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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-41742

Sagimet Biosciences Inc.

(Exact name of registrant as specified in its charter)

Delaware	**20-5991472**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
155 Bovet Road, Suite 303 San Mateo, California	**94402**
(Address of principal executive offices)	(Zip Code)

(650) 561-8600
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Series A Common Stock, $0.0001 par value per share	SGMT	Nasdaq Global Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	Smaller reporting company ☒
	Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares of the registrant's Series A and B common stock, $0.0001 par value per share, outstanding at May 5, 2026 was 61,184,313 and 567,494, respectively.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this Quarterly Report) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). All statements other than statements of historical facts contained in this Quarterly Report, including statements regarding our future results of operations and financial position, business strategy, drug candidates, planned preclinical studies and clinical trials, results of preclinical studies, clinical trials, research and development costs, regulatory approvals, timing and likelihood of success, as well as plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that are in some cases beyond our control and may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "would," "expect," "plan," "anticipate," "could," "intend," "target," "project," "believe," "estimate," "predict," "potential," or "continue" or the negative of these terms or other similar expressions. Forward-looking statements contained in this Quarterly Report include, but are not limited to, statements about:

- our financial performance;
- our ability to obtain additional cash and the sufficiency of our existing cash, cash equivalents and marketable securities to fund our future operating expenses and capital expenditure requirements;
- the accuracy of our estimates regarding expenses, future revenue, capital requirements and needs for additional financing;
- the scope, progress, results and costs of developing denifanstat, TVB-3567 or any other drug candidates or combination therapies we may develop, and conducting preclinical studies and clinical trials;
- our ability to advance drug candidates into, and successfully complete, clinical trials within anticipated timelines;
- the timing and costs involved in obtaining and maintaining regulatory approval of denifanstat, TVB-3567 or any other drug candidates or combination therapies we may develop, and the timing or likelihood of regulatory filings and approvals, including our expectation to seek special designations or accelerated approvals for our drug candidates for various indications;
- current and future agreements with third parties in connection with the development and commercialization of denifanstat, TVB-3567 or any other future drug candidate or combination therapy;
- our estimate of the number of patients in the United States who suffer from the diseases we target and the number of subjects that will enroll in our clinical trials;
- our relationship with Ascletis BioScience Co. Ltd. (Ascletis), and its affiliate Gannex Pharma Co., Ltd. (Gannex), and the success of their development and registration efforts for denifanstat in China;
- the ability of our clinical trials to demonstrate the safety and efficacy of denifanstat, TVB-3567 and any other drug candidates or combination therapies we may develop;
- our plans relating to commercializing denifanstat, TVB-3567 and any other drug candidates or combination therapies we may develop, if approved, including the geographic areas of focus and our ability to build a commercial organization;
- the success of competing therapies that are or may become available;
- developments relating to our competitors and our industry, including competing drug candidates and therapies;

- our plans relating to the further development and manufacturing of denifanstat, TVB-3567 and any other drug candidates or combination therapies we may develop, including additional indications that we may pursue for denifanstat, TVB-3567 or other drug candidates or combination therapies;
- our ability to obtain sufficient non-dilutive funding or enter into a strategic collaboration to initiate future clinical trials for our combination of denifanstat and resmetirom in metabolic dysfunction-associated steatohepatitis (MASH), formerly known as nonalcoholic steatohepatitis (NASH);
- existing regulations and regulatory developments in the United States and other jurisdictions;
- our potential and ability to successfully manufacture and supply denifanstat, TVB-3567 and any other drug candidates or combination therapies we may develop for clinical trials and for commercial use, if approved;
- the rate and degree of market acceptance of denifanstat, TVB-3567 and any other drug candidates or combination therapies we may develop, as well as the pricing and reimbursement of denifanstat, TVB-3567 and any other drug candidates or combination therapies we may develop, if approved;
- our expectations regarding our ability to obtain, maintain, protect and enforce intellectual property protection for denifanstat, TVB-3567 and for any other future drug candidate or combination therapy;
- our ability to realize the anticipated benefits of any strategic transactions;
- our ability to attract and retain the continued service of our key personnel and to identify, hire, and then retain additional qualified personnel and our ability to attract additional collaborators with development, regulatory and commercialization expertise;
- the impact of macroeconomic conditions and geopolitical turmoil on our business and operations;
- our expectations regarding the period during which we will qualify as an emerging growth company under the JOBS Act; and
- our anticipated use of our existing cash, cash equivalents and marketable securities.

We have based these forward-looking statements largely on our current expectations and projections about our business, the industry in which we operate and financial trends that we believe may affect our business, financial condition, results of operations and prospects, and these forward-looking statements are not guarantees of future performance or development. These forward-looking statements speak only as of the date of this Quarterly Report and are subject to a number of risks, uncertainties and assumptions described in the section titled “Risk Factors” set forth in Part II, Item 1A “Risk Factors” in this Quarterly Report, the section titled “Risk Factors” set forth in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025 and the section titled “Risk Factors” set forth in Part II, Item 1A of our subsequent Quarterly Reports on Form 10-Q. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein until after we distribute this Quarterly Report, whether as a result of any new information, future events or otherwise.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Quarterly Report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and you are cautioned not to unduly rely upon these statements.

PART I. FINANCIAL INFORMATION

Item 1. Condensed Financial Statements

SAGIMET BIOSCIENCES INC.

CONDENSED BALANCE SHEETS

(unaudited)
(in thousands, except for share and per share amounts)

	As of	
	March 31, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 36,626	$ 35,021
Short-term marketable securities	67,913	78,103
Prepaid expenses and other current assets	3,177	3,280
Total current assets	107,716	116,404
Operating lease right-of-use assets	39	78
Total assets	$ 107,755	$ 116,482
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 2,303	$ 1,309
Accrued expenses and other current liabilities	2,955	3,714
Operating lease liabilities	39	78
Total current liabilities	5,297	5,101
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Undesignated preferred stock, $0.0001 per share: 10,000,000 shares authorized; no shares issued and outstanding at March 31, 2026 and December 31, 2025	—	—
Series A common stock, $0.0001 per share: 500,000,000 shares authorized; 32,017,613 shares issued and outstanding at March 31, 2026; 31,954,105 shares issued and outstanding at December 31, 2025	3	3
Series B common stock, $0.0001 per share: 15,000,000 shares authorized; 567,494 shares issued and outstanding at March 31, 2026 and December 31, 2025	—	—
Additional paid-in capital	459,446	457,607
Accumulated deficit	(356,999)	(346,349)
Accumulated other comprehensive income	8	120
Total stockholders' equity	102,458	111,381
Total liabilities and stockholders' equity	$ 107,755	$ 116,482

The accompanying notes are an integral part of these unaudited condensed financial statements.

SAGIMET BIOSCIENCES INC.

CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(unaudited)
(in thousands, except for share and per share amounts)

	Three Months Ended March 31,	
	2026	2025
Operating expenses:		
Research and development	$ 6,995	$ 15,342
General and administrative	4,718	4,523
Total operating expenses	11,713	19,865
Loss from operations	(11,713)	(19,865)
Other income:		
Interest income and other, net	1,063	1,689
Total other income	1,063	1,689
Net loss	$ (10,650)	$ (18,176)
Net loss per share of Series A and Series B common stock outstanding, basic and diluted	$ (0.33)	$ (0.56)
Weighted-average shares of Series A and Series B common stock outstanding, basic and diluted	32,559,704	32,195,345
Net loss	$ (10,650)	$ (18,176)
Other comprehensive loss:		
Net unrealized loss on marketable securities	(112)	(109)
Total comprehensive loss	$ (10,762)	$ (18,285)

The accompanying notes are an integral part of these unaudited condensed financial statements.

SAGIMET BIOSCIENCES INC.

CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY

(unaudited)
(in thousands, except share amounts)

	Series A Common Stock		Series B Common Stock		Additional Paid-in	Accumulated	Accumulated Other Comprehensive	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Income	Equity
Balance at January 1, 2026	31,954,105	$ 3	567,494	$ —	$ 457,607	$ (346,349)	$ 120	$ 111,381
Issuance of Series A common stock for vesting of restricted stock units	63,508	—	—	—	—	—	—	—
Stock-based compensation expense	—	—	—	—	1,839	—	—	1,839
Unrealized loss on marketable securities	—	—	—	—	—	—	(112)	(112)
Net loss	—	—	—	—	—	(10,650)	—	(10,650)
Balance at March 31, 2026	32,017,613	$ 3	567,494	$ —	$ 459,446	$ (356,999)	$ 8	$ 102,458

	Series A Common Stock		Series B Common Stock		Additional Paid-in	Accumulated	Accumulated Other Comprehensive	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Income	Equity
Balance at January 1, 2025	30,674,855	$ 3	1,520,490	$ —	$ 450,883	$ (295,311)	$ 230	$ 155,805
Stock-based compensation expense	—	—	—	—	1,472	—	—	1,472
Unrealized loss on marketable securities	—	—	—	—	—	—	(109)	(109)
Net loss	—	—	—	—	—	(18,176)	—	(18,176)
Balance at March 31, 2025	30,674,855	$ 3	1,520,490	$ —	$ 452,355	$ (313,487)	$ 121	$ 138,992

The accompanying notes are an integral part of these unaudited condensed financial statements.

SAGIMET BIOSCIENCES INC.

CONDENSED STATEMENTS OF CASH FLOWS

(unaudited)
(in thousands)

	Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities		
Net loss	$ (10,650)	$ (18,176)
Adjustments to reconcile net loss to net cash used in operating activities:		
Accretion of discount on marketable securities, net	(140)	(535)
Non-cash operating lease expense	39	39
Stock-based compensation expense	1,839	1,472
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(297)	(687)
Accounts payable, accrued expenses and other current liabilities	637	3,390
Operating lease liabilities	(39)	(39)
Net cash used in operating activities	(8,611)	(14,536)
Cash flows from investing activities		
Purchases of marketable securities	(6,752)	(15,575)
Sales and maturities of marketable securities	16,968	18,988
Net cash provided by investing activities	10,216	3,413
Net increase (decrease) in cash and cash equivalents	1,605	(11,123)
Cash and cash equivalents at beginning of period	35,021	75,840
Cash and cash equivalents at end of period	$ 36,626	$ 64,717
Supplemental non-cash investing and financing activities:		
Deferred financing costs within accounts payable and accrued expenses	$ 32	$ 245

The accompanying notes are an integral part of these unaudited condensed financial statements.

SAGIMET BIOSCIENCES INC.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (unaudited)

1. Description of Business and Basis of Presentation

Description of business

Sagimet Biosciences Inc. (the Company), a Delaware corporation headquartered in San Mateo, California, is a clinical-stage biopharmaceutical company developing novel therapeutics called fatty acid synthase (FASN) inhibitors that target dysfunctional metabolic and fibrotic pathways in diseases resulting from the overproduction of the fatty acid, palmitate. The Company's lead drug candidate, denifanstat, is an oral once-daily pill and selective FASN inhibitor in development for the treatment of acne, metabolic dysfunction-associated steatohepatitis (MASH) and select forms of cancer. Denifanstat met all primary and secondary endpoints in a Phase 3 clinical trial in moderate to severe acne vulgaris conducted by the Company's license partner, Ascletis BioScience Co. Ltd. (Ascletis), in China. Denifanstat also met all endpoints in Ascletis' open-label Phase 3 clinical trial evaluating its long-term safety in patients with moderate to severe acne in China. The Company's second FASN inhibitor, TVB-3567, is a potent and selective small molecule FASN inhibitor in development for acne, that is currently undergoing a first-in-human Phase 1 clinical trial.

Basis of presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted (GAAP) in the United States. Any reference in these notes to applicable guidance is meant to refer to GAAP as found in the Accounting Standards Codification (ASC) and Accounting Standards Updates (ASU) promulgated by the Financial Accounting Standards Board (FASB).

These unaudited interim financial statements and accompanying notes should be read in conjunction with the Company's annual financial statements and the notes thereto included in the Company's Form 10-K, as filed with the Securities and Exchange Commission (SEC) on March 11, 2026. The accompanying interim financial statements as of March 31, 2026 and for the three months ended March 31, 2026 and 2025 are unaudited but include all adjustments that management believes to be necessary for a fair presentation of the periods presented. Interim results are not necessarily indicative of results for a full year. Balance sheet amounts as of December 31, 2025 have been derived from the audited financial statements as of that date.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates include accruals of research and development expenses, accrued costs for services rendered under agreements with third-party contract research organizations (CROs) and stock option valuations and stock-based compensation. On an ongoing basis, the Company evaluates its estimates and judgments, which are based on historical and anticipated results and trends and on various other assumptions that management believes to be reasonable under the circumstances. Actual results could differ from those estimates.

Emerging growth company status

The Company is an emerging growth company (EGC) as defined in the Jumpstart Our Business Startups Acts of 2012, as amended (the JOBS Act), and may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not EGCs. The Company may take advantage of these exemptions until it is no longer an EGC under Section 107 of the JOBS Act and has elected to use the extended transition period for complying with new or revised accounting standards. As a result of this election, the Company's financial statements may not be comparable to those issued by companies that comply with the effective dates pursuant to public company FASB standards.

Liquidity

The accompanying unaudited financial statements have been prepared assuming the Company will continue as a going concern, which contemplates continuity of operations, realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company will require substantial additional capital to fund its research and development and ongoing operating expenses. As of March 31, 2026, the Company has relied on public and private equity and debt financings and proceeds from licensing

arrangements to fund its operations. The Company has incurred recurring losses and negative cash flows from operations since inception, and, as of March 31, 2026, had an accumulated deficit of $357.0 million and cash, cash equivalents and marketable securities of $104.5 million. The Company expects to incur additional losses and negative cash flows from operations for the foreseeable future.

In August 2024, the Company entered into a Controlled Equity Offering Sales Agreement with Cantor Fitzgerald & Co. to establish an at-the-market offering (2024 ATM Offering) through which the Company could sell, from time to time at its sole discretion, up to $75.0 million shares of its Series A common stock. In connection with the establishment of the 2025 ATM Offering (as defined below), the Company terminated the 2024 ATM Offering. No shares of Series A common stock were sold under the 2024 ATM Offering prior to such termination.

In August 2025, the Company entered into a Sales Agreement with Leerink Partners LLC to establish an at-the-market offering (2025 ATM Offering) through which the Company may sell, from time to time at its sole discretion, up to $75.0 million shares of its Series A common stock. There were no sales under the 2025 ATM Offering since inception.

The Company expects that its cash, cash equivalents and marketable securities as of March 31, 2026, together with the proceeds from the April 2026 underwritten offering of Series A common stock (refer to Note 9. Subsequent Events for further information), will be sufficient to fund the Company's operating expenses for at least the next 12 months from the issuance of these financial statements. In the future, the Company will need to raise additional funds until it is able to generate sufficient revenues to fund its development activities. The Company's future operating activities, coupled with its plans to raise capital or issue debt financing, may provide additional liquidity in the future, however these actions are not solely within the control of the Company, and the Company is unable to predict the outcome of these actions to generate the liquidity ultimately required.

2. Significant Accounting Policies

The Company's significant accounting policies are disclosed in the audited financial statements and the notes thereto, which are included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, as filed with the SEC on March 11, 2026. Since the date of those audited financial statements, there have been no material changes to the Company's significant accounting policies.

Net loss per share attributable to common stockholders

Basic and diluted net loss per share is computed using the two-class method required for multiple classes of common stock and participating securities. The Company's participating securities do not have a contractual obligation to share in the Company's losses. As such, the net loss was attributed entirely to common stockholders for all periods presented. Basic net loss per common share attributable to common stockholders is calculated by dividing the net loss by the weighted-average number of common shares outstanding during the period, without consideration of potentially dilutive securities. Diluted net loss per share attributable to common stockholders is computed by dividing the net loss by the weighted-average number of common shares and potentially dilutive securities outstanding for the period. For purposes of the diluted net loss per share attributable to common stockholders' calculation, common stock options, restricted stock units and common stock warrants are considered to be potentially dilutive securities. As the Company has reported a net loss for the periods presented, basic and diluted net loss per share attributable to common stockholders is the same as all potentially dilutive securities would have an anti-dilutive impact.

The following table presents the calculation of basic and diluted net loss per share for the three months ended March 31, 2026 and 2025 (in thousands, except share and per share data):

	Three Months Ended March 31,	
	2026	2025
Numerator:		
Net loss	$ (10,650)	$ (18,176)
Denominator:		
Weighted-average shares of Series A and Series B common stock outstanding, basic and diluted	32,559,704	32,195,345
Net loss per share of Series A and Series B common stock outstanding, basic and diluted	$ (0.33)	$ (0.56)

The following potentially dilutive securities have been excluded from the computation of diluted weighted-average shares of Series A and Series B common stock outstanding, as their effect would have been anti-dilutive:

	Three Months Ended March 31,	
	2026	2025
Options to purchase Series A common stock	6,443,407	5,494,659
Warrants to purchase Series A common stock	1,000	1,000
Restricted stock units	1,127,109	1,098,399
Total	7,571,516	6,594,058

New accounting pronouncements not yet adopted

The Company considers the applicability and impact of all ASUs. ASUs not discussed below were assessed and either determined to be not applicable or expected to have a minimal impact on the Company's financial statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires public business entities to disclose, for interim and annual reporting periods, additional information about certain income statement expense categories. ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted and is effective on either a prospective basis or retrospective basis. The Company is currently evaluating the impact of the adoption of this standard on its financial statements and related disclosures.

3. Fair Value Measurements and Fair Value of Financial Instruments

The authoritative guidance on fair value measurements establishes a three-tier fair value hierarchy for disclosure of fair value measurements as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

As of March 31, 2026 and December 31, 2025, financial assets measured at fair value on a recurring basis consisted of cash equivalents and marketable securities. Cash equivalents consist primarily of money market funds and other investments that are readily convertible into cash and have maturities of three months or less at the time of acquisition. The fair value of cash equivalents was $36.3 million and $34.7 million as of March 31, 2026 and December 31, 2025, respectively. The Company considers marketable securities with maturities greater than three months at the time of acquisition to be available-for-sale securities. The fair value of available-for-sale securities was $67.9 million and $78.1 million as of March 31, 2026 and December 31, 2025, respectively. These available-for-sale securities have expected maturities ranging from 1.0 to 9.0 months. The fair value of marketable securities, which are Level 2 financial instruments, is based upon market prices quoted on the last day of the fiscal period or other observable market inputs. The Company obtains pricing information from its investment manager and generally determines the fair value of investment securities using standard observable inputs, including reported trades, broker-dealer quotes, bids and/or offers.

The Company evaluates securities with unrealized losses, if any, to determine whether the decline in fair value has resulted from credit loss or other factors, including various qualitative factors. As of March 31, 2026, the Company has not recognized any impairment or credit losses on the Company's available-for-sale securities. While the Company classifies these securities as available-for-sale, the Company does not intend to sell its investments and based on its current plans, the Company currently believes it has the ability to hold these investments until maturity.

The carrying values of the Company's accounts payable and accrued expenses and other current liabilities approximate their fair values due to the short-term nature of these liabilities.

Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

The Company's Level 3 liabilities that are measured at fair value on a recurring basis consist of the Series A common stock warrant liability related to the warrant to purchase 1,000 shares of Series A common stock with an exercise price of $69.94 per share and an expiration date of July 18, 2026, the third anniversary date of the closing of the Company's IPO. The fair value of the Series A common stock warrant liability was immaterial as of March 31, 2026 and December 31, 2025, as well as the change in fair value during the three months ended March 31, 2026 and 2025. There were no transfers within the hierarchy during the periods presented.

The following tables set forth the Company's financial assets that were measured at fair value on a recurring basis by level within the fair value hierarchy (in thousands):

		March 31, 2026			
	Valuation Hierarchy	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Assets					
Cash equivalents:					
Money market funds	Level 1	$ 36,297	$ —	$ —	$ 36,297
Total cash equivalents		36,297	—	—	36,297
Short-term marketable securities:					
Commercial paper	Level 2	15,190	2	(12)	15,180
Corporate debt securities	Level 2	1,497	—	—	1,497
U.S. Treasury securities	Level 2	39,393	24	(10)	39,407
Agency securities	Level 2	5,781	—	(3)	5,778
Asset-backed securities	Level 2	6,044	14	(7)	6,051
Total short-term marketable securities		67,905	40	(32)	67,913
Total cash equivalents and marketable securities		$ 104,202	$ 40	$ (32)	$ 104,210

		December 31, 2025			
	Valuation Hierarchy	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Assets					
Cash equivalents:					
Money market funds	Level 1	$ 33,219	$ —	$ —	$ 33,219
U.S. Treasury securities	Level 2	1,499	—	—	1,499
Total cash equivalents		34,718	—	—	34,718
Short-term marketable securities:					
Commercial paper	Level 2	18,061	14	(4)	18,071
Corporate debt securities	Level 2	1,500	3	—	1,503
U.S. Treasury securities	Level 2	50,340	92	—	50,432
Agency securities	Level 2	2,033	1	—	2,034
Asset-backed securities	Level 2	6,049	16	(2)	6,063
Total short-term marketable securities		77,983	126	(6)	78,103
Total cash equivalents and marketable securities		$ 112,701	$ 126	$ (6)	$ 112,821

4. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	As of	
	March 31, 2026	December 31, 2025
Prepaid clinical costs	$ 193	$ 973
Prepaid research and development costs	2,104	1,395
Prepaid insurance	230	431
Deferred financing costs	402	282
Other	248	199
Total prepaid expenses and other current assets	$ 3,177	$ 3,280

5. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	As of	
	March 31, 2026	December 31, 2025
Accrued payroll-related costs	$ 579	$ 1,617
Accrued clinical costs	441	561
Accrued research and development costs	1,451	1,242
Accrued general and administrative costs	469	267
Other	15	27
Total accrued expenses and other current liabilities	$ 2,955	$ 3,714

6. Commitments and Contingencies

License and other agreements

Ascletis BioScience Co. Ltd

In January 2019, the Company entered into a license agreement that became effective in February 2019 with Ascletis BioScience Co. Ltd. (Ascletis), a subsidiary of Ascletis Pharma Inc. (Ascletis Pharma), a biotechnology company incorporated in the Cayman Islands and headquartered in Hangzhou, China. Ascletis Pharma, through a subsidiary, was the lead investor in the Company's Series E redeemable convertible preferred stock financing in February 2019. The parties entered into this agreement with the intention to develop, manufacture, and commercialize the Company's proprietary FASN inhibitor, denifanstat, which Ascletis refers to as ASC40. Under the terms of the license agreement, the Company granted Ascletis and its affiliates an exclusive, royalty-bearing sublicensable right and license under the Company's intellectual property to develop, manufacture, commercialize and otherwise exploit denifanstat and other products containing denifanstat-related compounds in Greater China, consisting of the People's Republic of China, Hong Kong, Macau and Taiwan.

The Company is eligible to receive development and commercial milestone payments from Ascletis in aggregate of up to $122.0 million as well as tiered royalties ranging from percentages in the high single digits to mid-teens on future net sales of denifanstat in Greater China. The license and the research and development services components of this license agreement are representative of a relationship with a customer, and therefore, the Company evaluated the license agreement under the provisions of ASC 606, *Revenue from Contracts with Customers*. The developmental and commercial event-based milestone payments represent variable consideration, and the Company used the most likely amount method to estimate this variable consideration because the potential milestone payment is a binary event, as the Company will either receive the milestone payment or it will not. Given the high degree of uncertainty around achievement of these milestones, the Company determined the milestone amounts to be fully constrained and will not recognize revenue

until the uncertainty associated with these payments is resolved. Any consideration related to royalties will be recognized if and when the related sales occur. The Company re-assesses the transaction price in each reporting period and when events whose outcomes are resolved or other changes in circumstances occur.

In July 2023, the Company entered into an Assignment and Assumption Agreement with Ascletis and Ascletis' affiliate Gannex Pharma Co., Ltd. (Gannex) under which Ascletis, while remaining responsible for performance under the license agreement, assigned all of its rights and obligations under the license agreement to Gannex and Gannex assumed such rights and obligations, effective as of October 2019.

Assia Chemical Industries Ltd.

In September 2025, the Company entered into a term sheet with Assia Chemical Industries Ltd. (Assia), doing business as TAPI Technology & API Series (TAPI), a subsidiary of Teva Pharmaceutical Industries Ltd. and in December 2025, the Company entered into a license agreement with TAPI replacing the term sheet (License Agreement). Under the agreement, TAPI granted the Company a global, exclusive license to certain intellectual property rights covering innovative forms of TAPI's resmetirom active pharmaceutical ingredient (API) for Sagimet's technical evaluation and manufacture, and, if elected by the Company, further development of a fixed-dose combination (FDC) product containing denifanstat and resmetirom.

Upon execution of the term sheet in September 2025, a non-refundable up-front payment of $2.5 million was due, which was paid and recognized in research and development expense during the year ended December 31, 2025. Pursuant to the License Agreement, the Company is obligated to pay TAPI potential additional manufacturing-related milestones of up to $5.5 million as well as a low single-digit royalty on net sales of the FDC product. The License Agreement terminates upon the date certain TAPI know-how ceases to be confidential information or the last of the TAPI patents expires, whichever is later, unless earlier terminated by either party in accordance with the terms of the License Agreement.

Facility Lease Agreement

On March 12, 2019, the Company executed a 38-month non-cancelable operating lease agreement for 3,030 square feet of office space for its headquarters facility in San Mateo, California, which commenced April 1, 2019. From 2021 through 2024, the Company amended the lease agreement several times to extend the term of the lease and adjust the monthly lease payment. In May 2025, the Company amended the lease agreement to extend the term of the lease through June 2026, which resulted in an increase in the Company's operating lease right-of-use asset and corresponding operating lease liability of $0.2 million on the amendment date.

Operating lease costs were $40,000 and $39,000 for the three months ended March 31, 2026, and 2025, respectively.

Guarantees and indemnifications

In the normal course of business, the Company enters into agreements that contain a variety of representations and provide for general indemnification. The Company's exposure under these agreements is unknown because it involves claims that may be made against the Company in the future. In addition, the Company has entered into indemnification agreements with members of its board of directors and its executive officers that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers. To date, the Company has not paid any claims or been required to defend any action related to its indemnification obligations. As of March 31, 2026, the Company does not have any material indemnification claims that were probable or reasonably possible and consequently has not recorded related liabilities.

Legal Proceedings

From time to time, the Company may become involved in various legal proceedings that arise in the ordinary course of its business. The Company records a liability for such matters when it is probable that future losses will be incurred and that such losses can be reasonably estimated. Significant judgment by the Company is required to determine both probability and the estimated amount. The Company is not party to any material legal proceedings as of March 31, 2026.

7. Stock-Based Compensation

The 2023 Stock Option and Incentive Plan (2023 Plan) was adopted by the board of directors, approved by the Company's stockholders on July 4, 2023, and became effective on July 13, 2023, replacing the 2017 Equity Incentive Plan. The number of shares initially reserved for issuance under the 2023 Plan was 2,585,968. The number of shares will automatically increase each January 1, by (i) 4% of the outstanding number of shares of the Company's Series A common stock on the immediately preceding December 31 or (ii) a lesser number of shares as determined by the compensation committee of the board of directors. In accordance with the 2023 Plan, the shares reserved for issuance automatically increased by 855,016 shares on January 1, 2024, by 1,226,994 shares on January 1, 2025 and by 1,278,164 shares on January 1, 2026. As of March 31, 2026, the aggregate maximum number of shares reserved for issuance under the 2023 Plan was 5,946,142, of which 1,591,871 shares were available for future grants. Option grants issued under the 2023 Plan are exercisable for up to 10 years from the date of issuance.

In March 2024, the Company established a pool of 1,000,000 shares of Series A common stock (Inducement Pool) from which equity grants in the form of options and restricted stock units may be issued as inducement for new employees to accept employment offers from the Company or for individuals returning to employment after a bona fide period of non-employment with the Company. Inducement Pool grants are granted outside of the 2023 Plan and do not require approval from the Company's stockholders pursuant to the Nasdaq inducement grant exception in accordance with Nasdaq Listing Rule 5635(c)(4). In February 2025, the Company increased the number of shares available for issuance by 300,000 shares, increasing the total number of shares available for issuance under the Inducement Pool to 1,300,000 shares. As of March 31, 2026, 361,217 shares were available for future grants from the Inducement Pool.

Total stock-based compensation recorded in the condensed statements of operations and comprehensive loss related to stock options and restricted stock units and the ESPP (defined below) for employees and non-employees was as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Stock options	$ 1,473	$ 1,223
Restricted stock units	338	249
Employee stock purchase plan	28	—
Total stock-based compensation expense	$ 1,839	$ 1,472
Included in:		
General and administrative expense	$ 1,533	$ 1,248
Research and development expense	306	224
Total stock-based compensation expense	$ 1,839	$ 1,472

Stock options

The Company grants stock options which consist of (i) time-based options, which vest and become exercisable, subject to the participant's continued employment or service through the applicable vesting date and (ii) performance-based options, which vest based on performance measures against predetermined objectives that include successful completion of qualified equity offerings or announced topline results for clinical trials and positive clinical results over a specified performance period. The Company's time-based options have various vesting schedules that range from vesting immediately to vesting over a four-year period.

The following table summarizes stock option activity for the three months ended March 31, 2026 (in thousands, except share and per share data):

	Number of Shares Underlying Outstanding Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in Years)	Aggregate Intrinsic Value [1]
Outstanding, January 1, 2026	5,722,326	$ 6.12	7.1	$ 3,799
Granted	721,081	5.38		
Outstanding, March 31, 2026 [2]	6,443,407	$ 6.04	7.2	$ 1,993
Vested and expected to vest, March 31, 2026	6,443,407	$ 6.04	7.2	$ 1,993
Exercisable at March 31, 2026	3,997,639	$ 6.50	6.2	$ 867

(1) Aggregate intrinsic value represents the difference between the fair value of the Company's Series A common stock on the last day of the fiscal period and the exercise price, multiplied by the number of options outstanding.

(2) Includes 477,467 performance-based options with a weighted-average exercise price of $6.44, all of which were fully vested and exercisable.

During the three months ended March 31, 2026 and 2025, the weighted average grant-date fair value per share of stock options granted was $4.25 and $3.71, respectively. There were no stock options exercised during the three months ended March 31, 2026 and 2025.

As of March 31, 2026, there was $9.9 million of unrecognized compensation expense, which is expected to be recognized over a remaining weighted-average period of 2.6 years.

Valuation assumptions

The fair value of each stock option granted was estimated on the date of grant using the Black-Scholes option pricing model using the following assumptions:

	Three Months Ended March 31,	
	2026	2025
Expected volatility	97.0 %	95.0 %
Risk-free interest rate	3.8 %	4.3 %
Dividend yield	—	—
Expected term (in years)	6.0	6.0

The expected term is determined using the simplified method, which represents the average of the contractual term of the options and the weighted-average expected vesting period. The risk-free interest rate is determined by reference to the United States Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the option. The expected stock volatility rate is based on the volatility rates of comparable publicly held companies over a period equal to the expected term of the option. The Company also utilizes its limited available historical volatility, to a lesser weight, in its expected stock volatility calculation. The Company utilizes a dividend yield of zero based on the fact that the Company has never paid cash dividends to stockholders and has no current intentions to pay cash dividends.

Restricted stock units

The Company's restricted stock units generally vest over a four-year period in equal amounts on an annual basis, provided the employee remains continuously employed with the Company. The fair value of the restricted stock units is equal to the closing price of the Company's Series A common stock on the grant date.

The following table summarizes restricted stock unit activity:

	Restricted Stock Units	Weighted-Average Grant Date Fair Value
Outstanding, January 1, 2026	830,077	$ 3.57
Granted	360,540	5.38
Vested/released	(63,508)	4.71
Outstanding, March 31, 2026	1,127,109	$ 4.08

As of March 31, 2026, the total unrecognized compensation expense related to unvested restricted stock units was $3.9 million, which is expected to be recognized over a remaining weighted-average period of 2.9 years.

Employee stock purchase plan

The 2023 Employee Stock Purchase Plan (the ESPP) was adopted by the board of directors in July 2023 with an initial total of 215,497 shares of Series A common stock reserved for issuance. Under the ESPP plan, the amount of shares reserved automatically increases each January 1 through January 1, 2033, by the least of (i) 215,497 shares of Series A common stock, (ii) 1% of the outstanding number of shares of the Company's Series A common stock on the immediately preceding December 31 or (iii) such lesser number of shares of Series A common stock as determined by the administrator of the ESPP. In accordance with the ESPP, the shares reserved for issuance automatically increased by 213,754 shares on January 1, 2024, by 215,497 shares on January 1, 2025 and by 215,497 shares on January 1, 2026. As of March 31, 2026, the aggregate maximum number of shares reserved for issuance under the ESPP was 860,245. No shares of Series A common stock have been issued under the ESPP to date.

8. Segment Reporting

Operating segments are defined as components of an entity about which discrete financial information is evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources and assess performance. The Company operates and manages its business as one business segment, which is development and commercialization of therapeutics for the treatment of acne, MASH and other diseases where FASN plays a pathogenic role. Accordingly, the Company has one reportable segment. The Company has a single management team that reports to the Chief Executive Officer, the Company's CODM, who comprehensively manages the entire Company. The accounting policies of the segment are the same as those described in the summary of significant accounting policies.

When evaluating the Company's financial performance, the CODM is regularly provided with more detailed expense information than what is included in the Company's statements of operations and comprehensive loss. The CODM uses net loss, as reported in the statements of operations and comprehensive loss, in evaluating the performance of the segment. Decisions regarding resource allocation are made primarily during the annual budget planning process and reallocated as needed throughout the year. The measure of segment assets is reported on the balance sheets as total assets.

The following table shows the Company's net loss, including the significant expense categories regularly provided to and reviewed by the CODM, for the three months ended March 31, 2026, and 2025 (in thousands):

	Three Months Ended March 31,	
	2026	2025
Denifanstat external research and development expenses	3,127	13,336
TVB-3567 external research and development expenses	2,373	834
External general and administrative expenses	2,127	2,252
Personnel costs	2,170	1,951
Stock-based compensation	1,839	1,472
Other segment items [1]	(986)	(1,669)
Segment net loss	$ 10,650	$ 18,176

[1] Other segment items consist of (i) interest and other income, net and (ii) other internal operating research and development expenses.

9. Subsequent Events

On April 28, 2026, the Company completed an underwritten offering whereby it sold 29,166,700 shares of its Series A common stock at a price of $6.00 per share for gross proceeds of approximately $175.0 million.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read together with our unaudited condensed financial statements and related notes included elsewhere in this report on Form 10-Q for the quarter ended March 31, 2026 (Quarterly Report). This discussion and analysis and other parts of this Quarterly Report contain forward-looking statements based upon our current plans and expectations that involve risks, uncertainties and assumptions, such as statements regarding our plans, objectives, expectations, intentions and beliefs. Our actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors" and elsewhere in this Quarterly Report. You should carefully read the "Risk Factors" section of this Quarterly Report to gain an understanding of the important factors that could cause actual results to differ materially from our forward-looking statements.

Overview

We are a clinical-stage biopharmaceutical company developing novel therapeutics called fatty acid synthase (FASN) inhibitors that target dysfunctional metabolic and fibrotic pathways in diseases resulting from the overproduction of the fatty acid, palmitate. Our lead drug candidate, denifanstat, is an oral once-daily pill and selective FASN inhibitor in development for the treatment of acne, metabolic dysfunction-associated steatohepatitis (MASH) and select forms of cancer. Denifanstat met all primary and secondary endpoints in a Phase 3 clinical trial in moderate to severe acne vulgaris conducted by our license partner, Ascletis BioScience Co. Ltd. (Ascletis), in China. Denifanstat also met all endpoints in Ascletis' open-label Phase 3 clinical trial evaluating its long-term safety in patients with moderate to severe acne in China. Our second FASN inhibitor, TVB-3567, is a potent and selective small molecule FASN inhibitor in development for acne, that is currently undergoing a first-in-human Phase 1 clinical trial.

FASN inhibition for the treatment of acne

Acne is one of the most common skin conditions in the United States, with approximately 50 million Americans affected annually and more than 5 million seeking medical treatment for acne each year. Acne affects around 85% of persons between the ages of 12 and 24. Moderate to severe acne accounts for 20% of acne sufferers, or approximately 10 million people in the United States annually. There is no cure for acne; and due to its pathology, most patients require chronic management and multiple annual courses of treatment for flare control.

Acne is a disorder in which dysregulation of fatty acid metabolism also plays a key role. FASN is responsible through lipid synthesis for the production of skin oils (sebum). More than 80% of key sebum lipids such as palmitate and sapienic acid are produced by de novo lipogenesis (DNL)/FASN. In acne, excess sebum can lead to skin lesions and is a pro-inflammatory stimulus leading to exacerbation of those lesions, including development of nodules (nodular acne) and cysts (cystic acne).

Acne is a promising therapeutic area for application of FASN inhibitors because FASN is required for sebum production, which is upregulated in acne and leads to exacerbation of acne lesions including development of nodules and cysts.

Clinical data demonstrates denifanstat's potential to treat acne

In January 2026, Ascletis reported that denifanstat was generally well-tolerated in the open-label Phase 3 clinical trial (n=240) evaluating the long-term safety of 50 mg once-daily denifanstat in patients with moderate to severe acne in China. Subjects treated with denifanstat showed improvements in all efficacy endpoints measured at 52 weeks (secondary endpoints of the trial).

In December 2025, Ascletis announced that the China National Medical Products Administration (NMPA) accepted its New Drug Application (NDA) for denifanstat for the treatment of moderate to severe acne.

In June 2025, Ascletis announced that denifanstat met all primary and secondary endpoints in its Phase 3 clinical trial in moderate to severe acne vulgaris in China. The Phase 3 clinical trial was a randomized, double-blind, placebo-controlled, multicenter clinical trial of 480 enrolled patients randomized 1:1 to receive denifanstat 50mg or placebo, once daily for 12 weeks.

Ascletis reported the following efficacy data from the Phase 3 clinical trial:

- All primary endpoints were met, including:

- the percentage of treatment success (defined as an Investigator's Global Assessment (IGA) score of 0 (clear) or 1 (almost clear) with at least a 2-point decrease from baseline) (denifanstat 33.2% vs. placebo 14.6%, p<0.0001).

- the percentage change in total lesion count (denifanstat -57.4% vs. placebo -35.4%, p<0.0001).

- the percentage change in inflammatory lesion count (denifanstat -63.5% vs. placebo -43.2%, p<0.0001).

- The secondary endpoint of change in non-inflammatory lesion count was also met (denifanstat -51.9% vs. placebo -28.9%, p<0.0001).

Ascletis reported that denifanstat was generally well-tolerated. Following 12 weeks of once-daily oral administration at 50 mg, the incidence rates of treatment emergent adverse events (TEAEs) were comparable between denifanstat and placebo.

Planned Phase 3 clinical trial of denifanstat in acne

Building on the recent successful Phase 3 clinical trial in China of denifanstat in moderate to severe acne, we plan to develop it in acne for the United States. We anticipate filing an Investigational New Drug (IND) application for denifanstat for the treatment of moderate to severe acne in mid-2026, and following IND clearance, plan to advance denifanstat into a registrational Phase 3 clinical trial in moderate to severe acne patients in the second half of 2026 for the United States.

Phase 1 clinical trial of TVB-3567

In June 2025, we initiated a first-in-human Phase 1 clinical trial of our potent and selective small molecule FASN inhibitor, TVB-3567, for development of an acne indication. The Phase 1 clinical trial is a randomized double-blind placebo-controlled trial designed to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of TVB-3567 in healthy participants with or without acne. The trial is comprised of several parts, including single ascending dose cohorts and multiple ascending dose cohorts in participants without acne, followed by testing in participants with acne including evaluation of pharmacodynamic biomarkers. Subject to consultation with regulatory authorities, and contingent on the results of the Phase 1 clinical trial, we anticipate initiating the Phase 2 clinical trial of TVB-3567 in the second half of 2026.

MASH

The critical role of FASN overactivity in MASH makes it an attractive target for drug therapy. Denifanstat targets multiple drivers of MASH by reducing steatosis, inflammation and fibrosis. Denifanstat met all primary and multiple secondary endpoints in the Phase 2b FASCINATE-2 clinical trial evaluating denifanstat in 168 biopsy-confirmed MASH patients with stage F2 or F3 fibrosis compared to placebo at week 52. We completed a Phase 1 pharmacokinetic (PK) clinical trial of a combination of denifanstat and the thyroid hormone receptor beta (THR-β) agonist, resmetirom (commercially available as Rezdiffra), in December 2025. We anticipate that the denifanstat and resmetirom combination program will be Phase 2-ready in the second half of 2026. We will undertake no further clinical development in MASH until non-dilutive financing is obtained.

Components of results of operations

Research and development expenses

Research and development expenses represent costs incurred in performing research, development and manufacturing activities in support of our own product development efforts and include internal personnel-related costs (such as salaries, employee benefits and stock-based compensation) for our personnel in research and development functions; as well as external costs, including costs related to acquiring, developing and manufacturing supplies for preclinical studies, clinical trials and other studies, including fees paid to contract manufacturing organizations (CMOs); costs and expenses related to agreements with contract research organizations (CROs), investigative sites and consultants to conduct non-clinical and preclinical studies and clinical trials; and professional and consulting services costs. Research and development expenses also include the costs of acquired product licenses and related technology rights where there is no alternative future use.

All research and development expenses are charged to operations as incurred in accordance with Accounting Standards Codification 730*, Research and Development*. We account for non-refundable advance payments for goods and services that will be used in future research and development activities as expenses when the service has been performed or when the goods have been received, rather than when the payment is made.

We expect our research and development expenses to increase substantially for the foreseeable future as we advance our drug candidates into and through preclinical studies and clinical trials, pursue regulatory approval and expand our pipeline.

General and administrative expenses

Our general and administrative expenses consist primarily of costs and expenses related to: personnel (including salaries, employee benefits and stock-based compensation) in our executive, finance and accounting and other administrative functions; legal services, including relating to intellectual property and corporate matters; accounting, auditing, consulting and tax services; insurance; information technology; and facility and other allocated costs not otherwise included in research and development expenses.

We expect our general and administrative expenses to increase for the foreseeable future as we increase our headcount and continue to grow our corporate infrastructure.

Other income

Other income consists primarily of interest income earned on our cash, cash equivalents and marketable securities offset by amortization of premiums and accretion of discounts to maturity on our marketable securities.

Results of operations

Comparison of the three months ended March 31, 2026 and 2025

The following table summarizes our results of operations for the periods indicated (in thousands):

	Three Months Ended March 31,			
	2026	2025	$ Change	% Change
Operating expenses:				
Research and development	$ 6,995	$ 15,342	$ (8,347)	(54)%
General and administrative	4,718	4,523	195	4 %
Total operating expenses	11,713	19,865	(8,152)	(41)%
Loss from operations	(11,713)	(19,865)	8,152	(41)%
Total other income	1,063	1,689	(626)	(37)%
Net loss	$ (10,650)	$ (18,176)	$ 7,526	(41)%

Research and development – Research and development expenses for the three months ended March 31, 2026 and 2025 were comprised of the following (in thousands):

	Three Months Ended March 31, 2026	2025	$ Change	% Change
External expenses				
Clinical development and research	$ 2,615	$ 11,479	$ (8,864)	(77)%
Manufacturing and non-clinical	2,370	2,123	247	12 %
External consulting and other	515	568	(53)	(9)%
Subtotal - external expenses	$ 5,500	$ 14,170	$ (8,670)	(61)%
Internal expenses				
Personnel costs	$ 1,112	$ 928	$ 184	20 %
Stock-based compensation	306	224	82	37 %
Other internal operating expenses	77	20	57	285 %
Subtotal - internal expenses	$ 1,495	$ 1,172	$ 323	28 %
Total research and development expenses	$ 6,995	$ 15,342	$ (8,347)	(54)%

Research and development expenses decreased by $8.3 million, or 54%, for the three months ended March 31, 2026, compared to the three months ended March 31, 2025. This decrease was primarily due to a $8.9 million decrease in clinical development and research expenses related primarily to lower clinical trial costs incurred for our Phase 3 program of denifanstat in MASH, which was partially offset by higher costs for the Phase 1 clinical trial of TVB-3567, initiated in June 2025, and other clinical costs for the combination of denifanstat and resmetirom.

External research and development expenses for the three months ended March 31, 2026 and 2025 were comprised of the following (in thousands):

	Three Months Ended March 31, 2026	2025	$ Change	% Change
Denifanstat external research and development expenses	$ 3,127	$ 13,336	$ (10,209)	(77)%
TVB-3567 external research and development expenses	2,373	834	1,539	185 %
Total external research and development expenses	$ 5,500	$ 14,170	$ (8,670)	(61)%

General and administrative – General and administrative expenses increased by $0.2 million, or 4%, for the three months ended March 31, 2026, compared to the three months ended March 31, 2025 primarily due to a $0.3 million increase in stock-based compensation, which was partially offset by lower consulting and professional service expenses.

Other income – Other income decreased by $0.6 million for the three months ended March 31, 2026, compared to the three months ended March 31, 2025, due to a decrease in interest income earned driven by a lower cash, cash equivalents and marketable securities balance as well as lower yields during the three months ended March 31, 2026.

Liquidity and capital resources

Sources and uses of cash

Since our inception, we have devoted substantially all of our resources to researching, discovering and developing our pipeline of proprietary FASN inhibitors and other drug targets, organizing and staffing our company, performing business planning, establishing our intellectual property portfolio, raising capital and general and administration activities to support and expand such activities. We do not have any products approved for sale and have not generated any revenue from product sales. Our revenues to date have been generated solely from the license agreement with Ascletis.

To date, we have financed our operations primarily through public and private equity and debt financings, including our IPO of Series A common stock in July 2023 and our follow-on offering in January 2024, from which we received aggregate net proceeds of

$190.9 million. Prior to becoming a public company, we raised $233.3 million in gross proceeds from the sale of our redeemable convertible preferred stock and convertible notes.

In August 2024, we entered into a Controlled Equity Offering Sales Agreement with Cantor Fitzgerald & Co. to establish an at-the-market offering (2024 ATM Offering) through which we could offer and sell, from time to time at our sole discretion, up to $75.0 million of shares of our Series A common stock. In connection with the establishment of the 2025 ATM Offering (as defined below), we terminated the 2024 ATM Offering. No shares of Series A common stock were sold under the 2024 ATM Offering prior to such termination.

In August 2025, we entered into a Sales Agreement with Leerink Partners LLC to establish an at-the-market offering (2025 ATM Offering) through which we may sell, from time to time at our sole discretion, up to $75.0 million shares of our Series A common stock. There were no sales under the 2025 ATM Offering since inception.

On April 28, 2026, we completed an underwritten offering whereby we sold 29,166,700 shares of our Series A common stock at a price of $6.00 per share for gross proceeds of approximately $175.0 million. We estimate that the net proceeds from the underwritten offering will be approximately $163.9 million after deducting underwriting discounts, commissions and other offering expenses.

As of March 31, 2026, we had cash, cash equivalents and marketable securities of $104.5 million. We do not expect to generate any revenue from commercial product sales unless and until we successfully complete development and obtain regulatory approval for one or more of our drug candidates, which we expect will take a number of years, if ever. We anticipate that we will continue to incur significant expenses for the foreseeable future as we continue to advance our drug candidates through preclinical and clinical trials; manufacture supplies for our preclinical studies and clinical trials; expand our corporate infrastructure, including the costs associated with being a public company; pursue regulatory approval of our drug candidates; hire additional personnel; acquire, discover, validate and develop additional drug candidates; and obtain, maintain, expand and protect our intellectual property portfolio.

Until we can generate a sufficient amount of revenue from the commercialization of our drug candidates or additional revenue from collaboration agreements with third parties, if ever, we expect to finance our future cash needs through public or private equity or debt financings, third-party funding and marketing and distribution arrangements, as well as other collaborations, strategic alliances and licensing arrangements, or any combination of these approaches. The sale of equity or convertible debt securities may result in dilution to our stockholders and, in the case of preferred equity securities or convertible debt, those securities could provide for rights, preferences or privileges senior to those of our common stock. Debt financings may subject us to covenant limitations or restrictions on our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. Our ability to raise additional funds may be adversely impacted by macroeconomic conditions, disruptions to and volatility in the credit and financial markets and geopolitical turmoil. There can be no assurance that we will be successful in acquiring additional funding at levels sufficient to fund our operations or on terms favorable or acceptable to us. If we are unable to obtain adequate financing when needed or on terms favorable or acceptable to us, we may be forced to delay, reduce the scope of or eliminate one or more of our research and development programs.

Our future capital requirements will depend on many factors, including:

- difficulties obtaining regulatory approval to commence a clinical trial or complying with conditions imposed by a regulatory authority regarding the scope or term of a clinical trial;
- conditions imposed on us by the FDA or other regulatory authorities regarding the scope or design of our clinical trials;
- delays in reaching or failing to reach agreement on acceptable terms with prospective CROs, CMOs, and trial sites, the terms of which can be subject to extensive negotiation and may vary significantly;
- insufficient supply of our drug candidates or other materials necessary to conduct and complete our clinical trials;
- difficulties obtaining institutional review board (IRB) or ethics committee approval to conduct a clinical trial at a prospective site;

- slow enrollment and retention rate of subjects in our clinical trials;
- the FDA or other regulatory authority requiring alterations to any of our study designs, our preclinical strategy or our manufacturing plans;
- governmental or regulatory delays and changes in regulatory requirements, policy and guidelines; serious and unexpected drug-related side effects related to the drug candidate being tested;
- lack of adequate funding to continue clinical trials;
- subjects experiencing severe or unexpected drug-related adverse effects;
- occurrence of severe adverse effects in clinical trials of the same class of agents conducted by other companies;
- any changes to our manufacturing process, suppliers or formulation that may be necessary or desired;
- third-party vendors not performing manufacturing and distribution services in a timely manner or to sufficient quality standards;
- third-party clinical investigators losing the licenses or permits necessary to perform our clinical trials, not performing our clinical trials on our anticipated schedule or consistent with the clinical trial protocol, good clinical practice (GCP), or other regulatory requirements;
- third-party contractors not performing data collection or analysis in a timely or accurate manner;
- third-party contractors becoming debarred or suspended or otherwise penalized by the FDA or other government or regulatory authorities for violations of regulatory requirements, in which case we may need to find a substitute contractor, and we may not be able to use some or all of the data produced by such contractors in support of our marketing applications; and
- failure of our third-party contractors, such as CROs and CMOs, or our investigators to comply with regulatory requirements or otherwise meet their contractual obligations in a timely manner.

A change in the outcome of any of these or other variables could significantly change our costs and timing associated with the development of our drug candidates. Furthermore, our operating plans may change in the future, and we may need additional funds to meet operational needs and capital requirements associated with such change.

We rely and will continue to rely on third parties in the conduct of our preclinical studies and clinical trials and for manufacturing and supply of our drug candidates. We have no internal manufacturing capabilities, and we will continue to rely on third parties for our preclinical study and clinical trial materials. Given our stage of development, we do not yet have a marketing or sales organization or commercial infrastructure. Accordingly, if we obtain regulatory approval for any of our drug candidates, we also expect to incur significant commercialization expenses related to product sales, marketing, manufacturing and distribution.

We enter into contracts in the normal course of business for products and services, including contract research and contract manufacturing services, which include provisions allowing for termination under certain conditions and timelines. These contracts generally do not include payments for early termination and are considered cancellable contracts.

Based on our current business plans, we believe that our existing cash, cash equivalents, and marketable securities as of March 31, 2026, together with approximately $163.9 million in net proceeds from the April 2026 underwritten offering of Series A common stock, will be sufficient for us to fund our operating expenses for at least the next 12 months from the issuance of this Quarterly Report.

Cash flows

The following table shows a summary of our cash flows for each of the periods presented below (in thousands):

	Three Months Ended March 31,	
	2026	2025
Net cash (used in) provided by:		
Operating activities	$ (8,611)	$ (14,536)
Investing activities	10,216	3,413
Net increase (decrease) in cash and cash equivalents	$ 1,605	$ (11,123)

Cash flows from operating activities. Net cash used in operating activities was $8.6 million for the three months ended March 31, 2026, and primarily related to cash used to fund clinical development and other non-clinical activities for denifanstat, clinical development and manufacturing costs for TVB-3567, as well as costs associated with operating as a public company.

Net cash used in operating activities was $14.5 million for the three months ended March 31, 2025, and primarily related to cash used to fund clinical development, manufacturing and other non-clinical activities for denifanstat, inclusive of clinical-batch manufacturing and trial start-up costs for a Phase 3 trial of denifanstat in MASH, as well as costs to build out our corporate infrastructure and costs associated with operating as a public company.

Cash flows from investing activities - Net cash provided by investing activities was $10.2 million for the three months ended March 31, 2026 and related to proceeds received from the sale and maturity of marketable securities of $17.0 million, partially offset by purchases of marketable securities of $6.8 million.

Net cash provided by investing activities was $3.4 million for the three months ended March 31, 2025 and related to proceeds received from the sale and maturity of marketable securities of $19.0 million, partially offset by purchases of marketable securities of $15.6 million.

Critical accounting policies and estimates

We prepare our financial statements in accordance with accounting principles generally accepted in the United States. The preparation of financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ significantly from the estimates made and changes in estimates may occur.

During the three months ended March 31, 2026, there were no material changes to our critical accounting estimates or in the methodology used for estimates from those described in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in our Annual Report on Form 10-K for the year ended December 31, 2025.

Emerging growth company and smaller reporting status

We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act (the JOBS Act). Under the JOBS Act, emerging growth companies can delay the adoption of new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. Other exemptions and reduced reporting requirements under the JOBS Act for emerging growth companies include an exemption from the requirement to provide an auditor’s report on internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, as amended, an exemption from any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation and less extensive disclosure about our executive compensation arrangements. We have elected to use the extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that (i) we are no longer an emerging growth company or (ii) we affirmatively and irrevocably opt out of the extended

transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

We will remain an emerging growth company until the earliest of (i) the last day of our first fiscal year in which we have total annual gross revenues of $1.235 billion or more, (ii) December 31, 2028, (iii) the date on which we are deemed to be a large accelerated filer, under the rules of the SEC, which means the market value of equity securities that is held by non-affiliates exceeds $700.0 million as of the prior June 30th and (iv) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period.

We are also a "smaller reporting company," meaning that the market value of our stock held by non-affiliates is less than $700 million and our annual revenue was less than $100 million during the most recently completed fiscal year. We may continue to be a smaller reporting company if either (i) the market value of our stock held by non-affiliates is less than $250 million or (ii) our annual revenue is less than $100 million during the most recently completed fiscal year and the market value of our stock held by non-affiliates is less than $700 million. If we are a smaller reporting company at the time we cease to be an emerging growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and, similar to emerging growth companies, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

Recently adopted accounting pronouncements

See "Notes to the Financial Statements—Note 2" included in our unaudited interim financial statements in Item 1 of this Quarterly Report for more information.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

Item 4. Controls and Procedures

Disclosure controls and procedures

We maintain "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, (Exchange Act), that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and (2) accumulated and communicated to our management, including our principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this Quarterly Report. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of March 31, 2026, our disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in this Quarterly Report was (a) reported within the time periods specified by the SEC rules and regulations, and (b) communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding any required disclosure.

Changes in internal control over financial reporting

During the quarter ended March 31, 2026, there have been no changes in our internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15(d)-15(f) promulgated under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. Our management believes that there are currently no claims or actions pending against us, the ultimate disposition of which would have a material adverse effect on our results of operations, financial condition or cash flows.

Item 1A. Risk Factors

There have been no material changes in our risk factors from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Recent sales of unregistered equity securities

There were no unregistered sales of equity securities during the period covered by this quarterly report on Form 10-Q.

Issuer purchases of equity securities

None.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 trading plans

During the quarter ended March 31, 2026, none of our directors or officers (as defined in Rule 16a-1 under the Exchange Act) adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (as those terms are defined in Item 408 of Regulation S-K).

Item 6. Exhibits

Exhibit Number	Description	Method of Filing
10.1•	Executive Employment Agreement by and between Sagimet Biosciences Inc. and Andreas Grauer M.D., effective April 20, 2026	Filed herewith
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification of Principal Financial and Accounting Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith

32.1	Certification of Principal Executive Officer and Principal Financial and Accounting Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2022	Furnished herewith
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document	Filed herewith
101.SCH	Inline XBRL Taxonomy Extension Schema Document	Filed herewith
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	Filed herewith
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)	Filed herewith

• Indicates management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this Quarterly Report to be signed on its behalf by the undersigned, thereunto duly authorized.

SAGIMET BIOSCIENCES, INC.

Date: May 12, 2026

By: /s/ David Happel
David Happel
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 12, 2026

By: /s/ Thierry Chauche
Thierry Chauche
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.1

EXECUTIVE EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made between Sagimet Biosciences, Inc., (the "Company"), and Andreas Grauer (the "Executive") and is effective as of April 20, 2026 (the "Effective Date").

WHEREAS, the Company desires to employ the Executive and the Executive desires to be employed by the Company on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Employment.

(a) Term. The Company shall employ the Executive and the Executive shall be employed by the Company pursuant to this Agreement commencing as of the Effective Date and for a term of three years (the "Initial Term") unless either party terminates the employment relationship prior to the end of the Initial Term or any subsequent period. On each anniversary of the Effective Date following the Initial Term, the term of this Agreement shall be automatically extended for successive one-year periods, provided, however, that either party hereto may elect not to extend this Agreement by providing a Notice of Termination prior to any such anniversary date. Notwithstanding anything in the foregoing, the Executive's employment with the Company shall continue to be "at will," meaning that the Executive's employment may be terminated by the Company or the Executive at any time and for any reason or no reason, with or without Cause, and with or without notice.

(b) Position and Duties. The Executive shall serve as the Chief Medical Officer of the Company and shall have such powers and duties as may from time to time be prescribed by the **Chief Executive Officer (the "CEO").** The Executive will devote the Executive's full working time and efforts to the business and affairs of the Company. While employed by the Company, the Executive agrees not to undertake or engage in any consulting, employment, occupation, investment or business enterprise for other parties that may create a conflict of interest with the Company. Further Executive agrees that during the term of Executive's employment with the Company, Executive will not engage in any such activities that are directly related to the business in which the Company is now involved or becomes involved during the term of Executive's employment.

2. Compensation and Related Matters.

(a) **Base Salary.** The Executive's base salary is $535,000 per year. The Executive's base salary will be subject to periodic review by the Board or the Compensation Committee of the Board (the "Compensation Committee") in its discretion. The base salary in effect at any given time is referred to herein as "Base Salary." The Base Salary will be payable in a manner that is consistent with the Company's usual payroll practices for its executive officers.

(b) **Incentive Compensation.** The Executive shall be eligible to receive cash incentive compensation as determined by the Board or the Compensation Committee from time to time. The Executive's initial target annual incentive compensation will be forty percent (40%) of the Executive's Base Salary. The target annual incentive compensation in effect at any given time is referred to herein as "Target Bonus." The actual amount of the Executive's annual incentive compensation, if any, shall be determined in the sole discretion of the Board or the Compensation Committee, subject to the terms of any applicable incentive compensation plan that may be in effect from time to time. Except as otherwise provided herein or as may be provided by the Board or the Compensation Committee or as may otherwise be set forth in the applicable incentive compensation plan, the Executive must be employed by the Company on the date such incentive compensation is paid in order to earn or receive any annual incentive compensation.

(c) **Expenses.** The Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive during the term of Executive's employment in performing services hereunder, in accordance with applicable law and the policies and procedures then in effect and established by the Company for its executive officers.

(d) **Other Benefits.** The Executive will be eligible to participate in or receive benefits under the Company's employee benefit plans in effect from time to time, subject to the terms of such plans.

(e) **Paid Time Off.** The Executive will be entitled to take paid time off in accordance with the Company's applicable paid time off policy for executives, as may be in effect from time to time.

(f) **Equity.** Subject to approval by the Company's Board of Directors (the "Board"), the Company anticipates granting you an option to purchase shares of Common Stock with a fair market value of the equivalent of $1,340,000, as determined based on the Black Scholes value as of the date of grant (the "Option"). The anticipated Option will be granted under the inducement award exception set forth in Nasdaq Marketplace Rule 5635(c)(4) outside of the Company's 2023 Stock Plan (the "Plan") as an inducement material to your decision to accept the offer of employment with the Company. The Option will be governed by the terms of your grant agreement (the "Award Agreement"), and will include the following vesting schedule: 12/48ths of the total shares will vest on the one year anniversary of the vesting commencement date, and 1/48th of the total shares will vest each month thereafter on the same day of the month as the vesting commencement date (or if there is no corresponding day, on the last day of the month), subject to your Continuous Service (as defined in the Award Agreement) as of each such date. Notwithstanding anything to the contrary in the Award Agreement, Section 6(a)(ii) of this Agreement shall apply in the event of a termination by the Company without Cause or by the Executive for Good Reason in either event within the Change in Control Period (as such terms are defined below).

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) **Death.** The Executive's employment hereunder shall terminate upon the Executive's death.

(b) **Disability.** The Company may terminate the Executive's employment if the Executive is disabled and unable to perform or expected to be unable to perform the essential functions of the Executive's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Executive or the Executive's guardian has no reasonable objection as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Company's determination of such issue shall be binding on the Executive. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, the Family and Medical Leave Act of 1993, and the Americans with Disabilities Act.

(c) **Termination by the Company for Cause.** The Company may terminate the Executive's employment hereunder for Cause. For purposes of this Agreement, "Cause" shall mean any of the following:

(i) the Executive willfully fails or refuses to substantially perform the Executive's responsibilities under this Agreement, after demand for substantial performance has been given by the Board;

(ii) non-performance by the Executive of Executive's material duties (other than by reason of the Executive's physical or mental illness, incapacity or disability) which has continued for more than 30 days;

(iii) conduct by the Executive constituting an intentional act of misconduct in connection with the performance of Executive's duties, including, without limitation, acts of dishonesty or fraud and misappropriation of funds or property of the Company;

(iv) the Executive's commission of, or plea of guilty or *nolo contendere*, to a felony;

(v) the Executive's commission of, or plea of guilty or *nolo contendere* to, a misdemeanor involving moral turpitude, deceit, dishonesty or fraud;

(vi) the Executive materially breaches any provision of this Agreement or the Confidentiality Agreement;

(vii) any violation of Executive of the Company's ethics or insider trading policy;

(viii) a violation by the Executive of the Company's employment policies that causes or may cause harm to the Company;

(ix) the Executive's intentional violation of any applicable law or regulation affecting the Company in any material respect;

(x) the Executive's failure to reasonably cooperate with a bona fide internal investigation or an investigation by any government body, after being lawfully instructed by the Company to cooperate;

(xi) the Executive's willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or the willful inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation;

(xii) the Executive is disqualified or barred by any governmental or self-regulatory authority from serving in the capacity contemplated by this Agreement; or

(xiii) the Executive engages in any financial accounting improprieties.

(d) **Termination by the Company without Cause.** The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement that does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

(e) **Termination by the Executive.** The Executive may terminate employment hereunder at any time for any reason, including but not limited to, Good Reason. For purposes of this Agreement, "Good Reason" means that the Executive has completed all steps of the Good Reason Process (hereinafter defined) following the occurrence of any of the following events without the Executive's consent (each, a "Good Reason Condition"):

(i) a material diminution in the Executive's responsibilities, authority or duties;

(ii) a material diminution in the Executive's Base Salary except for across-the-board salary reductions similarly affecting all or substantially all senior management employees of the Company;

(iii) a material change in the geographic location of the principal office of the Company to which the Executive is assigned (or the Executive's remote office if the Executive is a remote employee), such that there is an increase of at least 30 miles of driving distance to such location from the Executive's principal residence as of such change; or

(iv) a material breach of this Agreement by the Company.

The "Good Reason Process" consists of the following steps:

(i) the Executive reasonably determines in good faith that a Good Reason Condition has occurred;

(ii) the Executive notifies the Company, in writing, of the first occurrence of the purpose for Executive claiming good reason (the "Good Reason Condition") within 30 days of the first occurrence of such condition and specifically says in that writing (a) what the Good Reason Condition is, (b) that the Executive is resigning for Good Reason because of the aforementioned condition, and (c) when Executive believes the first occurrence of such condition occurred;

(iii) the Executive cooperates in good faith with the Company's efforts, for a period of not less than 30 days following such notice (the "Cure Period"), to remedy the Good Reason Condition;

(iv) notwithstanding such efforts, the Good Reason Condition continues to exist at the end of the Cure Period; and

(v) the Executive terminates employment within 30 days after the end of the Cure Period.

If the Company cures the Good Reason Condition during the Cure Period, Good Reason shall be deemed not to have occurred.

4. Matters related to Termination.

(a) **Notice of Termination.** Except for termination as specified in Section 3(a), any termination of the Executive's employment by the Company or any such termination by the Executive shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" means a notice which shall indicate the specific termination provision in this Agreement relied upon.

(b) **Date of Termination.** "Date of Termination" means: (i) if the Executive's employment is terminated by death, the date of death; (ii) if the Executive's employment is terminated on account of disability under Section 3(b) or by the Company for Cause under Section 3(c), the date on which Notice of Termination is given; (iii) if the Executive's employment is terminated by the Company without Cause under Section 3(d), the date on which a Notice of Termination is given or the date otherwise specified by the Company in the Notice of Termination; (iv) if the Executive's employment is terminated by the Executive under Section 3(e) other than for Good Reason, 30 days after the date on which a Notice of Termination is given, and (v) if the Executive's employment is terminated by the Executive under Section 3(e) for Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period. Notwithstanding the foregoing, in the event that the Executive gives a Notice of Termination to the Company, the Company may unilaterally accelerate the Date of Termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement.

(c) **Accrued Obligations.** If the Executive's employment with the Company is terminated for any reason, the Company will pay or provide to the Executive (or to the Executive's authorized representative or estate) (i) any Base Salary earned through the Date of

Termination; (ii) unpaid expense reimbursements (subject to, and in accordance with, Section 2(c) of this Agreement); and (iii) any vested benefits the Executive may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "Accrued Obligations").

(d) **Resignation of All Other Positions.** To the extent applicable, the Executive shall be deemed to have resigned from all officer and board member positions that the Executive holds with the Company or any of its respective subsidiaries and affiliates upon the termination of the Executive's employment for any reason. The Executive agrees to execute any documents in reasonable form as may be requested to confirm or effectuate any such resignations.

5. Severance Pay and Benefits Upon Termination by the Company without Cause or by the Executive for Good Reason Outside the Change in Control Period. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), or the Executive terminates employment for Good Reason as provided in Section 3(e), in each case outside of the Change in Control Period (as defined below), then, in addition to the Accrued Obligations, and subject to (i) the Executive signing a separation agreement and release in a form and manner satisfactory to the Company, which shall include, without limitation, a general release of claims against the Company and all related persons and entities, a reaffirmation of all of the Executive's Continuing Obligations (as defined below), and shall provide that if the Executive breaches any of the Continuing Obligations, all payments of the Severance Amount shall immediately cease (the "Separation Agreement"), and (ii) the Separation Agreement becoming irrevocable, all within 60 days after the Date of Termination (the "Release Deadline") or such shorter period as set forth in the Separation Agreement (prongs (i) and (ii) are the "Release Requirement"):

(a) the Company shall pay the Executive an amount equal to 9 months of the Executive's Base Salary (the "Severance Amount"); and

(b) to the extent coverage is mandated by law and subject to the Executive's copayment of premium amounts at the applicable active employees' rate and the Executive's proper election to receive benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (or equivalent state law) ("COBRA"), the Company shall pay to the group health plan provider or the COBRA provider a monthly payment equal to both the monthly employee and the monthly employer contribution that the Company or the Executive would have made to provide health insurance to the Executive if the Executive had remained employed by the Company until the earliest of (A) the 9 month anniversary of the Date of Termination; (B) the date that the Executive becomes eligible for group medical plan benefits under any other employer's group medical plan; or (C) the cessation of the Executive's health continuation rights under COBRA; *provided, however*, that if the Company determines that it cannot pay such amounts to the group health plan provider or the COBRA provider (if applicable) without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company shall convert such payments to payroll payments directly to the Executive for the time period specified above. Such payments to the Executive shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates.

The amounts payable under this Section 5, to the extent taxable, shall be paid out in lump sum in accordance with the Company's payroll practice within 60 days after the Date of Termination; *provided, however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, such payments, to the extent they qualify as "non-qualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), shall be paid in the second calendar year by the last day of such 60-day period. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2).

6. Severance Pay and Benefits Upon Termination by the Company without Cause or by the Executive for Good Reason within the Change in Control Period. The provisions of this Section 6 shall apply in lieu of, and expressly supersede, the provisions of Section 5 if (i) the Executive's employment is terminated either (a) by the Company without Cause as provided in Section 3(d), or (b) by the Executive for Good Reason as provided in Section 3(e), and (ii) the Date of Termination is on or within 12 months after the occurrence of the first event constituting a Change in Control (such period, the "Change in Control Period").

(a) If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d) or the Executive terminates employment for Good Reason as provided in Section 3(e) and in each case the Date of Termination occurs during the Change in Control Period, then, in addition to the Accrued Obligations, and subject to the Executive complying with the Release Requirement and the Release becoming fully effective within the Release Deadline:

(i) the Company shall pay the Executive an amount equal to the sum of (A) 15 months of the Executive's Base Salary (the "Severance Amount") plus (B) the an amount equal to 15 months of the Executive's Target Bonus plus (C) the Executive's Target Bonus for the then-current year (or the Executive's Target Bonus in effect immediately prior to the Change in Control, if higher), prorated to reflect the number of days the Executive worked at the Company during the applicable year;

(ii) to the extent coverage is mandated by law and subject to the Executive's copayment of premium amounts at the applicable active employees' rate and the Executive's proper election to receive benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (or equivalent state law) ("COBRA"), the Company shall pay to the group health plan provider or the COBRA provider a monthly payment equal to both the monthly employee and the monthly employer contribution that the Company would have made to provide health insurance to the Executive if the Executive had remained employed by the Company until the earliest of (A) the 15 month anniversary of the Date of Termination; (B) the date that the Executive becomes eligible for group medical plan benefits under any other employer's group medical plan; or (C) the cessation of the Executive's health continuation rights under COBRA; *provided, however*, that if the Company determines that it cannot pay such amounts to the group health plan provider or the COBRA provider (if applicable) without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company shall convert such payments to payroll payments directly to the Executive for

the time period specified above. Such payments to the Executive shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates; and

(iii) notwithstanding anything to the contrary in any applicable option agreement or other stock-based award agreement, all stock options and other stock-based awards held by the Executive that are subject vesting (the "Unvested Equity Awards") shall immediately accelerate and become fully vested and exercisable or nonforfeitable, with any such awards subject to performance-based vesting conditions to be deemed vested at target levels, as of the later of (i) the Date of Termination or (ii) the effective date of the Release (the "Accelerated Vesting Date"), *provided* that in order to effectuate the accelerated vesting contemplated by this subsection, the unvested portion of the Executive's Unvested Equity Awards that would otherwise be forfeited on the Date of Termination will be delayed until the earlier of (A) the effective date of the Release (at which time acceleration will occur), or (B) the date that the Release can no longer become fully effective (at which time the unvested portion of the Executive's Unvested Equity Awards will be forfeited). Notwithstanding the foregoing, no additional vesting of the Unvested Equity Awards shall occur during the period between the Date of Termination and the Accelerated Vesting Date; and

(iv) notwithstanding anything to the contrary in any applicable option agreement or other stock-based award agreement, all stock options held by the Executive that are vested as of the date of the Executive's termination of employment (inclusive of, for the avoidance of doubt, any such stock options that become vested pursuant to the terms of Section 6(a)(iii)) shall remain exercisable until the first to occur of the date that is 12 months following the date of the Executive's termination of employment or the expiration date of such stock option.

The cash amounts payable under this Section 6(a), to the extent taxable, shall be paid in lump sum within 60 days after the Date of Termination; *provided, however*, that if the 60-day period begins in one calendar year and ends in a second calendar year, such payments to the extent they qualify as "non-qualified deferred compensation" within the meaning of Section 409A of the Code, shall be paid or commence to be paid in the second calendar year by the last day of such 60-day period.

(b) Additional Limitation.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that the amount of any compensation, payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent with Section 280G of the Code, and the applicable regulations thereunder (the "Aggregate Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, then the Aggregate Payments shall be reduced (but not below zero) so that the sum of all of the Aggregate Payments shall be $1.00 less than the amount at which the Executive becomes subject to the excise tax imposed by Section 4999 of the Code; *provided* that such reduction shall only occur if it would result in the Executive receiving a higher After Tax Amount (as defined below) than the Executive would receive if the Aggregate Payments were not subject to such reduction. In such event, the Aggregate Payments shall be reduced in the

following order, in each case, in reverse chronological order beginning with the Aggregate Payments that are to be paid the furthest in time from consummation of the transaction that is subject to Section 280G of the Code: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits; *provided* that in the case of all the foregoing Aggregate Payments all amounts or payments that are not subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c) shall be reduced before any amounts that are subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c).

(ii) For purposes of this Section 6(b), the "After Tax Amount" means the amount of the Aggregate Payments less all federal, state, and local income, excise and employment taxes imposed on the Executive as a result of the Executive's receipt of the Aggregate Payments. For purposes of determining the After Tax Amount, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in each applicable state and locality, net of the maximum reduction in federal income taxes that could be obtained from deduction of such state and local taxes.

(iii) The determination as to whether a reduction in the Aggregate Payments shall be made pursuant to Section 6(b)(i) shall be made by a nationally recognized accounting firm selected by the Company (the "Accounting Firm"), which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. Any determination by the Accounting Firm shall be binding upon the Company and the Executive.

(c) Definitions. For purposes of this Section 6, "Change in Control" shall mean "Sale Event" as defined in the Company's 2023 Stock Option and Incentive Plan.

7. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement or otherwise on account of the Executive's separation from service would be considered deferred compensation otherwise subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive's separation from service, or (B) the Executive's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(b) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses). Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(c) To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive's termination of employment, then such payments or benefits shall be payable only upon the Executive's "separation from service." The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(d) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code or an applicable exemption. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder either comply with or are exempt from Section 409A of the Code. Each payment pursuant to this Agreement or the Confidentiality Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(e) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

8. Continuing Obligations.

(a) Employee Confidential Information and Inventions Assignment Agreement. **As a condition of employment, the Executive is required to enter into the Employee Confidential Information and Inventions Assignment Agreement, attached hereto as Exhibit A (the "Confidentiality Agreement").** For purposes of this Agreement, the obligations in this Section 8 and those that arise in the Confidentiality Agreement and any other agreement relating to confidentiality, assignment of inventions, shall collectively be referred to as the "Continuing Obligations." The Confidentiality Agreement includes a mutual arbitration provision.

(b) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other

party which restricts in any way the Executive's use or disclosure of information, other than confidentiality restrictions (if any), or the Executive's engagement in any business. The Executive represents to the Company that the Executive's execution of this Agreement, the Executive's employment with the Company and the performance of the Executive's proposed duties for the Company will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Company, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Company any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(c) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Company in (i) the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that transpired while the Executive was employed by the Company, and (ii) the investigation, whether internal or external, of any matters about which the Company believes the Executive may have knowledge or information. The Executive's full cooperation in connection with such claims, actions or investigations shall include, but not be limited to, being available to meet with counsel to answer questions or to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Company. The Company shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 8(c). Nothing in this Agreement prevents Employee from exercising any rights Employee may have under Section 7 of the National Labor Relations Act, including, without limitation, discussing any labor issue, dispute or term or condition of employment as part of engaging in concerted activities for the purpose of mutual aid or protection.

9. Integration. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties concerning such subject matter**,** ***provided*** **that the Equity Documents remain in full force and effect.**

10. Withholding; Tax Effect. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law. Nothing in this Agreement shall be construed to require the Company to make any payments to compensate the Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

11. Assignment; Successors and Assigns. Neither the Executive nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; *provided, however*, that the Company may assign its rights and obligations under this Agreement (including the Confidentiality Agreement) without the Executive's consent to any affiliate or to any person or entity with whom the Company shall

hereafter effect a reorganization or consolidation, into which the Company merges or to whom it transfers all or substantially all of its properties or assets; *provided, further* that if the Executive remains employed or becomes employed by the Company, the purchaser or any of their affiliates in connection with any such transaction, then the Executive shall not be entitled to any payments, benefits or vesting pursuant to Section 5 or pursuant to Section 6 of this Agreement solely as a result of such transaction. This Agreement shall inure to the benefit of and be binding upon the Executive and the Company, and each of the Executive's and the Company's respective successors, executors, administrators, heirs and permitted assigns. In the event of the Executive's death after the Executive's termination of employment but prior to the completion by the Company of all payments due to the Executive under this Agreement, the Company shall continue such payments to the Executive's beneficiary designated in writing to the Company prior to the Executive's death (or to the Executive's estate, if the Executive fails to make such designation).

12. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

13. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Notices hereunder shall be deemed delivered upon the confirmation of delivery or of actual receipt by the addressee and shall be sent as follows:

If to the Executive:

the Executive's residential address or personal email address as either appears in the Company systems at the time of notice or the Executive 's Company email address

and if to the Company:

CEO
Sagimet Biosciences Inc.
155 Bovet Road, Ste. 303
San Mateo, CA 94402
dave.happel@sagimet.com

or to such other address and/or person designated by a party in writing and in the same manner to the other party. Any written notice required to be provided by or to the Executive under this Agreement may be provided by or to such representative or representatives as the Executive may designate by written notice to the Company.

16. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company other than Executive.

17. Effect on Other Plans and Agreements. An election by the Executive to resign for Good Reason under the provisions of this Agreement shall not be deemed a voluntary termination of employment by the Executive for the purpose of interpreting the provisions of any of the Company's benefit plans, programs or policies. Nothing in this Agreement shall be construed to limit the rights of the Executive under the Company's benefit plans, programs or policies except as otherwise provided in Section 8 hereof, and except that the Executive shall have no rights to any severance benefits under any Company severance pay plan, offer letter or otherwise. In the event that the Executive is party to an agreement with the Company providing for payments or benefits under such plan or agreement and under this Agreement, the terms of this Agreement shall govern and the Executive may receive payment under this Agreement only and not both. Further, Section 5 and Section 6 of this Agreement are mutually exclusive and in no event shall the Executive be entitled to payments or benefits pursuant to both Section 5 and Section 6 of this Agreement.

18. Governing Law. This is a California contract and shall be construed under and be governed in all respects by the laws of California, without giving effect to the conflict of laws principles thereof.

19. Conditions. Notwithstanding anything to the contrary herein, the effectiveness of this Agreement shall be conditioned on (i) the Executive's satisfactory completion of reference and background checks, if so requested by the Company. If the foregoing is not satisfactorily completed, Executive's employment will terminate for Cause.

20. Counterparts. This Agreement may be executed in any number of counterparts and by electronic signature (including but not limited to DocuSign), each of which when so executed

and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the Effective Date.

SAGIMET BIOSCIENCES, INC.

By: /s/ David Happel
Its: CEO

/s/ Andreas Grauer
Andreas Grauer

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) OR 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David Happel, certify that:

1. I have reviewed this Form 10-Q for the Quarterly Period Ended March 31, 2026 of Sagimet Biosciences Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2026

By: /s/ David Happel
David Happel
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) OR 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Thierry Chauche, certify that:

1. I have reviewed this Form 10-Q for the Quarterly Period Ended March 31, 2026 of Sagimet Biosciences Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 12, 2026

By: /s/ Thierry Chauche
Thierry Chauche
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATIONS OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Sagimet Biosciences Inc. (the "Company") for the quarterly period ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of their knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 12, 2026

By: /s/ David Happel

David Happel
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 12, 2026

By: /s/ Thierry Chauche

Thierry Chauche
Chief Financial Officer
(Principal Financial and Accounting Officer)