

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU SHOULD NOT INVEST ANY FUNDS IN THIS LISTING UNLESS YOU CAN AFFORD TO LOSE YOUR ENTIRE INVESTMENT. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE LISTING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY MERJ, HORIZON FINTECH ADVISORS, THE REPUBLIC OF SEYCHELLES OR ANY FEDERAL SECURITIES COMMISSION OR REGULATORY AUTHORITY OF ANY OTHER JURISDICTION. FURTHERMORE, THESE AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THESE LISTING PARTICULARS OR COMPLETENESS OF ANY LISTING DOCUMENT OR LITERATURE. THESE LISTING PARTICULARS AND ALL ANNEXURES THERETO SHALL BE GOVERNED AND CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE REPUBLIC OF SEYCHELLES AND THE LISTING REQUIREMENTS OF MERJ EXCHANGE. YOUR ATTENTION IS DRAWN TO THE SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS ON PAGE 3 OF THESE LISTING PARTICULARS.**

**THE SHARE TOKENS ARE ONLY SUITABLE FOR INVESTORS: (I) WHO UNDERSTAND THE POTENTIAL RISK OF CAPITAL LOSS AND THAT THERE MAY BE LIMITED LIQUIDITY IN THE UNDERLYING INVESTMENTS OF THE COMPANY; (II) FOR WHOM AN INVESTMENT IN THE SHARE TOKENS IS PART OF A DIVERSIFIED INVESTMENT PROGRAM; AND (III) WHO FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE RISKS INVOLVED IN SUCH AN INVESTMENT PROGRAM. IT SHOULD BE REMEMBERED THAT THE PRICE OF THE SHARES AND THE INCOME FROM THEM CAN GO DOWN AS WELL AS UP.**



(an Ontario Company)

**LISTING OF UP TO 1,864,154 DIGITAL SHARES, IN AGGREGATE THROUGH AN INITIAL LISTING OF CLASS B TOKENIZED SHARES ("SHARE TOKENS").**

**MARKET PARTICIPANTS ARE ADVISED THAT TRADING IN QUANTUM BIOPHARMA LTD. SHARES WILL BE ISSUED AS SHARE TOKENS AND THE LISTING WILL BE IN UNITED STATES DOLLARS ("USD").**

The date of These Listing Particulars is January 14, 2025

**Sponsor Advisor  
Horizon Fintech Advisors Ltd.**

## Definitions

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“**Horizon**” means Horizon Globex GmbH, an organization designated by the Company to carry out the duties of registrar for the Share Tokens and is responsible for keeping the real time records of Holders of the Share Tokens in accordance with the Securities Facility Rules of MERJ Dep.

“**MERJ Dep**” means MERJ Depository and Registry, a licensed Securities Facility pursuant to the Seychelles Securities Act 2007 and the appointed registry and depository of MERJ Exchange.

“**MERJ Exchange**” means MERJ Exchange Limited, a licensed Securities Exchange pursuant to the Seychelles Securities Act 2007.

“**MERJ Clear**” means MERJ Clearing and Settlement Limited, a licensed Clearing Agency pursuant to the Seychelles Securities Act 2007 and operator of a Real Time Gross Settlement securities settlement system pursuant to the Seychelles National Payment Systems Act 2013.

“**MERJ Depository Interests**” or “**MDI**” means a 1:1 unit of beneficial ownership in a Principal Eligible Asset (e.g., Common Stock), registered in the name of an appointed Depository Nominee of MERJ Dep.

“**Share Token**” means an MDI that is issued in the form of a Digital Token and recorded via book-entry method on the register maintained by the Registrar.

“**Transmutation**” means to cause Common Stock to be converted into Share Tokens or vice versa in accordance with the Securities Facility Rules of MERJ Dep.

## Listing General Information

**Prepared by Horizon Fintex Advisors Limited and issued in terms of the Listings Rules of MERJ Exchange.**

These Listing Particulars are issued in compliance with the Listings Requirements of MERJ Exchange to provide information to the public about the Company. In addition, an application has been made to the MERJ Exchange for the securities to be admitted to the Official List and that these shares also currently trade on NYSE with ticker symbol QNTM.

As of December 31, 2022, **Quantum Biopharma Ltd’s** (the “Company”, “Corporation”, “Quantum”) authorized share capital of the Company consists of an unlimited number of Class A multiple voting shares (“Class A shares”) and an unlimited number of Class B subordinate voting shares (“Class B shares”), all without par value. All shares are ranked equally with regards to the Company's residual assets.

During the nine months ended September 30, 2024, the Company consolidated its shares on a 65:1 basis, and the effect was applied retroactively for all comparative periods presented.

As of September 30, 2024, the Company had 12 Class A Multiple Voting Shares, no par value outstanding and 1,864,154 Class B Subordinate Voting Shares, no par value shares outstanding. Class A Shares have 276,660 votes per share and Class B Shares have one vote

per share. As of March 30, 2023, Shareholders who hold Class A Shares together hold approximately 32.89% of the voting power of the Corporation's outstanding voting share.

The Class A Shares and Class B Shares rank *pari passu* with respect to the payment of dividends, return of capital and distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation. In the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of its assets among its shareholders for the purpose of winding-up its affairs, whether voluntarily or involuntarily, the holders of Class A Shares and the holders of Class B Shares are entitled to participate equally, share for share, subject always to the rights of the holders of any class of shares ranking senior to the Class A Shares and the Class B Shares, in the remaining property and assets of the Corporation available for distribution to Shareholders, without preference or distinction among or between the Class A Shares and the Class B Shares.

The Class B Shares are not convertible into any other class of shares. Each outstanding Class A Share may, at any time at the option of the holder, be converted into one Class B Share. Upon the first date that any Class A Share is held other than by a permitted holder, the permitted holder which held such Class A Share until such date, without any further action, shall automatically be deemed to have exercised his, her or its rights to convert such Class A Share into a fully paid and non-assessable Class B Share.

Future transfers by holders of Class A Shares to arm's length parties or other than to permitted holders will generally result in those shares converting to Class B Shares, which will have the effect, over time, of increasing the relative voting power of those holders of Class A Shares who retain their shares. Such holders could, in the future, control a significant percentage of the combined voting power of Class A Shares and Class B Shares.

The holders of Class B Shares are entitled to participate on an equal basis with holders of Class A Shares in the event of a "Change of Control Transaction" requiring approval of the holders of Class A Shares and Class B Shares under the OBCA, unless different treatment of the shares of each such class is approved by a majority of the votes cast by the holders of outstanding Class A Shares and by a majority of the votes cast by the holders of outstanding Class B Shares, each voting separately as a class.

The Company currently does not have any preferred shares issued. On March 15, 2018, the Shareholders approved the amendments contemplated by the Articles of Amendment at the 2018 annual and special meeting of the Shareholders, pursuant to which, among other things, the Shareholders approved the redesignation of the Century Shares to Class B Shares, the creation of the new class of Class A Shares, and the elimination of the Corporation's existing non-voting Class A Preferred Shares and non-voting Class B Preferred Shares.

### **Annual Meetings**

The annual meeting of shareholders shall, subject to the articles and any unanimous shareholder agreement be held at such place in or outside Ontario as the directors may determine for the purpose of hearing and receiving the reports and statements required by the Act to be read and laid before the shareholders at any annual meeting, electing directors, reappointing, if necessary, the incumbent auditor and fixing or authorizing the board of directors to fix his remuneration. No other business shall be transacted at an annual meeting of shareholders unless such meeting is also properly constituted as a special meeting of shareholders.

On December 20, 2024, MERJ Exchange approved an application from the Company to list up to 1,864,154 shares of Class B Common Stock, with no par value, being the entire issued

share capital of the Company at the time of listing, on Upstream, a MERJ Exchange Market, under the abbreviated name and share code “QNTM” and ISIN CA74764Y2050. The date of listing and commencement of trading is expected to be on or about January 14, 2025.

The Company has not paid either a cash dividend or a stock dividend from the date of its formation. No such acts or activities are being contemplated for the future.

With a dual listing on Upstream, a MERJ Exchange Market, participants of Upstream will hold and trade beneficial interests in the Common Stock in the form of Share Tokens using the Upstream Platform, <https://upstream.exchange/>. The register of Holders of the Share Tokens will be maintained by Horizon as the Registrar. The underlying Common Stock represented by the Share Tokens shall be held in “street name” on the Principal Register maintained by the Transfer Agent in the name of MERJ Nominees Ltd., a bankruptcy remote, wholly owned subsidiary of MERJ Dep (“Depository Nominee”).

The Directors of the Company, whose names are given in this Notice, collectively and individually accept full responsibility for the accuracy of the information given in these Listing Particulars and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain the accuracy of such facts have been made up to and including the last practicable date and that the document contains all information required by law and by the Listing Requirements of MERJ Exchange.

Copies of these Listing Particulars and all updates and amendments to these Listing Particulars up to the date of listing are available in English from the registered offices of Quantum Biopharma Ltd., 199 Bay St., Suite 4000 Toronto, Ontario M5L 1A9, Canada and the offices of the Sponsor Advisors at F20, 1st Floor, Eden Plaza Court, Eden Island, Seychelles as well as on the Upstream App, the Upstream website <https://upstream.exchange/> and the MERJ Exchange website, <https://merj.exchange/>.

**Sponsor Advisor:** Horizon Fintex Advisors Ltd.

**Date of issue:** January 14, 2025

## **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

These Listing Particulars contains forward looking statements based on assumptions and reflects the Directors expectations, estimates and projections of future events as of the date of this Pre-Listing Statement. Forward-looking statements include, without limitation, statements regarding the performance, prospects, opportunities, priorities, targets, goals, objectives, strategies, growth and outlook of the Company. Often, but not always, forward looking statements can be identified by the use of words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward looking statements are based upon certain material factors and assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions and analyses made by the Directors in the light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances. Also, forward looking statements involve

known and unknown risks, uncertainties and other factors that are beyond the Directors control, and which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Such material factors and assumptions and risks and uncertainties include, among others, those which are incorporated into these Listing Particulars and qualify any and all forward-looking statements made in these Listing Particulars.

Market data and industry information contained in these Listing Particulars are derived from various trade publications, industry sources and company estimates. Such sources and estimates are inherently imprecise. However, the Directors believe that such data and information are generally indicative of market position. The Directors of the Company are under no obligation to update this information nor any forward-looking statements whether as a result of new information, future events or otherwise beyond its issue date, except as required by law.

Although the Directors have attempted to identify factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, there may be other factors that cause actions, events and results to differ from those anticipated, estimated or intended. There can be no assurance that actual results will be consistent with these forward-looking statements.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements herein relate only to events or information as at the date on which the statements are made and, except as specifically required by law, the Directors undertake no obligation to update or revise any forward-looking statements, whether because of new information, estimates or opinions, future events or results or otherwise.

## **NOTICE TO INVESTORS**

Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to their acquisition, holding or disposal of the Share Tokens, and any foreign exchange restrictions that may be relevant thereto. These Listing Particulars do not constitute an offer to sell or the solicitation of an offer to buy in any state or other jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such state or jurisdiction. In particular, the information contained in these Listing Particulars does not constitute an offer of securities for sale in the United States. None of the securities described or directly or indirectly referred to in these Listing Particulars have been nor will they be registered under the Securities Act of 1933, as amended (“U.S. Securities Act”). The Share Tokens may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act or pursuant to an exemption from, or in a transaction not subject to, such registration. Accordingly, the Share Tokens are being offered and sold only in offers and sales that occur outside the United States to purchasers who are not U.S. persons (as defined in Regulation S) in offshore transactions in reliance on Regulation S under the U.S. Securities Act. By purchasing the Share Tokens, investors are deemed to have acknowledged, represented and warrant this to the Company.

The information in these Listing Particulars is for general guidance only and it is the responsibility of any person or persons in possession of these Listing Particulars and wishing to make an application to subscribe for the Share Tokens to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction.

The securities offered involve a high degree of risk and may result in the loss of your entire investment. Any person considering the purchase of these securities should consult with his, her or its legal, tax and financial advisors prior to making an investment in securities. The securities should only be purchased by persons who can afford to lose all of their investment. In making an investment decision, investors must rely on their own examination of the Company and the terms of the listing, including the merits and risks involved.

No person is authorized to give any information or make any representations (whether oral or written) in connection with the contents of these Listing Particulars except such information as is contained in these Listing Particulars and in any annexures, hereto. Only information or representations contained herein may be relied upon as having been authorized.

Neither the issue nor the delivery of these Listing Particulars at any time shall imply that information contained herein is correct as of any time subsequent to the issue date. Readers of these Listing Particulars should not construe its contents, or any prior or subsequent communications from the Company or any of its agents, officers, or representatives, as legal or tax advice. Readers should consult their own advisers as to legal, tax and related matters concerning an investment in the Company.

Neither the Directors nor their agents make any representation to any potential purchaser of securities regarding the legality of an investment therein by such investor under applicable legal investment regulation or similar laws.

These Listing Particulars does not constitute an offer to sell or issue, or the solicitation of an offer to purchase, subscribe for or otherwise acquire, Share Tokens in any jurisdiction where such an offer or solicitation would be unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company. The distribution of these Listing Particulars and the offer of the Share Tokens in certain jurisdictions may be restricted by law.

Other than in the Seychelles, no action has been or will be taken to permit the possession, issue or distribution of these Listing Particulars (or any other listing materials or publicity relating to the Share Tokens) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither these Listing Particulars, nor any other listing materials or publicity relating to the Share Tokens may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession these Listing Particulars (or any other listing materials or publicity relating to the Share Tokens) comes should inform themselves about and observe any such restrictions.

## **NOTICE TO U.S. PERSONS**

No offer or sales of the Share Tokens shall be made to U.S.-based investors, either U.S. citizens or permanent residents of the United States. There has not been and will be no public offering of the Share Tokens in the United States. The Share Tokens have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, delivered, distributed or otherwise transferred, directly or indirectly, into or within the United States.

## **NOTICE TO CANADIAN PERSONS**

No offer or sales of the Issuer shares shall be made to Canadian-based investors, either Canadian citizens or permanent residents of Canada. There has not been and will be no public offering of the Share Tokens in Canada, and may not be offered, sold, resold, pledged, delivered, distributed or otherwise transferred, directly or indirectly, into or within Canada.

# SUMMARY

## 1. INTRODUCTION

The Corporation was formed under the OBCA on November 1, 1998 pursuant to the amalgamation of Olympic ROM World Inc., 1305206 Ontario Corporation, 1305207 Ontario Inc., Century Financial Capital Group Inc. and Dunberry Graphic Associates Ltd.

On March 15, 2018, the Shareholders approved the amendments contemplated by the Articles of Amendment at the 2018 annual and special meeting of the Shareholders, pursuant to which, among other things, the Shareholders approved the redesignation of the Century Shares to Class B Shares, the creation of the new class of Class A Shares, and the elimination of the Corporation's existing non-voting Class A Preferred Shares and non-voting Class B Preferred Shares.

On May 24, 2018, FV Pharma completed a reverse takeover of the Corporation by way of a three-cornered amalgamation among the Corporation, FV Pharma and Acquireco, a wholly owned subsidiary of the Corporation formed solely for the purposes of completing the FV Pharma Amalgamation. In connection with the completion of the FV Pharma Amalgamation, FV Pharma became a wholly owned subsidiary of the Corporation and the Corporation: (i) changed its name from "Century Financial Capital Group Inc." to "Quantum Biopharma Ltd."; and (ii) reorganized the capital structure of the Corporation to create a new class of Class A Shares, amended the terms of and re-designated the existing common shares as Class B Shares, and eliminated the existing non-voting Class A Preferred Shares and non-voting Class B Preferred Shares, pursuant to the Articles of Amendment.

On May 29, 2018, the Class B Shares commenced trading on the CSE under the trading symbol "HUGE". On October 16, 2019, the Corporation amended its articles of incorporation to complete a consolidation of all of its issued and outstanding share capital. Pursuant to the amendment, all of the issued and outstanding Class A Shares and Class B Shares were consolidated on the basis of one post-consolidation share for every 201 pre-consolidation shares of the Corporation (the "**Consolidation**"). Unless otherwise noted, presentation in this Annual Report of the number of Class A Shares, Class B Shares, Stock Options, Warrants and the issue or exercise prices and any other data related to the foregoing securities are all presented on a post-Consolidation basis. On January 9, 2020, the Class B Shares commenced trading on the Nasdaq under the trading symbol "HUGE".

On August 9, 2024 the "**Company**" announced the consolidation of its issued and outstanding class A multiple voting shares ("**Class A Multiple Voting Shares**") and class B subordinate voting shares ("**Class B Subordinate Voting Shares**") of the Company on the basis of one (1) post-consolidation Class A Multiple Voting Share and Class B Subordinate Voting Share for every sixty-five (65) pre-consolidation Class A Multiple Voting Shares and Class B Subordinate Voting Shares.

The Company also changed its name to "Quantum BioPharma Ltd" commenced trading on the Canadian Securities Exchange (the "**CSE**") and Nasdaq under the new trading symbol "**QNTM**" on both the CSE and Nasdaq on August 15, 2024.

The Corporation's head and registered office is located at 55 University Avenue, Suite 1003, Toronto, Ontario, M5J 2H7 Canada. The Company's web site is [www.quantumbiopharma.com](http://www.quantumbiopharma.com).



## 2. OVERVIEW

Quantum BioPharma Ltd. (formerly, FSD Pharma Inc.) (“Quantum” or the “Company”) is a biopharmaceutical company dedicated to building a portfolio of innovative assets and biotech solutions for the treatment of challenging neurodegenerative, inflammatory and metabolic disorders and alcohol misuse disorders with drug candidates in different stages of development. Through its wholly-owned subsidiary, Lucid Psycheceuticals Inc. ("Lucid"), Quantum is focused on the research and development of its lead compound, Lucid-MS (formerly Lucid-21-302) ("Lucid-MS"). Lucid-MS is a patented new chemical entity shown to prevent and reverse myelin degradation, the underlying mechanism of multiple sclerosis, in preclinical models. Quantum is also focused on the research and development of a treatment for alcohol misuse for application in hospitals and other medical practices. Quantum maintains a portfolio of strategic investments through its wholly-owned subsidiary, FSD Strategic Investments Inc., which represent loans secured by residential property.

## 3. Management & Directors

<u>Name</u>	<u>Position</u>
Anthony Durkacz	Executive Co-Chairman
Zeeshan Saeed	CEO and Executive Co-Chairman
Donal Carrol	CFO
Dr. Lakshmi P. Kotra	Director
Adnan Bashir	Director
Eric Hoskins	Director
Michael (Zappy) Zapolin	Director

### ***Anthony Durkacz***

Mr. Durkacz served as the Corporation's interim CEO from July 2021 to July 2023 and as its Executive Co-Chairman since May 2021 and has served as a member of the Corporation's Board since June 2018. Mr. Durkacz is also a director and the Executive Vice-President of First Republic Capital Corporation, and has served in those roles since 2014. In addition, Mr. Durkacz is the chairman of World Class Extractions Inc. (CSE: PUMP; OTCQB: WCEXF) and has served in that role since 2018. Prior to co-founding the Corporation, from January 2013 to December 2013, Mr. Durkacz was President of Capital Ideas Investor Relations. He previously served as the CFO and a director of Snipp Interactive Inc. (TSXV: SPN.V), a global marketing solutions company that provides a modular software-as-a-service technology suite from January 2011 to January 2013. Mr. Durkacz was instrumental in the financing and public listing of Snipp Interactive Inc. with operations in Canada, the United States, Mexico and India. From 2006 to 2009, he served as COO and CFO of MKU Canada Inc. and engaged in mergers and acquisitions of companies around the world. From 2002 to 2006, Mr. Durkacz served as the CFO and a director of Astris Energi Inc., a dual-listed public company in the United States and Canada which was acquired by an international conglomerate. Mr. Durkacz began his career at TD Securities on the capital markets trading floor. He holds an Honours Bachelor of Business Administration degree from Brock University with a major in both Accounting and Finance.

### ***Zeeshan Saeed***

Mr. Saeed, a co-founder of the Corporation, has served as the Corporation's President and Executive Co-Chairman since May 2021 and CEO since July 2023. Previously, he served as President of the Corporation from May 2019 to January 2021 and as a director from May 2018 to January 2021. From December 2017 to May 2019, Mr. Saeed served as Executive Vice President of FV Pharma Inc., a subsidiary of the Corporation and a former licensed producer of cannabis in Canada under the *Cannabis Act* (Canada). From October 2013 to December 2017, he provided consulting services to FV Pharma Inc. From April 2003 to December 2017, Mr. Saeed served as President of ZZ Telecommunications Inc., a long-distance telecommunications common carrier. Mr. Saeed was the founder and CEO of Platinum Telecommunications Inc. from 2011 to 2013. He has a Bachelor of Science in Mechanical Engineering from the University of Engineering and Technology Lahore.

### ***Donal Carroll***

Mr. Carroll joined the Corporation as interim CFO in 2018 and was appointed to the position on a permanent basis in December 2019, where he served until May 2021. Mr. Carroll was appointed as COO of the Corporation on August 15, 2021. Mr. Carroll has also served as a director on the Corporation's Board from May 2018 to July 2018 and since May 2021. Mr. Carroll has 20 years of corporate finance leadership and public company experience, as well as experience in syndicate investing both in equity and debt securities. From June 2005 to January 2008, he served as an Accounting Supervisor with Alberto Culver (now Unilever (NYSE:UL)), from February 2008 to October 2013, Mr. Carroll has served as Controller with Videojet Technologies, and from October 2013 to July 2017, he served as a Corporate Controller with Cardinal Meats, where he was instrumental in major restructuring activities, mergers and acquisitions and the implementations of new internal controls and ERP systems. Mr. Carroll has been a Director of Bird River Resources Inc. since August 2019 and a Director of Climb Credit Inc. since May 2020. He holds a CPA-CMA designation as well as a Bachelor of Commerce degree from University College Dublin.

### ***Dr. Lakshmi P. Kotra***

Dr. Lakshmi P. Kotra has served as CEO of Lucid Psycheceuticals Inc. since September 2020, which he co-founded in 2020 and has served as a director on the Board since November 2022. Dr. Kotra received his Ph.D. in Pharmacy (Medicinal Chemistry) from the University of Georgia under Prof. David Chu's supervision, and completed postdoctoral training at Wayne State University under Prof. Shahriar Mobashery's supervision. He joined the Faculty of Pharmacy, University of Toronto in 2000, and University Health Network in 2006, where he led a research group and drug discovery program with multiple portfolios. An academic entrepreneur, Dr. Kotra has contributed to a number of important drug discovery and development projects, including metabolic disorders, neurodegenerative and immunological disorders, anti-HIV drugs, antibacterials, and antimalarials. He has authored/co-authored over 130 publications and delivered over 140 scientific talks internationally. Dr. Kotra is the recipient of several awards for his accomplishments, including the Julia Levy Award in 2021 from the Society of Chemical Industry (SCI) Canada in recognition of his substantial contribution to the successful commercialization of innovation in Canada in the field of biomedical science and engineering. In addition to Lucid, he co-founded WinSanTor Biosciences, a San Diego, CA-based company developing treatments for peripheral neuropathies, and CannScience Innovations focused on medical cannabis and cannabinoids. Dr. Kotra has been serving the Company as Chief Executive Officer of its wholly owned subsidiary, Lucid, since the completion of the Corporation's acquisition of Lucid in September 2021.

### ***Adnan Bashir***

Mr. Bashir has over 14 years of experience in strategic management and operations. He is the founder and President of 58Northwest Inc., a management consulting and marketing services company, and has held the role since 2018. From 2005-2018, Mr. Bashir was General Manager for Al Batha Group, a diversified business conglomerate based in Dubai, UAE. Mr. Bashir was responsible for overseeing the management and operations of 4 companies within the group and was instrumental in acquiring and developing new businesses and partners from Europe, the US and China. During his tenure at Al Batha Group, Mr. Bashir gathered extensive experience in executing turnaround strategies, transforming weak businesses into sustainable and profitable ones and implementing new technologies. Mr. Bashir holds a Bachelor of Science Degree in Mechanical Engineering from University of Engineering and Technology Lahore and has completed extensive executive education, including in strategic management, audit, sales management and technical management.

### ***Dr. Eric Hoskins***

Dr. Eric Hoskins is a medical doctor and public health expert with more than 30 years' experience in healthcare, public policy, economic development and international trade. Dr. Hoskins recently served as the Chair of the Federal Advisory Council on the Implementation of National Pharmacare.

He previously served as president of War Child Canada and was awarded the Order of Canada in 2007 for his humanitarian work. During Dr. Hoskins' nearly 10 years as a member of provincial parliament in Ontario, he held several cabinet positions including Minister of Health and Long-Term Care; Economic Development, Trade and Employment; Children and Youth Services; as well as Citizenship and Immigration. As a tireless health advocate, Dr. Hoskins has many years experience creating and delivering health programs in Africa and the Middle East.

### ***Mike (Zappy) Zapolin***

Zappy Zapolin is a well-known futurist, psychedelic concierge to the stars, and award-winning filmmaker who is dedicated to expanding human consciousness. As the youngest Vice President in the history of investment bank Bear Stearns, Zappy is a frequent commentator on investment opportunities in the biotech and emerging psychedelic industry.

## **Outside Directorship Disclosure**

Noted in bios above.

## **Compensation of Officers and Directors**

The following disclosure describes the compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation to each NEO (as defined herein). This section also identifies the objectives and material elements of compensation awarded to such executives and the reasons for their compensation. For a complete understanding of the executive compensation program, this disclosure should be read in conjunction with the Summary Compensation Table and other executive compensation-related disclosure included in this Annual Report.

### ***Summary Compensation Table***

The following table shows the compensation earned by, paid to, or awarded to the NEOs in respect of Fiscal 2023, 2022 and 2021.

Name and Principal Position	Year	Salary (US\$)	Share-Based Awards <sup>(1)</sup> (US\$)	Option Based Awards <sup>(2)</sup> (US\$)	Non-Equity Incentive Plan Compensation (US\$)		Pension Value	All Other Compensation <sup>(3)</sup> (US\$)	Total Compensation (US\$)
					Annual incentive plans	Long-term incentive plans			
Anthony Durkacz <sup>(4)</sup> Co-Executive Chairman and Director	2023	222,625	Nil	377,248	Nil	Nil	Nil	599,873	
	2022	239,269	316,834 <sup>(5)</sup>	Nil	Nil	Nil	136,710 <sup>(6)</sup>	692,813	
	2021	103,703	Nil	777,798	Nil	Nil	Nil	881,501	
Nathan Coyle <sup>(7)</sup> CFO	2023	178,208	Nil	Nil	Nil	Nil	Nil	178,208	
	2022	191,891	Nil	Nil	Nil	Nil	Nil	191,891	
	2021	189,186	Nil	46,586	15,734	Nil	Nil	251,506	
Zeeshan Saeed <sup>(8)</sup> CEO & Co-Executive Chairman	2023	222,625	Nil	377,248	Nil	Nil	Nil	599,873	
	2022	239,269	398,010 <sup>(5)</sup>	Nil	Nil	Nil	136,710 <sup>(6)</sup>	773,989	
	2021	225,271	Nil	777,798	Nil	Nil	Nil	1,003,069	
Donal Carroll <sup>(9)</sup> COO	2023	225,625	Nil	377,248	Nil	Nil	Nil	602,873	
	2022	239,269	321,543 <sup>(5)</sup>	34,519	Nil	Nil	136,710 <sup>(6)</sup>	732,041	
	2021	351,406	Nil	777,798	78,670	Nil	4,779 <sup>(6)</sup>	1,212,653	
Dr. Lakshmi Kotra Director, CEO of Lucid, President of FSD Biosciences, and CEO FSD Australia	2023	144,724	Nil	377,248	Nil	Nil	Nil	521,972	
	2022	331,510 <sup>(10)</sup>	80,212 <sup>(5)(10)</sup>	Nil	Nil	Nil	Nil	411,722	
	2021	44,430 <sup>(10)</sup>	Nil	172,799	Nil	Nil	Nil	217,228.96	

**Notes:**

- (1) "Share-based Award" means an award of Class B Shares and includes PSUs and RSUs. The dollar amount disclosed is based on the closing price per Class B Share at the date of each grant.
- (2) "Option-based Award" means an award of Options under the Stock Option Plan or the Equity Incentive Plan. This does not represent cash paid to the NEO. This figure is based on the grant date fair value of such Options. The grant date fair value was determined in accordance with International Financial Reporting Standards. This methodology was chosen in order to be consistent with the accounting fair value used by the Company in its financial statements, and the Black-Scholes option pricing model is a commonly used methodology for valuing options which provides an objective and reasonable estimate of fair value. Calculating the value of stock options using the Black-Scholes option pricing model is very different from a simple "in-the-money" value calculation. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.
- (3) Includes Company-paid health and life insurance benefits and car allowances for all NEOs.
- (4) Mr. Durkacz has been a director of the Company since June 18, 2018 and was appointed as interim CEO of the Company on July 27, 2021.
- (5) This figure represents PSUs granted under the Equity Incentive Plan. This does not represent cash paid to the NEO. This figure is based on the incremental grant date fair value of such PSUs. The grant date fair value was determined in accordance with International Financial Reporting Standards. The incremental fair value is the difference between the fair value of the PSUs based on the share price on the grant date and the fair value of the share options cancelled as measured on date of modification. This methodology was chosen in order to be consistent with the accounting fair value used by the Company in its financial statements. For further details on the valuation of PSUs, see Note 16 to the 2023 Annual Financial Statements, starting at page F-1.
- (6) These amounts represent cash bonuses paid to the NEO.
- (7) Mr. Coyle was appointed as the CFO of the Company on May 4, 2021, initially on interim and then on a permanent basis.
- (8) Mr. Saeed departed from his position as President and director of the Company effective January 25, 2021 but was re-elected as a director of the Company on May 14, 2021 and re-appointed as President of the Company on July 27, 2021.
- (9) Mr. Carroll resigned as CFO of the Company on May 4, 2021 and was elected as a director of the Company at the 2021 Meeting on May 14, 2021. Mr. Carroll was appointed as COO of the Company on August 15, 2021.
- (10) Dr. Kotra is not paid a salary by the Company, but was paid a consulting fee of \$331,510.00 for the year ended December 31, 2022 and \$44,430.00 for the year ended December 31, 2022. Dr. Kotra's PSU awards for the year ended December 31, 2022 includes 51,500 PSUs issued to ILace Therapeutics International Inc., a corporation controlled by Dr. Kotra.

## Director Compensation

### Director Compensation Program

The following describes the director compensation program that was in effect for Fiscal 2022. A cash retainer of \$60,000 per year is paid on a monthly basis. In addition, \$20,000 per year is paid to the Chair of the Audit Committee and \$10,000 per year is paid to the Chairs of each of the Compensation, Nominating and Governance Committee and the Disclosure Committee, paid on a monthly basis in each case. No additional fees are paid to the members for attending the meetings of the board of directors and meetings of standing committees. In accordance

with the Equity Incentive Plan, directors are entitled to receive incentive awards, including share awards, PSUs, RSUs and Options.

### **Director Compensation Table**

The following table sets forth information concerning compensation accrued or paid to the Company's non-employee directors, other than NEOs whose compensation is reported in the Summary Compensation Table above, during the year ended December 31, 2023:

Name <sup>(1)</sup>	Fees earned (\$) (b)	Share-based awards (\$) (c)	Option-based awards (\$) (d)	Non-equity incentive plan compensation (\$) (e)	Pension value (\$) (f)	All other compensation (\$) (g)	Total (\$) (h)
Michael (Zappy) Zapolin	26,000	Nil	Nil	Nil	Nil	100,000	126,000
Adnan Bashir	44,525	Nil	Nil	94,848	Nil	Nil	139,373
Nitin Kaushal	56,599	Nil	Nil	94,848	Nil	Nil	151,447
Dr. Eric Hoskins	-	Nil	Nil	Nil	Nil	Nil	-
Lawrence (Larry) Latowsky <sup>(2)</sup>	25,992	Nil	Nil	94,848	Nil	Nil	120,840
Joseph L. Romano <sup>(3)</sup>	22,023	Nil	Nil	Nil	Nil	Nil	22,023

**Notes:**

- (1) The relevant disclosure pertaining to directors who are NEOs (meaning, Zeeshan Saeed and Anthony Durkacz) are reflected in the summary compensation table set forth above.
- (2) Lawrence (Larry) Latowsky resigned from the Board effective June 29, 2023.
- (3) Joseph L. Romano resigned from the Board effective June 29, 2023.

Other details relating to executive compensation are incorporated by reference in the company's latest Annual Report 20-F at this link:

[https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd\\_20f.htm#C](https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd_20f.htm#C)

### **Proposed Compensation Post-Listing**

Compensation Post-Listing is not expected to change from Pre-Listing compensation.

### **Director Powers**

The duties and responsibilities of the directors of the Board are to supervise the management of the business and affairs of the Company; and to act in the best interests of the Company. In discharging its mandate, the directors of the Company are responsible for the oversight and review of the development of, among other things, the following matters:

- the strategic direction of the Company;
- identifying the principal business risks of the Company and ensuring that procedures and people are in place to appropriately manage these risks;
- succession planning, including appointing, training and monitoring senior management;
- a communications policy for the Company to facilitate communications with investors and other interested parties; and
- the integrity of the internal controls and procedures (including adequate management information systems and the oversight of the testing of internal controls) within the Company.

The Board also has the mandate to assess the effectiveness of the Board as a whole, its committees and the contributions of individual directors. The Board discharges its responsibilities and obligations either directly or through its committees, currently consisting of the Audit Committee, the Compensation, Nominating and Governance Committee and the Disclosure Committee.

## **4. LISTING TIMETABLE**

The Listing is expected to commence on or about January 14, 2025.

## 5. LISTING INFORMATION

On December 20, 2024, MERJ Exchange approved an application from the Company to list up to 1,864,154 shares of Common Stock, with no par value, being the entire issued Class B share capital of the Company at the time of listing, on Upstream.

## 6. DEALING CODES

- Incorporated in Ontario on November 1, 1998
- Ticker “QNTM” (CSX - primary listing venue)
- ISIN CA74764Y2050

## 7. US TRADING INFORMATION

- NASDAQ: QNTM (Class B Shares)
- US SEC FILINGS:  
<https://www.sec.gov/edgar/browse/?CIK=1771885&owner=exclude>

## 8. MAJOR SHAREHOLDERS

The following table provides information with respect to the beneficial ownership of our Class A Shares and Class B Shares as of March 28, 2024:

- each person, or group of affiliated persons, known by us to beneficially own five percent (5%) or more of any class of our shares;
- each of our NEOs;
- each of our directors; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities and include shares that can be acquired within 60 days of March 28, 2024. The percentage ownership information shown in the table is based upon 72 Class A Shares and 40,429,569 Class B Shares outstanding as of March 28, 2024. Each Class A Share is convertible into one Class B Share at the option of the Class A Share holder. Class A Shares have 276,660 votes per share and Class B Shares have one vote per share. For further information regarding the voting rights of the Class A Shares and the Class B Shares, see Exhibit 2, “*Description of Securities*”.

Except as otherwise indicated, all persons listed below have sole voting and investment power with respect to the shares beneficially owned by them, subject to applicable community property laws. The information is not necessarily indicative of beneficial ownership for any other purpose.

Name of Beneficial Owner	Class A Shares <sup>(1)</sup>		Class B Shares		Total Voting Power
	Number	Percent	Number	Percent	Percent
<b>Five Percent or Greater Holders:</b>					
Rehan Saeed <sup>(3)</sup>	36	50%	731,086	1.8%	17.7%
<b>Current Directors and Named Executive Officers:</b>					
Anthony Durkacz Co-Executive Chairman and Director <sup>(4)</sup>	36	50%	1,623,165	4.0%	19.2%
Zeeshan Saeed CEO, President, Co-Executive Chairman and Director <sup>(5)</sup>	36	50%	2,741,146	6.8%	21.0%
Nathan <sup>(6)</sup> Coyle CFO		0%	32,500	0.1%	0.1%
Donal <sup>(7)</sup> Carroll COO		0%	973,268	2.4%	1.6%
Adnan <sup>(8)</sup> Bashir Director		0%	9,393	0.0%	0.0%
Dr. Eric Hoskins Director		0%	-	0.0%	0.0%
Dr. Sanjiv Chopra Director		0%	-	0.0%	0.0%
Michael (Zappy) Zapolin Director		0%	-	0.0%	0.0%
Dr. Lakshmi P. Kotra Director, CEO of Lucid, President of FSD Biosciences and CEO of FSD Australia <sup>(9)</sup>		0%	1,922,197	4.8%	3.2%
All current directors and executive officers (9 individuals)	72	100%	7,301,669	18.1%	45.1%

**Notes:**

- (1) Class A Shares have 276,660 votes per share.
- (2) The reported number of Class A Shares consists of shares held by Mr. Bokhari. The reported number of Class B Shares consists of 24 Class B Shares issuable upon conversion of Class A Shares.
- (3) The reported number of Class A Shares consists of shares held by the Xorax Family Trust ("Xorax"), as to which Mr. Rehan Saeed, the trustee of Xorax, has shared voting and dispositive power (and which such Class A Shares are held for the benefit of Mr. Zeeshan Saeed). The reported number of Class B Shares consists of (a) 40,055 outstanding Class B Shares held by Mr. Rehan Saeed, and (b) the following shares as to which Mr. Rehan Saeed has shared voting and dispositive power: (i) 441,031 outstanding Class B Shares held by Xorax, (ii) 24 Class B Shares issuable upon conversion of Class A Shares held by Xorax, (iii) 100,000 Class B Shares issuable upon exercise of outstanding Warrants held by Legacy Family Trust ("Legacy"), of which Mr. Rehan Saeed is the trustee, exercisable within 60 days of March 28, 2024 and (iv) 150,000 outstanding Class B Shares held by Legacy.
- (4) The reported number of Class A Shares consists of shares held by Fortius Research and Trading Corporation ("Fortius"), as to which Mr. Durkacz, who controls Fortius, has shared voting and dispositive power. The reported number of Class B Shares consists of (a) the following shares as to which Mr. Durkacz has sole voting and dispositive power: (i) 975,122 outstanding Class B Shares and (ii) 500,000 Class B Shares issuable upon exercise of outstanding Options exercisable within 60 days of March 28, 2024 and (b) the following shares as to which Mr. Durkacz has shared voting and dispositive power: (i) 106,043 outstanding Class B Shares held by Fortius, (ii) 24 Class B Shares issuable upon conversion of Class A Shares held by Fortius and (iii) 42,000 outstanding Class B Shares held by Jacqueline Burns, the spouse of Mr. Durkacz. The reported number of Class B Shares does not include 373,671 outstanding Class B Shares held by First Republic, of which Mr. Durkacz is a director, Executive Vice President and majority shareholder. Mr. Durkacz does not have or share voting or investment power over the Class B Shares held by First Republic.
- (5) The reported number of Class A Shares consists of 36 Class A Shares held by Xorax, of which Mr. Zeeshan Saeed has shared voting and dispositive power. The reported number of Class B Shares consists of the following shares as to which Mr. Zeeshan Saeed (a) has sole voting and dispositive power: (i) 1,800,115 outstanding Class B Shares and (ii) 500,000 Class B Shares issuable upon exercise of outstanding Options exercisable within 60 days of March 28, 2024 and (b) has shared voting and dispositive power: (i) 36 Class B Shares issuable upon conversion of Class A Shares held by Xorax and (ii) 441,031 outstanding Class B Shares held by Xorax.
- (6) The reported number of Class B Shares consists of the following shares as to which Mr. Nathan Coyle has sole voting and dispositive power: (a) 2,500 outstanding Class B Shares and (b) 35,000 Class B Shares issuable upon exercise of outstanding Options exercisable within 60 days of March 28, 2024 as to which Mr. Nathan Coyle has sole voting and dispositive power.
- (7) The reported number of Class B Shares consists of (a) 971,268 outstanding Class B Shares and (b) 500,000 Class B Shares issuable upon exercise of outstanding Options exercisable within 60 days of March 28, 2024.
- (8) The reported number of Class B Shares consists of (a) 9,200 outstanding Class B Shares as to which Mr. Adnan Bashir has sole voting and dispositive power, (b) 98 outstanding Class B Shares held by 58 Northwest, a corporation controlled by Mr. Bashir, and (c) 95 outstanding Class B Shares held by TFSA, a corporation controlled by Mr. Bashir.
- (9) The reported number of Class B Shares consists of the following shares as to which Dr. Lakshmi Kotra has sole voting and dispositive power: (a) 515,797 outstanding Class B Shares, (b) 865,200 outstanding Class B Shares held by ILace Therapeutics International Inc., a corporation controlled by Dr. Kotra, (c) 41,200 outstanding Class B Shares held by Kotra Trust, a trust of which Dr. Kotra is the trustee, and (d) 500,000 Class B Shares issuable upon exercise of outstanding Options exercisable within 60 days of March 28, 2024.
- (12) As noted above in Notes 3 and 5 to this chart, the 36 Class A Shares and 441,031 of the Class B Shares reported under Mr. Rehan Saeed and Mr. Zeeshan Saeed's shareholdings represent the same Class A Shares and Class B Shares, which are held by Xorax, of which Mr. Rehan Saeed and Mr. Zeeshan Saeed have shared voting and dispositive power.

## 9. ACTION REQUIRED

Purchases of Share Tokens can be made using the Upstream App.

If you are in any doubt as to what action to take, you should please consult your broker, attorney, or other professional advisor immediately.

The Share Tokens issued in connection with the Listing will only be tradable using the Upstream App, which is available for download from app stores using the links published on <https://upstream.exchange/>.

## 10. DIVIDEND POLICY

The Company has not paid any dividends on its outstanding Class B Shares, and they have no current intention to declare dividends on Class B Shares in the foreseeable future. Any decision to pay dividends on Class B Shares in the future will be at the discretion of the board

of directors and will depend on, among other things, results of operations, current and anticipated cash requirements and surplus, financial condition, any future contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and other factors that the board of directors may deem relevant.

Dividend information and its tax implications are incorporated by reference in the Company's Annual Report linked here:

[https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd\\_20f.htm#Taxation](https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd_20f.htm#Taxation)

## **11. DIRECTORS, ADVISERS AND OTHER SERVICE PROVIDERS**

Directors	Anthony Durkacz Zeeshan Saeed Dr. Lakshmi P. Kotra Adnan Bashir Eric Hoskins Michael (Zappy) Zapolin
Registered Office	<b>55 University Avenue, Suite 1003,</b> Toronto, Ontario, M5J 2H7 Canada
Sponsor Advisor	Horizon Fintex Advisors Ltd. F20, 1st Floor, Eden Plaza Court, Eden Island, Seychelles
Transfer Agent	Marrelli Trust Company Limited 82 Richmond St. E 1 <sup>st</sup> Fl Toronto, ON M5C 1P1
Registrar	Horizon Globex GmbH Baarerstr. 57, 6302 Zug Switzerland
Reporting Accountants and Auditors	MNP LLP 1 Adelaide St. E Toronto, ON M5C 2V9
Legal advisers to the Company	Garfinkle Biderman 1 Adelaide St. E, Suite 801 Toronto, ON M5C 2V9



## **12. LEGAL FOUNDATION**

The Board of Directors of the Company approved the listing of the Company's Common Stock on Upstream and in its application agreed, once listed, to comply with the Listing Rules of MERJ Exchange. MERJ Dep has also approved the Share Tokens as “Approved Eligible Assets” which is a pre-requisite to being traded on a MERJ Exchange market, including Upstream. The Share Tokens are recognized as securities pursuant to Schedule 1 of the Seychelles Securities Act.

## **13. GENERAL APPOINTMENT OF HORIZON AS REGISTRAR**

Horizon Globex GmbH (“Horizon”) is designated by the Company, pursuant to the Agreement dated October 23, 2023, to carry out the duties of registrar for the Share Tokens and is responsible for keeping records of Holders of the Share Tokens, defined herein as the Registrar. The Registrar (i) records the Holders of Share Tokens in book-entry form, (ii) acts as paying agent to pay out dividends to Holders of Share Tokens, (iii) handles lost, destroyed, or stolen Share Tokens, and (iv) facilitates the transfer of Common Stock to Share Tokens and vice versa (“Transmutation”).

## **14. PROCEDURES FOR ISSUANCE OF NEW SECURITIES**

Horizon is authorized and directed to facilitate the issuance and allocation of the Share Tokens, including Digital Tokens, from time to time upon receiving from the Company all of the following:

- Written instructions as to the issuance of the Share Tokens from an authorized officer of Company;
- An opinion of Company’s counsel that -
  - the Share Tokens are duly authorized, validly issued, fully paid and nonassessable, and
  - no order or consent of any governmental or regulatory authority other than that provided to Horizon is required in connection with the issuance of the Share Tokens or, if no such order or consent is required, a statement to that effect. The opinion should also indicate whether it is necessary that the Share Tokens be subject to transfer restrictions or a statement to the effect that all Share Tokens to be issued are freely transferable upon presentation to Horizon for that purpose.
- Confirmation that the underlying Principal Eligible Assets have been issued and credited to the name of the Depository Nominee on the Principal Register maintained by the Transfer Agent;
- Such further documents as Horizon may reasonably request.

### **Securities Depository**

MERJ Dep will act as securities depository for the Share Tokens. MERJ Dep is licensed and regulated in Seychelles pursuant to the Seychelles Securities Act 2007 as a Securities Facility. MERJ Dep provides registry and depository services for global issuers of Eligible Assets including shares, debt instruments and depository interests thereof that are listed and traded on any market of MERJ Exchange, including Upstream.

The underlying securities will be issued and registered in the name of MERJ Nominees Ltd., MERJ Dep.’s limited purpose, bankruptcy remote Depository Nominee, or another approved depository nominee if requested by MERJ Dep. A record of the Holders of the Share Tokens will be maintained in a register in accordance with the MERJ Dep Securities Facility Rules.

MERJ Dep. along with MERJ Clear, a licensed clearing agency, together facilitate the book-entry, delivery vs. payment (DvP) settlement of securities listed and quoted on Upstream in accordance with their respective rules as amended from time to time. This eliminates the need for physical movement of securities certificates.

MERJ Clear and MERJ Dep. are wholly owned subsidiaries of MERJ Exchange Limited (“MERJ Exchange”). MERJ Exchange is a publicly traded company and is self-listed on the Main Board of MERJ Exchange.

Purchases of Share Tokens will result in a credit to the account of the purchaser in their Upstream member account. The purchasers will then have an ownership interest which is recorded directly in the Upstream App.

Purchasers of Share Tokens will not receive written confirmation from any MERJ company of their purchase. Such purchasers, however, shall receive digital confirmations providing details of the transaction from the Upstream App.

Holders and beneficial owners will not receive certificates representing their ownership interests in the Share Tokens, except in the event that use of the MERJ System for the Share Tokens is discontinued.

MERJ Dep. may discontinue providing its services as depository with respect to the Share Tokens at any time by giving reasonable notice to the Company or its agent. Under such circumstances, MERJ Nominees will work with the Company, its Transfer Agent and the Registrar to ensure that Holders of Share Tokens will be converted and reflected as Holders of the underlying Common Stock of the Company.

## **Share Tokens**

Our Share Tokens exist solely as book-entry shares within the records of the Registrar. Share Tokens will not have traditional share certificates. Holders of Share Tokens have all of the same rights as a holder of the Common Stock including rights to dividends and to receive notices and vote at general meetings. Trading and settlement of the Share Tokens is governed by the rules and procedures under which Upstream operates.

Although records of secondary transfers of Share Tokens between stockholders, which we refer to as “peer-to-peer” transactions, would be viewable on a blockchain network, record and beneficial ownership of our Share Tokens is reflected on the book-entry records of the Registrar. The Registrar’s records constitute the official shareholder records for our Share Tokens and govern the record ownership of our Share Tokens in all circumstances.

Share Tokens are “Ethereum ERC20” digital tokens that are transferrable between approved accounts, exclusively using the Upstream App, in peer-to-peer transactions on a blockchain network, as described below under “Trading Share Tokens” following the closing of this listing. Share Tokens are created, held, distributed, maintained and deleted by the Registrar, and not by the Upstream App and cannot be created or deleted by any entity other than the Registrar.

The Registrar uses the Ethereum ERC20 Standard (which can interface with various blockchain networks' programming standards) to program any relevant compliance-related transfer restrictions that would traditionally have been printed on a paper stock certificate onto “smart contracts” (computer programs written to the relevant blockchain), which allows the smart contract to impose the relevant conditions on the transfer of the Share Tokens. One example of such coding is a restriction on to whom Share Tokens may be transferred. The restrictions are coded as a smart contract that overlays the Share Tokens, and the restrictions act in the same way as transfer restrictions printed on a stock certificate do, in that they prevent the unauthorized transfer of Share Tokens. Relevant transfer restrictions will be provided to the Registrar by the Company. Please refer to the Cautionary Statements section above for further information on restrictions.

## **15. TRADING SHARE TOKENS**

### **Creation of an Account**

In order to purchase our Share Tokens, a new potential purchaser must first create an account on the Upstream App. There is no charge for setting up this account and any person or entity that establishes an account is under no obligation to purchase Share Tokens. Setting up an account can be done directly on the Upstream App available on the website or through the App stores. In order to set up an account, a potential purchaser must navigate to <https://upstream.exchange/>, download the smartphone or desktop version of the Upstream App and follow the installation instructions to set up the Upstream App on their device.

All information provided by a potential purchaser to the Upstream App is provided by the potential purchaser directly to the Upstream App, not to the Company, and held solely by the Upstream App and not by the Company. The Registrar will maintain the identity of each record holder of our Share Tokens.

### **KYC/AML**

On the Upstream App, a potential Share Token purchaser must complete required anti-money laundering and know-your-customer processes (the “Processes”). As part of the Processes, the Upstream App will request that potential purchasers provide their address of residence. We will not offer or sell our Share Tokens to U.S. or Canadian persons or to any persons from a Financial Action Task Force “Non-Cooperative Countries or Territories”. Once a potential purchaser has completed the Processes and been approved to be eligible to purchase Share Tokens, the potential purchasers account will be established on the Upstream App. The Upstream App maintains the list of approved persons or entities who have successfully completed the required Processes, including providing the Registrar with various required personal information and documentation. Share Tokens may only be sold or transferred to people or entities on the Upstream App. It is possible that in the future the Company may choose to hire a separate, third-party provider of the Processes. In either case, such external providers would perform the Processes and provide the results to the Registrar, who would then add the approved persons and entities. Once a potential purchaser has completed the Processes and been added to the Upstream App, the potential purchaser will be shown a link that returns the potential purchaser to the Upstream App. On the Upstream App, the potential purchaser will be provided with all necessary documentation that must be supplied to a potential purchaser in order for the potential purchaser to purchase Share Tokens. The potential purchaser will provide information for funding their purchase through the Upstream App, and the information will be sent directly to the Registrar through a user interface that has been consented to by the Registrar. This user interface between the Registrar and the Upstream App will also allow a potential purchaser to view the amount of Share Tokens the potential purchaser has deposited funds for on the Upstream App.

### **Secondary Trading/Transfers on MERJ/Upstream**

The procedure for trading Share Tokens on the Upstream App shall have the following general structure:

1. A holder of Share Tokens opens the Upstream App and clicks on the “Market” screen, a specific tab within the Upstream App. The Upstream App will connect the holder, through an API, to the MERJ Exchange on which the Share Tokens are available to trade.
2. The Upstream App will require holders of Share Tokens to open and maintain accounts on the Upstream App and confirm that the holder has completed the Processes, as defined above, or the Upstream App will maintain a connection to the Registrar and will be able to import the Registrar’s information about the holder to identify the holder.

3. The holder will be able to trade Share Tokens on the Upstream App once the Upstream App has received the required information about the holder.
4. The Upstream App supports the secondary trading of Share Tokens for U.S. Dollars. The Upstream App maintains a technological connection to the Registrar, and the Registrar is informed by the Upstream App of every transfer of Share Tokens between holders. The Registrar will also maintain the same system of reconciliation between the blockchain record of the movements of the Share Tokens and the Company's book-entry records of its Share Token ownership.

Our Share Tokens are available for trading on the Upstream App. Potential purchasers who do not yet hold Share Tokens will be required to complete the Processes, as defined above, on the Upstream App, or the Company may either choose to hire a separate, third-party provider of the Processes. Any such external provider that performs the Processes would provide the results of the Processes and other relevant information about the potential purchaser to the Registrar, who would then add any approved persons and entities to the Upstream App, as described above.

### **Transfers of Share Tokens**

It is always possible for holders of our Share Tokens to transfer their shares out of the Upstream/MERJ secondary marketplace should the holder wish. To undertake such an external transfer, the holder would contact the Registrar and provide the Registrar with all requested information regarding the transfer. The Registrar would review the transfer restrictions applicable to the holder's Share Tokens and, if the proposed transfer was permitted, liaise with the Transfer Agent to effect the transfer.

Transfers of ownership interests in Share Tokens deposited with or held by MERJ Dep. or any of its depository nominees are accomplished by entries made in accordance with the rules of MERJ Clear and MERJ Dep.

### **Upstream Ethereum Layer-2 Blockchain**

In order to trade Share Tokens on the Upstream Ethereum layer-2 blockchain, Ráneum <https://raneum.com/>, requires the use of the Upstream App.

The Ráneum Ethereum layer-2 blockchain does not require the Shareholder to pay validator/miner network/gas fees in order to transfer Share Tokens or NFTs when using the Upstream App.

The Registrar utilizes the Ráneum Ethereum layer-2 blockchain for the issuance and secondary trading of the ERC-20-based Share Tokens inside the Upstream App and may provide holders of its Share Tokens with certain notifications should it choose to make available Share Tokens on an alternative Ethereum layer-2 blockchain, or if the Upstream App should choose to change the Ethereum layer-1 or layer-2 blockchain on which Share Tokens were available. In the event the Registrar chooses to use an alternative Ethereum layer-1 or layer-2 blockchain, no Shareholders holdings will be affected, and no action will be required to be undertaken by the Shareholder using the Upstream App.

If the Registrar chooses to make available records of transfers of Share Tokens, they would be viewable on the Share Token's Ethereum blockchain explorer <https://explorer.upstream.exchange/>. However, book-entry records and beneficial ownership of our Share Tokens is only reflected on the off-chain records of the Registrar. The Registrar's records constitute the official shareholder records for our Share Tokens and govern the record ownership of our Share Tokens in all circumstances. No Personally Identifiable Information (PII) of Shareholders shall be recorded on any blockchain utilized by Upstream or the Registrar. The association of a natural person or entity with an Ethereum wallets public key may only be performed by the Registrar using records stored on off-chain digital media by the Registrar.

## 16. LITIGATION

The Company is engaged in certain legal proceedings, as further described below. Litigation has been, and is expected to be, costly and time-consuming and could divert the attention of management and key personnel from business operations. Although the Company intends to vigorously defend itself against any pending claims, and future claims that may occur, they cannot assure that they will succeed in defending any of these claims and that the judgments will not be upheld against them. If they are unsuccessful in their defense of these claims or unable to settle the claims in a manner satisfactory to them, they may be faced with outcomes that could have a material adverse effect on the Corporation and its financial condition. Except for as otherwise disclosed below, there are no material outstanding legal proceedings or regulatory actions to which the Corporation is party, nor, to Corporation's knowledge, are there any such proceedings or actions contemplated.

These items are incorporated by reference in the Company's latest annual report at this link:

[https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd\\_20f.htm#IEC](https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd_20f.htm#IEC)

On October 20, 2024, Quantum BioPharma Ltd filed a complaint in the United States District Court for the Southern District of New York alleging that CIBC World Markets (CIBC), RBC Dominion Securities (RBC), and others (the "Defendants") engaged in market manipulation schemes that violated Section 10(b) and Rule 10b-5(a) and (c) and Section 9(a) of the Securities Exchange Act of 1934. This lawsuit alleges that between **1<sup>st</sup> of January 2020**, and **15<sup>th</sup> of August 2024** the Defendants and/or their customers used "spoofing" techniques to manipulate the share price of Quantum BioPharma shares. The Company is seeking damages of more than **\$700 Million USD**.

## 17. RELATED PARTY TRANSACTIONS

The Company's related party transactions are incorporated by reference in the Company's latest annual report at this link:

[https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd\\_20f.htm#RPT](https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd_20f.htm#RPT)

## 18. GENERAL

The Company is not regulated by the Financial Services Authority of the Seychelles or any other regulator.

No application is being made for the Share Tokens to be dealt with in or on any stock exchanges or investment exchanges other than the MERJ Exchange.

The Company does not own any premises and does not lease any premises.

Lock-in Period: all shareholders are locked-in and cannot trade their shares in QNTM until such time as the new Share Tokens are issued and listed following the dual listing. The Company's Directors and key members of management are subject to a Lock-in Period that matches their primary listing venue.

### Family Relationships

There are no family relationships between or among the directors, executive officers or persons nominated or chosen by the Company to become directors or executive officers.

More information is incorporated by reference in the Company's latest Annual Report linked here: [https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd\\_20f.htm#HDC](https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd_20f.htm#HDC)

## 19. INFORMATION POLICY

Information relating to the Company as required by the MERJ Exchange Listing Requirements will be available on its website at <https://merj.exchange>.

The Company will also publish copies of the annual reports and annual financial statements and any interim financial statements since the latest annual report and a calendar of future significant events that details all the information and meetings that may affect the rights of its shareholders on the Upstream app.

## 20. THIRD-PARTY SOURCES

Where third-party information has been referenced in these Listing Particulars, the source of that third-party information has been disclosed. Where information contained in these Listing Particulars has been sourced from a third party, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## 21. RISK FACTORS

***An investment in our securities is speculative and involves a high degree of risk. In addition to all the documents that are part of these Listing Particulars, you should carefully consider the following risk factors regarding the Company before making an investment decision. If any of the following risks actually occur, as well as other risks not currently known to us or that we currently consider immaterial, our business, operating results and financial condition could be materially adversely affected. As a result, you may lose all or part of your investment. The risks discussed below also include forward-looking statements, and our actual results may differ substantially from those discussed in these forward-looking statements. See “Note Regarding Forward Looking Statements” in these Listing Particulars.***

An investment in the Share Tokens carries a number of risks, including the risk that the entire investment may be lost. In addition to all other information set out in these Listing Particulars, the following factors should be considered when deciding whether to make an investment in the Share Tokens. The risks set out below are those which are considered to be the material risks relating to the Company and an investment in the Share Tokens but are not the only risks relating to the Share Tokens or the Company. No guarantee can be given that Shareholders will realize a profit on, or recover the value of, their investment in the Share Tokens. It should be remembered that the price of Share Tokens and the income from them can go down as well as up.

Prospective investors should note that the risks relating to the Company, its strategy and the Share Tokens summarized in the section of these Listing Particulars headed “Risk Factors” are the risks that the Sponsor Advisor and the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Share Tokens. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks uncertainties described in this “Risk Factors” section of these Listing Particulars. Additional risks and uncertainties not currently known to the Company or the Directors or that the Company or the Directors consider to be immaterial as at the date of these Listing Particulars may also have a material adverse effect on the Company’s financial condition, business, prospects and results of operations and, consequently, the Company’s Returns and/or the market price of the Share Tokens. Given the forward-looking nature of the risks, there can be no guarantee that such risk is, in fact,

the most material or the most likely to occur. Prospective investors should, therefore, review and consider each risk.

The Share Tokens are only suitable for investors who understand the potential risk of capital loss and that there may be very limited liquidity in the underlying investments of the Company, for whom an investment in Share Tokens is part of a diversified investment program and who fully understand and are willing to assume the risks involved in such an investment.

An investment in the Company is highly speculative and involves a high degree of risk of loss of part or all of an investor's investment. There may be very limited liquidity in the securities being offered. A prospective investor should only purchase the securities of the company if the investor anticipates not having any needs for the funds to be used thereafter and for any purposes at any time in the future and if they can afford to lose their entire investment.

You should not invest any funds in this Company unless you can afford to lose your entire investment. Potential investors in the Share Tokens should review these Listing Particulars carefully and, in its entirety, consult with their professional advisers prior to purchasing the Share Tokens.

In making an investment decision, investors must rely on their own examination of the issuer, including the merits and risks involved. These securities have not been recommended or approved by any federal or state securities commission or regulatory authority of the Seychelles or any other jurisdiction. Furthermore, these authorities have not passed upon the accuracy or adequacy of these Listing Particulars.

## **RISKS RELATING TO THE SHARES**

*The existence of a liquid market in the Share Tokens cannot be guaranteed, limitations on resale.*

The Company will list on Upstream, a MERJ Exchange market. However, there can be no guarantee that an active secondary market in the Share Tokens will be sustained. The Share Tokens are being offered and sold only in offers and sales that occur outside the United States to purchasers who are not U.S. persons in offshore transactions. By purchasing the Share Tokens, investors are deemed to have acknowledged, represented and warrant this to the Company.

## **MARKET RISK**

Market risk is the possibility for an investor to experience losses due to factors that affect the overall performance of the markets in which he is involved. Market risk, also called "systematic risk," cannot be eliminated through diversification.

## **VOLATILITY**

Sudden rises and falls in the price of a share, some companies have a higher risk of this than others. Changes in a company's profitability or in the economy as a whole can cause share prices to rise and fall. Shareholders will, however, only be impacted if they sell their shares at a time when the market price has fallen.

The market price of our Share Tokens may be volatile or may decline, and you may not be able to resell your shares at or above the initial listing price or public offering price.

The Company's risk factors are incorporated by reference in the Company's latest Annual Report linked here:

[https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd\\_20f.htm#RF](https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001771885/000165495424004067/fsd_20f.htm#RF)

## **22. SELECTED FINANCIAL AND OTHER INFORMATION**

<https://www.sec.gov/edgar/browse/?CIK=1771885&owner=exclude>

## **23. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents are available for inspection and can be viewed at the Company's registered office or at the offices of the Company's Sponsor Advisor from the date of these Listing Particulars until the Listing Date:

1. these Listing Particulars;
2. the Bylaws; and
3. Certificate of Incorporation; and

The directors of the Company whose names are given in these Listing Particulars collectively and individually accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the document contains all information required by law and the Listings Requirements.

At the date of these Listing Particulars:

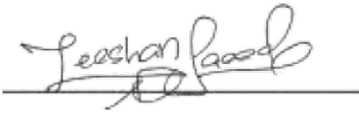
1. none of the Directors has had any convictions in relation to fraudulent offences for at least the previous five years;
2. save as disclosed above, none of the Directors was a director of a company, a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years which has entered into any bankruptcy, receivership or liquidation proceedings;
3. none of the Directors has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years; and
4. none of the Directors is aware of any contract or arrangement subsisting in which they are materially interested and which is significant to the business of the Company which is not otherwise disclosed in these Listing Particulars.

The Company intends to maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

Signed by Zeeshan Saeed, for and on behalf of all the directors of the Company, being duly authorized to do so.



**Director**

A handwritten signature in cursive script, appearing to read "Zeeshan Saeed", is written above a solid horizontal line.

/s/ \_\_\_\_\_

Name: Zeeshan Saeed

## **PART VIII: SELECTED FINANCIAL AND OTHER INFORMATION**

The consolidated financial statements of Quantum Biopharma Ltd. at December 31, 2023 and 2021 appearing in our [Annual Report on Form 20-F for the fiscal year ended December 31, 2023](#), have been audited by MNP LLP, independent registered public accountants, as set forth in its report thereon included therein, and incorporated herein by reference. Such financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.