Sirnaomics Ltd.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2257)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2022

The Board of Directors of the Company is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2022, together with comparative figures for the six months ended June 30, 2021. These interim results have been reviewed by the Audit Committee and the Company's auditor, Deloitte Touche Tohmatsu.

In this announcement, "we", "us" and "our" refer to the Company or where the context otherwise requires, the Group.

BUSINESS HIGHLIGHTS

In the first half of 2022 and up to the date of this announcement, we continued to make significant progress with respect to our pipeline development and business development, including the following milestones and achievements to become a multi-program clinical-stage company:

Clinical Development

STP705

In February 2022 we announced interim data from a Phase II clinical trial of STP705 for the treatment of BCC. The interim data examines results from three cohorts with 15 total subjects and shows a dose-dependent increase of the complete response patient numbers, with an improved cosmetic result with no significant cutaneous skin reactions. In August 2022, with further expansion of the clinical study, we announced achieving a 100% complete response using a 180 ug dosage with an excellent safety profile. The latest results from the Phase II clinical study of STP705 for the treatment of BCC demonstrated an incredible efficacy without any drug related AEs and SAEs, further validating the broad potential of this drug candidate for the treatment of non-melanoma skin cancers and beyond.

In May 2022, we launched the Phase I clinical trial of RNAi therapeutic STP705 in adults undergoing abdominoplasty for submental fat reduction. This study is our first activity to apply an RNAi therapeutic candidate for medical aesthetics treatment. We hope to use the information from this study to expand into the treatment of submental fat reduction and other areas of non-invasive fat sculpting. This Phase I study will serve as a blueprint for future studies of STP705 in the medical aesthetics category.

In July 2022, we received regulatory clearance from the Taiwan Ministry of Health and Welfare (TMHW) of our IND application to commence a Phase I trial of STP705 for the treatment of patients with advanced liver tumors. It is expected to begin enrollment in the fourth quarter of 2022.

Based on the positive results from the Phase IIa clinical study, we have started a Phase IIb study for isSCC. We are expecting to report the clinical readouts in the second half of 2022. In August 2022, the Company has initiated a Phase I/II clinical study of STP705 for the treatment of patients with facial isSCC. The expansion into facial isSCC is evidence of the excellent safety of STP705, demonstrated in our Phase IIa clinical study for the treatment of isSCC, to ensure good cosmetic results.

STP707

In February 2022, we launched the Phase I clinical trial of STP707 for the treatment of solid tumors in the U.S. We are expecting interim data for solid tumor study in the second half of 2022. IND filing in Taiwan (as part of the global multicenter clinical trial) is expected to take place in the fourth quarter of 2022. Enrollment is expected to be in the first quarter of 2023. We are expanding our oncology clinical studies in Asia-Pacific area where there is a high unmet need for innovative therapies.

In April 2022, we launched a Phase I clinical trial in the U.S. of STP707 for the treatment of liver fibrosis in PSC. Our data suggest that STP707 drives a robust response in preclinical models, and we expect that the upcoming Phase I clinical trial will allow us to gain further insights into the potential dosing and safety of this therapeutic candidate for the treatment of PSC.

IND Enabling Studies and Expected Clinical Studies

We are evaluating multiple innovative siRNA molecules as candidates that employ different targeting, utilizing our established proprietary PNP delivery platform, our two unique and newly developed GalNAc platforms and, through RNAimmune, proprietary PLNP delivery platform.

We are expecting to file a U.S. IND for STP122G. Based on the current progress of IND enabling studies for both efficacy and toxicity evaluation, drug formulation and CMC, the IND package is in development, and we are on track to file the clinical study application later this year.

We are expecting to file a U.S. IND for RIM730 in the second half of 2022. Based on the current progress of IND enabling studies for both efficacy and toxicity evaluation, drug formulation, CMC and the previous guidance from the FDA, in collaboration with RNAimmune, we are on track to file the clinical study application later this year.

Meanwhile, we are on track to file an IND in the U.S. for STP355, STP125G and STP144G in 2023.

Establishment of our Fill and Finish (F&F) Plant Facility in Guangzhou

Since the establishment of our Guangzhou Facility in December 2021, production and the facility have been in full operation. It provided flexibility for optimizing our clinical strategy in China and adapting production to our current needs. The Guangzhou Facility is expected to be in full GMP-compliant manufacturing of our pipeline products, including formulation, fill and finish, testing and releasing. An anticipated annual capacity of around 50,000 vials of lyophilized human injectables is sufficient to support clinical trials we have currently planned.

In the first half of 2022, the Guangzhou Facility has supported the production of lyophilized tox lots for STP707, STP355 and STP369 programs.

RNAimmune's Series A Round Fundraising

In March 2022, RNAimmune announced its US$27 million Series A round of fundraising to accelerate its R&D of mRNA vaccines and drug discovery focused on infectious diseases, cancer, and rare diseases.

FINANCIAL HIGHLIGHTS

	Six months ended June 30,	
	2022	2021
	US$'000	*US$'000*
Other income	**858**	113
Changes in fair value of financial liabilities at FVTPL	**(2,877)**	(12,338)
Administrative expenses	**(11,107)**	(5,154)
Research and development expenses	**(32,109)**	(12,337)
Listing expenses	**—**	(3,533)
Loss for the period	**(46,100)**	(33,526)

- For the six months ended June 30, 2022, the loss on changes in fair value of financial liabilities at FVTPL decreased to US$2.9 million, representing a reduction of US$9.4 million, or 77%, from US$12.3 million for the six months ended June 30, 2021, primarily due to automatic conversion of the Company's preferred shares, which were classified as financial liabilities at FVTPL, to ordinary shares of the Company upon completion of Listing on December 30, 2021.

- For the six months ended June 30, 2022, the administrative expenses increased to US$11.1 million, representing a growth of US$5.9 million, or 116%, from US$5.2 million for the six months ended June 30, 2021. The increase was primarily attributable to (i) directors' emolument and staff costs in relation to the Group's administrative staff to support business expansion; and (ii) professional and consultancy fee.

- For the six months ended June 30, 2022, the research and development expenses increased to US$32.1 million, representing a growth of US$19.8 million, or 160%, from US$12.3 million for the six months ended June 30, 2021. The increase was primarily attributable to: (i) directors' emolument and staff costs in relation to the Group's research and development staff; (ii) chemistry, manufacturing and controls expenses and materials consumed; and (iii) clinical trials expenses and preclinical test expenses. Such increases were in line with the Group's continuous research and development efforts to support the Group's steadily advancing and expanding pipeline of drug candidates.

- The Group's loss for the period increased from US$33.5 million for the six months ended June 30, 2021 to US$46.1 million for the six months ended June 30, 2022. Such increase in loss is primarily attributable to the increase in research and development expenses and administrative expenses, partly compensated by the decrease in loss on changes in fair value of financial liabilities at FVTPL and listing expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS OVERVIEW

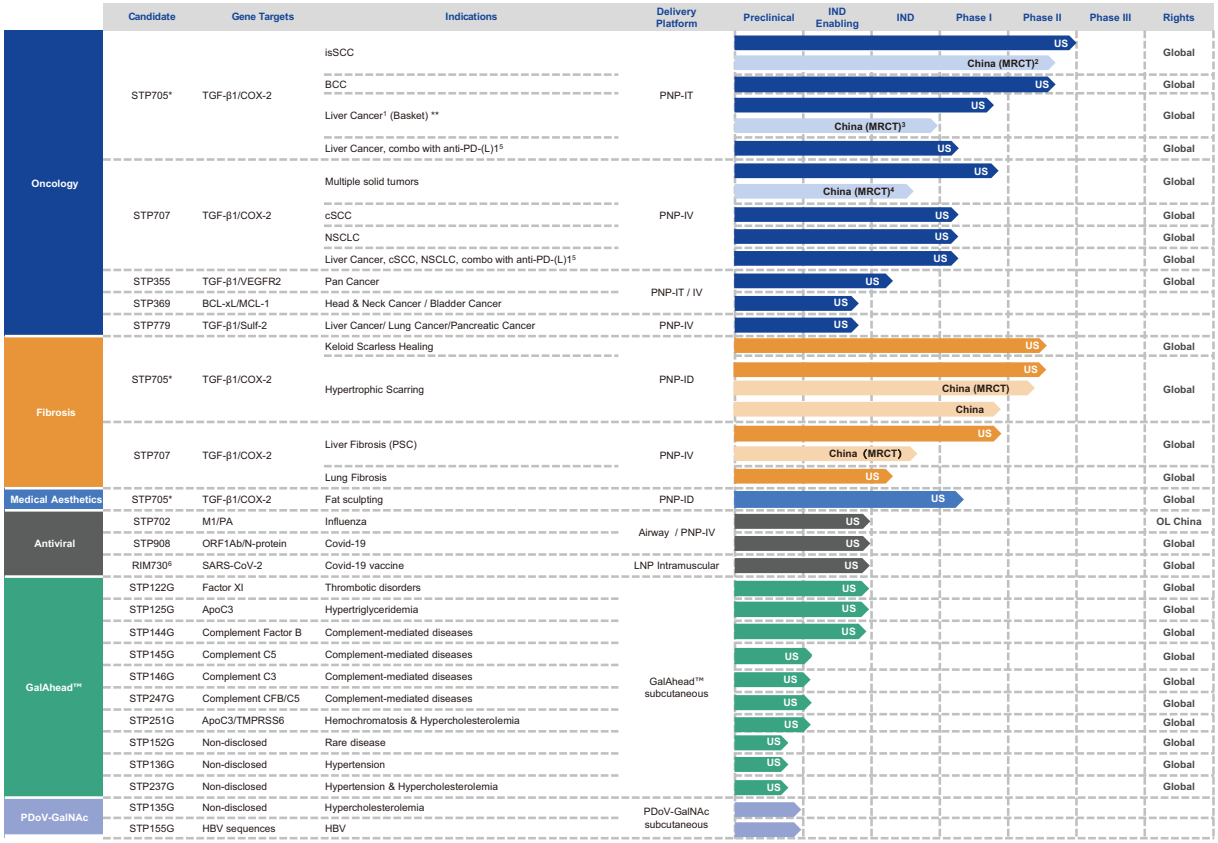
Founded in 2007, our mission is to become a fully-integrated international biopharmaceutical company, leveraging our deep experience in RNA therapeutics and novel delivery platform technologies. We seek to rapidly discover, develop and, if approved, commercialize a portfolio of transformative therapeutics and vaccines for patients suffering from a wide range of both rare and large market diseases. We intend to solidify our leadership position in RNA therapeutics and unlock their therapeutic potential by expanding the capabilities of our proprietary delivery platforms to overcome the current barriers to the delivery of RNAi triggers and mRNA.

We aim to focus initially on oncology and fibrosis, and then expand to anticoagulant therapies, cardiometabolic disease, complement mediated diseases and viral infections (influenza, HBV, HPV and COVID-19).

We have built an international professional team for discovery and development of RNAi therapeutics, mRNA vaccines and therapeutics based on our proprietary drug delivery technology platforms. Our target market is global with a current focus specifically on the U.S. and China markets, which are supported by our R&D capabilities and manufacturing facilities in both countries. We are adopting a clinical development strategy to conduct clinical trials for our product candidates initially in the U.S. and then extend those trials globally.

Product Pipeline

Sirnaomics is advancing a broad portfolio of product candidates, including our seven ongoing clinical trials in the U.S. for our two lead clinical drug candidates, STP705 and STP707.



Notes:

* denotes our core product

** denotes orphan drug

1. Liver cancer (basket) includes CCA, HCC, and liver metastases.
2. We filed our IND in China in June 2021, which is currently awaiting approval from the NMPA for study sites in China. The study sites will be part of global multicenter clinical trials for our Phase IIb clinical trial for isSCC.
3. We expect to file the IND in Greater China as part of the global multicenter clinical trials.
4. We expect to file the IND solely for HCC in China as part of the global multicenter clinical trials.
5. Studies in combination with anti-PD-(L)1 inhibitors conducted pursuant to collaborations with Innovent and Shanghai Junshi.
6. R&D conducted by RNAimmune.

Abbreviations: isSCC = squamous cell carcinoma in situ; BCC = basal cell carcinoma; cSCC = cutaneous squamous cell carcinoma; NSCLC = non-small cell lung cancer; CRC = colorectal carcinoma; HTS = hypertrophic scar; PSC = primary sclerosing cholangitis; PNP = our polypeptide nanoparticle (PNP) RNAi delivery platform; PNP-IT = PNP platform formulated for intratumoral administration; PNP-IV = PNP platform formulated for intravenous administration; GalAhead = our GalNAc RNAi delivery platform that conjugates GalNAc moieties to RNAi triggers; PDoV-GalNAc = our GalNAc RNAi delivery platform that conjugates GalNAc moieties to Peptide Docking Vehicle (PDoV) peptide linkers and up to two siRNAs to the peptide; LNP = lipid nanoparticle (LNP) formulation for delivery of mRNA; HPV = human papilloma virus; HBV = hepatitis B virus; OL China = out-licensed mainland China, Hong Kong, Macau, and Taiwan rights under agreement with Walvax but we retain the rights for rest of the world; MRCT = multi regional clinical trial in which we will be the sponsor for all clinical trial sites; ID = Intradermal.

Clinical Programs

STP705

STP705 is a sterile drug product that has two small interfering RNAs that target transforming growth factor beta-1 (TGF-ß1) and cyclooxygenase-2 (COX-2), formulated using our proprietary polypeptide nanoparticle carrier for intratumoral, intradermal, peridermal and subcutaneous administration. TGF-ß1 and COX-2 are well-known as gatekeeper targets for oncology and fibrosis disease drug development. TGF-ß1 regulates a broad range of cellular processes, including cell proliferation, differentiation, apoptosis, extracellular matrix production, angiogenesis, inflammation and immune response, while COX-2 is a proinflammatory and proliferative mediator. We are developing STP705 for the treatment of NMSC, including isSCC and BCC, recurrent keloids after keloidectomy, HTS and solid liver tumors, as well as for medical aesthetics.

STP707

STP707 is a sterile drug product that contains the same two siRNAs as STP705, formulated with a different proprietary nanoparticle carrier facilitates intravenous infusion for systemic treatment. The product is currently being investigated in two clinical studies for treatment of solid tumors and PSC, and potentially lung fibrosis. We also aim to develop combination therapies with STP707, immune check point inhibitors, other oncology drugs currently used as treatments for solid tumors, including liver cancer, metastatic cSCC and NSCLC.

We may not be able to ultimately develop and market our core product STP705 and STP707 successfully.

Other Late-Stage Preclinical Candidates

We are evaluating multiple innovative siRNA molecules as candidates that employ different targeting, utilizing our established proprietary PNP delivery platform, our two unique and newly developed GalNAc platforms and, through RNAimmune, proprietary PLNP delivery platform. We will advance promising candidates into clinical studies that support submission of investigational drug applications to conduct initial human clinical trials in multiple countries.

Preclinical Drug Candidates Using the PNP Platform

STP355

STP355 comprises siRNAs simultaneously targeting TGF-ß1 and VEGFR2 that are validated for their involvement in tumor angiogenesis and metastasis. STP355 is formulated for systemic administration with our polypeptide nanoparticle (PNP) delivery platform. The therapeutic potential of STP355 includes multiple types of cancer including breast cancer, melanoma, and colorectal cancer.

STP369

STP369 comprises siRNAs targeting BCL-xL and MCL-1, which are both validated tumorigenesis-associated genes, formulated with our PNP delivery platform for intravenous or intra-tumoral injection administration. STP369 has potential for the treatment of head and neck cancer and bladder cancer. We are also exploring use of STP369 in combination therapy with platinum-based chemotherapy (cisplatin) to evaluate the potential for STP369 to improve the efficacy of cisplatin.

STP779

STP779 comprises siRNAs targeting TGF-β1 and Sulf-2, formulated with our PNP delivery platform for intravenous administration. This compound has been validated for its anti-tumor activity both in vitro and in vivo, showing strong tumor growth inhibition activity with a mouse xenograft model of human hepatocellular carcinoma.

Preclinical Drug Candidates Using the GalAhead™ Platform

STP122G

STP122G comprises mxRNA RNAi triggers targeting Factor XI. It is formulated with our GalAhead™ mxRNA technology for subcutaneous administration. We are developing STP122G as a potential anticoagulant therapeutic. We maintain the global rights to develop and commercialize STP122G. Using a non-human primate model, we have demonstrated long-lasting target silencing activity, up to 28-week with only one dose administration.

STP125G

STP125G comprises mxRNA RNAi triggers targeting Apolipoprotein C3 (ApoC3) and is formulated with our GalAhead™ delivery platform for subcutaneous administration. We are developing STP125G for potential use in treating hypertriglyceridemia. After successful efficacy studies with cell culture and animal models, we have pushed this siRNA drug candidate to an Early Selected Compound (ESC) status and initiated an IND-enabling GLP toxicity studies.

STP144G

STP144G comprises RNAi triggers targeting Complement Factor B, formulated with our GalAhead™ mxRNA™ technology for subcutaneous administration. We are developing STP144G for potential use in treating complement-mediated immunologic diseases. After successful efficacy studies with cell culture and animal models, we have pushed this siRNA drug candidate to an ESC status and initiated an IND-enabling study.

STP145G

STP145G comprises RNAi triggers targeting Complement Factor C5, formulated with our GalAhead™ mxRNA™ technology for subcutaneous administration. We are developing STP145G for potential use in treating complement-mediated immunologic diseases.

STP146G

STP146G comprises RNAi triggers targeting Complement Factor C3, formulated with our GalAhead™ mxRNA™ technology for subcutaneous administration. We are developing STP146G for potential use in treating complement-mediated immunologic diseases.

STP247G

STP247G comprises RNAi triggers simultaneously targeting Complement Factor C5 and Complement Factor B, formulated with our GalAhead™ muRNA™ technology for subcutaneous administration. We are developing STP247G for potential use in treating complement-mediated immunologic diseases.

STP251G

STP251G comprises RNAi triggers simultaneously targeting TMPRSS6 and ApoC3, formulated with our GalAhead™ muRNA™ technology for subcutaneous administration. We are developing STP251G for potential use in treating patients suffering simultaneously from hemochromatosis and hypertriglyceridemia.

Preclinical Drug Candidates Using PDoV-GalNAc™ Platform

Several novel siRNA drug product candidates are currently under development. STP135G is targeting hepatocyte-expressed PCSK9 for hypercholesterolemia, STP155G is targeting HBV viral mRNA for hepatitis, and STP165G is targeting angiotensinogen (AGT) for hypertension.

mRNA Vaccine Products

RIM730, developed by RNAimmune, our non-wholly owned subsidiary, comprises mRNA coding for a SARS-CoV-2 full length spike protein from the Delta variant, formulated with LNP delivery technology for intramuscular administration.

Delivery Platforms

Our proprietary delivery platforms for administration of RNA-based therapeutics are the foundation of our product pipeline: (1) PNP delivery platform for both local and systemic administration of RNAi therapeutics to target the activated endothelial cells beyond liver hepatocyte cells; (2) our unique GalNAc-based RNAi delivery platforms (GalAhead™ and PDoV-GalNAc™), which were developed for subcutaneous administration of siRNA drugs to liver hepatocytes; and (3) through RNAimmune, our subsidiary, we have jointly developed the proprietary PLNP delivery platform for administration of mRNA vaccines and therapeutics.

In the early days of the Company, we exclusively in-licensed an academic PNP nucleic acid delivery method. After a more than 15-year R&D effort, we are able to advance PNP as a therapeutic delivery technology. It serves as an excipient as part of our drug products to meet all pharmaceutical requirements for large scale manufacturing to successfully test in humans in multiple clinical studies. We obtained exclusive global rights for our PNP delivery technology. In addition, we have also developed, through our in-house efforts, and held the global exclusive rights to our unique GalNAc-based RNAi delivery technologies.

The GalAhead™ Delivery system is a proprietary technology platform for RNAi therapeutics, discovered and developed by Sirnaomics. The targeted delivery technology has demonstrated specific liver hepatocyte targeting via a cell surface receptor: ASGPR. Based upon this technology, we have developed a series of siRNA drug candidates, validated with cell culture and animal models, including non-human primate efficacy and safety studies.

PDoV™ leverages our expertise for enhancement of GalNAc-conjugated siRNA drug delivery. The selected small peptide not only possesses an active endosomal escape property but also provides two binding sites for conjugations of dual-siRNA inhibitors. PDoV-GalNAc has demonstrated both in cell culture and animal models an enhanced release of siRNA much more rapidly than GalNAc alone — presumably due to the more rapid endosomal escape afforded by the small PDoV. In these studies, the time required for maximal knockdown of the gene being targeted decreased from approximately three weeks, with only direct GalNAc conjugation to the siRNA, to about one week when the PDoV was introduced. Sirnaomics holds a global exclusive right for the technology with multiple patent protections.

Furthermore, the PDoV-GalNAc delivery technology can be efficiently adapted for dual-targeted siRNA therapeutics with the conjugation of two different siRNAs targeting different regions of the same mRNA or different mRNA sequences of two different drug targets. The dual-targeted PDoV-GalNAc siRNA constructs have demonstrated an ability to increase delivery efficacy 3–5 fold compared with the single siRNA.

Our proprietary PLNP platform combines polypeptides and lipids to generate nanoparticles comprised of both to provide encapsulation of both non-amplifying and self-amplified mRNA, allowing for efficient cellular delivery through better endosomal escape for novel mRNA vaccines and therapeutics. Our PLNP platform has less complex manufacturing than LNP delivery platforms due to fewer components, and does not include polyethylene glycol, which is used in current LNP delivery platforms and is thought to cause severe adverse effects in some patients. Products formulated using our PLNP platform are stable at ambient temperatures, thus eliminating distribution costs associated with cold chain storage of LNP-based products.

Manufacturing

We have developed clinical scale GMP-compliant manufacturing processes that are capable of being further developed into commercial-scale manufacturing. Our PNP manufacturing process uses microfluidic technology which we are continuously improving to support our current pipeline. In addition, we are continuously improving and exploring other PNP manufacturing processes to meet our expanded pipeline, which will be capable of supporting multiple indications. We are continuing to expand our industrial partnerships to support our global supply-chain oriented manufacturing approach including active pharmaceutical ingredients, excipients to support our PNP franchise, and clinical and commercial fill and finish facilities aimed at delivering high-quality products at low cost. For commercialization of late-stage products, our approach is global, including parallel commercial production in different markets by leveraging both existing CDMOs and by establishing commercial production sites of our own. A multi-country pre-commercialization process performance and qualification (PPQ) effort has already begun. We are also continuing to explore partnerships on next generation PNP formulation technologies for future commercial applications.

Our GalAhead™ delivery platform utilizes well-established CDMO partners which we are currently in the process of expanding, which includes early phase discussions with potential external commercial manufacturing facilities.

We built our clinical manufacturing facility in Guangzhou (Guangzhou Facility) in 2021 to further enhance our in-house manufacturing capacity. Within the first six months of 2022, the Guangzhou Facility has produced eight batches of drug products to support our preclinical tox studies and early stage of clinical studies.

II. BUSINESS REVIEW

In the first half of 2022 and up to the date of this announcement, we continued to make significant progress with respect to our pipeline development and business development, including the following milestones and achievements to become a multi-program clinical-stage company:

Clinical Development

STP705

STP705 demonstrates positive Phase II clinical results for the treatment of BCC

After receiving positive results for STP705 from a Phase IIa clinical study for the treatment of isSCC in early 2021, in February 2022 we announced interim data from a Phase II clinical trial of STP705 for the treatment of BCC. The interim data examines results from three cohorts with 15 total subjects and shows a dose-dependent increase of the complete response patient numbers, with an improved cosmetic result with no significant cutaneous skin reactions. In August 2022, with further expansion of the clinical study, we announced achieving a 100% complete response using a 180 ug dosage with an excellent safety profile. The latest results from the Phase II clinical study of STP705 for the treatment of BCC demonstrated an incredible efficacy without any drug related AEs and SAEs, further validating the broad potential of this drug candidate for the treatment of non-melanoma skin cancers and beyond. Based on the successes of both BCC and isSCC clinical studies, Sirnaomics is spearheading in development of the novel polypeptide-based siRNA therapeutics for various types of cancers.

STP705 is in a medical aesthetic Phase I clinical study for fat sculpting

In May 2022, we launched the Phase I clinical trial of RNAi therapeutic STP705 in adults undergoing abdominoplasty for submental fat reduction. This study is our first activity to apply an RNAi therapeutic candidate for medical aesthetics treatment. Non-invasive fat reduction is a procedure to decrease or eliminate stubborn fat pockets in specific areas of the body; the current methods include cryolipolysis, radio frequency, and laser lipolysis. The Phase I trial is a dose-ranging, randomized, double-blind, vehicle-controlled study that will enroll up to 10 patients to evaluate the safety and tolerability of STP705, which will be delivered via subcutaneous injection. The primary endpoints are to assess injection comfort, characterize local and systemic safety, and evaluate histological changes of subcutaneous doses of STP705, and to compare the safety and tolerability of three different concentrations of STP705 to select dosages for future studies. We hope to use the information from this study to expand into the treatment of submental fat reduction and other areas of non-invasive fat sculpting. This Phase I study will serve as a blueprint for future studies of STP705 in the medical aesthetics category.

STP705 clinical trial in Taiwan for liver cancer treatment

In July 2022, we received regulatory clearance from the Taiwan Ministry of Health and Welfare (TMHW) of our IND application to commence a Phase I trial of STP705 for the treatment of patients with advanced liver tumors. The Phase I, multicenter, open-label, dose escalation study in Taiwan is part of a global study of STP705 designed to evaluate safety, tolerability, pharmacokinetics (PK), and anti-tumor activity. The study was started in the U.S. in March 2021, and is expected to migrate to Taiwan for more efficient patient enrollment and is expected to begin enrollment in the fourth quarter.

STP705 Phase IIb clinical study for isSCC and Phase I/II clinical study for facial isSCC

Based on the positive results from the Phase IIa clinical study, we have started a Phase IIb study, including two stages (40 patients and 60 patients, respectively) and three dosing groups with placebo group controls. We are expecting to report the clinical readouts in the second half of 2022. In addition, the Company has initiated a Phase I/II clinical study of STP705 for the treatment of patients with facial isSCC. The expansion into facial isSCC is evidence of the excellent safety of STP705, demonstrated in our Phase IIa clinical study for the treatment of isSCC, to ensure good cosmetic results. We also believe that there will be more push from patients to have scarless procedures on the face than other parts of the body.

STP707

STP707 Phase I clinical trial for the treatment of solid tumors

In February 2022, we launched the Phase I clinical trial of STP707 for the treatment of solid tumors in the U.S. The Phase I clinical trial, which is a multicenter, open label, dose escalation, and dose expansion study, evaluates the safety, tolerability and anti-tumor activity of STP707. Thirty participants with advanced solid tumors, who have been unresponsive to standard therapies, will be enrolled in the dose escalation study. Once maximum tolerated dose or the recommended Phase II dose has been established, up to 10 additional patients will be enrolled to confirm safety and explore anti-tumor activities. The study encompasses five cohorts who will receive one of five escalating doses of STP707 through IV administration on a 28-day cycle. The primary endpoints are to determine the maximum tolerated dose and establish dosage recommendations for future Phase II studies. Additional secondary endpoints are to determine the PK of STP707, and to observe preliminary anti-tumor activities.

IND filing for STP707 for the treatment of multiple solid tumors in Taiwan (as part of the global multicenter clinical trial) is expected to take place in the fourth quarter of 2022. Enrollment is expected to be in the first quarter of 2023. We are expanding our oncology clinical studies in Asia-Pacific area where there is a high unmet need for innovative therapies.

STP707 Phase I clinical trial for the treatment of PSC

In April 2022, we launched a Phase I clinical trial in the U.S. to evaluate the safety, tolerability, and PK of a single ascending dose of STP707 for the treatment of liver fibrosis in PSC. The Phase I clinical trial is a single-center, randomized, dose-escalation, sequential cohort study. The primary endpoints are to evaluate the safety and tolerability of STP707 when administered intravenously (IV) in healthy subjects. Additional secondary endpoints are to evaluate the PK of STP707 when administered via IV in healthy subjects. Our data suggest that STP707 drives a robust response in preclinical models, and we expect that the upcoming Phase I clinical trial will allow us to gain further insights into the potential dosing and safety of this therapeutic candidate for the treatment of PSC.

IND Enabling Studies and Expected Clinical Studies

We are expecting to file a U.S. IND for STP122G. Based on the current progress of IND enabling studies for both efficacy and toxicity evaluation, drug formulation and CMC, the IND package is in development, and we are on track to file the clinical study application later this year.

We are expecting to file a U.S. IND for RIM730 in the second half of 2022. Based on the current progress of IND enabling studies for both efficacy and toxicity evaluation, drug formulation, CMC and the previous guidance from the FDA, in collaboration with RNAimmune, we are on track to file the clinical study application later this year.

Meanwhile, we are on track to file an IND in the U.S. for STP355, STP125G and STP144G in 2023.

Establishment of our Fill and Finish (F&F) Plant Facility in Guangzhou

In December 2021, our Guangzhou Facility successfully completed its full commissioning tasks with media fill simulation three times in succession, followed by trial run success of STP705 in a lyophilized solid dose. Production and the facility have been in full operation during the Reporting Period. It provided flexibility for optimizing our clinical strategy in China and adapting production to our current needs. The Guangzhou Facility is expected to be in full GMP-compliant manufacturing of our pipeline products, including formulation, fill and finish, testing and releasing. An anticipated annual capacity of around 50,000 vials of lyophilized human injectables is sufficient to support clinical trials we have currently planned.

In the first half of 2022, the Guangzhou Facility has supported the production of lyophilized tox lots for STP707, STP355 and STP369 programs.

RNAimmune's Series A Round Fundraising

In March 2022, RNAimmune announced its US$27 million Series A round of fundraising to accelerate its R&D of mRNA vaccines and drug discovery focused on infectious diseases, cancer, and rare diseases.

Fueled by the fresh capital, RNAimmune is also advancing its Pan-RAS tumor vaccine program in collaboration with the University of California, Los Angeles, and prophylactic HSV vaccine program in collaboration with the University of Houston.

Impact of COVID-19

The COVID-19 pandemic had some adverse impact on our business operations and financial performance for the Reporting Period because there had been some material and prolonged disruption of our ongoing clinical and preclinical trials due to (i) special work arrangements of our R&D staff and relevant government authorities in China and in the U.S.; (ii) fewer patients attending hospitals or clinics for trials; and (iii) shortage and higher cost of non-human primates driven by pandemic-related research. However, our global presence in the U.S. and China offered us the flexibilities to work with vendors less impacted by the COVID-19 pandemic in different parts of the world to ensure seamless development of our preclinical drug candidates.

III. FUTURE AND OUTLOOK

At Sirnaomics, we are advancing an enriched drug product pipeline of innovative RNA-based medicine to improve the lives and wellbeing of patients worldwide. Based on our proprietary technology platforms, world-leading clinical programs, highly experienced management team and well-established R&D and manufacturing facilities in both the U.S. and China, the Company is well positioned to develop novel RNAi therapeutics for cancer, fibrosis diseases, viral infection, liver-metabolic diseases and medical aesthetics.

In 2022, we have set clearly defined business priorities and initiatives, which we describe below.

Advance development of our lead product candidates STP705 and STP707 through clinical trials toward market approvals in a broad range of indications in the U.S. and China

Sirnaomics' clinical strategy is to first obtain proof of concept human data from STP705. With the accumulation of successful human clinical data from STP705 for the treatment of isSCC, we have expanded our STP705 asset for the treatment of BCC, liver cancer and recurrent keloids after keloidectomy, followed by our clinical trials for STP707 which expand its therapeutic reach using systemic administration as a modality, opening up more opportunities to treat other oncology indications which could not be addressed by STP705.

Our top priority is commercializing STP705 for the treatment of isSCC. While we are conducting trials in the U.S. and expecting Phase IIb interim data readout of STP705 for the treatment of isSCC in the second half of 2022, we are anticipating a roll-out of trials globally.

To prepare for the roll-out, we have successfully set up our Beijing office and built our clinical team in China, which has helped us to obtain an IND approval from TMHW for an STP705 oncology clinical program. To get ready for market approvals for STP705, we have started exploring potential partnerships and establishing our in-house sales and marketing team to lead the sales effort.

To de-risk our STP705 candidate, we have expanded to treat other indications such as BCC, recurrent keloids after keloidectomy and liver cancer, and have launched new clinical trials for the treatment for facial isSCC and fat sculpting in the U.S. in the second half of 2022. We are expecting interim data for isSCC and solid tumor study, and interim readout for BCC in the second half of 2022. The human clinical data from these trials will further validate our technology platform and selection of targets for STP705. We are electing to move forward with our HTS clinical trial program in China due to the larger pool of potential clinical trial subjects compared to the U.S.

Develop more innovative first-in-class preclinical asset into clinical stage

We are evaluating multiple innovative candidate siRNA molecules that employ different targeting and nanoparticle technologies in preclinical studies. Promising candidates advance into clinical studies that will support submission of investigational drug applications to conduct initial human clinical trials in multiple countries.

STP355 comprises siRNAs simultaneously targeting TGF-ß1 and VEGFR2 that are validated for their involvement in tumor angiogenesis and metastasis, and is expected to file IND with the FDA in 2023. STP355 is formulated for systemic administration with our polypeptide nanoparticle (PNP) delivery platform. The therapeutic potential of STP355 includes multiple types of cancer including breast cancer, melanoma, and colorectal cancer.

STP122G, targeting Factor XI for subcutaneous administration, is expected to be the first representative candidate for GalAhead™ delivery platform to enter clinical stage in 2023. We are developing STP122G as a potential anticoagulant therapeutic and STP144G for a novel RNAi drug candidate for treatment of complement-related diseases. Following these two drug candidates, we will have a set of earlier candidates: STP145G, STP146G, STP247G and STP251G, from our GalAhead™ delivery platform to be filed for IND in the next two years.

RNAimmune, our subsidiary, is expected to advance to IND filing for RIM730 with the FDA in the second half of 2022 and accelerate the development of its novel PLNP delivery platform, modifying our PNP delivery platform to combine proprietary HK peptides with ionizable amino lipids for encapsulation of mRNA for novel mRNA vaccines.

We believe the combination of the HK polypeptide and liposome components in the PLNP can improve the efficiency of cellular delivery of the mRNA cargo through better endosomal escape once the PLNP enters the cell.

Selectively pursue synergistic collaboration opportunities to maximize the potential of our clinical product candidates

Our strategy and business development team explores global and local partnership and cooperation opportunities with other industry players, specifically for our lead products STP705 and STP707, together with our GalAhead™ delivery platform and preclinical assets, including, but not limited to, STP122G, STP125G and STP144G. Such partnerships and cooperation are expected to help accelerating the development of multiple preclinical and clinical assets.

These opportunities may include co-development, in-licensing and out-licensing arrangements. We have a proven track record of collaborating with biopharmaceutical and biotechnology companies across the globe which underscores our industry recognition and paves the way for long-term collaborations.

We have currently engaged in partnership discussions, under confidential agreement, with two global pharmaceutical companies. We are also in a licensing-out discussion with one Chinese company.

We aim to gain market coverage by leveraging our current and future business partners' expertise and business network.

Impact of COVID-19

We cannot foresee when the COVID-19 pandemic will become completely under control and therefore the aforementioned impacts on our business will remain. We are monitoring the COVID-19 situation as well as various regulatory and administrative measures adopted by local governments closely and will adjust our strategy and precautionary measures accordingly.

IV. FINANCIAL REVIEW

	For the six months ended June 30,	
	2022	2021
	US$'000	*US$'000*
Other income	**858**	113
Other gains and losses	**(489)**	(149)
Changes in fair value of financial liabilities at fair value through profit or loss ("**FVTPL**")	**(2,877)**	(12,338)
Administrative expenses	**(11,107)**	(5,154)
Research and development expenses	**(32,109)**	(12,337)
Listing expenses	**—**	(3,533)
Finance costs	**(376)**	(128)
Loss before tax	**(46,100)**	(33,526)
Income tax expense	**—**	—
Loss for the period	**(46,100)**	(33,526)

Overview

For the six months ended June 30, 2022, the Group did not generate any revenue from product sales. The Group recorded a loss of US$46.1 million for the six months ended June 30, 2022, as compared with US$33.5 million for the six months ended June 30, 2021.

Substantially all of the Group's net losses resulted from research and development expenses, administrative expenses and changes in fair value of financial liabilities at FVTPL.

Revenue

For the six months ended June 30, 2022, the Group did not generate any revenue from product sales and did not recognize revenue from the co-development and license agreement entered into with Walvax.

Other Income

The Group's other income primarily consists of: (i) government grants, including cash incentives to support the Group's research and development in the PRC and upon completion of Listing; and (ii) interest income from restricted bank balances and bank balances.

For the six months ended June 30, 2022, the other income of the Group increased to US$0.9 million representing a growth of US$0.8 million, or 659%, from US$0.1 million for the six months ended June 30, 2021. The increase was primarily because the Group obtained government grants of US$0.6 million upon completion of Listing on the Hong Kong Stock Exchange.

Other Gains and Losses

The Group's other gains and losses primarily consist of: (i) net foreign exchange gains or losses; and (ii) changes in fair value of structured deposits.

For the six months ended June 30, 2022, the other gains and losses of the Group increased to a loss of US$0.5 million representing a growth of US$0.4 million, or 228%, from a loss of US$0.1 million for the six months ended June 30, 2021. The increase was primarily due to decrease in the gain on changes in fair value of structured deposits of US$0.3 million from US$312,000 for the six months ended June 30, 2021 to US$22,000 for the six months ended June 30, 2022.

Changes in Fair Value of Financial Liabilities at FVTPL

The Group's changes in fair value of financial liabilities at FVTPL mainly represent changes in fair value of: (i) preferred shares; (ii) Series C Warrants; (iii) convertible loans issued by Suzhou Sirnaomics to Series D investors; (iv) SAFE issued by RNAimmune to non-controlling shareholders of RNAimmune in August and September 2020; and (v) Series Seed and Series A preferred shares of RNAimmune.

For the six months ended June 30, 2022, the loss on changes in fair value of financial liabilities at FVTPL of the Group decreased to US$2.9 million, representing a reduction of US$9.4 million, or 77%, from US$12.3 million for the six months ended June 30, 2021, primarily due to automatic conversion of the Company's preferred shares to ordinary shares upon completion of Listing on December 30, 2021.

Administrative Expenses

The following table sets forth the components of the Group's administrative expenses for the periods indicated:

	For the six months ended June 30,		
	2022	2021	Changes
	US$000	*US$000*	*%*
Director's emolument and staff costs	**2,980**	1,771	68%
Professional and consultancy fees	**5,195**	2,312	125%
Traveling expenses	**219**	99	121%
Other office expenses	**547**	287	91%
Depreciation of property and equipment and right-of-use assets	**568**	130	337%
Marketing and business development	**1,007**	111	807%
Insurance	**127**	105	21%
Others	**464**	339	37%
Total	**11,107**	5,154	116%

The Group's administrative expenses primarily consist of: (i) directors' emolument and staff costs relating to the Group's administrative staff; and (ii) professional and consultancy fees, mainly representing financial accounting service fees and legal fees for patent-related and general corporate advisory services.

For the six months ended June 30, 2022, the administrative expenses of the Group increased to US$11.1 million, representing a growth of US$5.9 million, or 116%, from US$5.2 million for the six months ended June 30, 2021. The increase was primarily attributable to: (i) directors' emolument and staff costs in relation to the Group's administrative staff to support business expansion; and (ii) professional and consultancy fees.

Research and Development Expenses

The following table sets forth the components of the Group's research and development expenses for the periods indicated:

	For the six months ended June 30,		
	2022	2021	Changes
	US$000	*US$000*	*%*
Directors' emolument and staff costs	**7,170**	3,420	110%
Chemistry, manufacturing and controls expenses	**8,686**	2,358	268%
Materials consumed	**4,184**	1,302	221%
Clinical trials expenses	**3,524**	1,842	91%
Preclinical test expenses	**5,954**	1,840	224%
Consultancy fee	**575**	763	(25%)
Depreciation of property and equipment and right-of-use assets and amortization of intangible assets	**1,192**	490	143%
Others	**824**	322	156%
Total	**32,109**	12,337	160%

The Group's research and development expenses primarily consist of: (i) directors' emolument and staff costs relating to the research and development staff; (ii) chemistry, manufacturing and controls expenses; (iii) materials consumed; (iv) clinical trials expenses, mainly in relation to the engagement of CROs; and (v) preclinical test expenses, mainly in relation to the engagement of preclinical CROs.

For the six months ended June 30, 2022, the research and development expenses of the Group increased to US$32.1 million, representing a growth of US$19.8 million, or 160%, from US$12.3 million for the six months ended June 30, 2021. The increase was primarily attributable to: (i) directors' emolument and staff costs in relation to the Group's research and development staff; (ii) chemistry, manufacturing and controls expenses and materials consumed; and (iii) clinical trials expenses and preclinical test expenses. Such increases were in line with the Group's continuous research and development efforts to support the Group's steadily advancing and expanding pipeline of drug candidates.

Listing Expenses

Listing expenses represent professional fees and other fees incurred in connection with the Listing on the Hong Kong Stock Exchange on December 30, 2021. For the six months ended June 30, 2021, the Group recorded listing expenses charged to profit or loss of US$3.5 million.

Finance Costs

The Group's finance costs were primarily interests on lease liabilities.

For the six months ended June 30, 2022, the finance costs of the Group increased by US$0.3 million, or 194%, to US$0.4 million from US$0.1 million for the six months ended June 30, 2021. This increase was primarily due to the increase in the interest on lease liabilities.

Income Tax Expense

No Hong Kong profits tax, U.S. corporate income and state taxes or China enterprise income tax were provided as the group entities had no assessable profits during the six months ended June 30, 2022.

Loss for the Period

The Group's loss for the period increased from US$33.5 million for the six months ended June 30, 2021 to US$46.1 million for the six months ended June 30, 2022. Such increase in loss was primarily attributable to the increase in research and development expenses and administrative expenses, partly compensated by the decrease in loss on changes in fair value of financial liabilities at FVTPL and listing expenses.

Cash flows

	For the six months ended June 30,	
	2022	2021
	US$'000	*US$'000*
Net cash used in operating activities	**(45,382)**	(19,372)
Net cash used in investing activities	**(9,128)**	(1,243)
Net cash from financing activities	**12,944**	35,248
Net (decrease)/increase in cash and cash equivalents	**(41,566)**	14,633
Cash and cash equivalents at January 1	**211,994**	103,122
Effect of foreign exchange rate changes	**(729)**	1,419
Cash and cash equivalents at June 30	**169,699**	119,174

Net cash used in operating activities for the six months ended June 30, 2022 increased to US$45.4 million, representing an increase of US$26.0 million, or 134%, from US$19.4 million for the six months ended June 30, 2021. This increase was primarily due to the expansion of the Group's research and development activities, general corporate and administrative activities.

Net cash used in investing activities for the six months ended June 30, 2022 increased to US$9.1 million, representing an increase of US$7.9 million, or 634%, from US$1.2 million for the six months ended June 30, 2021. This increase was primarily due to increase in purchase and deposits paid for property and equipment of US$7.4 million.

Net cash from financing activities for the six months ended June 30, 2022 decreased to US$12.9 million, representing a decrease of US$22.3 million, or 63%, from US$35.2 million for the six months ended June 30, 2021. This decrease was primarily due to proceeds from the exercise of the over-allotment option of US$8.2 million and proceeds from issuance of Series A preferred shares of RNAimmune of US$6.1 million raised during the six months ended June 30, 2022, while proceeds from issuance of Series E preferred shares of US$32.1 million and Series Seed preferred shares of RNAimmune of US$4.8 million raised during the six months ended June 30, 2021.

Liquidity and Source of Funding and Borrowing

The Group's management monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations. The Group relies on equity and debt financing as the major source of liquidity. The Group had no bank borrowings as at June 30, 2022.

As at June 30, 2022, the Group had unutilized banking facilities of US$3.7 million.

As at June 30, 2022, the Group's cash and cash equivalents decreased to US$169.7 million from US$212.0 million as at December 31, 2021. The decrease primarily resulted from the expansion of the Group's research and development activities, general corporate and administrative activities.

As at June 30, 2022, the current assets of the Group were US$183.3 million, including bank balances and cash of US$169.7 million and other current assets of US$13.6 million. As at June 30, 2022, the current liabilities of the Group were US$15.0 million, including trade and other payables of US$12.5 million, contract liability of US$0.7 million and lease liabilities of US$1.8 million.

As at June 30, 2022, the Group's net assets decreased to US$171.4 million from US$210.3 million as at December 31, 2021, primarily due to (i) decrease in bank balances and cash from US$212.0 million as of December 31, 2021 to US$169.7 million as of June 30, 2022; and (ii) increase in financial liabilities at FVTPL from US$8.4 million as of December 31, 2021 to US$17.4 million as of June 30, 2022 primarily due to issuance of Series A preferred shares of RNAimmune in 2022, partly compensated by the increase in property and equipment from US$7.9 million as of December 31, 2021 to US$17.4 million as of June 30, 2022.

Key Financial Ratios

The following table sets out the Group's key financial ratio as of the dates indicated:

	As at June 30, 2022	As at December 31, 2021
	%	%
Current ratio	**1,222.7**	1,379.1

Note: Current ratio represents current assets divided by current liabilities as of the same date.

As at June 30, 2022, the Group's gearing ratio, which was calculated by bank and other interest-bearing borrowings less restricted bank balances, bank balances and cash divided by total equity, was 0% since the Group had no bank or other interest-bearing borrowings.

Material Investments

The Group did not make any material investments during the six months ended June 30, 2022.

Material Acquisitions and Disposals

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies for the six months ended June 30, 2022.

Pledge of Assets

As at June 30, 2022, the Group had total US$60,000 of restricted bank deposits pledged to secure its banking facilities.

Future Plans for Material Investments or Capital Assets

Save as disclosed in this announcement, there was no specific plan for material investments or capital assets as at June 30, 2022.

Contingent Liabilities

As at June 30, 2022, the Group did not have any material contingent liabilities.

Foreign Exchange Exposure

Certain bank balances, deposits and other receivables and trade and other payables denominated in foreign currency of respective group entities expose the Group to foreign currency risk.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Employees and Remuneration

As at June 30, 2022, the Group, including RNAimmune, had a total of 225 employees. The following table sets forth the total number of employees by function as of June 30, 2022:

	Number of Employees
Management	12
Research	112
Manufacturing	38
Clinical and Regulation	13
General and Administration	50
Total	225

The total remuneration cost incurred by the Group for the six months ended June 30, 2022 was US$10.2 million, as compared to US$5.2 million for the six months ended June 30, 2021. The remuneration of the employees of the Group comprises salaries and other allowances, retirement benefit scheme contributions, share-based payment expense as well as performance and discretionary bonus.

As required by relevant laws and regulations, the Group participates in various employee social security plans for the employees that are administered by local governments, including housing provident fund, pension insurance, medical insurance, maternity insurance, work-related injury insurance and unemployment insurance.

CORPORATE GOVERNANCE

The Company has adopted and applied the code provisions of the CG Code set out in Appendix 14 of the Listing Rules. To the best knowledge of the Directors, except for code provision C.2.1 of the CG Code set out below, the Company has complied with all applicable code provisions under the CG Code during the Reporting Period.

Code provision C.2.1 provides that the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. The role of chairman of the Board and chief executive officer of the Company are currently performed by Dr. Yang Lu ("**Dr. Lu**"). In view of Dr. Lu's substantial contribution to the Group since our establishment and his extensive experience, we consider that having Dr. Lu acting as both our chairman and chief executive officer will provide strong and consistent leadership to the Group and facilitate the efficient execution of our business strategies. We consider it appropriate and beneficial to our business development and prospects that Dr. Lu continues to act as both the chairman and chief executive officer, and therefore currently do not propose to separate the functions of chairman and chief executive officer. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman of the Board and chief executive officer is necessary.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted its own code of conduct regarding securities transactions, which applies to all Directors and relevant employees of the Group who are likely to be in possession of unpublished price-sensitive information of the Company, on terms no less than the required standard indicated by the Model Code.

All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code during the Reporting Period. No incident of non-compliance of the Model Code by the Directors and relevant employees was noted during the Reporting Period.

USE OF PROCEEDS FROM THE LISTING

The Company's Shares were listed on the Hong Kong Stock Exchange on December 30, 2021 with gross proceeds of US$63.7 million raised. On January 21, 2022, the over-allotment option as described in the Prospectus was partially exercised by the Joint Representatives with gross proceeds of US$8.3 million raised on January 26, 2022. The net proceeds raised during the Global Offering (including the partial exercise of the over-allotment option) were approximately US$54.8 million with a total of 8,513,450 new Shares issued. There was no change in the intended use of net proceeds as previously disclosed in the Prospectus and the Company intends to utilize the additional net proceeds on a pro rata basis for the purposes as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The Company will gradually utilize the residual amount of the net proceeds in accordance with such intended purposes based on actual business needs.

The table below sets forth a detailed breakdown and description of the use of net proceeds as at June 30, 2022:

Purposes	**% of use of net proceeds (as disclosed in the Prospectus)**	**Net proceeds from Global Offering** *(US$ million)*	**Utilized net proceeds up to June 30, 2022** *(US$ million)*	**Unutilized net proceeds up to June 30, 2022** *(US$ million)*	**Estimated timeline for utilizing the net proceeds from Global Offering**
To fund the development and commercialization of STP705	57.9%	31.7	4.7	27.0	By the end of 2023
To fund the development of STP707	15.6%	8.6	2.0	6.6	By the end of 2022
To fund our GalNAc Program yielded products such as STP122G, STP133G, and STP144G and other preclinical stage product candidates, and where such research and development will further advance our proprietary GalAhead™ and PDoV-GalNAc delivery platforms for development of novel product candidates	15.4%	8.4	6.1	2.3	By the end of 2022
To fund the research and development of our other preclinical drug candidates	7.3%	4.0	4.0	—	—
For general corporate and working capital purposes	3.8%	2.1	2.1	—	—
Total	**100.0%**	**54.8**	**18.9**	**35.9**	

AUDIT COMMITTEE

The Audit Committee consists of one non-executive Director, being Mr. Mincong Huang, and two independent non-executive Directors, being Ms. Shing Mo Han, Yvonne and Mr. Fengmao Hua. Ms. Shing Mo Han, Yvonne is the chairperson of the Audit Committee.

The Audit Committee had, together with the management of the Company, reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended June 30, 2022 and the accounting principles and policies adopted by the Group.

REVIEW OF THE UNAUDITED INTERIM RESULTS

The unaudited condensed consolidated financial statements of the Group for the six months ended June 30, 2022 have been reviewed by the independent auditor of the Company, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Hong Kong Institute of Certified Public Accountants.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

INTERIM DIVIDEND

The Board did not recommend the distribution of any interim dividend for the Reporting Period.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, no important events affecting the Company occurred since June 30, 2022 and up to the date of this announcement.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Hong Kong Stock Exchange at www.hkexnews.hk and the Company at www.sirnaomics.com. The interim report of the Company for the six months ended June 30, 2022 containing all the information in accordance with the requirements under the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Hong Kong Stock Exchange and the Company in due course.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2022

	NOTES	For the six months ended June 30, 2022 US$'000 (Unaudited)	2021 US$'000 (Unaudited)
Other income	5	**858**	113
Other gains and losses	6	**(489)**	(149)
Changes in fair value of financial liabilities at fair value through profit or loss ("**FVTPL**")		**(2,877)**	(12,338)
Administrative expenses		**(11,107)**	(5,154)
Research and development expenses		**(32,109)**	(12,337)
Listing expenses		**—**	(3,533)
Finance costs	7	**(376)**	(128)
Loss before tax		**(46,100)**	(33,526)
Income tax expense	8	**—**	—
Loss for the period	9	**(46,100)**	(33,526)
Other comprehensive (expense) income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(1,061)**	12
Other comprehensive (expense) income for the period		**(1,061)**	12
Total comprehensive expense for the period		**(47,161)**	(33,514)
Loss for the period attributable to:			
Owners of the Company		**(41,880)**	(32,431)
Non-controlling interests		**(4,220)**	(1,095)
		(46,100)	(33,526)

	NOTES	For the six months ended June 30, 2022 US$'000 (Unaudited)	2021 US$'000 (Unaudited)
Total comprehensive expense for the period attributable to:			
Owners of the Company		**(42,920)**	(32,478)
Non-controlling interests		**(4,241)**	(1,036)
		(47,161)	(33,514)
Loss per share	*11*		
— Basic and diluted (US$)		**(0.55)**	(2.26)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2022

	NOTES	**As at June 30, 2022** ***US$'000*** **(Unaudited)**	As at December 31, 2021 *US$'000* (Audited)
NON-CURRENT ASSETS			
Property and equipment		**17,391**	7,862
Right-of-use assets		**7,351**	6,855
Intangible assets		**987**	1,069
Deposits		**1,760**	1,056
		27,489	16,842
CURRENT ASSETS			
Prepayments, deposits and other receivables		**13,520**	11,748
Restricted bank balances		**60**	63
Bank balances and cash		**169,699**	211,994
		183,279	223,805
CURRENT LIABILITIES			
Trade and other payables	*12*	**12,473**	14,098
Contract liability		**745**	784
Lease liabilities		**1,772**	1,346
		14,990	16,228
NET CURRENT ASSETS		**168,289**	207,577
TOTAL ASSETS LESS CURRENT LIABILITIES		**195,778**	224,419
NON-CURRENT LIABILITIES			
Financial liabilities at FVTPL		**17,414**	8,437
Lease liabilities		**6,970**	5,694
		24,384	14,131
NET ASSETS		**171,394**	210,288

	NOTES	**As at June 30, 2022** ***US$'000*** **(Unaudited)**	As at December 31, 2021 *US$'000* (Audited)
CAPITAL AND RESERVES			
Share capital	*13*	**89**	88
Reserves		**176,862**	211,527
Equity attributable to owners of the Company		**176,951**	211,615
Non-controlling interests		**(5,557)**	(1,327)
TOTAL EQUITY		**171,394**	210,288

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2022

	For the six months ended June 30,	
	2022	2021
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Net cash used in operating activities	**(45,382)**	(19,372)
Net cash used in investing activities	**(9,128)**	(1,243)
Net cash from financing activities	**12,944**	35,248
Net (decrease) increase in cash and cash equivalents	**(41,566)**	14,633
Cash and cash equivalents at January 1	**211,994**	103,122
Effect of foreign exchange rate changes	**(729)**	1,419
Cash and cash equivalents at June 30, represented by bank balances and cash	**169,699**	119,174

NOTES

1. GENERAL INFORMATION

Sirnaomics Ltd. (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability on October 15, 2020 under the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on the Main Board of the Hong Kong Stock Exchange effective from December 30, 2021. The address of the Company's registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively, referred to as the "**Group**") are clinical stage biotechnology companies engaged in developing and commercializing of RNAi technology and multiple therapeutics.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("**IAS 34**") "Interim Financial Reporting" issued by the International Accounting Standards Board as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. GROUP REORGANIZATION AND BASIS OF PREPARATION

Prior to the incorporation of the Company and the completion of the group reorganization (the "**Group Reorganization**"), the principal operation of the Group has been operated by US Sirnaomics and its subsidiaries, Suzhou Sirnaomics, Guangzhou Sirnaomics, HK Sirnaomics and RNAimmune.

The Company was incorporated under the laws of Cayman Islands as an exempted company with limited liability on October 15, 2020. The authorized share capital of the Company was US$150,000, which was initially divided into 150,000,000 shares with par value of US$0.001 each at the date of incorporation. At the time of incorporation, one ordinary share was transferred to the initial subscribing shareholder and on the same day, the ordinary share was transferred to Dr. Yang Lu, a director and chief executive officer of the Company. On January 21, 2021, the authorized share capital of the Company was divided into 100,000,000 ordinary shares of US$0.001 par value each and 50,000,000 preferred shares ("**Preferred Shares**") of a par value of US$0.001 each, of which 2,024,860 were designated "Sirnaomics Series A Preferred Shares", 7,374,632 were designated "Series B Preferred Shares", 14,600,142 were designated "Series C Preferred Shares" and 16,249,174 were designated "Series D Preferred Shares".

On January 21, 2021, US Sirnaomics, the then shareholders of US Sirnaomics, the holders of Series C Warrants and Series D Warrants and the Company entered into a share exchange agreement, pursuant to which, the then shareholders of US Sirnaomics transferred all their shares in US Sirnaomics to the Company, and in exchange for such transfer, the Company issued corresponding ordinary shares of the Company, Sirnaomics Series A Preferred Shares, Series B Preferred Shares, Series C Preferred Shares and Series D Preferred Shares to the then shareholders of US Sirnaomics to mirror their shareholding in US Sirnaomics. The holders of Series C Warrants and Series D Warrants exchanged their Series C Warrants and Series D Warrants of US Sirnaomics for Series C Preferred Share Purchase Warrants and Series D Preferred Share Purchase Warrants of the Company, respectively.

After completion of the Group Reorganization, the Company became the holding company of the Group on January 21, 2021.

As the shares were proportionately issued to the ordinary equity owners of the Company, which involved interspersing the Company between US Sirnaomics and its then shareholders, the Group comprising the Company, US Sirnaomics and its subsidiaries resulting from the Group Reorganization is regarded as a continuing entity throughout the period, regardless of the actual date when they legally form part of a group.

The condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months ended June 30, 2021 have been prepared to include the results, changes in equity and cash flows of the companies now comprising the Group as if the group structure upon the completion of the Group Reorganization had been in existence throughout the six months ended June 30, 2021, or since their respective dates of incorporation, where there is a shorter period.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than additional accounting policies resulting from application of amendments to IFRSs, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2022 are the same as those presented in the Group's annual financial statements for the year ended December 31, 2021.

Application of amendments to IFRSs

In the current interim period, the Group has applied the following amendments to IFRSs, IASs, and interpretations issued by the International Accounting Standards Board, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2022 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 3	Reference to the Conceptual Framework
Amendments to IFRS 16	Covid-19-Related Rent Concessions beyond June 30, 2021
Amendments to HKAS 16	Property, Plant and Equipment — Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract
Amendments to IFRSs	Annual Improvements to IFRSs 2018–2020

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue

The Group has not generated any revenue during the period.

Segment information

For the purpose of resource allocation and assessment of performance, the executive directors of the Company, being the chief operating decision makers, focus and review on the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment and no further analysis of the single segment is presented.

Geographical information

The Group's operations and non-current assets are mainly located at the U.S. and the PRC. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Non-current assets excluding financial instruments	
	As at June 30, 2022	As at December 31, 2021
	US$'000	*US$'000*
	(Unaudited)	(Audited)
The U.S.	**16,390**	7,885
The PRC	**10,144**	8,243
Hong Kong	**5**	5
	26,539	16,133

5. OTHER INCOME

	For the six months ended June 30,	
	2022	2021
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Government grants *(Note)*	**697**	17
Interest income from restricted bank balances and bank balances	**123**	58
Others	**38**	38
	858	113

Note: For both periods, government grants include cash incentives specifically for research and development activities, which are recognized upon compliance with the relevant conditions where applicable. For the six months ended June 30, 2022, government grants also include a cash incentive of US$620,000 upon completion of Listing of the Company's shares on the Hong Kong Stock Exchange.

6. OTHER GAINS AND LOSSES

	For the six months ended June 30,	
	2022	2021
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Net foreign exchange losses	**(511)**	(464)
Gain on disposal of property and equipment	**—**	3
Changes in fair value of structured deposits	**22**	312
	(489)	(149)

7. FINANCE COSTS

	For the six months ended June 30,	
	2022	2021
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Interest on bank and other borrowings	**—**	26
Interest on lease liabilities	**376**	115
Total borrowing costs	**376**	141
Less: amounts capitalized in the cost of qualifying assets	**—**	(13)
	376	128

8. INCOME TAX EXPENSE

The Company was incorporated in the Cayman Islands and is exempted from the Cayman Islands income tax.

Hong Kong Profits Tax of HK Sirnaomics is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million.

Under the U.S. Tax Cuts and Jobs Act, the U.S. corporate income tax rate has charged at flat rate of 21% during the period. In addition, under the relevant rules of state taxes in Florida, Virginia, California, Massachusetts and Maryland of the U.S., the state tax rates are charged at ranging from 5.5% to 8.84% during the period (six months ended June 30, 2021: 3.5% to 8.84%).

Under the law of the PRC on Enterprise Income Tax (the "**EIT Law**") and implementation regulations of the EIT Law, the basic tax rate of the Company's PRC subsidiaries is 25%.

Guangzhou Sirnaomics has been accredited as a "High and New Technology Enterprise" by the Science and Technology Bureau of Guangzhou City and relevant authorities in June 2017, and has been registered with the local tax authorities for enjoying the reduced Enterprise Income Tax ("**EIT**") rate at 15% in 2017, 2018 and 2019. The latest approval for Guangzhou Sirnaomics enjoying this tax benefit was obtained in December 2020 for the financial years of 2020, 2021 and 2022.

No Hong Kong Profits Tax, U.S. corporate income and state taxes and EIT were provided as the group entities had no assessable profits during the six months ended June 30, 2022.

9. LOSS FOR THE PERIOD

	For the six months ended June 30,	
	2022	2021
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Loss for the period has been arrived at after charging:		
Outsourcing service fees included in research and development expenses	**18,164**	6,040
Amortization of intangible assets	**45**	17
Depreciation of property and equipment	**795**	336
Depreciation of right-of-use assets	**920**	267
	1,760	620
Analyzed as:		
— charged in administrative expenses	**568**	130
— charged in research and development expenses	**1,192**	490
	1,760	620
Staff costs (including directors' remuneration)		
— Salaries and other allowances	**9,305**	4,175
— Retirement benefit scheme contributions	**664**	272
— Share-based payment expense	**28**	703
— Performance and discretionary bonus *(Note)*	**153**	41
	10,150	5,191
Analyzed as:		
— charged in administrative expenses	**2,980**	1,771
— charged in research and development expenses	**7,170**	3,420
	10,150	5,191

Note: Performance and discretionary bonus is determined at the end of each reporting period based on the duties and responsibilities of the relevant individuals within the Group and the Group's performance.

10. DIVIDEND

No dividend was paid or proposed for ordinary shareholders of the Company during the interim period. The directors of the Company have determined that no dividend will be paid in respect of the interim period.

11. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	For the six months ended June 30,	
	2022	2021
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company for the purpose of basic and diluted per share (US$'000)	**(41,880)**	(32,431)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**76,135,776**	14,349,638

The weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share has been determined on the assumption that the Group Reorganization as disclosed in note 2 had been effected since January 1, 2021.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the six months ended June 30, 2022 and 2021, the different series of preferred shares issued by the Company, US Sirnaomics and RNAimmune, the Series C Warrants and Convertible Loans, the over-allotment option granted by the Company to the International Underwriters as described and defined in the prospectus of the Company dated December 20, 2021 and the share options issued by the Company, US Sirnaomics and RNAimmune outstanding were not included in the calculation of diluted loss per share, as their inclusion would be anti-dilutive.

12. TRADE AND OTHER PAYABLES

	As at June 30, 2022 ***US$'000*** **(Unaudited)**	As at December 31, 2021 *US$'000* (Audited)
Trade payables	**2,721**	1,484
Accruals for listing expenses and issuance costs	**—**	6,858
Accruals for staff costs	**792**	2,028
Accruals for outsourcing research and development fees	**5,041**	1,765
Accruals for other research and development expenses	**—**	21
Accruals for other operating expenses	**1,104**	1,228
Payables for acquisition of property and equipment	**2,815**	714
	9,752	12,614
	12,473	14,098

The credit period on purchase of materials or receiving services for research and development activities is usually within 30 days (2021: 30 days). The following is an aging analysis of trade payables presented based on the invoice date at the end of the reporting period:

	As at June 30, 2022 ***US$'000*** **(Unaudited)**	As at December 31, 2021 *US$'000* (Audited)
0 to 30 days	**1,103**	1,397
31 to 60 days	**1,121**	3
Over 60 days	**497**	84
	2,721	1,484

13. SHARE CAPITAL

The details of the movement of the Company's authorized and issued ordinary shares during the reporting period are set out as below:

	Number of shares	Share capital *US$*
Ordinary shares of US$0.001 each		
Authorized		
At as January 1, 2021 (audited)	150,000,000	150,000
Increase on June 20, 2021	80,000,000	80,000
Reclassification and re-designation on issuance of Preferred Shares in relation to Group Reorganization		
— Series A	(2,024,860)	(2,025)
— Series B	(7,374,632)	(7,375)
— Series C	(14,600,142)	(14,600)
— Series D	(16,249,174)	(16,249)
— Series E	(18,000,000)	(18,000)
— undesignated	(21,751,192)	(21,751)
As at June 30, 2021 (unaudited)	150,000,000	150,000
At as January 1, 2022 (audited) and June 30, 2022 (unaudited)	230,000,000	230,000

	Number of shares	Share capital *US$*
Issued and fully paid		
At as January 1, 2021 (audited)	1	—*
Issuance of ordinary shares in relation to Group Reorganization	14,349,637	14,350
At as June 30, 2021 (unaudited)	14,349,638	14,350
At as January 1, 2022 (audited)	88,066,780	88,067
Exercise of the over-allotment option *(Note)*	973,450	973
As at June 30, 2022 (unaudited)	89,040,230	89,040

* *Less than US$1*

Note: On January 26, 2022, 973,450 ordinary shares of the Company were allotted and issued by the Company at HK$65.9 per share for gross proceeds of approximately HK$64,150,000 (equivalent to US$8,239,000) pursuant to the exercise of the over-allotment option on January 21, 2022 by the Joint Representatives as described and defined in the prospectus of the Company dated December 20, 2021.

14. CAPITAL COMMITMENTS

	As at June 30, 2022 *US$'000* **(Unaudited)**	As at December 31, 2021 *US$'000* (Audited)
Capital expenditure in respect of the acquisition of property and equipment contracted for but not provided in the condensed consolidated financial statements	**7,738**	11,357

15. PLEDGE OF ASSETS

The Group's bank facilities have been secured by the pledge of the Group's assets and the carrying amounts of the assets are as follows:

	As at June 30, 2022 *US$'000* **(Unaudited)**	As at December 31, 2021 *US$'000* (Audited)
Restricted bank deposits	**60**	63

Restrictions on assets

In addition, lease liabilities of approximately US$8,742,000 (December 31, 2021: US$7,040,000) were recognized with related right-of-use assets of approximately US$7,351,000 (December 31, 2021: US$6,855,000) as at June 30, 2022. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor and the relevant leased assets may not be used as security for borrowing purposes.

16. EVENTS AFTER THE END OF THE REPORTING PERIOD

(a) In July 2022, the Company repurchased 628,500 of its own ordinary shares through the Hong Kong Stock Exchange at a consideration of HK$41,040,000 (equivalent to approximately US$5,262,000). The repurchased shares were cancelled on August 9, 2022.

(b) In July and August 2022, US Sirnaomics and independent investors subscribed for 1,035,599 and 679,620 Series A Preferred Shares issued by RNAimmune, respectively, at a consideration of US$3,200,000 and US$2,100,000, respectively.

DEFINITIONS

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

"affiliate"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of directors of the Company
"CG Code"	the Corporate Governance Code set out in Appendix 14 of the Listing Rules
"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", "our Company" or "the Company"	Sirnaomics Ltd., an exempted company incorporated in the Cayman Islands with limited liability on October 15, 2020
"core product"	STP705, the designated "core product" as defined under Chapter 18A of Listing Rules
"Director(s)"	the director(s) of the Company
"FDA"	U.S. Food and Drug Administration
"Global Offering"	the Hong Kong Public Offering and the International Offering

"Group", "our Group", "the Group", "we", "us" or "our"	the Company, its subsidiaries or, where the context so requires, in respect of the period prior to the Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of the Company at the relevant time
"Guangzhou Facility"	our manufacturing facility in Guangzhou
"Guangzhou Sirnaomics"	Sirnaomics Biopharmaceuticals (Guangzhou) Co., Ltd. (聖諾生物醫藥技術(廣州)有限公司), a company incorporated under the laws of the PRC on May 8, 2012 with limited liability, an indirect wholly-owned subsidiary of the Company and formerly known as Guangzhou Nanotides Pharmaceuticals Co. Ltd. (廣州納泰生物醫藥技術有限公司)
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK Sirnaomics"	Sirnaomics (Hong Kong) Limited (聖諾(香港)有限公司), a company incorporated under the laws of Hong Kong on March 8, 2019 with limited liability, an indirect wholly-owned subsidiary of the Company
"IASs"	International Accounting Standards
"IFRSs"	International Financial Reporting Standards
"Independent Third Party(ies)"	an individual(s) or a company(ies) who or which is/are not connected person(s) (within the meaning of the Listing Rules) of the Company
"Innovent"	Innovent Biologics (Suzhou) Co., Ltd. (信達生物製藥(蘇州)有限公司), one of our collaborators and an Independent Third Party

"Listing"	the listing of the Shares on the Main Board
"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules
"NMPA"	National Medical Products Administration
"Prospectus"	the prospectus of the Company dated December 20, 2021, issued in connection with the Hong Kong Public Offering
"R&D"	research and development
"Reporting Period"	for the six months ended June 30, 2022
"RNAimmune"	RNAimmune, Inc., a company incorporated under the laws of Delaware, U.S. on May 5, 2016, a controlled subsidiary of the Company
"SAFE"	Simple Agreements for Future Equity
"Series C Warrants"	series C warrants granted to non-controlling shareholders to convert their registered capital in Suzhou Sirnaomics to preferred shares of its holding company, namely, US Sirnaomics
"Shanghai Junshi"	Shanghai Junshi Biosciences Co., Ltd. (上海君實生物醫藥科技股份有限公司), one of our collaborators and an Independent Third Party

"Share(s)"	ordinary share(s) in the share capital of our Company with a par value of US$0.001 each
"Shareholder(s)"	holder(s) of our Shares
"Suzhou Sirnaomics"	Sirnaomics Biopharmaceuticals (Suzhou) Co., Ltd. (聖諾生物醫藥技術(蘇州)有限公司), a company incorporated under the laws of the PRC on March 10, 2008 with limited liability, an indirect wholly-owned subsidiary of the Company and formerly known as Suzhou Sirnaomics Biopharmaceuticals Co., Ltd. (蘇州聖諾生物醫藥技術有限公司)
"TMHW"	Taiwan Ministry of Health and Welfare
"US$"	U.S. dollars, the lawful currency of the United States of America
"United States", "U.S." or "US"	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
"Walvax"	Walvax Biotechnology Co., Ltd. (雲南沃森生物技術股份有限公司), a company listed on Shenzhen Stock Exchange (stock code: 300142), one of our collaborators and an Independent Third Party

GLOSSARY OF TECHNICAL TERMS

This glossary contains explanations of certain technical terms used in connection with the Company and its business.

"AE"	adverse event, which may be mild, moderate, or severe, any untoward medical occurrences in a patient administered a drug or other pharmaceutical product during clinical trials and which do not necessarily have a causal relationship with the treatment
"AGT"	angiotensinogen

"ApoC3"	Apolipoprotein C3
"ASGPR"	asialoglycoprotein receptor
"BCC"	basal cell carcinoma, a type of non-melanoma skin cancer
"cardiometabolic diseases"	include cardiovascular diseases, such as heart attack, stroke, angina and other disorders of the vascular system, as well as insulin resistance, diabetes and non-alcoholic fatty liver disease. High triglyceride, high low density lipoprotein (LDL) cholesterol, low high density lipoprotein (HDL) cholesterol and elevated blood pressure levels are all risk factors for cardiometabolic diseases
"CCA"	Cholangiocarcinoma is tumor that is occurring with increasing frequency and develops from bile duct epithelium found within the intrahepatic and extrahepatic biliary tree, excluding the ampulla or gallbladder
"CDMO"	contract development and manufacturing organization, a pharmaceutical company that develops and manufactures drugs for other pharmaceutical companies on a contractual basis
"CMC"	chemistry, manufacturing, and controls processes in the development, licensure, manufacturing, and ongoing marketing of pharmaceutical products
"cohort"	a group of patients as part of a clinical trial who Share a common characteristic or experience within a defined period and who are monitored over time
"combination therapy"	a treatment modality that combines two or more therapeutic agents administered separately in two or more different pharmaceutical products or in a fixed-dose combination product comprising the two or more therapeutic agents
"COVID-19"	Coronavirus disease 2019 is an infectious disease
"COX-2"	Cyclooxygenase-2 is a membrane-bound, short-living, and rate-limiting enzyme

"CRC"	colorectal carcinoma
"CRO"	contract research organization, a pharmaceutical company that conducts research for other pharmaceutical companies on a contractual basis
"cSCC"	cutaneous squamous-cell skin cancer is a common form of skin cancer that develops in the squamous cells that make up the middle and outer layers of the skin
"delivery platform"	The platform is used for the delivery of drugs to target sites of pharmacological actions
"endosomal escape"	escaping from being hindered by entrapment and subsequent degradation in acidic compartments of the endo/lysosomal pathway
"ESC"	Early Selected Compound
"Factor XI"	a plasma glycoprotein that is primarily synthesized in the liver and is part of the coagulation cascade, playing a role in clot stabilization and expansion
"GalAhead"	our GalNAc RNAi delivery platform that conjugates GalNAc moieties to RNAi triggers
"GalNAc"	N-Acetylgalactosamine, GalNAc is a sugar molecule that can recognize and bind to a cell surface protein, the asialoglycoprotein receptor
"global rights"	rights of a commercial nature to develop or commercialize a product, which may include rights in know-how and rights in patents and patent applications, in each case, directed to the drug product, drug composition and/or methods of use thereof or in the drug delivery platform
"GLP"	Good laboratory practice is a set of principles intended to assure the quality and integrity of non-clinical laboratory studies that are intended to support research or marketing permits for products regulated by government agencies

"GMP"	a system for ensuring that products are consistently produced and controlled according to quality standards, which is designed to minimize the risks involved in any pharmaceutical production that cannot be eliminated through testing the final product. It is also the practice required in order to conform to the guidelines recommended by agencies that control the authorization and licensing of the manufacture and sale of pharmaceutical products
"HBV"	hepatitis B virus
"HCC"	Hepatocellular carcinoma is a type of primary liver cancer
"hepatitis B"	The hepatitis B virus is a DNA virus that is transmitted parenterally, or by intimate, often sexual, contact
"HPV"	Human papillomavirus
"HSV"	herpes simplex virus
"HTS"	hypertrophic scar is a thickened, wide, often raised scar that develops where skin is injured
"ID"	Intradermal
"in vitro"	Latin for "within the glass", studies using components of an organism that has been isolated from their usual biological surroundings, such as microorganisms, cells or biological molecules
"in vivo"	Latin for "within the living", studies in vivo are those in which the effects of various biological or chemical substances are tested on whole, living organisms including animals, humans and plants, as opposed to a partial or dead organism, or those done in vitro
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application
"isSCC"	squamous cell carcinoma in situ

"LNP"	Lipid nanoparticles are spherical vesicles made of ionizable lipids, which are positively charged at low pH (enabling RNA complexation) and neutral at physiological pH (reducing potential toxic effects, as compared with positively charged lipids, such as liposomes)
"mRNA"	Messenger RNA is a large family of RNA molecules that are complimentary to DNA molecules and convey genetic information from the DNA to be translated by ribosomes into proteins
"metastasis"	the spread of cancer from the primary site (place where it started) to other places in the body
"microfluidic"	Microfluidics is the science of manipulating and controlling fluids, usually in the range of microliters (10–6) to picoliters (10–12), in networks of channels with dimensions from tens to hundreds of micrometers
"MRCT"	multi-regional clinical trial, clinical trials across multiple regions of the world
"muRNA"	multi-unit RNAi trigger, RNAi trigger composed of multiple oligonucleotides (2 or more) to simultaneously downregulate two or more gene targets
"mxRNA"	miniaturized RNAi trigger, RNAi trigger composed of single ~30 nucleotide long oligonucleotides designed to downregulate individual gene target
"NMSC"	non-melanoma skin cancer
"NSCLC"	non-small cell lung cancer is any type of epithelial lung cancer other than small cell lung cancer
"OL China"	out-licensed mainland China, Hong Kong, Macau and Taiwan rights under agreement with Walvax but we retain the rights for rest of the world

"PCSK9"	Proprotein convertase subtilisin/kexin type 9 is an enzyme encoded by the PCSK9 gene in humans on chromosome 1
"PDoV"	Peptide Docking Vehicle, a linker which contains a therapeutic compound, such as an siRNA molecule, and a targeting ligand
"PDoV-GalNAc"	our GalNAc RNAi delivery platform that conjugates GalNAc moieties to PDoV peptide linkers and up to two siRNAs to the peptide
"Phase I clinical trials"	study in which a drug is introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage tolerance, absorption, metabolism, distribution, excretion, and if possible, to gain an early indication of its effectiveness
"Phase I/II clinical trials"	Phase I/II clinical trials combine Phase I and Phase II into one trial. The clinical trial design may adaptively use data from all previous patients to make decisions and select the best dose for each new cohort
"Phase II clinical trials"	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
"Phase IIa clinical trials"	Phase IIa clinical trials are usually pilot studies designed to demonstrate clinical efficacy or biological activity
"Phase IIb clinical trials"	Phase IIb clinical trials determine the optimal dose at which the drug shows biological activity with minimal side-effects
"Phase III clinical trials"	study in which a drug is administered to an expanded patient population generally at geographically dispersed clinical trial sites, in well-controlled clinical trials to generate enough data to statistically evaluate the efficacy and safety of the product for approval, to provide adequate information for the labeling of the product

"PK"	pharmacokinetics
"PLNP"	polypeptide-lipid nanoparticle, a proprietary polypeptide nanoparticle combined with LNP
"PNP"	Polypeptide nanoparticle is composed of a branched Histidine Lysine polymer
"PNP-IT"	PNP platform formulated for intratumoral administration
"PNP-IV"	PNP platform formulated for intravenous administration
"preclinical studies"	studies or programs testing a drug on non-human subjects, to gather efficacy, toxicity, pharmacokinetic and safety information and to decide whether the drug is ready for clinical trials
"PSC"	Primary sclerosing cholangitis is a chronic, or long-term, disease that slowly damages the bile ducts
"RNA"	Ribonucleic acid is a polymeric molecule essential in various biological roles in coding, decoding, regulation and expression of genes
"RNAi"	RNA interference is a biological process in which RNA molecules are involved in sequence-specific suppression of gene expression by double-stranded RNA, through translation or transcriptional repression
"SAE"	serious AE, any medical occurrence in human drug trials that at any dose: results in death; is life-threatening; requires inpatient hospitalization or causes prolongation of existing hospitalization; results in persistent or significant disability/incapacity; may have caused a congenital anomaly/birth defect, or requires intervention to prevent permanent impairment or damage

"siRNA"	Small interference RNA are double-stranded RNA Molecules comprised of two oligonucleotides of about 20nt-long guide (antisense) and passenger (sense) strands; the RNA-Induced Silencing Complex (RISC) incorporates the guide strand and binds mRNA target molecules to generate its cleavage or inhibit protein translation from it
"solid tumors"	an abnormal mass of tissue that usually does not contain cysts or liquid areas. Solid tumors may be benign (not cancer), or malignant (cancer). Different types of solid tumors are named for the type of cells that form them
"SCC"	Squamous cell carcinoma is an uncontrolled growth of abnormal cells arising from the squamous cells in the epidermis, the skins outermost layer
"TGF-ß1"	Transforming growth factor beta 1 or TGF-ß1 is a polypeptide member of the transforming growth factor beta superfamily of cytokines, which activates Smad and non-Smad signaling pathways

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

Hong Kong, August 30, 2022

As at the date of this announcement, the Board comprises Dr. Yang Lu (alias Patrick Lu), Dr. Michael V. Molyneaux, Dr. David Mark Evans and Dr. Xiaochang Dai as executive Directors, Mr. Mincong Huang, Mr. Da Liu, Mr. Jiajun Lai 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.