$ 36,958	$ 55,200

(2) Recognized income tax in other comprehensive income

	2021	2020
Deferred income tax benefits (expenses)		
Recognized in other comprehensive income		
- Re-measurement of defined benefit plans	$ 35	$ 214

(3) Income tax liabilities for the current period

	December 31, 2021	December 31, 2020
Income tax payable	$ 36,543	$ 32,058

(4) Deferred tax assets

Changes in deferred income tax assets are as follows:

2021

Deferred tax assets	Balance at the beginning of the year	Recognized in profit or loss	Recognized in others Comprehensive income	Balance at the end of the year
Temporary variance				
Defined benefit plans	$ 2,457	($ 94)	$ 35	$ 2,398
Reserve for plant restoration and maintenance costs	1,414	25	-	1,439
Leave benefit payable	452	20	-	472
	$ 4,323	($ 49)	$ 35	$ 4,309

2020

Deferred tax assets	Balance at the beginning of the year	Recognized in profit or loss	Recognized in others Comprehensive income	Balance at the end of the year
Temporary variance				
Defined benefit plans	$ 2,328	($ 85)	$ 214	$ 2,457
Reserve for plant restoration and maintenance costs	1,384	30	-	1,414
Right-of-use assets	628	(628)	-	-
Leave benefit payable	582	(130)	-	452
	$ 4,922	($ 813)	$ 214	$ 4,323

(5) Deductible temporary difference in deferred income tax assets not recognized in the individual balance sheet

	December 31, 2021	December 31, 2020
Investment in subsidiaries	$ 68,805	$ 58,731

(6) The Company's profit business income tax settlement report for the past years is approved by the tax collection authority until the year 2019.

XXIII. Earnings per share

Earnings and the number of weighted average shares used for calculation of EPS are stated as follows:

Net profit for the year

	2021	2020
Net profit used for the calculation of basic EPS	$ 1,153,169	$ 1,177,219
Net profit used for the calculation of diluted EPS	$ 1,153,169	$ 1,177,219

Number of shares

Unit: thousand shares

	2021	2020
Weighted average number of ordinary shares used to calculate basic earnings per share	108,888	108,888
Effect of dilutive potential common shares:		
Employees remuneration	167	307
Weighted average number of common shares used for the calculation of diluted EPS	109,055	109,195

If the company has an option to settle the compensation of the employees in the form of shares or cash, the diluted earnings per share will be calculated on the assumption that the compensation of the employees will be settled in the form of shares, and the weighted average number of outstanding shares will be taken into account to calculate the diluted earnings per share when the underlying common shares have a dilutive effect. The dilutive effect of such potential common shares shall continue to be considered when calculating the diluted EPS before resolving the number of shares to be distributed as employee compensation in the following year.

XXIV. Partial acquisition of investment subsidiaries - no effect in control

In May 2021, the company acquired 20% of voting shares of Cleanaway Energy Company, whose ownership increased from 55% to 75%.

As the transactions above did not shift the company's control over these subsidiaries, the company is treated as an equity transaction. Please refer to Note 25 in the company Consolidated Financial Statements in 2021 and the Explanation of Equity Transactions of Non-Controlling Interests.

XXV. Capital risk management

The purpose of the company's capital management policy is to safeguard the company's ability of its management, to maximize returns to shareholders and to provide benefits to other equity holders. In order to ensure that the objectives above are achieved, the company regularly reviews its capital structure, taking into account the overall economic situation, the prevailing interest rates, and the adequacy of cash flows from operating activities, and also adjusts the capital structure by paying dividends and issuing new shares.

The company has no restrictions on external capital requirements.

XXVI. Financial instruments

(1) Type of financial instrument

	December 31, 2021	December 31, 2020
Financial assets		
Financial assets at amortized cost (Note 1)	$ 781,011	$ 1,427,087
Financial assets at fair value through other comprehensive income		
Investment in equity instruments	5,000	-
Financial liabilities		
Measured at amortized cost (Note 2)	425,574	299,363

Note 1: Including cash and cash equivalents, financial assets measured at amortized cost, contract assets, accounts receivable including related parties, other receivables - related parties and deposits.

Note 2: Including bank loans, accounts payable including related parties, other payables including related parties and guarantee deposits.

(2) Fair value information - Financial instruments not measured at fair value

The management of the company considers that the financial assets and financial liabilities not measured at fair value are measured at amortized cost, and the carrying amount is close to their fair value.

(3) Fair value information - Financial instruments not measured at fair value

1. Fair value hierarchy

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
Investment in equity instruments				
— Domestic unlisted (counter) shares	$ -	$ -	$ 5,000	$ 5,000

There were no transfers between Level 1 and Level 2 fair value measurements in 2021.

2. Adjustment of financial instruments measured at Level 3 fair value.

2021

	Through other comprehensive income Financial assets measured at fair value - Equity instruments
Balance at the beginning of the year	$ -
Recognized in other comprehensive income (unrealized valuation gain or loss on financial assets at fair value through other comprehensive income)	-
Purchase	5,000
Balance at the end of the year	$ 5,000

3. Evaluation technology and input value at Level 3 fair value measurement

The objective of the domestic unlisted (counter) equity investment was established in May 2021. As of December 31, 2021, it belongs to the preparation stage, and therefore its fair value is assessed using cost.

(4) Financial risk management purposes and policies

The company's main financial instruments include cash and cash equivalents, financial assets measured at amortized cost, contractual assets, accounts receivable, accounts receivable - related parties, other receivables - related parties, equity instrument investments, deposits (withdrawals), guarantee deposits, accounts payable, accounts payable - related parties, other payables - related parties and bank borrowings. The financial management department of the company provides services to various business units and coordinates access to domestic and international financial markets with the aim of supervising and managing the financial risks associated with the operations of the company through internal risk reports that analyze the risks according to the degree and breadth of the risks. Such risks include market risk, credit risk and liquidity risk.

The Finance and Business Departments regularly report to the company's management, and it will simultaneously monitor the risks and implement the policies to mitigate the risk exposure by its responsibilities.

1. Market risk

(1) Exchange rate risk

The company's main operating activities take place in Taiwan, the functional currency is denominated in NTD and there are no significant exchange rate risks. The company invested indirectly in Cleanaway (Shanghai) Company Limited and Cleanaway Zoucheng Co., Ltd.. Due to their location in mainland China, the functional currency is RMB. Currently, the main operating activities are to prepare for the development of the environmental protection market in mainland China, and the degree of exchange rate risk is not significant.

(2) Interest rate risk

Interest rate risk arises as the company borrows funds at both fixed and floating rates. Fixed-rate borrowings expose the company to fair value interest rate risk, but some of the risk is offset by fixed-rate certificates of deposit; floating-rate borrowings expose the company to cash flow interest rate risk, but some of the risk is offset by cash held at floating-rate and cash equivalents. The carrying amount of the company's financial assets and financial liabilities exposed to interest rate risk on the balance sheet date are as follows:

	December 31, 2021	December 31, 2020
Fair value interest rate risk		
- Financial assets	$ 101,190	$ 163,148
- Financial liabilities	100,000	-
Cash flow interest rate risk		
- Financial assets	69,442	510,731
- Financial liabilities	-	-

Sensitivity Analysis

The sensitivity analysis below is based the company's exposure to interest rate risk on the balance sheet date. For assets and liabilities based on floating interest rates, the analysis method assumes the assets and liabilities in external circulation on the reporting date remain so throughout the year. Additionally, according to the reasonably possible range of changes in interest rates, the company's net profit before tax in 2021 and 2020 will increase or decrease by 694 thousand dollars and 5,107 thousand dollars if the interest rate increases or decreases by 1% under all other variables remaining constant.

2. Credit risk

Credit risk is the risk of financial loss to the company arising from a counterparty's default on its contractual obligations.

If the amount of the company's single customer exceeds 10% of the total accounts receivable, it is mainly related to the cases of government authorities, with no others exceeding 10% of the total accounts receivable included. In principle, government institutions do not have credit quality issues and thus have no significant credit risk.

3. Liquidity risk

The company manages and maintains sufficient cash and cash equivalents to meet the Group's operations and mitigate the effects of fluctuations in cash flows. Since July 2018, in response to the addition of an investment plan, the company's management has regarded borrowing from banks as an important source of maintaining liquidity by supervising the use of bank financing lines and ensuring compliance with the terms of the loan contracts.

(1) Table of liquidity and interest rate risks of non-derivative financial liabilities

The maturity analysis of the remaining contracts of non-derivative financial liabilities is prepared based on the earliest date on which the company may be required to repay, based on the undiscounted cash flow of financial liabilities including principal and estimated future interest. Therefore, the Bank's borrowings for which the company may be required to repay immediately are included in the earliest period of the following table, regardless of the probability that the Bank will immediately exercise the right; the maturity analysis of other non-derivative financial liabilities is prepared according to the agreed repayment date.

December 31, 2021

	Within 1 year	More than 1 year ~ Less than 2 years	Within 2 years ~ Less than 5 years
Non-interest-bearing liabilities	$ 188,977	$ -	$ -
Lease liabilities	8,438	8,225	21,728
Fixed interest rate instruments	100,000	-	-
	$ 297,415	$ 8,225	$ 21,728

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5-10 years	10-15 years	15-20 years	More than 20 years
Lease liabilities	$ 8,438	$ 29,953	$ 25,040	$ 27,162	$ 32,221	$ 257,782

December 31, 2020

	Within 1 year	More than 1 year ~ Less than 2 years	Within 2 years ~ Less than 5 years
Non-interest-bearing liabilities	$ 156,489	$ -	$ -
Lease liabilities	7,940	8,051	16,243
	$ 164,429	$ 8,051	$ 16,243

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5-10 years	10-15 years	15-20 years	More than 20 years
Lease liabilities	$ 7,940	$ 24,294	$ 25,828	$ 26,617	$ 31,600	$ 268,491

(2) Financing Limit

	December 31, 2021	December 31, 2020
Unsecured banks loans credit limit		
- Used amount	$ 50,000	$ -
- Unused amount	1,100,000	1,200,000
	$ 1,150,000	$ 1,200,000
Secured bank loan credit limit		
- Used amount	$ 50,000	$ -
- Unused amount	500,000	450,000
	$ 550,000	$ 450,000

3 Performance limit

	December 31, 2021	December 31, 2020
Unsecured bank performance guarantee limit		
- Used amount	$ 24,806	$ 154,494
- Unused amount	295,194	65,506
	$ 320,000	$ 220,000
Secured bank performance guarantee limit		
- Used amount	$ 227,784	$ 79,792
- Unused amount	1,282,216	370,208
	$ 1,510,000	$ 450,000

The utilized limit is used for the performance bond issued by the bidding business and the chairman of the company acts as a joint guarantor.

XXVII. Significant Related Party Transactions

Except as disclosed in other notes, the transactions between the Company and related parties are as follows.

(1) The names and relationships of the related parties

Name of related party	Relationship with the company
Da Tsang Industrial Company Limited (hereinafter referred to as " Da Tsang ")	Subsidiaries
Kang Lien Enterprise Company Limited (hereinafter referred to as " Kang Lien Enterprise ")	Subsidiaries

(Continued on next page)

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Name of related party	Relationship with the company
Cleanaway Enterprise Company Limited (hereinafter referred to as " Cleanaway Enterprise ")	Subsidiaries
Da Ning Company Limited (hereinafter referred to as " Da Ning ")	Second-tier subsidiary
Chi Wei Company Limited (hereinafter referred to as " Chi Wei ")	Subsidiaries
Cleanaway Investment Company Limited (hereinafter referred to as " Cleanaway Investment ")	Subsidiaries
Da Cheng Recycling Company Limited (hereinafter referred to as " Da Cheng Recycling ")	Second-tier subsidiary
Chase Sustainability Technology Co., Ltd. (hereinafter referred to as " Chase ") (Note)	Affiliate enterprise
Cleanaway SUEZ Environmental Resources Limited (Cleanaway SUEZ)	Affiliate enterprise
Chung Tai Resource Technology Corp. (hereinafter referred to as Chung Tai)	Affiliate enterprise
Ho Tsang Co., Ltd. (hereinafter referred to as " Ho Tsang ")	The spouse of the chairman of the company acts as chairman of the company
Chin Wei Environmental Consultant Co., Ltd. (hereinafter referred to as " Chin Wei ")	The chairman of the company's subsidiary acts as the chairman of the company

Note: Chase Environmental Co., Ltd. changed its name to Chase Sustainability Technology Co., Ltd. on January 13, 2022.

(2) Significant transactions with related parties

1. Accounts receivable - related parties

	December 31, 2021	December 31, 2020
Cleanaway SUEZ	$ 3,845	$ 3,358
Kang Lien Enterprise	3,326	-
Chung Tai	1,455	4,995
	8,626	8,353
Less: Loss allowance	(53)	(83)
	$ 8,573	$ 8,270

Uncollected amounts at the end of the period due to the income from disposal of waste provided by the company. The credit period provided to related parties is 30 to 120 days.

Collateral is not provided for receivables from related parties in external circulation.

The company's loss allowance on accounts receivable - related parties based on the provision matrix is as follows:

December 31, 2021

	Not overdue	overdue 1～210 days	overdue 211～240 days	overdue 241～365 days	overdue 365 days	Total
Expected credit loss rate	0%～1%	1%～2%	10%	20%	100%	
Total carrying amount	$ 7,261	$ 1,365	$ -	$ -	$ -	$ 8,626
Loss allowance (lifetime expected credit losses)	(39)	(14)	-	-	-	(53)
Amortized cost	$ 7,222	$ 1,351	$ -	$ -	$ -	$ 8,573

December 31, 2020

	Not overdue	overdue 1～210 days	overdue 211～240 days	overdue 241～365 days	overdue 365 days	Total
Expected credit loss rate	0%～1%	1%～2%	10%	20%	100%	
Total carrying amount	$ 8,353	$ -	$ -	$ -	$ -	$ 8,353
Loss allowance (lifetime expected credit losses)	(83)	-	-	-	-	(83)
Amortized cost	$ 8,270	$ -	$ -	$ -	$ -	$ 8,270

Changes in allowance for accounts receivable from related parties are as follows:

	2021	2020
Balance at the beginning of the year	$ 83	$ 86
Less: reversal of impairment loss in the current year	(30)	(3)
Balance at the end of the year	$ 53	$ 83

2. Other receivables - related parties excluding loans to related parties

	December 31, 2021	December 31, 2020
Da Tsang	$ 202,066	$ 170,150
Chi Wei	3,298	162,159
Kang Lien Enterprise	1,578	6,033
Da Ning	3,970	5,817
	210,912	344,159
Less: Loss allowance	-	-
	$ 210,912	$ 344,159

Other receivables - uncollected amounts at the end of the period from Da Ning amortization management fees related to affiliates. Other receivables - uncollected amounts in cash dividends and amortization management fees at the end of the period related to affiliates from Da Tsang, Kang Lien Enterprise and Chi Wei.

Collateral is not provided for other receivables from related parties in external circulation.

The company measured other receivables based on the reserve matrix - loss allowance of the related parties as follows:

December 31, 2021

	Not overdue	overdue 1～210 days	overdue 211～240 days	overdue 241～365 days	overdue 365 days	Total
Expected credit loss rate	0%～1%	1%～2%	10%	20%	100%	
Total carrying amount	$ 210,912	$ -	$ -	$ -	$ -	$ 210,912
Loss allowance (lifetime expected credit losses)	-	-	-	-	-	-
Amortized cost	$ 210,912	$ -	$ -	$ -	$ -	$ 210,912

December 31, 2020

	Not overdue	overdue 1～210 days	overdue 211～240 days	overdue 241～365 days	overdue 365 days	Total
Expected credit loss rate	0%～1%	1%～2%	10%	20%	100%	
Total carrying amount	$ 344,159	$ -	$ -	$ -	$ -	$ 344,159
Loss allowance (lifetime expected credit losses)	-	-	-	-	-	-
Amortized cost	$ 344,159	$ -	$ -	$ -	$ -	$ 344,159

Changes in allowance for other receivables from related parties are as follows:

	2021	2020
Balance at the beginning of the year	$ -	$ 2
less: impairment loss for the current year	-	(2)
Balance at the end of the year	$ -	$ -

3. Accounts payables to related parties

	December 31, 2021	December 31, 2020
Chi Wei	$ 66,494	$ 37,495
Chase	2,076	2,963
Kang Lien Enterprise	555	946
	$ 69,125	$ 41,404

Accounts payable - Chase pays for the platform usage, and the rest for the burial fee and shipping fee.

4. Other payables - related parties excluding loans from related parties

	December 31, 2021	December 31, 2020
Chin Wei	$ 7,875	$ 7,875
Cleanaway Investment	3,522	1,317
	$ 11,397	$ 9,192

Other payables - related parties payable for enterprise management consulting service fees.

5. Operating income

	2021	2020
Chung Tai	$ 20,025	$ 37,215
Cleanaway SUEZ	18,971	27,951
Kang Lien Enterprise	5,484	-
	$ 44,480	$ 65,166

The income received by the company is by means of providing related parties with waste disposal based on the prices of non-related parties.

6. Landfill cost (accounted under operating cost)

	2021	2020
Chi Wei	$ 223,698	$ 258,802
Da Ning	-	60,827
	$ 223,698	$ 319,629

The landfill costs paid by the company for delivering the processed solidified matter to the waste landfill site owned by Chi Wei are a single transaction, and there is no comparative price for non-related parties.

The landfill costs paid by the company for general business waste generated by the pollution and disposal site rectification project and sent to the waste landfill site owned by Da Ning are a single transaction, and there is no comparative price for non-related parties.

7. Clean-up and operation costs (accounted under operating costs)

	2021	2020
Chi Wei	$ 7,457	$ 8,627
Kang Lien Enterprise	4,650	9,948
	$ 12,107	$ 18,575

The cost of cleaning and transporting waste entrusted by the company to related parties is based on the prices of non-related parties, and is adjusted according to the clearance volume and clearance distance.

8. Cost of pollution and disposal site rectification project (accounted under operating cost)

	2021	2020
Kang Lien Enterprise	$ 213	$ 650
Cleanaway SUEZ	-	750
	$ 213	$ 1,400

The cost of the rectification project for decontamination and disposal entrusted by the company to related parties is based on the prices of non-related parties.

9. Platform licensing fee (recognized under the operating costs)

	2021	2020
Chase	$ 20,903	$ 26,565

The fees charged by Chase for providing the company with the service of its platform are a single transaction, and there is no comparative price for non-related parties.

10. Incineration costs (under operating costs)

	2021	2020
Cleanaway SUEZ	$ -	$ 302

The waste generated by the pollution and disposal site from rectification project of the company is incinerated, which is entrusted to Cleanaway SUEZ, and its costs paid are based on the prices of non-related parties.

11. Management consulting service fee (accounted under operating expenses)

	2021	2020
Chin Wei	$ 30,000	$ 30,000
Cleanaway Investment	7,580	6,589
	$ 37,580	$ 36,589

The fees charged by the related parties for providing the company's enterprise management consulting services are a single transaction, and there is no comparative price for non-related parties.

12. Management expense shared among related affiliates (less: operating expense)

	2021	2020
Da Ning	$ 46,253	$ 51,249
Chi Wei	46,079	58,283
Da Tsang	22,494	28,761
Kang Lien Enterprise	10,632	16,073
	$ 125,458	$ 154,366

Common expenses shared between the affiliates and the centralized office of the company.

13. Loans to related parties (accounted as other accounts receivable - related parties)

	2021				
Name of related party	Actual Expenditure Maximum Balance	Actual Expenditure Ending Balance	Annual interest rate Range	Interest income for the current period	Interest receivable at the end of the period (accounted as other receivables - related parties)
Da Tsang	$ 210,000	$ 150,000	1%	$ 667	$ 128
Kang Lien Enterprise	50,000	-	1%	103	-
Da Cheng Circular	40,000	40,000	1%	15	15
		$ 190,000		$ 785	$ 143

	2020				
Name of related party	Actual Expenditure Maximum Balance	Actual Expenditure Ending Balance	Annual interest rate Range	Interest income for the current period	Interest receivable at the end of the period (accounted as other receivables - related parties)
Da Tsang	$ 360,000	$ 60,000	1%	$ 1,865	$ 51
Kang Lien Enterprise	50,000	44,000	1%	336	37
		$ 104,000		$ 2,201	$ 88

The interest rate of the company's loans to related parties is based on the internal capital adjustment cost of the Group to which the company belongs and the interest rate of bank time deposits.

14. Loans from related parties (accounted as other payables - related parties)

	2020				
Name of related party	Actual Expenditure Maximum Balance	Actual Expenditure Ending Balance	Annual interest rate Range	Interest Expenses for the current period	Interest payable at the end of the period (accounted as other payables - related parties)
Cleanaway Enterprise	$ 55,000	$ -	1%	$ 69	$ -

The interest rate of the company's borrowings from related parties is based on the internal capital adjustment cost of the Group to which the company belongs and the interest rate of the bank time deposits.

15. Leasing agreement

Name of related party	Accounting subject	December 31, 2021	December 31, 2020
Ho Tsang	Lease liabilities-current	$ 3,400	$ 3,319
Ho Tsang	Lease liabilities - non-current	$ 354,974	$ 363,557

Name of related party	Accounting subject	2021	2020
Ho Tsang	Interest expenses	$ 4,527	$ 3,834

For lease transactions with Ho Tsang, please refer to Note 12(3) for important leasing activities and terms.

16. Guarantee deposits received

	2021	2020
Chase	$ -	$ 10,000

The company obtained the waste disposal business through the intermediary platform of Chase, and received the customer's payment on behalf of Chase. Therefore, the company collected the performance bond from Chase.

(3) Remuneration to key management

Remuneration to Directors and key management in 2021 and 2020 were as follows:

	2021	2020
Directors remuneration	$ 32,400	$ 32,400
Short-term employee benefits		
Salary	15,564	14,760
Bonus and compensation	19,000	19,000
Post-employment benefits		
Defined benefits	161	161
Defined contribution	648	648
Transportation expenses	280	240
	$ 68,053	$ 67,209

The remuneration to directors and other key management is determined by the remuneration committee based on personal performance and market trends.

XXVIII. Pledged Assets

The following assets of the company are provided by the bank as collateral for financing loans and project performance guarantees:

	December 31, 2021	December 31, 2020
Pledged time deposit certificates (recognized under financial assets measured at amortized cost)		
- Current	$ 6,131	$ -
Restricted bank deposits (Reserve account, Recognized under other current assets)		
- Current	147	-
Land	722,806	722,806

XXIX. Others

The company's management has assessed that the COVID-19 pandemic has not had a substantial impact on the company's continuous operation, impairment of assets and ability to raise capital.

XXX. Notes to Disclosures

(1) Information on (I) Significant Transactions and (II) Investees:

1. Lending to others (Table 1)
2. Endorsements/guarantees provided for others (Table 2)
3. Marketable securities held at the end of the period (excluding equity in subsidiaries, associates and joint ventures) (Table 3)

4. Accumulated purchase or disposal of individual marketable securities in excess of NT$300 million or 20% of the paid-in capital (Table 4)
5. Acquisition of real estate at price in excess of NT$300 million or 20% of the paid-in capital (None)
6. Disposal of real estate at price in excess of NT$300 million or 20% of the paid-in capital (None)
7. Purchases and sales with related parties in excess of NT$100 million or 20% of the paid-in capital (Table 5)
8. Amount receivable from related parties in excess of NT$100 million or 20% of its paid-in capital (Table 6)
9. Derivative financial instrument transactions (None)
10. Information on investees (Table 7)

(3) Information on investment in Mainland China:

1. China investees' names, business items, amounts of paid-in capital, investment methods, capital transaction conditions, shareholding ratios, investment gains and losses, the ending investment book value, investment income repatriation and limits of investment in China (Table 8)
2. The following significant transactions with the mainland China investee, directly or indirectly through the third region, and their prices, payment terms, unrealized profits and losses: (Table 8)
   (1) Purchase amount and percentage, and the ending balance and percentage of payables.
   (2) Sales amount and percentage, and the ending balance and percentage of receivables.
   (3) Property transaction amount and the resulting gain or loss.
   (4) Ending balance of endorsement, guarantee or collateral provided and purposes.
   (5) The maximum balance, ending balance, interest rate range and total amount of current interest of financing.
   (6) Other transactions having a significant impact on profit or loss or financial status of the period, such as providing or receiving services.

(4) Main shareholder information: Name of shareholder with equity ratio of 5% or more, amount of shareholding and proportion. (Table 9)

Cleanaway Company Limited

Lending to Others

2021

Table 1

Units: Unless otherwise specified, NT$ thousand

No.	Lending Company	Borrower	Transaction item	Related Party Status	Maximum Balance	Ending Balance	Actual Drawdown	Interest Rate Range	loan Nature of	Amount of Business Transaction	Reason for Short-term Financing	Allowance for provision Loss amount	Collateral		For individual objects Financing limit (Note 1)	loan Total limit (Note 1)	Remarks
													Name of	Value			
0	Cleanaway Company Limited	Kang Lien Enterprise Company Limited	Other receivables from related parties	Yes	$ 50,000	$ -	$ -	1%	Short-term financing	Not applicable	Operating capital	$ -	-	$ -	$ 2,312,246 (Note 2)	$ 2,312,246 (Note 2)	
0	Cleanaway Company Limited	Da Tsang Industrial Company Limited	Other receivables from related parties	Yes	60,000	-	-	1%	Short-term financing	Not applicable	Operating capital	-	-	-	2,312,246 (Note 2)	2,312,246 (Note 2)	
0	Cleanaway Company Limited	Da Tsang Industrial Company Limited	Other receivables from related parties	Yes	150,000	150,000	150,000	1%	Short-term financing	Not applicable	Operating capital	-	-	-	2,312,246 (Note 2)	2,312,246 (Note 2)	
0	Cleanaway Company Limited	Da Cheng Recycling Company Limited	Other receivables from related parties	Yes	40,000	40,000	40,000	1%	Short-term financing	Not applicable	Operating capital	-	-	-	2,312,246 (Note 2)	2,312,246 (Note 2)	
1	Da Tsang Industrial Company Limited	Cleanaway Zoucheng Co., Ltd.	Other receivables from related parties	Yes	6,576 (RMB 1,500 thousand)	-	-	-	Short-term financing	Not applicable	Operating capital	-	-	-	579,569 (Note 3)	579,569 (Note 3)	
1	Da Tsang Industrial Company Limited	Cleanaway Zoucheng Holding Company Limited	Other receivables from related parties	Yes	6,540 (RMB 1,500 thousand)	6,516 (RMB 1,500 thousand)	6,516 (RMB 1,500 thousand)	-	Short-term financing	Not applicable	Operating capital	-	-	-	579,569 (Note 3)	579,569 (Note 3)	
2	Cleanaway Enterprise Company Limited	Cleanaway Zoucheng Co., Ltd.	Other receivables from related parties	Yes	6,576 (RMB 1,500 thousand)	-	-	-	Short-term financing	Not applicable	Operating capital	-	-	-	134,848 (Note 4)	134,848 (Note 4)	
2	Cleanaway Enterprise Company Limited	Cleanaway Zoucheng Co., Ltd.	Other receivables from related parties	Yes	6,576 (RMB 1,500 thousand)	-	-	-	Short-term financing	Not applicable	Operating capital	-	-	-	134,848 (Note 4)	134,848 (Note 4)	
2	Cleanaway Enterprise Company Limited	Cleanaway (Shanghai) Company Limited	Other receivables from related parties	Yes	13,152 (RMB 3,000 thousand)	-	-	-	Short-term financing	Not applicable	Operating capital	-	-	-	134,848 (Note 4)	134,848 (Note 4)	

No.	Lending Company	Borrower	Transaction item	Related Party Status	Maximum Balance	Ending Balance	Actual Drawdown	Interest Rate Range	loan Nature of	Amount of Business Transaction	Reason for Short-term Financing	Allowance for provision Loss amount	Collateral		For individual objects Financing limit (Note 1)	loan Total limit (Note 1)	Remarks
													Name of	Value			
2	Cleanaway Enterprise Company Limited	Cleanaway Zoucheng Holding Company Limited	Other receivables from related parties	Yes	6,540 (RMB 1,500 thousand)	6,516 (RMB 1,500 thousand)	6,516 (RMB 1,500 thousand)	-	Short-term financing	Not applicable	Operating capital	-	-	-	134,848 (Note 4)	134,848 (Note 4)	
2	Cleanaway Enterprise Company Limited	Cleanaway Shanghai Management Holding Company Limited	Other receivables from related parties	Yes	13,080 (RMB 3,000 thousand)	13,032 (RMB 3,000 thousand)	13,032 (RMB 3,000 thousand)	-	Short-term financing	Not applicable	Operating capital	-	-	-	134,848 (Note 4)	134,848 (Note 4)	
3	Chi Wei Company Limited	Kang Lien Enterprise Company Limited	Other receivables from related parties	Yes	50,000	50,000	50,000	1%	Short-term financing	Not applicable	Operating capital	-	-	-	298,689 (Note 5)	298,689 (Note 5)	
3	Chi Wei Company Limited	Da Tsang Industrial Company Limited	Other receivables from related parties	Yes	150,000	-	-	1%	Short-term financing	Not applicable	Operating capital	-	-	-	298,689 (Note 5)	298,689 (Note 5)	
3	Chi Wei Company Limited	Cleanaway Enterprise Company Limited	Other receivables from related parties	Yes	50,000	50,000	40,000	1%	Short-term financing	Not applicable	Operating capital	-	-	-	298,689 (Note 5)	298,689 (Note 5)	
4	Cleanaway Energy Company Limited	Top-Comment Resources Company Limited	Other receivables from related parties	Yes	20,000	-	-	1%	Short-term financing	Not applicable	Operating capital	-	-	-	193,765 (Note 6)	193,765 (Note 6)	

Note 1: According to the stipulations of the "Capital Lending and Endorsement Guarantee Procedures" of Cleanaway Company Limited, Da Tsang Industrial Company Limited, Cleanaway Enterprise Company Limited, Chi Wei Company Limited, and Cleanaway Energy Company Limited (the Company):

(1) The parties to whom the Cleanaway may lend its funds to are companies or firms having business relationship with the Cleanaway, or ones requiring short-term financing.

(2) Total lending amount of the Cleanaway shall not exceed 80 percent of the Cleanaway's net worth. The accumulated lending amount to firms or companies having business relationship with the Cleanaway shall not exceed 80 percent of the Cleanaway's net worth. The accumulated lending amount to firms or companies requiring short-term financing shall not exceed 40 percent of the Cleanaway's net worth.

(3) The lending amount to a single firm or company is limited to 40 percent of the Cleanaway's net worth. For firms or companies having business relationship with the Cleanaway, the lending amount to a single firm or company is limited to the previous year's transaction amount between both parties. The transaction amount means the sales or purchasing amount between the parties, whichever is higher. The lending amount to a single enterprise requiring short-term financing shall not exceed 20 percent of the Cleanaway's net worth. For companies where the Cleanaway or the parent company held, either directly or indirectly, 50% or more of shares, the lending amount shall not exceed 40 percent of the Cleanaway's net worth. In addition, the lending between the Cleanaway and its parent or subsidiary, or between subsidiary companies shall not exceed 10% of the net value of the company's latest financial statements.

Note 2: Cleanaway Company Limited is the parent company of Da Tsang Company Limited, Kang Lien Enterprise, and Da Cheng Recycling Company Limited. As the nature of financing is firms or companies requiring short-term financing, the lending amount to a single entity cannot exceed 40 percent of the Cleanaway's net worth. Net worth of the Cleanaway Company Limited is calculated based on its latest audited or reviewed financial statements, i.e. net worth as of December 31, 2021. The total lending amount to firms and companies requiring short-term financing shall not exceed 40 percent of the Cleanaway's net worth.

Note 3: Cleanaway Zoucheng Co., Ltd. and Cleanaway Zoucheng Holding Co., Ltd. are affiliates of Da Tsang Industrial Company Limited. Their ultimate parent company is Cleanaway Company Limited. As the nature of financing is firms or companies requiring short-term financing, the lending amount to a single entity cannot exceed 40 percent of Da Tsang Industrial Company Limited's net worth. Net worth of Da Tsang Industrial Company Limited is calculated based on its latest audited financial statements, i.e. the net worth as of December 31, 2021. The total lending amount to firms and companies requiring short-term financing shall not exceed 40 percent of Da Tsang Industrial Company Limited's net worth. The liquidation of Cleanaway Zoucheng Co., Ltd. was completed in July 2021 and approved by the Investment Commission of the Ministry of Economy in October 2021.

Note 4: Cleanaway Zoucheng Co., Ltd., Cleanaway (Shanghai) Co., Ltd., Cleanaway Zoucheng Holding Co., Ltd., and Cleanaway Shanghai Management Holding Company Limited are affiliates of Cleanaway Enterprise Company Limited. Their ultimate parent company is Cleanaway Company Limited. As the nature of financing is firms or companies requiring short-term financing, the lending amount to a single entity cannot exceed 40 percent of Cleanaway Enterprise Company

Limited's net worth. Net worth of Cleanaway Enterprise is calculated based on its latest audited financial statements, i.e. the net worth as of December 31, 2021. The total lending amount to firms and companies requiring short-term financing shall not exceed 40 percent of Cleanaway Enterprise Company Limited's net worth.

Note 5: Da Tsang Industrial Company Limited, Kang Lien Enterprise Company Limited, and Cleanaway Enterprise Company Limited are the affiliates of Chi Wei Company Limited. Their ultimate parent company is Cleanaway Company Limited. As the nature of financing is firms or companies requiring short-term financing, the lending amount to a single entity cannot exceed 40 percent of Chi Wei Company Limited's net worth. Net worth of Chi Wei Company Limited is calculated based on its latest audited financial statements, i.e. the net worth as of December 31, 2021. The total lending amount to firms and companies requiring short-term financing shall not exceed 40 percent of the Chi Wei's net worth.

Note 6: Top-Comment Resources Company Limited is an affiliate of Cleanaway Energy Company Limited and the ultimate parent company is Cleanaway Company Limited. As the nature of financing is firms or companies requiring short-term financing, the lending amount to a single entity cannot exceed 40 percent of the net worth of Cleanaway Energy Company Limited. Net worth of Cleanaway Energy Company Limited is calculated based on its latest audited financial statements, i.e. the net worth as of December 31, 2021. The total lending amount to firms and companies requiring short-term financing shall not exceed 40 percent of the Cleanaway Energy's net worth.

Note 7: In accordance with the regulations governing capital loan of the aforementioned companies who load funds, the limit of the capital loan shall be calculated based on the net value of the latest audited financial statements. The aforementioned loan ceiling for individual companies and the total loan ceiling for others announced by the companies that loaned funds in December 2021 were calculated on the basis of financial statements Q3 2021 rather than financial statements 2021 because the financial statements 2021 have not been audited by CPAs. The actual ceiling may have certain differences with the aforesaid amount.

Cleanaway Company Limited

Endorsement/Guarantee Provided for Others

2021

Table 2

Units: Unless otherwise specified, NT$ thousand

No. (Note 1)	Endorsement/ Guarantee Provider Name	Subject of Endorsements/Guarantees		Limit of Endorsements/ Guarantees for a Single Entry (Notes 3 and 5)	Maximum Balance for this Period	Endorsement and Guarantee for this Period	Actual Drawdown	Amount of Endorsement/ Guarantee Collaterized by Properties	Ratio of Accumulated Endorsement/Guarantee to Net Equity per Latest Financial Statements (%)	Endorsements/ Guarantees Maximum limit (Notes 4 and 5)	Endorsement guarantee by parent company for subsidiary	Endorsement guarantee by subsidiary for parent company	Guarantee provided to subsidiaries in Mainland China	Remarks
		Company Name	Relationship (Note 2)											
0	Cleanaway Company Limited	Cleanaway Enterprise Company Limited	2	$ 2,890,308	$ 120,000	$ 79,000	$ 79,000	$ -	2.08	$ 2,890,308	Y	N	N	

Note 1: The remarks for the serial number column are as follows:

(1) The issuer is coded 0.

(2) Investees are numbered consecutively from 1 in the order presented in the table above.

Note 2: The relation between endorsement guarantor and the subject of endorsement or guarantee is as follows:

(1) A company that has business transactions with the Cleanaway.

(2) Companies in which the Cleanaway directly and indirectly holds more than 50 percent of the voting shares.

Note 3: The amount of each company's endorsement/guarantee shall not exceed 50% of its net value as stated in the latest financial statements audited or reviewed by CPAs.

Note 4: The amount of each company's endorsement/guarantee for a single enterprise shall not exceed 50% of its net value as stated in the latest financial statements audited or reviewed by CPAs.

Note 5: According to the provisions governing Cleanaway's endorsement/guarantee, the cap of the endorsement shall be calculated based on the net value as stated in the latest financial statements audited by CPAs. As announced by Cleanaway in December 2021, the caps of endorsement/guarantee for a single enterprise and for others in total both are NT$ 2,772,811 thousand. However, because the 2021 annual financial statements have not been audited by CPAs, the calculation based on the financial statements for Q3 2021, so the actual cap may have certain differences with the aforesaid amount.

Cleanaway Company Limited

Marketable Securities Held at the End of the Period

December 31, 2021

Table 3

Units: Unless otherwise specified, NT$ thousand

Securities holder	Type and name of marketable securities (Note 1)	Relationship with issuers of marketable securities (Note 2)	Journal Accounts	End of period				Remarks
				No. of Shares	Carrying amount	%	Fair value	
Cleanaway Company Limited	Ordinary shares of Aquis Sport Culture Company Limited	-	Financial assets at fair value through other comprehensive income - non-current	500,000	$ 5,000	10	$ 5,000	

Note 1: Marketable securities referred to in this Schedule are stocks, bonds, certificates of beneficial interest and marketable securities deriving from the foregoing that fall within the scope of IFRS 9 "Financial Instruments".

Note 2: This column is omitted if the issuer of marketable securities is not a related party.

Cleanaway Company Limited

Cumulative acquisition or disposal of the same marketable securities amounted to NTD 300 million or more than 20% of paid-up capital

2021

Table 4

Units: Unless otherwise specified, NT$ thousand

Company purchasing or selling	Marketable securities Type and name (Note 1)	Journal Accounts	Counterparty (Note 2)	Relationship (Note 2)	Beginning of Period		Purchase		Sale				Other		End of period	
					No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Selling Price	Book cost	Gains (Losses) on Disposal	No. of Shares	Amount	No. of Shares	Amount
Cleanaway Company Limited	Ordinary shares of Cleanaway Energy Company Limited	Investment accounted for using equity method	Huanxing Technology Co., Ltd. /Cleanaway Energy Company Limited (Note 3)	Non-related parties/subsidiaries	5,500,000	$ 47,277	32,000,000	$ 320,000 (Note 3)	-	$ -	$ -	$ -	-	($ 3,967) (Note 5)	37,500,000	$ 363,310
Cleanaway Company Limited	Ordinary shares of Da Tsang Industrial Company Limited	Investment accounted for using equity method	Da Tsang Industrial Company Limited	Subsidiaries	27,000,000	1,039,712	40,000,000	400,000 (Note 4)	-	-	-	-	-	9,211 (Note 6)	67,000,000	1,448,923

Note 1: Marketable securities referred to in this Schedule are stocks, bonds, certificates of beneficial interest and marketable securities deriving from the foregoing.

Note 2: For investors using the equity method in the marketable securities account, these two columns must be filled in, while the others may omit the same.

Note 3: In May 2021, Cleanaway acquired 2,000,000 shares in cash of Cleanaway Energy from Huanxing Technology Co., Ltd.; and in September 2021, appropriated 300,000 thousand in cash to subscribe to Cleanaway Energy's capital increase of 30,000 thousand new shares.

Note 4: Cleanaway Company increased its capital to Da Tsang Industrial Company with cash of 400 million in December 2021.

Note 5: Losses of subsidiaries recognized based on the equity method amounted to 758 thousand dollars and decrease in equity transactions amounted to 3,209 thousand dollars.

Note 6: The profit of the subsidiary recognized based on the equity method is 537,351 thousand dollars, the exchange loss translated into the financial statements of foreign operating institutions is 26 thousand, and the cash dividend distributed is 528,114 thousand.

Cleanaway Company Limited

Purchases and Sales with Related Parties in Excess of NT$100 million or 20% of the Paid-in Capital

2021

Table 5

Unit: NTD stands for the unit of thousand unless otherwise stated

Supplier (Buyer) Company	Name of Trading Partner	Relationship	Transaction Details				Transaction conditions are different from general transactions Circumstances and reasons		Notes and Accounts Receivable (Payable)		Remarks
			Purchase/Sale	Amount	Proportion % against total purchase (sales) of goods	Credit period	Unit Price	Credit period	Balance	Proportion % against total notes or accounts receivable (payable)	
Cleanaway Company Limited	Chi Wei Company Limited	Subsidiary	Landfill and clean-up and transport cost	$ 231,155	37%	subject to the contract	-	-	($ 66,494)	(89%)	-
Chi Wei Company Limited	Cleanaway Company Limited	Parent Company	Landfill and clean-up and transport revenue	(231,155)	(26%)	subject to the contract	-	-	66,494	57%	-

Cleanaway Company Limited

Amount Receivable from Related Parties in Excess of NT$ 100 million or 20% of the Paid-in Capital

December 31, 2021

Table 6

Units: Unless otherwise specified, NT$ thousand

Company with accounts receivable	Name of Trading Partner	Relationship	Receivables balance from related parties	Turnover rate	Overdue Receivables from Related Parties		Balance of receivables from related parties Amount recovered after the period	Allowance for provision Loss amount
					Amount	Processing method		
Cleanaway Company Limited	Da Tsang Industrial Company Limited	Subsidiary	$ 352,194 (Note 1)	(Note 2)	$ -	-	$ 32,084	$ -

Note 1: Comprised NT$150,128 thousand of capital loans, NT$1,956 thousand of amortized administrative expenses receivable and NT$200,110 thousand of cash dividends receivable.

Note 2: The receivables were not generated from operating revenue; the turnover ratio is therefore not applicable.

Cleanaway Company Limited

Information on Investees, Locations, etc.

2021

Table 7

Units: Unless otherwise specified, NT$ thousand

Investment Company	Investee company name	Location	Main Business Activities	Initial Investment		Holdings at the End of Period			Net Income (Loss) of Investee	Share of Profits/Losses	Remarks
				End of the Current Period	End of Previous Year	No. of Shares	Ratio	Carrying amount			
Cleanaway Company Limited	Da Tsang Industrial Company Limited	No.308, Zhongshan S. Rd., Gangshan Dist., Kaohsiung City	Waste disposal	$ 700,977	$ 300,977	67,000,000	100	$ 1,448,923	$ 537,351	$ 537,351	Subsidiary of Cleanaway Company Limited
〃	Cleanaway Enterprise Company Limited	〃	〃	259,507	159,507	28,000,000	100	337,122	8,041	8,041	Subsidiary of Cleanaway Company Limited
〃	Chi Wei Company Limited	〃	〃	410,000	410,000	41,000,000	100	746,724	470,455	470,455	Subsidiary of Cleanaway Company Limited
〃	Kang Lien Enterprise Company Limited	〃	Waste clean-up	58,222	58,222	6,020,000	100	67,805	1,244	1,241	Subsidiary of Cleanaway Company Limited
〃	Cleanaway Investment Company Limited	〃	General investment	80,000	80,000	8,000,000	100	53,249	(857)	(857)	Subsidiary of Cleanaway Company Limited
〃	CCL Investment Holding Company Limited	Samoa	General investment	USD 3,500 thousand (Equivalent to NTD 106,214 thousand)	USD 3,500 thousand (Equivalent to NTD 106,214 thousand)	-	64	6,534	(15,865)	(10,074)	Subsidiary of Cleanaway Company Limited
〃	Cleanaway SUEZ Environmental Resources Limited	No. 25-1, Huadong Road, Daliao District, Kaohsiung City	Waste disposal	650,000	650,000	21,750,000	29	684,050	58,762	17,041	Affiliate enterprise of Cleanaway Company Limited
〃	Cleanaway Energy Company Limited	2F., No. 328, Huanke Road, Datan Village, Guanyin District, Taoyuan City	Waste disposal	375,000	55,000	37,500,000	75	363,310	(1,546)	(758)	Subsidiary of Cleanaway Company Limited
〃	Chung Tai Resource Technology Corp	No. 328, Huanke Road, Datan Village, Guanyin District, Taoyuan City	Waste disposal	374,400	374,400	15,600,000	19.23	388,772	119,113	16,578	Affiliate enterprise of Cleanaway Company Limited

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Investment Company	Investee company name	Location	Main Business Activities	Initial Investment		Holdings at the End of Period			Net Income (Loss) of Investee	Share of Profits/Losses	Remarks
				End of the Current Period	End of Previous Year	No. of Shares	Ratio	Carrying amount			
Da Tsang Industrial Company Limited	Da Ning Co. Ltd.	No.308, Zhongshan S. Rd., Gangshan Dist., Kaohsiung City	Waste disposal	450,000	450,000	15,000,000	100	578,073	214,586	(Note 1)	Second-tier subsidiary of Cleanaway Company Limited
〃	CCL Investment Holding Company Limited	Samoa	General investment	RMB 6,000 thousand (Equivalent to NTD 30,102 thousand)	RMB 6,000 thousand (Equivalent to NTD 30,102 thousand)	-	16	1,734	(15,865)	(Note 1)	Subsidiary of Cleanaway Company Limited
〃	Da Chao Circular Economy Company Limited	No.308, Zhongshan S. Rd., Gangshan Dist., Kaohsiung City	Agro-pastoral and circular economy-related businesses	100,000	-	5,000,000	100	98,265	(1,735)	(Note 1)	Second-tier subsidiary of Cleanaway Company Limited
〃	Da Cheng Recycling Company Limited	No.308, Zhongshan S. Rd., Gangshan Dist., Kaohsiung City	Waste disposal	425,000	-	42,500,000	100	424,807	(193)	(Note 1)	Second-tier subsidiary of Cleanaway Company Limited
Cleanaway Investment Company Limited	CCL Investment Holding Company Limited	Samoa	General investment	USD 1,124 thousand (Equivalent to NTD 33,034 thousand)	USD 1,124 thousand (Equivalent to NTD 33,034 thousand)	-	20	2,023	(15,865)	(Note 1)	Subsidiary of Cleanaway Company Limited
〃	Chase Sustainability Technology Co., Ltd.	1F, No. 326, Huanke Road, Datan Village, Guanyin District, Taoyuan City	Environmental technology	15,000	15,000	1,500,000	21.43	18,137	4,169	(Note 1)	Affiliate enterprise of Cleanaway Company Limited
Cleanaway Enterprise Company Limited	Da Chuang Green Energy Company Limited	No.308, Zhongshan S. Rd., Gangshan Dist., Kaohsiung City	Solar Energy Industry	48,000	-	4,800,000	100	47,870	(130)	(Note 1)	Second-tier subsidiary of Cleanaway Company Limited

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Investment Company	Investee company name	Location	Main Business Activities	Initial Investment		Holdings at the End of Period			Net Income (Loss) of Investee	Share of Profits/Losses	Remarks
				End of the Current Period	End of Previous Year	Number of Shares	Ratio	Carrying amount			
Cleanaway Energy Company Limited	Top-Comment Resources Company Limited	No.308, Zhongshan S. Rd., Gangshan Dist., Kaohsiung City	Manufacture and sale of pipe paper	$ 455,000	$ -	45,500,000	70	$ 460,395	$ 7,708	(Note 1)	Second-tier subsidiary of Cleanaway Company Limited
CCL Investment Holding Company Limited	Cleanaway Shanghai Management Holding Company Limited	Samoa	General investment	USD 1,124 thousand (Equivalent to NTD 33,034 thousand)	USD 1,124 thousand (Equivalent to NTD 33,034 thousand)	-	100	(12,890)	14,672	(Note 1)	Second-tier subsidiary of Cleanaway Company Limited
〃	Cleanaway Zoucheng Holding Company Limited	Samoa	General investment	USD 3,500 thousand (Equivalent to NTD 106,214 thousand)	USD 3,500 thousand (Equivalent to NTD 106,214 thousand)	-	100	(7,069)	(30,134)	(Note 1)	Second-tier subsidiary of Cleanaway Company Limited
〃	Cleanaway Zhejiang Holding Company Limited	Samoa	General investment	-	-	-	100	1,286	(3)	(Note 1)	Second-tier subsidiary of Cleanaway Company Limited

Note 1: For "Share of Profits/Losses," only the Cleanaway's direct investment in subsidiaries shall be provided. The rest is not required. The profit or loss of each subsidiary already includes the investment gains of its investees required to be recognized by laws.

Note 2: Relevant information on investee companies in mainland China is shown in Table 8.

Cleanaway Company Limited

Information on Investments in Mainland China

2021

Table 8

Unit: NTD stands for the unit of thousand unless otherwise stated

Investee in China: Name of	Main Business Activities	Actual paid-in capital	Investment Method	End of the Current Period Cumulative Investment Amount Remitted from Taiwan	Wire-in or wire-out amount investment amount		End of the Current Period Cumulative Investment Amount Remitted from Taiwan	Investee Profit or loss for the current period	Shareholding Ratio of the Cleanaway's Investment, Directly or Indirectly	Share of Investment Profits/Losses (Note 3)	Investments at the End of Period Carrying amount	As of the end of the current period Recovered investment income	Remarks
					Outflow	Inflow							
Cleanaway (Shanghai) Company Limited	Enterprise Management Consulting	$ 33,034 (RMB 7,000 thousand)	Note 1	$ 33,034 (RMB 7,000 thousand)	$ -	$ -	$ 33,034 (RMB 7,000 thousand)	$ 13,103 (Note 7)	100%	$ 28,000	$ 398	$ -	
Cleanaway Zoucheng Co., Ltd.	Waste Management	106,214 (USD 3,500 thousand)	Note 2	106,214 (USD 3,500 thousand)	-	-	106,214 (USD 3,500 thousand)	(16,996) (Note 8)	100%	(16,996)	-	-	

Note 1: The subsidiary, Cleanaway Investment Company Limited, invests in the Mainland China company through company established in a third region (Cleanaway Shanghai Management Holding Company Limited).

Note 2: The investment in the Mainland China company is done through company established in a third region (Cleanaway Zoucheng Holding Company Limited).

Note 3: It is recognized based on the audited financial statements of the parent company in Taiwan.

Accumulated remittance from Taiwan at the end of the current period Investment amount to Mainland China	Investment Review Committee of the Ministry of Economic Affairs Approved investment amount	According to the regulations of the Investment Review Committee of the Ministry of Economic Affairs Investment limit to Mainland China
Cleanaway Investment Company Limited: $33,034 thousand (RMB 7,000 thousand)	Cleanaway Investment Company Limited: USD 1,124 thousand (equivalent to NTD 33,714 thousand)	The cap was set at 60% of Cleanaway Investment Company Limited's net worth. Pursuant to the regulations, the cap was calculated as follows: 53,249 thousand × 60% ＝ 31,949 thousand
Cleanaway Company Limited: $106,214 thousand (USD3,500 thousand)	Ke Ning Wei Co., Ltd.: US $8,000 thousand (equivalent to NT $240,000 thousand)	The cap was set at 60% of Cleanaway Company Limited's net worth. Pursuant to the regulations, the cap was calculated as follows: 5,780,616 thousand x 60% = 3,468,369 thousand

Note 4: Significant transactions with investees in Mainland China, either directly or indirectly through the third region (including purchase/sales, property transaction and provision and acceptance of services): None

Note 5: Provision of endorsement, guarantee or collaterals to investees in Mainland China, either directly or indirectly through the third region: None

Note 6: The mainland investee companies directly and indirectly provided financing through the third region: please refer to the Table 1, the total interest for the current period is 0 thousand.

Note 7: Primarily income derived from debt forgiveness.

Note 8: Primarily income derived from debt forgiveness and loss on property retired.

Cleanaway Company Limited

Main Shareholder Information

December 31, 2021

Table 9

Name of Main Shareholder	Shares	
	Number of shares held (shares)	%
Ching-Hsiang Yang	12,112,350	11.12%
Fubon Life Insurance Co., Ltd.	6,432,000	5.90%
Kang Lien Enterprise Co., Ltd.	5,526,223	5.07%

Note 1: The main shareholder information in this schedule is calculated by the depository company using the information of the shareholders holding 5% of more of the total number of ordinary shares and special shares of the Company that have completed the script-less registration and delivery on the last business day at the end of the quarter. The number of shares recorded in the Parent Company Only Financial Statements of the company and the number of shares actually delivered by unincorporated entities may differ owing to the difference of the basis of the calculations.

§ LIST OF SIGNIFICANT ACCOUNTING ENTRIES §

ITEMS	NUMBER/INDEX
Detailed statement of assets, liabilities and equity items	
Detailed statement of cash and cash equivalents	Note 6
Detailed table of financial assets measured at amortized cost	Note 7
List of contract assets	Detailed table I
Detailed statement of accounts receivable	Detailed table II
Details of other receivables - related parties	Note 27
Detailed statement of changes in investments based on the equity method	Detailed table III
Details of changes in property, plants and equipment	Note 11
Details of accumulated depreciation and changes in property, plants and equipment	Note 11
Detailed statement of changes in right-of-use assets	Detailed table IV
Details of accumulated depreciation of right-of-use assets	Detailed table V
Detailed table of lease liabilities	Detailed table VI
Details of other payables	Note 16
Breakdown of profit and loss items	
Detailed statement of operating income	Note 20
Breakdown of operating costs	Detailed table VII
Details of management and research and development expenses	Detailed table VIII
Summary of employee benefits, depreciation and amortization expenses incurred in the current period by function	Detailed table IX

Cleanaway Company Limited

List of contract assets

December 31, 2021

Detailed table I

Unit: Thousands NTD

Client Name	Excerpt	Amount
Company A	Rectification project for contamination and disposal	$ 50,729
Company B	Rectification project for contamination and disposal and waste disposal and removal	26,950
Company C	Rectification project for contamination and disposal	10,521
Others (Note)	Rectification project for contamination and disposal and waste disposal and removal	5,106
		$ 93,306

Note: The customer's balance does not reach 5% of the amount of the account.

Cleanaway Company Limited

Detailed statement of accounts receivable

December 31, 2021

Detailed table II | Unit: Thousands NTD

Client Name	Excerpt	Amount
Accounts receivable:		
Company A	Revenue from waste disposal	$ 15,789
Company B	〃	13,290
Company C	〃	6,121
Company D	〃	6,101
Company E	〃	5,562
Others (Note)	〃	61,664
		108,527
Less: Loss allowance		(1,125)
		$ 107,402

Note: The customer's balance does not reach 5% of the amount of the account.

Cleanaway Company Limited

Detailed statement of changes in investments based on the equity method

2021

Detailed table III

Unit: Thousands NTD

	Balance at the beginning of the year		Increase in the current year		Decrease in the current year		Balance at the end of the year			Net market price or equity			
Name of	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Shareholding %	Amount	Unit price per share (Yuan)	Total Price	Basis of the evaluation	Providing a guarantee or pledge situation
Da Tsang Industrial Company Limited (Note 1)	27,000,000	$ 1,039,712	40,000,000	$ 937,351	-	($ 528,140)	67,000,000	100	$ 1,448,923	21.63	$ 1,448,923	Equity method	N/A
Chi Wei Company Limited (Note 2)	41,000,000	757,100	-	470,455	-	(480,831)	41,000,000	100	746,724	18.21	746,724	Equity method	N/A
Cleanaway Enterprise Company Limited (Note 3)	18,000,000	229,081	10,000,000	108,041	-	-	28,000,000	100	337,122	12.04	337,122	Equity method	N/A
Kang Lien Enterprise Company Limited (Note 4)	6,020,000	70,139	-	1,824	-	(4,158)	6,020,000	100	67,805	11.26	67,805	Equity method	N/A
Cleanaway Investment Company Limited (Note 5)	8,000,000	54,549	-	-	-	(1,300)	8,000,000	100	53,249	6.66	53,249	Equity method	N/A
CCL Investment Holding Company Limited (Note 6)	-	16,707	-	-	-	(10,173)	-	100	6,534	0.29	6,534	Equity method	N/A
Cleanaway Suez Environmental Resources Limited (Note 7)	21,750,000	667,009	-	17,041	-	-	21,750,000	29	684,050	31.45	684,050	Equity method	N/A
Cleanaway Energy Company Limited (Note 8)	5,500,000	47,277	32,000,000	320,000	-	(3,967)	37,500,000	75	363,310	9.69	363,310	Equity method	N/A
Chung Tai Resource Technology Corp. (Note 9)	15,600,000	383,613	-	20,888	-	(15,729)	15,600,000	19.23	388,772	24.92	388,772	Equity method	N/A
		$ 3,265,187		$ 1,875,600		($ 1,044,298)			$ 4,096,489		$ 4,096,489		

Note 1: The increase in the current period is additional investment of 400,000 thousand NT dollars and the share of the subsidiary's profit recognized under the equity method of 537,351 thousand NT dollars; the decrease in the current period is 528,114 thousand NT dollars in cash dividends and 26 thousand NT dollars in exchange loss on translation of financial statements of foreign operating institutions.

Note 2: The increase in the current period was 470,455 thousand NT dollars in the share of the subsidiary's profit recognized based on the equity method; the decrease in the current period was 480,831 thousand NT dollars in the distribution of cash dividends.

Note 3: The increase in the current period relates to the additional investment of 100,000 thousand NT dollars and the share of the subsidiary's profit recognized under the equity method of 8,041 thousand NT dollars.

Note 4: The increase in the current period is 1,241 thousand NT dollars in the share of the interests of the subsidiaries recognized under the equity method and 583 thousand NT dollars in the share of other comprehensive income of the subsidiaries recognized under the equity method; the decrease in the current period is 4,158 thousand NT dollars in the distribution of cash dividends.

Note 5: The decrease in the current period is a decrease of 857 thousand NT dollars in the share of losses of subsidiaries recognized according to the equity method, 30 thousand NT dollars in the exchange loss translated into the financial statements of foreign operating institutions and 413 thousand NT dollars in the non-shareholding percentage subscription.

Note 6: The decrease in the current period is 10,074 thousand NT dollars in the share of losses of subsidiaries recognized using the equity method and 99 thousand NT dollars in the loss on conversion of financial statements of foreign operating institutions.

Note 7: The increase in the current period is due to the adoption of the equity method to recognize the share of the profits of 17,041 thousand NT dollars of the associates.

Note 8: The increase in the current period is additional investment of 320,000 thousand dollars; the decrease in the current period is 758 thousand NT dollars in the share of losses of subsidiaries recognized by the equity method and the decrease of 3,209 thousand NT dollars in the difference between the equity price and the book value of the acquired subsidiaries.

Note 9: The increase in the current period is 16,578 thousand NT dollars in the share of the associates' profits recognized based on the equity method and 4,310 thousand NT dollars in the increase not subscribed for according to the shareholding ratio; the decrease in the current period is 15,600 thousand NT dollars in the distribution of cash dividends, 6 thousand NT dollars in the exchange loss translated into the financial statements of foreign operating institutions and 123 thousand NT dollars in the share of other comprehensive losses of associates recognized according to the equity method.

Cleanaway Company Limited

Detailed statement of changes in right-of-use assets

2021

Detailed table IV | Unit: Thousands NTD

Items	Balance at the beginning of the period	Increase in the current period	Decrease in the current period	Ending Balance	Remarks
Land	$ 373,875	$ -	($ 5,211)	$ 368,664	
Transportation equipment	12,408	-	-	12,408	
Buildings	13,548	2,699	(11,024)	5,223	
Machinery and equipment	-	10,990	-	10,990	
	$ 399,831	$ 13,689	($ 16,235)	$ 397,285	

Cleanaway Company Limited

Details of accumulated depreciation of right-of-use assets

2021

Detailed table V

Unit: Thousands NTD

Items	Balance at the beginning of the period	Increase in the current period	Decrease in the current period	Ending Balance	Remarks
Land	$ 13,002	$ 7,778	$ -	$ 20,780	
Transportation equipment	2,486	1,281	-	3,767	
Buildings	5,760	1,888	(5,670)	1,978	
Machinery and equipment	-	916	-	916	
	$ 21,248	$ 11,863	($ 5,670)	$ 27,441	

Cleanaway Company Limited

Detailed table of lease liabilities

December 31, 2021

Detailed table VI

Unit: Thousands NTD

Items	Excerpt	Rental Period	discount rate	Ending Balance	Remarks
Land		50 years	1.25%	$ 358,374	
Buildings		10 years	1.25%	8,838	
Transportation equipment		3-5 years	1.52%～3.5%	3,279	
Machinery and equipment		5 years	1.5%	10,105	
				$ 380,596	

Cleanaway Company Limited

Breakdown of operating costs

2021

Detailed table VII

Unit: Thousands NTD

Items	Amount
burial cost	$ 223,698
Cost of the rectification project for pollution and disposal site	236,506
Cost for solidification	130,268
Clearing operation cost	28,138
	$ 618,610

Cleanaway Company Limited

Details of management and research and development expenses

2021

Detailed table VIII — Unit: Thousands NTD

Items	Administrative expenses	Research and development expense	Total
Salary	$ 76,233	$ 12,736	$ 88,969
Rent	23	-	23
Stationery supplies	906	-	906
Travel Expenses	1,973	-	1,973
Postal and telephone expenses	1,115	-	1,115
Repair expense	3,801	1,394	5,195
Utilities expense	1,903	-	1,903
Insurance expense	4,747	-	4,747
The fee for overheads and entertainment	36,619	-	36,619
Donations	14,041	-	14,041
Depreciation	24,579	7,500	32,079
Meal expenses	943	605	1,548
Employee Benefits	647	-	647
Retirement pension	1,754	-	1,754
Labor Fee	43,176	-	43,176
Miscellaneous purchases	1,322	2,091	3,413
Other Fees	25,242	3,263	28,505
Shared management expense of the affiliates	(125,458)	-	(125,458)
	$ 113,566	$ 27,589	$ 141,155

Cleanaway Company Limited

Summary of employee benefits, depreciation and amortization expenses incurred in the current period by function

2021 and 2020

Detailed table IX

Unit: Thousands NTD

Functional / Sex	2021 Attributable to Operating cost	2021 Attributable to Operating Expenses	2021 Total	2020 Attributable to Operating cost	2020 Attributable to Operating Expenses	2020 Total
Employee benefits expenses						
Salary expenses	$ 27,564	$ 56,289	$ 83,853	$ 27,016	$ 58,792	$ 85,808
Employee insurance premiums	3,176	4,456	7,632	2,833	3,772	6,605
Retirement expense	1,667	1,754	3,421	1,637	1,548	3,185
Remuneration Paid to Directors	-	32,680	32,680	-	32,640	32,640
Welfare expenses of other employees	1,005	2,343	3,348	1,081	2,216	3,297
	$ 33,412	$ 97,522	$ 130,934	$ 32,567	$ 98,968	$ 131,535
Depreciation expenses	$ 11,718	$ 32,079	$ 43,797	$ 12,214	$ 31,174	$ 43,388

Note:

1. The average number of employees per month for the current year and the previous year was between 93 and 86 respectively, of which the number of directors who did not concurrently work was 6 and 7 respectively.
2. (1) The average employee benefit expense for the current year is 1,129 thousand ("total employee benefit expense for the current year - total remuneration of directors"/"number of employees for the current year - number of directors who are not concurrent employees").

   Average employee benefit expense in the previous year is 1,252 thousand ("total employee benefit expense in the previous year - total remuneration of directors"/"number of employees in the previous year - number of directors who did not concurrently serve as employees")

   (2) The average employee salary expense for the current year is 964 thousand (the total salary expense for the current year/"the number of employees in the current year - the number of directors who are not concurrent employees").

   Average employee salary expense for the previous year is1,086 thousand (total salary expense for the previous year/"Number of employees in the previous year - number of directors who did not serve as employees").

   3 Changes in average employee salary expense adjustment (11.23%) ("average employee salary expense for the current year - average employee salary expense for the previous year"/average employee salary expense for the previous year).

   (4) The remuneration of the supervisor for the current year is 1,740 thousand, and the remuneration of the supervisor for the previous year is 1,750 thousand.

   (5) The remuneration of all directors, supervisors and managers of the company shall be determined by the Remuneration Committee and submitted to the Board of Directors for decision in accordance with the degree of personal participation in the operations of the company, the value of the contribution, the actual operating conditions of the company, and the relevance and reasonableness of future risks, and also the usual level of payment in the same industry is taken into account. The remuneration of the employees of the company shall be determined and approved by the competent supervisor based on the salary method of the company by taking into account the academic experience of the employees, the nature and type of their jobs, the level of the market and the internal balance of the company.