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Sirnaomics Ltd.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2257)

**REMEDIAL ACTIONS ON INTERNAL CONTROL WEAKNESSES
AND DEFICIENCIES**

This announcement is made by Sirnaomics Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated December 29, 2022, January 12, 2023, July 8, 2024, December 13, 2024 and January 14, 2025 (collectively, “**Announcements**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

As stated in the announcement of the Company dated January 14, 2025, the Interim Report has been issued by the Investigation Firm containing, among others, the relevant findings of the Investigation and internal control recommendations. The Company has since enhanced its internal control systems and has been implementing the internal control recommendations in accordance with the Interim Report.

Set below is the progress of the implementation of the internal control recommendations as of the date of this announcement:

A1	Internal control weaknesses and deficiencies	Progress of the implementation
	<p>(i) Personal email accounts and instant messaging applications used for business purposes</p>	<p>Remedial actions taken:</p> <p>(i) On January 21, 2025, the Company conducted a company-wide town hall meeting. During the meeting, the current Chief Executive Officer of the Group (“CEO”), Dr. Poon Hung Fai, reviewed the company communication policy, emphasizing the importance of adhering to the policy by using work email and corporate instant messaging applications for business communications.</p> <p>(ii) By March 14, 2025, the company conducted training on the business communication policy, followed by a test to ensure the effectiveness of the training. It shall be a mandatory requirement for all work and business-related communications to be carried out using Company created work email accounts or corporate subscribed instant messaging applications.</p> <p>(iii) A regular annual training on the business communication policy was established before March 14, 2025, along with a test to ensure the training’s effectiveness.</p> <p>Planned remedial actions to be taken:</p> <p>(i) By August 1, 2025, the Company will conduct interviews with employees to ensure the training is effective on maintaining data security within the company.</p>

A1	Internal control weaknesses and deficiencies	Progress of the implementation
		<p>Responsible Persons:</p> <ul style="list-style-type: none"> (i) Vice President of Corporate Management: Responsible for reviewing the implementation and monitoring of secure communication channels. (ii) Head of Human Resources Department: Responsible for the implementation and ongoing monitoring of secure communication channels.
	<ul style="list-style-type: none"> (ii) No procedures around loss of laptops 	<p>Remedial actions taken:</p> <ul style="list-style-type: none"> (i) On January 23, 2025, the Company assigned key employees to start monitoring and backing up data within the company. (ii) On January 24, 2025, training was provided to key employees on the new procedures and the importance of data security. (iii) On March 7, 2025, the Company adopted the "Company Properties Management System" to account for all properties of the Company. This policy is divided into intellectual properties and physical properties. It includes a procedure for reporting lost or stolen properties (including intellectual properties), with steps for tracking property, regular data backups, security measures and data recovery.

A1	Internal control weaknesses and deficiencies	Progress of the implementation
		<p>Planned remedial actions to be taken:</p> <ul style="list-style-type: none"> (i) By September 1, 2025, the procedures will be reviewed and updated to ensure they remain effective. (ii) A regular annual training and quiz on the policy will be conducted to ensure employees are familiar with the procedures. <p>Responsible Persons:</p> <ul style="list-style-type: none"> (i) Vice President of Corporate Management: Responsible for developing and ongoing monitoring the procedures for lost or stolen devices (Physical Property). (ii) Vice President of R&D: Responsible for ensuring regular data backups (Intellectual Property).
	<p>(iii) Payments made to vendors prior to confirmation that services are required or checking against contract terms</p>	<p>Remedial actions taken:</p> <ul style="list-style-type: none"> (i) On January 17, 2025, the CEO sent an email to inform all finance staff that all vendor payments would require final approval from the CEO, and all funds released to vendors would require CEO's approval. (ii) A new policy was drafted stating that all payments to vendors would require documentation and verification of received goods or services before processing payments. The Vice President responsible for each functional role must sign off on the receipt of actual goods or services before such payments are effected. Therefore, there will be approval process of Project Manager, Vice President and CEO for each contract concerning each Group entity.

A1	Internal control weaknesses and deficiencies	Progress of the implementation
		<p>(iii) A payment authorization policy, with authority to approve certain amounts of funds, was submitted to the board for review and approval on February 4, 2025.</p> <p>(iv) The policy was finalized in written documents and announced to all employees before March 7, 2025.</p> <p>Planned remedial actions to be taken:</p> <p>(i) By April 1, 2025, conduct training sessions for employees within the financial and supply chain departments to ensure they understand the new procedures.</p> <p>(ii) Conduct annual internal audits to verify compliance with the new procedures on a random basis.</p> <p>Responsible Persons:</p> <p>(i) CEO: Responsible for ongoing monitoring the payment procedures and ensuring compliance with the new policies.</p> <p>(ii) Financial Controller and Departmental Head of Supply Chain: Responsible for implementing the new payment authorization policy.</p>

A2	Non-compliance with Investment Policy	Progress of the implementation
	(i) Lack of adherence to the Investment Policy	<p>Remedial actions taken:</p> <p>On February 24, 2025, the Board of Directors passed a resolution stipulating that all bank accounts held by Sirnaomics shall be strictly utilized for savings or operational settlement purposes only. Under no circumstances shall these accounts be used for investment activities or any other purposes unless explicit authorization is granted by the Board.</p> <p>Planned remedial actions to be taken:</p> <p>(i) Training on Company Investment Policy:</p> <ul style="list-style-type: none"> - Timeline: On or before March 31, 2025. - Participants: All Vice President level employees and above. - Objective: To ensure a comprehensive understanding of the Company's investment policies. - Documentation: The training sessions will be formally documented for record-keeping and compliance purposes.

A2	Non-compliance with Investment Policy	Progress of the implementation
		<p>(ii) Training on Fiduciary Duty:</p> <ul style="list-style-type: none"> - Timeline: On or before March 31, 2025 - Participants: All employees of the Company. - Objective: To reinforce awareness and understanding of fiduciary responsibilities. - Documentation: The training sessions will be formally documented. <p>(iii) Annual Training Program:</p> <ul style="list-style-type: none"> - Implementation: Training on relevant policies and duties will be integrated into the Company's Employee Improvement Program on an annual basis to ensure ongoing compliance and awareness. <p>(iv) Training for New Directors and Employees:</p> <ul style="list-style-type: none"> - Timeline: Within two months after joining the Company - Participants: All new directors and employees of the Company. - Objective: To ensure awareness and understanding of fiduciary responsibilities. - Documentation: The training sessions will be formally documented.

A2	Non-compliance with Investment Policy	Progress of the implementation
		<p>Responsible Persons:</p> <p>(i) Head of Human Resources:</p> <ul style="list-style-type: none"> - Responsible for overseeing the execution of the training sessions, ensuring proper documentation, and maintaining records of attendance and completion. <p>(ii) Vice President of Corporate Management:</p> <ul style="list-style-type: none"> - Responsible for ongoing monitoring the entire process, ensuring adherence to timelines, and verifying that all training objectives are met in accordance with the Board’s resolution. <p>This structured approach underscores the Company’s commitment to maintaining robust governance, ensuring compliance with internal policies, and fostering a culture of accountability and transparency across all levels of the organization.</p> <p>The Investment Policy and indeed other internal control policies of the Group will dictate the consequences of violations of such policies, including warning letters, and termination of services depending on significance and consequences of each breach.</p> <p>The Group will set up whistleblowing avenues for potential breaches of Group internal control policies to readily identify and prevent breaches from occurring.</p>

A2	Non-compliance with Investment Policy	Progress of the implementation
	<p>(ii) Interim Report observed that while the Audit Committee is responsible for risk management and internal control systems, but there had been no discussion of the Investment</p>	<p>Remedial actions taken:</p> <p>The current members of the Audit Committee have been formally notified of the previous circumstances surrounding the Interim Report, ensuring full transparency and awareness among the Committee regarding the matters at hand.</p> <p>Planned remedial actions to be taken:</p> <p>(i) Training on Audit Committee Responsibilities:</p> <ul style="list-style-type: none"> – Timeline: On or before March 31, 2025. – Participants: All members of the Audit Committee. – Objective: To ensure a comprehensive understanding of the roles, responsibilities, and expectations of Audit Committee members. – Documentation: The training sessions will be formally documented for record-keeping and compliance purposes. <p>(ii) Annual Review of Risk Management, Internal Controls, and Investment Policy:</p> <ul style="list-style-type: none"> – Timeline: To be conducted during the annual external audit process. – Objective: To integrate the review of risk management frameworks, internal controls, and investment policies into the annual external audit cycle, ensuring alignment with best practices and regulatory requirements.

A2	Non-compliance with Investment Policy	Progress of the implementation
		<p>Responsible Persons:</p> <p>(i) Head of Internal Audit:</p> <p>Responsible for overseeing the execution of the training sessions for Audit Committee members, ensuring proper documentation, and maintaining records of attendance and completion.</p> <p>(ii) Audit Committee Chairman:</p> <p>Responsible for monitoring the entire process, ensuring adherence to timelines, and verifying that all training objectives and review activities are completed in accordance with the Company's governance framework.</p>
	(iii) No annual review of Investment Management Policy	Please refer to progress of the implementation in A2(i).
	(iv) No analysis or due diligence carried out on potential investment opportunities	Please refer to progress of the implementation in A2(i).
	(v) Insufficient information in the investment plan or proposal on potential investment opportunities	Please refer to progress of the implementation in A2(i).
	(vi) The requirement of obtaining three quotations for investments not adhered to	Please refer to progress of the implementation in A2(i).

A3	Lack of corporate governance and accountability	Progress of the implementation
	<p>(i) Lack of corporate governance and accountability by CEO and senior management</p>	<p>Remedial actions taken:</p> <p>(i) Notification to the Board of Directors</p> <p>The Board of Directors was formally notified of the Company’s policies regarding accountability, as outlined below:</p> <p>Accountability System</p> <p>(a) Accountability Principle: The Company adheres to the principle of “who supervises, who is responsible” and holds accountable personnel who fail in their duties, commit dereliction of duty, or violate laws, regulations, and internal rules and regulations during corporate governance.</p> <p>(b) Accountability Methods: Accountability methods include but are not limited to warnings, fines, demotions, removals, and termination of employment contracts. For personnel suspected of crimes, the Company will report them to relevant regulatory authorities and will not hesitate to take the necessary legal actions to protect the Group’s rights and assets.</p>

A3	Lack of corporate governance and accountability	Progress of the implementation
		<p>(ii) Enhancement of Corporate Governance Accountability</p> <p>With reference to the Investigation Report comments, the Company has further detailed and strengthened its accountability framework for corporate governance as follows:</p> <p>Supervision and Inspection</p> <p>To ensure the effective implementation of internal control and risk management policies, the Company will adopt the following supervision and inspection measures:</p> <p>(a) Regular Inspection: The Company will conduct regular spot checks and encourage employee reporting to supervise and inspect the implementation of internal control and risk management policies, ensuring effective policy implementation.</p> <p>(b) Self-Assessment: Employees are encouraged to conduct self-assessments to promptly identify and correct existing issues, enhancing the consciousness and initiative of compliance management.</p> <p>Disciplinary Framework</p> <p>(a) Definition of Violations: Clearly define behaviours that violate internal control and risk management policies, including but not limited to violations of business communication norms, insider trading, disclosure of trade secrets, violations of investment policies, conflicts of interest, and violations of ethical codes.</p>

A3	Lack of corporate governance and accountability	Progress of the implementation
		<p>(b) Penalties for Violations: Based on the severity and consequences of violations, corresponding penalty measures will be imposed, including but not limited to:</p> <ul style="list-style-type: none"> – Warning: For first-time violations with minor circumstances, employees will receive a written warning and be instructed to immediately correct their behaviour. – Demotion: For more severe violations or repeated violations, employees may face demotion based on their position and the nature of the violation. – Suspension: For serious violations or those causing significant losses, employees will be suspended from their duties pending investigation and further action based on investigation results. – Termination of Employment Contract: For severe violations that harm Company interests or constitute crimes, employees will have their employment contracts terminated in accordance with the law, and legal responsibilities will be pursued.

A3	Lack of corporate governance and accountability	Progress of the implementation
		<p>(c) Violation Handling Procedures:</p> <ul style="list-style-type: none"> - Establish a reporting, investigation, and handling mechanism for violations to ensure timely and fair resolution. - Encourage employees to actively report violations while protecting the legitimate rights and anonymity of reporters. <p>Through effective policy implementation and training plans, as well as a clear disciplinary framework, the Group will continuously enhance employees' compliance awareness and risk management capabilities, ensuring the effective implementation of internal control and risk management policies, and providing a strong guarantee for the stable development of the enterprise.</p> <p>(iii) Review by Outsourced Internal Auditor</p> <p>The Audit Committee has engaged Privatco CPA Limited (“Privatco”), the outsourced internal auditor of the Company, to perform a review of the new or revised policies and provide recommendations or improvements by the end of March 2025. This review aims to ensure the Company achieves better corporate governance and accountability in internal controls.</p>

A3	Lack of corporate governance and accountability	Progress of the implementation
		<p>(iv) Whistleblowing Policy Accessibility</p> <p>On March 6, 2025, the Whistleblowing Policy was made accessible to all employees. This policy empowers employees to report directly to the Board should they identify any breaches of internal control policies by anyone, including directors and senior management.</p> <p>Planned remedial actions to be taken:</p> <p>(i) Training on Accountability and Whistleblowing Policies:</p> <ul style="list-style-type: none"> - Timeline: On or before June 30, 2025 - Participants: All employees. - Objective: To ensure comprehensive understanding of the Company’s accountability system and Whistleblowing Policy. - Documentation: The training sessions will be formally documented for record-keeping and compliance purposes.

A3	Lack of corporate governance and accountability	Progress of the implementation
		<p>(ii) Annual Training Program:</p> <ul style="list-style-type: none"> - Training on accountability and whistleblowing policies will be integrated into the Company's Employee Improvement Program on an annual basis to ensure ongoing compliance and awareness. <p>Responsible Persons:</p> <p>(i) Head of Human Resources:</p> <ul style="list-style-type: none"> - Responsible for overseeing the execution of the training sessions, ensuring proper documentation, and maintaining records of attendance and completion. <p>(ii) Vice President of Corporate Management:</p> <ul style="list-style-type: none"> - Responsible for ongoing monitoring the entire process, ensuring adherence to timelines, and verifying that all training objectives are met in accordance with the Company's governance framework.

A3	Lack of corporate governance and accountability	Progress of the implementation
	<p>(ii) Absence of policy related to key management and supervisory personnel departure</p>	<p>Remedial actions taken:</p> <p>(i) Monitoring of Key Personnel Departures:</p> <p>The current CEO, with the full support of the Board of Directors, will closely monitor the departure process of key management and supervisory personnel, including but not limited to Dr. Lu. This oversight ensures a smooth and compliant transition while maintaining operational continuity and adherence to Company policies.</p> <p>(ii) Establishment of Transition Committee:</p> <p>A Transition Committee has been established to oversee the CEO transition process. This Committee will ensure that all necessary steps are taken to facilitate a seamless handover, including the transfer of responsibilities, knowledge, and compliance with internal policies.</p>

A3	Lack of corporate governance and accountability	Progress of the implementation
		<p>Planned remedial actions to be taken:</p> <p>(i) Training on Policies Relating to Employee Departures:</p> <ul style="list-style-type: none"> - Timeline: On or before June 30, 2025 - Participants: All employees. - Objective: To ensure comprehensive understanding of the Company’s existing policies relating to the departure of employees, including accountability and whistleblowing provisions. - Documentation: The training sessions will be formally documented for record-keeping and compliance purposes. <p>(ii) Annual Training Program:</p> <ul style="list-style-type: none"> - Training on policies related to employee departures, accountability, and whistleblowing will be integrated into the Company’s Employee Improvement Program on an annual basis to ensure ongoing compliance and awareness.

A3	Lack of corporate governance and accountability	Progress of the implementation
		<p>Responsible Persons:</p> <p>(i) Head of Human Resources:</p> <ul style="list-style-type: none"> - Responsible for overseeing the execution of the training sessions, ensuring proper documentation, and maintaining records of attendance and completion. <p>(ii) Vice President of Corporate Management:</p> <ul style="list-style-type: none"> - Responsible for ongoing monitoring the entire process, ensuring adherence to timelines, and verifying that all training objectives are met in accordance with the Company’s governance framework. <p>This structured approach underscores the Company’s commitment to maintaining robust governance, ensuring compliance with internal policies, and fostering a culture of accountability and transparency during periods of transition. The establishment of the Transition Committee and the planned training initiatives demonstrate the Company’s proactive measures to address potential risks and ensure continuity in its operations.</p>

A3	Lack of corporate governance and accountability	Progress of the implementation
	<p>(iii) Lack of reporting mechanism to inform the Board of Directors of significant issues and lack of alert systems for breaches of corporate governance</p>	<p>Remedial actions taken:</p> <p>The implementation of the Company’s policies, as outlined in the responses to Section A1 and A2, along with the Whistleblowing Policy effective March 7, 2025 (Section A3(i)), ensures the establishment of an adequate reporting mechanism to inform the Board of significant issues and alert systems for breaches of corporate governance. Significant issue is defined as any information which must be disclosed under Hong Kong Mainboard Listing Rule 13.09 or must be disclosed under the Part XIVA of the Securities and Futures Ordinance.</p> <p>Planned remedial actions to be taken:</p> <p>Before June 30, 2025, the Board will evaluate the adequacy of the reporting mechanisms to determine whether they effectively inform the Board of significant issues.</p> <p>Responsible Persons:</p> <p>(i) Board of Directors: Responsible for assessing the current reporting mechanisms.</p> <p>(ii) Chairman of the Board: Responsible for making the final determination.</p>

A3	Lack of corporate governance and accountability	Progress of the implementation
	(iv) Lack of independent internal audit function	<p>Remedial actions taken:</p> <p>The Company confirms and clarifies that it has maintained an independent internal audit function since its IPO and will continue to do so.</p> <p>On January 17, 2025, the current Chairlady of the Board and the current CEO met with Privatco to assess the Company’s independent audit function. Further, the current Audit Committee Chairman also met with Privatco on February 28, 2025 to reconfirm their independence and their internal audit procedures to be taken, in particular, with reference to the findings described in the Investigation Report.</p> <p>Planned remedial actions to be taken:</p> <p>The Company commits to closely monitoring the work of the Internal Auditor, which is currently outsourced to Privatco. The Audit Committee will also commit to closely overseeing and supporting the work of the Internal Auditor.</p> <p>Responsible Persons:</p> <p>(i) Internal Auditor (Privatco): Responsible for executing and monitoring the internal audit function.</p> <p>(ii) The Audit Committee: Responsible for overseeing and supporting the entire process at least twice per year.</p>

A3	Lack of corporate governance and accountability	Progress of the implementation
	<p>(v) Control mechanism over the connected persons and related parties yet to be strengthened</p>	<p>Remedial actions taken:</p> <p>The Company has adopted and implemented the code provisions of the Corporate Governance (CG) Code set out in Appendix C1 to the Listing Rules, which include control mechanisms for connected persons and related parties.</p> <p>Planned remedial actions to be taken:</p> <p>In light of the recommendations by the Investigation firm, the Company will update the list of related parties and connected persons and circulate it to all directors and senior management on a bi-monthly basis.</p> <p>Responsible Persons:</p> <p>(i) Company Secretary: Responsible for circulating the updated list of connected persons and related parties.</p> <p>(ii) Chairlady of the Board: Responsible for ongoing monitoring the entire process.</p>

A3	Lack of corporate governance and accountability	Progress of the implementation
	<p>(vi) No formal risk registers to supervise and manage the risks of the Group</p>	<p>Remedial actions taken:</p> <p>While a risk register is not mandatory and serves as a tool for corporate governance, the Audit Committee is currently evaluating its utility and will consider incorporating it into the 2025 internal audit plan, seeing that the Group will be implementing a suit of internal control policies.</p> <p>Planned remedial actions to be taken:</p> <p>Before March 31, 2025, the Audit Committee will determine whether a risk register will be included in the 2025 internal audit plan.</p> <p>Responsible Persons:</p> <p>(i) Audit Committee Members: Responsible for assessing the risk register as a tool.</p> <p>(ii) Chairman of the Audit Committee: Responsible for making the final decision.</p>

A3	Lack of corporate governance and accountability	Progress of the implementation
	(vii) Conflict of interest reporting mechanism yet to be strengthened	<p>Remedial actions taken:</p> <p>As part of the external audit process, even prior to the IPO, all Directors have been required to sign annual confirmations regarding potential conflicts of interest.</p> <p>Planned remedial actions to be taken:</p> <p>Before September 30, 2025, the Board will require all employees to confirm potential conflicts of interest and will require an annual update of declaration on conflicts of interest by all employees.</p> <p>Responsible Persons:</p> <p>Board of Directors: Responsible for assessing the potential conflicts of interest among all employees.</p>

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board

Sirnaomics Ltd.

Monin Ung

Chairlady and Independent Non-Executive Director

Hong Kong, March 18, 2025

As at the date of this announcement, the Board comprises Dr. Poon Hung Fai as executive Director, Mr. Jiankang Zhang as non-executive Director, and Ms. Monin Ung, Dr. Cheung Hoi Yu and Mr. Wong Yu Shan Eugene as independent non-executive Directors.