



Diamond Biofund
鑽石生技投資股份有限公司

2024 Q3 Earnings Conference Call



TWSE : 6901

Disclaimer

- The forward-looking statements in this presentation, including operational outlooks, financial statements, and business forecasts, is based on internal data and the overall economic situation.
- Actual operational results, financial condition, and business outcomes in the future may differ from these predictive statements. This variance could be attributed to various factors, including but not limited to, operational and research risks associated with the Company's investment portfolios, changes in capital market trends, alterations in policies, laws, and financial economic conditions, as well as other uncontrollable risk factors.
- The Company's primary investment focus is in the biotechnology industry, where stock prices and fair values are significantly influenced by research outcomes, leading to substantial fluctuations. Consequently, a decrease in fair value may result in negative operating income.
- As a venture capital company primarily invested in the biotechnology industry, the nature of the Company's business involves lengthy development cycles, extensive capital investment, and no guaranteed success. Investors are advised to exercise special caution and diligence when considering investment.

Agenda

- I. President's Remarks**
- II. Second Quarter 2024 Financial Results**
- III. Biotech Capital Dynamics and Portfolio**
- IV. Q&A**

President's Remarks

Becoming a World-Class Biotech Venture Capitalist Building a Value Creation Platform

2024.8.27

卓越投資獎

鑽石生技投資(股)公司



Award presented by Premier Cho Jung-tai
of the Executive Yuan



Diamond Biofund Receives the
“Excellence in Investment Award” at
the Taiwan Venture Capital Summit
on August 27, 2024

Policy Support · Regulatory Relaxation · Seizing Opportunities-1

- The President promotes the “Healthy Taiwan Promotion Committee”, and the Executive Yuan's Economic Development Council launches the “Trillion-Dollar National Development Investment Plan.”
- The passage of two key laws on regenerative medicine boosts the prospects of **cell therapy** and **regenerative medicine**.
- Bio Taiwan Committee (BTC) of the Executive Yuan raised recommendations focusing on three major issues and six key areas.

Three Major Issues



Smart Innovation

Promotes the accelerated development of **novel biomedical products**, **strengthens translational research**, and uses AI and other **cross-disciplinary technologies** to position Taiwan's key technologies.



Biomedical Sustainability

Focuses on **the “Localization of products and services”**, “**Building the Taiwan brand for global reach**”, and driving strategies for the sustainable development of the biomedical industry.



Healthy Taiwan

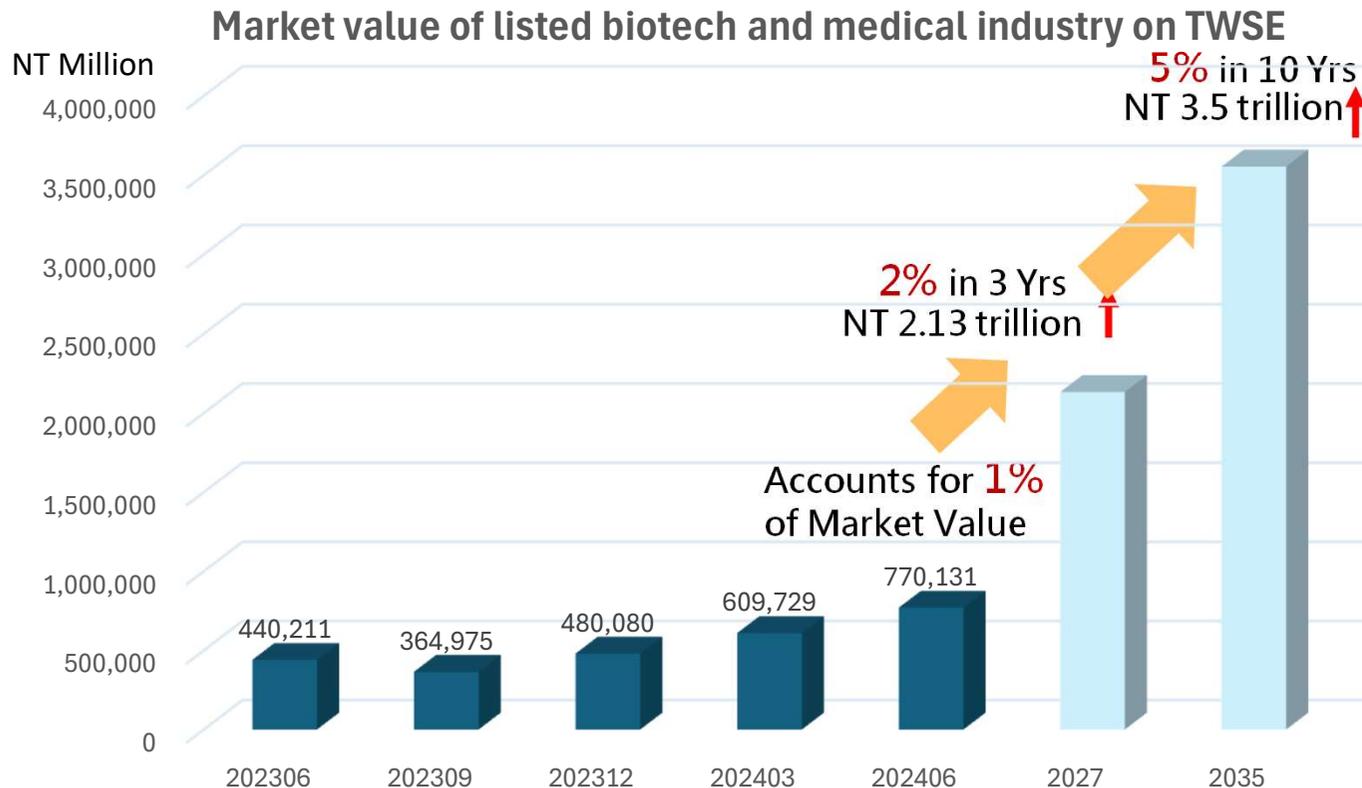
Enhances the **legal environment** and **technological applications** (such as smart healthcare, home/remote care, biomedical data applications) to advance holistic healthcare and development strategies for the biomedical industry.

Six Key Areas



Source : 2024 BTC Committee Overview and Recommendations Report

Policy Support · Regulatory Relaxation · Seizing Opportunities-2



Source: Based on the TWSE press release dated October 5, 2023, and estimated using the market value as of August 2024.

The Taiwan Stock Exchange aims to increase the market value of the biotech industry from the current **1% to 2% within three years** and to **5% over the next ten years**.

2024 Q3 Business Focus and Progress

Introduce external
funding /Expand
AUM scale



 富邦人壽

Key advancement of
pipelines



ONENESS
合一生技股份有限公司

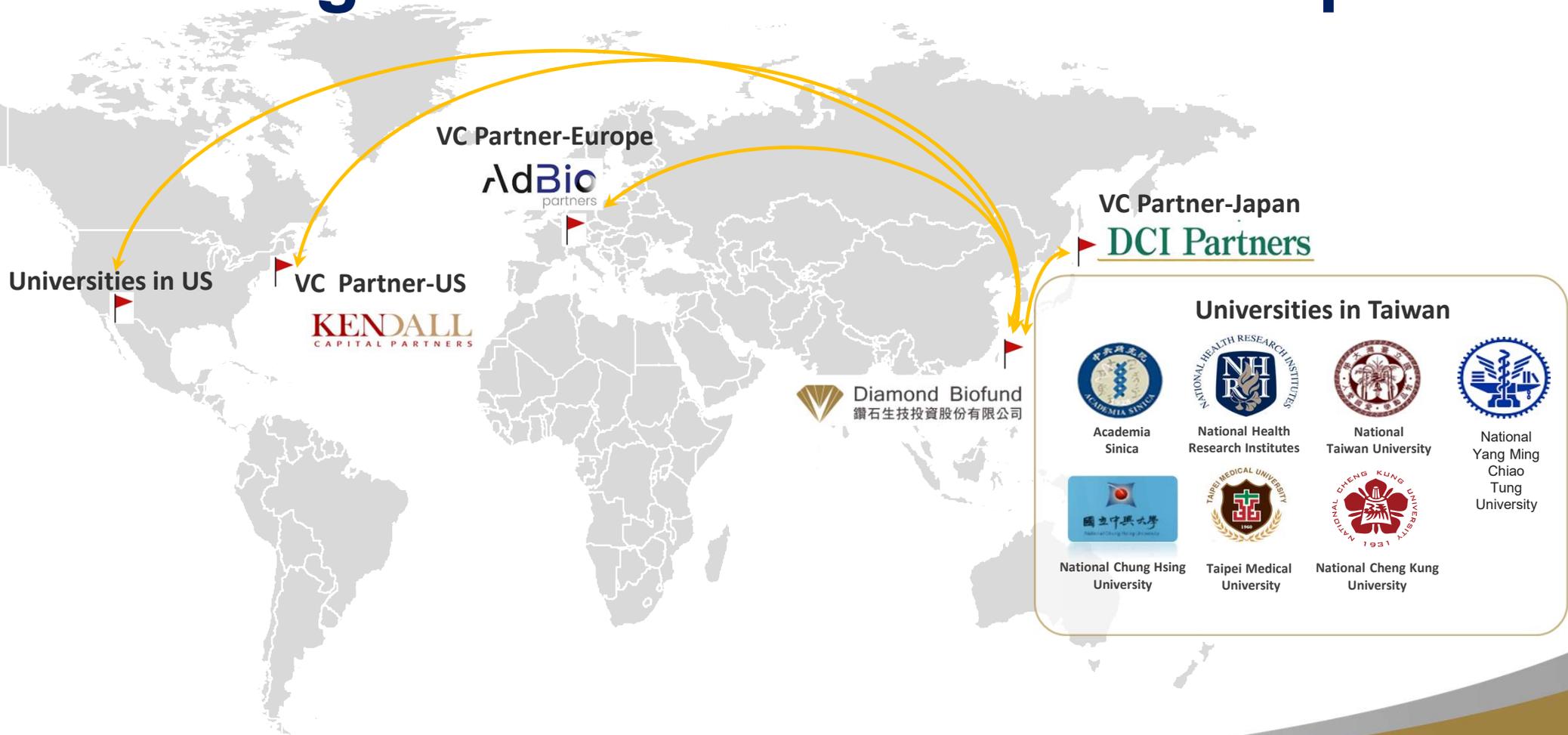

STEMCYTE
A Global Regenerative Therapeutics Company

Form international
strategy alliances



AdBio
partners

Strategic Alliances and Partnerships



Universities in Taiwan

 Academia Sinica	 National Health Research Institutes	 National Taiwan University	 National Yang Ming Chiao Tung University
 National Chung Hsing University	 Taipei Medical University	 National Cheng Kung University	

ESG Sustainable Development and Corporate Governance

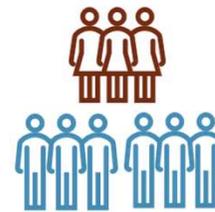


Diamond released its Sustainability Report On August 28, 2024,

providing a comprehensive disclosure of its strategies and actions in implementing corporate governance, promoting responsible investment, fostering social inclusion, and maintaining a sustainable environment.

Board Diversity Goals / Corporate Governance Structure

Board Composition: 9 Members



Newly Appointed Board
Aug. 1, 2024

- ✓ 3 female directors (1/3)
- ✓ 6 independent directors (2/3)

Functional Committees

- ✓ Nomination Committee
- ✓ Compensation Committee
- ✓ Audit Committee

Enforcing Responsible Investment Practices -1

Implementing the United Nations Principles for Responsible Investment (PRI) in Planning and Actions

01

Integrate ESG factors into investment analysis and decision-making processes

Develop “Responsible Investment Policy”, include ESG factors in investment analysis, require new investment targets to provide ESG statements, conduct annual reviews of ESG implementation for investment targets, conduct greenhouse gas inventories for significant investment targets. **(In 2023, a total of 5 targets participated in greenhouse gas inventories)**

02

Integrate ESG issues into ownership policies and practices

Adhere to the principles and requirements of the 'Institutional Investor Stewardship Code,' regularly communicate with investment targets to promote ESG, establish information management, delineate responsibilities, and implement controls to avoid conflicts of interest. **In 2023, achieved 100% attendance at shareholders' meetings and board meetings of investment targets.**

03

Facilitate ESG disclosure by investment targets

Monitor and review the ESG-related disclosures of investment targets and assist them in optimizing and improving their ESG reporting

Enforcing Responsible Investment Practices -2

Implementing the United Nations Principles for Responsible Investment (PRI) in Planning and Actions

04 Promote the adoption of responsible investment principles by investment targets

All investment target companies have signed ESG statements and adhere to relevant compliance requirements

05 Integrate ESG issues into ownership policies and practices

Participate in ESG forums and sustainability seminars organized by external institutions, proactively share the latest sustainability trends, domestic and international regulatory requirements, greenhouse gas inventory practices, and TCFD-related knowledge and experience with investment targets

06 Issue reports detailing the activities and progress of responsible investment

Explain the responsible investment policy and its implementation to stakeholders through a **sustainability report (released on August 28, 2024, and verified by third-party DNV)**.

Biotech Nuclear Power Plant · Building Biotech Unicorns

- Continue to attract external funding and expand overall-AUM
- Seek investment targets with international competitiveness
- Transform innovative technologies and lead sustainable development of investment targets
- Attract top talent and strengthen Diamond Investment's capabilities

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Revenue Recognition

Revenue includes realized and unrealized valuation gains and losses of the portfolios. The valuation approach varies per the type of portfolio.

Portfolio Traded Actively in Capital Market(s)	Portfolio Not Traded Actively or Not in Capital Market(s)
Quoted price as of valuation day	Valuation per modeling

Note 1: Closing price as of valuation day for TWSE/TPEX-listed shares

Note 2: Average trading price as of valuation day for TPEX Emerging Stock Board shares actively traded

Note 3: Valuation modeled for TPEX Emerging Stock Board shares not traded actively

2Q'24 Financial Results

Unit: NT\$1,000

Item	2024 Q2	2023 Q2	2024 Q1-Q2	2023 Q1-Q2
Revenue	(90,729)	(1,405,814)	(864,431)	(1,398,535)
Net Income (Loss)	(134,066)	(1,437,576)	(941,317)	(1,464,616)
Earnings (Loss) per Share	NT\$(0.16)	NT\$(1.92)	NT\$(1.11)	NT\$(1.95)

Note : Revenue includes realized and unrealized gain/loss of financial assets

Unit: NT\$1,000

Item	2024/06/30	2023/12/31	2023/06/30
Cash and Cash Equivalent	27,099	2,102,949	88,803
Financial Assets at Fair Value through Profit or Loss	11,914,975	10,779,406	9,546,606
Net Asset	11,933,725	12,861,965	9,466,485

2Q'24 Financial Results

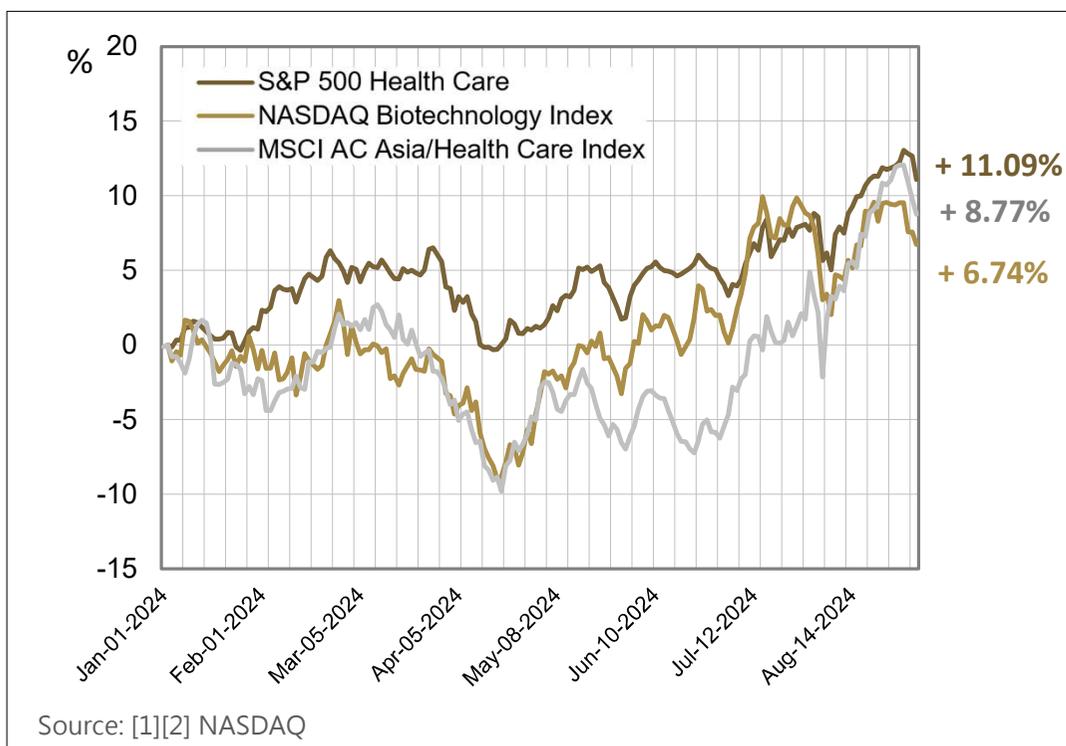
Total revenue amounted to negative NT 864,431 thousand for the six months ended June 30, 2024, with details as follows:

- **The negative revenue primarily arise from unrealized valuation losses of financial assets.**
- **Unrealized losses of financial assets primarily arise from:**
 - ✓ **Stock price changes from the beginning of 2024 to June 30,2024 of TPEX-listed and TPEX Emerging Stock Board portfolios**
 - ✓ **Unrealized losses from unlisted portfolios**
- **The revenue for August amounted to NT98,909 thousand. Short-term price fluctuations do not affect the long-term investment value.**

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Overseas Biotech Capital Market



- Since the beginning of 2024, the U.S. healthcare S&P large-cap capitalization has rebounded.
- The NASDAQ Biotechnology Index and the MSCI AC Asia Pacific Healthcare Index have also rebounded from their April lows.
- Recent market focuses in the field of immune diseases, with some companies' clinical progress approaching or having already entered Phase III.

2024Q2 Major Listing Case: Alumis (NASDAQ: ALMS)^[1]

Introduction of Alumis	Immunotherapy drug developer
IPO Date	2024/06/27
New Capital Raised in IPO	USD 210 Million
Market Cap (2024/09/06)	USD 620 Million

2024Q2 Major M&A Case: Alpine (NASDAQ: ALPN)^[2]

Introduction of M&A Case	Vertex acquires Alpine, a kidney disease drug developer, for \$4.9 billion
Acquirer	Vertex
Acquired	Alpine Immune Sciences
Announcement Date	2024/04/10
Purchase Price per Share	USD 65

Taiwan Biotech Capital Market

- TIP Taiwan Market Biotechnology and Medical Care Index has slowly grown 2.43% this year. As of September 2024, Taiwan has added 22 newly listed (including TWSE, TPEX, and Emerging Stock Board) biotech and medical stocks, among which new drug companies account for the largest proportion, followed by medical device companies.
- It is worth noting that cellular therapy is ranked third. With the passing of the third reading of the Regenerative Medicine Act, it is expected that more relevant companies will be encouraged to enter the market.
- Taiwan biotech capital market continues to grow, offering long-term investment value.

TIP Taiwan Market Biotechnology and Medical Care Index



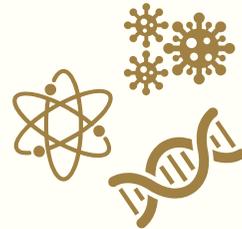
Source: Taiwan Index Plus Corporation

Market	New	Total	Note
TWSE	+ 6	47	ESB to TWSE*3 (Cell Therapy, Medical Device) Direct Listing*2 (Cell Therapy, Pharmaceutical) TPEX to TWSE*1 (New Drug)
TPEX	+ 6	92	ESB to TPEX*6 (New Drug*3, Pharmacy*2, Medical Device*1)
Emerging Stock Board (ESB)	+ 10	88	(Medical Devices*5, New Drug*4, Cell Therapy*1)

Investment Portfolio



**New Drug
Development**



**Cell Therapy
Gene Therapy
Drug Delivery**



**Medical Device
Research
Equipment
Agricultural
Biotechnology
Others**

Portfolio – New Drug Development

- **Oneness Biotech** 
合一生技股份有限公司
- **CHO Pharma** 
- **Sinew Pharma**  欣耀生醫
SINEW PHARMA
- **ImmunAdd** 

New Drug Development

Company	Field	Core Project	Key Progress
Oneness Biotech	Dermatology	New drug for DFU wound care	21 July: Signed the exclusive “Commercialization Cooperation License (Authorization) Agreement” with CR Double-Crane Pharma for Fespixon® cream in Mainland China.
		Wound care medical device	22 July: The EU MDR application of Bonvadis® for acute and chronic wounds and scar management has been accepted by EU Notified Body.
	Immunology	Antibody drugs for moderate to severe atopic dermatitis	The Phase II clinical trial of the subcutaneous injection formulation is initiated in the US and Taiwan.
	Anti-virus	Nucleic acid drugs for pan-COVID	8 September: Announced that SNS812 Phase II clinical trial results have successfully met the endpoints.
CHO Pharma	Glycoscience	Glycoengineered antibody with homogeneous glycan	The world's first glycoengineered antibody Phase I clinical trial has been completed and demonstrated high safety. Phase IIa clinical trial is ongoing.
		Glycosite-specific ADC drugs	Seeking to enter into non-exclusive licensing agreements with international and domestic CDMO manufacturers to promote the CHOOptimax technology platform for out-licensing of glycoengineered antibody drugs or ADC development.
Sinew Pharma	Liver disease	Non-hepatotoxic acetaminophen	27 August: SNP-810 combined with a non-addictive analgesic for post-operative pain control in patients undergoing knee replacement surgery showed superior clinical results to those of stand-alone use and did not show hepatotoxicity.
		Metabolic dysfunction–associated steatohepatitis	Phase I clinical trial has been completed, demonstrating safety. The study is now ready to move into Phase II.
ImmunAdd	Vaccine adjuvant	Synthetic saponin adjuvant	GMP manufacturing for IA-05 is completed, and the DMF submission has been finalized. Currently in negotiations for collaboration with international vaccine manufacturers.

Portfolio – CGT, Drug Delivery

- **StemCyte**  **STEMCYTE**
A Global Regenerative Therapeutics Company
- **Rejuvenate Bio**  **REJUVENATE BIO**
- **Bilayer Therapeutics**  **BILAYER**
THERAPEUTICS
- **Original BioMedicals**  **OBM**
Original BioMedicals
原創生醫

Cell Therapy, Gene Therapy, and Drug Delivery

Company	Field	Core Project	Key Progress
StemCyte	Cell therapy	Cord blood RegeneCyte	A chance to secure U.S. BLA approval for umbilical cord blood by year-end.
		Umbilical cord blood for post-COVID treatment	The Phase II clinical trial has completed enrollment and treatment.
		Umbilical cord blood for acute stroke treatment	The Phase II clinical trial has received US FDA IND approval.
		Umbilical cord blood for cerebral palsy treatment	The IIT clinical trial has received IND approval in Taiwan.
Rejuvenate Bio	Gene therapy	Desmoplakin arrhythmic cardiomyopathy	Completed pre-IND meeting and are preparing for submission. Received \$400 million in funding from California Institute for Regenerative Medicine (CIRM).
		Mitral valve disease in dogs	Out licensing negotiations with leading international animal pharmaceutical companies.
Bilayer Therapeutics	Drug delivery system	Metabolic diseases and chronic constipation treatment	Entering the CMC stage and preparing for IND submission.
Original BioMedicals	Drug carrier and trigger release technology	Antibiotic colistin modification with drug carrier	Preparing for IND submission. Preclinical GLP safety studies are underway.

Portfolio - Medical Device, Research Equipment, Agricultural Biotechnology, and Others

- Theia  晶新生技
Iridium Medical Technology Company
- EyeYon  EyeYon
MEDICAL
- Syncell  SYNCCELL
- Tetanti AgriBiotech  地天泰
農業生技股份有限公司
- KCP Fund I 
- Diamond Biofund I
- Diamond Biofund II

Medical Device, Research Equipment, Agricultural Biotechnology and Others

Company	Field	Core Project	Key Progress
Theia	Medical semiconductor	Artificial retinal implant	TFDA has approved the first human trial to be conducted in Taiwan. Patient screening for RP is currently underway, with the first surgery expected to take place by year-end.
EyeYon	Synthetic corneal endothelial layer	Artificial corneal implant	EU MDR approval was obtained in August. China NMPA approved pivotal clinical trials to proceed. First successful artificial corneal transplant surgery in the UK.
Syncell	Capture unknown proteins without labeling	Intracellular pickable microscope, consumables and analysis services	Series A funding in progress. Five units sold, with an additional two units already in the procurement process.
Tetanti AgriBiotech	Organic waste enzyme rapid processing technology	Organic waste treatment equipment and enzymes	Negotiating for distribution agents in the Middle East, North Africa, and various European countries.
KCP Fund I	Venture capital	Early-stage biotech investment in the Boston area	Invested in 5 early-stage biotech startups.
Diamond Biofund II	Venture capital	Focus on mid/late-stage investment cases	Already established.
Diamond Biofund I	Venture capital	Focus on investment cases in the commercialization stage	In August, an investment of NT \$620 million was made in StemCyte, leading the completion of a NT\$1.16 billion cash capital increase.

Selected Investment Cases

Oneness

ONENESS
合一生技股份有限公司

- **Field:** New Drug Development
- **Jurisdiction:** Taiwan
- **Year:** 2019, via M&A with FountainBio
- **Amount:** NT \$1.277 billion
- **Structure:** Common share

StemCyte


STEMCYTE
A Global Regenerative Therapeutics Company

- **Field:** Cell Therapy
- **Jurisdiction :** Cayman/Taiwan
- **Year:** 2013, 2021, 2023
- **Amount:** NT \$416 million
- **Structure:** Common share

Oneness Biotech - Introduction

- **Founded in 2008, Oneness Biotech was listed on the Taipei Exchange in 2011 (TPEX: 4743). The company focuses on treatments in chronic dermatology and immunology, developing first-in-class or best-in-class new drugs.**
- **Current Pipelines' Targeted Fields:**
 - ON101: Diabetic foot ulcers
 - SNS812: COVID-19 infections
 - FB825: Atopic dermatitis, allergic asthma
 - SNS851 (First-in-class siRNA drug): Weight loss

Recent Updates

- **ON101 (Diabetic Foot Ulcers) :**

- ✓ Mainland China Market: Signed the exclusive “Commercialization Cooperation License (Authorization) Agreement” with CR Double-Crane Pharma for Fespixon® cream on 21 July.
- ✓ SEA Market: Obtained marketing approvals in Singapore, Malaysia, and Indonesia. Product launches in Singapore and Malaysia have taken place in 2024, while new drug application is under review in the Philippines and Vietnam.
- ✓ US Market: In addition to approval from FDA 510(k) of indications for acute wounds, Bonvadis received further approval for partial-thickness chronic wounds on 23 May. The goal is to include full-thickness wound indications by H1 2025.
- ✓ EU Market: Completed market access in 27 EU member countries by achieving EU MDR compliance, and applications for the UK and Turkey planned to be submitted.

Fespixon® Authorization in China

- **21 July: Signed an exclusive agreement with CR Double-Crane Pharma for Fespixon® cream commercialization in Mainland China.**

- **Authorization:**

- ✓ Contract Term: 20 years, until 2043
- ✓ Contract Amount: Initial payment of USD 20.4 million (approximately NTD 650 million), with subsequent royalty payments based on a fixed percentage of annual net sales.
- ✓ Market Size: China has 148 million diabetic patients, with more than 8.3 million people suffering from diabetic foot ulcers.

- **CR Double-Crane Pharma:**

- ✓ Listed in China (SSE 1997)
- ✓ Year of Establishment: 1939
- ✓ Company Size: 23 subsidiaries and 13,000 employees
- ✓ 2023 Revenue: RMB 10.22 billion (6%↑)
- ✓ Chronic disease business accounts for ~30% of total revenue

SNS812 Phase II Study Results

- **Announced 8 September: SNS812 (COVID-19 Treatment Drug) successfully unblinded in Phase II trial**
- **Achievement of the Safety Endpoint:** No drug-related adverse effects

- **Achievement of the Key Efficacy Endpoints:**

- 1) Time to resolution of all COVID-19 symptoms ↓
- 2) Time to resolution of shortness of breath related to severe cases ↓
- 3) Time to resolution of neurological COVID-19 symptoms ↓
- 4) Time to COVID-19 viral negativisation ↓

Comparison with Paxlovid (Pfizer) :

Item	SNS812 vs Placebo	Paxlovid vs Placebo
Persistent relief	12 symptoms (45%↓)	5 symptoms (7.6%↓)
Complete resolution	11 symptoms (25%↓)	8 symptoms (6.3%↓)
Loss of smell	Sustained alleviation 19% Complete resolution 29%	ND
Loss of taste	Sustained alleviation 52% Complete resolution 58%	ND

ND: Unable to assess due to drug-related side effects.

*The percentage represents the degree of reduction in the time for persistent relief or complete resolution.

SNS812: PAN-COVID siRNA Drug

- **SNS812 Highlights**

- ✓ The world's first PAN-COVID nucleic new drug (effective against multiple COVID-19 variants)
- ✓ A next-generation antiviral drug with precise targeting, proven safety, and broad efficacy
- ✓ Significantly alleviates symptoms and shortens the time required for complete resolution
- ✓ Non-invasive inhalation reduced the duration of smell and taste loss and lowers the risk of viral invasion into the nervous system

- **Outlook and Prospects**

- ✓ Application to U.S. BARDA funding or licensing collaboration with international pharmaceutical companies to initiate Phase III clinical trials
- ✓ Application to EUA, ready SNS812 as a major emergent treatment for future pandemic in most countries

Progress and Prospects

1) **ON101 (Diabetic Foot Ulcer):**

- ✓ Dual strategies of medical devices/drugs aimed to accelerate market access in 30+ countries globally.

2) **SNS812 (Coronavirus):**

- ✓ Recently acquired CSR and initiated external collaboration negotiations with authorities and licensed partners.

3) **FB825 (Moderate-to-severe Atopic Dermatitis & Allergic Asthma):**

- ✓ Atopic Dermatitis (AD): Patients (n=90) will be enrolled in the U.S. and Taiwan as both site locations have approved Phase II clinical trials.

4) **SNS851 (Weight Loss) :**

- ✓ First-in-class siRNA drug for weight loss, animal studies have shown reduced fat accumulation and inhibited weight gain caused by a high-fat diet, without affecting appetite or causing muscle loss, targeting the obesity drug market.

StemCyte - Introduction

StemCyte Int, Ltd. is a Cayman Islands holding company, owning 100% subsidiaries in Taiwan and the United States.

- Founded in 1997, U.S.-based StemCyte has expanded its operations to Taiwan (in 2000) and India (in 2008).
- As one of the top 10 umbilical cord blood companies globally, it collaborates with 350 medical centers and has achieved 2,300 successful cord blood transplants worldwide.
- In the field of cell-based new drug development, two products have entered Phase II clinical trials, one is in Phase I, and there is a chance to obtain BLA approval this year.



Q3: Completed NT\$1.16 B Capital Increase

- **In August, Diamond invested NT\$620 million in StemCyte through “Diamond Biofund I”, bringing StemCyte’s total cash capital increase to NT\$1.16 billion.**
- **Use of Funds**
 - ✓ International marketing and promotion following the acquisition of BLA for RegeneCyte®
 - ✓ Promotion of cell therapy business
- **Benefits:** Accelerate the commercialization phase of core products and expand international cell therapy production and sales operations.

Progress and Prospects

- **RegeneCyte® BLA License:** A chance to obtain approval and launch by the end of this year
- **Long COVID Syndrome (U.S. Phase IIa):** A global precedent for umbilical cord blood treatment
 - ✓ Completed treatment for all patients, with a significant reduction in fatigue for the majority, can be expanded for anti-aging applications
- **Acute Ischemic Stroke (Taiwan Phase I Completed, U.S. Phase II Approved):**
 - ✓ Umbilical cord blood therapy extends the golden window (Traditional: within 24 hours vs. up to 9 days with StemCyte's treatment)
 - ✓ In June, the U.S. FDA approved the Phase II clinical trial, and Taiwan's Phase 1 results significantly reduced stroke scores and improved quality of life
- **Cerebral Palsy (Taiwan IIT Application in Progress for Phase I):**
 - ✓ Previous compassionate use showed positive outcomes, leading to the application for a Phase I clinical trial.
- **CIK Cell Therapy Approval:** Opportunity to obtain approval by year-end

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Invest in Biotech Elites, Invest in Diamond Biofund