

4726 Mycenax Biotech Inc.
2019Q3 Individual Financial Report

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Unit: NT\$ thousands

Balance Sheet				
Code	Accounting Title	2019/9/30	2018/12/31	2018/9/30
	Assets			
	Current assets			
1100	Cash and cash equivalents	275,017	215,745	307,930
1101	Cash on hand	111	176	175
1103	Cash in banks	243,866	184,854	151,050
1107	Cash equivalents	31,040	30,715	156,705
1136	Current financial assets at amortised cost	107,500	88,599	87,143
1137	Current financial assets at amortised cost	107,500	88,599	87,143
1140	Current contract assets	0	0	0
1141	Current contract assets	0	0	0
1170	Accounts receivable, net	24,513	50,535	26,781
1172	Accounts receivable	24,513	50,535	26,781
1180	Accounts receivable due from related parties, net	15,358	293	3,088
1181	Accounts receivable due from related parties	15,358	293	3,088
1200	Other receivables	15,421	9,771	115
1206	Other non-operating receivables, others	15,421	9,771	115
1209	Allowance for uncollectible accounts, other non-operating receivables	(0)	(0)	(0)
130X	Current inventories	70,194	60,417	73,495
1310	Inventories, manufacturing business	70,194	60,417	73,495
1311	Current finished goods	1,062	165	173
1314	Current work in progress	123	0	4,252
1315	Current raw materials	82,166	71,276	75,935
1319	Allowance for inventory valuation losses	(13,157)	(11,024)	(6,865)
1410	Prepayments	29,571	22,671	20,531
1470	Other current assets	17,985	17,512	11,093
1476	Other current financial assets	0	10,000	10,000
1479	Other current assets, others	3,104	2,011	1,093
1482	Current assets recognised from costs to fulfil contracts with customers	14,881	5,501	0
11XX	Total current assets	555,559	465,543	530,176
	Non-current assets			
1517	Non-current financial assets at fair value through other comprehensive income	145,409	137,581	147,364
1600	Property, plant and equipment	541,049	424,892	397,707
1615	Machinery and equipment, net	247,041	243,350	252,818
1616	Machinery and equipment, cost	530,349	471,178	466,649
1618	Accumulated depreciation, machinery and equipment	(283,308)	(227,828)	(213,831)
1690	Office equipment, net	9,915	9,759	9,178
1691	Office equipment, cost	20,769	17,266	15,955
1693	Accumulated depreciation, office equipment	(10,854)	(7,507)	(6,777)
1730	Leasehold improvements, net	124,254	130,341	135,711
1731	Leasehold improvements, cost	238,892	221,584	220,638
1733	Accumulated depreciation, leasehold improvements	(114,638)	(91,243)	(84,927)
1740	Unfinished construction and equipment under acceptance	159,839	41,442	0
1755	Right-of-use assets	51,839	0	0

175A	Right-of-use assets, land, net	16,930	0	0
175C	Right-of-use assets, buildings and structures, net	34,427	0	0
175E	Right-of-use assets, transportation equipment, net	482	0	0
1780	Intangible assets	78,920	12,993	13,638
1801	Computer software, net	12,179	12,993	13,638
1805	Goodwill	23,919	0	0
1811	Acquired special technology, net	31,538	0	0
1812	Acquired special technology	31,538	0	0
1821	Other intangible assets, net	11,284	0	0
1822	Other intangible assets	11,284	0	0
1840	Deferred tax assets	78,114	69,438	65,843
1900	Other non-current assets	12,298	8,268	18,728
1915	Prepayments for business facilities	8,108	5,101	736
1920	Guarantee deposits paid	4,190	2,983	2,808
1990	Other non-current assets, others	0	184	15,184
15XX	Total non-current assets	907,629	653,172	643,280
1XXX	Total assets	1,463,188	1,118,715	1,173,456
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2130	Current contract liabilities	84,749	44,199	17,124
2170	Accounts payable	52,059	39,887	35,428
2171	Accounts payable	52,059	39,887	35,428
2200	Other payables	90,202	95,610	71,400
2201	Wages and salaries payable	25,116	30,664	23,255
2204	Estimated expense payable	10,148	8,638	7,801
2213	Payable on machinery and equipment	16,007	9,906	8,469
2219	Other payables, others	38,931	46,402	31,875
2220	Other payables to related parties	13,236	19	0
2280	Current lease liabilities	13,819	0	0
2300	Other current liabilities	827	336	1,393
2399	Other current liabilities, others	827	336	1,393
21XX	Total current liabilities	254,892	180,051	125,345
	Non-current liabilities			
2570	Deferred tax liabilities	2,901	1,765	0
2580	Non-current lease liabilities	36,973	0	0
2600	Other non-current liabilities	30,359	29,884	41,111
2610	Long-term notes and accounts payable	29,093	28,559	37,620
2612	Long-term accounts payable	29,093	28,559	37,620
2640	Net defined benefit liability, non-current	1,266	1,325	3,491
25XX	Total non-current liabilities	70,233	31,649	41,111
2XXX	Total liabilities	325,125	211,700	166,456
	Equity			
	Share capital			
3110	Ordinary share	1,279,545	1,099,545	1,099,545
3100	Total capital stock	1,279,545	1,099,545	1,099,545
	Capital surplus			

3210	Capital surplus, additional paid-in capital	221,400	261,501	261,501
3211	Capital surplus, additional paid-in capital arising from ordinary share	221,400	261,501	261,501
3271	Capital surplus, employee share options	39,508	39,285	38,404
3200	Total capital surplus	260,908	300,786	299,905
	Retained earnings			
3350	Unappropriated retained earnings (accumulated deficit)	(433,698)	(519,697)	(428,614)
3351	Accumulated profit and loss	(433,698)	(519,697)	(428,614)
3300	Total retained earnings	(433,698)	(519,697)	(428,614)
	Other equity interest			
3420	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	31,308	26,381	36,164
3400	Total other equity interest	31,308	26,381	36,164
3500	Treasury shares	(0)	(0)	(0)
3XXX	Total equity	1,138,063	907,015	1,007,000
3X2X	Total liabilities and equity	1,463,188	1,118,715	1,173,456
3998	Equivalent issue shares of advance receipts for ordinary share	0	0	0
3999	Number of shares in entity held by entity and by its subsidiaries	0	0	0

Unit: NT\$ thousands EPS Unit: NT\$

Statement of Comprehensive Income					
Code	Accounting Title	2019/7/1To9/30	2018/7/1To9/30	2019/1/1To9/30	2018/1/1To9/30
	Operating revenue				
4000	Total operating revenue	78,060	59,166	259,370	125,053
	Operating costs				
5000	Total operating costs	67,399	50,139	175,910	134,677
5900	Gross profit (loss) from operations	10,661	9,027	83,460	(9,624)
5950	Gross profit (loss) from operations	10,661	9,027	83,460	(9,624)
	Operating expenses				
6100	Selling expenses	5,527	7,311	23,689	13,148
6200	Administrative expenses	13,074	12,062	31,244	30,584
6300	Research and development expenses	86,816	51,208	217,107	156,492
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	1,619	920	1,972	1,551
6000	Total operating expenses	107,036	71,501	274,012	201,775
6900	Net operating income (loss)	(96,375)	(62,474)	(190,552)	(211,399)
	Non-operating income and expenses				
	Other income				
7100	Interest income	1,278	1,031	2,998	3,812
7190	Other income, others	1,786	2,648	5,327	9,161
7010	Total other income	3,064	3,679	8,325	12,973
	Other gains and losses				
7230	Foreign exchange gains	0	482	1,088	8,026
7590	Miscellaneous disbursements	2,821	0	2,821	103
7630	Foreign exchange losses	1,072	0	0	0
7020	Other gains and losses, net	(3,893)	482	(1,733)	7,923
	Finance costs				
7050	Finance costs, net	491	74	1,491	222
7000	Total non-operating income and expenses	(1,320)	4,087	5,101	20,674
7900	Profit (loss) from continuing operations before tax	(97,695)	(58,387)	(185,451)	(190,725)
	Tax expense (income)				

7951	Current tax expense (income)	(4,647)	(2,587)	(9,949)	(9,101)
7950	Total tax expense (income)	(4,647)	(2,587)	(9,949)	(9,101)
8000	Profit (loss) from continuing operations	(93,048)	(55,800)	(175,502)	(181,624)
8200	Profit (loss)	(93,048)	(55,800)	(175,502)	(181,624)
	Other comprehensive income				
	Components of other comprehensive income that will not be reclassified to profit or loss				
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(23,944)	12,943	7,828	7,374
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(4,077)	0	2,901	(46)
8310	Components of other comprehensive income that will not be reclassified to profit or loss	(19,867)	12,943	4,927	7,420
8300	Other comprehensive income, net	(19,867)	12,943	4,927	7,420
8500	Total comprehensive income	(112,915)	(42,857)	(170,575)	(174,204)
	Basic earnings per share				
9750	Total basic earnings per share	(0.73)	(0.51)	(1.40)	(1.65)

Unit: NT\$ thousands

Statements of Cash Flows				
Code	Accounting Title	2019/1/1To9/30	2018/1/1To9/30	
	Cash flows from (used in) operating activities, indirect method			
A00010	Profit (loss) from continuing operations before tax	(185,451)	(190,725)	
A10000	Profit (loss) before tax	(185,451)	(190,725)	
	Adjustments			
	Adjustments to reconcile profit (loss)			
A20100	Depreciation expense	81,450	56,833	
A20200	Amortization expense	10,206	1,429	
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	1,972	1,551	
A20900	Interest expense	1,491	222	
A21200	Interest income	(2,998)	(3,812)	
A21900	Share-based payments	223	8,548	
A22500	Loss (gain) on disposal of property, plan and equipment	1,225	8	
A23700	Impairment loss on non-financial assets	2,133	2,172	
A29900	Other adjustments to reconcile profit (loss)	0	0	
A20010	Total adjustments to reconcile profit (loss)	95,702	66,951	
	Changes in operating assets and liabilities			
	Changes in operating assets			
A31125	Decrease (increase) in contract assets	9,829	0	
A31150	Decrease (increase) in accounts receivable	27,602	38,972	
A31160	Decrease (increase) in accounts receivable due from related parties	(15,065)	(1,555)	
A31180	Decrease (increase) in other receivable	6,990	936	
A31200	Decrease (increase) in inventories	(11,910)	(29,461)	
A31230	Decrease (increase) in prepayments	(6,735)	(8,945)	
A31240	Decrease (increase) in other current assets	(714)	376	
A31280	Decrease (increase) in assets recognised from costs to fulfil contracts with customers	(9,380)	0	
A31000	Total changes in operating assets	617	323	
	Changes in operating liabilities			
A32125	Increase (decrease) in contract liabilities	36,232	15,241	
A32150	Increase (decrease) in accounts payable	12,172	25,861	

A32180	Increase (decrease) in other payable	(13,955)	(43,979)
A32190	Increase (decrease) in other payable to related parties	117	(321)
A32230	Increase (decrease) in other current liabilities	491	335
A32240	Increase (decrease) in net defined benefit liability	(59)	(42)
A32000	Total changes in operating liabilities	34,998	(2,905)
A30000	Total changes in operating assets and liabilities	35,615	(2,582)
A20000	Total adjustments	131,317	64,369
A33000	Cash inflow (outflow) generated from operations	(54,134)	(126,356)
A33300	Interest paid	(1,913)	0
A33500	Income taxes refund (paid)	(415)	1,576
AAAA	Net cash flows from (used in) operating activities	(56,462)	(124,780)
	Cash flows from (used in) investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	0	(24,200)
B00040	Acquisition of financial assets at amortised cost	0	(109,000)
B00050	Proceeds from disposal of financial assets at amortised cost	(18,901)	305,443
B02700	Acquisition of property, plant and equipment	(128,178)	(14,613)
B02800	Proceeds from disposal of property, plant and equipment	0	124
B03700	Increase in refundable deposits	(274)	(12)
B04500	Acquisition of intangible assets	(897)	(2,330)
B06600	Decrease in other financial assets	10,000	(892)
B07100	Increase in prepayments for business facilities	(19,955)	(52,710)
B07300	Increase in other prepayments	0	(15,184)
B07500	Interest received	2,984	4,023
B09900	Other investing activities	(117,900)	0
BBBB	Net cash flows from (used in) investing activities	(273,121)	90,649
	Cash flows from (used in) financing activities		
C04020	Payments of lease liabilities	(12,545)	0
C04600	Proceeds from issuing shares	401,400	0
CCCC	Net cash flows from (used in) financing activities	388,855	0
DDDD	Effect of exchange rate changes on cash and cash equivalents	0	0
EEEE	Net increase (decrease) in cash and cash equivalents	59,272	(34,131)
E00100	Cash and cash equivalents at beginning of period	215,745	342,061
E00200	Cash and cash equivalents at end of period	275,017	307,930
E00210	Cash and cash equivalents reported in the statement of financial position	275,017	307,930
E00240	Other items qualifying for cash and cash equivalents under the definition of IAS 7	0	0

Unit: NT\$ thousands

Statements of Change in Equity		3110	3100	3200	3350	3300	3420	3400	3XXX
		Ordinary share	Total share capital	Capital surplus	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Total equity
A1	Equity at beginning of period	1,099,545	1,099,545	300,786	(519,697)	(519,697)	26,381	26,381	907,015
C11	Capital surplus used to offset accumulated deficits			(261,501)	261,501	261,501			0

D1	Profit (loss)				(175,502)	(175,502)			(175,502)
D3	Other comprehensive income				0	0	4,927	4,927	4,927
D5	Total comprehensive income				(175,502)	(175,502)	4,927	4,927	(170,575)
E1	Issue of shares	180,000	180,000	221,400	0	0			401,400
N1	Share-based payments	0	0	223			0	0	223
Y1	Total increase (decrease) in equity	180,000	180,000	(39,878)	85,999	85,999	4,927	4,927	231,048
Z1	Equity at end of period	1,279,545	1,279,545	260,908	(433,698)	(433,698)	31,308	31,308	1,138,063

Unit: NT\$ thousands

Last year's Statements of Change in Equity											
	3110	3140	3100	3200	3350	3300	3420	3400	3500	3XXX	
	Ordinary share	Advance receipts for share capital	Total share capital	Capital surplus	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity	
A1	Equity at beginning of period	1,121,180	604	1,121,784	299,162	(189,469)	(189,469)	0	0	(87,611)	1,143,866
A3	Effects of retrospective application and retrospective restatement							28,790	28,790	0	28,790
A5	Equity at beginning of period after adjustments	1,121,180	604	1,121,784	299,162	(189,469)	(189,469)	28,790	28,790	(87,611)	1,172,656
D1	Profit (loss)	0	0	0	0	(181,624)	(181,624)	0	0		(181,624)
D3	Other comprehensive income	0	0	0	0	46	46	7,374	7,374		7,420
D5	Total comprehensive income	0	0	0	0	(181,578)	(181,578)	7,374	7,374		(174,204)
L3	Retirement of treasury share	(22,000)		(22,000)	(8,044)	(57,567)	(57,567)			87,611	0
N1	Share-based payments	365	(604)	(239)	8,787	0	0	0	0	0	8,548
Y1	Total increase (decrease) in equity	(21,635)	(604)	(22,239)	743	(239,145)	(239,145)	7,374	7,374	87,611	(165,656)
Z1	Equity at end of period	1,099,545	0	1,099,545	299,905	(428,614)	(428,614)	36,164	36,164	0	1,007,000