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**Sirnaomics Ltd.**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2257)**

**MAJOR TRANSACTION  
PROPOSED PATENT ASSIGNMENT AND LICENSE AGREEMENT  
AND  
SUBSCRIPTION ARRANGEMENTS**

**THE PATENT ASSIGNMENT AND LICENSE AGREEMENT**

The Board is pleased to announce that, on August 1, 2024 (before trading hours), the Board approved, and US Sirnaomics, a wholly owned subsidiary of the Company, signed, the Patent Assignment and License Agreement with Sagesse Bio in relation to, among others, (i) assigning US Sirnaomics' interest in the Assigned Patents to Sagesse Bio; (ii) granting to Sagesse Bio an exclusive, worldwide right and license under the Licensed Patents of US Sirnaomics in the Field of Use; and (iii) disclosing the Know-How of US Sirnaomics to Sagesse Bio. In consideration of the aforementioned assignments and licenses, (i) Sagesse Bio and US Sirnaomics shall enter into the Subscription Arrangements; and (ii) Sagesse Bio shall pay to US Sirnaomics milestone payments of up to US\$33 million upon fulfillment of certain conditions.

**THE SUBSCRIPTION ARRANGEMENTS**

On August 1, 2024 (before trading hours), as part of the consideration under the Patent Assignment and License Agreement, the Board approved, and US Sirnaomics signed, (i) the Subscription Agreement with Sagesse Bio, and (ii) the Stockholder Agreement with Sagesse Bio and Other Sagesse Stockholders (collectively, the “**Subscription Arrangements**”), pursuant to which Sagesse Bio shall issue to US Sirnaomics 2,400,000 Non-voting Shares of Sagesse Bio, constituting a 60% majority of the issued and outstanding share capital of Sagesse Bio after subscription of shares in Sagesse Bio by the relevant parties, which shall be 4,000,000 shares of US\$0.00001 par value per share and beneficially owned as to 60%, 20% and 20% by US Sirnaomics, Gore Range (through Gore Range Fund) and Other Sagesse Stockholders, respectively. The financial results, assets and liabilities of Sagesse Bio will not be consolidated into the accounts of the Group after subscription of shares in Sagesse Bio by the relevant parties.

The signature pages to the Patent Assignment and License Agreement, Subscription Agreement and the Stockholder Agreement, undated and signed by all the parties thereto, shall be held in escrow by US Sirnaomics and Sagesse Bio and their respective legal counsels, and shall be dated, released and effective upon delivery by US Sirnaomics to Sagesse Bio of evidence reasonably satisfactory to Sagesse Bio of the approval by an EGM of the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions. If evidence of such approval is not delivered to Sagesse Bio on or before the Outside Date, the Patent Assignment and License Agreement shall be void *ab initio* and has no force or effect.

## **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratios (as defined under the Listing Rules) in respect of the Transactions exceeds 25% but all are less than 75%, the Transactions constitute a major transaction of the Company under Chapter 14 of the Listing Rules and are subject to announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Among the Other Sagesse Stockholders, Dr. Molyneaux (as defined below) is a former Director in the past 12 months and therefore a connected person of the Company under Chapter 14A of the Listing Rules. As Dr. Molyneaux held 8.125% of the total issued share capital and voting rights of Sagesse Bio as of the date of this announcement, Sagesse Bio does not constitute an associate of Dr. Molyneaux and therefore is not a connected person of the Company. However, as Dr. Molyneaux is a party to the Stockholder Agreement in the capacity as an existing shareholder of Sagesse Bio, entering into the Stockholder Agreement by US Sirnaomics with other existing shareholders of Sagesse Bio including Dr. Molyneaux technically constitutes a connected transaction of the Company. As there is no consideration involved under the Stockholder Agreement, all the applicable percentage ratios (as defined under the Listing Rules) in respect of the Stockholder Agreement are less than 0.1%. Therefore, the transactions underlying the Stockholder Agreement constitutes a *de minimis* transaction of the Company under Chapter 14A of the Listing Rules and is fully exempt from the announcement and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **GENERAL**

An EGM will be held for the Shareholders to consider, and if thought fit, approve the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions.

As of the date of this announcement, Dr. Molyneaux was interested in 16,705 voting Shares of the Company. As Dr. Molyneaux is an existing shareholder of Sageesse Bio and one of the Other Sageesse Stockholders, Dr. Molyneaux shall abstain from voting on the relevant resolutions approving the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions at the EGM.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, save as disclosed herein, no other Shareholder has any material interest in the Patent Assignment and License Agreement, the Subscription Arrangements or the Transactions and is required to abstain from voting on the relevant resolution(s) at the EGM.

A circular containing, among other things, (i) details of the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions; (ii) other information required to be disclosed under the Listing Rules; and (iii) a notice of the EGM, is expected to be dispatched on or before August 22, 2024 for the Shareholders' information as more time is required to prepare and collect the information of the Transactions for inclusion in the circular.

## **INTRODUCTION**

The Board is pleased to announce that, on August 1, 2024 (before trading hours), the Board approved, and US Sirnaomics signed, the Patent Assignment and License Agreement and the Subscription Arrangements with Sageesse Bio in relation to, among others, (i) assigning US Sirnaomics' interest in the Assigned Patents to Sageesse Bio; (ii) granting to Sageesse Bio an exclusive, worldwide right and license under the Licensed Patents of US Sirnaomics in the Field of Use; (iii) disclosing the Know-How of US Sirnaomics to Sageesse Bio; and (iv) the subscription of 2,400,000 Non-voting Shares of Sageesse Bio, constituting a 60% majority of the issued and outstanding share capital of Sageesse Bio after subscription of shares in Sageesse Bio by the relevant parties, as part of the consideration for the Transfers (as defined below) under the Patent Assignment and Licensing Agreement.

## THE PATENT ASSIGNMENT AND LICENSE AGREEMENT

The principal terms of the Patent Assignment and License Agreement are as follows:

### Date

August 1, 2024 (before trading hours)

### Parties

The parties to the Patent Assignment and License Agreement shall comprise: (i) US Sirnaomics, as the assigner and licensor; and (ii) Sagesse Bio, as the assignee and licensee.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save as disclosed herein, Sagesse Bio and its ultimate beneficial owner(s) are Independent Third Parties of the Company.

### Subject Matter

Pursuant to the Patent Assignment and License Agreement,

- (i) *Patent assignment.* Subject to the Patent Assignment and License Agreement, US Sirnaomics shall irrevocably convey, transfer, and assign to Sagesse Bio, and Sagesse Bio shall accept, all of US Sirnaomics' right, title, and interest in and to the Assigned Patents;
- (ii) *Patent license.* Subject to the Patent Assignment and License Agreement, US Sirnaomics, on behalf of itself and its Affiliates, shall grant to Sagesse Bio and its Affiliates during the Term an exclusive, fully-paid-up, perpetual, sublicensable right and license under the Licensed Patents to make, have made, use, offer to sell, sell, and import Licensed Products in the Field of Use worldwide and to use the Know-How solely in connection with the Licensed Products in the Field of Use; and
- (iii) *Know-How disclosure.* US Sirnaomics shall disclose the Know-How to Sagesse Bio in such form and media as Sagesse Bio may reasonably request for use in the Field of Use.

(together, the "**Transfers**")

For purpose of the Transfers pursuant to the Patent Assignment and License Agreement,

- (i) the Assigned Patents shall comprise: (i) the patents and patent applications listed in Schedule A, (ii) all patents issuing from the patent applications listed in Schedule A, (iii) all continuations, continuations-in-part, divisions, extensions, substitutions, reissues, re-examinations, and renewals of any of the foregoing in clauses (i) and (ii); and (iv) any patents issuing from any applications filed within ten (10) years after the Effective Date that claim domestic benefit or foreign priority from any of the patents or patent applications identified in Schedule A or from which any of the patents or patent applications identified in Schedule A claim domestic benefit or foreign priority;
- (ii) the Licensed Patents shall comprise: (i) the patents and patent applications listed in Schedule B, (ii) all patents issuing from the patent applications listed in Schedule B, (iii) all continuations, continuations-in-part, divisions, extensions, substitutions, reissues, re-examinations, and renewals of any of the foregoing in clauses (i) and (ii), (iv) any patents issuing from any applications filed within ten (10) years after the Effective Date that claim domestic benefit or foreign priority from any of the patents or patent applications identified in Schedule B or from which any of the patents or patent applications identified in Schedule B claim domestic benefit or foreign priority, and (v) any patents and patent applications owned by or licensed to US Sirnaomics that are necessary for practicing inventions disclosed in the Assigned Patents in the Field of Use; and
- (iii) the Know-How shall comprise, solely to the extent related to the use of the Assigned Patents or Licensed Patents in the Field of Use, any and all know-how, technology, inventions, discoveries, ideas, processes, methods, designs, plans, instructions, specifications, formulas, testing and other protocols, settings, and procedures, and other scientific or technical confidential or proprietary information, all to extent owned or developed by US Sirnaomics on or before the Effective Date.

## **Consideration**

In consideration of the above Transfers,

- (i) *Subscription arrangements.* Sagesse Bio and US Sirnaomics shall enter into the Subscription Arrangements, pursuant to which Sagesse Bio shall issue to US Sirnaomics 2,400,000 Non-voting Shares of Sagesse Bio, constituting a 60% majority of the issued and outstanding share capital of Sagesse Bio after subscription of shares in Sagesse Bio by the relevant parties.

Please refer to the section headed “the Subscription Arrangements” below in this announcement for further details of the share subscription;

- (ii) *Milestone payments.* Sagesse Bio shall make to US Sirnaomics milestone payments of up to US\$33 million subject to fulfillment of certain conditions as below, comprising the following three one-time payments:
- (a) an amount (not to exceed US\$3 million) equivalent to ten percent (10%) of the total amount raised by Sagesse Bio and its Affiliates, payable to US Sirnaomics within ten (10) business days following the closing of a Qualified Financing (the “**Qualified Financing Milestone Payment**”);
  - (b) an amount equal to US\$10 million, payable to US Sirnaomics within ten (10) business days following the approval of Sagesse Bio’s first new drug application (NDA) in the United States; and
  - (c) an amount equal to US\$20 million, payable to US Sirnaomics within ten (10) business days following the achievement of gross revenues from the sale of Licensed Products in excess of US\$100 million during a period of twelve (12) months, as reflected in unaudited financial statements of Sagesse Bio prepared in the ordinary course of business in accordance with accordance with U.S. generally accepted accounting principles and consistent with past practice, by Sagesse Bio, its Affiliates and any sublicensee granted, in whole or in part, a license or a sublicense under the Assigned Patents, Licensed Patents, Improvements or Know-How by Sagesse Bio pursuant to the Patent Assignment and License Agreement (the “**Sales Milestone Payment**”).

(together, the “**Consideration**”)

Sagesse Bio will pursue debt and equity financing from Gore Range and other Independent Third Parties of the Company, which would enable Sagesse Bio to make the first two (2) milestone payments as provided above in clauses (a) and (b). Sagesse Bio’s gross revenues would enable Sagesse Bio to make the Sales Milestone Payment upon fulfillment of the conditions therefor.

The proceeds to be received by the Group in consideration of the Transfers will be used to support the research and development activities of the Group, as well as for the Group’s general working capital purpose.

The book value of the assets underlying the Transfers is nil. According to the Company’s accounting policy, expenditure on research activities is recognized as an expense, and an internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognized if, and only if, all of the recognition criteria have been demonstrated. As of the date of this announcement, the research and development expenditure incurred by the Group on the assets underlying the Transfers had not been capitalized as the recognition criteria had not yet been met.

The Consideration was determined after arm's length negotiations between the relevant parties to the Patent Assignment and License Agreement with reference to (i) that the assets underlying the Transfers are patents and know-hows in relation to a potential drug candidate, (ii) that the development of the drug candidate may require substantial amount of research and development expenses, (iii) that the development of an approved drug based on the drug candidate may or may not succeed, and (iv) that the Transfers enable Sagesse Bio to develop the assets underlying the Transfers, upon the success of which the Company is able to receive milestone payments subject to fulfillment of certain conditions. The Directors are therefore of the view that the Consideration and the basis of determination thereto is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Subject to the final audit, it is expected that the Group will realize no loss and may realize gains of up to US\$33 million subject to the fulfillment of conditions under the milestone payment arrangements as described above on the Transactions.

### **Escrow Arrangement**

The signature pages to the Patent Assignment and License Agreement, undated and signed by all the parties thereto, shall be held in escrow by US Sirnaomics and Sagesse Bio and their respective legal counsels, and shall be dated, released and effective upon delivery by US Sirnaomics to Sagesse Bio of evidence reasonably satisfactory to Sagesse Bio of the approval by an EGM of the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions. If evidence of such approval is not delivered to Sagesse Bio on or before the Outside Date, 2024, the Patent Assignment and License Agreement shall be void *ab initio* and has no force or effect.

### **Termination**

Upon effective, the Patent Assignment and License Agreement may be terminated:

- (i) by Sagesse Bio, with respect to the license of the Licensed Patents at any time without cause, and without incurring any additional obligation, liability, or penalty, by providing at least sixty (60) days prior written notice to US Sirnaomics; or

- (ii) by US Sirnaomics, with respect to the license of the Licensed Patents, on written notice to Sageesse Bio: (A) if the Qualified Financing Milestone Payment has not been paid by Sageesse Bio to US Sirnaomics (1) within ten (10) business days following the closing in full of a Qualified Financing or (2) by January 15, 2026, if a Qualified Financing has not closed in full on or before December 31, 2025, whichever occurs first, unless Sageesse Bio elects, in its sole discretion, to pay the maximum Qualified Financing Milestone Payment of US\$3 million; or (B) if an investigational new drug (IND) application for a Licensed Product is not filed by Sageesse Bio with the U.S. Food and Drug Administration (FDA) on or before June 30, 2026 (provided that any delay in such filing is not caused by any material failure or delay on the part of US Sirnaomics), or (C) if the gross revenues from the sale of Licensed Products do not exceed US\$100 million during a period of twelve (12) months before the end of the seventh (7th) year following NDA approval, unless Sageesse Bio elects, in its sole discretion, to pay the Sales Milestone Payment without first achieving such gross revenues threshold, provided further, however, that in respect of each event described in the above clauses (A), (B), and (C), Sageesse Bio does not cure the respective failure within sixty (60) days after receiving writer notice thereof; or
- (iii) by either of Sageesse Bio or US Sirnaomics, with respect to the license of the Licensed Patents on written notice to the other party if the other party materially breaches the Patent Assignment and License Agreement and fails to cure such breach within sixty (60) days after receiving written notice thereof; or
- (iv) by either of Sageesse Bio or US Sirnaomics, with respect to the license of Licensed Patents and effective immediately, if the other party (i) is dissolved or liquidated or takes any corporate action for such purpose; (ii) becomes insolvent; (iii) files or has filed against it a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency Law; (iv) makes or seeks to make a general assignment for the benefit of its creditors; or (v) applies for or has a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

## **THE SUBSCRIPTION ARRANGEMENTS**

The principal terms of the Subscription Arrangements, comprising the Subscription Agreement and the Stockholder Agreement, are as follows:

### **Date**

August 1, 2024 (before trading hours)



## Parties

The parties to the Subscription Agreement comprise (i) US Sirnaomics, as the subscriber; and (ii) Sagesse Bio, as the target.

The parties to the Stockholder Agreement comprise (i) US Sirnaomics, (ii) Gore Range Fund; and (iii) the Other Sagesse Stockholders.

Among the Other Sagesse Stockholders, Dr. Michael V. Molyneaux (“**Dr. Molyneaux**”) is a former Director in the past 12 months and therefore a connected person of the Company under Chapter 14A of the Listing Rules. As Dr. Molyneaux held 8.125% of the total issued share capital and voting rights of Sagesse Bio as of the date of this announcement, Sagesse Bio does not constitute an associate of Dr. Molyneaux and therefore is not a connected person of the Company. However, as Dr. Molyneaux is a party to the Stockholder Agreement in the capacity as an existing shareholder of Sagesse Bio, entering into the Stockholder Agreement by US Sirnaomics with other existing shareholders of Sagesse Bio including Dr. Molyneaux technically constitutes a connected transaction of the Company. As there is no consideration involved under the Stockholder Agreement, all the applicable percentage ratios (as defined under the Listing Rules) in respect of the Stockholder Agreement are less than 0.1%. Therefore, the transactions underlying the Stockholder Agreement constitutes a *de minimis* transaction of the Company under Chapter 14A of the Listing Rules and is fully exempt from the announcement and Shareholders’ approval requirements under Chapter 14A of the Listing Rules. Nevertheless, as part of the Transactions, the material terms of the Stockholder Agreement are disclosed in this announcement.

Save as disclosed herein, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, all of Sagesse Bio, the Other Sagesse Stockholders and their respective ultimate beneficial owner(s) are Independent Third Parties of the Company.

## Subject Matter

Pursuant to the Subscription Arrangements,

- (i) *Share subscription.* Sagesse Bio shall issue, and US Sirnaomics shall subscribe for, 2,400,000 Non-voting Shares of Sagesse Bio, constituting a 60% majority of the issued and outstanding share capital of Sagesse Bio after subscription of shares in Sagesse Bio by the relevant parties, while Gore Range (through Gore Range Fund) and the Other Sagesse Stockholders shall hold the Voting Shares of Sagesse Bio;

- (ii) *Board composition and designation.* The size of the board of directors of Sagesse Bio shall be set and remain at four (4) directors, among which (i) the first shall serve concurrently as the chief executive officer of Sagesse Bio, the replacement of which may be elected by holders of the Voting Shares of Sagesse Bio and, where there is no such replacement, be designated from time to time by Gore Range; (ii) the second and the third shall be designated from time to time by Gore Range; and (iii) the fourth shall be designated from time to time by US Sirnaomics. Dr. Yang Lu (*alias* Patrick Lu), the chairman of the Board and executive Director of the Company, will be the initial individual designated by US Sirnaomics to serve as the fourth director of Sagesse Bio;
- (iii) *Board observer.* Each of Gore Range and US Sirnaomics shall be entitled to designate one board observer, who is entitled to receive notice of board meetings, together with any supporting materials, at the same time as the directors of Sagesse Bio and shall be permitted to participate in the deliberations of the board, but shall not have voting rights;
- (iv) *Drag-along right.* In the event that the holders of at least 80% of the Voting Shares of Sagesse Bio then outstanding (the “**Selling Investors**”) approve certain transactions of sale of shares (including, among others, a transaction or series of related transactions in which an individual, firm, corporation, partnership, association, limited liability company, trust or any other entity (each a “**Person**”), or a group of related Persons, acquires from shareholders of Sagesse Bio shares representing more than 50% of the outstanding voting power thereof (the “**Stock Sale**”)), each of Sagesse Bio and the shareholders thereof shall agree, among other things: (i) to vote in favor of such transaction where shareholder’s approval is required; (ii) to sell the same proportion of shares beneficially held by such shareholder as is being sold by the Selling Investors to the Person to whom the Selling Investors propose to sell their shares, where such transaction is a Stock Sale; and (iii) to execute and deliver all related documentation and take such other action in support of such transaction as shall reasonably be requested by Sagesse Bio or the Selling Investors. Apart from the foregoing, other customary drag-along rights are also prescribed under the Subscription Arrangements;
- (v) *Restrictions on sales of control.* No shareholder of Sagesse Bio shall be a party to any Stock Sale unless (a) all shareholders of Sagesse Bio are allowed to participate in such transaction(s), and (b) the consideration received pursuant to such transaction is allocated among the parties thereto pro rata based on the number of shares held by each such holder. Notwithstanding the foregoing, Gore Range shall be entitled to sell their shares, debt or other interests in Sagesse Bio after providing 30-days’ prior written notice to the other shareholders and giving them the opportunity to purchase the shares at the same value. Save as disclosed herein or otherwise provided under the Subscription Arrangements, as of the date of this announcement, the subsequent sale of the shares in the Sagesse Bio is not subject to any restrictions;

After subscription of shares in Sagesse Bio by the relevant parties, the issued and outstanding share capital of the Sagesse Bio shall be 4,000,000 shares and beneficially owned as to 60%, 20% and 20% by US Sirnaomics, Gore Range (through Gore Range Fund) and Other Sagesse Stockholders, respectively. The financial results, assets and liabilities of Sagesse Bio will not be consolidated into the accounts of the Group after subscription of shares in Sagesse Bio by the relevant parties.

### **Escrow Arrangement**

The signature pages to the Subscription Agreement and the Stockholder Agreement, undated and signed by all the parties thereto, shall be held in escrow by US Sirnaomics and Sagesse Bio and their respective legal counsels, and shall be dated, released and effective upon delivery by US Sirnaomics to Sagesse Bio of evidence reasonably satisfactory to Sagesse Bio of the approval by an EGM of the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions. If evidence of such approval is not delivered to Sagesse Bio on or before the Outside Date, the Subscription Agreement and the Stockholder Agreement shall be void *ab initio* and have no force or effect.

## **INFORMATION ABOUT THE PARTIES**

### **The Company and US Sirnaomics**

Sirnaomics is an RNA therapeutics biopharmaceutical company that focuses on the discovery and development of innovative drugs for indications with unmet medical needs and large market opportunities. Sirnaomics is the first clinical-stage RNA therapeutics company to have a strong presence in both Asia and the United States. Based on its proprietary delivery technologies, a polypeptide nanoparticle RNAi platform and GalNAc RNAi platform, GalAhead™, Sirnaomics has established an enriched drug candidate pipeline. STP122G, which represents the first drug candidate utilizing the Company's GalAhead™ mRNA technology, is currently in Phase I development. STP237G is the first dual-targeted drug based on a GalAhead™ mRNA technology and is in the late stage of preclinical development. The Company has also had multiple successes with oncology applications through its clinical programs for STP705 and STP707. With the establishment of its manufacturing facility in China, Sirnaomics is undergoing a transition from a biotech company to a biopharma corporation. Learn more at: [www.sirnaomics.com](http://www.sirnaomics.com).

US Sirnaomics is incorporated under the laws of Delaware, U.S. and is a wholly owned subsidiary of the Company. It is principally engaged in the development and commercialization of RNAi therapeutics.

## **Sagesse Bio**

Sagesse Bio combines the strength of Sirnaomics' leadership in RNAi-based technology and product development for focal fat reduction and Gore Range's world leading expertise in skin health industry and financial resources, to accelerate clinical development of its innovative products for addressing a fast-growing aesthetic medicine market. Sagesse Bio will rapidly advance Sirnaomics lead compound that is IND-enabled and currently in Phase II clinical trials for other indications. Initial indications of interest include body contouring and fat reduction. The founders, board of directors, and newly established executive management team of the company are comprised of a group of well-accomplished senior executives from skin health industry, world-renowned clinicians in dermatology and aesthetic medicine, and leading experts in RNAi medicine. The strategic goal of Sagesse Bio is to become a world-leading aesthetic medicine company with innovative technologies and aesthetic products.

Under the arrangement of the Transactions, Sagesse Bio will initiate a clinical evaluation immediately after the Transactions' taking effect for its leading product candidate, SGY-101, with scientific and technical support from Sirnaomics, receiving assignment and licensing of certain relevant intellectual property rights for the licensed product.

## **Gore Range**

Gore Range is a limited liability company formed under the laws of Delaware, U.S., and is beneficially and wholly owned by Ethan Rigel, an Independent Third Party. Gore Range Fund, the direct shareholder of Sagesse Bio, is a venture capital fund managed by Gore Range as the sole manager. Gore Range is focused on investments in the skin health businesses. Gore Range's approach is simple: "we invest in what we know". Over the course of their respective careers, the Gore Range team has built domain expertise and extensive networks across multiple areas of healthcare. Through Gore Range, capabilities are channeled to focus on the largest organ and the most visible manifestation of personal identity: the skin. At Gore Range, the hands-on approach of operationally focused private equity is blended with the early-stage guidance needed in venture capital. Formed in 2015, Gore Range works closely with portfolio companies and industry leaders to bring skin health innovations to market. To accomplish this mission, Gore Range leverages its team of experienced healthcare investors, leaders, and practitioners to bring strategic, financial and scientific expertise to its investments. Learn more at: [www.gorerangecapital.com](http://www.gorerangecapital.com).

Gore Range is responsible for initial funding and building the executive management team and advisory board of Sagesse Bio. In addition, with its well-built domain expertise and extensive networks in the skin health industry, Gore Range is able to provide a hands-on approach for Sagesse Bio's fundraising and business development challenges.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

The strategic goal of Sageesse Bio is to deliver innovative and life changing therapies to patients with an initial emphasis on focal fat destruction. As RNAi therapeutic candidate is moving into medical aesthetic product development for body contouring, the joint expertise and resources from both Sirnaomics and Gore Range form a strong foundation for a tremendous growth potential of Sageesse Bio with its accelerated product development speed.

The Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the Patent Assignment and License Agreement and the Subscription Arrangements are conducted in the ordinary and usual business of the Company, are on normal commercial terms, are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, none of the Directors has a material interest in the Patent Assignment and License Agreement, the Subscription Arrangements or the Transactions and is required to abstain from voting on the relevant Board resolutions.

## **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratios (as defined under the Listing Rules) in respect of the Transactions exceeds 25% but all are less than 75%, the Transactions constitute a major transaction of the Company under Chapter 14 of the Listing Rules and are subject to announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Among the Other Sageesse Stockholders, Dr. Molyneaux is a former Director in the past 12 months and therefore a connected person of the Company under Chapter 14A of the Listing Rules. As Dr. Molyneaux held 8.125% of the total issued share capital and voting rights of Sageesse Bio as of the date of this announcement, Sageesse Bio does not constitute an associate of Dr. Molyneaux and therefore is not a connected person of the Company. However, as Dr. Molyneaux is a party to the Stockholder Agreement in the capacity as an existing shareholder of Sageesse Bio, entering into the Stockholder Agreement by US Sirnaomics with other existing shareholders of Sageesse Bio including Dr. Molyneaux technically constitutes a connected transaction of the Company. As there is no consideration involved under the Stockholder Agreement, all the applicable percentage ratios (as defined under the Listing Rules) in respect of the Stockholder Agreement are less than 0.1%. Therefore, the transactions underlying the Stockholder Agreement constitutes a *de minimis* transaction of the Company under Chapter 14A of the Listing Rules and is fully exempt from the announcement and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## GENERAL

An EGM will be held for the Shareholders to consider, and if thought fit, approve the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions.

As of the date of this announcement, Dr. Molyneaux was interested in 16,705 voting Shares of the Company. As Dr. Molyneaux is an existing shareholder of Sagesse Bio and one of the Other Sagesse Stockholders, Dr. Molyneaux shall abstain from voting on the relevant resolutions approving the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions at the EGM.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, save as disclosed herein, no other Shareholder has any material interest in the Patent Assignment and License Agreement, the Subscription Arrangements or the Transactions and is required to abstain from voting on the relevant resolution(s) at the EGM.

A circular containing, among other things, (i) details of the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions; (ii) other information required to be disclosed under the Listing Rules; and (iii) a notice of the EGM, is expected to be dispatched on or before August 22, 2024 for the Shareholders' information as more time is required to prepare and collect the information of the Transactions for inclusion in the circular.

## DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“Affiliate(s)”                     the Affiliate of a person refers to any other person that, at any time during the Term, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such person. The term “control” refers to the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise, and the terms “controlled by” and “under common control with” have correlative meanings

“Assigned Patent(s)”	comprising (i) the patents and patent applications listed in Schedule A, (ii) all patents issuing from the patent applications listed in Schedule A, (iii) all continuations, continuations-in-part, divisions, extensions, substitutions, reissues, re-examinations, and renewals of any of the foregoing in clauses (i) and (ii); and (iv) any patents issuing from any applications filed within ten (10) years after the Effective Date that claim domestic benefit or foreign priority from any of the patents or patent applications identified in Schedule A or from which any of the patents or patent applications identified in Schedule A claim domestic benefit or foreign priority
“Board”	the board of Directors
“China”, “mainland China” or the “PRC”	the People’s Republic of China, but for the purpose of this announcement and for geographical reference only, except where the context requires, references in this announcement to “China”, “mainland China” and the “PRC” do not apply to Hong Kong, Macau Special Administrative Region and Taiwan
“Company”	Sirnaomics Ltd., an exempted company incorporated in the Cayman Islands with limited liability on October 15, 2020
“Director(s)”	the director(s) of the Company
“Effective Date”	date of delivery by US Sirnaomics to Sagesse Bio of evidence reasonably satisfactory to Sagesse Bio of the approval by an EGM of the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of Shareholders’ considering and, if thought fit, approving, among other things, the Patent Assignment and License Agreement, the Subscription Arrangements and the Transactions
“EU”	the European Union

“Field of Use”	the development, marketing, sale, and licensing of products and services that employ the STP 705 nanoparticle formulation (consisting of the two current duplex siRNAs, one targeting only TGFbeta and the other targeting only Cox2, or of one of those siRNAs targeting TGFbeta or Cox2 only, formulated in nanoparticles with the H3K4b polypeptide), to destroy, reduce, dismantle, or remodel adipose tissue in any area of the body, including but not limited to adipose tissue associated with genetic disorders, metabolic disturbances, or simple fat pockets, such tissue being visceral, subcutaneous, or cavities
“Gore Range”	Gore Range Capital LLC, a limited liability company formed under the laws of Delaware, U.S. on July 16, 2015, an Independent Third Party and one of the co-founders of Sagesse Bio (through Gore Range Fund as a direct shareholder thereof)
“Gore Range Fund”	Gore Range Capital Fund II LLC, a venture capital fund formed under the laws of Delaware, U.S. managed by Gore Range as the sole manager
“Governmental Authority”	any federal, state, national, supranational, local, or other government, whether domestic or foreign, including any subdivision, department, agency, instrumentality, authority (including any regulatory authority), commission, board, or bureau thereof, or any court, tribunal, or arbitrator
“Group” or “Sirnaomics”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited



“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	has the meaning ascribed to it under the Listing Rules
“Know-How”	solely to the extent related to the use of the Assigned Patents or Licensed Patents in the Field of Use, any and all know-how, technology, inventions, discoveries, ideas, processes, methods, designs, plans, instructions, specifications, formulas, testing and other protocols, settings, and procedures, and other scientific or technical confidential or proprietary information, all to extent owned or developed by US Sirnaomics on or before the Effective Date
“Improvement”	any modification of or any improvement or enhancement to the Know-How or to the technology that is the subject of the Assigned Patents or Licensed Patents, conceived, made, or reduced to practice within ten (10) years after the Effective Date
“Licensed Patent(s)”	comprising (i) the patents and patent applications listed in Schedule B, (ii) all patents issuing from the patent applications listed in Schedule B, (iii) all continuations, continuations-in-part, divisions, extensions, substitutions, reissues, re-examinations, and renewals of any of the foregoing in clauses (i) and (ii), (iv) any patents issuing from any applications filed within ten (10) years after the Effective Date that claim domestic benefit or foreign priority from any of the patents or patent applications identified in Schedule B or from which any of the patents or patent applications identified in Schedule B claim domestic benefit or foreign priority, and (v) any patents and patent applications owned by or licensed to US Sirnaomics that are necessary for practicing inventions disclosed in the Assigned Patents in the Field of Use

“Licensed Product”	any product (a) the manufacture, use, offer for sale, sale, or importation of which by Sagesse Bio would, in the absence of a license granted under, or ownership of, a Licensed Patent, an Assigned Patent, or an Improvement, infringe a Valid Claim; or (b) that incorporates or embodies any Know-How or any Improvement
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Non-voting Shares”	shares of Class B Common Stock of Sagesse Bio of US \$0.00001 par value per share, the holders of which shall not be entitled to vote on any matter of Sagesse Bio
“Other Sagesse Stockholders”	the stockholders (direct or indirect) of Sagesse Bio in addition to US Sirnaomics and Gore Range (through Gore Range Fund), each being a founder, director or executive management of Sagesse Bio
“Outside Date”	September 15, 2024, or September 30, 2024 as automatically extended pursuant to the escrow arrangement between US Sirnaomics and Sagesse Bio upon prior written notice from US Sirnaomics, provided that the Company is continuing in good faith to pursue approval by the Shareholders on a timely basis
“Patent Assignment and License Agreement”	a patent assignment and license agreement entered into between US Sirnaomics and Sagesse Bio, in relation to, among other things, patents assignment and licenses to Sagesse Bio
“Phase II clinical trial(s)”	study in which a drug is administered to a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases, and to determine dosage tolerance and optimal dosage

“Qualified Financing”	an equity or debt financing by investors (other than Gore Range and its Affiliates) at a minimum pre-financing valuation of US\$60 million (whether in a single transaction or a series of related transactions). Upon completion of a Qualified Financing, the value of the Company’s majority equity position in Sagesse Bio would have a value of approximately US\$36 million
“Sagesse Bio”	Sagesse Bio, Inc., a corporation incorporated under the laws of Delaware, U.S. on July 17, 2024
“Schedule A”	comprising (i) a patent titled “methods for inducing adipose tissue remodeling using RNAi therapeutics” registered in the United States with the publication number of US2023/0365969; (ii) a patent titled “application of nucleic acid preparation in remodeling or finishing adipose tissue” registered in the PRC with the publication number of CN116350650A; and (iii) a patent titled “methods for inducing adipose tissue remodeling using RNAi therapeutics” registered in the EU with the publication number of WO2023092142A8
“Schedule B”	comprising (i) a patent titled “combinations of TGFβ and COX-2 inhibitors and methods for their therapeutic application” registered in the United States with the patent number of US 9,642,873; and (ii) a patent titled “pharmaceutical compositions and methods of use for activation of human fibroblast and myofibroblast apoptosis” registered in the United States with the patent number of US 11,697,813
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.001 each
“Shareholder(s)”	holder(s) of Share(s)
“STP705”	the designated “core product” of the Company as defined under Chapter 18A of Listing Rules

“Stockholder Agreement”	the stockholder agreement entered into between US Sirnaomics, Gore Range and the Other Sagesse Stockholders, in relation to certain arrangements therebetween as stockholders of Sagesse Bio
“Subscription Agreement”	the subscription agreement entered into between US Sirnaomics and Sagesse Bio, in relation to the subscription of 2,400,000 Non-voting Shares of Sagesse Bio by US Sirnaomics
“Subscription Arrangements”	comprising the Subscription Agreement and the Stockholder Agreement, entered into as part of the considerations for the patent assignments and licenses under the Patent Assignment and Licensing Agreement
“subsidiary(ies)”	has the meaning ascribed to it in the Listing Rules
“Term”	from the Effective Date to, on a Licensed Product-by-Licensed Product and country-by-country basis, the expiration of the last-to-expire Valid Claim of a Licensed Patent in such country, unless otherwise terminated pursuant to the Patent Assignment and License Agreement
“Transactions”	the transactions contemplated under the Patent Assignment and License Agreement and the Subscription Arrangements
“United States”, “U.S.”, “US” or “USA”	the United States of America
“US Sirnaomics”	Sirnaomics, Inc., a company incorporated under the laws of Delaware, U.S. on February 12, 2007, a wholly owned subsidiary of the Company and one of the co-founders of Sagesse Bio
“US\$”	U.S. dollars, the lawful currency of the United States

“Valid Claim”	a claim of an unexpired issued or granted Licensed Patent, as long as the claim has not been admitted by US Sirnaomics or otherwise caused to be invalid or unenforceable through reissue, disclaimer, or otherwise, or held invalid or unenforceable by a Governmental Authority of competent jurisdiction from whose judgment no appeal is allowed or timely taken
“Voting Shares”	shares of Class A Common Stock of Sagesse Bio of US\$0.00001 par value per share, the holders of which shall be entitled to cast one (1) vote in person or by proxy for each share standing in such holder’s name on all matters upon which stockholders of Sagesse Bio are entitled to vote or to which stockholders are entitled to give consent
“%”	per cent

By order of the Board  
**Sirnaomics Ltd.**  
**Yang (Patrick) Lu**  
*Chairman and Executive Director*

Hong Kong, August 1, 2024

*As at the date of this announcement, the Board comprises Dr. Yang Lu (alias Patrick Lu) and Dr. Xiaochang Dai as executive Directors, Mr. Mincong Huang and Mr. Jiankang Zhang as non-executive Directors, and Dr. Cheung Hoi Yu, Ms. Monin Ung and Ms. Shing Mo Han, Yvonne (alias Mrs. Yvonne Law) as independent non-executive Directors.*