UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 6, 2023 (June 22, 2023)

AEGLEA BIOTHERAPEUTICS, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware	**001-37722**	**46-4312787**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

221 Crescent Street **Building 23** **Suite 105** **Waltham, Massachusetts**	**02453**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's Telephone Number, Including Area Code: 617 651-5940

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.0001 Par Value Per Share	AGLE	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

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. ☐

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On October 6, 2023, the Board of Directors (the "Board") of Aeglea BioTherapeutics, Inc. (the "Company") appointed Dr. Cameron Turtle, the Company's Chief Operating Officer, as the principal executive officer of the Company, effective as of the same day.

Dr. Turtle joined the Company as its Chief Operating Officer in June 2023. Dr. Turtle is an experienced leader in building, financing, and shaping biopharma organizations from preclinical development to late-stage clinical trials and commercialization. Prior to joining the Company, Dr. Turtle was an advisor to Spyre Therapeutics, Inc. ("Spyre") from May 2023 to June 2023. Previously, he served as Venture Partner at Foresite Labs, a life sciences investment firm, from July 2022 to May 2023; Chief Strategy Officer of BridgeBio Pharma (NASDAQ: BBIO), a biotechnology company, from January 2021 to April 2022; and Chief Business Officer of Eidos Therapeutics (NASDAQ: EIDX), a biopharmaceutical company, from November 2018 to January 2021, where he led business development, investor relations, and multiple operational functions as the company advanced an investigational medicine for a form of heart failure. Prior to joining Eidos, he was a consultant at McKinsey & Company, where he worked with pharmaceutical and medical device companies on topics including M&A, growth strategy, clinical trial strategy, and sales force optimization. Dr. Turtle received his B.S. with honors in Bioengineering from the University of Washington and his D.Phil. in Cardiovascular Medicine from the University of Oxford, St. John's College. He is the recipient of several awards, including a Rhodes Scholarship, Goldwater Scholarship, Forbes 30 Under 30, San Francisco Business Times 40 Under 40, and the Biocom Life Sciences Catalyst Award.

Dr. Turtle does not have any family relationship with any of the executive officers or directors of the Company. There are no arrangements or understandings between Dr. Turtle and any other person pursuant to which he was appointed as an officer of the Company.

Item 8.01 Other Events.

The Company sought from the SEC and received a waiver of the requirement to provide audited financial statements of Spyre and related pro forma financial information ("Financial Information") under Rules 3-05 and 11-01 of Regulation S-X in applicable filings to be made by the Company with the SEC in connection with the Merger and any other filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, that may require the Financial Information. The Company is filing this Current Report on Form 8-K to provide abbreviated financial information in the form of an audited Statement of Assets Acquired and Liabilities Assumed from Spyre Therapeutics, Inc. by Aeglea BioTherapeutics, Inc., as of June 22, 2023 (the "Abbreviated Financial Statement"). The Abbreviated Financial Statement, including notes thereto and Report of Independent Registered Public Accounting Firm thereon, is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
23.1	Consent of PricewaterhouseCoopers LLP
99.1	Statement of Assets Acquired and Liabilities Assumed from Spyre Therapeutics, Inc. by Aeglea BioTherapeutics, Inc., as of June 22, 2023, including notes thereto and Report of Independent Registered Public Accounting Firm thereon.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AEGLEA BIOTHERAPEUTICS, INC.

Date: October 6, 2023

By: /s/ Cameron Turtle
Cameron Turtle
Chief Operating Officer

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-256614 and 333-273769) and Form S-8 (Nos. 333-210633, 333-216903, 333-223614, 333-230137, 333-236584, 333-254430, 333-263357, and 333-270208) of Aeglea BioTherapeutics, Inc. of our report dated October 6, 2023 relating to the Statement of Assets Acquired and Liabilities Assumed from Spyre Therapeutics, Inc. by Aeglea BioTherapeutics, Inc., which appears in Exhibit 99.1 of this Current Report on Form 8-K.

/s/ PricewaterhouseCoopers LLP

Austin, Texas
October 6, 2023

Report of Independent Registered Public Accounting Firm

To the Board of Directors of Aeglea BioTherapeutics, Inc.

Opinion

We have audited the accompanying statement of assets acquired and liabilities assumed from Spyre Therapeutics, Inc. ("Spyre") by Aeglea BioTherapeutics, Inc. ("Aeglea") as of June 22, 2023, including the related notes (collectively referred to as the "financial statement").

In our opinion, the accompanying financial statement presents fairly, in all material respects, the assets acquired and liabilities assumed from Spyre by Aeglea as of June 22, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Aeglea and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statement has been prepared assuming that Aeglea will continue as a going concern. As discussed in Note 1 to the financial statement, holders of Aeglea Series A Preferred Stock are entitled to require Aeglea to settle their shares of Series A Preferred Stock for cash, and the cash redemption is not in Aeglea's control, and Aeglea has stated that substantial doubt exists about it's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 1. The financial statement does not include any adjustments that might result from the outcome of the uncertainty. Our opinion is not modified with respect to this matter.

Emphasis of Matter

As described in Note 1 to the accompanying financial statement, the financial statement was prepared in connection with Aeglea's acquisition of Spyre in accordance with a Securities and Exchange Commission (SEC) waiver received by Aeglea, for the purpose of Aeglea complying with Rule 3-05 of the SEC's Regulation S-X. The financial statement is not intended to be a complete presentation of the financial position, results of operations, or cash flows of Spyre. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Aeglea's ability to continue as a going concern for one year after the date the financial statement is available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Aeglea's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Aeglea's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

/s/ PricewaterhouseCoopers LLP

Austin, Texas
October 6, 2023

Aeglea BioTherapeutics, Inc.
Statement of Assets Acquired and Liabilities Assumed
from Spyre Therapeutics, Inc. by Aeglea BioTherapeutics, Inc.
(in thousands)

	As of June 22, 2023
ASSETS ACQUIRED	
Current assets:	
Cash and cash equivalents	$ 3,035
Total current assets	3,035
Total assets acquired	$ 3,035
LIABILITIES ASSUMED	
Current liabilities:	
Accrued liabilities	$ 20,047
Total current liabilities	20,047
Total liabilities assumed	20,047
Net liabilities assumed	**$ (17,012)**

See accompanying notes to the Statement of Assets Acquired and Liabilities Assumed
from Spyre Therapeutics, Inc. by Aeglea BioTherapeutics, Inc.

Aeglea BioTherapeutics, Inc.
Notes to Statement of Assets Acquired and Liabilities Assumed
from Spyre Therapeutics, Inc. by Aeglea BioTherapeutics, Inc.

1. Description of the Business and Summary of Significant Accounting Policies

On June 22, 2023, Aeglea BioTherapeutics, Inc. ("Aeglea", the "Company", and "our") acquired, in accordance with the terms of the Agreement and Plan of Merger (the "Acquisition Agreement"), the assets from Spyre Therapeutics, Inc ("Spyre"), a privately held biotechnology company advancing a pipeline of antibody therapeutics through a research and development option agreement ("Paragon Agreement") with Paragon Therapeutics ("Paragon"). Spyre was incorporated on April 28, 2023, for the purpose of holding rights to certain intellectual property being developed by Paragon.

On September 8, 2023, Aeglea effected a reverse stock split of its Common Stock at a ratio of 1-for-25 (the "Reverse Split"). Except as indicated otherwise, all share numbers related to our Common Stock disclosed in this statement have been adjusted on a post-Reverse Split basis.

The transaction (the "Asset Acquisition") was structured as a stock-for-stock transaction pursuant to which all of Spyre's outstanding equity interests were exchanged based on a fixed exchange ratio of 0.5494488 to 1 for consideration from Aeglea of 517,809 shares of common stock and 364,887 shares of Series A non-voting convertible preferred stock, par value of $0.0001 per share ("Series A Preferred Stock") (convertible on a 40 to 1 basis) in addition to the assumption of outstanding and unexercised stock options to purchase 2,734 shares of common stock from the Amended and Restated Spyre 2023 Equity Incentive Plan. The Aeglea common stock and the Aeglea Series A Preferred Stock related to the Asset Acquisition were issued to the Spyre stockholders on July 7, 2023.

The Company concluded that the arrangement meets the definition of an asset acquisition rather than a business combination, as substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset, Spyre's option (the "Option") to exclusively license certain in-process research and development ("IPR&D"). The Company determined that the Option to license IPR&D was a single asset as the Company's strategy relies on developing a portfolio of combination treatments that simultaneously address different mechanisms of irritable bowel disease. The Company also determined that the pipeline candidates within the portfolio are similar in nature and risk profile. In addition, the Company did not obtain any substantive processes, assembled workforce, or employees capable of producing outputs in connection with the Asset Acquisition.

The Company determined that the cost to acquire the asset was $113.2 million, which was recorded as acquired IPR&D. The fair value of the consideration issued consisted of the 364,887 shares of Series A Preferred Stock (14,595,480 shares of common stock on an as-converted basis) and 517,809 shares of common stock, valued at $291.08 per share and $7.277 per share, respectively.

The Paragon Agreement provided for an annual equity grant of options to purchase 1% of the then outstanding shares of Spyre's common stock, on a fully diluted basis, on the last business day of each calendar year during the term of the Option, at the fair market value determined by the board of directors of Spyre (the "Parapyre Option Obligation"). In connection with the Asset Acquisition, the Company assumed the rights and obligations of Spyre under the Paragon Agreement, including the Parapyre Option Obligation. As a result, the Parapyre Option Obligation shall continue and Parapyre shall be entitled to receive the equivalent shares of common stock of the Company on the same terms. For additional information, see Note 3.

The Asset Acquisition costs are shown on the following table (in thousands):

	As of June 22, 2023
Consideration transferred in Series A Preferred Stock and common stock	$ 109,979
Transaction costs incurred by Aeglea	3,197
Total cost to acquire asset	$ 113,176

The Company's allocation of the purchase price to net assets acquired is as follows (in thousands):

	As of June 22, 2023
Acquired in-process research and development	$ 130,188
Cash acquired	3,035
Accrued liabilities	(20,047)
Total cost to acquire asset	$ 113,176

In accordance with ASC 730-10-25-2(c), intangible assets used in research and developmental activities acquired in an asset acquisition should be expensed at the acquisition date if there is no alternative future use in other R&D projects or otherwise (i.e., if they have no economic value). The Company determined that product candidates pertaining to Spyre had no alternative future use at the time of acquisition and recorded $130.2 million to Acquired In-process Research and Development Expenses as of the date of acquisition. The difference between this amount and the $113.2 million cost to acquire Spyre represents the net liabilities assumed of $17.0 million.

Basis of Presentation

As a result of acquiring Spyre, and based on the criteria in Rule 3-05 of the Securities and Exchange Commission's (the "SEC") Regulation S-X, the Company would ordinarily be required to file certain historical audited financial statements for Spyre and corresponding pro forma financial information pursuant to Article 11 of Regulation S-X. Further, the historical financial statements could require the inclusion of predecessor entity information, if warranted. However, because the Company believes that Spyre's full financial statements are not material to the Company's shareholders and would be of limited value to investors, the Company requested relief from the SEC from the requirements under Rule 3-05 and Article 11 of Regulation S-X to file audited financial statements and pro forma financial information in connection with the acquisition of Spyre. In response to the waiver request, the SEC provided the Company with a waiver that it could file an audited Statement of Assets Acquired and Liabilities Assumed from Spyre Therapeutics, Inc. on the basis of the allocation of the Company's purchase price as of the acquisition date of June 22, 2023. Stand-alone full financial statements related to the assets acquired have not been prepared previously. This financial statement is not intended to be a complete presentation of the financial position, results of operations, or cash flows of Spyre.

The Company determined that it was the acquirer of Spyre under ASC 805 due to the relative voting rights in the combined entity, the composition of the governing body of the combined entity, and the composition of the senior management of the combined entity remaining relatively the same before and after the consummation of the transaction. The Company determined that the future conversion of the Series A Preferred Stock, if approved by the Company's voting shareholders, was an independent event based on it being outside of the control of the Company and therefore substantive. The Company did not succeed to substantially all of Paragon's business nor acquire from Paragon any separately identifiable line of business, the Company concluded that Paragon did not meet the definition of predecessor.

The Company evaluates acquisitions of assets and other similar transactions to assess whether or not the transaction should be accounted for as a business combination or asset acquisition by first applying a screen test to determine whether substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If so, the transaction is accounted for as an asset acquisition. If not, further determination is required as to whether or not the Company has acquired inputs and processes that have the ability to create outputs, which would meet the definition of a business. Significant judgment is required in the application of the screen test to determine whether an acquisition is a business combination or an acquisition of assets.

The Company concluded that the arrangement meets the definition of an asset acquisition rather than a business combination, as substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset, Spyre's option to exclusively license IPR&D.

The Company measures and recognizes asset acquisitions that are not deemed to be business combinations based on the cost to acquire the assets, which includes pre-acquisition direct costs recorded in accrued professional and consulting fees. Goodwill is not recognized in asset acquisitions. When a transaction accounted for as an asset acquisition includes an IPR&D asset, the IPR&D asset is only capitalized if it has an alternative future use other than in a particular research and development project. Otherwise, the cost allocated to acquire an IPR&D asset with no alternative future use is charged to expense at the acquisition date.

The Company has not generated any product revenues and has not achieved profitable operations. There is no assurance that profitable operations will ever be achieved, and, if achieved, could be sustained on a continuing basis. In addition, development activities, clinical and nonclinical testing, and commercialization of the Company's product candidates will require significant additional financing before a commercial drug can be produced and marketed.

The Company is subject to a number of risks similar to other life science companies, including, but not limited to, risks related to the successful discovery, development, and commercialization of product candidates, raising additional capital, development of competing drugs and therapies, protection of proprietary technology and market acceptance of the Company's product candidates. As a result of these and other factors and the related uncertainties, there can be no assurance of the Company's future success.

In April 2023, the Board of Directors approved a restructuring of the Company's workforce pursuant to which the Company's workforce was reduced by approximately 83%, retaining approximately 10 employees. Additionally, the Company announced interim results from its ongoing Phase 1/2 clinical trial of pegtarviliase for the treatment of classical homocystinuria. Following a review of the interim results and other business considerations, the Company explored strategic alternatives with the goal of maximizing stockholder value, including possible business combinations and/or a divestiture of the Company's clinical programs.

On June 22, 2023, the Company acquired the net liabilities from Spyre. Additionally, on June 26, 2023, the Company completed a private placement of shares of Series A Preferred Stock and sold an aggregate of 721,452 shares of Series A Preferred Stock for an aggregate purchase price of approximately $210.0 million before deducting approximately $12.7 million placement agent and other offering expenses. In accordance with ASC 205-40, Going Concern, in connection with the preparation of the statement of assets acquired and liabilities assumed of Spyre, the Company has evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date the financial statement is available to be issued. Our Series A Preferred Stock agreement requires us to seek stockholder approval for the conversion of the Series A Preferred Stock to Common Stock. The Company has agreed to hold a stockholders' meeting to submit this matter to its stockholders for their consideration. In connection with this, the Company filed with the SEC a preliminary proxy statement and other relevant materials. The stockholder meeting has not occurred as of October 6, 2023. If our stockholders do not timely approve the conversion of our Series A Preferred Stock, then the holders of our Series A Preferred Stock are entitled to require us to settle their shares of Series A Preferred Stock for cash at a price per share equal to the fair value of the Series A Preferred Stock, as described in our Certificate of Designation relating to the Series A Preferred Stock. The cash redemption is not in our control and raises substantial doubt about our ability to continue as a going concern. The accompanying financial statement assumes the Company will continue as a going concern through the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and certain financial statement disclosures. Management bases its estimates on historical experience and on various other market-specific and relevant assumptions that management believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets, liabilities, and equity and the amount of revenues and expenses. Actual results could differ significantly from those estimates. Key estimates that management considers in the preparation of the Company's financial statements relate to accrued option costs payable to Paragon and the valuation of consideration transferred. The consideration transferred in acquiring IPR&D in connection with the acquisition of Spyre was comprised of the Company's common stock and shares of Series A preferred stock. To determine the fair value of the equity transferred, the Company considered the per share value of its concurrent private financing transaction, which was an over-subscribed financing event involving a group of investors.

Cash and Cash Equivalents

As of June 22, 2023, Spyre held $3.0 million in cash and cash equivalents, which consisted of a single deposit account denominated in U.S. dollars. At June 22, 2023, U.S. cash deposits in excess of the Federal Deposit Insurance Corporation's insured limit were $2.8 million.

Accrued Liabilities

Accrued liabilities primarily consist of research initiation fees, reimbursable expenses under the Paragon Agreement for historical costs incurred by Paragon, professional and consulting fees, and the fair of assumed Parapyre Option Obligation.

2. Accrued liabilities

In connection with the Asset Acquisition, the Company assumed the rights and obligations of Spyre under the Paragon Agreement. Under the Paragon Agreement, Spyre is obligated to compensate Paragon on a quarterly basis for its services performed under each research program based on the actual costs incurred with mark-up costs pursuant to the terms of the Paragon Agreement. As of the date of the Asset Acquisition, Spyre had incurred total expenses of $19.0 million under the Paragon Agreement since inception, inclusive of a $3.0 million research initiation fee that was due upon signing of the Paragon Agreement and $16.0 million of historical reimbursable expenses owed to Paragon. As of June 22, 2023, $19.0 million was unpaid and was assumed by the Company through the Asset Acquisition.

Accrued liabilities consist of the following (in thousands):

	As of June 22, 2023
Accrued option cost payable to Paragon	$ 18,987
Accrued professional and consulting fees	917
Fair value of assumed Parapyre Option Obligation (Note 3)	143
Accrued liabilities	$ 20,047

3. Parapyre Option Obligation

On June 22, 2023, in connection with the Asset Acquisition, the Company assumed the Parapyre Option Obligation which provided for an annual equity grant of options for Parapyre to purchase 1% of the then outstanding shares of Spyre's common stock, on a fully diluted basis, on the last business day of each calendar year during the term of the Paragon Agreement, at the fair market value determined by the board of directors of Spyre. As a result of the Asset Acquisition the Parapyre Option Obligation shall continue and Parapyre shall be entitled to receive the equivalent shares of the Company with the same terms. The Parapyre Option Obligation is considered a Level 2 liability based on observable market data for substantially the full term of the liabilities. The Parapyre Option Obligation is measured each period using a Black-Scholes model to estimate the fair value of the option grant. Changes in the fair value of the Parapyre Option Obligation are recorded as stock-based compensation within Research and development expenses for non-employees who provided pre-clinical testing services within Research and development expenses. As of June 22, 2023, the estimated liability of the Parapyre Option Obligation was $0.1 million and was included in accrued liabilities.

4. Related Party Transactions

Paragon and Parapyre Holding LLC each beneficially owns less than 5% of the Company's capital stock through their respective holdings of Common Stock and Series A Preferred Stock of the Company. Fairmount Funds Management LLC ("Fairmount") beneficially owns more than 5% of our capital stock, has two seats on the Company's board of directors and beneficially owns more than 5% of Paragon, which is a joint venture between Fairmount and Fair Journey Biologics. Fairmount has appointed Paragon's board of directors and has the contractual right to approve the appointment of any executive officers. Parapyre is an entity formed by Paragon as a vehicle to hold equity in Spyre in order to share profits with certain employees of Paragon.

5. Subsequent Events

The Company's management has evaluated subsequent events up to October 6, 2023, the date the Statement of Assets Acquired and Liabilities Assumed from Spyre, Inc. was available to be issued. There have been no subsequent events that require recognition or disclosure in this financial statement except for the following described below.

On July 7, 2023, the Company issued 517,809 shares of common stock and 364,887 shares of Series A Preferred Stock as part of its consideration transferred in connection with the Asset Acquisition.

On August 8, 2023, the Company filed a preliminary proxy statement with the SEC to solicit approval of the conversion of the Series A Preferred Stock into shares of Common Stock in connection with the Asset acquisition, among other matters, at a special meeting of stockholders.

On September 8, 2023, the Company's Board of Directors approved a reverse stock split of the Company's common stock, par value $0.0001 per share, at a ratio of 1-for-25 and a reduction in the total number of authorized shares of Common Stock from 500,000,000 shares to 20,000,000 shares.

On September 29, 2023, the Company amended the Paragon Agreement to amend and restate certain terms of the option grant pertaining to the Parapyre Option Obligation, including but not limited to (i) defining that the annual equity grant of options is based on the outstanding shares of Aeglea's common stock, (ii) establishing the grant date as the last business day of each applicable calendar year, and (iii) defining the term of the options granted is ten years. The liability related to the Parapyre Option Obligation will be recorded pursuant to the amended Paragon Agreement on a go forward basis. The Company determined that these amendments would not have materially impacted the liability as of June 22, 2023.