

JHL BIOTECH, INC. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in US dollars/NT thousand dollars)

Assets	2015/12/31		2014/12/31	
	USD	NTD (in thousand)	USD	NTD (in thousand)
Current assets				
1100 Cash and cash equivalents	\$ 47,918,187	\$ 1,572,915	\$ 25,172,070	\$ 796,696
1147 Debts investment without active market	10,000,000	328,250	-	-
1170 Accounts receivable, net	754,304	24,760	220,354	6,974
1200 Other receivables	102,035	3,349	159,682	5,054
1410 Prepayments	5,662,571	185,874	999,399	31,631
11XX Current Assets	64,437,097	2,115,148	26,551,505	840,355
Non-current assets				
1600 Property, plant and equipment	41,085,419	1,348,629	13,775,898	436,007
1780 Intangible assets	886,244	29,091	1,967,872	62,283
1915 Prepayments for business facilities	190,125	6,241	13,475,268	426,493
1920 Guarantee deposits paid	122,157	4,009	105,156	3,328
1980 Other non-current financial assets	12,893,343	423,224	13,121,933	415,309
1990 Other non-current assets, others	-	-	13,710	434
15XX Non-current assets	55,177,288	1,811,194	42,459,837	1,343,854
1XXX Total assets	\$ 119,614,385	\$ 3,926,342	\$ 69,011,342	\$ 2,184,209
Liabilities and Equity				
Current liabilities				
2100 Short-Term Borrowings	\$ 1,539,978	\$ 50,550	\$ -	\$ -
2120 Financial liabilities at fair value through profit or loss - current	-	-	2,059,370	65,179
2200 Other payables	4,139,611	135,882	4,362,029	138,058
2300 Other current liabilities	595,954	19,562	178,914	5,663
21XX Current Liabilities	6,275,543	205,994	6,600,313	208,900
Non-current liabilities				
2500 Financial liabilities at fair value through profit or loss - noncurrent	-	-	78,647,161	2,489,182
2540 Long-term debt payable	7,290,000	239,294	-	-
2645 Guarantee deposits received	-	-	-	-
2670 Other non-current liabilities, others	2,525,564	82,902	1,847,195	58,464
25XX Non-current liabilities	9,815,564	322,196	80,494,356	2,547,646
2XXX Total Liabilities	16,091,107	528,190	87,094,669	2,756,546
Equity				
Share capital				
3110 Share capital - common stock	60,756,942	1,895,858	702	21
Capital surplus				
3200 Capital surplus	60,589,323	1,912,284	3,959,897	118,688
Retained earnings				
3350 Total unappropriated retained earnings (accumulated deficit)	(18,285,443)	(580,379)	(24,891,024)	(749,262)
Other equity interest				
3400 Other equity interest	(3,762,406)	31,708	(1,805,130)	(89,027)
3XXX Equity attributable to owners of the parent	99,298,416	3,259,471	(22,735,555)	(719,580)
36XX Non-controlling interest	4,224,862	138,681	4,652,228	147,243
Total equity	103,523,278	3,398,152	(18,083,327)	(572,337)
Total liabilities and equity	\$ 119,614,385	\$ 3,926,342	\$ 69,011,342	\$ 2,184,209

JHL BIOTECH, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Expressed in US dollars/NT thousand dollars)

Items	2015/1/1~2015/12/31		2014/1/1~2014/12/31	
	USD	NTD (in thousand)	USD	NTD (in thousand)
4000 Sales revenue	\$ 937,396	\$ 29,753	\$ 376,963	\$ 11,424
5000 Operating costs	(764,055)	(24,251)	(140,215)	(4,249)
5900 Net operating margin	173,341	5,502	236,748	7,175
Operating expenses				
6100 Selling expenses	(165,138)	(5,241)		
6200 General & administrative expenses	(5,262,623)	(167,036)	(5,028,706)	(152,400)
6300 Research and development expenses	(15,051,463)	(477,733)	(8,916,557)	(270,225)
6000 Total operating expenses	(20,479,224)	(650,010)	(13,945,263)	(422,625)
6900 Operating loss	(20,305,883)	(644,508)	(13,708,515)	(415,450)
Non-operating income and expenses				
7010 Other income	1,128,768	35,827	138,487	4,197
7020 Other gains and losses	662,750	21,036	(3,663,009)	(111,011)
7000 Total non-operating revenue and expenses	1,791,518	56,863	(3,524,522)	(106,814)
8200 Loss for the year	(\$ 18,514,365)	(\$ 587,645)	(\$ 17,233,037)	(\$ 522,264)
Other comprehensive income				
8310 Financial statements translation differences of foreign operations	(\$ 2,155,813)	\$ 119,437	(\$ 1,967,728)	(\$ 84,367)
8500 Total comprehensive income for the year	(20,670,178)	(468,208)	(19,200,765)	(606,631)
Profit (loss), attributable to:				
8610 Owners of the parent	(\$ 18,285,443)	(\$ 580,379)	(\$ 17,139,690)	(\$ 519,435)
8620 Non-controlling interest	(228,922)	(7,266)	(93,347)	(2,829)
	(\$ 18,514,365)	(\$ 587,645)	(\$ 17,233,037)	(\$ 522,264)
Comprehensive income attributable to:				
8710 Owners of the parent	(\$ 20,242,812)	(\$ 459,646)	(\$ 18,984,859)	(\$ 608,779)
8720 Non-controlling interest	(427,366)	(8,562)	(215,906)	2,148
	(\$ 20,670,178)	(\$ 468,208)	(\$ 19,200,765)	(\$ 606,631)

JHL BIOTECH, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in US dollars/NT thousand dollars)

	2015/1/1~2015/12/31		2014/1/1~2014/12/31	
	USD	NTD (in thousand)	USD	NTD (in thousand)
CASH FLOWS FROM OPERATING ACTIVITIES				
Consolidated loss before tax for the year	(\$ 18,514,365)	(\$ 587,645)	(\$ 17,233,037)	(\$ 522,264)
Adjustments to reconcile net income to net cash (used in) provided by operating activities				
Income and expenses having no effect on cash flows				
Depreciation expense	2,386,526	75,748	1,006,000	30,488
Amortization	627,512	19,918	131,813	3,995
Expense from transfer of property, plant, equipment and prepayment	7,624	242	0	0
Gain(loss) on valuation of financial liability	(743,478)	(23,598)	4,172,448	126,450
Amortization of employee stock options	2,547,476	79,899	1,971,915	59,760
Amortization of restricted stocks	105	3	179	5
Interest income	(634,184)	(20,129)	(138,100)	(4,185)
Changes in assets/liabilities relating to operating activities				
Net changes in assets relating to operating activities				
Accounts receivable	(533,950)	(17,786)	(220,354)	(6,974)
Other receivables	57,647	1,904	910,137	26,832
Prepayments	(4,663,172)	(154,243)	(903,560)	(28,775)
Other assets – other	13,710	434	(7,710)	(287)
Net changes in liabilities relating to operating activities				
Other payables	1,852,647	58,803	1,074,366	36,405
Other current liabilities	417,040	13,899	178,914	5,663
Other non-current liabilities, others	678,369	24,438	195,471	9,235
Cash used in operations	(16,500,494)	(528,113)	(8,860,034)	(263,607)
Interest revenue	627,914	19,930	138,100	4,185
Net cash used in operating activities	(15,872,580)	(508,183)	(8,721,934)	(259,422)
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase of Debts investment without active market	(10,000,000)	(328,250)		
Acquisition of fixed assets	(17,816,573)	(584,829)	(19,735,521)	(624,631)
Increase of intangible assets	(993,176)	(32,601)	(340,052)	(10,763)
Guarantee deposits paid	(17,001)	(681)	979	(165)
Other non-current financial assets	228,590	(7,915)	(11,470,209)	(366,079)
Net cash used in investing activities	(28,598,160)	(954,276)	(31,544,803)	(1,001,638)
CASH FLOWS FROM FINANCING ACTIVITIES				
Short-Term Borrowings	1,539,978	50,550		
Long-term debt payable	7,290,000	239,294		
Issuance of preferred stocks	13,698,551	434,792	35,150,000	1,054,500
Guarantee deposit (paid)received	0	0	(8,739)	(260)
Issuance of common stock for cash	44,804,537	1,422,096		
Employee stock options exercise	257,435	8,171	0	-
Net cash provided by financing activities	67,590,501	2,154,903	35,141,261	1,054,240
Changes in translation differences	(373,644)	83,775	(1,530,665)	54,875
Increase in cash and cash equivalents	22,746,117	776,219	(6,656,141)	(151,945)
Cash and cash equivalents at beginning of year	25,172,070	796,696	31,828,211	948,641
Cash and cash equivalents at end of year	47,918,187	1,572,915	25,172,070	796,696