UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **September 30, 2024**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number **001-40700**

ABVC BioPharma, Inc.
(Exact name of Registrant as specified in its charter)

Nevada	**26-0014658**
State or jurisdiction of incorporation or organization	IRS Employer Identification Number

44370 Old Warm Springs Blvd.
Fremont, CA 94538
Tel: (510) 668-0881
(Address and telephone number of principal executive offices)

(Former name, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, par value $0.001 per share	ABVC	The Nasdaq Stock Market LLC

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the last 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 13, 2024, there were 12,975,492 shares of common stock, par value per share $0.001, issued and outstanding.

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CAUTIONARY NOTE ON FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Report") contains "forward-looking statements" which discuss matters that are not historical facts. Because they discuss future events or conditions, forward-looking statements may include words such as "anticipate," "believe," "estimate," "intend," "could," "should," "would," "may," "seek," "plan," "might," "will," "expect," "predict," "project," "forecast," "potential," "continue" and negatives thereof or similar expressions. Forward-looking statements speak only as of the date they are made, are based on various underlying assumptions and current expectations about the future and are not guarantees. Such statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievement to be materially different from the results of operations or plans expressed or implied by such forward-looking statements. We cannot predict all of the risks and uncertainties. Accordingly, such information should not be regarded as representations that the results or conditions described in such statements or that our objectives and plans will be achieved and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements.

These forward-looking statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Many of those factors are outside of our control and could cause actual results to differ materially from the results expressed or implied by those forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include, without limitation, those specifically addressed under the headings "Risks Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our annual report on Form 10-K and its amendment filed with the Securities and Exchange Commission (the "SEC" OR "Commission"); in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Report, and information contained in other reports that we file with the SEC. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than we have described. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Report. All subsequent written and oral forward-looking statements concerning other matters addressed in this Report and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Report.

There are important factors that could cause actual results to vary materially from those described in this report as anticipated, estimated or expected, including, but not limited to: the effects of the COVID-19 outbreak, including on the demand for our products; the duration of the COVID-19 outbreak and severity of such outbreak in regions where we operate; the pace of recovery following the COVID-19 outbreak; our ability to implement cost containment and business recovery strategies; the adverse effects of the COVID-19 outbreak on our business or the market price of our ordinary shares; competition in the industry in which we operate and the impact of such competition on pricing, revenues and margins, volatility in the securities market due to the general economic downturn; SEC regulations which affect trading in the securities of "penny stocks," and other risks and uncertainties. Except as required by law, we assume no obligation to update any forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in any forward- looking statements, even if new information becomes available in the future. Depending on the market for our stock and other conditional tests, a specific safe harbor under the Private Securities Litigation Reform Act of 1995 may be available. Notwithstanding the above, Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") expressly state that the safe harbor for forward-looking statements does not apply to companies that issue penny stock. Because we may from time to time be considered to be an issuer of penny stock, the safe harbor for forward-looking statements may not apply to us at certain times.

As used in this Report, the terms "we", "us", "our", and "our Company" and "the Company" refer to ABVC BioPharma, Inc. and its subsidiaries, unless otherwise indicated.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

ABVC BIOPHARMA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2024 (Unaudited)	December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 137,344	$ 60,155
Restricted cash	632,529	656,625
Accounts receivable, net	1,529	1,530
Accounts receivable - related parties, net	10,463	10,463
Due from related parties - current	1,204,362	747,573
Short-term investments	70,809	79,312
Prepaid expenses and other current assets	91,291	101,051
Total Current Assets	2,148,327	1,656,709
Property and equipment, net	7,931,478	7,969,278
Operating lease right-of-use assets	507,659	809,283
Long-term investments	2,333,904	2,527,740
Prepaid expenses - non-current	75,898	78,789
Security deposits	60,916	62,442

Prepayment for long-term investments	1,280,512	1,274,842
Due from related parties - non-current, net	124,151	113,516
Total Assets	$ 14,462,845	$ 14,492,599
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term bank loans	$ 866,250	$ 899,250
Accrued expenses and other current liabilities	3,632,927	3,696,380
Contract liabilities	79,500	79,500
Taxes payables	-	112,946
Operating lease liabilities - current portion	365,458	401,826
Due to related parties	419,270	173,132
Convertible notes payable - third parties, net	952,237	569,456
Total Current Liabilities	6,315,642	5,932,490
Tenant security deposit	25,680	21,680
Operating lease liability - non-current portion	142,201	407,457
Total Liabilities	6,483,523	6,361,627
COMMITMENTS AND CONTINGENCIES		
Equity		
Preferred stock, $0.001 par value, 20,000,000 authorized, nil shares issued and outstanding	-	-
Common stock, $0.001 par value, 100,000,000 authorized, 12,711,345 and 7,940,298 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively[(1)]	12,712	7,940
Additional paid-in capital	87,308,080	82,636,966
Stock subscription receivable	-	(451,480)
Stock to be issued	31,040	-
Accumulated deficit	(70,552,277)	(65,420,095)
Accumulated other comprehensive income	461,282	516,387
Treasury stock	(8,902,371)	(8,901,668)
Total Stockholders' equity	8,358,466	8,388,050
Noncontrolling interest	(379,144)	(257,078)
Total Equity	7,979,322	8,130,972
Total Liabilities and Equity	$ 14,462,845	$ 14,492,599

(1) Prior period results have been adjusted to reflect the 1-for-10 reverse stock split effected on July 25, 2023.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ABVC BIOPHARMA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Licensing revenues	$ 380,000	$ -	$ 496,000	$ -
Other revenues	9,276	15,884	11,623	150,265
Total revenues	389,276	15,884	507,623	150,265
Cost of revenues	296	29,614	763	162,831
Gross profit (loss)	388,980	(13,730)	506,860	(12,566)
Operating expenses				
Selling, general and administrative expenses	301,208	1,182,093	1,772,916	3,841,633
Research and development expenses	37,825	141,310	147,292	990,731
Stock-based compensation	-	817,740	2,957,736	1,409,969
Total operating expenses	339,033	2,141,143	4,877,944	6,242,333
Income (loss) from operations	49,947	(2,154,873)	(4,371,084)	(6,254,899)
Other income (expense)				
Interest income	44,261	40,246	75,451	147,998
Interest expense	(219,533)	(1,218,624)	(1,164,248)	(1,390,039)
Operating sublease income	12,000	-	36,478	53,900
Gain (loss) on foreign exchange	30,429	(25,059)	26,284	(55,625)
(Loss) on equity method investment	(67,885)	-	(146,942)	-
Other income (expense)	16,864	(10,769)	45,542	(1,174)
Total other income (expenses)	(183,864)	(1,214,206)	(1,127,435)	(1,244,940)
Loss before income tax	(133,917)	(3,369,079)	(5,498,519)	(7,499,839)
Provision for income tax expense (benefit)	355	(999)	(110,539)	80,696
Net loss	(134,272)	(3,368,080)	(5,387,980)	(7,580,535)

Net income (loss) attributable to noncontrolling interests	52,289	(50,564)	(255,798)	(175,813)
Net loss attributable to ABVC and subsidiaries	(186,561)	(3,317,516)	(5,132,182)	(7,404,722)
Foreign currency translation adjustment	25,389	(15,082)	(55,106)	1,995
Comprehensive loss	$ (161,172)	$ (3,332,598)	$ (5,187,288)	$ (7,402,727)
Net loss per share attributable to common stockholders				
Basic and diluted	$ (0.02)	$ (0.82)	$ (0.46)	$ (2.08)
Weighted average number of common shares outstanding (1)				
Basic and diluted	12,405,261	4,055,345	11,164,093	3,555,474

(1) Prior period results have been adjusted to reflect the 1-for-10 reverse stock split effected on July 25, 2023.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ABVC BIOPHARMA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended September 30	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (5,387,980)	$ (7,580,535)
Adjustments to reconcile net loss to net cash changes operating activities:		
Depreciation	21,605	20,949
Stock-based compensation	2,957,736	1,409,969
Provision for doubtful accounts	-	38,500
Other non-cash income and expenses	1,134,029	1,422,362
Loss on investment in equity securities	146,942	-
Deferred tax expense	-	(35,719)
Changes in operating assets and liabilities:		
Decrease in accounts receivable	-	191,265
Decrease in prepaid expenses and other deposits	14,177	27,924
Decrease (increase) in tenant security deposit	4,000	(2,300)
Decrease (increase) in due from related parties	(467,424)	189,755
Increase in accrued expenses and other current liabilities	128,189	648,626
Increase in contract liabilities	-	68,516
Increase (decrease) in due to related parties	246,138	(155,697)
Decrease in taxes payables	(112,946)	-
Net cash used in operating activities	(1,315,534)	(3,756,385)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	-	(21,201)
Increase in prepayment for long-term investments	-	(493,158)
Net cash used in investing activities	-	(514,359)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of common stock	-	1,050,000
Proceeds from Issuance of warrant	394,071	2,429,028
Proceeds from exercise of warrants	737,500	-
Proceeds from convertible notes	282,095	1,352,512
Repayment of convertible notes	(179,125)	-
Proceeds from shares to be issued	164,772	-
Repayment of short-term loans	-	(1,000,000)
Net cash provided by financing activities	1,399,313	3,831,540
Effects on changes in foreign exchange rate	(30,686)	168,413
Net increase (decrease) in cash and cash equivalents, and restricted cash	53,093	(270,791)
Cash and cash equivalents, and restricted cash - beginning of period	716,780	1,391,728
Cash and cash equivalents, and restricted cash - end of period	$ 769,873	$ 1,120,937
Supplemental Cash Flow Disclosures		
Cash paid for interest	$ 59,519	$ 27,525
Cash paid for income taxes	$ 25,863	$ -
Non-cash financing and investing activities		
Issuance of common stock for conversion of debt	$ 845,715	$ -

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ABVC BIOPHARMA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(UNAUDITED)

	Common Stock							Treasury Stock			
	Number of shares	Amounts	Stock to be issued	Stock Subscription Receivable	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Number of Shares	Amount	Noncontrolling Interest	Stockholders' Equity (Deficit)
Balance at December 31, 2022	3,286,190	$ 3,286	$ -	$ (1,354,440)	$67,937,050	$ (54,904,439)	$ 517,128	(27,535)	$(9,100,000)	$ 137,554	$ 3,236,139
Issuance of subsidiaries' common shares for consulting service	22,341	22	-	-	140,727	-	-		-	-	140,749
Issuance of pre-funded warrant	-	-	-	-	1,729,028	-	-		-	-	1,729,028
Stock-based compensation	-	-	-	451,480	-	-	-		-	-	451,480
Net loss for the period	-	-	-	-	-	(4,087,206)	-		-	(125,249)	(4,212,455)
Cumulative transaction adjustments	-	-	-	-	-	-	17,077		-	-	17,077
Balance at June 30, 2023	3,308,531	$ 3,308	$ -	$ (902,960)	$69,806,805	$ (58,991,645)	$ 534,205	(27,535)	$(9,100,000)	$ 12,305	$ 1,362,018
Issuance of common stock for cash	300,000	300	-	-	1,049,700	-	-	-	-	-	1,050,000
Issuance of common stock for consulting services	29,600	30	-	-	591,970	-	-	-	-	-	592,000
Issuance of common stock for acquiring of property	370,000	370	-	-	7,399,630	-	-	-	-	-	7,400,000
Issuance of common stock upon exercise of convertible notes	614,912	615	-	-	1,814,185	-	-	-	-	-	1,814,800
Issuance of pre-funded warrant	-	-	-	-	700,000	-	-	-	-	-	700,000
Exercise of pre-funded warrant	200,000	200	-	-	(700,000)	-	-	-	-	-	(699,800)
Stock-based compensation	-	-	-	225,740		-	-	-	-	-	225,740
Net loss for the period	-	-	-	-		(3,317,516)	-	-	-	(50,564)	(3,368,080)
Cumulative translation adjustments	-	-	-	-		-	(15,082)	-	-	-	(15,082)
Balance at September 30, 2023	4,823,043	$ 4,823	$ -	$ (677,220)	$80,662,290	$ (62,309,161)	$ 519,123	(27,535)	$(9,100,000)	$ (38,259)	$ 9,061,596

	Common Stock							Treasury Stock			
	Number of shares	Amounts	Stock to be issued	Stock Subscription Receivable	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Number of Shares	Amount	Noncontrolling Interest	Stockholders' Equity (Deficit)
Balance at December 31, 2023	7,940,298	$ 7,940	$ -	$ (451,480)	$82,636,966	$ (65,420,095)	$ 516,387	(27,535)	$(8,901,668)	$ (257,078)	$ 8,130,972
Issuance of common stock upon exercise of convertible notes	905,303	905	-	-	810,269	-	-	-	-	-	811,174
Issuance of subsidiaries' common shares for consulting service	-	-	-	-	383,500	-	-	-	-	-	383,500
Issuance of pre-funded warrant	-	-	-	-	394,071	-	-	-	-	-	394,071
Repurchase of common stock	703,496	703	-	-	-	-	-	(703,496)	(703)	-	-
Stock-based compensation	1,502,726	1,504	-	451,480	2,121,252	-	-	-	-	-	2,574,236

Exercise of common stock warrants	1,000,000	1,000	-	-	736,500	-	-	-	-	-	737,500
Stock to be issued	-	-	31,040	-	-	-	-	-	-	100,000	131,040
Net loss for the period	-	-	-	-	-	(4,945,621)	-	-	-	(308,087)	(5,253,708)
Cumulative translation adjustments	-	-	-	-	-	-	(80,495)	-	-	-	(80,495)
Balance at June 30, 2024	12,051,823	$ 12,052	$ 31,040	$ -	$87,082,558	$ (70,365,716)	$ 435,892	(731,031)	$(8,902,371)	$ (465,165)	$ 7,828,290
Issuance of common stock upon exercise of convertible notes	400,000	400			34,140						34,540
Stock-based compensation	259,522	260	-	-	191,382	-	-	-	-	-	191,642
Stock to be issued	-	-	-	-	-	-	-	-	-	33,732	33,732
Net loss for the period						(186,561)				52,289	(134,272)
Cumulative transaction adjustments							25,390				25,390
Balance at September 30, 2024	12,711,345	$ 12,712	$ 31,040	$ -	$87,308,080	$ (70,552,277)	$ 461,282	(731,031)	$(8,902,371)	$ (379,144)	$ 7,979,322

(1) Prior period results have been adjusted to reflect the 1-for-10 reverse stock split effected on July 25, 2023.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ABVC BIOPHARMA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. ORGANIZATION AND DESCRIPTION OF BUSINESS

ABVC BioPharma, Inc. (the "Company"), formerly known as American BriVision (Holding) Corporation, a Nevada corporation, through the Company's operating entity, American BriVision Corporation ("BriVision"), which was incorporated in July 2015 in the State of Delaware, engages in biotechnology to fulfill unmet medical needs and focuses on the development of new drugs and medical devices derived from plants. BriVision develops its pipeline by carefully tracking new medical discoveries or medical device technologies in research institutions in the Asia-Pacific region. Pre-clinical, disease animal model and Phase I safety studies are examined closely by the Company to identify drugs that BriVision believes demonstrate efficacy and safety. Once a drug appears to be a good candidate for development and ultimately commercialization, BriVision licenses the drug or medical device from the original researchers and begins to introduce the drugs clinical plan to highly respected principal investigators in the United States, Australia and Taiwan to conduct a Phase II clinical trial. At present, clinical trials for the Company's drugs and medical devices are being conducted at such world-famous institutions as including Stanford University, University of California San Fransisco (UCSF) and Cedar Sinai Medical Centre (CSMC). BriVision had no predecessor operations prior to its formation on July 21, 2015.

The Company has three wholly-owned subsidiaries, BriVision, BioLite Holding Inc. ("BioLite Holding"), and BioKey Inc. ("BioKey"), and a partially-owned subsidiary, AiBtl BioPharma Inc. ("AiBtl").

BioLite Holding was incorporated in the State of Nevada with wholly owned subsidiary BioLite BVI, Inc. ("BioLite BVI") that was incorporated in the British Virgin Islands. BioLite BVI holds 73% ownership of BioLite Inc. ("BioLite Taiwan"), a Taiwanese corporation that was founded in February 2006. BioLite Taiwan has been in the business of developing new drugs for over twelve years.

Incorporated in California on November 20, 2000, BioKey has chosen to initially focus on developing generic drugs to ride the opportunity of the booming industry.

On November 12, 2023, the Company and BioLite Taiwan each entered into a multi-year, global licensing agreement with AiBtl for the Company and BioLite Taiwan's CNS drugs with the indications of MDD (Major Depressive Disorder) and ADHD (Attention Deficit Hyperactivity Disorder) (collectively, the "Licensed Products"). The potential license will cover the Licensed Products' clinical trial, registration, manufacturing, supply, and distribution rights. The parties are determined to collaborate on the global development of the Licensed Products. The parties are also working to strengthen new drug development and business collaboration, including technology, interoperability, and standards development. As per each of the respective agreements, each of ABVC and BioLite Taiwan received 23 million shares of AIBL stock and as a result, the Company has a controlling interest over AiBtl, and the financial statements of AiBtl are included in the Company's unaudited condensed consolidated financial statements.

2. LIQUIDITY AND GOING CONCERN

The accompanying unaudited interim condensed consolidated financial statements have been prepared in conformity with U.S. GAAP which contemplates continuation of the Company on a going concern basis. The going concern basis assumes that assets are realized, and liabilities are settled in the ordinary course of business at amounts disclosed in the unaudited interim consolidated financial statements. The Company's ability to continue as a going concern depends upon its ability to market and sell its products to generate positive operating cash flows. For the nine months ended September 30, 2024, the Company reported net loss of $5,387,980. As of September 30, 2024, the Company's working capital deficit was $ 4,167,315. In addition, the Company had net cash outflows of $1,315,534 from operating activities for the nine months ended September 30, 2024. These conditions give rise to substantial doubt as to whether the Company will be able to continue as a going concern.

Management's plan is to continue to improve operations to generate positive cash flows and raise additional capital through private or public offerings. Notably, the Company has generated cash inflow and reduced substantial amount of debts during the first nine months ended September 30, 2024. If the Company is not able to generate positive operating cash flows, and raise additional capital, there is the risk that the Company may not be able to meet its short-term obligations. Management is committed to enhancing operations to generate positive cash flows and plans to secure additional capital

through private or public offerings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The unaudited interim condensed consolidated financial statements do not include all the information and footnotes required by the U.S. GAAP for complete financial statements. Certain information and note disclosures normally included in the annual financial statements prepared in accordance with the U.S. GAAP have been condensed or omitted consistent with Article 8 of Regulation S-X. In the opinion of the Company's management, the unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited financial statements and include all adjustments, in a normal recurring nature, as necessary for the fair statement of the Company's financial position as of September 30, 2024, and results of operations and cash flows for the nine months ended September 30, 2024 and 2023. The unaudited interim condensed consolidated balance sheet as of September 30, 2024 has been derived from the audited financial statements at December 31, 2023 but does not include all the information and footnotes required by the U.S. GAAP. Interim results of operations are not necessarily indicative of the results expected for the full fiscal year or for any future period. These financial statements should be read in conjunction with the audited consolidated financial statements as of and for the years ended December 31, 2023 and 2022, and related notes included in the Company's audited consolidated financial statements.

The accompanying unaudited condensed consolidated interim financial statements have been prepared in accordance with the generally accepted accounting principles in the United States of America (the "U.S. GAAP"). All significant intercompany transactions and account balances have been eliminated.

This basis of accounting involves the application of accrual accounting and consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred. The Company's unaudited financial statements are expressed in U.S. dollars.

Reclassifications:

Certain amounts on the prior year's condensed consolidated balance sheets, condensed consolidated statements of operations and condensed cash flows were reclassified to conform to the current-year presentation, with no effect on ending stockholders' equity.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited consolidated financial statements and the amount of revenues and expenses during the reporting periods. Actual results could differ materially from those results.

On July 25, 2023, the Company filed a Certificate of Amendment to its Articles of Incorporation authorizing a 1-for-10 reverse stock split of the issued and outstanding shares of its common stock. The Company's stockholders previously approved the Reverse Stock Split at the Company's Special Shareholder Meeting held on July 7, 2023. The Reverse Stock Split was effected to reduce the number of issued and outstanding shares and to increase the per share trading value of the Company's common stock, although that outcome is not guaranteed. In turn, the Company believes that the Reverse Stock Split will enable the Company to restore compliance with certain continued listing standards of the NASDAQ Capital Market. All shares and related financial information in this Form 10-Q reflect this 1-for-10 reverse stock split, unless otherwise specified.

Fair Value Measurements

FASB ASC 820, "Fair Value Measurements" defines fair value for certain financial and nonfinancial assets and liabilities that are recorded at fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. It requires that an entity measure its financial instruments to base fair value on exit price, maximize the use of observable units and minimize the use of unobservable inputs to determine the exit price. It establishes a hierarchy which prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy increases the consistency and comparability of fair value measurements and related disclosures by maximizing the use of observable inputs and minimizing the use of unobservable inputs by requiring that observable inputs be used when available. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the assets or liabilities based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy prioritizes the inputs into three broad levels based on the reliability of the inputs as follows:

- Level 1 Inputs are quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. Valuation of these instruments does not require a high degree of judgment as the valuations are based on quoted prices in active markets that are readily and regularly available.

- Level 2 Inputs other than quoted prices in active markets that are either directly or indirectly observable as of the measurement date, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 Valuations are based on inputs that are unobservable and not corroborated by market data. The fair value for such assets and liabilities is generally determined using pricing models, discounted cash flow methodologies, or similar techniques that incorporate the assumptions a market participant would use in pricing the asset or liability.

The carrying values of certain assets and liabilities of the Company, such as cash and cash equivalents, restricted cash, accounts receivable, due from related parties, prepaid expenses and other current assets, accounts payable, accrued liabilities, and due to related parties' approximate fair value due to their relatively short maturities. The carrying value of the Company's short-term bank loan, convertible notes payable, and accrued interest approximates their fair value as the terms of the borrowing are consistent with current market rates and the duration to maturity is short. The carrying value of the Company's long-term bank loan approximates fair value because the interest rates approximate market rates that the Company could obtain for debt with similar terms and maturities.

Cash and Cash Equivalents

The Company considers highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents. As of September 30, 2024 and December 31, 2023, the Company's cash and cash equivalents, excluding restricted cash, amounted to $137,344 and $60,155, respectively. Some of the Company's cash deposits are held in financial institutions located in Taiwan where there is currently regulation mandated on obligatory insurance of bank accounts. The Company believes this financial institution is of high credit quality.

Restricted Cash

Restricted cash primarily consist of certificate of deposits as collateral of short-term loan held in CTBC Bank. As of September 30, 2024 and December 31, 2023, the Company's restricted cash amounted to $632,529 and $656,625, respectively.

Concentration of Credit Risk

The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents. The Company places its cash and temporary cash investments in high quality credit institutions, but these investments may be in excess of the limit of $94,500 (NTD 3 million) covered by Taiwan Central Deposit Insurance Corporation, and the limit of $250,000 covered by the U.S. Federal Deposit Insurance Corporation's insurance limits. However, the Company does not anticipate any losses on excess deposits. The Company does not enter into financial instruments for hedging, trading or speculative purposes.

The Company performs ongoing credit evaluations of our customers and requires no collateral. Credit losses and allowance for unbilled receivables are provided based on a review of the collectability of accounts receivable. The Company determines the amount of allowance for doubtful accounts by examining its historical collection experience and current trends in the credit quality of its customers as well as its internal credit policies. Actual credit losses may differ from our estimates.

Concentration of clients

As of September 30, 2024, the most major client, specializes in developing and commercializing of dietary supplements and therapeutics in dietary supplement industry, accounted for 87.2% of the Company's total account receivable.

As of December 31, 2023, the most major client, specializes in developing and commercializing of dietary supplements and therapeutics in dietary supplement industry, accounted for 87.2% of the Company's total account receivable.

For the nine months ended September 30, 2024, two major clients, manufacturing a wide range of pharmaceutical products, accounted for 58.31% and 39.40% of the Company's total revenues. For the nine months ended September 30, 2023, the most major client, manufacturing drugs, dietary supplements, and medical products, accounted for 81.19% of the Company's total revenues.

Accounts receivable and allowance for expected credit losses accounts

Accounts receivable is recorded and carried at the original invoiced amount less an allowance for any potential uncollectible amounts.

The Company make estimates of expected credit and collectability trends for the allowance for credit losses and allowance for unbilled receivables based upon our assessment of various factors, including historical experience, the age of the accounts receivable balances, credit quality of customers, current economic conditions reasonable and supportable forecasts of future economic conditions, and other factors that may affect our ability to collect from customers. The provision is recorded against accounts receivable balances, with a corresponding charge recorded in the consolidated statements of income. Actual amounts received may differ from management's estimate of credit worthiness and the economic environment. Delinquent account balances are written-off against the allowance for doubtful accounts after management has determined that the likelihood of collection is not probable.

Allowance for expected credit losses accounts was $ 616,457 and $616,505 as of September 30, 2024 and December 31, 2023, respectively.

Revenue Recognition

Pursuant to ASC 606, the Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines is within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the Company satisfies a performance obligation. The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration the Company is entitled to in exchange for the goods or services the Company transfers to the customers. At inception of the contract, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised within each contract, determines those that are performance obligations, and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

The following are examples of when the Company recognizes revenue based on the types of payments the Company receives.

Collaborative Revenues - The Company recognizes collaborative revenues generated through collaborative research, development and/or commercialization agreements. The terms of these agreements typically include payment to the Company related to one or more of the following: non-refundable upfront license fees, development and commercial milestones, partial or complete reimbursement of research and development costs, and royalties on net sales of licensed products. Each type of payments results in collaborative revenues except for revenues from royalties on net sales of licensed products, which are classified as royalty revenues. To date, the Company has not received any royalty revenues. Revenue is recognized upon satisfaction of a performance obligation by transferring control of a good or service to the collaboration partners.

As part of the accounting for these arrangements, the Company applies judgment to determine whether the performance obligations are distinct, and develop assumptions in determining the stand-alone selling price for each distinct performance obligation identified in the collaboration agreements. To determine the stand-alone selling price, the Company relies on assumptions which may include forecasted revenues, development timelines, reimbursement rates for R&D personnel costs, discount rates and probabilities of technical and regulatory success.

The Company had multiple deliverables under the collaborative agreements, including deliverables relating to grants of technology licenses, regulatory and clinical development, and marketing activities. Estimation of the performance periods of the Company's deliverables requires the use of management's judgment. Significant factors considered in management's evaluation of the estimated performance periods include, but are not limited to, the Company's experience in conducting clinical development, regulatory and manufacturing activities. The Company reviews the estimated duration of its performance periods under its collaborative agreements on an annual basis, and makes any appropriate adjustments on a prospective basis. Future changes in estimates of the performance period under its collaborative agreements could impact the timing of future revenue recognition.

(i) Non-refundable upfront payments

If a license to the Company's intellectual property is determined to be distinct from the other performance obligations identified in an arrangement, the Company recognizes revenue from the related non-refundable upfront payments based on the relative standalone selling price prescribed to the license compared to the total selling price of the arrangement. The revenue is recognized at a point in time when the license is transferred to the collaboration partners and the collaboration partners are able to use and benefit from the license. Due to the uncertainty of the collection, the Company only recognizes cash receipts according to the variable consideration principles outlined in ASC 606. To date, the receipt of non-refundable upfront fees was solely for the compensation of past research efforts and contributions made by the Company before the collaborative agreements entered into and it does not relate to any future obligations and commitments made between the Company and the collaboration partners in the collaborative agreements.

(ii) Milestone payments

The Company is eligible to receive milestone payments under the collaborative agreement with collaboration partners based on achievement of specified development, regulatory and commercial events. Management evaluated the nature of the events triggering these contingent payments, and concluded that these events fall into two categories: (a) events which involve the performance of the Company's obligations under the collaborative agreement with collaboration partners, and (b) events which do not involve the performance of the Company's obligations under the collaborative agreement with collaboration partners.

The former category of milestone payments consists of those triggered by development and regulatory activities in the territories specified in the collaborative agreements. Management concluded that each of these payments constitute substantive milestone payments. This conclusion was based primarily on the facts that (i) each triggering event represents a specific outcome that can be achieved only through successful performance by the Company of one or more of its deliverables, (ii) achievement of each triggering event was subject to inherent risk and uncertainty and would result in additional payments becoming due to the Company, (iii) each of the milestone payments is non-refundable, (iv) substantial effort is required to complete each milestone, (v) the amount of each milestone payment is reasonable in relation to the value created in achieving the milestone, (vi) a substantial amount of time is expected to pass between the upfront payment and the potential milestone payments, and (vii) the milestone payments relate solely to past performance. Based on the foregoing, the Company recognizes any revenue from these milestone payments in the period in which the underlying triggering event occurs.

(iii) Multiple Element Arrangements

The Company evaluates multiple element arrangements to determine (1) the deliverables included in the arrangement and (2) whether the individual deliverables represent separate units of accounting or whether they must be accounted for as a combined unit of accounting. This evaluation involves subjective determinations and requires management to make judgments about the individual deliverables and whether such deliverables are separate from other aspects of the contractual relationship. Deliverables are considered separate units of accounting provided that: (i) the delivered item(s) has value to the customer on a standalone basis and (ii) if the arrangement includes a general right of return relative to the delivered item(s), delivery or performance of the undelivered item(s) is considered probable and substantially within its control. In assessing whether an item under a collaboration has standalone value, the Company considers factors such as the research, manufacturing, and commercialization capabilities of the collaboration partner and the availability of the associated expertise in the general marketplace. The Company also considers whether its collaboration partners can use the other deliverable(s) for their intended purpose without the receipt of the remaining element(s), whether the value of the deliverable is dependent on the undelivered item(s), and whether there are other vendors that can provide the undelivered element(s).

The Company recognizes arrangement consideration allocated to each unit of accounting when all the revenue recognition criteria in ASC 606 are satisfied for that particular unit of accounting. In the event that a deliverable does not represent a separate unit of accounting, the Company recognizes revenue from the combined unit of accounting over the Company's contractual or estimated performance period for the undelivered elements, which is typically the term of the Company's research and development obligations. If there is no discernible pattern of performance or objectively measurable performance measures do not exist, then the Company recognizes revenue under the arrangement on a straight-line basis over the period the Company is expected to complete its performance obligations. Conversely, if the pattern of performance in which the service is provided to the customer can be determined and objectively measurable performance measures exist, then the Company recognizes revenue under the arrangement using the proportional performance method. Revenue recognized is limited to the lesser of the cumulative amount of payments received or the cumulative amount of revenue earned, as determined using the straight-line method or proportional performance method, as applicable, as of the period ending date.

At the inception of an arrangement that includes milestone payments, the Company evaluates whether each milestone is substantive and at risk to both parties on the basis of the contingent nature of the milestone. This evaluation includes an assessment of whether: (1) the consideration is commensurate with either the Company's performance to achieve the milestone or the enhancement of the value of the delivered item(s) as a result of a specific outcome resulting from its performance to achieve the milestone, (2) the consideration relates solely to past performance and (3) the consideration is reasonable relative to all of the deliverables and payment terms within the arrangement. The Company evaluates factors such as the scientific, clinical, regulatory, commercial, and other risks that must be overcome to achieve the particular milestone and the level of effort and investment required to achieve the particular milestone in making this assessment. There is considerable judgment involved in determining whether a milestone satisfies all of the criteria required to conclude that a milestone is substantive. Milestones that are not considered substantive are recognized as earned if there are no remaining performance obligations or over the remaining period of performance, assuming all other revenue recognition criteria are met.

(iv) Royalties and Profit-Sharing Payments

Under the collaborative agreement with the collaboration partners, the Company is entitled to receive royalties on sales of products, which is at certain percentage of the net sales. The Company recognizes revenue from these events based on the revenue recognition criteria set forth in ASC 606. Based on those criteria, the Company considers these payments to be contingent revenues, and recognizes them as revenue in the period in which the applicable contingency is resolved.

Revenues Derived from Research and Development Activities Services - Revenues related to research and development and regulatory activities are recognized when the related services or activities are performed, in accordance with the contract terms. The Company typically has only one performance obligation at the inception of a contract, which is to perform research and development services. The Company may also provide its customers with an option to request that the Company provides additional goods or services in the future, such as active pharmaceutical ingredient, API, or IND/NDA/ANDA/510K submissions. The Company evaluates whether these options are material rights at the inception of the contract. If the Company

determines an option is a material right, the Company will consider the option a separate performance obligation.

If the Company is entitled to reimbursement from its customers for specified research and development expenses, the Company accounts for the related services that it provides as separate performance obligations if it determines that these services represent a material right. The Company also determines whether the reimbursement of research and development expenses should be accounted for as revenues or an offset to research and development expenses in accordance with provisions of gross or net revenue presentation. The Company recognizes the corresponding revenues or records the corresponding offset to research and development expenses as it satisfies the related performance obligations.

The Company then determines the transaction price by reviewing the amount of consideration the Company is eligible to earn under the contracts, including any variable consideration. Under the outstanding contracts, consideration typically includes fixed consideration and variable consideration in the form of potential milestone payments. At the start of an agreement, the Company's transaction price usually consists of the payments made to or by the Company based on the number of full-time equivalent researchers assigned to the project and the related research and development expenses incurred. The Company does not typically include any payments that the Company may receive in the future in its initial transaction price because the payments are not probable. The Company would reassess the total transaction price at each reporting period to determine if the Company should include additional payments in the transaction price.

The Company receives payments from its customers based on billing schedules established in each contract. Upfront payments and fees may be recorded as contract liabilities upon receipt or when due, and may require deferral of revenue recognition to a future period until the Company performs its obligations under these arrangements. Amounts are recorded as accounts receivable when the right of the Company to consideration is unconditional. The Company does not assess whether a contract has a significant financing component if the expectation at contract inception is such that the period between payment by the customers and the transfer of the promised goods or services to the customers will be one year or less.

Segment Reporting

ASC") 280, "Segment Reporting," requires public companies to report financial and descriptive information about their reportable operating segments. We identify our operating segments based on how our chief operating decision maker internally evaluates separate financial information, business activities and management responsibility.

The Company currently have one reportable segment.

Stock-based Compensation

The Company measures expense associated with all employee stock-based compensation awards using a fair value method and recognizes such expense in the unaudited consolidated financial statements on a straight-line basis over the requisite service period in accordance with FASB ASC Topic 718 "Compensation-Stock Compensation". Total employee stock-based compensation expenses were $0 and $0 for the three months ended September 30, 2024 and 2023, respectively, and were $1,935,756 and $0 for the nine months ended September 30, 2024 and 2023, respectively.

The Company accounted for stock-based compensation to non-employees in accordance with FASB ASC Topic 718 "Compensation-Stock Compensation" and FASB ASC Topic 505-50 "Equity-Based Payments to Non-Employees" which requires that the cost of services received from non-employees is measured at fair value at the earlier of the performance commitment date or the date service is completed and recognized over the period the service is provided. Total non-employee stock-based compensation expenses were $0 and $817,740 for the three months ended September 30, 2024 and 2023, respectively, and were $1,021,980 and $1,409,969 for the nine months ended September 30, 2024 and 2023, respectively. The Company repaid its rent payable by issuing common stocks in the value of $191,642 for the three and nine months ended September 30, 2024.

Recent Accounting Pronouncements

In August 2023, the FASB issued ASU 2023-05, Business Combinations—Joint Venture Formations (Subtopic 805-60) which requires certain joint ventures to apply a new basis of accounting upon formation by recognizing and initially measuring most of their assets and liabilities at fair value. The guidance does not apply to joint ventures that may be proportionately consolidated and those that are collaborative arrangements. ASU 2023-05 is effective for joint venture with a formation date on or after January 1, 2025, early adoption is permitted. The Company is currently evaluating the impact that the standard will have on its unaudited consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09, Improvements to Income Tax Disclosures (Topic 740). The ASU requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. The ASU is effective on a prospective basis for annual periods beginning after December 15, 2024. Early adoption is also permitted for annual financial statements that have not yet been issued or made available for issuance. This ASU will likely result in the required additional disclosures being included in our consolidated financial statements once adopted.

In November 2024, the FASB issued ASU No. 2024-03, Expense Disaggregation Disclosures (Subtopic 220-40). The ASU requires disclosure of specified information about certain costs and expenses. This includes purchases of inventory, employee compensation, depreciation, and intangible asset amortization. The ASU is effective on a prospective or retrospective basis for annual reporting period beginning after December 15, 2026, and interim reporting period beginning after December 15, 2027. Early adoption is permitted. This ASU will likely result in the required additional disclosures being included in our consolidated financial statements once adopted.

4. COLLABORATIVE AGREEMENTS

Collaborative agreements with BHK, a related party

(i) On February 24, 2015, BioLite Taiwan and BioHopeKing Corporation (the "BHK") entered into a co-development agreement, (the "BHK Co-Development Agreement"), pursuant to which it is collaborative with BHK to develop and commercialize BLI-1401-2 (Botanical Drug) Triple Negative Breast Cancer (TNBC) Combination Therapy (BLI-1401-2 Products) in Asian countries excluding Japan for all related intellectual property rights, and has developed it for medicinal use in collaboration with outside researchers. The development costs shall be shared 50/50 between BHK and the Company. The BHK Co-Development Agreement will remain in effect for fifteen years from the date of first commercial sale of the Product in in Asia excluding Japan.

On July 27, 2016, BioLite Taiwan and BHK agreed to amend the payment terms of the milestone payment in an aggregate amount of $10 million based on the following schedule:

- Upon the signing of the BHK Co-Development Agreement: $1 million, or 10% of total payment
- Upon the first Investigational New Drug (IND) submission and BioLite Taiwan will deliver all data to BHK according to FDA Reviewing requirement: $1 million, or 10% of total payment
- At the completion of first phase II clinical trial: $1 million, or 10% of total payment
- At the initiation of phase III of clinical trial research: $3 million, or 30% of total payment
- Upon the New Drug Application (NDA) submission: $4 million, or 40% of total payment

In December 2015, BHK has paid a non-refundable upfront cash payment of $ 1 million, or 10% of $10,000,000, upon the signing of BHK Co-Development Agreement. The Company concluded that the deliverables are considered separate units of accounting as the delivered items have value to the customer on a standalone basis and recognized this cash receipt as collaboration revenue when all research, technical, and development data was delivered to BHK in 2015. The receipt is for the compensation of past research efforts and contributions made by BioLite Taiwan before this collaborative agreement was signed and it does not relate to any future commitments made by BioLite Taiwan and BHK in this collaborative agreement. In August 2016, the Company has received the second milestone payment of NT$31,649,000, approximately equivalent to $1 million, and recognized collaboration revenue for the year ended December 31, 2016. As of the date of this report, the Company has not completed the first phase II clinical trial.

In addition to the milestone payments, BioLite Taiwan is entitled to receive royalty on 12% of BHK's net sales related to BLI-1401-2 Products. As of September 30, 2024, the Company has not earned the royalty under the BHK Co-Development Agreement.

(ii) On December 9, 2015, BioLite Taiwan entered into another two collaborative agreements (the "BHK Collaborative Agreements"), pursuant to which it is collaborative with BHK to co-develop and commercialize BLI-1005 for "Targeting Major Depressive Disorder" (BLI-1005 Products) and BLI-1006 for "Targeting Inflammatory Bowel Disease" (BLI-1006 Products) in Asia excluding Japan for all related intellectual property rights, and has developed it for medicinal use in collaboration with outside researchers. The development costs shall be shared 50/50 between BHK and the Company. The BHK Co-Development Agreement will remain in effect for fifteen years from the date of first commercial sale of the Product in in Asia excluding Japan.

In 2015, the Company recognized the cash receipt in a total of NT$ 50 million, approximately equivalent to $1.64 million, as collaboration revenue when all research, technical, and development data was delivered to BHK. The Company concluded that the deliverables are considered separate units of accounting as the delivered items have value to the customer on a standalone basis and recognized this payment as collaboration revenue when all research, technical, data and development data was delivered to BHK. The cash receipt is for the compensation of past research efforts and contributions made by BioLite Taiwan before this BHK Collaborative Agreements was signed and it does not relate to any future commitments made by BioLite Taiwan and BHK in this BHK Collaborative Agreements.

In addition to the total of NT$ 50 million, approximately equivalent to $1.64 million, BioLite Taiwan is entitled to receive 50% of the future net licensing income or net sales profit. As of September 30, 2024, the Company has not earned the royalty under the BHK Collaborative Agreements.

Co-Development agreement with Rgene Corporation, a related party

On May 26, 2017, BriVision entered into a co-development agreement (the "Co-Dev Agreement") with Rgene Corporation (the "Rgene"), a related party under common control by controlling beneficiary shareholder of YuanGene Corporation and the Company (See Note 10). Pursuant to Co-Dev Agreement, BriVision and Rgene agreed to co-develop and commercialize ABV-1507 HER2/neu Positive Breast Cancer Combination Therapy, ABV-1511 Pancreatic Cancer Combination Therapy and ABV-1527 Ovary Cancer Combination Therapy. Under the terms of the Co-Dev Agreement, Rgene is required to pay the Company $3,000,000 in cash or stock of Rgene with equivalent value by August 15, 2017. The payment is for the compensation of BriVision's past research efforts and contributions made by BriVision before the Co-Dev Agreement was signed and it does not relate to any future commitments made by BriVision and Rgene in this Co-Dev Agreement. In addition to $3,000,000, the Company is entitled to receive 50% of the future net licensing income or net sales profit earned by Rgene, if any, and any development costs shall be equally shared by both BriVision and Rgene.

On June 1, 2017, the Company has delivered all research, technical, data and development data to Rgene. Since both Rgene and the Company are related parties and under common control by a controlling beneficiary shareholder of YuanGene Corporation and the Company, the Company has recorded the full amount of $3,000,000 in connection with the Co-Dev Agreement as additional paid-in capital during the year ended December 31, 2017. During the year ended December 31, 2017, the Company received $450,000 in cash. On December 24, 2018, the Company received the remaining balance of $2,550,000 in the form of newly issued shares of Rgene's Common Stock, at the price of NT$ 50 (approximately equivalent to $1.64 per share), for an aggregate number of 1,530,000 shares, which accounted for equity method long-term investment as of December 31, 2018. On December 31, 2018, the Company determined to fully write off this investment based on the Company's assessment of the severity and duration of the impairment, and qualitative and quantitative analysis of the operating performance of the investee, adverse changes in market conditions and the regulatory or economic environment, changes in operating structure of Rgene, additional funding requirements, and Rgene's ability to remain in business. All projects that have been initiated will be managed and supported by the Company and Rgene.

The Company and Rgene signed an amendment to the Co-Dev Agreement on November 10, 2020, pursuant to which both parties agreed to delete AB-1507 HER2/neu Positive Breast Cancer Combination Therapy and AB 1527 Ovary Cancer Combination Therapy and add ABV-1519 EGFR Positive Non-Small Cell Lung Cancer Combination Therapy and ABV-1526 Large Intestine / Colon / Rectal Cancer Combination Therapy to the products to be co-developed and commercialized. Other provisions of the Co-Dev Agreement remain in full force and effect.

On June 10, 2022, the Company expanded its co-development partnership with Rgene. On that date, BioKey, ABVC has entered into a Clinical Development Service Agreement with Rgene to guide three Rgene drug products, RGC-1501 for the treatment of Non-Small Cell Lung Cancer (NSCLC), RGC-1502 for the treatment of pancreatic cancer and RGC 1503 for the treatment of colorectal cancer patients, through completion of Phase II clinical studies under the U.S. FDA IND regulatory requirements. Under the terms of the new Services Agreement, BioKey is eligible to receive payments totaling $3.0 million over a 3-year period with each payment amount to be determined by certain regulatory milestones obtained during the agreement period. The Service Agreement shall remain in effect until the expiration date of the last patent and automatically renew for 5 more years unless terminated earlier by either party with six months written notice. Either party may terminate the Service Agreement for cause by providing 30 days written notice.

Through a series of transactions over the past 5 years, the Company and Rgene have co-developed the three drug products covered by the Service Agreement, which has resulted in the Company owning 31.62% of Rgene.

As part of the Rgene Studies, the Company agreed to loan $ 1.0 million to Rgene, for which Rgene has provided the Company with a 5% working capital convertible loan (the "Note"). If the Note is fully converted, the Company will own an additional 6.4% of Rgene. The Company is expected to receive the outstanding loan from the related party either by cash or conversion of shares of Rgene. The Company may convert the Note at any time into shares of Rgene's common stock at either (i) a fixed conversion price equal to $1.00 per share or (ii) 20% discount of the stock price of the then most recent offering, whichever is lower; the conversion price is subject to adjustment as set forth in the Note. The Note includes standard events of default, as well as a cross default provision pursuant to which a breach of the Service Agreement will trigger an event of default under the Note if not cured after 5 business days of written notice regarding the breach is provided. Upon an event of default, the outstanding principal and any accrued and unpaid interest shall be immediately due and payable.

Rgene has further agreed, effective July 1, 2022, to provide the Company with a seat on Rgene's Board of Directors until the loan is repaid in full. The Company has nominated Dr. Jiang, its Chief Strategy Officer and Director to occupy that seat; Dr. Jiang is also one of the Company's largest shareholders, owning 12.8% of the Company.

The Rgene Studies is a related party transaction. As of September 30, 2024, the Company has not earned any net licensing income or net sales profit earned by Rgene under these collaborative agreements.

Collaborative agreement with BioFirst Corporation, a related party

On July 24, 2017, BriVision entered into a collaborative agreement (the "BioFirst Collaborative Agreement") with BioFirst Corporation ("BioFirst"), pursuant to which BioFirst granted the Company the global licensing right for medical use of the product (the "Product"): BFC-1401 Vitreous Substitute for Vitrectomy. BioFirst is a related party to the Company because a controlling beneficiary shareholder of YuanGene Corporation and the Company is one of the directors and Common Stock shareholders of BioFirst (See Note 10).

Pursuant to the BioFirst Collaborative Agreement, the Company will co-develop and commercialize the Product with BioFirst and pay BioFirst in a total amount of $3,000,000 in cash or stock of the Company before September 30, 2018. The amount of $ 3,000,000 is in connection with the compensation for BioFirst's past research efforts and contributions made by BioFirst before the BioFirst Collaborative Agreement was signed and it does not relate to any future commitments made by BioFirst and BriVision in this BioFirst Collaborative Agreement. In addition, the Company is entitled to receive 50% of the future net licensing income or net sales profit, if any, and any development cost shall be equally shared by both BriVision and BioFirst.

On September 25, 2017, BioFirst delivered all research, technical, data and development data to BriVision. The Company determined to fully expense the entire amount of $3,000,000 since currently the related licensing rights do not have alternative future uses. According to ASC 730-10-25-1, absent alternative future uses the acquisition of product rights to be used in research and development activities must be charged to research and development expenses immediately. Hence, the entire amount of $3,000,000 is fully expensed as research and development expense during the year ended December 31, 2017.

On June 30, 2019, BriVision entered into a Stock Purchase Agreement (the "Purchase Agreement") with BioFirst Corporation. Pursuant to the Purchase Agreement, the Company issued 42,857 shares (post-split) of the Company's common stock to BioFirst in consideration for $ 3,000,000 owed by the Company to BioFirst (the "Total Payment") in connection with a certain collaborative agreement between the Company and BioFirst dated July 24, 2017 (the "Collaborative Agreement"). Pursuant to the Collaborative Agreement, BioFirst granted the Company the global licensing right to co-develop BFC-1401 or ABV-1701 Vitreous Substitute for Vitrectomy for medical purposes in consideration for the Total Payment.

On August 5, 2019, BriVision entered into a second Stock Purchase Agreement ("Purchase Agreement 2") with BioFirst Corporation. Pursuant to Purchase Agreement 2, the Company issued 41,470 shares (post-split) of the Company's common stock to BioFirst in consideration for $ 2,902,911 owed by the Company to BioFirst in connection with a loan provided to BriVision from BioFirst.

On November 4, 2020, the Company executed an amendment to the BioFirst Agreement with BioFirst to add ABV-2001 Intraocular Irrigation Solution and ABV-2002 Corneal Storage Solution to the agreement. ABV-2002 is utilized during a corneal transplant procedure to replace a damaged or diseased cornea while ABV-2001 has broader utilization during a variety of ocular procedures.

Initially the Company will focus on ABV-2002, a solution utilized to store a donor cornea prior to either penetrating keratoplasty (full thickness cornea transplant) or endothelial keratoplasty (back layer cornea transplant). ABV-2002 is a solution comprised of a specific poly amino acid that protects ocular tissue from damage caused by external osmolarity exposure during pre-surgery storage. The specific polymer in ABV-2002 can adjust osmolarity to maintain a range of 330 to 390 mOsM thereby permitting hydration within the corneal stroma during the storage period. Stromal hydration results in (a) maintaining acceptable corneal transparency and (b) prevents donor cornea swelling. ABV-2002 also contains an abundant phenolic phytochemical found in plant cell walls that provides antioxidant antibacterial properties and neuroprotection.

Early testing by BioFirst indicates that ABV-2002 may be more effective for protecting the cornea and retina during long-term storage than other storage media available today and can be manufactured at lower cost. Further clinical development was put on hold due to the lack of funding.

BioFirst was incorporated on November 7, 2006, focusing on the R&D, manufacturing, and sales of innovative patented pharmaceutical products. The technology of BioFirst comes from the global exclusive licensing agreements BioFirst maintains with domestic R & D institutions. Currently, BioFirst's main research and development product is the vitreous substitute (Vitargus®), licensed by the National Health Research Institutes. Vitargus is the world's first bio-degradable vitreous substitute and offers a number of advantages over current vitreous substitutes by minimizing medical complications and reducing the need for additional surgeries.

BioFirst has started the construction of a GMP factory in Hsinchu Biomedical Science Park, Taiwan, with the aim at building a production base to supply the global market, and promote the construction of bio-degradable vitreous substitute manufacturing centers in Taiwan. Completion of this factory would allow ABVC to manufacture Vitargus with world-class technology in a GMP certified pharmaceutical factory. BioFirst is targeting to complete the construction in 2024.

As of September 30, 2024, the Company has not earned any net licensing income or net sales profit earned by BioFirst under these collaborative agreements.

Collaborative agreement with ForSeeCon Eye Corporation, a related party

On March 25, 2024, the Company and BioFirst each entered into a twenty-year, global definitive licensing agreement (the "FEYE Licensing Agreement") with ForSeeCon Eye Corporation, a company registered in the British Virgin Islands ("FEYE") for the products in the Company and BioFirst's

Ophthalmology pipeline, including Vitargus (the "Vitargus Products"). The license covers the Vitargus Products' clinical trial, registration, manufacturing, supply, and distribution rights; FEYE also has the rights to sublicense or partner with a third party to develop the Licensed Products. As per each of the respective FEYE Licensing Agreements, each of the Company and BioFirst shall receive a total licensing fee of $33,500,000, composed of an upfront payment of $30,000,000, which can instead be paid with 5 million shares of FEYE stock at $6 per share within 30 days after the execution of the FEYE Licensing Agreement, and a $3,500,000 cash milestone payment, due 30 days upon completion of next round fundraising. Additionally, each of the Company and BioFirst are eligible to receive royalties of 5% of net Sales. As of September 30, 2024, the Company received 5,000,000 FEYE shares but did not recognize such licensing revenue since the fair value of FEYE stock is uncertain.

On June 18, 2024, the Company and BioFirst, each entered into an amendment (the " **Amendment**") to the Licensing Agreement with FEYE, pursuant to which the Company and BioFirst have agreed to allow FEYE to pay the second milestone payment in the amount of $3,500,000 per Licensing Agreement, incrementally (such as $100,000), at any given time, rather than in one lump sum. During the three and nine months ended September 30, 2024, the Company received in cash and recognized revenue of $180,000 and $296,000, respectively, pursuant to the Amendment.

Collaborative agreement with OncoX BiopPharma, Inc., a related party

On April 16, 2024, the Company entered into a definitive agreement with OncoX BioPharma, Inc., a private company registered in the British Virgin Islands ("Oncox"), pursuant to which the Company will grant Oncox an exclusive right to develop and commercialize ABVC's single-herb botanical drug extract from the dry fruit body of Maitake Mushroom (Grifola Frondosa) for treatment of Non-Small Cell Lung Cancer (the "Lung Cancer Products"), within North America for 20 years (the "April 2024 Oncox Agreement"). In consideration thereof, Oncox shall pay ABVC $6,250,000 (or 1,250,000 Oncox shares valued at $5 per share[1]) 30 days after entering into the agreement and $625,000, 30 days following the completion of Oncox's next round of fundraising, of which there is no guarantee; ABVC is also entitled to 5% royalties based on the Net Sales, as defined in the April 2024 Oncox Agreement, from the first commercial sale of the Lung Cancer Product in North America, of which there can be no guarantee. Oncox entered into another agreement with ABVC's affiliate, Rgene Corporation, on the same terms. During the three and nine months ended September 30, 2024, the Company received in cash and recognized revenue of $200,000 and $200,000, respectively, pursuant to the agreement.

On May 8, 2024, the Company entered into a definitive agreement with OncoX, pursuant to which the Company will grant Oncox an exclusive right to develop and commercialize ABVC's BLEX 404 single-herb botanical drug extract from the dry fruit body of Maitake Mushroom (Grifola Frondosa) for treatment of Pancreatic (the Pancreatic Product), within a certain territory, specified as 50% of the Worldwide Markets for 20 years (the "May 8, 2024 Oncox Agreement"). In consideration thereof, Oncox shall pay ABVC a total of $6,250,000 (or 1,250,000 Oncox shares valued at $5 per share[2]) within 30 days of entering into the May 8, 2024 Oncox Agreement, with an additional milestone payment of $625,000 in cash after OncoX's next round of fundraising, of which there can be no guarantee. Oncox may remit cash payments of at least $100,000 towards the licensing fees and deductible from the second milestone payment; ABVC is also entitled to royalties of 5% of Net Sales, as defined in the May 8, 2024 Oncox Agreement, from the first commercial sale of the Pancreatic Product in the noted territory, which remains uncertain. The Company will permit Oncox to pay the license fee in installments or in a lump sum and will allow Oncox to use its revenue to fund such payments. Oncox entered into another agreement with ABVC's affiliate, Rgene Corporation, on the same terms.

On May 14, 2024, the Company and its subsidiary, BioLite Inc (collectively, the "licensor"), each entered into a licensing agreement with OncoX, on the same terms, pursuant to which the licensors will grant Oncox an exclusive right to develop and commercialize ABVC's BLEX 404 single-herb botanical drug extract from the dry fruit body of Maitake Mushroom (Grifola Frondosa) for treatment of Tripple Negative Breast Cancer (the TNBC Product), within a certain territory, specified as 50% of the Worldwide Markets for 20 years (the "May 14, 2024 Oncox Agreements"). In each agreement for consideration thereof, Oncox shall pay each licensor a total of $6,250,000 (or 1,250,000 Oncox shares valued at $5 per share[3]) within 30 days of entering into the May 14, 2024 Oncox Agreements, with an additional milestone payment of $625,000 in cash after OncoX's next round of fundraising, of which there can be no guarantee. Oncox may remit cash payments of at least $100,000 towards the licensing fees and deductible from the second milestone payment; each licensor is also entitled to royalties of 5% of Net Sales, from the first commercial sale of the TNBC Product in the noted territory, which remains uncertain. The Company will permit Oncox to pay the license fee in installments or in a lump sum and will allow Oncox to use its revenue to fund such payments.

On May 23, 2024, the Company and its subsidiary, BioLite Inc (collectively, the "licensor"), each entered into a licensing agreement with OncoX, on the same terms, pursuant to which the licensors will grant Oncox an exclusive right to develop and commercialize ABVC's BLEX 404 single-herb botanical drug extract from the dry fruit body of Maitake Mushroom (Grifola Frondosa) for treatment of Myelodysplastic Syndrome (the "MS Products"), within a certain territory, specified as 50% of the Worldwide Markets for 20 years (the "May 23, 2024 Oncox Agreements"). In consideration thereof, Oncox shall pay each licensor a total of $6,250,000 (or 1,250,000 Oncox shares valued at $5 per share[4]) 30 days after entering the May 23, 2024 Oncox Agreements, with an additional milestone payment of $625,000 in cash after OncoX's next round of fundraising, of which there can be no guarantee. Oncox may remit cash payments of at least $100,000 towards the licensing fees and deductible from the second milestone payment; each licensor is also entitled to royalties of 5% of Net Sales, from the first commercial sale of the MS Product in the noted territory, which remains uncertain. Oncox may use its revenue to fund the licensing fees.

5. PROPERTY AND EQUIPMENT

Property and equipment as of September 30, 2024 and December 31, 2023 are summarized as follows:

	September 30, 2024	December 31, 2023
	(Unaudited)	
Land	$ 350,079	$ 363,416
Construction-in-Progress	7,400,000	7,400,000
Buildings and leasehold improvements	2,222,965	2,227,431
Machinery and equipment	1,134,579	1,138,675
Office equipment	168,607	174,797
	11,276,230	11,304,319
Less: accumulated depreciation	(3,344,752)	(3,335,041)
Property and equipment, net	$ 7,931,478	$ 7,969,278

Construction-in-progress consists of the property recently acquired in Chengdu, China. The Company entered into a cooperation agreement on August 14, 2023, with Zhong Hui Lian He Ji Tuan, Ltd. (the "Zhonghui"). Pursuant thereto, the Company acquired 20% of the ownership of certain property and a parcel of the land, with a view to jointly develop the property into a healthcare center for senior living, long-term care, and medical care in the areas of ABVC's special interests, such as Ophthalmology, Oncology, and Central Nervous Systems. The plan is to establish a base for the China market and global development of these interests.

1 Price was determined through private negotiations between the parties; no third party valuation was completed.

2 Id.

3 Id.

4 Id.

The valuation of such property is $37,000,000; based on the Company's 20% ownership, the Company acquired the value of $ 7,400,000. In exchange, the Company issued to Zhonghui an aggregate of 370,000 shares of common stock, at a per share price of $ 20.0. The Shares are subject to a lock-up period of one year following the closing date of the transaction. In addition, the parties agreed that, after one year following the closing of the transaction, if the market value of the shares or the value of the property increases or decreases, the parties will negotiate in good faith to make reasonable adjustments.

The asset ownership certification is in the application process. However, the Company's ownership rights to the property and the associated land parcel, or a suitable replacement property, are safeguarded under the terms of the cooperation agreement, which is legally binding and enforceable.

The Construction-in-progress is planned to finish before the end of 2024.

Depreciation expenses were $7,013 and $7,459 for three months ended September 30, 2024 and 2023, respectively.

Depreciation expenses were $21,605 and $20,949 for nine months ended September 30, 2024 and 2023, respectively.

6. LONG-TERM INVESTMENTS

(1) The ownership percentages of each investee are listed as follows:

	Ownership percentage		
Name of investee	**September 30, 2024**	**December 31, 2023**	**Accounting treatments**
Braingenesis Biotechnology Co., Ltd.	0.17%	0.17%	Cost Method
Genepharm Biotech Corporation	0.67%	0.67%	Cost Method
BioHopeKing Corporation	5.90%	5.90%	Cost Method
ForSeeCon Corporation (see Note 10)	19.78%	-%	Cost Method
BioFirst Corporation (see Note 10)	18.68%	18.68%	Equity Method
OncoX BioPharma, Inc. (see Note 10)	24.97%	-%	Equity Method
Rgene Corporation (see Note 10)	26.65%	26.65%	Equity Method

(2) The extent the investee relies on the company for its business are summarized as follows:

Name of investee	**The extent the investee relies on the Company for its business**
Braingenesis Biotechnology Co., Ltd.	No specific business relationship
Genepharm Biotech Corporation	No specific business relationship
BioHopeKing Corporation	Collaborating with the Company to develop and commercialize drugs
ForSeeCon Corporation	Collaborating with the Company to develop and commercialize ophthalmic medical devices (referring to Note 4, Collaborative Agreements)
OncoX BioPharma, Inc.	Collaborating with the Company to develop and commercialize single-herb botanical drug for treatment of certain diseases (referring to Note 4, Collaborative Agreements)
BioFirst Corporation	Loaned from investee and provides research and development support service
Rgene Corporation	Collaborating with the Company to develop and commercialize drugs
BioLite Japan K.K.	Prepaid investment for a Joint Venture

(3) Long-term investment mainly consists of the following:

	September 30, 2024	**December 31, 2023**
	(Unaudited)	
Non-marketable Cost Method Investments, net		
Braingenesis Biotechnology Co., Ltd.	$ 6,948	$ 7,213
Genepharm Biotech Corporation	21,213	22,021
BioHopeKing Corporation	787,999	818,018
ForSeeCon Corporation (See Note 4)	-	-
Sub total	816,160	847,252
Equity Method Investments, net		
BioFirst Corporation (a)	1,517,744	1,680,488
	-	-
Rgene Corporation (b)		
Total	$ 2,333,904	$ 2,527,740

(a) BioFirst Corporation (the "BioFirst"):

The Company holds an equity interest in BioFirst Corporation, accounting for its equity interest using the equity method to accounts for its equity investment as prescribed in ASC 323, Investments-Equity Method and Joint Ventures ("ASC 323"). Equity method adjustments include the Company's proportionate share of investee's income or loss and other adjustments required by the equity method. As of September 30, 2024 and December 31, 2023, the Company owns 18.68% and 18.68% common stock shares of BioFirst, respectively. The Company made a prepayment for equity investment in BioFirst to purchase additional shares to be issued by BioFirst in the aggregate amount of $2,688,578, recorded as prepayment for long-term investments as of December 31, 2022. On July 19, 2023, the Company successfully completed the registration process for this investment. The initial prepayment was $1,895,556, which is a portion of the prepayment as of December 31, 2022, and was converted into 994,450 shares of BioFirst stock. As of September 30, 2024, the amount of prepayment for long-term investments in BioFirst is $1,124,842.

(b) Rgene Corporation (the "Rgene")

Both Rgene and the Company are under common control by Dr. Tsung-Shann Jiang, the CEO and Chairman of the BioLite Inc. Since Dr. Tsung-Shann Jiang is able to exercise significant influence, but not control, over the Rgene, the Company determined to use the equity method to account for its equity investment as prescribed in ASC 323, Investments-Equity Method and Joint Ventures ("ASC 323"). Equity method adjustments include the Company's proportionate share of investee's income or loss and other adjustments required by the equity method. As of September 30, 2024 and December 31, 2023, the Company owns 26.65% and 26.65% Common Stock shares of Rgene, respectively.

(c) BioLite Japan K.K. (BioLite JP)

In October 2021, the Company, Lucidaim Co., Ltd., a Japanese corporation (" **Lucidaim**," together with the Company, the " **Shareholders**"), and BioLite Japan K.K., a Japanese corporation ("**BioLite JP"**) entered into a Joint Venture Agreement. BioLite JP is a private limited company incorporated on December 18, 2018. The business of the joint venture is the research and development of drugs, medical device and digital media, investment, fund running and consulting, distribution and marketing of supplements carried on by BioLite JP and its subsidiaries in Japan, or any other territory or businesses. **A**t the date of the Agreement, BioLite JP has 10,000 ordinary shares authorized, with 3,049 ordinary shares issued and outstanding (the "**Ordinary Shares**"). Pursuant to the Agreement and the related share transfer agreement, Lucidaim shall own 1,555 Ordinary Shares (51%) and the Company shall own 1,494 Ordinary Shares (49%). The Company paid $150,000 towards the setup of the joint venture; BioLite Japan's other shareholder also paid $150,000 after the Letter of Intent was signed. This prepayment is booked in prepayment for investment. The Company is in the process of converting the prepayment to the ownership and expects to complete within next six months.

(4) Disposition of long-term investment

During the nine months ended September 30, 2024 and 2023, there is no disposition of long-term investment.

(5) Losses on Equity Investments

The components of losses on equity investments for each period were as follows:

	Nine months Ended September 30,	
	2024	2023
	(Unaudited)	
Share of equity method investee losses	$ 146,942	$ -

7. CONVERTIBLE NOTES PAYABLE

On February 23, 2023, the Company entered into a securities purchase agreement with Lind Global Fund II, LP ("Lind"), pursuant to which the Company issued Lind a secured, convertible note in the principal amount of $3,704,167, for a purchase price of $3,175,000 (the "Lind Note"), that is convertible into shares of the Company's common stock at an initial conversion price of $10.5 per share, subject to adjustment. The Lind Note shall be due and payable on August 23, 2024 and bears no interest. The Company also issued Lind a common stock purchase warrant to purchase up to 529,167 shares (post-split) of the Company's common stock at an initial exercise price of $10.5 per share, subject to adjustment.

Beginning with the date that is six months from the issuance date of the Lind Note and on each one (1) month anniversary thereafter, the Company shall pay Lind an amount equal to $308,651, until the outstanding principal amount of the Lind Note has been paid in full prior to or on the Maturity Date or, if earlier, upon acceleration, conversion or redemption of the Lind Note in accordance with the terms thereof (the "Monthly Payments"). At the Company's discretion, the Monthly Payments shall be made in (i) cash, (ii) shares of the Company's common stock, or (iii) a combination of cash and Shares; if made in shares, the number of shares shall be determined by dividing (x) the principal amount being paid in shares by (y) 90% of the average of the 5 lowest daily VWAPs during the 20 trading days prior to the applicable payment date. The Lind Notes sets forth certain conditions that must be satisfied before the Company may make any Monthly Payments in shares of common stock. If the Company makes a Monthly Payment in cash, the Company must also pay Lind a cash premium of 5% of such Monthly Payment.

Upon the occurrence of any Event of Default (as defined in the Lind Note), the Company must pay Lind an amount equal to 120% of the then outstanding principal amount of the Lind Note (the "Mandatory Default Amount"), in addition to any other remedies under the Note or the other Transaction Documents. The Company and Lind entered into a letter agreement on September 12, 2023, pursuant to which the Mandatory Default Amount was reduced to 115% of the then outstanding principal amount of the Lind Note; pursuant to the letter agreement, Lind also agreed to waive any default associated with the Company's market capitalization being below $12.5 million for 10 consecutive days through February 23, 2024, but retained its right to convert its Note. The principal amount was revised to $3,167,292 in the agreement. As of September 30, 2024, the Company has fully repaid the Lind Note with issuance of the Company's common stock in installments.

The warrant exercise price was reset to $3.5 in accordance with the issuance of common stock in relation to securities purchase agreement in July 2023. On May 22, 2024, the exercise price of these warrants was reset to $0.75 along with the immediate exercise of existing warrants and issuance of the New Warrants. As of September 30, 2024, these warrants were fully exercised.

On November 17, 2023, the Company entered another securities purchase agreement with Lind, pursuant to which the Company issued Lind a secured, convertible note (the "2nd Lind Note") in the principal amount of $1,200,000, for a purchase price of $1,000,000, that is convertible into shares of the Company's common stock at a conversion price, which shall be the lesser of (i) $3.50 and (ii) 90% of the average of the three lowest VWAPs during the 20 trading days prior to conversion. The 2nd Lind Note shall be due and payable on May 19, 2025 and bear no interest. The Company may prepay all, but not less than all, outstanding principal amount prior to the maturity, and Lind shall have the right to convert up to one third of the principal amount when the Company prepays. Upon the occurrence of any Event of Default (as defined in the 2nd Lind Note), the Company must pay Lind an amount equal to 120% of the then outstanding principal amount of the Lind Note, in addition to any other remedies under the Note or the other transaction documents. Lind also received a 5-year common stock purchase warrant to purchase up to 1,000,000 shares of the Company's common stock at an initial exercise price of $2 per share for a period of 5 years. The warrants were valued using the Black-Scholes model. The fair value of the warrants was determined to be $480,795, which was recorded to debt discount. An amendment was filed with the SEC on February 29, 2024 to disclose that due to Nasdaq requirements, the parties entered into an amendment to the Note, pursuant to which the conversion price shall have a floor price of $1.00. Additionally, the amendment requires the Company to make a cash payment to Lind if in connection with a conversion, the conversion price is deemed to be the floor price. On July 12, 2024 and September 11, 2024, Lind converted $200,000 and $200,000, respectively, of 2nd Lind Note principal amounts into the Company's common stocks. Refer to the common stock issuance details in Note 12, Equity.

On January 17, 2024, the Company entered another securities purchase agreement with Lind, pursuant to which the Company issued Lind a secured,

convertible note (the "3rd Lind Note") in the principal amount of $1,000,000, for a purchase price of $833,333, that is convertible into shares of the Company's common stock at a conversion price, which shall be the lesser of (i) $3.50 and (ii) 90% of the average of the three lowest VWAPs during the 20 trading days prior to conversion. The 3rd Lind Note shall be due and payable on July 17, 2025 and bear no interest. The Company may prepay all, but not less than all, outstanding principal amount prior to the maturity, and Lind shall have the right to convert up to one third of the principal amount when the Company prepays. Upon the occurrence of any Event of Default (as defined in the 3rd Lind Note), the Company must pay Lind an amount equal to 120% of the then outstanding principal amount of the Lind Note, in addition to any other remedies under the Note or the other transaction documents Lind also received a 5-year, common stock purchase warrant to purchase up to 1,000,000 shares of the Company's common stock at an initial exercise price of $2 per share. The warrants were valued using the Black-Scholes model. The fair value of the warrants was determined to be $ 394,071, which was recorded to debt discount. An amendment was filed with the SEC on February 29, 2024 to disclose that due to Nasdaq requirements, the parties entered into an amendment to the Note, pursuant to which the conversion price shall have a floor price of $1.00. Additionally, the amendment requires the Company to make a cash payment to Lind if in connection with a conversion, the conversion price is deemed to be the floor price. No conversion or repayment to 3rd Lind Note has occurred during the period ended September 30, 2024.

In connection with above three Lind Note offerings, the Company and its subsidiaries: BioKey, BioLite, Biolite BVI, and American BriVision, jointly and severally guaranteed all of the obligations of the Company in connection with the offering with certain collateral, as set forth in the related transaction documents.

On May 22, 2024, Lind has exercised 1,000,000 of the existing warrants to purchase shares of Common Stock at a reduced exercise price of $ 0.75 per share. Refer to the details in Note 12, Equity.

As of September 30, 2024 and December 31, 2023, the aggregate carrying values of the convertible debentures were $ 952,237 and $569,456, respectively, with unamortized debt discount and issuance costs of $847,763 and $1,441,719, respectively. The estimated aggregate fair value (Level 2) of the convertible debentures were $2,160,000 and $2,372,851, respectively.

Total interest expenses in connection with the above convertible note payable were $ 209,022 and $1,198,290 for the three months ended September 30, 2024 and 2023, respectively; were $1,082,936 and $1,323,032 for the nine months ended September 30, 2024 and 2023, respectively.

8. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following as of the periods indicated:

	September 30, 2024	December 31, 2023
Accrued research and development expense	$ 1,799,583	$ 1,799,583
Accrued directors and officers (owners) compensation	1,027,080	988,959
Accrued royalties	263,972	274,028
Accrued employee compensation and benefits	89,902	41,426
Others	452,390	592,484
Total	**$ 3,632,927**	**$ 3,696,380**

9. BANK LOANS

Short-term bank loan consists of the following:

	September 30, 2024 (Unaudited)	December 31, 2023
Cathay United Bank	$ 236,250	$ 245,250
CTBC Bank	630,000	654,000
Total	$ 866,250	$ 899,250

Cathay United Bank

On June 28, 2016, BioLite Taiwan and Cathay United Bank entered into a one-year bank loan agreement (the "Cathay United Loan Agreement") in a credit limit amount of NTD7,500,000, equivalent to $236,250. The term started June 28, 2016 with maturity date of one year. The loan balance bears interest at a floating rate of prime rate plus 1.31%. The prime rate is based on term deposit saving interest rate of Cathay United Bank. The Company renews the agreement with the bank every year and the next renewal date is September 6, 2025. As of September 30, 2024 and December 31, 2023, the effective interest rates per annum was 3.01% and 2.87%, respectively. The loan is collateralized by the building and improvement of BioLite Taiwan, and is also personal guaranteed by the Company's chairman.

Interest expenses were $1,755 and $1,742 for the three months ended September 30, 2024 and 2023, respectively.

Interest expenses were $5,275 and $5,136 for the nine months ended September 30, 2024 and 2023, respectively.

CTBC Bank

On June 12, 2017 and July 19, 2017, BioLite Taiwan and CTBC Bank entered into two short-term saving secured bank loan agreements (the "CTBC Loan Agreements") in a credit limit amount of NTD 10,000,000, equivalent to $315,000 for each loan. Both two loans with the same maturity date on January 19, 2018 and was combined into one agreement with a total credit limit of NTD 20,000,000, equivalent to $630,000, equivalent to $ in February 2018. The Company renews the agreement with the bank every year, and the next renewal date is February 28, 2025. The loan balances bear interest at a fixed rate of 2.5% per annum, and is secured by the money deposited in a savings account with the CTBC Bank. This loan was also guaranteed by the Company's chairman and BioFirst. During the year ended December 31, 2020, BioLite Taiwan has opened a TCD account with CTBC bank to guarantee the loan going forward.

Interest expenses were $3,747 and $3,752 for the three months ended September 30, 2024 and 2023, respectively.

Interest expenses were $11,668 and $11,681 for the nine months ended September 30, 2024 and 2023, respectively.

10. RELATED PARTIES TRANSACTIONS

The related parties of the Company with whom transactions are reported in these financial statements are as follows:

Name of entity or Individual	Relationship with the Company and its subsidiaries
BioFirst Corporation (the "BioFirst")	Entity controlled by controlling beneficiary shareholder of YuanGene
BioFirst (Australia) Pty Ltd. (the "BioFirst (Australia)")	100% owned by BioFirst; Entity controlled by controlling beneficiary shareholder of YuanGene
Rgene Corporation (the "Rgene")	Shareholder of the Company; Entity controlled by controlling beneficiary shareholder of YuanGene; the Chairman of Rgene is Mr. Tsung-Shann Jiang
ForSeeCon Corporation (the "FEYE")	Cost method investment
OncoX BioPharma Inc.	Equity method investment
YuanGene Corporation (the "YuanGene")	Controlling beneficiary shareholder of the Company
GenePharm Inc. (the "GenePharm")	Dr. George Lee, Board Director of BioKey, is the Chairman of GenePharm.
The Jiangs	Mr. Tsung-Shann Jiang, the controlling beneficiary shareholder of the Company; the Chairman of Rgene; the Chairman and CEO of the BioLite Holding Inc. and BioLite Inc. and the President and a member of board of directors of BioFirst Ms. Shu-Ling Jiang, Mr. Tsung-Shann Jiang's wife, and a member of board of directors of BioLite Inc. Mr. Eugene Jiang is Mr. and Ms. Jiang's son. Mr. Eugene Jiang is the chairman, and majority shareholder of the Company and a member of board of directors of BioLite Inc. Mr. Chang-Jen Jiang is Mr. Tsung-Shann Jiang's sibling and the director of the Company. Ms. Mei-Ling Jiang is Ms. Shu-Ling Jiang's sibling.
BioLite Japan	Entity controlled by controlling beneficiary shareholder of ABVC
BioHopeKing Corporation ("BHK")	Entity controlled by controlling beneficiary shareholder of ABVC

Revenues – related parties

During the three and nine months ended September 30, 2024, the Company received $ 180,000 and $296,000, respectively, pursuant to the licensing agreement and related amendment with FEYE, and recognized $180,000 and $296,000 revenue correspondingly. In addition, the Company received $200,000 during the three and nine months ended September pursuant to the licensing agreement with OncoX, and recognized revenue correspondingly. Please refer to Note 4, Collaborative Agreements for details.

	Three Months Ended		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
OncoX	$ 200,000	$ -	$ 200,000	$ -
FEYE	180,000	$ -	296,000	$ -
Total	**$ 380,000**	**$ -**	**$ 496,000**	**$ -**

Accounts receivable - related parties

Accounts receivable due from related parties consisted of the following as of the periods indicated:

	September 30, 2024	December 31, 2023
	(Unaudited)	
Rgene	$ 10,463	$ 10,463
Total	**$ 10,463**	**$ 10,463**

Due from related parties

Amount due from related parties consisted of the following as of the periods indicated:

Due from related-party - Current

	September 30, 2024	December 31, 2023
	(Unaudited)	
Rgene (1)	$ 559,489	$ 541,486
BioFirst (2)	644,873	206,087
Total	**$ 1,204,362**	**$ 747,573**

Due from related parties - Non-Current

	September 30, 2024	December 31, 2023
	(Unaudited)	
BioFirst (Australia) (3)	$ 839,983	$ 839,983

BioHopeKing Corporation (4)	124,151	113,516
Total	**964,134**	**953,499**
Less: allowance for expected credit losses accounts	(839,983)	(839,983)
Net	**$ 124,151**	**$ 113,516**

(1) On June 16, 2022, the Company entered into a one-year convertible loan with Rgene, with a principal amount of $ 1,000,000 to Rgene which bears interest at 5% per annum for the use of working capital that, if fully converted, would result in ABVC owning an additional 6.4% of Rgene. The Company may convert the Note at any time into shares of Rgene's common stock at either (i) a fixed conversion price equal to $1.00 per share or (ii) 20% discount of the stock price of the then most recent offering, whichever is lower; the conversion price is subject to adjustment as set forth in the Note. The Note includes standard events of default, as well as a cross default provision pursuant to which a breach of the Service Agreement will trigger an event of default under the convertible note if not cured after 5 business days of written notice regarding the breach is provided.

As of September 30, 2024 and December 31, 2023, the outstanding loan balance were $ 506,216 and $500,000, respectively; and accrued interest was $51,319 and $38,819, respectively. The Company expects to receive the repayment within next 12 months once Rgene receives the licensing fees from OncoX.

As of September 30, 2024 and December 31, 2023, the Company has other receivables amounted $ 1,954 and $2,667, respectively, from Rgene due to daily operations.

(2) On December 31, 2023, BioLite Taiwan entered into a loan agreement with BioFirst, with a principal amount of $ 348,779 (NTD 11,072,360) to BioFirst which bears interest at 12% per annum for the use of working capital. During the period ended September 30, 2024, the Company entered into another loan agreement with BioFirst, with a principal amount of $359,289 (NTD 11,406,000) to BioFirst which bears interest at 12% per annum for the use of working capital. As of September 30, 2024 and December 31, 2023, the outstanding loan balance were $606,323 (NTD 19,248,360) and $206,087 (NTD 6,302,360), respectively; accrued interest was $37,520 and $0, respectively. The Company has received $ 100,076 (NTD 3,230,000) repayment and expects to receive other repayment within next 12 months. As of September 30, 2024 and December 31, 2023, the Company has other receivables from BioFirst amounted $1,030 and $0, respectively, due to daily operations.

(3) The balances mainly represent advances to BioFirst (Australia) for research and development purposes. The business conditions of BioFirst (Australia) deteriorated and, as a result, the Company recognized expected credit losses of $839,983 for the year ended December 31, 2023.

(4) On February 24, 2015, BioLite Taiwan and BioHopeKing Corporation (the "BHK") entered into a co-development agreement, (the "BHK Co-Development Agreement", see Note 3). The development costs shall be shared 50/50 between BHK and the Company. Under the term of the agreement, BioLite issued relevant development cost to BHK. As of September 30, 2024 and December 31, 2023, due from BHK was $ 124,151 and $113,516, respectively.

The Company's due from related parties are subject to certain risks that our collaborative parties, including OncoX and ForSeeCon, would face. Such risks exist in future market conditions, macro economy, legal and regulatory, results of clinical trials and product developments, and among others. As of September 30, 2024, the Company's comprehensive review of these due from related party balances indicates that there are no expected losses. This conclusion is based on the business relationships with our related parties and the absence of any significant indicators of potential default. Consequently, no provision for credit loss has been recorded in our financial statements for the current period.

Due to related parties

Amount due to related parties consisted of the following as of the periods indicated:

	September 30, 2024	**December 31, 2023**
	(Unaudited)	
The Jiangs (1)	$ 242,338	$ 19,789
Shareholders (2)	176,772	152,382
Directors (3)	160	961
Total	**$ 419,270**	**$ 173,132**

(1) Since 2019, the Jiangs advanced funds to the Company for working capital purpose. These loans bear interest rate of 0% to 1% per month, and are due on demand.

(2) Since 2018, the Company's shareholders have advanced funds to the Company for working capital purpose. The advances bear interest rate of 12% per annum. Interest expenses in connection with these loans were $11,836 and $5,015 for the three months ended September 30, 2024 and 2023, respectively, and were $21,973 and $15,082 for the nine months ended September 30, 2024 and 2023, respectively.

(3) The Director of AiBtl has been paying on behalf of the company, for setup fees and certain operating expenses.

11. INCOME TAXES

Deferred tax assets as of September 30, 2024 and December 31, 2023 consist approximately of:

	September 30, 2024	**December 31, 2023**
	(Unaudited)	
Loss on impairment of Assets	$ 648,716	$ 713,223
Net operating loss carryforwards	5,625,854	5,568,391
Operating lease liabilities	213,482	213,482
Operating lease assets	(213,482)	(213,482)
Deferred tax assets, Gross	6,274,570	6,281,614
Valuation allowance	(6,274,570)	(6,281,614)
Deferred tax assets, net	**$ -**	**$ -**

12. EQUITY

On January 3, 2023, the Company issued 22,341 shares (post-split) of common stock to a consultant for providing consulting services on listing to NASDAQ in 2021.

On July 27, 2023, the Company entered into that certain securities purchase agreement. relating to the offer and sale of 300,000 shares of common stock and 200,000 pre-funded warrants, at an exercise price of $0.001 per share, in a registered direct offering. Pursuant to the Purchase Agreement, the Company agreed to sell the Shares and/or Pre-funded Warrants at a per share purchase price of $3.50, for gross proceeds of $1,750,000, before deducting any estimated offering expenses. On August 1, 2023, the pre-funded warrants were exercised.

On August 14, 2023, the Company entered into a cooperation agreement with Zhonghui. Pursuant thereto, the Company acquired 20% of the ownership of a property and the parcel of the land owned by Zhonghui in Leshan, Sichuan, China. During the third quarter of 2023, the Company issued to Zhonghui, an aggregate of 370,000 shares of the Company's common stock, at a per share price of $ 20.

On January 27, 2024, the Company granted 1,302,726 restricted shares to its employees and directors under the 2016 Equity Incentive Plan, with an issuance date of February 2, 2024. These shares are subject to a three-year restriction period.

On February 6, 2024, the Company entered into a definitive agreement with Shuling Jiang ("Shuling"), pursuant to which Shuling shall transfer the ownership of certain land she owns located at Taoyuan City, Taiwan (the "Land") to the Company (the "Agreement"). Shuling is a director of the Company, is married to TS Jiang, the Company's Chief Strategic Officer and owns approximately 15.4% of the Company's issued and outstanding shares of common stock. In consideration for the Land, the Company was to pay Shuling (i) 703,496 restricted shares of the Company's common stock (the "Shares") at a price of $3.50 per share and (ii) five-year warrants to purchase up to 1,000,000 shares of the Company's common stock, with an exercise price of $2.00 per share. Under the Agreement, Shuling was to also transfer outstanding liability owed on the Land (approximately $ 500,000) to the Company. On May 16, 2024, the Company's board of directors determined that it was in the best interest of the Company and its shareholders to terminate the Agreement and not proceed with the transfer of land ownership; the Company may reconsider the transaction at a later date. The shares were returned and booked as treasury stock, and the warrants were not issued.

On May 24, 2024, the Company issued 200,000 shares of common stock to a consultant for providing business and funding opportunities.

In June 2024, the Company entered into a stock purchase agreement with an investor, which the Company will issue 41,387 shares of common stock at $0.75 per share to the investor for cash. As of September 30, 2024, the proceeds were received. Due to certain stock transfer processes, one of the Company's shareholders transferred such shares to the investor on behalf of the company in July 2024; the company plans to issue the same number of shares to the transferring shareholder soon.

In July 2024, the Company entered into an agreement with its landlord in California, pursuant that the Company will issue 169,992 shares of common stock for the rent payable through July 2024, in total of $127,494. The Company will also issue a variable number of shares equivalent to the August and September 2024 rent amount in total of $64,147 at the average VWAP (Volume Weighted Average Price) of last five trading days of July 2024. These shares are restricted for six months from the issuance but no later than February 15, 2025. 169,992 shares were issued on July 25, 2024 for the rent payables through July 2024, 43,458 shares were issued on August 14, 2024 for the August 2024 rent, and 46,072 shares were issued on September 3, 2024 for the September 2024 rent.

Noncontrolling Interests

On March 14, 2024, AiBtl issued 1,610,700 AiBtl's common stocks to a land acquisition transaction in Taiwan, including the consulting fee of $ 383,500 and the cost of land of $7,670,000. Due to certain administrative processes and restrictions, AiBtl has not acquired ownership of the land and no asset was recognized. In November 2024, the title transfer process was completed, and AiBtl now possesses the land through a fully owned Taiwan-based subsidiary.

On April 11, 2024, May 10, 2024, and August 15, 2024, AiBtl entered into share purchase agreements with an investor to sell 127,270 shares of AiBtl common stocks at an average of $1.05 per share. As of the issuance date of the interim financial statements, the stock has not been issued.

Lind Offerings and Repayments

On February 23, 2023, in connection with the issuance of the Lind Note (referring to Note 7), the Company also issued Lind a common stock purchase warrant to purchase up to 529,167 shares (post-split) of the Company's common stock at an initial exercise price of $ 10.5 per share, subject to adjustment. During the period ended March 31, 2024, the Company has been repaying Lind with securities for 751,795 shares, totaling $681,000. During the three months ended June 30, 2024, the Company further repaid Lind with securities for 153,508 shares of common stock, totaling $130,175. As of June 30, 2024, this convertible note was fully repaid. During July 2023, the warrant exercise price was reset to $3.5 in accordance with the issuance of common stock in relation to securities purchase agreement in July 2023. On May 22, 2024, the exercise price of these warrants was reset to $0.75 along with the immediate exercise of existing warrants and issuance of the New Warrants.

On November 17, 2023, in connection with the issuance of the 2 nd Lind Note (referring to Note 7, Convertible Notes Payable), Lind also received a 5-year, common stock purchase warrant to purchase up to 1,000,000 shares of the Company's common stock at an initial exercise price of $ 2 per share for a period of 5 years. The warrants were valued using the Black-Scholes model and the fair value was determined to be $480,795, which was recorded as a debt discount.

On January 17, 2024, in connection with the issuance of the 3 rd Lind Note (referring to Note 7, Convertible Notes Payable), Lind also received a 5-year, common stock purchase warrant to purchase up to 1,000,000 shares of the Company's common stock at an initial exercise price of $ 2 per share.

On May 22, 2024, the Company and Lind entered into a letter agreement, pursuant to which Lind will exercise, for cash, 1,000,000 of its Pre-Existing Warrants (all of the warrants issued to Lind on February 23, 2023, November 17, 2023 and January 17, 2024 are hereinafter referred to as the "Pre-Existing Warrants"), to purchase shares of Common Stock at a reduced exercise price of $0.75 per share. Such 1,000,000 Pre-Existing Warrants exercised include 529,167 warrants issued in February 2023 and 470,833 warrants issued in November 2023. Concurrently, the exercise price of all Pre-Existing Warrants was reduced to $0.75 per share according to this agreement. Lind will also receive a new warrant to purchase 1,000,000 shares of common stock, exercisable at any time on or after the date of its issuance and until the five-year anniversary thereof, for $1.00 per share (the "**New Warrant**"). The fair value of the New Warrants was determined to be $ 925,210 using the Black-Scholes model. The New Warrant may be exercised via

cashless exercise or resale pursuant to the registration statement that was declared effective. As of September 30, 2024, Lind has exercised 1,000,000 shares of Pre-Existing Warrants and received 1,000,000 shares of New Warrants according to this agreement. All warrants issued to Lind may be exercised via cashless exercise.

On July 12, 2024, the Company issued Lind 200,000 shares of the Company's common stock as a repayment of $ 200,000 principal of 2nd Lind Note. According to the amended agreement pursuant to Nasdaq requirements, the conversion price is subject to $1.00 floor price if the conversion price was below such floor. Based on the conversion price of $0.7907, the Company made an additional $ 88,403 cash repayment in addition to the issuance of 200,000 shares.

On September 11, 2024, the Company issued Lind 200,000 shares of the Company's common stock as a repayment of $ 200,000 principal of 2nd Lind Note. According to the amended agreement pursuant to Nasdaq requirements, the conversion price is subject to $1.00 floor price if the conversion price was below such floor. Based on the conversion price of $0.6575, the Company made an additional $ 90,722 cash repayment in addition to the issuance of 200,000 shares.

Warrants issued and outstanding in connection with above Lind convertible notes as of September 30, 2024, and their activities during the nine months ended are as follows:

	Number of Underlying Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Contractual Life Remaining in Years	Aggregate Intrinsic Value
Outstanding as of January 1, 2024	1,529,167	$ 0.75	3.88	$ -
Issued	2,000,000	$ 0.88	4.47	-
Exercised	(1,000,000)	-	-	-
Outstanding as of September 30, 2024	2,529,167	$ 0.85	4.35	$ -

13. STOCK OPTIONS

On October 30, 2020, the Company issued an aggregate of 54,518 (post-split, thereafter in this note for number of options and the exercise price) shares of common stock in lieu of unpaid salaries of certain employees and unpaid consulting fees under the 2016 Equity Incentive Plan, as amended, at a conversion price of $20 per share; the total amount of converted salaries and consulting fees was $ 1,090,361. On November 21, 2020, the Company entered into acknowledgement agreements and stock option purchase agreements with these employees and consultant; pursuant to which the Company granted stock options to purchase 54,518 shares of the Company's common stock in lieu of common stock. The options were vested at the grant date and become exercisable for 10 years from the grant date.

On October 15, 2021, the Company entered into stock option agreements with 11 directors and 3 employees, pursuant to which the Company granted options to purchase an aggregate of 128,000 shares of common stock under the 2016 Equity Incentive Plan, as amended, at an exercise price of $ 30 per share. The options were vested at the grant date and become exercisable for 10 years from the grant date.

On April 16, 2022, the Company entered into stock option agreements with 5 directors, pursuant to which the Company agreed to grant options to purchase an aggregate of 76,192 shares of common stock under the 2016 Equity Incentive Plan, at an exercise price of $ 30 per share, exercisable for 10 years from the grant date. As of September 30, 2024, these stock options have not been granted.

Options issued and outstanding as of September 30, 2024, and their activities during the nine months ended are as follows:

	Number of Underlying Shares (post-split)	Weighted-Average Exercise Price Per Share	Weighted-Average Contractual Life Remaining in Years	Aggregate Intrinsic Value
Outstanding as of January 1, 2024	258,710	$ 27.9	-	$ -
Granted	-	-	-	-
Forfeited	-	-	-	-
Outstanding as of September 30, 2024	258,710	$ 27.9	6.99	$ -
Exercisable as of September 30, 2024	258,710	$ 27.9	6.99	$ -
Vested and expected to vest	258,710	$ 27.9	6.99	$ -

There are 386,021 options available for grant under the 2016 Equity Incentive Plan as of September 30, 2024. Compensation costs associated with the Company's stock options are recognized, based on the grant-date fair values of these options over vesting period. Accordingly, the Company recognized $0 stock-based compensation expense in connection with employee stock options for the nine months ended September 30, 2024 and 2023, respectively. There were no options exercised during the nine months ended September 30, 2024. As of September 30, 2024, there were no unvested options.

The fair value of stock options granted for the year ended December 31, 2022 was calculated using the Black-Scholes option-pricing model applying the following assumptions:

	Year ended December 31, 2022
Risk free interest rate	2.79%
Expected term (in years)	5.00
Dividend yield	0%
Expected volatility	83.86%

14. LOSS PER SHARE

Basic loss per share is computed by dividing net loss by the weighted-average number of common stock outstanding during the year. Diluted loss per share is computed by dividing net loss by the weighted-average number of common stock and dilutive potential common stock outstanding during the three and nine months ended September 30, 2024 and 2023.

	For the Three Months Ended	
	September 30, 2024	September 30, 2023
	(Unaudited)	
Numerator:		
Net loss attributable to ABVC's common stockholders	$ (186,561)	$ (3,317,516)
Denominator:		
Weighted-average shares outstanding:		
Weighted-average shares outstanding - Basic	12,405,261	4,055,345
Stock options	-	-
Weighted-average shares outstanding - Diluted	12,405,261	4,055,345
Loss per share		
-Basic and Diluted	$ (0.02)	$ (0.82)

	For the Nine months Ended	
	September 30, 2024	September 30, 2023
	(Unaudited)	
Numerator:		
Net loss attributable to ABVC's common stockholders	$ (5,132,182)	$ (7,404,722)
Denominator:		
Weighted-average shares outstanding:		
Weighted-average shares outstanding - Basic	11,164,093	3,555,474
Stock options	-	-
Weighted-average shares outstanding - Diluted	11,164,093	3,555,474
Loss per share		
-Basic and Diluted	$ (0.46)	$ (2.08)

Diluted loss per share takes into account the potential dilution that could occur if securities or other contracts to issue Common Stock were exercised and converted into Common Stock.

15. LEASE

The Company adopted FASB Accounting Standards Codification, Topic 842, Leases ("ASC 842") using the modified retrospective approach, electing the practical expedient that allows the Company not to restate its comparative periods prior to the adoption of the standard on January 1, 2019.

The Company applied the following practical expedients in the transition to the new standard and allowed under ASC 842:

- Reassessment of expired or existing contracts: The Company elected not to reassess, at the application date, whether any expired or existing contracts contained leases, the lease classification for any expired or existing leases, and the accounting for initial direct costs for any existing leases.
- Use of hindsight: The Company elected to use hindsight in determining the lease term (that is, when considering options to extend or terminate the lease and to purchase the underlying asset) and in assessing impairment of right-to-use assets.
- Reassessment of existing or expired land easements: The Company elected not to evaluate existing or expired land easements that were not previously accounted for as leases under ASC 840, as allowed under the transition practical expedient. Going forward, new or modified land easements will be evaluated under ASU No. 2016-02.
- Separation of lease and non- lease components: Lease agreements that contain both lease and non-lease components are generally accounted for separately.
- Short-term lease recognition exemption: The Company also elected the short-term lease recognition exemption and will not recognize ROU assets or lease liabilities for leases with a term less than 12 months.

The new leasing standard requires recognition of leases on the consolidated balance sheets as right-of-use ("ROU") assets and lease liabilities. ROU assets represent the Company's right to use underlying assets for the lease terms and lease liabilities represent the Company's obligation to make lease payments arising from the leases. Operating lease ROU assets and operating lease liabilities are recognized based on the present value and future minimum lease payments over the lease term at commencement date. The Company's future minimum based payments used to determine the Company's lease liabilities mainly include minimum based rent payments. As most of the Company's leases do not provide an implicit rate, the Company uses its estimated incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments.

The Company recognized lease liabilities, with corresponding ROU assets, based on the present value of unpaid lease payments for existing operating leases longer than twelve months. The ROU assets were adjusted per ASC 842 transition guidance for existing lease-related balances of accrued and prepaid rent, unamortized lease incentives provided by lessors, and restructuring liabilities. Operating lease cost is recognized as a single lease cost on a straight-line basis over the lease term and is recorded in Selling, general and administrative expenses. Variable lease payments for common area maintenance, property taxes and other operating expenses are recognized as expense in the period when the changes in facts and circumstances on which the variable lease payments are based occur.

The Company has no finance leases. The Company's leases primarily include various office and laboratory spaces, copy machines, and vehicles under various operating lease arrangements. The Company's operating leases have remaining lease terms of up to approximately five years.

	September 30, 2024	December 31, 2023
	(Unaudited)	
ASSETS		
Operating lease right-of-use assets	$ 507,659	$ 809,283
LIABILITIES		
Operating lease liabilities (current)	365,458	401,826
Operating lease liabilities (non-current)	142,201	407,457

Supplemental Information

The following provides details of the Company's lease expenses:

	Three Months Ended September 30,	
	2024	2023
	(Unaudited)	
Operating lease expenses	$ 134,795	$ 96,875

	Nine months Ended September 30,	
	2024	2023
	(Unaudited)	
Operating lease expenses	$ 397,262	$ 288,751

Other information related to leases is presented below:

	Nine months Ended September 30,	
	2024	2023
	(Unaudited)	
Cash paid for amounts included in the measurement of operating lease liabilities	$ 205,621	$ 288,751
Stock paid for amounts included in the measurement of operating lease liabilities	$ 191,641	$ -

	September 30, 2024	December 31, 2023
Weighted Average Remaining Lease Term:		
Operating leases	1.36 years	1.73 years
Weighted Average Discount Rate:		
Operating leases	0.46%	1.5%

The minimum future annual payments under non-cancellable leases during the next five years and thereafter, at rates now in force, are as follows:

	Operating leases
2024 (excluding nine months ended September 30, 2024)	$ 101,130
2025	350,088
2026	56,916
2027	-
2028	-
Thereafter	-
Total future minimum lease payments, undiscounted	508,933
Less: Imputed interest	(1,274)
Present value of future minimum lease payments	$ 507,659

16. SUBSEQUENT EVENTS

In October 2024, the Company entered into an agreement with its landlord in California, pursuant that the Company will issue 64,147 shares of common stock for the rent payable for October 2024, at the average VWAP (Volume Weighted Average Price) of last five trading days of October 2024 in total of $32,074. These shares are restricted for six months from the issuance but no later than April 30, 2025. The November 2024 rent of $ 32,074 will also be paid in the form of the Company's common stock, at the average of last five trading days of November 2024. These shares are restricted for six months from the issuance but no later than May 31, 2025.

On October 18, 2024, the Company issued Lind 200,000 shares of the Company's common stock as a repayment of $ 200,000 principal of 2nd Lind Note. According to the amended agreement pursuant to Nasdaq requirements, the conversion price is subject to $1.00 floor price if the conversion price was below such floor. Based on the conversion price of $0.4229, the Company made an additional $ 147,892 cash repayment in addition to the issuance of 200,000 shares.

In November 2024, the Company and Lind entered into a letter agreement, pursuant to which Lind will exercise, for cash, 500,000 of its Pre-Existing Warrant, to purchase shares of Common Stock at a reduced exercise price of $0.42 per share.

In October 2024, the title transfer process of the land acquired by AiBtl was completed, and AiBtl now possesses the land through a fully owned Taiwan-based subsidiary.

In October 2024, AiBtl entered an agreement with an investor that AiBtl will issue a convertible note for $ 30,000. The note has a 1-year term, bears no interest, and can be converted to AiBtl's common shares at $5 per share any time prior to maturity. AiBtl can repay the note at any time prior to the maturity date without penalty.

Except as disclosed above, the Company has evaluated subsequent events and transactions that occurred after September 30, 2024 up through the date the Company issued these unaudited consolidated financial statements on November 14, 2024. All subsequent events requiring recognition as of September 30, 2024 have been incorporated into these unaudited consolidated financial statements and there are no other subsequent events that require disclosure in accordance with FASB ASC Topic 855, "Subsequent Events."

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Caution Regarding Forward-Looking Information

FORWARD-LOOKING INFORMATION

The following information should be read in conjunction with ABVC BioPharma, Inc. and its subsidiaries ("we", "us", "our", or the "Company") condensed unaudited financial statements and the notes thereto contained elsewhere in this report. Information in this Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and elsewhere in this Form 10-Q that does not consist of historical facts, are "forward-looking statements." Statements accompanied or qualified by, or containing words such as "may," "will," "should," "believes," "expects," "intends," "plans," "projects," "estimates," "predicts," "potential," "outlook," "forecast," "anticipates," "presume," and "assume" constitute forward-looking statements, and as such, are not a guarantee of future performance.

Forward-looking statements are subject to risks and uncertainties, certain of which are beyond our control. Actual results could differ materially from those anticipated as a result of the factors described in the "Risk Factors" and detailed in our other Securities and Exchange Commission ("SEC") filings. Risks and uncertainties can include, among others, international, national and local general economic and market conditions: demographic changes; the ability of the Company to sustain, manage or forecast its growth; the ability of the Company to successfully make and integrate acquisitions; raw material costs and availability; new product development and introduction; existing government regulations and changes in, or the failure to comply with, government regulations; adverse publicity; competition; the loss of significant customers or suppliers; fluctuations and difficulty in forecasting operating results; changes in business strategy or development plans; business disruptions; the ability to attract and retain qualified personnel; the ability to obtain sufficient financing to continue and expand business operations; the ability to develop technology and products; changes in technology and the development of technology and intellectual property by competitors; the ability to protect technology and develop intellectual property; and other factors referenced in this and previous filings. Consequently, investors should not place undue reliance on forward-looking statements as predictive of future results.

Because of these risks and uncertainties, the forward-looking events and circumstances discussed in this report or incorporated by reference might not transpire. Factors that cause actual results or conditions to differ from those anticipated by these and other forward-looking statements include those more fully described elsewhere in this report and in the "Risk Factors" section of our annual report on form 10-K.

The Company disclaims any obligation to update the forward-looking statements in this report.

Overview

ABVC BioPharma Inc., which was incorporated under the laws of the State of Nevada on February 6, 2002, is a clinical stage biopharmaceutical company focused on development of new drugs and medical devices, all of which are derived from plants.

Medicines derived from plants have a long history of relieving or preventing many diseases and, typically, have exhibited fewer side effects than drugs developed from animals or chemical ingredients. Perhaps the most famous example is aspirin, which evolved from a compound found in the bark and leaves of the willow tree and was later marketed by Bayer starting in 1899. Aspirin has very few serious side effects and has proven to be one of the most successful drugs in medical history. Some 50 years later, scientists identified anticancer compounds in the rosy periwinkle, which Eli Lilly subsequently produced for the treatment of leukemia and Hodgkins disease. Other well-known examples of successful botanical drugs include the cancer-fighting Taxol, isolated from the Pacific yew tree.

The Company develops its pipeline by carefully tracking new medical discoveries or medical device technologies in research institutions in the Asia-Pacific region. Pre-clinical, disease animal model and Phase I safety studies are examined closely by the Company's scientists and other specialists known to the Company to identify drugs that it believes demonstrate efficacy and safety based on the Company's internal qualifications. Once a drug is shown to be a good candidate for further development and ultimately commercialization, BriVision licenses the drug or medical device from the original researchers and begins to introduce the drugs clinical plan to highly respected principal investigators in the United States, Australia and Taiwan. In almost all cases, we have found that research institutions in each of those countries are eager to work with the Company to move forward with Phase II clinical trials.

Institutions that have or are now conducting phase II clinical trials in partnership with ABVC include:

- Drug: ABV-1504, Major Depressive Disorder (MDD), Phase II completed. 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 Part 1 completed. Principal Investigators: Keith McBurnett, Ph.D. and Linda Pfiffner, Ph.D., University of California San Francisco (UCSF), School of Medicine. Phase II, Part 2 clinical study sites include UCSF and 5 locations in Taiwan. The Principal Investigators are Keith McBurnett, Ph.D. and Linda Pfiffner, Ph.D., University of California San Francisco (UCSF), School of Medicine; Susan Shur-Fen Gau, M.D., National Taiwan University Hospital; Xinzhang Ni, M.D. Linkou Chang Gung Memorial Hospital; Wenjun Xhou, M.D.; Kaohsiung Chang Gung Memorial Hospital; Ton-Ping Su, M.D., Cheng Hsin General Hospital; Cheng-Ta Li, M.D., Taipei Veterans General Hospital. Phase II, Part 2 began in the 1st quarter of 2022 at the 5 Taiwan sites. The UCSF site joined the study in the 2nd quarter of 2023. The subjects enrolled in the study has reached the number for interim analysis in December 2023, and the interim analysis of the study is in progress.

- 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). The Phase I clinical study will be initiated in the fourth quarter of 2024.

- Medical Device: ABV-1701, Vitargus® in vitrectomy surgery, Phase II Study has been initiated in Australia and Thailand, Principal Investigator: Duangnate Rojanaporn, M.D., Ramathibodi Hospital; Thuss Sanguansak, M.D., Srinagarind Hospital of the two Thailand Sites and Professor/Dr. Matthew Simunovic, Sydney Eye Hospital; Dr. Elvis Ojaimi, East Melbourne Eye Group & East Melbourne Retina. The Phase II study started in the 2nd quarter of 2023, and the company is working on improvements to the Vitargus Product through the new batch of investigational product.

The following trials are expected to begin in the fourth quarter of 2024:

- Drug: ABV-1519, Non-Small Cell Lung Cancer treatment, Phase I/II Study in Taiwan, Principal Investigator: Dr. Yung-Hung Luo, M.D., Taipei Veterans General Hospital (TVGH)

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

Upon successful completion of a Phase II trial, ABVC will seek a partner, typically a large pharmaceutical company, to complete a Phase III study and commercialize the drug or medical device upon approval by the US FDA, Taiwan TFDA and other country regulatory authorities.

Another part of the Company's business is conducted by BioKey, a wholly-owned subsidiary, that is engaged in a wide range of services, including, API characterization, pre-formulation studies, formulation development, analytical method development, stability studies, IND/NDA/ANDA/510K submissions, and manufacturing clinical trial materials (phase I through phase III) and commercial manufacturing.

On February 8, 2019, the Company, BioLite Holding, Inc. ("BioLite"), BioKey, Inc. ("BioKey"), BioLite Acquisition Corp., a direct wholly-owned subsidiary of the Company ("Merger Sub 1"), and BioKey Acquisition Corp., a direct wholly-owned subsidiary of the Company ("Merger Sub 2") (collectively referred to as the "Parties") completed the business combination pursuant to that certain Agreement and Plan of Merger (the "Merger Agreement"), dated January 31, 2018, pursuant to which the Company acquired BioLite and BioKey via issuing shares of the Company's Common Stock to the shareholders of BioLite and BioKey. As a result, BioLite and BioKey became two wholly-owned subsidiaries of the Company on February 8, 2019. The Company issued an aggregate of 104,558,777 shares of Common Stock (prior to the reverse stock split in 2019 and 2023) to the shareholders of both BioLite and BioKey under a registration statement on Form S-4 (file number 333-226285), which became effective by operation of law on or about February 5, 2019.

On July 25, 2023, the Company filed a Certificate of Amendment to its Articles of Incorporation authorizing a 1-for-10 reverse stock split of the issued and outstanding shares of its common stock (the "2023 Split"). The Company's stockholders previously approved the Reverse Stock Split at the Company's Special Shareholder Meeting held on July 7, 2023. The Reverse Stock Split was effected to reduce the number of issued and outstanding shares and to increase the per share trading value of the Company's common stock, although that outcome is not guaranteed. In turn, the Company believes that the Reverse Stock Split will enable the Company to restore compliance with certain continued listing standards of NASDAQ Capital Market.

BioLite was incorporated under the laws of the State of Nevada on July 27, 2016, with 500,000,000 shares authorized, par value $0.0001. BioLite's key subsidiaries include BioLite BVI, Inc. ("BioLite BVI"), which was incorporated in the British Virgin Islands on September 13, 2016 and BioLite, Inc. ("BioLite Taiwan"), a Taiwanese corporation that was founded in February 2006. BioLite Taiwan has been in the business of developing new drugs for over ten years.

BioLite and BioLite BVI are holding companies and have not carried out substantive business operations of their own.

In January 2017, BioLite, BioLite BVI, BioLite Taiwan, and certain shareholders of BioLite Taiwan entered into a share purchase / exchange agreement (the "BioLite Share Purchase / Exchange Agreement"). Pursuant to the BioLite Share Purchase / Exchange Agreement, the shareholder participants to the BioLite Share Purchase / Exchange Agreement sold their equity in BioLite Taiwan and used the proceeds from such sales to purchase shares of Common Stock of BioLite at the same price per share, resulting in share ownership in BioLite Common Stock equal to the number of shares they had held in BioLite Taiwan Common Stock. Upon closing of the Share Purchase/ Exchange Agreement in August 2017, BioLite owned, via BioLite BVI, approximately 73% of BioLite Taiwan. The other shareholders who did not enter this Share Purchase/ Exchange Agreement retained their equity ownership in BioLite Taiwan.

BioKey was incorporated on August 9, 2000 in the State of California. It is engaged primarily in research and development, manufacturing, and distribution of generic drugs and nutraceuticals with strategic partners. BioKey provides a wide range of services, including, API characterization, pre-formulation studies, formulation development, analytical method development, stability studies, IND/NDA/ANDA/510K submissions, and manufacturing clinical trial materials (phase 1 through phase 3) and commercial manufacturing. It also licenses out its technologies and initiates joint research and development processes with other biotechnology, pharmaceutical, and nutraceutical companies.

The Vitargus® Phase II study was put on hold due to Serious Adverse Events (SAEs) observed in patients with retinal detachment treated with either Vitargus or SF6 comparator after vitrectomy surgeries at the Thailand sites. By comparing the Thailand study with the First-in-Human (FIH) study completed in Australia in 2018, the SAEs derived from the patients in the Thailand study may be due to the modified *in-situ* hydrogel procedure which allows a longer surgical time window for the study. The Company is investigating the root causes of the events and is working towards developing a safe device *in-situ* procedure before reinstating the study.

As of June 21, 2023, Dr. Howard Doong resigned as the Company's CEO and was replaced by Dr. Uttam Patil. The Company and its CFO, Leeds Chow

have been negotiating the terms of his employment agreement since the end of July 2024; due to disagreements regarding salaries due and payable, Mr. Chow informed the Company that he is suspending his work as CFO. The disagreement relates solely to salary owed and payable to Mr. Chow and is not the result of any disagreements with the Company on any matter related to the Company's disclosures in its public filings. The Company's CEO, Uttam Patil, will assume the duties of interim Chief Financial Officer until the parties settle the disagreement and Leeds resumes his position as CFO.

On August 14, 2023, the Company entered into a cooperation agreement (the " **Agreement**", the transaction contemplated therein the " **Transaction**") with Zhonghui United Technology (Chengdu) Group Co., Ltd., a Company established under the Law of People's Republic of China ("**Zhonghui**"). Pursuant thereto, the Company acquired 20% of the ownership of a property and the parcel of the land (the "**Property**") owned by Zhonghui in Leshan, Sichuan, China. The valuation of the Property as of April 18, 2023, which was assessed by an independent third party, is estimated to be approximately RMB 264,299,400 or approximately $37,000,000. In exchange, the Company agreed to issue to Zhonghui, an aggregate of 370,000 shares of the Company's common stock, at a per share price of $20 (the "**Zhonghui Shares**"). On September 4, 2023, the Company and Zhonghui entered into an amendment to the Agreement to clarify that, in no event will the Company issue to Zhonghui shares of common stock, in connection with the Transaction, in an amount exceeding 19.99% of the issued and outstanding shares as of the date of the Agreement.

The Company and Zhonghui plan to jointly develop the Property into a healthcare center for senior living, long-term care, and medical care in the areas of ABVCs' special interests, such as Ophthalmology, Oncology, and Central Nervous Systems. The plan is to establish a base for the China market and global development of these interests. The asset ownership certification is in the application process and pending approval from the Chinese government.

During the third quarter of 2023, the Company issued the Zhonghui Shares. The Zhonghui Shares are subject to a lock-up period of one year following the closing date of this Transaction. In addition, the parties agreed that, after one year following the closing of the Transaction, the market value of the shares issued or the value of the Property increase or decrease, the parties will negotiate in good faith to make reasonable adjustment.

On July 31, 2023, the Company entered into a binding term sheet with Xinnovation Therapeutics Co., Ltd., a Company incorporated under the Law of People's Republic of China. The term sheet contemplates that, pursuant to definitive agreements, Xinnovation will be granted an exclusive license to develop, manufacture, market, and distribute ABV-1504 for Major Depressive Disorder (MDD) and ABV-1505 for Attention-Deficit/Hyperactivity Disorder, in the Chinese market and shall bear the costs for clinical trials and product registration in China and the Company would receive an initial license fee and royalty payments ranging from 5% to 12% based on the projected annual net sales of the licensed drugs by Xinnovation in China. This transaction remains subject to the negotiation of definitive documents and therefore there is no guarantee that this transaction will occur.

In November 2023, the Company and one of its subsidiaries, BioLite, Inc. ("BioLite") each entered into a multi-year, global licensing agreement with AIBL for the Company and BioLite's CNS drugs with the indications of MDD (Major Depressive Disorder) and ADHD (Attention Deficit Hyperactivity Disorder) (the "Licensed Products"). The potential license will cover the Licensed Products' clinical trial, registration, manufacturing, supply, and distribution rights. The Licensed Products for MDD and ADHD, owned by ABVC and BioLite, were valued at $667M by a third-party evaluation. The parties are determined to collaborate on the global development of the Licensed Products. The parties are also working to strengthen new drug development and business collaboration, including technology, interoperability, and standards development. As per each of the respective agreements, each of ABVC and BioLite received 23 million shares of AIBL stock at $10 per share, and if certain milestones are met, shall receive $3,500,000 and royalties equaling 5% of net sales, up to $100 million, which is not guaranteed. Upon the issuance of the shares, AIBL became a subsidiary of ABVC. On June 23, 2024, the Company and BioLite, each entered into an amendment (the "**Amendment**") to the Licensing Agreement with AIBL, pursuant to which the Company and BioLite have agreed to allow AIBL to pay the second milestone payment in the amount of $3,500,000 per Licensing Agreement, incrementally (such as $50,000), at any given time, rather than in one lump sum.

On February 6, 2024, the Company entered into a definitive agreement with Shuling Jiang ("Shuling"), pursuant to which Shuling shall transfer the ownership of certain land she owns located at Taoyuan City, Taiwan (the "Land") to the Company (the "Agreement"). Shuling is a director of the Company, is married to TS Jiang, the Company's Chief Strategic Officer and owns approximately 15.4% of the Company's issued and outstanding shares of common stock. In consideration for the Land, the Company was to pay Shuling (i) 703,496 restricted shares of the Company's common stock (the "Shares") at a price of $3.50 per share and (ii) five-year warrants to purchase up to 1,000,000 shares of the Company's common stock, with an exercise price of $2.00 per share. Under the Agreement, Shuling was to also transfer outstanding liability owed on the Land (approximately $500,000) to the Company. On May 16, 2024, the Company's board of directors determined that it was in the best interest of the Company and its shareholders to terminate the Agreement and not proceed with the transfer of land ownership; the Company may reconsider the transaction at a later date. The shares were returned and the warrants were not issued.

On March 25, 2024, the Company, and one of its co-development partners, BioFirst Corporation, a company registered in Taiwan ("BioFirst"), each entered into a twenty-year, global definitive licensing agreement (the "Licensing Agreement") with ForSeeCon Eye Corporation, a company registered in the British Virgin Islands ("FEYE") for the products in the Company and BioFirst's Ophthalmology pipeline, including Vitargus (the "Licensed Products"). The license covers the Licensed Products' clinical trial, registration, manufacturing, supply, and distribution rights; FEYE also has the rights to sublicense or partner with a third party to develop the Licensed Products. As per each of the respective FEYE Licensing Agreements, each of the Company and BioFirst shall receive a total licensing fee of $33,500,000, composed of an upfront payment of $30,000,000, which can instead be paid with 5 million shares of FEYE stock at $6 per share within 30 days after the execution of the FEYE Licensing Agreement, and a $3,500,000 cash milestone payment, due 30 days upon completion of next round fundraising. Additionally, each of the Company and BioFirst are eligible to receive royalties of 5% of net Sales. As of September 30, 2024, the Company received 5,000,000 FEYE shares but did not recognize such licensing revenue since the fair value of FEYE stock is uncertain.

On June 18, 2024, the Company and BioFirst, each entered into an amendment (the " **Amendment**") to the Licensing Agreement with FEYE, pursuant to which the Company and BioFirst have agreed to allow FEYE to pay the second milestone payment in the amount of $3,500,000 per Licensing Agreement, incrementally (such as $100,000), at any given time, rather than in one lump sum. For the period ended September 30, 2024, the Company has received $296,000 as the partial second milestone payment and recognized as licensing revenue according to ASC 606.

On April 16, 2024, the Company entered into a definitive agreement with OncoX BioPharma, Inc., a private company registered in the British Virgin Islands ("Oncox"), pursuant to which the Company will grant Oncox an exclusive right to develop and commercialize ABVC's single-herb botanical drug extract from the dry fruit body of Maitake Mushroom (Grifola Frondosa) for treatment of Non-Small Cell Lung Cancer (the "Licensed Products"), within North America for 20 years (the "Oncox Agreement"). In consideration thereof, Oncox shall pay ABVC $6,250,000 (or 1,250,000 Oncox shares valued at $5 per share[5]) 30 days after entering into the Oncox Agreement and $625,000 30 days following the completion of Oncox's next round of fundraising, of which there is no guarantee; ABVC is also entitled to 5% royalties based on the Net Sales, as defined in the Oncox Agreement, from the first commercial sale of the Licensed Product in North America, of which there can be no guarantee. Oncox entered into another agreement with ABVC's affiliate, Rgene Corporation, on the same terms. For the period ended September 30, 2024, the Company has received $200,000 as the partial second milestone payment and recognized as licensing revenue according to ASC 606.

On May 8, 2024, the Company entered into a definitive agreement with OncoX BioPharma, Inc., a private company registered in the British Virgin Islands ("Oncox"), pursuant to which the Company will grant Oncox an exclusive right to develop and commercialize ABVC's BLEX 404 single-herb botanical drug extract from the dry fruit body of Maitake Mushroom (Grifola Frondosa) for treatment of Pancreatic Cancer (the "Licensed Products"), within a

certain territory, specified as 50% of the Worldwide Markets for 20 years (the "May 2024 Oncox Agreement"). In consideration thereof, Oncox shall pay ABVC a total of $6,250,000 (or 1,250,000 Oncox shares valued at $5 per share[6]) within 30 days of entering into the May 2024 Oncox Agreement, with an additional milestone payment of $625,000 in cash after OncoX's next round of fundraising, of which there can be no guarantee. Oncox may remit cash payments of at least $100,000 towards the licensing fees and deductible from the second milestone payment; ABVC is also entitled to royalties of 5% of Net Sales, as defined in the May 2024 Oncox Agreement, from the first commercial sale of the Licensed Product in the noted territory, which remains uncertain. The Company will permit Oncox to pay the license fee in installments or in a lump sum and will allow Oncox to use its revenue to fund such payments. Oncox entered into another agreement with ABVC's affiliate, Rgene Corporation, on the same terms.

On May 14, 2024, the Company and its subsidiary, BioLite Inc (collectively, the "licensor"), each entered into a licensing agreement with OncoX, on the same terms, pursuant to which the licensors will grant Oncox an exclusive right to develop and commercialize ABVC's BLEX 404 single-herb botanical drug extract from the dry fruit body of Maitake Mushroom (Grifola Frondosa) for treatment of Tripple Negative Breast Cancer (the TNBC Product), within a certain territory, specified as 50% of the Worldwide Markets for 20 years (the "May 14, 2024 Oncox Agreements"). In each agreement for consideration thereof, Oncox shall pay each licensor a total of $6,250,000 (or 1,250,000 Oncox shares valued at $5 per share[7]) within 30 days of entering into the May 14, 2024 Oncox Agreements, with an additional milestone payment of $625,000 in cash after OncoX's next round of fundraising, of which there can be no guarantee. Oncox may remit cash payments of at least $100,000 towards the licensing fees and deductible from the second milestone payment; each licensor is also entitled to royalties of 5% of Net Sales, from the first commercial sale of the TNBC Product in the noted territory, which remains uncertain. The Company will permit Oncox to pay the license fee in installments or in a lump sum and will allow Oncox to use its revenue to fund such payments.

On May 23, 2024, the Company and its subsidiary, BioLite Inc (collectively, the "licensor"), each entered into a licensing agreement with OncoX, on the same terms, pursuant to which the licensors will grant Oncox an exclusive right to develop and commercialize ABVC's BLEX 404 single-herb botanical drug extract from the dry fruit body of Maitake Mushroom (Grifola Frondosa) for treatment of Myelodysplastic Syndrome (the "Licensed Products"), within a certain territory, specified as 50% of the Worldwide Markets for 20 years (the "Oncox Agreements"). In consideration thereof, Oncox shall pay each licensor a total of $6,250,000 (or 1,250,000 Oncox shares valued at $5 per share[8]) 30 days after entering the May 23, 2024 Oncox Agreement, with an additional milestone payment of $625,000 in cash after OncoX's next round of fundraising, of which there can be no guarantee. Oncox may remit cash payments of at least $100,000 towards the licensing fees and deductible from the second milestone payment; each licensor is also entitled to royalties of 5% of Net Sales, from the first commercial sale of the Licensed Product in the noted territory, which remains uncertain. Oncox may use its revenue to fund the licensing fees.

5 Price was determined through private negotiations between the parties; no third-party valuation was completed.

6 Id.

7 Id.

8 Id.

Common Stock Reverse Split

On July 25, 2023, the Company filed a Certificate of Amendment to its Articles of Incorporation authorizing a 1-for-10 reverse stock split of the issued and outstanding shares of its common stock (the "2023 Split"). The Company's stockholders previously approved the Reverse Stock Split at the Company's Special Shareholder Meeting held on July 7, 2023. The Reverse Stock Split was effected to reduce the number of issued and outstanding shares and to increase the per share trading value of the Company's common stock, although that outcome is not guaranteed. In turn, the Company believes that the Reverse Stock Split will enable the Company to restore compliance with certain continued listing standards of NASDAQ Capital Market.

On July 14, 2023, the Company filed a certificate of amendment to the Company's articles of incorporation (the "Amendment") to implement the 2023 Split with the Secretary of State of the State of Nevada. The 2023 Split took effect on July 25, 2023.

Series A Convertible Preferred Stock

As of September 30, 2024, no Series A Convertible Preferred Stock has been issued by the Company.

NASDAQ Listing

On May 24, 2023, we received a deficiency letter from the Nasdaq Listing Qualifications Department (the "Staff") of the Nasdaq Stock Market LLC ("Nasdaq") notifying the Company that it is not currently in compliance with the minimum stockholders' equity requirement, or the alternatives of market value of listed securities or net income from continuing operations, for continued listing on the Nasdaq Capital Market. Nasdaq Listing Rule 5550(b)(1) requires listed companies to maintain stockholders' equity of at least $2,500,000, and the Company's stockholders' equity was $1,734,507 as of March 31, 2023. In accordance with Nasdaq rules, the Company had 45 calendar days, or until July 10, 2023, to submit a plan to regain compliance. After submitting a plan to regain compliance, on July 10, 2023, Nasdaq granted the Company an extension until August 30, 20203, to comply with Listing Rule 5550(b)(1). On July 31, 2023, the Company issued 300,000 shares of Common Stock and 200,000 pre-funded warrants, at an exercise price of $0.01 per share, in a registered direct offering. Pursuant to this transaction, the stockholders' equity was increased by $1.75M. On August 1, 2023, $500,000 of Notes were converted at $3.50 per share and the holder received 142,857 shares of Common Stock. As a result of this conversion, the stockholders' equity was increased by $0.5 million. Additionally, on August 14, 2023, the Company entered into a cooperation agreement with Zhonghui United Technology (Chengdu) Group Co., Ltd., pursuant to which the Company acquired a 20% ownership of certain property and a parcel of the land owned by Zhonghui in exchange for an aggregate of 370,000 shares of Common Stock. Accordingly, stockholders' equity increased by $7.4M. On February 23, 2023, the Company entered into a securities purchase agreement with Lind, pursuant to which the Company issued Lind a secured, convertible note in the principal amount of $3,704,167 (the "Lind Offering"), for a purchase price of $3,175,000 (the "Lind Note"), that is convertible into shares of Common Stock at an initial conversion price of $1.05 per share, subject to adjustment. On August 24, 2023, the Company started repaying Lind the monthly installments due under the Lind Notes; $308,000 was repaid via the issuance of 176,678 shares of Common Stock (the "Monthly Shares") at the Redemption Share Price (as defined in the Lind Note) of $1.698 per share. Pursuant to the terms of the Lind Note, Lind increased the amount of the next monthly payment to one million dollars, such that as of September and together with the Monthly Shares, the Company repaid Lind a total of $1 million by September 2023. As a result, the stockholders' equity increased by an additional $1 million. As a result of the four transactions referenced above, the Company' estimated that its stockholders' equity would increase by approximately $10.65 million. On September 6, 2023, Nasdaq issued a letter that the Company is in compliance with Rule 5550(b)(1), but noted that if at the time of the Company's next periodic report the Company does not evidence compliance, it may be subject to delisting.

On July 10, 2024, we received a notification letter from the Nasdaq notifying the Company that the minimum bid price per share for its common shares has been below $1.00 for a period of 30 consecutive business days and the Company therefore no longer meets the minimum bid price requirements set forth in Nasdaq Listing Rule 5550(a)(2). The notification received has no immediate effect on the listing of the Company's common stock on Nasdaq. Under the Nasdaq Listing Rules, the Company has until January 6, 2025, to regain compliance. If at any time during such 180-day period the closing bid price of the Company's common shares is at least $1 for a minimum of 10 consecutive business days, Nasdaq will provide the Company written confirmation of compliance. If the Company does not regain compliance during such 180-day period, the Company may be eligible for an additional 180

calendar days, provided that the Company meets the continued listing requirement for market value of publicly held shares and all other initial listing standards for Nasdaq except for Nasdaq Listing Rule 5550(a)(2), and provide a written notice of its intention to cure this deficiency during the second compliance period, by effecting a reverse stock split, if necessary.

Joint Venture Agreement

On October 6, 2021 (the "**Completion Date**"), ABVC BioPharma, Inc. (the "**Company**"), Lucidaim Co., Ltd., a Japanese corporation ("**Lucidaim**," together with the Company, the "**Shareholders**"), and BioLite Japan K.K., a Japanese corporation ("**Biolite JP"**) entered into a Joint Venture Agreement (the "**Agreement**"). Biolite JP is a private limited company (a Japanese *Kabushiki Kaisha*) incorporated on December 18, 2018 and at the date of the Agreement had 10,000 ordinary shares authorized, with 3,049 ordinary shares issued and outstanding (the "**Ordinary Shares**"). Immediately prior to the execution of the Agreement, Lucidaim owned 1,501 ordinary shares and the Company owned 1,548 ordinary shares. The Shareholders entered into the joint venture to formally reduce to writing their intention to invest in and operate Biolite JP as a joint venture. The business of the joint venture shall be the research and development of drugs, medical device and digital media, investment, fund raising and consulting, distribution and marketing of supplements carried by Biolite JP and its subsidiaries in Japan, or any other territory or business, as the Agreement may with mutual consent be amended from time to time. The closing of the transaction was conditioned upon the approval and receipt of all necessary government approvals, which have all been received.

Pursuant to the Agreement and the related share transfer agreement, the Company shall transfer 54 of its Ordinary Shares to Lucidaim for no consideration, such that following the transfer, Lucidaim shall own 1,555 Ordinary Shares (51%) and the Company shall own 1,494 Ordinary Shares (49%). Also pursuant to the Agreement, there shall be 3 directors of Biolite JP, consisting of 1 director appointed by the Company and 2 appointed by Lucidiam. The Company shall appoint Eugene Jiang, the Company's current Chairman and Chief Business Officer and Lucidaim shall appoint Michihito Onishi; the current director of Biolite JP, Toru Seo (who is also a director of BioLite Japan's other shareholder), is considered the second Lucidaim director. The Agreement further provides that the Company and Biolite JP shall assign the research collaboration and license agreement between them to Biolite JP or prepare the same (the "**License Agreement**"). The aforementioned transactions occurred on the Completion Date.

As per the Agreement, the Shareholders shall supervise and manage the business and operations of Biolite JP. The directors shall not be entitled to any renumeration for their services as a director and each Shareholder can remove and replace the director he/she/it appointed. If a Shareholder sells or disposes of all of its Ordinary Shares, the Shareholder-appointed director must tender his/her resignation. The Agreement also sets forth certain corporate actions that must be pre-approved by all Shareholders (the "**Reserved Matters**"). If the Shareholders are unable to make a decision on any Reserved Matter, then either Shareholder can submit a deadlock notice to the other shareholder, 5 days after which they must refer the matter to each Shareholder's chairman and use good faith to resolve the dispute. If such dispute is not resolved within 10 days thereafter, then either Shareholder can offer to buy all of the other Shareholder's Ordinary Shares for cash at a specified price; if there is not affirmative acceptance of the sale, the sale shall proceed as set forth in the sale offer.

Each of the Shareholders maintains a pre-emptive right to purchase such number of additional Ordinary Shares as would allow such Shareholder to maintain its ownership percentage in Biolite JP if Biolite JP issues any new Ordinary Shares. However, the Agreement provides that the Company shall lose its pre-emptive rights under certain conditions. The Shareholders also maintain a right of first refusal if the other Shareholder receives an offer to buy such shareholder's Ordinary Shares.

The Agreement also requires Biolite JP to obtain a bank facility in the amount of JPY 30,460,000 (approximately $272,000), for its initial working capital purposes. Pursuant to the Agreement, each Shareholder agrees to guarantee such bank facility if the bank requires a guarantee. Accordingly, the Company may be liable for the bank facility in an amount up to JPY 14,925,400 (approximately $134,000), which represents 49% of the maximum bank facility. The Agreement further provides that Biolite JP shall issue annual dividends at the rate of at least 1.5% of Biolite JP's profits, if it has sufficient cash to do so.

Pursuant to the Agreement, the Company and Biolite JP agree to use their best efforts to execute the License Agreement by the end of December 2021. The Company agreed that any negotiation on behalf of Biolite JP regarding the terms of the License Agreement shall be handled by the directors appointed by Lucidaim. If the Company and such Lucidaim directors do not reach agreement on the terms, Biolite JP may at its sole discretion determine not to execute the License Agreement without any liability to the Company.

The Agreement contains non-solicitation and non-compete clauses for a period of 2 years after a Shareholder or its subsidiaries ceases to be a Shareholder, with such restrictive covenants limited to business within the ophthalmologic filed or central neurological field. Any rights to intellectual property that arise from Biolite JP's activities, shall belong to Biolite JP.

The Agreement contains standard indemnification terms, except that no indemnifying party shall have any liability for an individual liability unless it exceeds JPY 500,000 (approximately $4,500) and until the aggregate amount of all liabilities exceeds JPY 2,000,000 (approximately $18,000) and then only to the extent such liability exceed such limit.

The Company paid $150,000 towards the setup of the joint venture and BioLite Japan's other shareholder paid $150,000 after the Letter of Intent was signed.

The Agreement shall continue for 10 years, unless earlier terminated and shall continue until terminated by: (i) either party by giving the other party at least 6 months written notice, until the end of the 10 years, after which the parties can terminate at any time or (ii) or by written agreement of all Shareholders, in which case it shall terminate automatically on the date upon which all Ordinary Shares are owned by one Shareholder. The Agreement also allows a Shareholder to terminate the agreement upon certain defaults committed by another Shareholder, as set forth in the Agreement.

This was a *related party* transaction and was conducted at arm's length. In addition to the Company's board of directors providing approval for the Company to enter into the Agreement, the Company's audit committee approved the Company's entry into the Agreement. The Board believes that this joint venture will enhance the Company's ability to provide therapeutic solutions to significant unmet medical needs and to develop innovative botanical drugs to treat central nervous system ("CNS") and oncology/ hematology diseases. The Company's Board of Directors believes that the joint venture has the potential to provide the Company with access to additional early-stage product candidates that it would not otherwise have access to and to introduce the Company to early-stage opportunities, and therefore the Board believes the joint venture is in the best interest of the Company and its shareholders.

Recent Research Results

Vitargus® Phase II Study has been initiated in Australia and Thailand, Principal Investigator: Duangnate Rojanaporn, M.D., Ramathibodi Hospital; Thuss Sanguansak, M.D., Srinagarind Hospital of the two Thailand sites and Professor/Dr. Matthew Simunovic, Sydney Eye Hospital; Dr. Elvis Ojaimi, East Melbourne Eye Group& East Melbourne Retina of the two Australian sites. The Phase II study has started in the 2nd quarter of 2023. The company is working on improvements to the Vitargus product through the new batch of investigational product.

Initially the Company will focus on ABV-2002, a solution utilized to store a donor cornea prior to either penetrating keratoplasty (full thickness cornea transplant) or endothelial keratoplasty (back layer cornea transplant). Designated ABV-2002 under the Company's product identification system, the solution is comprised of a specific poly amino acid that protects ocular tissue from damage caused by external osmolarity exposure during pre-surgery storage. The specific polymer in ABV-2002 can adjust osmolarity to maintain a range of 330 to 390 mOsM thereby permitting hydration within the corneal stroma during the storage period. Stromal hydration results in (a) maintaining acceptable corneal transparency and (b) prevents donor cornea swelling. ABV-2002 also contains an abundant phenolic phytochemical found in plant cell walls that provides antioxidant antibacterial properties and neuroprotection.

Early testing by BioFirst indicates that ABV-2002 may be more effective for protecting the cornea and retina during long-term storage than other storage media available today and can be manufactured at lower cost. Further clinical development task was put on hold due to the lack of funding.

In addition, BioFirst was incorporated on November 7, 2006, focusing on the R&D, manufacturing, and sales of innovative patented pharmaceutical products. The technology of BioFirst comes from the global exclusive licensing agreements BioFirst maintains with domestic R & D institutions. Currently, BioFirst's main research and development product is the vitreous substitute (Vitargus®), licensed by the National Health Research Institutes. Vitargus is the world's first bio-degradable vitreous substitute and offers a number of advantages over current vitreous substitutes by minimizing medical complications and reducing the need for additional surgeries.

Vitargus has started the construction of a GMP factory in Hsinchu Biomedical Science Park, Taiwan, with the aim at building a production base to supply the global market, and promote the construction of bio-degradable vitreous substitute manufacturing centers in Taiwan. Completion of this factory would allow ABVC to manufacture Vitargus with world-class technology in a GMP certified pharmaceutical factory. BioFirst is targeting to complete the construction in 2025.

On July 12, 2022, the Company announced the enrollment progress in the Phase II Part II clinical study of the company's ADHD medicine (ABV-1505). Since the first-treated subject reported on May 10, 2022, a total of sixty-nine (69) subjects have been enrolled in the study, including 50 who have completed the 56-day treatment. The study, a randomized, double-blind, placebo-controlled study entitled "A Phase II Tolerability and Efficacy Study of PDC-1421 Treatment in Adult Patients with Attention-Deficit Hyperactivity Disorder (ADHD), Part II, is expected to eventually involve approximately 100 patients. Five prestigious research hospitals in Taiwan and the research hospital at the University of California, San Francisco (UCSF) are participating in the study which is a continuation of the Phase II part 1 study of ABV-1505 completed successfully at UCSF and accepted by the U.S. Food & Drug Administration in October of 2020. The UCSF Medical Center Institutional Review Board has approved participation in the Part II study, and the site initiation visit was conducted in March 2023.

Public Offering & Financings

2024 Financings

On October 18, 2024, the Company issued Lind 200,000 shares of the Company's common stock as a repayment of $200,000 principal of 2nd Lind Note. According to the amended agreement pursuant to Nasdaq requirements, the conversion price is subject to $1.00 floor price if the conversion price was below such floor. Based on the conversion price of $0.4229, the Company made an additional $147,892 cash repayment in addition to the issuance of 200,000 shares.

On September 11, 2024, the Company issued Lind 200,000 shares of the Company's common stock as a repayment of $200,000 principal of 2nd Lind Note. According to the amended agreement pursuant to Nasdaq requirements, the conversion price is subject to $1.00 floor price if the conversion price was below such floor. Based on the conversion price of $0.6575, the Company made an additional $90,722 cash repayment in addition to the issuance of 200,000 shares.

On July 12, 2024, the Company issued Lind 200,000 shares of the Company's common stock as a repayment of $200,000 principal of 2nd Lind Note. According to the amended agreement pursuant to Nasdaq requirements, the conversion price is subject to $1.00 floor price if the conversion price was below such floor. Based on the conversion price of $0.7907, the Company made an additional $88,403 cash repayment in addition to the issuance of 200,000 shares.

On May 22, 2024, the Company and Lind entered into a letter agreement (the "Letter Agreement"), pursuant to which Lind Global Fund II, LP ("Lind") exercised, for cash, 1,000,000 of its Pre-Existing Warrants (all of the warrants issued to Lind on February 23, 2023, November 17, 2023 and January 17, 2024 are hereinafter referred to as the "Pre-Existing Warrants") to purchase shares of Common Stock at a reduced exercise price of $0.75 per share. Lind also received a new warrant to purchase 1,000,000 shares Common Stock, exercisable at any time on or after the date of its issuance and until the five-year anniversary thereof, for $1.00 per share (the "New Lind Warrant").

On January 17, 2024, the Company entered into a securities purchase agreement with Lind Global Fund II, LP ("Lind"), pursuant to which the Company issued Lind a secured, convertible note in the principal amount of $1,000,000, for a purchase price of $833,333 (the "3rd Lind Note"), that is convertible into shares of the Company's common stock at a conversion price, which shall be the lesser of (i) $3.50 (the "Fixed Price") and (ii) 90% of the average of the three lowest VWAPs (as defined in the 3rd Lind Note) during the 20 trading days prior to conversion ("Variable Price"), subject to adjustment (the "Note Shares"). Notwithstanding the foregoing, provided that no Event of Default (as defined in the 3rd Lind Note) shall have occurred, conversions under the 3rd Lind Note shall be at the Fixed Price for the first 180 days following the closing date. Lind will also receive a 5-year, common stock purchase warrant (the "3rd Lind Warrant") to purchase up to 1,000,000 shares of the Company's common stock at an initial exercise price of $2.00 per share, subject to adjustment (each, a "Warrant Share," together with the 3rd Lind Note, Note Shares and 3rd Lind Warrant, the "Securities"). The parties later agreed to a floor price of $1.00 for the Variable Price and that the Company would compensate Lind in cash if the Variable Price was less than such floor price at the time of conversion.

Upon the occurrence of any Event of Default (as defined in the 3rd Lind Note), the Company must pay Lind an amount equal to 120% of the then outstanding principal amount of the 3rd Lind Note, in addition to any other remedies under the 3rd Lind Note or the other Transaction Documents (as defined below).

The 3rd Lind Warrant may be exercised via cashless exercise in the event a registration statement covering the Warrant Shares is not available for the resale of such Warrant Shares or upon exercise of the 3rd Lind Warrant in connection with a Fundamental Transaction (as defined in the 3 rd Lind Warrant).

Pursuant to the terms of the securities purchase agreement, if at any time prior to a date that is 18 months following the closing of the offering, the Company proposes to offer or sell any additional securities in a subsequent financing, the Company shall first offer Lind the opportunity to purchase up to 10% of such new securities.

In connection with the Offering, the Company and its subsidiaries: (i) Biokey, Inc., a California corporation ("BioKey"), (ii) Biolite Holding, Inc., a Nevada corporation ("BioLite"), (iii) Biolite BVI, Inc., a British Virgin Islands corporation ("BioLite BVI") and (iv) American BriVision Corporation, a Delaware corporation ("American BriVision" and, collectively with the Company, BioKey, BioLite, and BioLite BVI, the "Guarantors"), jointly and severally guaranteed all of the obligations of the Company in connection with the offering (the "Guaranty") with certain collateral, as set forth in the related Transaction Documents (as hereinafter defined). The sale of the 3rd Lind Note and the terms of the offering, including the Guaranty are set forth in the securities purchase agreement, the 3rd Lind Note, the 3rd Lind Warrant, the Second Amendment to Guaranty, the Second Amendment to Security Agreement, and the Second Amendment to Guarantor Security Agreement (collectively, the "Transaction Documents").

Allele Capital Partners, LLC ("Allele") together with its executing broker dealer, Wilmington Capital Securities, LLC (together with its affiliates, "Wilmington"), served as the exclusive placement agent (the "Placement Agent") of the offering. the Company has agreed to pay certain expenses of the placement agent in connection with the offering and issued them a warrant to purchase up to 25,000 shares of common stock, on the same terms as set forth in the 3rd Lind Warrant.

The securities purchase agreement also contains customary representation and warranties of the Company and the Investors, indemnification obligations of the Company, termination provisions, and other obligations and rights of the parties.

The foregoing description of the Transaction Documents is qualified by reference to the full text of the forms of the Transaction Documents, which are filed as Exhibits hereto and incorporated herein by reference.

Financing in 2023

On November 17, 2023, the Company entered into a securities purchase agreement (the "2 nd Lind Securities Purchase Agreement") with Lind Global Fund II, LP ("Lind"), pursuant to which the Company issued Lind a secured, convertible note in the principal amount of $1,200,000 (the "2nd Lind Offering"), for a purchase price of $1,000,000 (the "2nd Lind Note"), that is convertible into shares of the Company's common stock at a conversion price, which shall be the lesser of (i) $3.50 (the "Fixed Price") and (ii) 90% of the average of the three lowest VWAPs (as defined in the 2nd Lind Note) during the 20 trading days prior to conversion, subject to adjustment. Notwithstanding the foregoing, provided that no Event of Default (as defined in the 2nd Lind Note) shall have occurred, conversions under the 2nd Lind Note shall be at the Fixed Price for the first 180 days following the closing date. Lind will also receive a 5-year, common stock purchase warrant (the "2nd Lind Warrant") to purchase up to 1,000,000 shares of the Company's common stock at an initial exercise price of $2 per share, subject to adjustment. The parties later agreed to a floor price of $1.00 for the Variable Price and that the Company would compensate Lind in cash if the variable price was less than such floor price at the time of conversion.

Upon the occurrence of any Event of Default (as defined in the 2 nd Lind Note), the Company must pay Lind an amount equal to 120% of the then outstanding principal amount of the 2nd Lind Note, in addition to any other remedies under the 2 nd Lind Note or the other Transaction Documents (as defined below).

Pursuant to the terms of the 2 nd Lind Securities Purchase Agreement, if at any time prior to a date that is 18 months following the closing of the 2 nd Lind Offering, the Company proposes to offer or sell any additional securities in a subsequent financing, the Company shall first offer Lind the opportunity to purchase up to 10% of such new securities.

In connection with the 2 nd Lind Offering, the Company and its subsidiaries: (i) BioKey, Inc., a California corporation ("BioKey"), (ii) Biolite Holding, Inc., a Nevada corporation ("BioLite"), (iii) Biolite BVI, Inc., a British Virgin Islands corporation ("BioLite BVI") and (iv) American BriVision Corporation, a Delaware corporation ("American BriVision" and, collectively with the Company, BioKey, BioLite, and BioLite BVI, the "Guarantors"), jointly and severally guaranteed all of the obligations of the Company in connection with the 2nd Lind Offering (the "Guaranty") with certain collateral, as set forth in the related Transaction Documents (as hereinafter defined).

The sale of the Note and the terms of the 2 nd Lind Offering, including the Guaranty are set forth in the 2 nd Lind Securities Purchase Agreement, the 2 nd Lind Note, the 2nd Lind Warrant, the First Amendment to Guaranty, the First Amendment to Security Agreement, and the First Amendment to Guarantor Security Agreement (collectively, the "Transaction Documents").

Allele Capital Partners, LLC ("Allele") together with its executing broker dealer, Wilmington Capital Securities, LLC (together with its affiliates, "Wilmington"), served as the exclusive placement agent (the "Placement Agent") of the 2nd Lind Offering. We have agreed to pay certain expenses of the placement agent in connection with the 2nd Lind Offering.

An amendment was filed on February 29, 2024 to disclose that due to Nasdaq requirements, the parties entered into an amendment to the Note, pursuant to which the conversion price shall have a floor price of $1.00 (the "Amendment"). Additionally, the Amendment requires the Company to make a cash payment to Lind if in connection with a conversion, the conversion price is deemed to be the floor price.

The Securities Purchase Agreement also contains customary representation and warranties of the Company and the Investors, indemnification obligations of the Company, termination provisions, and other obligations and rights of the parties.

The foregoing description of the Transaction Documents is qualified by reference to the full text of the forms of the Transaction Documents, which are filed as Exhibits hereto and incorporated herein by reference.

As of June 30, 2024, this February 2023 Lind Note was fully repaid. On February 23, 2023, the Company entered into a securities purchase agreement (the "Lind Securities Purchase Agreement") with Lind Global Fund II, LP ("Lind"), pursuant to which the Company issued Lind a secured, convertible note in the principal amount of $3,704,167 (the "Lind Offering"), for a purchase price of $3,175,000 (the "Lind Note"), that is convertible into shares of the Company's common stock at an initial conversion price of $10.5 per share, subject to adjustment (the "Note Shares"). The Company also issued Lind a common stock purchase warrant (the "Lind Warrant") to purchase up to 529,1,67 shares (post-split) of the Company's common stock at an initial exercise price of $10.5 per share, subject to adjustment (each, a "Warrant Share," together with the Note, Note Shares and Warrants, the "Lind Securities").

The Lind Note does not carry any interest. Beginning with the date that is six months from the issuance date of the Lind Note and on each one (1) month anniversary thereafter, the Company shall pay Lind an amount equal to $308,651, until the outstanding principal amount of the Lind Note has been paid in full prior to or on the Maturity Date or, if earlier, upon acceleration, conversion or redemption of the Lind Note in accordance with the terms thereof (the "Monthly Payments"). At the Company's discretion, the Monthly Payments shall be made in (i) cash, (ii) shares of the Company's common stock, or (iii) a combination of cash and Shares; if made in shares, the number of shares shall be determined by dividing (x) the principal amount being paid in shares by (y) 90% of the average of the 5 lowest daily VWAPs during the 20 trading days prior to the applicable payment date. The Lind Notes sets forth certain conditions that must be satisfied before the Company may make any Monthly Payments in shares of common stock. If the Company makes a Monthly Payment in cash, the Company must also pay Lind a cash premium of 5% of such Monthly Payment.

Upon the occurrence of any Event of Default (as defined in the Lind Note), the Company must pay Lind an amount equal to 120% of the then outstanding principal amount of the Lind Note (the "Mandatory Default Amount"), in addition to any other remedies under the Note or the other Transaction Documents. The Company and Lind entered into a letter agreement on September 12, 2023, pursuant to which the Mandatory Default Amount was reduced to 115% of the then outstanding principal amount of the Lind Note; pursuant to the letter agreement, Lind also agreed to waive any default associated with the Company's market capitalization being below $12.5 million for 10 consecutive days through February 23, 2024, but retained its right to convert its Note. In addition, if the Company is unable to increase its market capitalization and is unable to obtain a further waiver or amendment to the Lind Note, then the Company could experience an event of default under the Lind Note, which could have a material adverse effect on the Company's liquidity, financial condition, and results of operations. The Company cannot make any assurances regarding the likelihood, certainty, or exact timing of the Company's ability to increase its market capitalization, as such metric is not within the immediate control of the Company and depends on a variety of factors outside the Company's control.

The Lind Warrant may be exercised via cashless exercise.

Pursuant to the terms of the Lind Securities Purchase Agreement, if at any time prior to a date that is 18 months following the closing of the Lind Offering, the Company proposes to offer or sell any additional securities in a subsequent financing, the Company shall first offer Lind the opportunity to purchase up to 10% of such new securities.

In connection with the Lind Offering, the Company and its subsidiaries: (i) BioKey, Inc., a California corporation ("BioKey"), (ii) Biolite Holding, Inc., a Nevada corporation ("BioLite"), (iii) Biolite BVI, Inc., a British Virgin Islands corporation ("BioLite BVI") and (iv) American BriVision Corporation, a Delaware corporation ("American BriVision" and, collectively with the Company, BioKey, BioLite, and BioLite BVI, the "Guarantors"), jointly and severally guaranteed all of the obligations of the Company in connection with the Lind Offering (the "Guaranty") with certain collateral, as set forth in the related Transaction Documents (as hereinafter defined).

The sale of the Lind Note and the terms of the Lind Offering, including the Guaranty are set forth in the Lind Securities Purchase Agreement, the Note, the Warrant, a Security Agreement, Guarantor Security, Guaranty, a Trademark Security Agreement with Rgene Corporation, a Trademark Security Agreement with BioFirst, a Patent Security Agreement, a Copyright Security Agreement and a Stock Pledge Agreement (collectively, the "Transaction Documents").

Allele Capital Partners, LLC ("Allele") together with its executing broker dealer, Wilmington Capital Securities, LLC (together with its affiliates, "Wilmington"), served as the exclusive placement agent (the "Placement Agent") of the Lind Offering. As a result of the Lind Offering, the Company will pay the Placement Agent (i) a cash fee of 6% of the gross proceeds from the sale of the Securities, and (ii) common stock purchase warrants to purchase 6% of the number of shares of common stock issuable under the Lind Note. We also agreed to pay certain expenses of the placement agent in connection with the Lind Offering.

Pursuant to the Lind Securities Purchase Agreement, the Company agreed to register all of the Lind Securities and the shares of common stock underlying the warrant issued to the placement agent.

The Securities Purchase Agreement also contains customary representation and warranties of the Company and the Investors, indemnification obligations of the Company, termination provisions, and other obligations and rights of the parties.

On September 12, 2023, the Company and Lind entered into a letter agreement (the "Letter Agreement") pursuant to which Lind agreed to waive any default, any Event of Default, and any Mandatory Default Amount (each as defined in the Note) associated with the Company's market capitalization being below $12.5 million for 10 consecutive days through February 23, 2024. Notwithstanding the waiver, Lind retains its right to exercise conversion rights under 2.2(a), 2.2(c)(2)(x) and 3.1 of the Note, which could result in a substantial amount of common stock issued at a significant discount to the trading price of the Company's common stock. In addition, if the Company is unable to increase its market capitalization and is unable to obtain a further waiver or amendment to the Note, then the Company could experience an event of default under the Note, which could have a material adverse effect on the Company's liquidity, financial condition, and results of operations. The Company cannot make any assurances regarding the likelihood, certainty, or exact timing of the Company's ability to increase its market capitalization, as such metric is not within the immediate control of the Company and depends on a variety of factors outside the Company's control.

The foregoing description of the Transaction Documents is qualified by reference to the full text of the forms of the Transaction Documents, which are filed as Exhibits hereto and incorporated herein by reference.

On August 1, 2023, Lind converted $500,000 convertible notes into 142,857 shares of Common Stock, at a conversion price of $3.50 per share, as an installment repayment to the Lind Note.

On July 27, 2023, the Company entered into that certain securities purchase agreement. relating to the offer and sale of 300,000 shares of common stock, par value $0.001 per share and 200,000 pre-funded warrants, at an exercise price of $0.001 per share, in a registered direct offering. Pursuant to the Purchase Agreement, the Company agreed to sell the Shares and/or Pre-funded Warrants at a per share purchase price of $3.50, for gross proceeds

of $1,750,000, before deducting any estimated offering expenses. On August 1, 2023, the pre-funded warrants were exercised.

The transaction contemplated by the SPA was closed on July 31, 2023, as all the closing conditions have been satisfied.

The Company paid to the placement agents an aggregate cash fee equal to 6% of the aggregate sales price of the securities sold and warrants to purchase up to 30,000 shares of Common Stock, on the same terms as the Pre-Funded Warrants.

Strategy

Key elements of our business strategy include:

- Advancing to the pivotal trial phase of ABV-1701 Vitargus ® for the treatments of Retinal Detachment or Vitreous Hemorrhage, which we expect to generate revenues in the future.
- Focusing on licensing ABV-1504 for the treatment of major depressive disorder, MDD, after the successful completion of its Phase II clinical trials.
- Completing Phase II, Part 2 clinical trial for ABV-1505 for the treatment of attention deficit hyperactivity disorder, ADHD.
- Out licensing drug candidates and medical device candidates to major pharmaceutical companies for phase III and pivotal clinical trials, as applicable, and further marketing if approved by the FDA.

We plan to augment our core research and development capability and assets by conducting Phase I and II clinical trials for investigational new drugs and medical devices in the fields of CNS, Hematology/Oncology and Ophthalmology.

Our management team has extensive experiences across a wide range of new drug and medical device development, and we have in-licensed new drug and medical device candidates from large research institutes and universities in both the U.S. and Taiwan. Through an assertive product development approach, we expect that we will build a substantial portfolio of Oncology/ Hematology, CNS and Ophthalmology products. We primarily focus on Phase I and II research of new drug candidates and out license the post-Phase-II products to pharmaceutical companies; we do not expect to devote substantial efforts and resources to building the disease-specific distribution channels.

Business Objectives

The Company is operating its core business based on collaborative activities that can generate current and future revenues through research, development and/or commercialization joint venture agreements. The terms of these agreements typically include payment to the Company related to one or more of the following:

- nonrefundable upfront license fees,
- development and commercial milestones,
- partial or complete reimbursement of research and development costs and
- royalties on net sales of licensed products.

Each type of payments results in revenue except for revenue from royalties on net sales of licensed products, which are classified as royalty revenues. To date, we have not received any royalty revenues. Revenue is recognized upon satisfaction of a performance obligation by transferring control of a good or service to the joint venture partner.

As part of the accounting for these arrangements, the Company applies judgment to determine whether the performance obligations are distinct and develop assumptions in determining the stand-alone selling price for each distinct performance obligation identified in the collaboration agreements. To determine the stand-alone selling price, the Company relies on assumptions which may include forecasted revenues, development timelines, reimbursement rates for R&D personnel costs, discount rates and probabilities of technical and regulatory success.

The Company had multiple deliverables under the collaborative agreements, including deliverables relating to grants of technology licenses, regulatory and clinical development, and marketing activities. Estimation of the performance periods of the Company's deliverables requires the use of management's judgment. Significant factors considered in management's evaluation of the estimated performance periods include, but are not limited to, the Company's experience in conducting clinical development, regulatory and manufacturing activities. The Company reviews the estimated duration of its performance periods under its collaborative agreements on an annual basis, and makes any appropriate adjustments on a prospective basis. Future changes in estimates of the performance period under its collaborative agreements could impact the timing of future revenue recognition.

(i) Nonrefundable upfront payments

If a license to the Company's intellectual property is determined to be distinct from the other performance obligations identified in an arrangement, the Company recognizes revenue from the related nonrefundable upfront payments based on the relative standalone selling price prescribed to the license compared to the total selling price of the arrangement. The revenue is recognized when the license is transferred to the collaboration partners and the collaboration partners are able to use and benefit from the license. To date, the receipt of nonrefundable upfront fees was solely for the compensation of past research efforts and contributions made by the Company before the collaborative agreements were entered into and does not relate to any future obligations and commitments made between the Company and the collaboration partners in the collaborative agreements.

(ii) Milestone payments

The Company is eligible to receive milestone payments under the collaborative agreement with collaboration partners based on achievement of specified development, regulatory and commercial events. Management evaluated the nature of the events triggering these contingent payments, and concluded that these events fall into two categories: (a) events which involve the performance of the Company's obligations under the collaborative agreement with collaboration partners, and (b) events which do not involve the performance of the Company's obligations under the collaborative agreement with collaboration partners.

The former category of milestone payments consists of those triggered by development and regulatory activities in the territories specified in the collaborative agreements. Management concluded that each of these payments constitute substantive milestone payments. This conclusion was based primarily on the facts that (i) each triggering event represents a specific outcome that can be achieved only through successful performance by the

Company of one or more of its deliverables, (ii) achievement of each triggering event was subject to inherent risk and uncertainty and would result in additional payments becoming due to the Company, (iii) each of the milestone payments is nonrefundable, (iv) substantial effort is required to complete each milestone, (v) the amount of each milestone payment is reasonable in relation to the value created in achieving the milestone, (vi) a substantial amount of time is expected to pass between the upfront payment and the potential milestone payments, and (vii) the milestone payments relate solely to past performance. Based on the foregoing, the Company recognizes any revenue from these milestone payments in the period in which the underlying triggering event occurs.

(iii) Multiple Element Arrangements

The Company evaluates multiple element arrangements to determine (1) the deliverables included in the arrangement and (2) whether the individual deliverables represent separate units of accounting or whether they must be accounted for as a combined unit of accounting. This evaluation involves subjective determinations and requires management to make judgments about the individual deliverables and whether such deliverables are separate from other aspects of the contractual relationship. Deliverables are considered separate units of accounting provided that: (i) the delivered item(s) has value to the customer on a standalone basis and (ii) if the arrangement includes a general right of return relative to the delivered item(s), delivery or performance of the undelivered item(s) is considered probable and substantially within its control. In assessing whether an item under a collaboration has standalone value, the Company considers factors such as the research, manufacturing, and commercialization capabilities of the collaboration partner and the availability of the associated expertise in the general marketplace. The Company also considers whether its collaboration partners can use the other deliverable(s) for their intended purpose without the receipt of the remaining element(s), whether the value of the deliverable is dependent on the undelivered item(s), and whether there are other vendors that can provide the undelivered element(s).

The Company recognizes arrangement consideration allocated to each unit of accounting when all of the revenue recognition criteria in ASC 606 are satisfied for that particular unit of accounting. In the event that a deliverable does not represent a separate unit of accounting, the Company recognizes revenue from the combined unit of accounting over the Company's contractual or estimated performance period for the undelivered elements, which is typically the term of the Company's research and development obligations. If there is no discernible pattern of performance or objectively measurable performance measures do not exist, then the Company recognizes revenue under the arrangement on a straight-line basis over the period the Company is expected to complete its performance obligations. Conversely, if the pattern of performance in which the service is provided to the customer can be determined and objectively measurable performance measures exist, then the Company recognizes revenue under the arrangement using the proportional performance method. Revenue recognized is limited to the lesser of the cumulative amount of payments received or the cumulative amount of revenue earned, as determined using the straight-line method or proportional performance method, as applicable, as of the period ending date.

At the inception of an arrangement that includes milestone payments, the Company evaluates whether each milestone is substantive and at risk to both parties on the basis of the contingent nature of the milestone. This evaluation includes an assessment of whether: (1) the consideration is commensurate with either the Company's performance to achieve the milestone or the enhancement of the value of the delivered item(s) as a result of a specific outcome resulting from its performance to achieve the milestone, (2) the consideration relates solely to past performance and (3) the consideration is reasonable relative to all of the deliverables and payment terms within the arrangement. The Company evaluates factors such as the scientific, clinical, regulatory, commercial, and other risks that must be overcome to achieve the particular milestone and the level of effort and investment required to achieve the particular milestone in making this assessment. There is considerable judgment involved in determining whether a milestone satisfies all of the criteria required to conclude that a milestone is substantive. Milestones that are not considered substantive are recognized as earned if there are no remaining performance obligations or over the remaining period of performance, assuming all other revenue recognition criteria are met.

(iv) Royalties and Profit-Sharing Payments

Under the collaborative agreement with the collaboration partners, the Company is entitled to receive royalties on sales of products, which is at certain percentage of the net sales. The Company recognizes revenue from these events based on the revenue recognition criteria set forth in ASC 606. Based on those criteria, the Company considers these payments to be contingent revenues, and recognizes them as revenue in the period in which the applicable contingency is resolved.

Revenues Derived from Research and Development Activities Services - Revenues related to research and development and regulatory activities are recognized when the related services or activities are performed, in accordance with the contract terms. The Company typically has only one performance obligation at the inception of a contract, which is to perform research and development services. The Company may also provide its customers with an option to request that the Company provides additional goods or services in the future, such as active pharmaceutical ingredient, API, or IND/NDA/ANDA/510K submissions. The Company evaluates whether these options are material rights at the inception of the contract. If the Company determines an option is a material right, the Company will consider the option a separate performance obligation.

If the Company is entitled to reimbursement from its customers for specified research and development expenses, the Company accounts for the related services that it provides as separate performance obligations if it determines that these services represent a material right. The Company also determines whether the reimbursement of research and development expenses should be accounted for as revenues or an offset to research and development expenses in accordance with provisions of gross or net revenue presentation. The Company recognizes the corresponding revenues or records the corresponding offset to research and development expenses as it satisfies the related performance obligations.

The Company then determines the transaction price by reviewing the amount of consideration the Company is eligible to earn under the contracts, including any variable consideration. Under the outstanding contracts, consideration typically includes fixed consideration and variable consideration in the form of potential milestone payments. At the start of an agreement, the Company's transaction price usually consists of the payments made to or by the Company based on the number of full-time equivalent researchers assigned to the project and the related research and development expenses incurred. The Company does not typically include any payments that the Company may receive in the future in its initial transaction price because the payments are not probable. The Company would reassess the total transaction price at each reporting period to determine if the Company should include additional payments in the transaction price.

The Company receives payments from its customers based on billing schedules established in each contract. Upfront payments and fees may be recorded as contract liabilities upon receipt or when due, and may require deferral of revenue recognition to a future period until the Company fulfills its obligations under these arrangements. Amounts are recorded as accounts receivable when the right of the Company to consideration is unconditional. The Company does not assess whether a contract has a significant financing component if the expectation at contract inception is such that the period between payment by the customers and the transfer of the promised goods or services to the customers will be one year or less.

Examples of collaborative agreements the Company has entered into are as follows:

Collaborative agreements with BHK, a related party

(i) In February and December of 2015, BioLite, Inc. entered into a total of three joint venture agreements with BioHopeKing to jointly develop ABV-1501 for Triple Negative Breast Cancer (TNBC), ABV-1504 for MDD and ABV-1505 for ADHD. The agreements granted marketing rights to BioHopeKing for certain Asian countries in return for a series of milestone payments totaling $10 million in cash and equity of BioHopeKing or equity securities owned by BioHopeKing.

The milestone payments are determined by a schedule of BioLite development achievements as shown below:

Milestone	Payment
Execution of BHK Co-Development Agreement	$ 1,000,000
Investigational New Drug (IND) Submission	$ 1,000,000
Phase II Clinical Trial Complete	$ 1,000,000
Initiation of Phase III Clinical Trial	$ 3,000,000
New Drug Application (NDA) Submission	$ 4,000,000
Total	$ 10,000,000

(ii) In December of 2015, BHK paid the initial cash payment of $1 million upon the execution of the BHK Agreement. The Company concluded that certain deliverables are considered separate units of accounting as the delivered items have value to the customer on a standalone basis and recognized this cash payment as collaboration revenue when all research, technical, and development data was delivered to BHK in 2015. The payment included compensation for past research efforts and contributions made by BioLite Taiwan before the BHK agreement was signed and does not relate to any future commitments made by BioLite Taiwan and BHK in the BHK Agreement.

(iii) In August 2016, the Company received the second milestone payment of $1 million, and recognized collaboration revenue for the year ended December 31, 2016. The Company completed the phase II clinical trial for ABV-1504 MDD on October 31, 2019, but has not yet completed the phase II clinical trial for ABV-1505 ADHD.

(iv) In addition to the milestone payments, BioLite Inc. is entitled to receive a royalty equal to 12% of BHK's net sales related to ABV-1501, ABV-1504 and ABV-1505 Products. As of September 30, 2024, the Company has not earned royalties under the BHK Co-Development Agreement.

(v) The BHK Co-Development Agreement will remain in effect for fifteen years from the date of first commercial sale of the Product in in Asia excluding Japan.

Collaborative agreement with BioLite, Inc., our subsidiary

The Company entered into a collaborative agreement with BioLite, Inc. on December 29, 2015, and then entered into two addendums to such agreement, as amended and revised, (the "BioLite Agreement"). The majority shareholder of BioLite is one of the Company's subsidiaries, Mr. Jiang, the Company's Chairman is a director of BioLite and Dr. Jiang, the Company's Chief Strategy Officer and a director, is the Chairman of BioLite.

Pursuant to the BioLite Agreement, the Company acquired the sole licensing rights to develop and commercialize for therapeutic purposes six compounds from BioLite. In accordance with the terms of the Agreement, the Company shall pay BioLite (i) milestone payments of up to $100 million in cash and equity of the Company or equity securities owned by it at various stages on a schedule dictated by BioLite's achievements of certain milestones, as set forth in the Agreement (the "Milestone Payments") and (ii) a royalty payment equal to 5% of net sales of the drug products when ABV-1501 is approved for sale in the licensed territories. If BioLite fails to reach any of the milestones in a timely manner, it may not receive the rest of the payments from the Company.

According to the BioLite Agreement, after Phase II clinical trials are completed, 15% of the Milestone Payment becomes due and shall be paid in two stages: (i) 5% no later than December 31, 2021 (the "December 2021 Payment") and (ii) 10% no later than December 31, 2022.

On February 12, 2022, the Company's Board of Directors determined that the December 2021 Payment, which is equal to $5,000,000, shall be paid via the cancellation of certain outstanding debt, in the amount of $5,000,000, that BioLite owes the Company as of December 31, 2021.

On February 22, 2022, the parties entered into an amendment to the BioLite Agreement allowing the Company to make all payments due under the Agreement via the forgiveness of debt, in equal value, owed by BioLite to the Company.

On September 13, 2023, the BioLite received a new patent granted notice (application no. 109130285) for PDC-1421 from the Intellectual Property Office of Taiwan.

This was a related party transaction.

Co-Development agreement with Rgene Corporation, a related party

On May 26, 2017, BriVision entered into a co-development agreement (the "Co-Dev Agreement") with Rgene Corporation (the "Rgene"), a related party under common control by controlling beneficiary shareholder of YuanGene Corporation and the Company (See Note 4). Pursuant to Co-Dev Agreement, BriVision and Rgene agreed to co-develop and commercialize ABV-1507 HER2/neu Positive Breast Cancer Combination Therapy, ABV-1511 Pancreatic Cancer Combination Therapy and ABV-1527 Ovary Cancer Combination Therapy. Under the terms of the Co-Dev Agreement, Rgene is required to pay the Company $3,000,000 in cash or stock of Rgene with equivalent value by August 15, 2017. The payment is for the compensation of BriVision's past research efforts and contributions made by BriVision before the Co-Dev Agreement was signed and it does not relate to any future commitments made by BriVision and Rgene in this Co-Dev Agreement. In addition to $3,000,000, the Company is entitled to receive 50% of the future net licensing income or net sales profit earned by Rgene, if any, and any development costs shall be equally shared by both BriVision and Rgene.

On June 1, 2017, the Company has delivered all research, technical, data and development data to Rgene. Since both Rgene and the Company are related parties and under common control by a controlling beneficiary shareholder of YuanGene Corporation and the Company, the Company has

recorded the full amount of $3,000,000 in connection with the Co-Dev Agreement as additional paid-in capital during the year ended December 31, 2017. During the year ended December 31, 2017, the Company received $450,000 in cash. On December 24, 2018, the Company received the remaining balance of $2,550,000 in the form of newly issued shares of Rgene's Common Stock, at the price of NTD$50 (approximately equivalent to $1.64 per share), for an aggregate number of 1,530,000 shares, which accounted for equity method long-term investment as of December 31, 2018. On December 31, 2018, the Company determined to fully write off this investment based on the Company's assessment of the severity and duration of the impairment, and qualitative and quantitative analysis of the operating performance of the investee, adverse changes in market conditions and the regulatory or economic environment, changes in operating structure of Rgene, additional funding requirements, and Rgene's ability to remain in business. All projects that have been initiated will be managed and supported by the Company and Rgene.

The Company and Rgene signed an amendment to the Rgene Agreement on November 10, 2020, pursuant to which both parties agreed to delete AB-1507 HER2/neu Positive Breast Cancer Combination Therapy and AB-1527 Ovary Cancer Combination Therapy and add ABV-1519 EGFR Positive Non-Small Cell Lung Cancer Combination Therapy and ABV-1526 Large Intestine / Colon / Rectal Cancer Combination Therapy to the products to be co-developed and commercialized. Other provisions of the Rgene Agreement remain in full force and effect.

Clinical Development Service Agreement with Rgene Corporation, a related party

On June 10, 2022, the Company expanded its co-development partnership with Rgene. The Company's subsidiary, BioKey, entered into a Clinical Development Service Agreement with Rgene ("Service Agreement") to guide certain Rgene drug products, RGC-1501 for the treatment of Non-Small Cell Lung Cancer (NSCLC), RGC-1502 for the treatment of pancreatic cancer and RGC 1503 for the treatment of colorectal cancer patients, through completion of Phase II clinical studies under U.S. FDA IND regulatory requirements (the "Rgene Studies"). Under the terms of the Service Agreement, BioKey is eligible to receive payments totaling up to $3.0 million over a 3-year period with each payment amount to be determined by certain regulatory milestones obtained during the agreement period. The Service Agreement shall remain in effect until the expiration date of the last patent and automatically renew for 5 more years unless terminated earlier by either party with six months written notice. Either party may terminate the Service Agreement for cause by providing 30 days written notice.

Through a series of transactions over the past 5 years, the Company and Rgene have co-developed the three drug products covered by the Service Agreement, which has resulted in the Company owning 31.62% of Rgene.

As part of the Rgene Studies, the Company agreed to loan $1.0 million to Rgene, for which Rgene has provided the Company with a 5% working capital convertible loan (the "Note"). If the Note is fully converted, the Company will own an additional 6.4% of Rgene. The Company is expected to receive the outstanding loan from the related party by the 2023 Q4, either by cash or conversion of shares of Rgene. The Company may convert the Note at any time into shares of Rgene's common stock at either (i) a fixed conversion price equal to $1.00 per share or (ii) 20% discount of the stock price of the then most recent offering, whichever is lower; the conversion price is subject to adjustment as set forth in the Note. The Note includes standard events of default, as well as a cross default provision pursuant to which a breach of the Service Agreement will trigger an event of default under the Note if not cured after 5 business days of written notice regarding the breach is provided. Upon an event of default, the outstanding principal and any accrued and unpaid interest shall be immediately due and payable.

The Service Agreement shall remain in effect until the expiration date of the last patent and automatically renew for 5 more years unless terminated earlier by either party with six months written notice. Either party may terminate the Service Agreement for cause by providing 30 days written notice.

Rgene has further agreed, effective July 1, 2022, to provide the Company with a seat on Rgene's Board of Directors until the loan is repaid in full. The Company has nominated Dr. Jiang, its Chief Strategy Officer and Director to occupy that seat; Dr. Jiang is also one of the Company's largest shareholders, owning 12.8% of the Company.

The Rgene Studies is a related party transaction.

Collaborative agreement with BioFirst Corporation, a related party

On July 24, 2017, BriVision entered into a collaborative agreement (the "BioFirst Collaborative Agreement") with BioFirst Corporation ("BioFirst"), pursuant to which BioFirst granted the Company the global licensing right for medical use of the product (the "Product"): BFC-1401 Vitreous Substitute for Vitrectomy. BioFirst is a related party to the Company because a controlling beneficiary shareholder of YuanGene Corporation and the Company is one of the directors and Common Stock shareholders of BioFirst (See Note 10).

Pursuant to the BioFirst Collaborative Agreement, the Company will co-develop and commercialize the Product with BioFirst and pay BioFirst in a total amount of $3,000,000 in cash or stock of the Company before September 30, 2018. The amount of $3,000,000 is in connection with the compensation for BioFirst's past research efforts and contributions made by BioFirst before the BioFirst Collaborative Agreement was signed and it does not relate to any future commitments made by BioFirst and BriVision in this BioFirst Collaborative Agreement. In addition, the Company is entitled to receive 50% of the future net licensing income or net sales profit, if any, and any development cost shall be equally shared by both BriVision and BioFirst.

On September 25, 2017, BioFirst has delivered all research, technical, data and development data to BriVision. The Company determined to fully expense the entire amount of $3,000,000 since currently the related licensing rights do not have alternative future uses. According to ASC 730-10-25-1, absent alternative future uses the acquisition of product rights to be used in research and development activities must be charged to research and development expenses immediately. Hence, the entire amount of $3,000,000 is fully expensed as research and development expense during the year ended December 31, 2017.

On June 30, 2019, BriVision entered into a Stock Purchase Agreement (the "Purchase Agreement") with BioFirst Corporation. Pursuant to the Purchase Agreement, the Company issued 42,857 shares (post-split) of the Company's common stock to BioFirst in consideration for $3,000,000 owed by the Company to BioFirst (the "Total Payment") in connection with a certain collaborative agreement between the Company and BioFirst dated July 24, 2017 (the "Collaborative Agreement"). Pursuant to the Collaborative Agreement, BioFirst granted the Company the global licensing right to co-develop BFC-1401 or ABV-1701 Vitreous Substitute for Vitrectomy for medical purposes in consideration for the Total Payment.

On August 5, 2019, BriVision entered into a second Stock Purchase Agreement ("Purchase Agreement 2") with BioFirst Corporation. Pursuant to Purchase Agreement 2, the Company issued 41,470 shares (post-split) of the Company's common stock to BioFirst in consideration for $2,902,911 owed by the Company to BioFirst in connection with a loan provided to BriVision from BioFirst.

On November 4, 2020, the Company executed an amendment to the BioFirst Agreement with BioFirst, to add ABV-2001 Intraocular Irrigation Solution and ABV-2002 Corneal Storage Solution to the agreement. ABV-2002 is utilized during a corneal transplant procedure to replace a damaged or diseased cornea, while ABV-2001 has broader utilization during a variety of ocular procedures.

Initially, the Company will focus on ABV-2002, a solution utilized to store a donor cornea prior to either penetrating keratoplasty (full thickness cornea transplant) or endothelial keratoplasty (back layer cornea transplant). ABV-2002 is a solution comprised of a specific poly amino acid that is intended to

protect ocular tissue from damage caused by external osmolarity exposure during pre-surgery storage. The specific polymer in ABV-2002 can adjust osmolarity to maintain a range of 330 to 390 mOsM, thereby permitting hydration within the corneal stroma during the storage period. Stromal hydration typically results in (a) maintaining acceptable corneal transparency and (b) prevents donor cornea swelling. ABV-2002 also contains an abundant phenolic phytochemical found in plant cell walls that provides antioxidant antibacterial properties and neuroprotection.

Early testing by BioFirst indicates that ABV-2002 may be more effective for protecting the cornea and retina during long-term storage than other storage media available today and can be manufactured at lower cost. Further clinical development was put on hold due to the lack of funding.

In addition, BioFirst was incorporated on November 7, 2006, focusing on the R&D, manufacturing, and sales of innovative patented pharmaceutical products. The technology of BioFirst comes from the global exclusive licensing agreements BioFirst maintains with domestic R & D institutions. Currently, BioFirst's main research and development product is the vitreous substitute (Vitargus®), licensed by the National Health Research Institutes. Vitargus is the world's first bio-degradable vitreous substitute and offers a number of advantages over current vitreous substitutes by minimizing medical complications and reducing the need for additional surgeries.

Vitargus has started the construction of a GMP factory in Hsinchu Biomedical Science Park, Taiwan, with the aim at building a production base to supply the global market, and promote the construction of bio-degradable vitreous substitute manufacturing centers in Taiwan. Completion of this factory would allow ABVC to manufacture Vitargus with world-class technology in a GMP certified pharmaceutical factory. BioFirst is targeting to complete the construction in 2024.

Co-Development agreement with BioLite Japan K.K.

On October 6, 2021 (the "**Completion Date**"), the Company, Lucidaim Co., Ltd., a Japanese corporation (" **Lucidaim**," together with the Company, the "**Shareholders**"), and BioLite Japan K.K., a Japanese corporation (" **BioLite JP"**) entered into a Joint Venture Agreement (the " **Agreement**"). BioLite JP is a private limited company (a Japanese *Kabushiki Kaisha*) incorporated on December 18, 2018 and at the date of the Agreement has 10,000 ordinary shares authorized, with 3,049 ordinary shares issued and outstanding (the "**Ordinary Shares**"). Immediately prior to the execution of the Agreement, Lucidaim owned 1,501 ordinary shares and the Company owned the 1,548 ordinary shares. The Shareholders entered into the joint venture to formally reduce to writing their desire to invest in and operate BioLite JP as a joint venture. The business of the joint venture shall be the research and development of drugs, medical device and digital media, investment, fund running and consulting, distribution and marketing of supplements carried on by BioLite JP and its subsidiaries in Japan, or any other territory or businesses as may from time to time be agreed by an amendment to the Agreement. The closing of the transaction is conditioned upon the approval and receipt of all necessary government approvals, which have been received.

Pursuant to the Agreement and the related share transfer agreement, the Company shall transfer 54 of its Ordinary Shares to Lucidaim for no consideration, such that following the transfer, Lucidaim shall own 1,555 Ordinary Shares (51%) and the Company shall own 1,494 Ordinary Shares (49%). Also pursuant to the Agreement, there shall be 3 directors of BioLite JP, consisting of 1 director appointed by the Company and 2 appointed by Lucidiam. The Company shall appoint Eugene Jiang, the Company's current Chairman and Chief Business Officer and Lucidaim shall appoint Michihito Onishi; the current director of BioLite JP, Toru Seo (who is also a director of BioLite Japan's other shareholder), is considered the second Lucidaim director. The Agreement further provides that the Company and BioLite JP shall assign the research collaboration and license agreement between them to BioLite JP or prepare the same (the "**License Agreement**"). The aforementioned transactions occurred on the Completion Date.

As per the Agreement, the Shareholders shall supervise and manage the business and operations of BioLite JP. The directors shall not be entitled to any renumeration for their services as a director and each Shareholder can remove and replace the director he/she/it appointed. If a Shareholder sells or disposes of all of its Ordinary Shares, the director such Shareholder appointed must tender his/her resignation. The Agreement also sets forth certain corporate actions that must be pre-approved by all Shareholders (the "**Reserved Matters**"). If the Shareholders are unable to make a decision on any Reserved Matter, then either Shareholder can submit a deadlock notice to the other shareholder, 5 days after which they must refer the matter to each Shareholder's chairman and use good faith to resolve the dispute. If such dispute is not resolved within 10 days thereafter, then either Shareholder can offer to buy all of the other Shareholder's Ordinary Shares for cash at a specified price; if there is not affirmative acceptance of the sale, the sale shall proceed as set forth in the sale offer.

Each of the Shareholders maintains a pre-emptive right to purchase such number of additional Ordinary Shares as would allow such Shareholder to maintain its ownership percentage in BioLite JP if BioLite JP issues any new Ordinary Shares. However, the Agreement provides that the Company shall lose its pre-emptive rights under certain conditions. The Shareholders also maintain a right of first refusal if the other Shareholder receives an offer to buy such shareholder's Ordinary Shares.

The Agreement also requires BioLite JP to obtain a bank facility in the amount of JPY 30,460,000 (approximately $272,000), for its initial working capital purposes. Pursuant to the Agreement, each Shareholder agrees to guarantee such bank facility if the bank requires a guarantee. Accordingly, the Company may be liable for the bank facility in an amount up to JPY 14,925,400 (approximately $134,000), which represents 49% of the maximum bank facility. The Agreement further provides that BioLite JP shall issue annual dividends at the rate of at least 1.5% of Biolite's profits, if it has sufficient cash to do so.

Pursuant to the Agreement, the Company and BioLite JP agree to use their best efforts to execute the License Agreement by the end of December 2021. The Company agreed that any negotiation on behalf of BioLite JP regarding the terms of the License Agreement shall be handled by the directors appointed by Lucidaim. If the Company and such Lucidaim directors do not reach agreement on the terms, Biolite may at its sole discretion determine not to execute the License Agreement without any liability to the Company.

The Agreement contains non-solicitation and non-compete clauses for a period of 2 years after a Shareholder or its subsidiaries ceases to be a Shareholder, with such restrictive covenants limited to business within the ophthalmologic filed or central neurological field. Any rights to intellectual property that arise from Biolite's activities, shall belong to BioLite JP.

The Agreement contains standard indemnification terms, except that no indemnifying party shall have any liability for an individual liability unless it exceeds JPY 500,000 (approximately $4,500) and until the aggregate amount of all liabilities exceeds JPY 2,000,000 (approximately $18,000) and then only to the extent such liability exceed such limit.

The Company paid $150,000 towards the setup of the joint venture; BioLite Japan's other shareholder also paid $150,000 after the Letter of Intent was signed.

The Agreement shall continue for 10 years, unless earlier terminated. The Agreement also allows a Shareholder to terminate the agreement upon certain defaults committed by another Shareholder, as set forth in the Agreement.

This was a related party transaction.

BioKey Revenues

In addition to collaborative agreements, ABVC earns revenue through its wholly-owned BioKey subsidiary which provides a wide range of Contract Development & Manufacturing Organization ("CDMO") services including API characterization, pre-formulation studies, formulation development, analytical method development, stability studies, IND/NDA/ANDA/510K submissions, and manufacturing clinical trial materials (from Phase I through Phase III) and commercial manufacturing of pharmaceutical products.

In addition, BioKey provides a variety of regulatory services tailored to the needs of its customers, which include proofreading and regulatory review of submission documents related to formulation development, clinical trials, marketed products, generics, nutraceuticals and OTC products and training presentations. In addition to supporting ABVC's new drug development, BioKey submits INDs, NDAs, ANDAs, and DMFs to the FDA, on ABVC's behalf in compliance with new electronic submission guidelines of the FDA.

Impact of COVID-19 Outbreak

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Company operates. While the closures and limitations on movement, domestically and internationally, are expected to be temporary, if the outbreak continues on its current trajectory the duration of the supply chain disruption could reduce the availability, or result in delays, of materials or supplies to and from the Company, which in turn could materially interrupt the Company's business operations. Given the speed and frequency of the continuously evolving developments with respect to this pandemic, the Company cannot reasonably estimate the magnitude of the impact to its consolidated results of operations. We have taken every precaution possible to ensure the safety of our employees.

The COVID-19 pandemic, including variants, has adversely affected, and is expected to continue to adversely affect, elements of our CDMO business sector. The COVID-19 pandemic government imposed restrictions constrained researcher access to labs globally. These constraints limited scientific discovery capacity and we observed that demand in those labs fell well below historic levels. As constraints on social distancing were gradually lifted around the world recently, labs have been able to increase research activity. While we believe that underlying demand is still not yet at pre-COVID-19 levels since lab operations remain below their normal capacity, we are hopeful that the vaccination programs that are underway combined with policy changes planned for the summer will further increase research activity and support a return to pre-COVID-19 demand levels worldwide.

The global pandemic of COVID-19 continues to evolve rapidly, and we will continue to monitor the situation closely, including its potential effect on our plans and timelines.

Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions, including losses on inventory; impairment losses related to goodwill and other long-lived assets and current obligations.

Summary of Critical Accounting Policies

The Company has identified critical accounting policies that, as a result of judgments, uncertainties, uniqueness and complexities of the underlying accounting standards and operation involved could result in material changes to our financial position or results of operations under different conditions or using different assumptions.

The Company uses the same accounting policies in preparing quarterly and annual financial statements. Certain information and footnote disclosures normally included in the annual consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") have been condensed or omitted. These unaudited consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 13, 2024 ("2023 Form 10-K.")

Estimates and Assumptions

In preparing our consolidated financial statements, we use estimates and assumptions that affect the reported amounts and disclosures. Our estimates are often based on complex judgments, probabilities and assumptions that we believe to be reasonable, but that are inherently uncertain and unpredictable. We are also subject to other risks and uncertainties that may cause actual results to differ from estimated amounts.

Recent Accounting Pronouncements

In August 2023, the FASB issued ASU 2023-05, Business Combinations—Joint Venture Formations (Subtopic 805-60) which requires certain joint ventures to apply a new basis of accounting upon formation by recognizing and initially measuring most of their assets and liabilities at fair value. The guidance does not apply to joint ventures that may be proportionately consolidated and those that are collaborative arrangements. ASU 2023-05 is effective for joint venture with a formation date on or after January 1, 2025, early adoption is permitted. The Company is currently evaluating the impact that the standard will have on its unaudited consolidated financial statements.

Results of Operations - Three Months Ended September 30, 2024 Compared to Three Months Ended September 30, 2023.

The following table presents, for the three months indicated, our unaudited consolidated statements of operations information.

	Three Months Ended September 30,		Increase

	2024	2023	(Decrease)	%
Revenue	$ 389,276	$ 15,884	$ 373,392	2351%
Gross Profits (Loss)	$ 388,980	$ (13,730)	$ 402,710	-2933%
Operating Expenses	$ 339,033	$ 2,141,143	$ (1,802,110)	-84%
Income (Loss) from Operations	$ 49,947	$ (2,154,873)	$ 2,204,820	-102%
Interest (Expense), Net	$ (175,272)	$ (1,178,378)	$ 1,003,106	-85%
Other Expense	$ (8,592)	$ (35,828)	$ 27,236	-76%
Net Loss	$ (134,272)	$ (3,369,080)	$ 3,234,808	-96%

Revenues. We generated $389,276 and $15,884 in revenues for the three months ended September 30, 2024 and 2023, respectively. The increase in revenues was mainly due to the revenue recognized from licensing to ForSeeCon and OncoX. In addition to FDA application service revenue generated in both periods, the licensing revenues contributed the main growth in the revenue. Please refer to the above collaborative agreements for details.

Operating Expenses. Our operating expenses have decreased by $1,802,110 or 84%, to $339,033 for the three months ended September 30, 2024 from $,2141,143 for the three months ended September 30, 2023. Such a decrease in operating expenses was mainly attributable to the decrease in selling, general and administrative expenses and research and development expenses.

Interest income (expense), net. was $(175,272) for the three months ended September 30, 2024, compared to ($1,178,378) for the three months ended September 30, 2023. The decrease in net interest expense of $1,003,106, or approximately 85%, was primarily due to the decrease in interest expense due to recognition of interest expense for the converted notes for proper accounting purposes**.**

Other Expense**.** Our other expense was $8,592 for the three months ended September 30, 2024, compared to other expense of $35,828 for the three months ended September 30, 2023. The change was principally caused by the increase in loss on equity investment and offsetting by increase in gain on foreign exchanges in the three months ended September 30, 2024.

Net Loss. As a result of the above factors, our net loss was $134,272 for the three months ended September 30, 2024 compared to $3,369,080 for the three months ended September 30, 2023, representing a decrease of $3,234,808, or 96%.

Results of Operations - Nine months Ended September 30, 2024 Compared to Nine months Ended September 30, 2023.

The following table presents, for the nine months indicated, our unaudited consolidated statements of operations information.

	Nine Months Ended September 30,		Increase	
	2024	2023	(Decrease)	%
Revenue	$ 507,623	$ 150,265	$ 357,358	238%
Gross Profits (Loss)	$ 506,860	$ (12,566)	$ 519,426	-4134%
Operating Expenses	$ 4,877,944	$ 6,242,333	$ (1,364,389)	-22%
Loss from Operations	$ (4,371,084)	$ (6,254,899)	$ 1,883,815	-30%
Interest (Expense), Net	$ (1,088,797)	$ (1,242,041)	$ 153,244	-12%
Other Expense	$ (38,638)	$ (2,899)	$ (35,739)	1233%
Net Income Loss	$ (5,387,980)	$ (7,580,535)	$ 2,192,555	-29%

Revenues. We generated $507,623 and $150,265 in revenues for the nine months ended September 30, 2024 and 2023, respectively. The increase in revenues was mainly due to the revenue recognized from licensing to ForSeeCon and OncoX. In addition to FDA application service revenue generated in both periods, the licensing revenues contributed the main growth in the revenue. Please refer to the above collaborative agreements for details.

Operating Expenses. Our operating expenses have decreased by $1,364,389, or 22%, to $4,877,944 for the nine months ended September 30, 2024 from $6,242,333 for the nine months ended September 30, 2023. Such a decrease in operating expenses was mainly attributable to the decrease in stock-based compensation expenses by $2,957,736 which relates to costs in conjunction with employee compensation and non-employee share-based payments.

Interest income (expense), net. was $(1,088,797) for the nine months ended September 30, 2024, compared to $(1,242,041) for the nine months ended September 30, 2023. The decrease of $153,244, or approximately 12%, was primarily due to the decrease in interest expense due to recognition of interest expense for the converted notes for proper accounting purpose**.**

Other Expense**.** Our other expense was $38,638 for the nine months ended September 30, 2024, compared to other expense of $2,899 for the nine months ended September 30, 2023. The change was principally caused by the increase in loss on equity method investment, while being offset by the increase in foreign exchange income for the nine months ended September 30, 2024.

Net Loss. As a result of the above factors, our net loss was $5,387,980 for the nine months ended September 30, 2024 compared to $7,580,535 for the nine months ended September 30, 2023, representing an decrease of $2,192,555, or 29%.

Liquidity and Capital Resources

Working Capital

	As of September 30, 2024	As of December 31, 2023
	(Unaudited)	
Current Assets	$ 2,148,327	$ 1,656,709
Current Liabilities	$ 6,315,642	$ 5,932,490
Working Capital (Deficit)	$ (4,167,315)	$ (4,275,781)

Going Concern and Liquidity Consideration

For the nine months ended September 30, 2024, the Company reported net loss of $5,387,980. As of September 30, 2024, the Company's working capital deficit was $4,167,315. In addition, the Company had net cash outflows of $1,315,534 from operating activities for the nine months ended September 30, 2024. These conditions give rise to substantial doubt as to whether the Company will be able to continue as a going concern.

Management's plan is to continue to improve operations to generate positive cash flows by 1) ensuring our cash consideration from our licensing agreements be fully collected soon, 2) raising additional capital through private or public offerings, 3) strictly controlling cash operating expenses, and 4) reducing debts and interest expense.

Notably, the Company has generated cash inflow and reduced a substantial amount of debts during the first nine months ended September 30, 2024, from $2.2 million to $1.6 million. We also reduced our outstanding warrants from 2.5 million shares to 2 million shares in October, receiving around $210,000 in cash. If the Company is not able to generate positive operating cash flows, and raise additional capital, there is the risk that the Company may not be able to meet its short-term obligations. Management is committed to enhancing operations to generate positive cash flows to meet our operation needs.

Cash Flow from Operating Activities

During the nine months ended September 30, 2024 and 2023, the net cash used in operating activities were $1,315,534 and $3,756,385, respectively. The decrease was primarily due to the increase in licensing cash payment from ForSeeCon and OncoX, and the decrease in operating expenses. Company has been strictly controlling the operating cash outflow, such as making certain payments with shares in lieu of cash, extending vendors' payment terms, and other initiatives to save the cash burn.

Cash Flow from Investing Activities

During the nine months ended September 30, 2024 and 2023, the net cash used in investing activities were $0 and $514,359 respectively. The increases were mainly due to the increase in prepayment for long-term investments during the nine months ended September 30, 2024.

Cash Flow from Financing Activities

During the nine months ended September 30, 2024 and 2023, the net cash provided by financing activities were $1,399,313 and $3,831,540, respectively. The decrease in net cash provided by financing activities were primarily due to the proceeds from issuance of convertible notes, Lind's exercise of warrants, and common stock subscription in advance.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

As a smaller reporting company, we are not required to provide the information required by this item.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer (who also serves as acting interim Chief Financial Officer), we have evaluated the effectiveness of the design and operation of our "disclosure controls and procedures," as such term is defined in Rule 13a-15(e) or Rule 15d-15(e) promulgated under the Exchange Act as of the end of the period covered by this report. Based upon that evaluation, our Chief Executive Officer (who also serves as acting interim Chief Financial Officer) has concluded that our disclosure controls and procedures were not effective as of September 30, 2024 to provide reasonable assurance that material information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms due to the material weakness described in our Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC on March 13, 2024.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting during the nine months ended September 30, 2024.

PART II. - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

We may be subject to, from time to time, various legal proceedings relating to claims arising out of our operations in the ordinary course of our business. We are not currently a party to any legal proceedings, the adverse outcome of which, individually or in the aggregate, would have a material adverse effect on the business, financial condition, or results of operations of the Company

ITEM 1A. RISK FACTORS.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and, as such, are not required to provide the information under this item.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

During the period covered by this report, the Company has not issued unregistered securities to any person, except as described below. None of these transactions involved any underwriters, underwriting discounts or commissions, except as specified below, or any public offering, and, unless otherwise indicated below, the Registrant believes that each transaction was exempt from the registration requirements of the Securities Act by virtue of Section 4(a)(2) thereof and/or Rule 506 of Regulation D promulgated thereunder, and/or Regulation S promulgated thereunder regarding offshore offers and sales. All recipients had adequate access, though their relationships with the Registrant, to information about the Registrant.

In July 2024, the Company entered into an agreement with its landlord in California, pursuant that the Company will issue 169,992 shares of common stock for the rent payable through July 2024, in total of $127,494. and The Company will also issue variable number of shares equivalent to the August and September 2024 rent amount in total of $64,147 at the average VWAP (Volume Weighted Average Price) of last five trading days of July 2024.

These shares are restricted for six months from the issuance but no later than February 15, 2025. 169,992 shares were issued on July 25, 2024 for the rent payables through July 2024, 43,458 shares were issued on August 14, 2024 for the August 2024 rent, and 46,072 shares were issued on September for the September 2024 rent. In October, 64,147 shares were issued for October rent payable in the amount of $32,074.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS

The following exhibits are filed herewith:

Exhibit No.	Description
2.1	Share Exchange Agreement, dated February 8, 2016 (1)
3.1	Articles of Incorporation of the Company (2)
3.2	Bylaws of the Company, as amended (44)
3.3	Certificate of Amendment to Articles of Incorporation filed on March 21, 2016 (4)
3.4	Certificate of Amendment to Articles of Incorporation filed on December 21, 2016 (5)
3.5	Certificate of Amendment to Articles of Incorporation filed on March 30, 2020 (6)
3.6	Certificate of Amendment to Articles of Incorporation filed on February 17, 2021 (29)
3.7	Certificate of Amendment to Articles of Incorporation filed on July 24, 2023 (45)
3.8	Amendment to Bylaws (46)
4.1	Form of Warrant (7)
4.2	Form of Investor Warrant dated May 16, 2022 (32)
10.1	Collaboration Agreement dated December 29, 2015 (8)
10.2	Collaborative Agreement and Milestone Payment Agreement dated June 9, 2016 (9)
10.3	Employment Agreement with Kira Huang (10)
10.4	Addendum to the Collaboration Agreement dated January 12, 2017 (11)
10.5	Collaboration Agreement with BioFirst dated July 24, 2017 (12)
10.6	Co-Development Agreement with Rgene dated May 26, 2017 (13)
10.7	Lind Letter Agreement dated May 22, 2024 (52)
10.8	Lind Form of Warrant dated May 22, 2024 (52)
10.9	Reserved
10.10	Business Loan Agreement entered by and between Cathay Bank and American BriVision (Holding) Corporation (16)
10.11	Promissory Note entered by American BriVision (Holding) Corporation (17)
10.12	Form of Commercial Security Agreement (18)
10.13	Form of Exchange Agreement entered into by and between the Company and non-US person (19)
10.14	Form of Exchange Agreement entered into by and between the Company and US person (20)
10.15	Form of Securities Purchase Agreement entered into by and between the Company and U.S. investors (21)
10.16	Form of Securities Purchase Agreement entered into by and between the Company and non-U.S. investors (22)
10.17	Amended and Restated American BriVision (Holding) Corporation 2016 Equity Incentive (26)
10.18	Form of Securities Purchase Agreement (27)
10.19	Form of Convertible Promissory Note (27)
10.20	Amendment No. 1 to Promissory Note (28)
10.21	Joint Venture Agreement between the Company, Lucidiam Co., Ltd. And BioLite Japan K.K. (30)
10.22	Amendment to the Collaboration Agreement dated December 29, 2015 (34)
10.23	Clinical Development Service Agreement with Rgene (portions of the exhibit have been omitted because they (i) are not material and (ii) is the type of information that the registrant treats as private or confidential.)(31)
10.24	Promissory Note issued to Regene, dated June 16, 2022 (31)
10.25	Form of Securities Purchase Agreement dated May 12, 2022 (32)
10.26	Securities Purchase Agreement(33)
10.27	Form of Note(33)
10.28	Form of Warrant(33)
10.29	Security Agreement(33)
10.30	Guarantor Security Agreement(33)
10.31	Guaranty(33)
10.32	Trademark Security Agreement with Rgene Corporation(33)
10.33	Trademark Security Agreement with BioFirst Corporation(33)
10.34	Patent Security Agreement(33)
10.35	Copyright Security Agreement(33)
10.36	Stock Pledge Agreement(33)
10.37	The Cooperation Agreement between the Company and Zhong Hui Lian He Ji Tuan, Ltd. dated August 14, 2023 (35)
10.38	Amendment to the Cooperation Agreement (36)
10.39	Letter Agreement (37)
10.40	License Agreement between the Company and AiBtl BioPharma, Inc (47)

10.41	License Agreement between the BioLite and AiBtl BioPharma, Inc (47)

10.42	Definitive License Agreement between the Company and OncoX BioPharma, Inc. May 8, 2024 (51)
10.43	Definitive License Agreement between Rgene and OncoX BioPharma, Inc. dated May 8, 2024 (51)
10.44	Form of 2nd Lind Note (38)
10.45	Form of 2nd Lind Warrant (38)
10.46	Securities Purchase Agreement dated November 17, 2023 (38)
10.47	First Amendment To Security Agreement (38)
10.48	First Amendment To Guarantor Security Agreement (38)
10.49	First Amendment to Guaranty (38)
10.50	Securities Purchase Agreement dated January 17, 2024 (39)
10.51	Form of 3rd Placement Agent Warrant (40)
10.52	Second Amendment To Security Agreement (39)
10.53	Second Amendment To Guarantor Security Agreement (39)
10.54	Second Amendment to Guaranty (39)
10.55	Form of 3rd Lind Note (39)
10.56	Form of 3rd Lind Warrant (39)
10.57	Amendment No. 1 to 2nd Lind Note (41)
10.58	Amendment No. 2 to 2nd Lind Note (42)
10.59	Amendment No. 1 to 3rd Lind Note (43)
10.60	Definitive License Agreement between the Company and OncoX BioPharma, Inc. (48)
10.61	Definitive License Agreement between Rgene and OncoX BioPharma, Inc. (48)
10.62	Definitive License Agreement between the Company and ForSeeCon Eye Corporation (49)
10.63	Definitive License Agreement between BioFirst Corporationand ForSeeCon Eye Corporation (49)
10.64	Form of Amendment (50)
10.65	Definitive License Agreement between the Company and OncoX BioPharma, Inc. May 23, 2024 (53)
10.66	Definitive License Agreement between Biolite, Inc. and OncoX BioPharma, Inc. dated May 23, 2024 (53)
10.67	Amendment to the Definitive License Agreement between the Company and ForSeeCon Eye Corporation (54)
10.68	Amendment to the Definitive License Agreement between BioFirst Corporation and ForSeeCon Eye Corporation (54)
10.69	Amendment to the License Agreement between the Company and AiBtl BioPharma Inc. (55)
10.70	Amendment to the License Agreement between BioLite, Inc. and AiBtl BioPharma Inc. (55)
31.1	Certifications pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.+
31.2	Certifications pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.+
32.1	Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*+
32.2	Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*+
101.INS	Inline XBRL Instance Document.+
101.SCH	Inline XBRL Taxonomy Extension Schema Document.+
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.+
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.+
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.+
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.+
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* In accordance with SEC Release 33-8238, Exhibits 32.1 and 32.2 are being furnished and not filed.

\+ Filed herewith

(1) Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on February 16, 2016.

(2) Incorporated by reference to Exhibit 3.01 to the Company's Form SB-2 filed on June 28, 2002

(3) Incorporated by reference to Exhibit 3.02 to the Company's Form SB-2, filed on June 28, 2002

(4) Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on March 28, 2016.

(5) Incorporated by reference to Exhibit 3.4 to the Company's Form S-1, filed on September 13, 2016.

(6) Incorporated by reference to Exhibit 3.1 to the Company's Form 8-K, filed on April 7, 2020

(7) Incorporated by reference to Exhibit 4.1 the Company's Current Report on Form 8-K, filed on April 24, 2020

(8) Incorporated by reference to Exhibit 10.2 the Company's Current Report on Form 8-K, filed on February 16, 2016.

(9) Incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K, filed on June 9, 2016.

(10) Incorporated by reference to Exhibit 10.3 to the Company's Annual Report on Form 10-K, filed on January 12, 2017.

(11) Incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K, filed on February 22, 2017.

(12) Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on July 24, 2017.

(13) Incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K, filed on May 30, 2017.

(14) Reserved.

(15) Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed on September 20, 2017.

(16) Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on February 1, 2019.

(17) Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed on February 1, 2019.

(18) Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed on February 1, 2019.

(19) Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed on April 24, 2020.

(20) Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed April 14, 2020.

(21) Incorporated by reference to Exhibit 10.15 to the Company's Annual Report on Form 10-K, filed May 15, 2020.

(22) Incorporated by reference to Exhibit 10.16 to the Company's Annual Report on Form 10-K, filed May 15, 2020

(23) Incorporated by reference to Exhibit 14.1 to the Company's Amendment No.1 to Form S-1, filed on November 14, 2016.

(24) Incorporated by reference to 21.1 to the Company's Form S-1, filed on September 13, 2016.

(25) Incorporated by reference to Exhibit 10.9 to the Company's Annual Report on Form 10-K, filed May 15, 2020.

(26) Incorporated by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K, filed March 16, 2021.

(27) Incorporated by reference to the Current Report on Form 8-K filed on November 5, 2020.

(28) Incorporated by reference to the Current Report on Form 8-K filed on June 8, 2021.

(29) Incorporated by reference to the Quarterly Report on Form 10-Q filed on May 10, 2021.

(30) Incorporated by reference to the Current Report on Form 8-K filed on October 8, 2021.

(31) Incorporated by reference to the Current Report on Form 8-K filed on June 21, 2022.

(32) Incorporated by reference to the Current Report on Form 8-K filed on May 12, 2022.

(33) Incorporated by reference to the Company's Current Report on Form 8-K, filed on February 24, 2023.

(34) Incorporated by reference to the Company's Current Report on Form 8-K, filed on February 22, 2022.

(35) Incorporated by reference to the Company's Current Report on Form 8-K, filed on August 17, 2023.

(36) Incorporated by reference to the Company's Current Report on Form 8-K, filed on September 6, 2023.

(37) Incorporated by reference to the Company's Current Report on Form 8-K, filed on September 13, 2023.

(38) Incorporated by reference to the Company's Current Report on Form 8-K, filed on November 20, 2023.

(39) Incorporated by reference to the Company's Current Report on Form 8-K, filed on January 17, 2024.

(40) Incorporated by reference to the Amendment No.1 to Form S-1, filed on February 9, 2024.

(41) Incorporated by reference to the Company's Current Report on Form 8-K/A, filed on January 17, 2024.

(42) Incorporated by reference to the Company's Current Report on Form 8-K/A, filed on February 29, 2024.

(43) Incorporated by reference to the Company's Current Report on Form 8-K/A, filed on February 29, 2024.

(44) Incorporated by reference to the Company's Annual Report on Form 10-K/A, filed on June 6, 2022

(45) Incorporated by reference to the Company's Current Report on Form 8-K, filed on July 24, 2023.

(46) Incorporated by reference to the Company's Current Report on Form 8-K, filed on March 14, 2024

(47) Incorporated by reference to the Company's Quarterly Report on Form 10-Q, filed on November 15, 2023

(48) Incorporated by reference to the Company's Current Report on Form 8-K, filed on April 17, 2024

(49) Incorporated by reference to the Company's Current Report on Form 8-K, filed on March 26, 2024

(50) Incorporated by reference to the Company's Current Report on Form 8-K, filed on February 29, 2024

(51) Incorporated by reference to the Company's Current Report on Form 8-K, filed on May 9, 2024

(52) Incorporated by reference to the Company's Current Report on Form 8-K, filed on May 23, 2024

(53) Incorporated by reference to the Company's Current Report on Form 8-K, filed on May 24, 2024

(54) Incorporated by reference to the Company's Current Report on Form 8-K, filed on June 24, 2024

(55) Incorporated by reference to the Company's Current Report on Form 8-K, filed on June 25, 2024

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ABVC BioPharma, Inc.

Dated: November 14, 2024

By: /s/ Uttam Patil
Uttam Patil
Chief Executive Officer
(Principal Executive Officer)

ABVC BioPharma, Inc.

Dated: November 14, 2024

By: /s/ Uttam Patil
Uttam Patil
Interim Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.1

CERTIFICATION

I, Uttam Patil, certify that:

1. I have reviewed this report on Form 10-Q for the quarter ended September 30, 2024, of ABVC BioPharma, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2024

/s/ Uttam Patil

Uttam Patil
Chief Executive Officer (Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Uttam Patil, certify that:

1. I have reviewed this report on Form 10-Q for the quarter ended September 30, 2024, of ABVC BioPharma, Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2024

/s/ Uttam Patil

Uttam Patil
Interim Chief Financial Officer (Principal Financial Officer
and Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned hereby certifies, in his capacity as an officer of ABVC BioPharma, Inc. (the "Company"), for the purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

(1) The Quarterly Report of the Company on Form 10-Q for the quarter ended September 30, 2024, (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 14, 2024

/s/ Uttam Patil
Uttam Patil
Chief Executive Officer (Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of a separate disclosure document.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned hereby certifies, in his capacity as an officer of ABVC BioPharma, Inc. (the "Company"), for the purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

(1) The Quarterly Report of the Company on Form 10-Q for the quarter ended September 30, 2024, (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 14, 2024

/s/ Uttam Patil
Uttam Patil
Interim Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of a separate disclosure document.