

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Sirnaomics Ltd.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2257)

CONNECTED TRANSACTION

**GRANT OF STOCK OPTIONS BY A SUBSIDIARY
TO A CONNECTED PERSON**

The Board announces that, on December 6, 2023, 800,000 Stock Options were granted by RNAimmune to Dong Shen, M.D., Ph.D., who, being the chief executive officer, president, a director, and a substantial shareholder of RNAimmune, is a connected person of the Company, for nil consideration, subject to acceptance by Dr. Shen and compliance with the Listing Rules and the RNAimmune Stock Incentive Plan. According to the RNAimmune Stock Incentive Plan, the consideration of the Stock Option Grant was nil, which was determined after taking into account, among others, the purpose of the RNAimmune Stock Incentive Plan and past contributions made by Dr. Shen to the Group.

Set out below are the details of the grant of Stock Options to Dr. Shen:

Grant Date:	December 6, 2023
Exercise price:	US\$1.39 per Share, being the estimated fair market value per Share as at the Grant Date
Estimated fair market value:	US\$1.39 per Share as at the Grant Date
Book value:	Net liabilities of approximately US\$1.79 per Share
Number of Stock Options granted:	800,000 Stock Options

Total number of new Shares to be subscribed for upon exercise of the Stock Options granted:	800,000 Shares
Expiration date of the Stock Options:	The Stock Options shall expire on December 30, 2032.
Vesting Schedule:	<p><u>275,000 Stock Options</u> 25% of the 275,000 Stock Options shall vest on the first anniversary of the Grant Date, and 75% of the 275,000 Stock Options shall vest in 1/36 portions for the then next 36 months thereafter on the last business day of each calendar month;</p> <p><u>525,000 Stock Options</u> Upon achievement of R&D and other milestones by RNAimmune.</p>

INFORMATION ABOUT THE COMPANY AND RNAIMMUNE

The Company

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™ technology, is currently in Phase I development. The Company has also had multiple successes with oncology applications through its clinical programs for STP705 and STP707. With the establishment of the Group's manufacturing facility in China, Sirnaomics is undergoing a transition from a biotech company to a biopharma corporation. Learn more at: www.sirnaomics.com.

RNAimmune

RNAimmune, a clinical-stage biotechnology company in China and the United States, focuses on the innovative research and development of mRNA therapeutics, with its headquarters in the Guangzhou International Bio Island in China and its international headquarters in Maryland, USA.

RNAimmune has many technological innovation platforms, including the independently developed artificial intelligence neoantigen prediction and validation algorithm ALEPVA and the nucleotide sequences, lipid nanoparticle (LNP) delivery system designed by ALEPVA, self-amplifying RNA and circular RNA. It holds the global exclusive rights to the proprietary peptide lipid nanoparticle (PLNP) technology for mRNA delivery from Sirnaomics. RNAimmune has established multiple pipelines for mRNA vaccines and medications, covering infectious disease vaccines (novel coronavirus, influenza virus, herpes zoster virus, and respiratory syncytial virus, etc.), cancer vaccines (RAS, NY-ESO-1), and protein replacement therapeutics. With great development potential, the company is gradually becoming a leading enterprise in the mRNA vaccine and drug development.

REASONS FOR AND BENEFITS OF THE GRANT OF STOCK OPTIONS TO DR. SHEN

The RNAimmune Stock Incentive Plan helps RNAimmune to attract and retain talent in demand in the biotechnology industry in both the United States and Asia. The board of directors of RNAimmune considers that the grant of Stock Options to Dr. Shen aims to encourage, motivate, and retain Dr. Shen, whose contributions are beneficial to the continual operation, development, and long-term growth of RNAimmune, with a view to achieve the objectives of increasing the value of RNAimmune and hence the Group.

The number of the Stock Option Grant is primarily determined by the board of directors of RNAimmune with reference to, among other things, the roles, responsibilities, work experience, contributions, and remuneration package of Dr. Shen, as well as the market value of the stock options granted to senior management and employees of comparable companies. The Stock Option Grant also serves as a discretionary bonus in recognition of the valuable and substantial contributions of Dr. Shen to RNAimmune.

As the Stock Option Grant will be satisfied by the issue and allotment of new Shares, there will not be any actual cash outflow by RNAimmune under the Stock Option Grant. Furthermore, the dilution effect of the Stock Option Grant to the shareholding interests of the Company is expected to be insignificant.

The Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the Stock Option Grant 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 of the Company as a whole. None of the Directors had a material interest in the Stock Option Grant.

LISTING RULES IMPLICATIONS

As RNAimmune does not constitute a principal subsidiary of the Company as at the date of the announcement, the RNAimmune Stock Incentive Plan is not subject to Chapter 17 of the Listing Rules.

As Dr. Shen, being the chief executive officer, president, a director, and a substantial shareholder of RNAimmune, is a connected person of the Company, the Stock Option Grant constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Stock Option Grant exceed 0.1% but all are less than 5%, the Stock Option Grant is subject to the reporting and announcement requirements but are exempted from the circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Immediately prior to the Stock Option Grant, RNAimmune was an indirect non-wholly owned subsidiary of the Company as to approximately 39.3%, assuming all other Stock Options granted immediately prior to the Stock Option Grant were exercised. Immediately after the Stock Option Grant and assuming all Stock Options under the Stock Option Grant were exercised, the shareholding of the Company in RNAimmune would be diluted and reduced to approximately 38.6%. Therefore, the Stock Option Grant constitutes a deemed disposal of the Company's equity interest in RNAimmune under Rule 14.29 of the Listing Rules. As all of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Stock Option Grant are less than 5%, the Stock Option Grant does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

Immediately after the Stock Option Grant, RNAimmune will continue to be a subsidiary of the Company and will continue to be accounted for and consolidated in the consolidated accounts of the Company.

DEFINITIONS

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

“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 and Taiwan
“Company”	Sirnaomics Ltd., an exempted company incorporated in the Cayman Islands with limited liability on October 15, 2020
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company

“Dr. Shen”	Dong Shen, M.D., Ph.D., the chief executive officer, president, a director, and a substantial shareholder of RNAimmune
“Grant Date”	December 6, 2023
“Group” or “Sirnaomics”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“principal subsidiary”	has the meaning ascribed to it in the Listing Rules
“R&D”	research and development
“RNAimmune”	RNAimmune, Inc., a company incorporated under the laws of Delaware, U.S. on May 5, 2016, an indirect non-wholly owned subsidiary of the Company held by the Company as to approximately 39.3% as at the date of this announcement, assuming all other Stock Options granted immediately prior to the Stock Option Grant were exercised
“RNAimmune Group”	RNAimmune and its subsidiaries
“RNAimmune Stock Incentive Plan”	the stock incentive plan adopted on March 8, 2020, by RNAimmune to, among others, attract and retain outstanding individuals to serve as directors, officers, employees, consultants and advisors to the RNAimmune Group
“Share(s)”	share(s) of common stock of RNAimmune, with a par value of US\$0.00001 each share
“Stock Option(s)”	the option(s) granted under the RNAimmune Stock Incentive Plan

“Stock Option Grant”	an aggregate of 800,000 Stock Options granted to Dr. Shen under the RNAimmune Stock Incentive Plan
“subsidiary(ies)”	has the meaning ascribed to it in the Listing Rules
“United States”, “U.S.”, “US” or “USA”	the United States of America
“US\$”	U.S. dollars, the lawful currency of the United States
“%”	per cent

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

Hong Kong, December 6, 2023

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