August 26, 2021

Zacks Small-Cap Research

Sponsored – Impartial - Comprehensive

M. Marin
312-265-8211
mmarin@zacks.com

scr.zacks.com
10 S. Riverside Plaza, Chicago, IL 60606

ABVC BioPharma (ABVC-NASDAQ)

ABVC: Company Continues to Advance Lead Assets & Earlier Stage Candidates

ABVC is a biopharma and medical device company developing a diversified portfolio of therapies for a range of conditions. The company currently has six drugs and one medical device under development, with two lead assets moving through in advanced stages of development.

OUTLOOK

To support its growth efforts, ABVC raised over $7.0 million in proceeds earlier this month, enhancing its financial flexibility to continue advancing its portfolio of drugs and therapies towards regulatory approval and commercialization. ABVC intends to use a portion of the funds to finance clinical trials. The company expects to commence a study of Vitargus in Australia and move ABV-1505 into phase II part II trials at medical centers in the U.S. and Taiwan shortly. ABVC is also seeking a big pharma partner to help fund clinical studies and commercialization efforts for Vitargus.

Current Price (8/25/21)	$2.61
Valuation	**$9.50**

SUMMARY DATA

52-Week High	**$5.65**
52-Week Low	**$2.03**
One-Year Return (%)	**28.75**
Beta	**0.23**
Average Daily Volume (sh)	**466,914**
Shares Outstanding (mil)	**25**
Market Capitalization ($mil)	**$66**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**0**
Insider Ownership (%)	**50**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2021 Estimate	**N/A**
P/E using 2022 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**High,**
Type of Stock	**N/A**
Industry	**Med-Biomed/Gene**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2018	0 A	0 A	0 A	0 A	0 A
2019	0 A	0 A	0 A	0 A	1 A
2020	0 A	0 A	0 A	0 A	0.5 A
2021	0.3 A	0 A	0.2 E	0.3 E	1 E

EPS / Loss Per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2018	$0.00 A	$0.00 A	$0.00 A	$0.00 A	$0.00 A
2019	-$0.05 A	-$0.03 A	-$0.06 A	-$0.06 A	$0.21 A
2020	-$0.06 A	-$0.09 A	-$0.09 A	-$0.24 A	-$0.50 A
2021	-$0.05 A	-$0.08 A	-$0.04 E	-$0.04 E	-$0.20 E

Quarters might not sum due to rounding & share counts

Disclosures on page 14

KEY POINTS

- ABVC BioPharma raised over $7.0 million in proceeds earlier this month through an equity offering of 1.1 million units consisting of shares and warrants. The capital raise enhances ABVC's financial position and flexibility to continue advancing its portfolio of drugs and therapies towards regulatory approval and commercialization, in our view.

- Following the recent offering, the pro forma cash balance is an estimated roughly $7.5 million, not including restricted cash. ABVC has earmarked about $3.5 million to fund clinical trials and intends to use the balance for general corporate purposes, including working capital needs.

- Importantly, ABVC's products are derived primarily from plants. The company believes that plant-derived medicines can have substantial therapeutic benefits and simultaneously minimize potential side-effects compared to therapies developed from animals or chemicals.

- ABVC's active pipeline, two lead products - ABV-1505 and Vitargus® - are in advanced stages of development and also have the potential for multiple programs. ABVC expects to launch a pivotal study in Australia for Vitargus within the next several quarters and also intends to seek a commercialization partner for Vitargus in 2021 to help fund the trial and subsequent expected commercialization. ABVC completed a phase II part I clinical trial for ABV-1505 in ADHD in 2020 and issued a CSR. The company expects to begin phase II part II at medical centers in the U.S. and Taiwan in 2021.

ENHANCING FINANCIAL FLEXIBILITY TO SUPPORT GROWTH

Expanding Asset Portfolio; Clinical Trials Moving Forward

California-based ABVC BioPharma (NASDAQ: ABVC) raised over $7.0 million in proceeds earlier this month through an equity offering of 1.1 million units consisting of shares and warrants. The company is a biopharma and medical device company developing therapies for a range of conditions focused on oncology / hematology, central nervous system (CNS) and ophthalmology. The proceeds enhance ABVC’s financial position and flexibility to continue advancing its portfolio of drugs and therapies towards regulatory approval and commercialization, in our view.

As of the end of 2Q21, the company had about $0.9 million of cash and equivalents plus about $0.7 million of restricted cash. Following the recent offering, the pro forma cash balance is an estimated roughly $8.0 million, not including restricted cash. As noted, we believe this gives ABVC increased flexibility to move its lead assets forward in clinical trials. ABVC has earmarked about $3.5 million to fund clinical trials and intends to use the balance for general corporate purposes, including working capital needs.

The company has also focused on streamlining its capital structure and strengthening its balance sheet. For example, in 2020, ABVC converted approximately $4.0 million of debt to equity. The company has also indicated that it expects to convert $2.5 million on a promissory note into equity in 3Q21. A key factor behind this debt-to-equity conversion was the uplisting of ABVC shares. The uplisting of ABVC shares to the Nasdaq is expected to boost awareness of the company and ABVC’s prospects, as well as expand the pool of potential investors.

Plant-based therapies - minimizes potential side-effects

ABVC has a diversified drug asset portfolio. Importantly, ABVC's products are derived primarily from plants. ABVC believes that its focus on botanical sourcing in drug development distinguishes its asset portfolio from that of many other biopharma companies. The company believes that plant-derived medicines can have substantial therapeutic benefits and simultaneously minimize potential side-effects compared to therapies developed from animals or chemicals. Aspirin, for example, is derived from shrubs that contain salicylic acid, which is found in jasmine, beans, peas, clover and certain grasses and trees. In 2021, ABVC intends to focus on establishing a secure supply chain of medicinal plants from international sources, including China and possibly Canada.

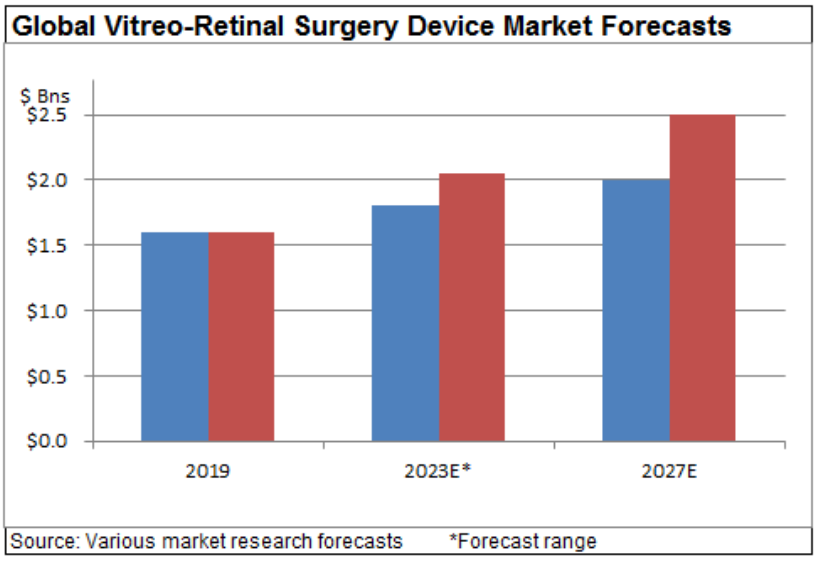
LEAD PRODUCTS

Among ABVC's active pipeline of six drugs and one medical device (ABV-1701/Vitargus®) under development, two lead products – ABV-1505 and Vitargus – are in advanced stages of development. We discuss these below.

Vitargus – Strong commercial potential

Driven partially by the aging of the global population, market research suggests strong growth in the market for ocular surgery, including for vitreo-retinal procedures. Market intelligence and research firm Fior Markets, for instance, expects the worldwide vitreo-retinal surgery devices market to reach $2.5 billion by 2027, up from about $1.6 billion in 2019. Studies from other market research firms suggest similar growth trajectories and support forecasts that the market can reach or exceed the roughly $2.0+ billion level over this period. From 2012 to 2030, the number of vitrectomy cases is expected to increase from 1.26 million to 4.0 million, which represents a nearly 7% CAGR.

The growing occurrence of eye disorders, usually more common in older patients, boosts general awareness of eye health and, in turn, likely contributes to expected market growth. The rising incidence of other disorders such as diabetes also might sometimes be a contributing factor, as well, according to the World Health Organization.



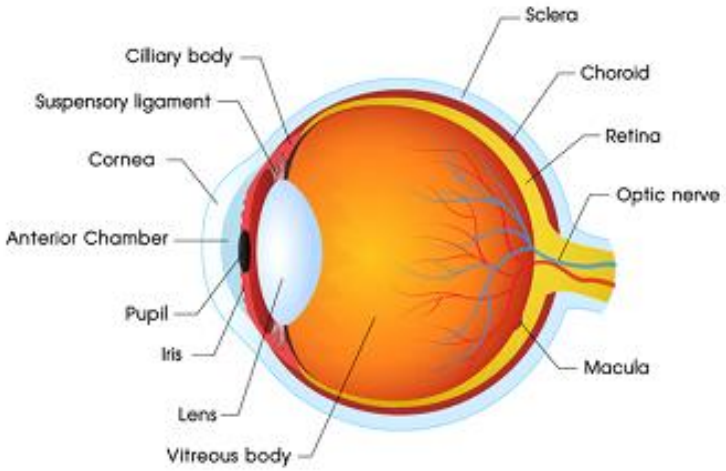
Clinical Study Report for Vitargus First-in-Human Phase I Clinical Trial

Vitreous is a gel-like fluid that attaches to the retina and fills the human eye. Vitargus®, or ABV-1701, is a biodegradable hydrogel vitreous substitute. In 4Q20, the company also issued a full CSR of its Vitargus® first-in-human phase I clinical trial. The study was an open label trial conducted at a single facility in Sydney, Australia, with 11 participants enrolled who were diagnosed with either a:

- Complex or rhegmatogenous retinal detachment or chronic retinal detachment with failure of gas or silicone oil treatment or
- Vitreous hemorrhage requiring vitrectomy surgery.

The study found that Vitargus® was well-tolerated as a vitreous substitute without any apparent toxicity to ocular tissues and no indication of an increased safety risk. The enrolled patients also showed improvement in visual acuity compared to other vitreous substitutes. The company believes that the safety and preliminary efficacy findings from this study, combined with the unique properties of Vitargus® (BFC-1401), support further development for its use during vitrectomy surgery in patients requiring vitreous replacement.

Eye Anatomy



Source: www.shutterstock.com

Vitrectomy surgery is conducted to treat problems of the retina and vitreous. The surgery involves the removal of all or some of the vitreous from the middle of the eye and the substitution of a replacement fluid. Vitargus® is a bio-degradable vitreous substitute.

ABVC believes that Vitargus® has several advantages compared to existing vitreous substitutes, including that it minimizes medical complications and lowers the risk of a patient requiring additional surgeries. Vitargus® sets as a stable semisolid gel that adheres to the retina, which means that the patient does not need to remain face-down after surgery in order for Vitargus® to maintain its retinal location during and immediately following vitrectomy surgery.

ABVC is optimistic about Vitargus. As a result of the trial, the company has been in discussions with several potential distribution partners seeking to work together for the upcoming pivotal trial phase, as well as the marketing and commercialization of Vitargus.

ABVC also expects approval from the Australia Therapeutic Goods Administration (TGA) and expects to launch a pivotal study in Australia for Vitargus® within the next several quarters at Australia's Sydney Eye Hospital. ABVC also intends to seek a commercialization partner for Vitargus® in 2021, as noted. With the assistance of a partner to fund the trial and expected subsequent commercialization, ABVC

believes the revenue prospects for Vitargus® could begin to be realized fairly shortly after the trial is completed.

Extending Applicability Moreover, the company has also expanded its development collaboration agreement with affiliate BioFirst to include potential corneal storage and intraocular irrigation solutions during corneal transplant and other ocular procedures. This program is being developed as ABV-2002.

ABVC targets execution of a licensing agreement with a Chinese pharmaceutical company to distribute the corneal storage solution in China. The company also intends to submit a premarket notification 510(K) submission to the FDA and the Taiwanese regulatory authority by year-end 2021 to demonstrate that ABV-2002 is at least as safe and effective as existing products currently on the market.

ABV-1505 – potential to treat ADHD with minimal to no side effects

ABV-1505 is a plant-based drug treatment that targets Adult Attention Deficit Hyperactivity Disorder (ADHD) symptoms in adults. The active ingredient in ABV-1505 is PDC-1421. The FDA approved ABV-1505 Phase II clinical trial for the treatment of ADHD in 2016, enabling ABVC to move forward in its clinical studies of this lead asset. The company subsequently launched the Phase II Part I clinical study to evaluate the tolerability and efficacy of ABV-1505 in treating adult patients with ADHD with the University of California San Francisco (UCSF). ABVC issued an update on its phase II part I clinical trial for ABV-1505 in adult attention-deficit hyperactivity disorder (ADHD) in 4Q20.

The open label trial for ABV-1505 was designed for the enrollment of six adult ADHD patients and was conducted at University of California San Francisco (UCSF) Medical Center. It was a dose escalation study during which each of the six patients received a low-dose treatment (380 mg) three times a day for 28 days, followed by a high-dose treatment (760 mg) three times daily for a subsequent 28 days. The primary objective of this study was to determine the effective doses and treatment period of ABV- 1505 in adult patients with ADHD. The secondary objective was to evaluate the safety of ABV-1505 in patients receiving the drug at various dose levels. At both low-dose and high-dose treatments, ABVC studies have shown that ABV-1505 achieves 40% or greater improvement in the ADHD rating scale, which is the primary end point of the ADHD clinical trial. No severe adverse events (SAEs) occurred.

The phase II part I clinical trial for ABV-1505 in ADHD was completed on July 22, 2020. A Clinical Study Report (CSR) was issued on October 24, 2020 and submitted to the FDA. ABVC expects to advance into a phase II part II study of ABV-1505 in 2Q 2021 at UCSF, as well as at medical centers in Taiwan. Additionally, the company is optimistic that discussions with Big Pharma companies for funding for phase III clinical trials and distribution will also move forward. The company expects ABV-1505 to be equally or even more effective than many of the medications currently available to relieve ADHD sufferers. Additionally, the company expects that if patients experience any side effects from the ABV-1505, they will be mild to moderate. The company expects to begin Phase II Part II at medical centers in the U.S. and Taiwan in 2021.

The prevalence of adult ADHD has increased significantly in the U.S. over the past decade. According to the Journal of the American Medical Association (JAMA), the diagnosis of ADHD in adults continues to rise. A study published in JAMA observed a 43% rise in the rate of adults being diagnosed with ADHD over the decade. The increased diagnosis supports the need to improve assessment and treatment of ADHD in adults, according to JAMA.

The U.S. is a major region for ADHD treatment, reflecting expanding diagnosis of ADHD patients and expansion in the number of medical sites offering therapy, according to the National Resource Center (NRC) on ADHD. These metrics suggest potentially strong demand for ABVC s therapies, we believe.

The climbing diagnosis of ADHD is expected to lead to growth in the size of the therapy market. Grand View Research puts the global ADHD market at roughly $16.4 billion in 2018 and estimates that it will grow at a 6.4% CAGR through 2025, driven by worldwide drug product approvals, among other factors.

This expected growth is consistent with the trend observed over the past three decades. According to the National Institute of Health (NIH), from 1993 through 2003 the global use of ADHD medications increased threefold.

EXPANDING ASSETS & IP TO MULTIPLE PROGRAMS

The company is also leveraging its assets for multiple programs. For instance, Both ABV- 1505, which is in an advanced stage of development, and ABV-1504 are derived primarily from the plant-based compound PDC-1421. The company's optimistic outlook for PDC-1421 also has positive implications for ABV-1504, which is in earlier stages of development. Thus, in addition to moving ABV-1505 forward through phase II part II clinical trials for treatment in ADHD, ABVC is also expanding the program to study PDC-1421 in trials evaluating its efficacy in treating MDD.

ABVC Drugs / potential therapies			
ADHD	**RETINAL VITRECTOMY**	**DEPRESSIVE DISORDERS**	**ONCOLOGY**
ABV-1505	Vitargus® – ABV-1701	ABV-1504	ABV-1501
ADULT ADHD	*VITREOUS REPLACEMENT*	*MDD*	*TRIPLE NEGATIVE BREAST CANCER*
		ABV-1601	ABV-1703
		DEPRESSION IN CANCER PATIENTS	*PANCREATIC CANCER*
	ABV-2001, ABV-2002		ABV-1702
	OPHTHALMOLOGY		*MYELODYSPLASTIC SYNDROME*

Source: Company reports Grey shading indicates lead asset

Depression: A Growing Problem

Depression is a growing problem globally. According to the World Health Organization (WHO), the prevalence of diagnosed mental health conditions is increasing worldwide. Primarily reflecting demographic changes, there has been a 13% increase in mental health conditions and substance use disorders noted in the ten years leading up to 2017. Reflecting the importance of addressing depression, WHO launched a special initiative for mental health in 2019. Depression is an important health area that ABVC's asset portfolio addresses.

PDC-1421

The active ingredient of ABV-1505, ABV-1504 and ABV-1601 is PDC-1421, which is a botanical investigational new drug (IND). Through its subsidiary BioLite, ABVC has completed a phase II study of the PDC-1421 capsule to evaluate its safety and efficacy in treating patients with MDD. The study, conducted at Stanford University, found the PDC-1421 capsule to be safe and well-tolerated in effectively treating six enrolled adult patients.

Both low and high doses of the PDC-1421 capsule passed the required 40% population in ADHD-RS-IV test scores, thus meeting the primary end points of the study. The percentages of improvement in adult

attention deficit/hyperactivity disorder rating scale score from baseline through eight weeks of treatment were 83.3% in the Intention-To-Treat (ITT) population and 80.0% in the per-protocol (PP) population, which support further clinical development of ABV-1505 / PDC-1421 for the treatment of adult ADHD and MDD.

ABVC clinical trial for the treatment of MDD in cancer patients studying ABV-1601 at Cedars-Sinai Medical Center in Los Angeles has been posted on the CSMC website under the working title *ABV-1601 Polygala Phase I*. The company hopes to finalize the CSR by year-end 2021.

ABVC also expects to form a commercial partnership in the U.S. to collaborate the development of ABV-1504 for the treatment of MDD. Importantly, company believes that plant-derived medicines can have substantial therapeutic benefits and simultaneously minimize potential side-effects compared to therapies developed from animals or chemicals. The company believes that ABV-1504, ABV-1505 and ABV-1601 have strong prospects to treat depression and ADHD disorders and obtain better therapeutic outcomes with fewer serious side-effects compared to current standard of care therapies such as SSRIs (selective serotonin reuptake inhibitors), which are frequently prescribed antidepressants, MAO (monoamine oxidase) inhibitors and TCAs (tricyclic antidepressants).

For example, SSRIs that are widely used for depressive disorders sometimes lead to anxiety, sleep disruptions and weight gain. ABVC believes that its plant-based therapies address these disorders without similar negative side effects.

Partnership Prospects

ABVC completed Phase I and Phase II clinical trials of ABV-1504 in 2013 and intends to seek a Big Pharma partner to complete a Phase III study, submit the New Drug Application (NDA) to the FDA, and commercialize the drug upon approval by the FDA and the Taiwanese regulatory authorities. Based on early discussions with potential Big Pharma licensing partners for the manufacture and distribution of ABV-1504, ABV-1505 and ABV-1601, ABVC is optimistic about the prospects of a partnership opportunity and also that they can demonstrate the availability of a secure and consistent supply source for the botanical active ingredient, *polygala tenuifolia*.

In addition to partnership opportunities for its MDD therapy candidates, as noted above, ABVC also intends to seek a commercialization partner for Vitargus®. Signing new partnerships can help ABVC finance and accelerate the development of products in its portfolio. In addition, ABVC also intends to strengthen its internal management team in order to support clinical trials and expand its product pipeline.

Early stage assets moving forward

The company also has many other assets in earlier stages of development and also continues to seek products to add to its growing asset portfolio. Specifically, ABVC has ABV-1702, ABV-1501, ABV-1601 and ABV-1703 in earlier stages of development. ABVC intends to launch a phase II part 1 clinical trial of ABV-1703 in oral liquid format for the treatment of metastatic pancreatic cancer and biliary tract cancer at Cedars-Sinai Medical Center in Los Angeles. Depending on the outcome of the part 1 study, ABVC would conduct phase II part II as a multi-nation, multi-site study.

ABVC's strategy is to find new products that have already shown efficacy in the Asia-Pacific region and Introduce these assets to other international markets via licensing arrangements. In order to obtain new products, ABVC works with partners in Taiwan, where it has an office.

ABVC monitors new medical discoveries and/or device technologies to select candidates to license for its portfolio. Once ABVC decides that an asset can enhance its portfolio and obtained the licensing rights to it, the company then works with various research institutions primarily in the U.S., Australia and Taiwan to advance the asset through clinical trials towards FDA and other regulatory approvals. The company's

strategy is to then license its growing portfolio of drug candidates and medical devices to major pharmaceutical companies for phase III and pivotal clinical trials and subsequent commercialization.

ABVC also expects the following trials to commence within the next few quarters, including the above-noted planned study of Vitargus in Australia:

- **Vitargus®:** ABV-1701, Vitargus® in vitrectomy surgery, Pivotal Study in Australia, principal Investigator: Andrew Chang, MD, Ph.D., Sydney Eye Hospital, Australia
- **ABV-1505:** A Phase II part II study in treatment of patients with ADHD
- **ABV-1501:** A Phase I/II, open label study to evaluate the safety and efficacy of BLEX 404 Oral Liquid Combined with Docetaxel Monotherapy in patients with stage IV or recurrent breast cancer patients
- **ABV-2002:** ABVC intends to submit a premarket notification 510(K) submission to the FDA for ABV-2002 to demonstrate that the device is at least as safe and effective as current products on the market. Early testing indicates that ABV-2002 could be more effective for protecting the cornea and retina during long-term storage than other storage options currently available and ABV-2002 can be produced at a lower cost relative to alternative storage options.

RECENT RESULTS

ABVC is largely pre-revenue at this stage. Most of ABVC's revenue comes from the CDMO business unit, which provides services such as pre-formulation studies and regulatory review of submission documents, among other services. Revenue can be lumpy from quarter-to-quarter. Moreover, recent results have been impacted by COVID-19, as several of ABVC's clients postponed projects.

The company reported 2Q21 results earlier this month. Revenue was $31,441 compared to $226,513 in 2Q20. The year-over-year decline in revenue primarily reflected the negative impact of the pandemic on ABVC's CDMO business as customers postpone certain projects and activities. Higher R&D to support the company's development efforts and clinical trials and higher stock-based compensation expense led to a 46% year-over-year increase in total operating expense. The net loss of about ($2.0) million compared to a net loss of ($1.8) million recorded in last year's 2Q. The loss per share was ($0.08) compared to ($0.09).

VALUATION

We are optimistic about the chances of ABV-1505 and Vitargus receiving FDA approval and of the subsequent commercial demand of these treatment therapies. If and when ABVC's assets are commercialized, we estimate rapid growth for both commencing in approximately 2023 – 2024. While it is difficult to know the revenue arc for ABVC at this stage, given the large need that both Vitargus and ABV-1505 address and the current cost of standard care, as well as the growing incidence of adult ADHD and vitreo-retinal procedures, we believe ABVC could attain product revenue of $3.2 million in 2023 and $14.5 million to $16 million in 2024.

We believe these forecasts are supported by the growing size of the target markets and the ability of ABVC's treatment therapies to produce results with lower side effects. In fact, we believe that if the company maintains the timeline we expect and these candidates are commercialized by 2023, our

forecast could prove conservative. Moreover, if ABVC is successful in signing well-capitalized partners for various assets, the company expects to receive milestone payments beginning as early as 1H 2021.

In our view, ABVC's differentiated products and programs imply that there are no direct publically traded peers. Moreover, we would also expect ABVC to have a higher growth rate in the early years of commercializing its drug candidates. In addition, the various other companies that are engaged in introducing new therapies and are at a similar stage of development have a wide range of price-to-revenue multiples on forward estimates. Nevertheless, we believe the average price-to-sales multiple of companies in this comparison of 14x provides a valuation benchmark for ABVC.

Therefore, applying a 14x multiple to our $14.5 million to $16 million 2024E revenue forecast and discounting back to the present at 10%/year results in a present value of nearly $168 million to $185 million for ABVC, or about $9 to $10 per share on a fully diluted basis. As the company expands the number of assets in its growing portfolio as it finds innovative therapies in the Asia-Pacific markets and introduces them in other geographies, our forecast could change.

We think the current share price of about $2.50 does not reflect the fundamental value of the company's pipeline and prospects and would anticipate multiple expansion as the company continues to advance its candidates.

Any delay or failure in clinical development or regulatory approval could cause the share price to decline and represent a potential risk to our valuation but we believe the risk / reward ratio could be attractive for investors who have a higher than average risk tolerance and longer time horizon.

RECENT NEWS

- ABVC reported 2Q21 results on August 12, 2021.
- The company completed its recent offering on August 6, 2021.
- ABVC filed a prospectus on May 14, 2021.
- ABVC reported 1Q21 results on May 10, 2021.
- The company's name change became effective on May 3, 2021.
- ABVC reported 4Q20 results on March 16, 2021.
- On January 6, 2021, ABVC issued a shareholder letter outlining its 2020 achievements and 2021 outlook.
- The company issued an update on its phase II part I clinical trial for ABV-1505 in adult attention-deficit hyperactivity disorder (ADHD) on November 09, 2020.
- ABVC issued a Clinical Study Report for Vitargus first-in-human phase I clinical trial on September 9, 2020.
- On August 24, 2020, ABVC announced that it had filed a new patent for the treatment of major depressive disorder.
- ABVC reported that it had completed its ABV-1505 phase II part I clinical trial for the treatment of adult ADHD on Jul 28, 2020.

RISKS

Risks to ABVC achieving its objectives, and to our valuation, include the following.

- The company might not obtain regulatory approval for its therapies.
- ABVC might need to raise additional capital earlier than expected.
- COVID-19 might delay the company's clinical and commercialization timelines.
- The company might not find strategic partners to help advance and commercialize its assets.
- The company might not obtain licenses for additional drug or medical device candidates.
- Production of critical components of its various drugs, including of polygala tenuifolia, could be disrupted.

PROJECTED FINANCIALS

ABVC BioPharma Income Statement & Projections (US $)

	2018	2019	1Q20	2Q20	3Q20	4Q20A	2020A	1Q21A	2Q21A	3Q21E	4Q21E	2021E
Revenues	$6,956	$701,719	$78,786	$226,513	$115,553	$62,193	$483,045	$263,150	$31,441	$144,441	$195,289	$634,321
COGs	185,280	20,137	3,959	4,236	8,619	1,902	18,716	1,245	646	7,757	13,135	22,783
Gross profit	(178,324)	681,582	74,827	222,277	106,934	60,291	464,329	261,905	30,795	136,684	182,154	611,538
Gross margin	nm	97%	95%	98%	93%	97%	96%	100%	98%	95%	93%	96%
S,G&A	1,588,718	3,069,493	1,152,889	1,277,133	1,262,199	581,247	4,273,468	1,167,595	1,231,692	1,274,821	2,534,694	6,208,802
R&D	988,721	1,048,553	92,790	139,082	134,501	183,285	549,658	121,315	358,878	135,846	11,735	627,774
Stock-based compensation	28,800	22,314	525	75	-	4,146,379	4,146,979	225,740	475,740	80	(701,020)	540
Total operating expenses	2,606,239	4,140,360	1,246,204	1,416,290	1,396,700	4,910,911	8,970,105	1,514,650	2,066,310	1,410,747	1,845,410	6,837,116
Operating (loss)/profit	(2,784,563)	(3,458,778)	(1,171,377)	(1,194,013)	(1,289,766)	(4,850,620)	(8,505,776)	(1,252,745)	(2,035,515)	(1,274,062)	(1,663,256)	(6,225,578)
Interest income	5,212	23,344	10,720	9,350	19,571	31,404	71,045	52,529	10,722	42,548	38,294	144,093
Interest expense	(462,751)	(482,014)	(131,517)	(140,525)	(16,311)	(116,679)	(405,032)	(130,229)	(82,671)	(14,027)	(14,168)	(241,095)
Other income	(3,187,525)	(92,833)	(57,656)	(907,513)	(889,360)	(119,644)	(1,974,173)	84,098	162	(20,779)	(15,610)	47,870
Total other income / (expenses)	(3,645,064)	(551,503)	(178,453)	(1,038,688)	(886,100)	(204,919)	(2,308,160)	6,398	(77,005)	7,742	8,516	(49,132)
Pretax (loss)/income	(6,429,627)	(4,010,281)	(1,349,830)	(2,232,701)	(2,175,866)	(5,055,539)	(10,813,936)	(1,246,347)	(2,112,520)	(1,266,321)	(1,654,740)	(6,274,710)
Provision for income tax	(365,097)	(77,041)	(40,568)	(48,644)	(44,735)	(86,405)	(220,352)	(51,024)	(59,564)	(45,182)	(25,150)	(180,921)
Net loss	(6,064,530)	(3,933,240)	(1,309,262)	(2,184,057)	(2,131,131)	(4,969,134)	(10,593,584)	(1,195,323)	(2,052,956)	(1,221,138)	(1,629,590)	(6,093,789)
Noncontrolling interests	(489,151)	(291,464)	(61,724)	(334,760)	(285,085)	(120,851)	(802,420)	(66,818)	(81,390)	(287,936)	(543,056)	(979,200)
Net loss attributed to ABVC	(5,575,379)	(3,641,776)	(1,247,538)	(1,849,297)	(1,846,046)	(4,848,283)	(9,791,164)	(1,128,505)	(1,971,566)	(933,203)	(1,086,534)	(5,114,589)
FX	(87,912)	7,902	(6,451)	(10,568)	(25,384)	(56,490)	(98,893)	36,140	364,581	(25,638)	(443,804)	(68,721)
Comprehensive loss	(5,663,291)	(3,633,874)	(1,253,989)	(1,859,865)	(1,871,430)	(4,904,773)	(9,890,057)	(1,092,365)	(1,606,985)	(958,840)	(1,530,338)	(5,183,311)
Per share data												
LPS	($0.48)	($0.21)	($0.06)	($0.09)	($0.09)	($0.24)	($0.50)	($0.05)	($0.08)	($0.04)	($0.04)	($0.20)
Avg shares out	11,607,103	17,498,543	19,484,542	19,488,168	19,488,168	20,401,358	19,715,559	24,420,526	24,421,082	25,570,526	25,571,526	24,995,915

Source: Company reports & Zacks

APPENDIX: CLINICAL TRIAL HIGHLIGHTS

Highlights of some institutions currently, recently or shortly conducting clinical trials in partnership with ABVC:

Drug: ABV-1701
Vitargus® in vitrectomy surgery, First-in-Human, Medical Device
Principal Investigator: Andrew Chang, MD, Ph.D.
Sydney Eye Hospital, Australia

Drug: ABV-1504
Major Depressive Disorder (MDD), Phase II, NCE drug
Principal Investigators: Charles DeBattista M.D. and Alan F. Schatzberg, MD
Stanford University Medical Center, Cheng-Ta Li, MD, Ph.D
Taipei Veterans General Hospital

Drug: ABV-1505, Adult Attention-Deficit Hyperactivity Disorder (ADHD), Phase II, NCE drug
Principal Investigators: Keith McBurnett, Ph.D. and Linda Pfiffner, Ph.D.,
University of California San Francisco (UCSF), School of Medicine

Drug: ABV-1601, Major Depression in Cancer Patients, Phase I/II, NCE drug
Principal Investigator: Scott Irwin, MD, Ph.D.
Cedars Sinai Medical Center (CSMC)

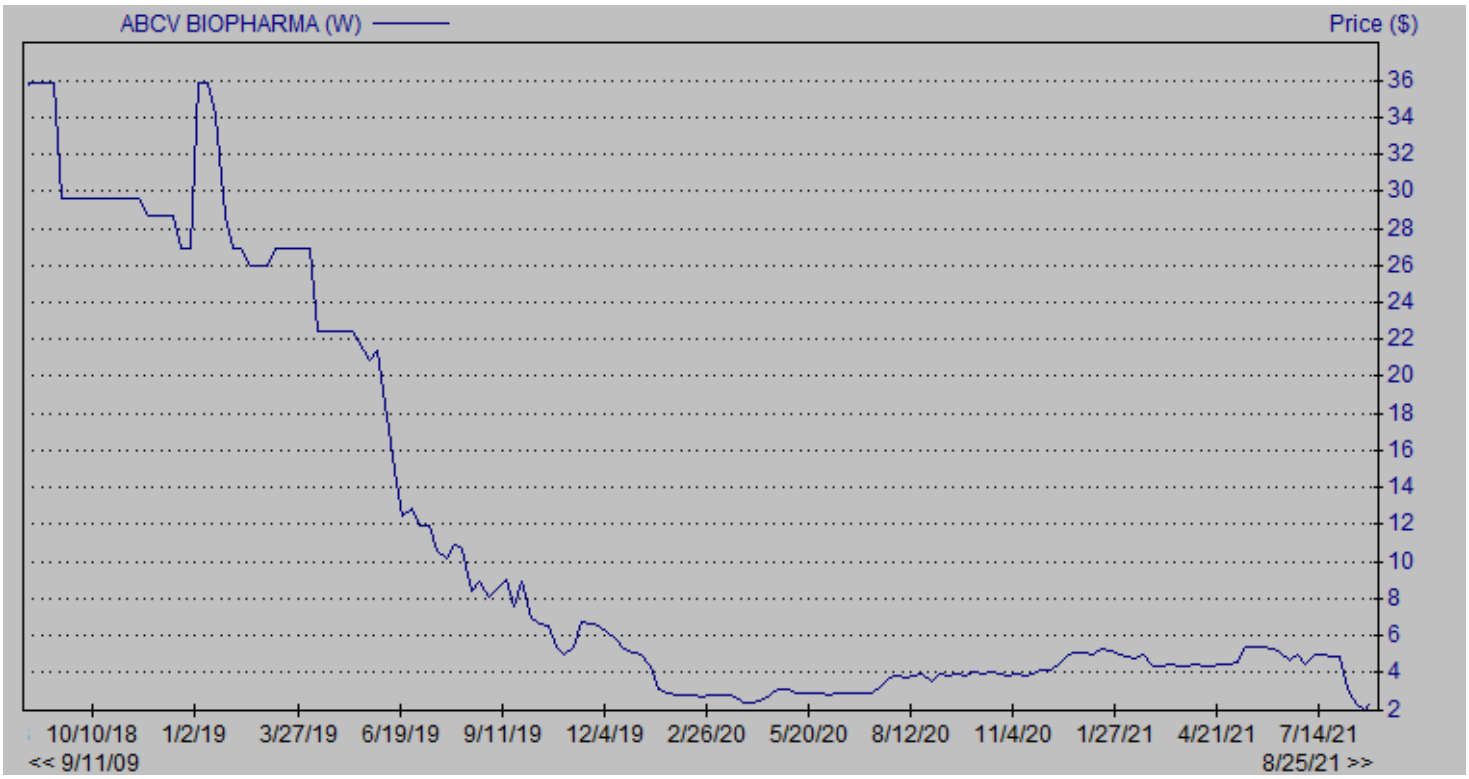
Drug: ABV-1703, Advanced Inoperable or Metastatic Pancreatic Cancer, Phase II, NCE drug
Principal Investigator: Andrew E. Hendifar, MD
Cedars Sinai Medical Center (CSMC)

Drug: ABV-1702, A Phase II Study* of BLEX 404 Oral Liquid to Evaluate the Safety and Infection Control in Patients with International Prognostic Scoring System (IPSS) Intermediate-1, Intermediate-2 or High-Risk Myelodysplastic Syndrome (MDS) and Chronic Myelomonocytic Leukemia (CMML)

Drug: PDC-1421, A Phase II Study of PDC-1421 Capsule to Evaluate the Safety and Efficacy in Patients With Major Depressive Disorder
Study Director: Richard King, Ph.D.
Stanford University, Stanford Depression Research Clinic
Taipei Veterans General Hospital

*Planned launch in 2021

HISTORICAL STOCK PRICE



DISCLOSURES

The following disclosures relate to relationships between Zacks Small-Cap Research ("Zacks SCR"), a division of Zacks Investment Research ("ZIR"), and the issuers covered by the Zacks SCR Analysts in the Small-Cap Universe.

ANALYST DISCLOSURES

I, M. Marin, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report. I believe the information used for the creation of this report has been obtained from sources I considered to be reliable, but I can neither guarantee nor represent the completeness or accuracy of the information herewith. Such information and the opinions expressed are subject to change without notice.

INVESTMENT BANKING AND FEES FOR SERVICES

Zacks SCR does not provide investment banking services nor has it received compensation for investment banking services from the issuers of the securities covered in this report or article.
Zacks SCR has received compensation from the issuer directly, from an investment manager, or from an investor relations consulting firm engaged by the issuer for providing non-investment banking services to this issuer and expects to receive additional compensation for such non-investment banking services provided to this issuer. The non-investment banking services provided to the issuer includes the preparation of this report, investor relations services, investment software, financial database analysis, organization of non-deal road shows, and attendance fees for conferences sponsored or co-sponsored by Zacks SCR. The fees for these services vary on a per-client basis and are subject to the number and types of services contracted. Fees typically range between ten thousand and fifty thousand dollars per annum. Details of fees paid by this issuer are available upon request.

POLICY DISCLOSURES

This report provides an objective valuation of the issuer today and expected valuations of the issuer at various future dates based on applying standard investment valuation methodologies to the revenue and EPS forecasts made by the SCR Analyst of the issuer's business.
SCR Analysts are restricted from holding or trading securities in the issuers that they cover. ZIR and Zacks SCR do not make a market in any security followed by SCR nor do they act as dealers in these securities. Each Zacks SCR Analyst has full discretion over the valuation of the issuer included in this report based on his or her own due diligence. SCR Analysts are paid based on the number of companies they cover. SCR Analyst compensation is not, was not, nor will be, directly or indirectly, related to the specific valuations or views expressed in any report or article.

ADDITIONAL INFORMATION

Additional information is available upon request. Zacks SCR reports and articles are based on data obtained from sources that it believes to be reliable, but are not guaranteed to be accurate nor do they purport to be complete. Because of individual financial or investment objectives and/or financial circumstances, this report or article should not be construed as advice designed to meet the particular investment needs of any investor. Investing involves risk. Any opinions expressed by Zacks SCR Analysts are subject to change without notice. Reports or articles or tweets are not to be construed as an offer or solicitation of an offer to buy or sell the securities herein mentioned.

CANADIAN COVERAGE

This research report is a product of Zacks SCR and prepared by a research analyst who is employed by or is a consultant to Zacks SCR. The research analyst preparing the research report is resident outside of Canada, and is not an associated person of any Canadian registered adviser and/or dealer. Therefore, the analyst is not subject to supervision by a Canadian registered adviser and/or dealer, and is not required to satisfy the regulatory licensing requirements of any Canadian provincial securities regulators, the Investment Industry Regulatory Organization of Canada and is not required to otherwise comply with Canadian rules or regulations.