



New Productive Forces to Drive
Future Industry Development

QuantumPharm Inc.

1H2024 Investor
Presentation

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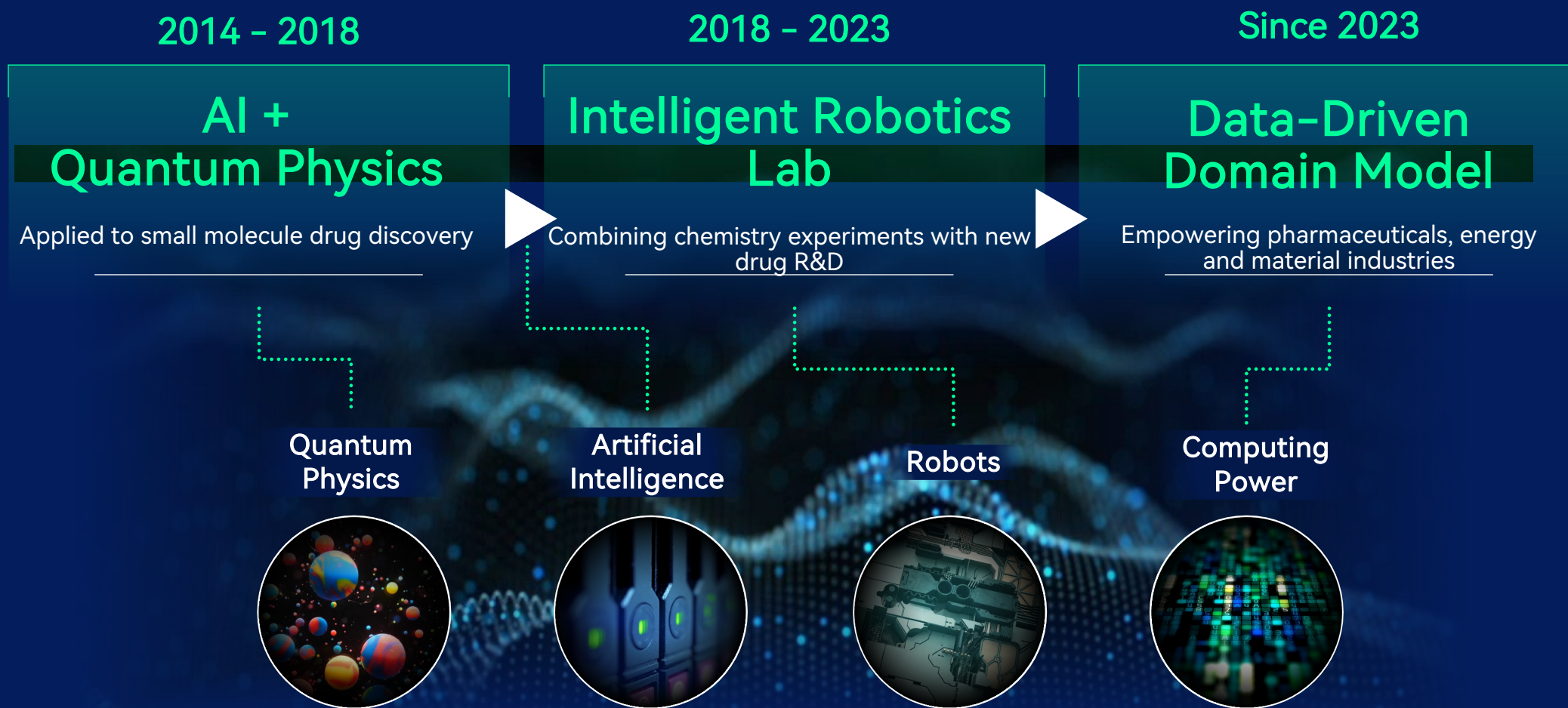
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Our Journey: AI + Robotics to Establish New-Generation R&D Platform



AI + Robotics Across Industries Empower Drug and New Material Discovery



Medical and
Healthcare

Full-Process
Drug R&D

Drug Discovery Platform



New Energy

Energy Carrier
Development

Biological and Chemical
Synthesis Platform



New Material

New Material R&D

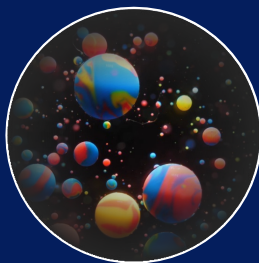
Biological and Chemical
Synthesis Platform

Cosmetics

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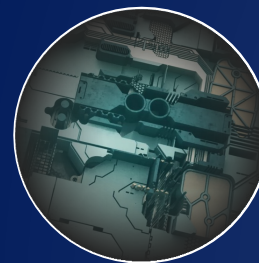
Quantum
Physics



Artificial
Intelligence



Robots

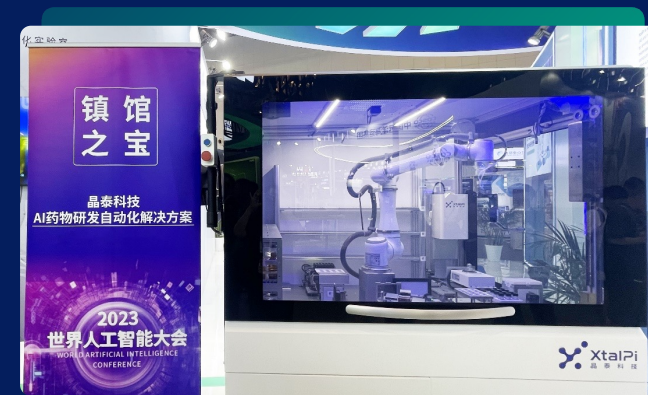


Computing
Power



International Award for Intelligent and Automated Drug Discovery Platform

Super AI Leader Award and "Key Highlights of the WAIC" at the 2023 World Artificial Intelligence Conference



The First Successful HKEX Chapter 18C Listing (QuantumPharm Inc., Stock Code: 2228.HK)



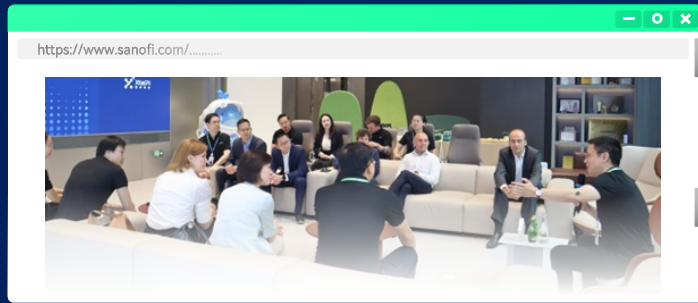
Mr. Paul Chan Mo-po, Financial Secretary of the Hong Kong SAR, Mr. Sun Dong, Secretary for Innovation, Technology and Industry of the Hong Kong SAR Government, Ms. Cheong Man-lei, Under Secretary for Innovation, Technology and Industry of the Hong Kong SAR Government, Mr. Carlson Tong, Chairman of the Hong Kong Exchanges and Clearing Limited (HKEX) Group, Ms. Bonnie Y Chan, Chief Executive Officer of the HKEX, and other leaders and guests attended the listing ceremony.

Major Investors

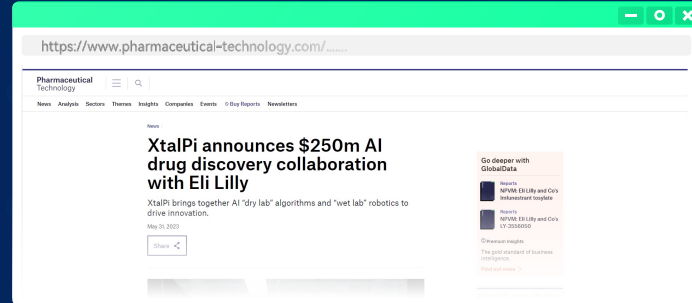


Over 300 Global Partners

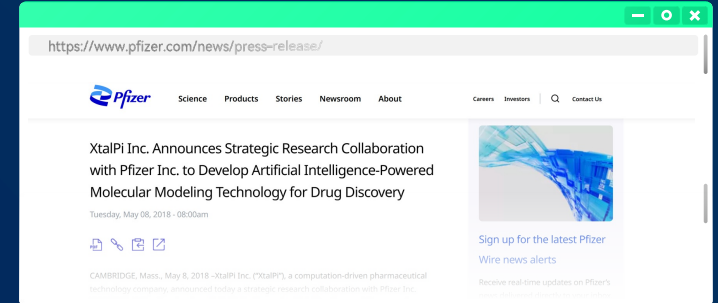
Sanofi global executive team visited XtalPi's Shanghai Office



XtalPi and Lilly signed a US\$250 million drug discovery agreement



XtalPi and Pfizer entered strategic collaboration for AI-powered drug discovery and development



Some of our global partners



1H2024 Snapshot

In 1H24, we achieved cost reductions and efficiency improvements with adjusted net loss narrowing by 30% YoY

RMB' million

	2024 1H	2024 1H YOY	2023 1H	FY23	FY22	FY21
Revenue	<u>103</u>	28% ↑	<u>80</u>	174	133	63
R&D Expense	<u>210</u>	-10% ↓	<u>234</u>	481	359	213
Adjusted Net Loss	<u>-251</u>	30% ↓	<u>-358</u>	-522	-437	-217

1H2024 Business Highlights

1H2024 Business Highlights Overview

Drug Discovery Solutions

Customer Management

- We continuously delivered satisfactory pipeline results to customers and consistently gained repeat business from them.
- We continue to expand our international presence, and in the first half of the year, we have signed new partnerships with over 10 overseas clients.

Validation of capabilities

- Among our pipelines serving customers:
 - The world's first targeted drug candidate for the treatment of diffuse gastric cancer, which we are developing in collaboration with Signet, has obtained an IND approval from FDA. This is potentially the world's first innovative targeted drug integrating AI and organoid disease models.
 - One drug candidate we are developing in collaboration with META has obtained the Rare Pediatric Disease Designation (RPDD) from FDA for the treatment of Primary Hyperoxaluria (PH) and has also received a PRV.
 - The R&D and delivery progress of the innovative drug pipeline for an American pharmaceutical giant that we serve is going well. The customer is highly satisfied and has expanded the scope of cooperation with our company.
 - The oncology project of a leading biotech in North Asia that we serve has been advanced to 2 PCC molecules as scheduled.

R&D in Depth

- Completed R&D of several large models, algorithms and platforms

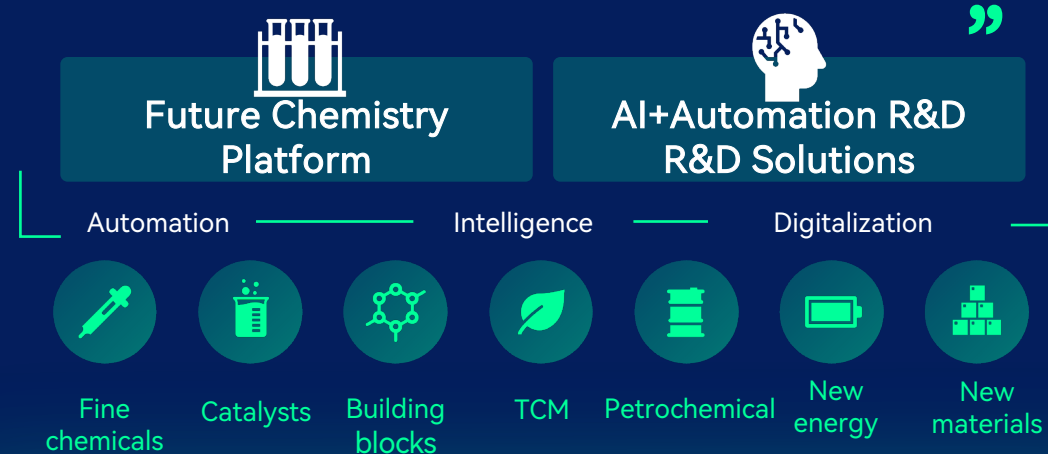
XtalFold2 algorithm	Single-cell large model	mRNA display peptide library and screening technology	Peptide molecule design platform based on a diffusion model
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Intelligent Automation Solutions

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Expanding AI+Automation R&D capabilities into more areas

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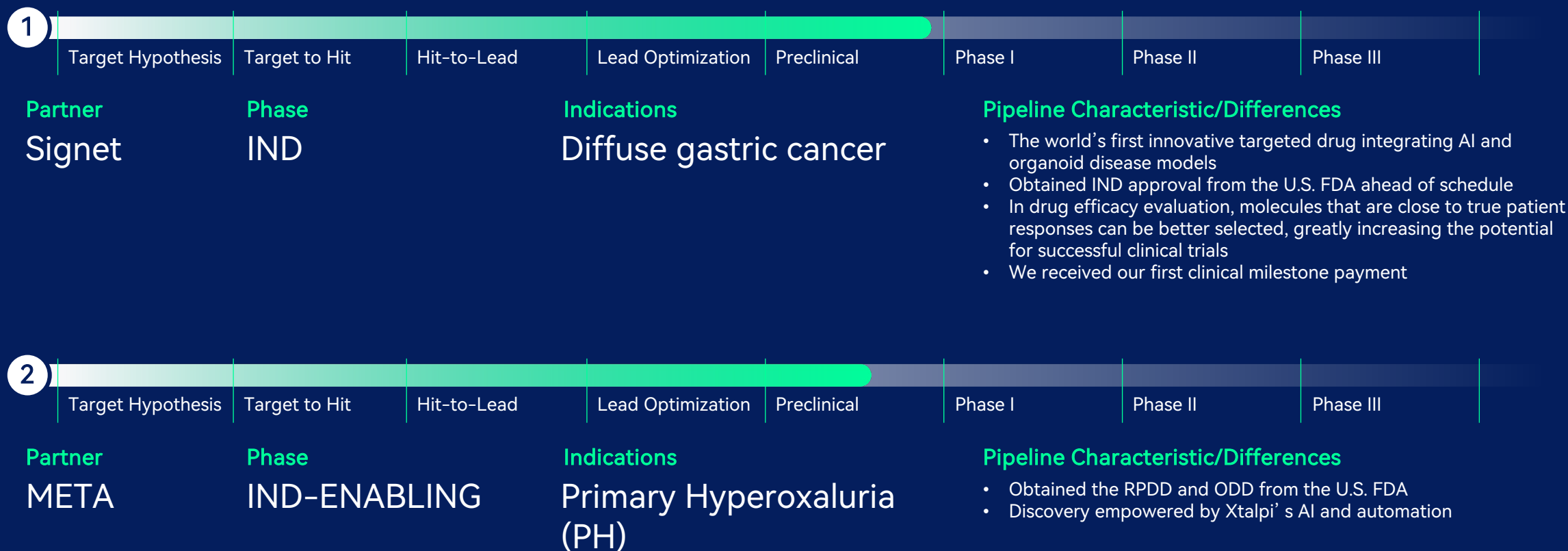


+ New Business Expansion

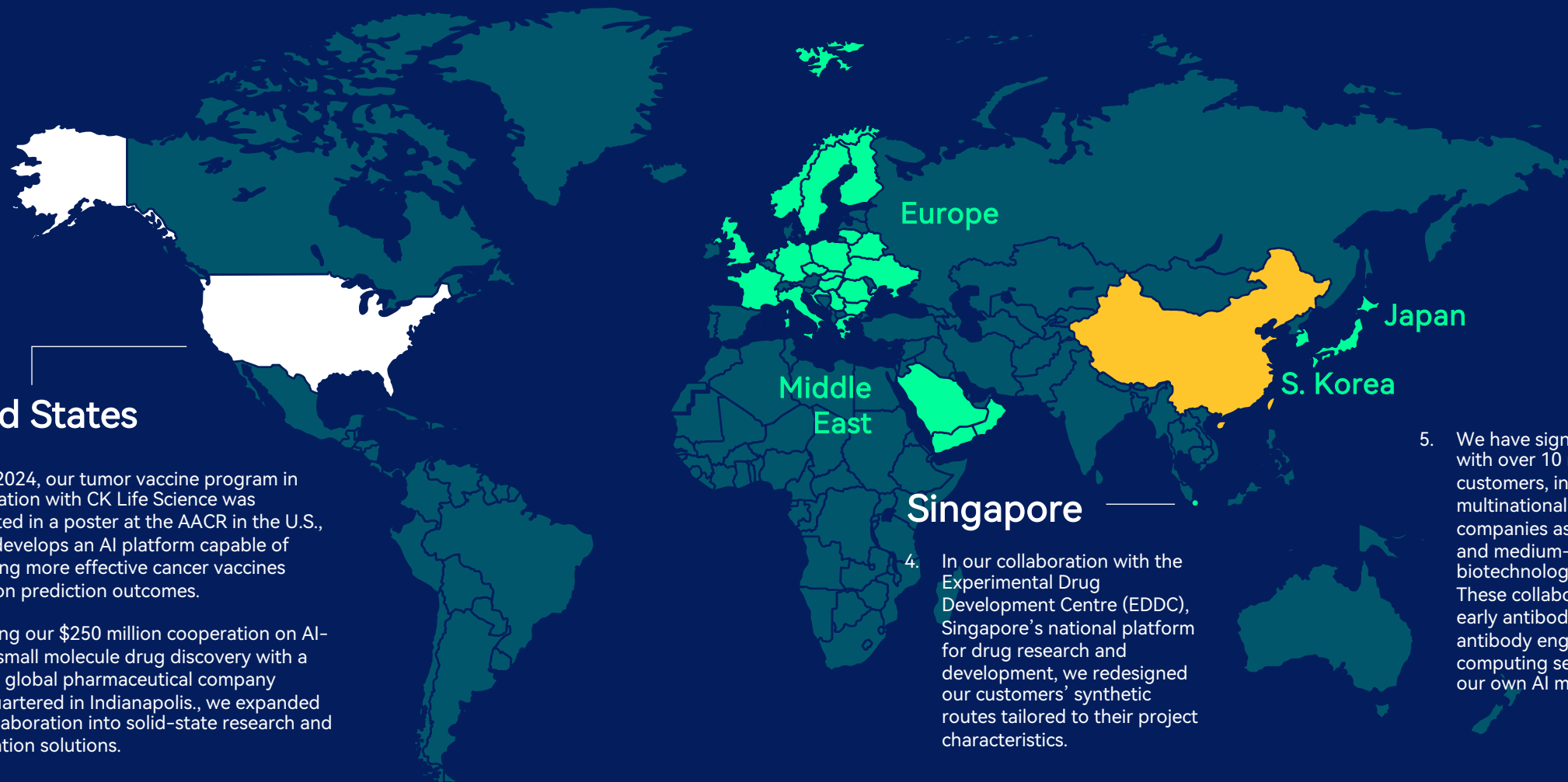
- Won the 1st large order in the field of modernization of TCM, with a value of RMB44.9mn
- Entered into a RMB1 bn strategic R&D collaboration agreement with GCL Group, a leading new energy material company.

协鑫 GCL	中国石化 SINOPEC	EDDC	Experimental Drug Development Centre	GDL 中医药广东省实验室
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Significant Progress on Pipelines



New Progress in Globalization



United States

1. In Apr 2024, our tumor vaccine program in cooperation with CK Life Science was presented in a poster at the AACR in the U.S., which develops an AI platform capable of designing more effective cancer vaccines based on prediction outcomes.
2. Following our \$250 million cooperation on AI-driven small molecule drug discovery with a leading global pharmaceutical company headquartered in Indianapolis., we expanded our collaboration into solid-state research and automation solutions.
3. We are constructing a 200m² robotic dry and wet lab in Boston.

Singapore

4. In our collaboration with the Experimental Drug Development Centre (EDDC), Singapore's national platform for drug research and development, we redesigned our customers' synthetic routes tailored to their project characteristics.

5. We have signed contracts with over 10 new overseas customers, including large multinational pharmaceutical companies as well as small and medium-sized biotechnology companies. These collaborations involve early antibody discovery, antibody engineering, and computing services based on our own AI models.

1H2024 Highlights in Future Chemistry Platform

EDDC | Experimental Drug Development Centre

A U.S. leading MNC

A European biotechnology company

R&D capabilities are validated & recognized by the market, leading to new customers and the potential to expand the business into new areas.

“ Accelerating the drug discovery process to create a digital, intelligent and automated future chemistry platform ”

Technical Fundamentals – 1H Key R&D Focuses

Large Models

Trained 10+ AI models for predicting chemical reactions

Intelligence + Automation

Employed AI technology to select reactants and recommend reaction conditions in library synthesis

Developed the first-generation LCMS spectrum analysis algorithm, which can independently judge the content and separation difficulty of target compounds

Developed integrated reaction and monitoring system and achieved the integration of reaction, filtration and analysis, thereby significantly enhancing data production and reaction detection efficiency

Validation of R&D Capabilities

Large Models

Achieved prediction accuracies exceeding 80% for three reaction types commonly used in pharmaceutical chemistry

Notably outperformed synthesis experts in judging failed reactions

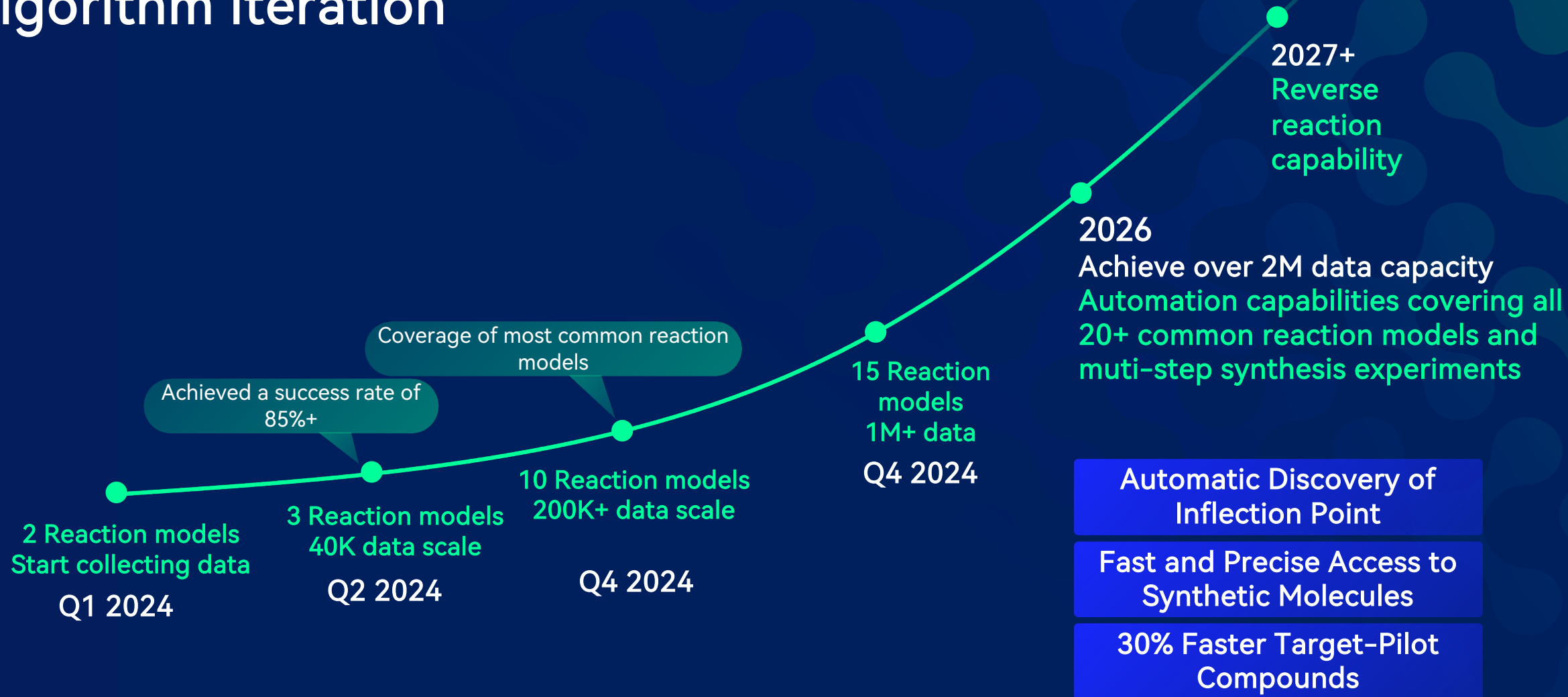
Intelligence + Automation

This innovative algorithm has been widely applied to more than 80% of our library synthesis business experiments

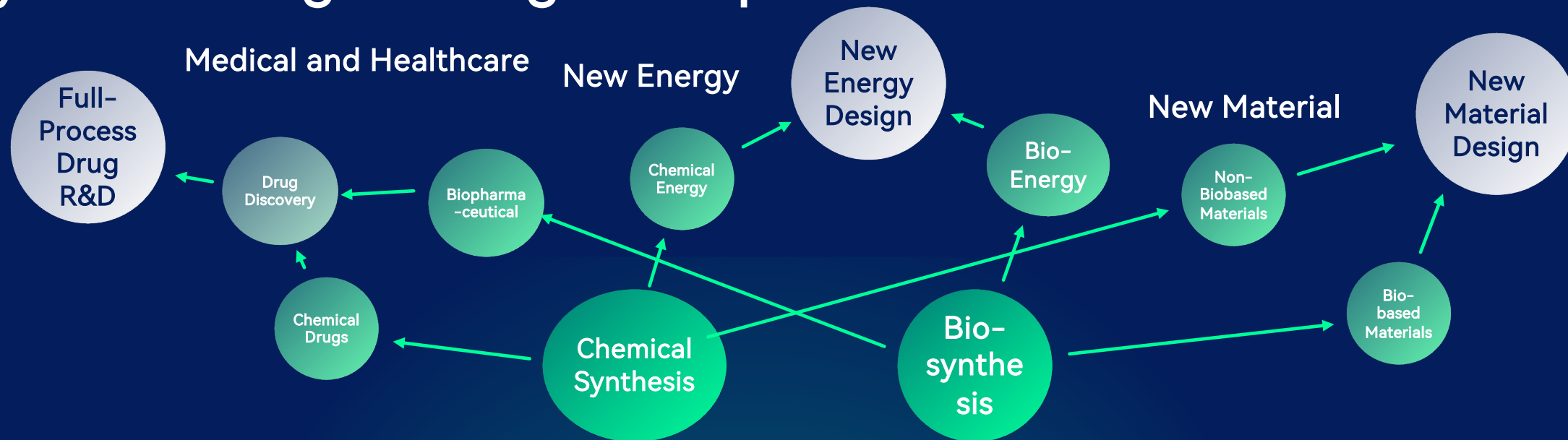
Achieved an accuracy rate exceeding 95% based on the results of manual sampling review

The actual external project was delivered faster than expected

Chemical Large Model – High-Quality Data Accelerates Algorithm Iteration



Combination of AI + Robotics and Biological and Chemical Synthetic Engineering to Empower Diverse Industries



Biological and Chemical Synthetic Engineering

Artificial Intelligence

Robot

Catalyst Synthesis

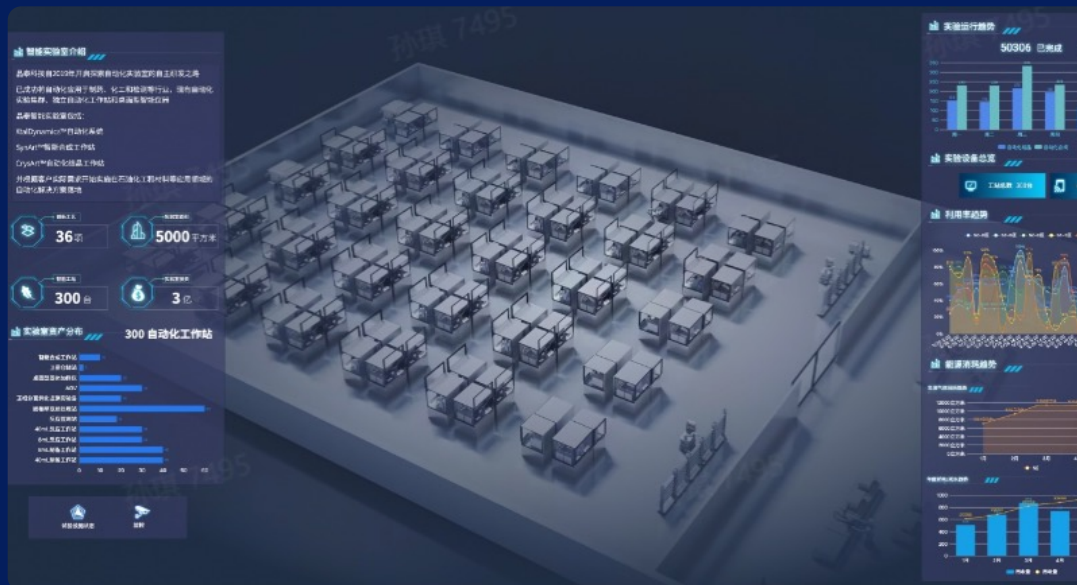
TCM Screening and Testing Platform

Electrolyte Automation

Chalcogenide Materials

AI+Automation R&D Solutions – Empowering New Sectors

- The first fully automated platform for the separation, screening and testing of active TCM ingredients in China



- First intelligent screening platform for domestic catalyst formulations in the petrochemical field



- Internationally leading catalytic platform for anhydrous and oxygen-free reactions

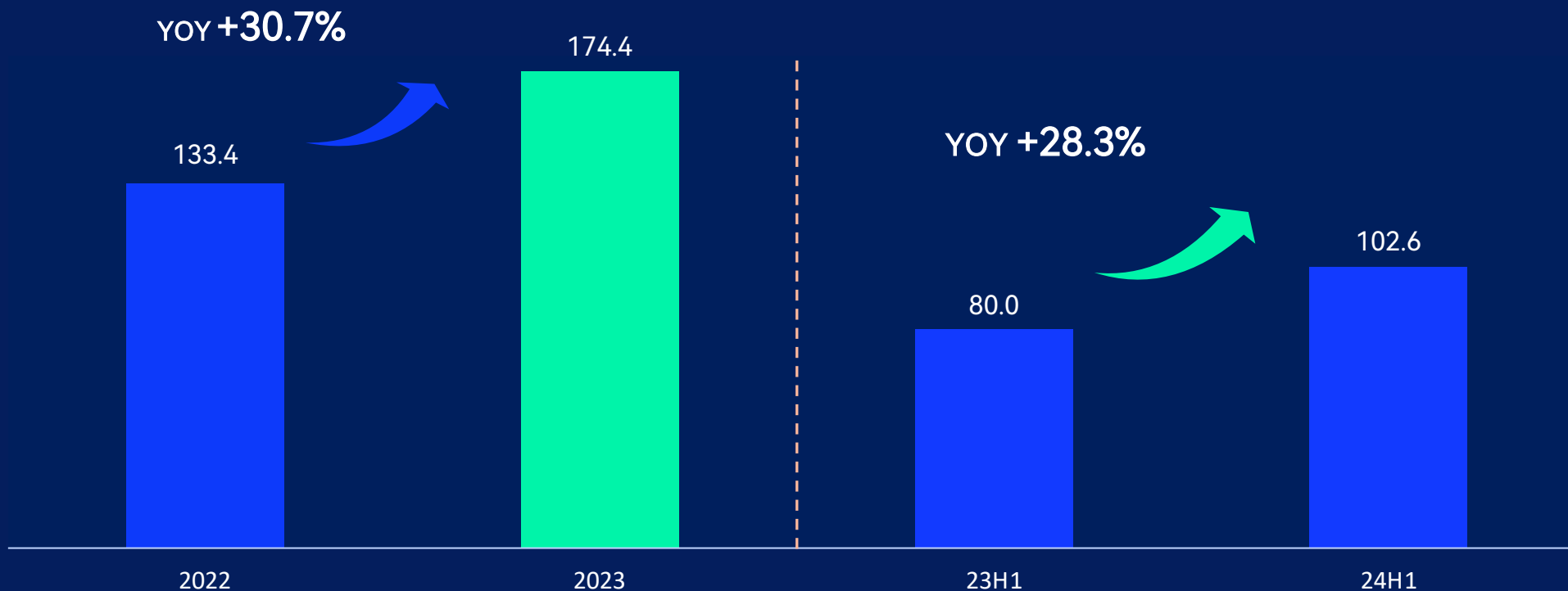


1H2024 Financial Results

Sustainable Revenue Growth

Total Revenue

RMB'million

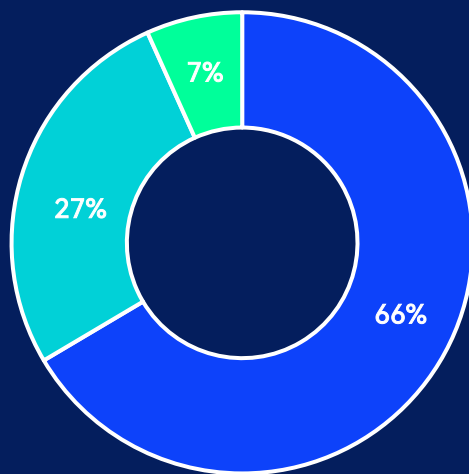


Revenue Breakdown by Geography and Business Segment

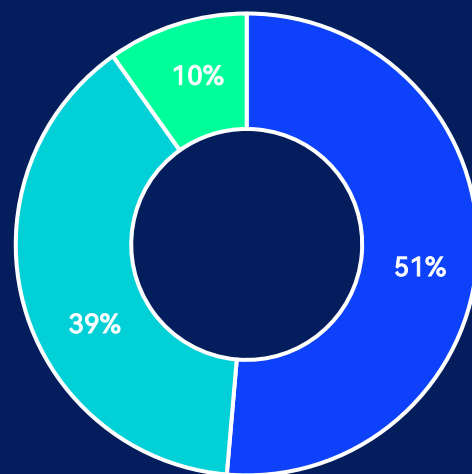
Revenue by Geographical Location

■ China
 ■ United States
 ■ Others*

23H1



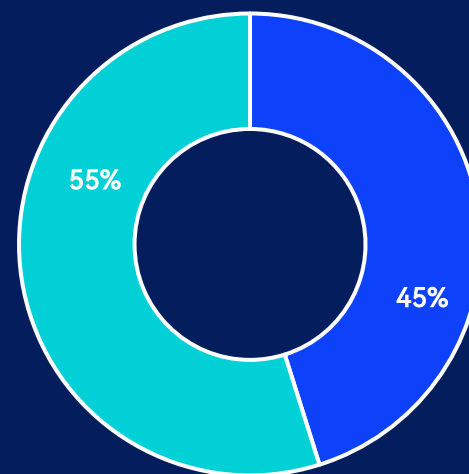
24H1



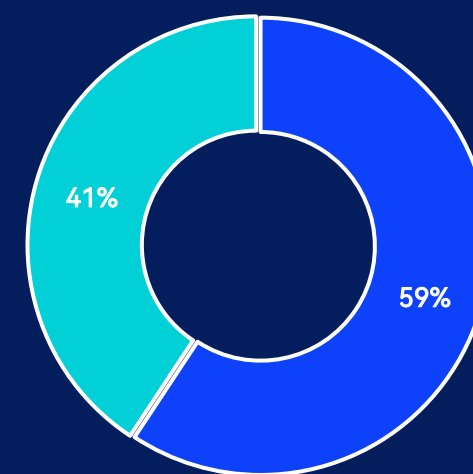
Revenue by Business Segment

■ Drug Discovery Solutions
 ■ Intelligent Automation Solutions

23H1



24H1



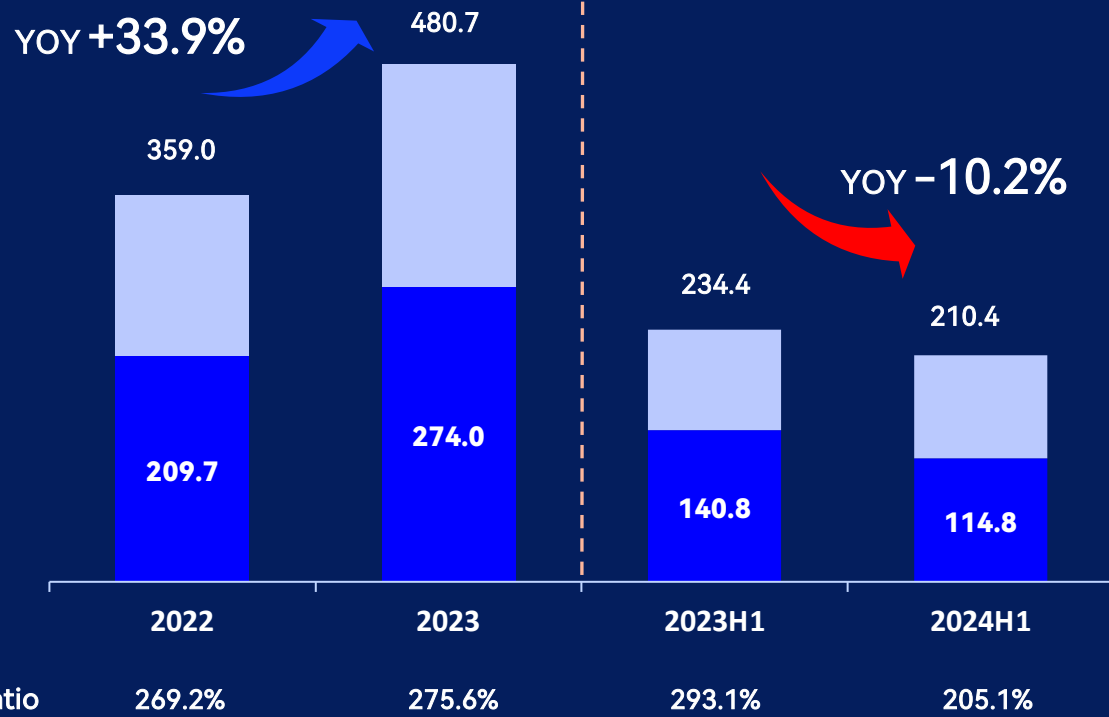
Note: Others mainly include European countries, South Korea and Japan.

Effective Expense Management and Control

R&D Expenses

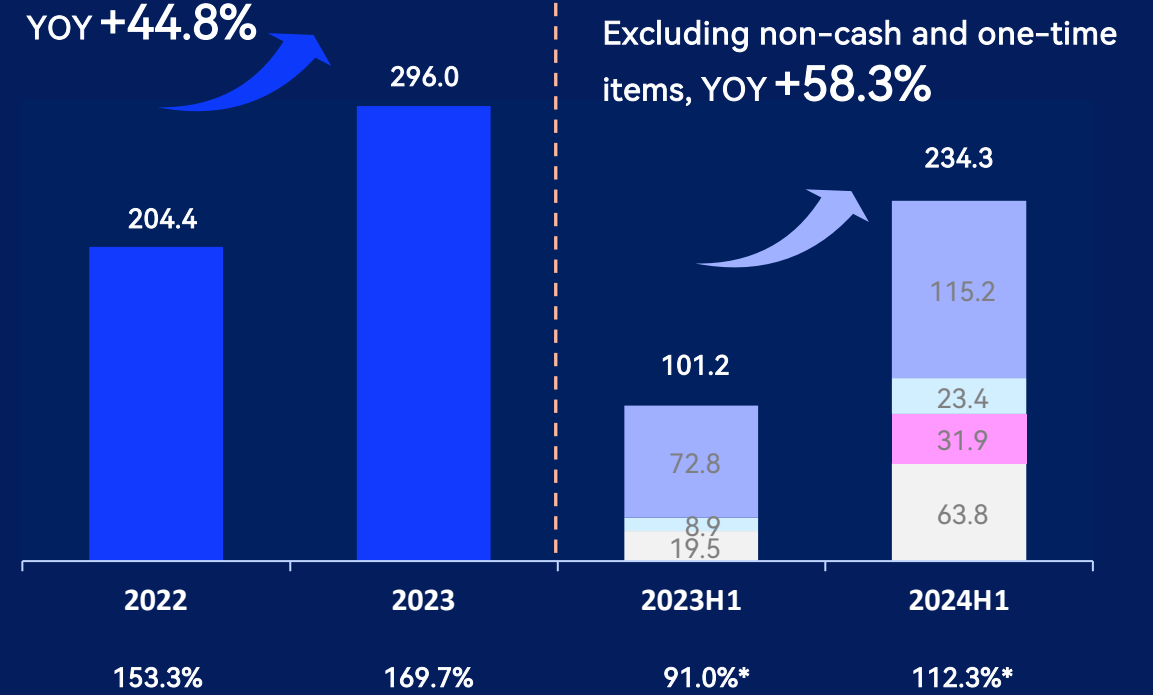
RMB' million

Employee benefit expenses Others



Gen & Admin Expenses

RMB' million



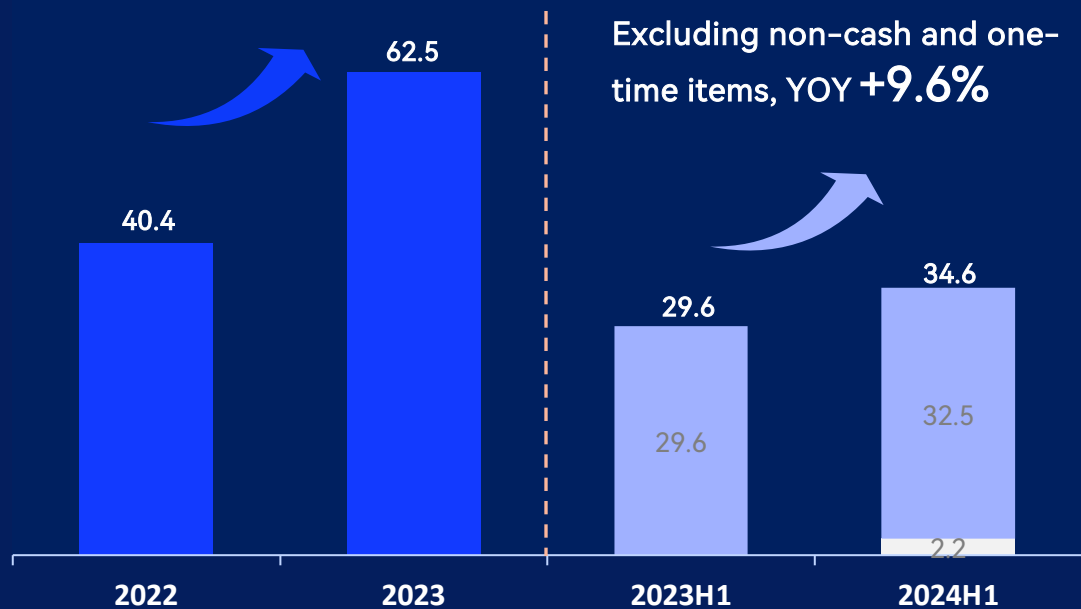
■ Share based compensation ■ Listing expense
■ Depreciation & amortization ■ Other G&A Expense

Effective Expense Management and Control

Sales & Mktg Expenses

RMB' million

YOY +54.7%



Exp. ratio

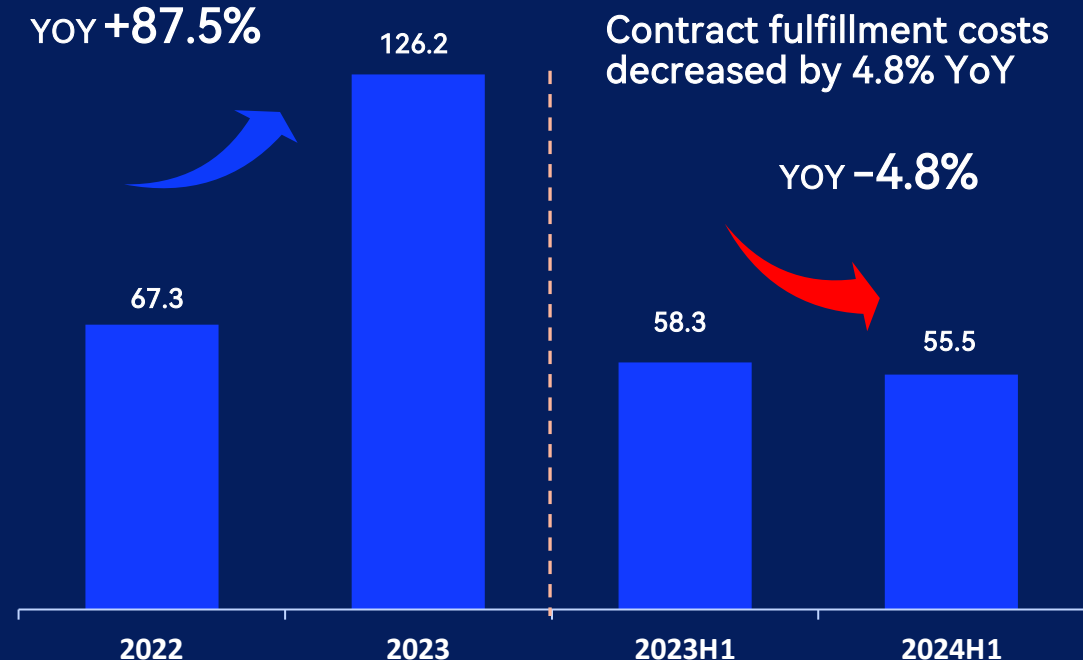
30.3% 35.8% 37.1%* 31.6%*

- Share based compensation
- Other S&M Expense

Contract Fulfillment Costs

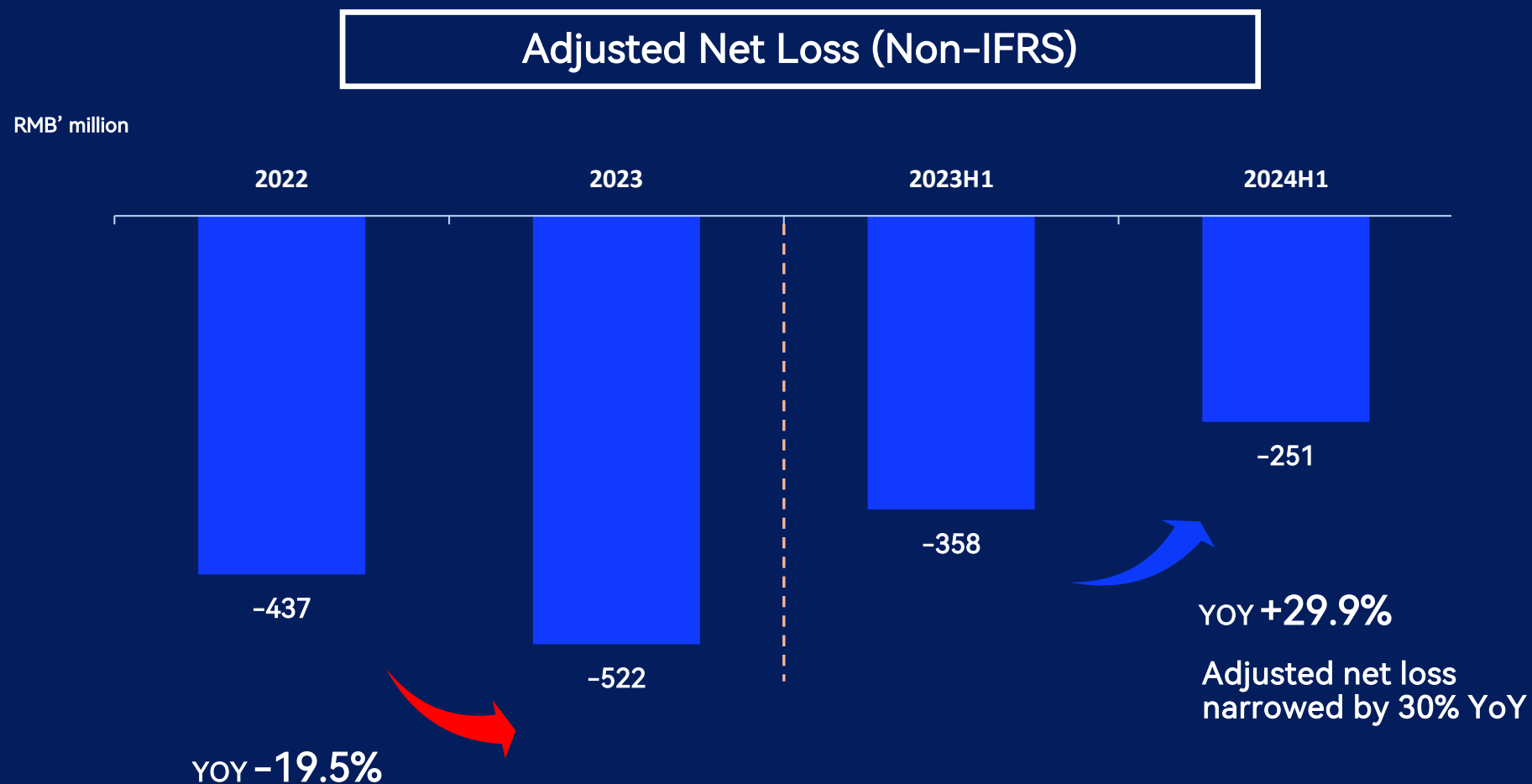
RMB' million

YOY +87.5%



50.4% 72.3% 72.8% 54.1%

Improved Operating Results – Narrowed Adjusted Net Loss

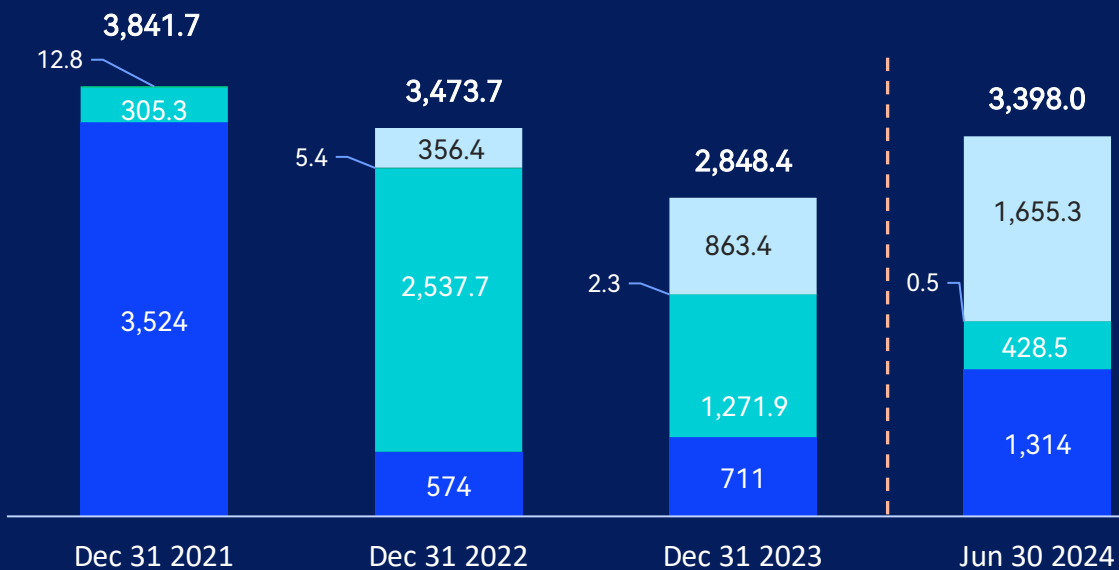


Cash Balance and Operating Cash Flow

Cash Balance

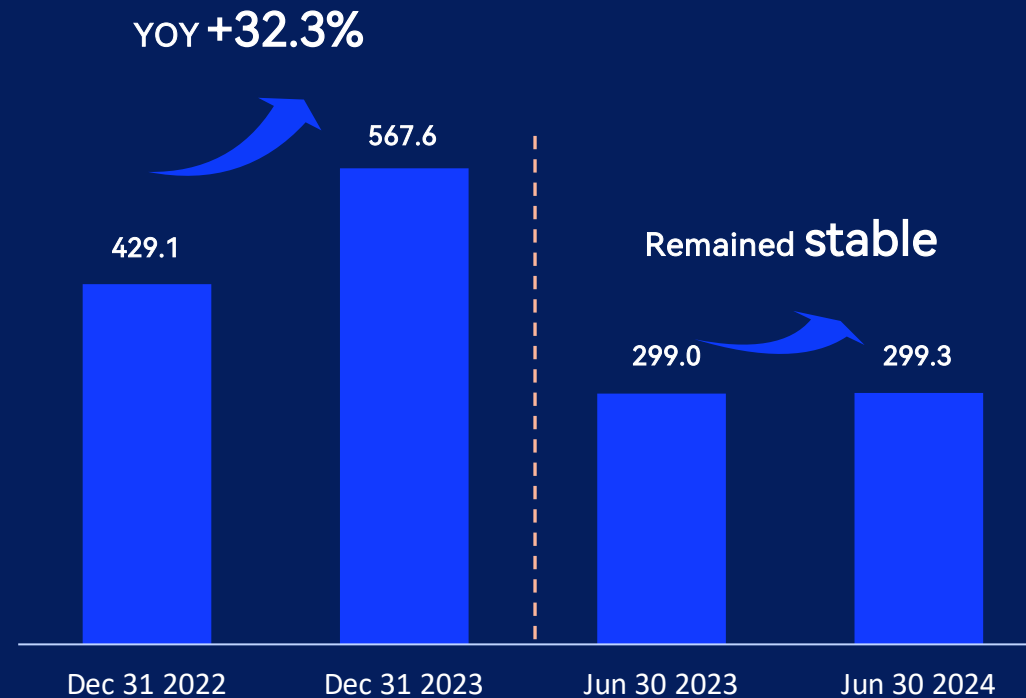
RMB' million

- Cash and cash equivalents
- Restricted cash
- Term deposits
- Financial assets at FVTPL



Operating Cash Flow

RMB' million



Consolidated Statement of Profit or Loss

RMB'000	2024H1	2023H1
Revenues	102,630	79,967
Research and development expenses	(210,390)	(234,421)
General and administrative expenses	(234,314)	(101,165)
Contract fulfillment costs	(55,478)	(58,254)
Selling and marketing expenses	(34,638)	(29,640)
Impairment losses on financial assets	(270)	(104)
Other income	42,360	7,736
Other losses, net	(2,761)	(99,109)
Operating loss	(392,861)	(434,990)
Finance income, net	32,681	46,870
Changes in fair value of convertible redeemable preferred shares	(875,356)	(231,164)
Share of net losses of investments accounted for using equity method	(2,014)	(1,013)
Loss before income tax	(1,237,550)	(620,297)
Income tax (expenses)/benefits	—	—
Loss for the period	(1,237,550)	(620,297)
<u>Non-IFRS financial measures:</u>		
Adjusted net loss	(251,396)	(357,522)

Consolidated Balance Sheets

RMB'000	June 30, 2024	December 31, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	357,356	369,887
Right-of-use assets	95,013	189,250
Intangible assets	7,849	7,869
Investments accounted for using the equity method	27,917	23,841
Financial assets at fair value through profit or loss	431,724	424,023
Prepayments	11,724	24,916
Term deposits	20,908	20,552
Total non-current assets	952,491	1,060,338
Current assets		
Contract costs	36,838	37,891
Trade receivables	58,529	38,506
Prepayments, deposits and other receivables	37,091	41,147
Financial assets at fair value through profit or loss	1,655,292	863,368
Derivative financial instruments	555	—
Restricted cash	528	2,337
Term Deposits	407,573	1,251,353
Cash and cash equivalents	1,313,710	710,761
Total current assets	3,510,116	2,945,363
Total assets	4,462,607	4,005,701

RMB'000	June 30, 2024	December 31, 2023
EQUITY AND LIABILITIES		
Share capital	236	50
Other reserves	12,408,020	(227,110)
Accumulated losses	(8,292,571)	(7,040,349)
Non-controlling interests	25,849	26,167
Total equity/(deficits)	4,141,534	(7,241,242)
LIABILITIES		
Non-current liabilities		
Lease liabilities	75,422	137,183
Convertible redeemable preferred shares	—	10,780,342
Deferred government grants	21,778	32,042
Total non-current liabilities	97,200	10,949,567
Current liabilities		
Trade payables	7,701	13,654
Other payables and accruals	95,808	131,289
Short term bank borrowings	64,900	60,000
Derivative financial instruments	—	560
Deferred government grants	7,155	7,433
Contract liabilities	25,059	25,658
Lease liabilities	23,250	58,782
Total current liabilities	223,873	297,376
Total liabilities	321,073	11,246,943
Total equity and liabilities	4,462,607	4,005,701

Q&A

Thank you for
your listening