Risk Factors Comparison 2024-02-15 to 2023-02-28 Form: 10-K

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Investing in our common stock involves significant risks. Before investing, carefully consider the risks described below and the other information in this Annual Report on Form 10- K, including our consolidated financial statements and related notes. The risks and uncertainties described below are the ones we believe may materially affect us. ~~Many of them have been or may become exacerbated by the COVID- 19 pandemic.~~ There may be others of which we are unaware that could materially harm our business or financial condition and cause the price of our stock to decline, in which case you could lose all or part of your investment. Summary of Principal Risks The following bullet points summarize the principal risks we face, each of which could adversely affect our business, operations and financial results. **Below** ~~For clarity of presentation~~, we have arranged these risks by the part of our business they most directly affect ~~— (i) commercial operations, (ii) research and development, (iii) capital need and financial results, (iv) intellectual property and (v) our stock price. A sixth group of " general risks " lists risks that affect our business as a whole~~. Risks Related to our Commercial Activities • Failure to generate sufficient revenue from the sale of Korlym would harm our financial results and would likely cause our stock price to decline. • **If a generic version of Korlym** ~~The COVID- 19 pandemic has adversely affected and~~ is ~~continuing to adversely affect our business. • If generic versions of Korlym are~~ successfully commercialized, our business, results of operations and financial position would be adversely affected. • New laws, government regulations, or changes to existing laws and regulations could make it difficult or impossible for us to obtain acceptable prices or adequate insurance coverage and reimbursement for Korlym, which would adversely affect our results of operations and financial position. Risks Related to our Research and Development Activities • Our efforts to discover, develop and commercialize our product candidates may not succeed. Clinical drug development is lengthy, expensive and often unsuccessful. Results of early studies and trials are often not predictive of later trial results. Failure can occur at any time. **Even if we deem that** ~~• The COVID- 19 pandemic has lengthened the time it takes to initiate and advance some of our clinical trials. • Vendors perform many of the activities necessary to carry out our clinical trials, including drug product distribution, trial management and oversight and data collection and analysis. Failure of these vendors to perform their duties or meet expected timelines may prevent or delay approval of~~ our product candidates ~~. • We~~ **' clinical trial results demonstrate safety and efficacy, regulatory authorities** may ~~be unable~~ **not agree. Failure** to obtain or maintain regulatory approvals for our product ~~or product~~ candidates ~~, which~~ would prevent us from commercializing **them. • Vendors perform many of the activities necessary to carry out our clinical trials, including drug product distribution, trial management and oversight and data collection and analysis. Failure of these vendors to perform their duties or meet expected timelines may prevent or delay approval of** our product candidates ~~. • Our products and product candidates may cause undesirable side effects that halt their clinical development, prevent their regulatory approval, limit their commercial potential or cause us significant liability~~. Risks Relating to our Intellectual Property • To succeed, we must secure, maintain and effectively assert adequate patent protection for the composition and methods of use of our proprietary, selective cortisol modulators and for the use of Korlym to treat Cushing' s syndrome. Risks Related to our Stock • The price of our common stock fluctuates widely and is likely to continue to do so. Opportunities for investors to sell shares may be limited. • Our stock price may decline if our financial performance does not meet the guidance we have provided to the public, estimates published by research analysts or other investor expectations. General Risks • We rely on information technology to conduct our business. A breakdown or breach of our information technology systems or our failure to protect confidential information concerning our business, patients or employees could interrupt the operation of our business and subject us to liability. Risk Factors – Discussion The following section discusses the principal risks listed above, as well as other risks we believe to be material. Our ability to generate revenue and to fund our commercial operations and development programs is dependent on the sale of Korlym to treat patients with Cushing' s syndrome. Physicians will prescribe Korlym only if they determine that it is preferable to other treatments, even if those treatments are not approved for Cushing' s syndrome. ~~Because~~ **Most physicians are inexperienced diagnosing or caring for patients with** Cushing' s syndrome ~~is rare, most physicians are inexperienced diagnosing or caring for patients with the illness~~ and it can be hard to persuade them to identify appropriate patients and treat them with Korlym. Many factors could limit our Korlym revenue, including: • the preference of some physicians for competing treatments for Cushing' s syndrome, including off- label treatments and generic versions of Korlym ~~, should any such generic versions be introduced; • natural disasters or other catastrophes, such as the COVID- 19 pandemic, that reduce the ability or willingness of physicians to see patients or of patients to bear the risk of leaving their homes to seek medical care~~ ; and • lack of availability of government or private insurance, the shift of a significant number of patients to Medicaid, which reimburses Korlym at a significantly lower price, or the introduction of government price controls or other price- reducing regulations, such as the Inflation Reduction Act of 2022, that may significantly limit Medicare reimbursement rates. Failure to generate sufficient Korlym revenue could prevent us from fully funding our planned commercial and clinical activities and would likely cause our stock price to ~~decline. COVID- 19, a serious and sometimes fatal illness, has spread to every country in the world and throughout the United States. Many countries, including most states of the United States, reacted by instituting quarantines, " lockdowns " and other public health restrictions on leisure activities, work and travel. Although pandemic- related restrictions have been eased or removed in some places, including California, our business remains subject to pandemic- related controls, which may become more restrictive at any time. We rely on third- party manufacturers, distributors (including the specialty pharmacy that dispenses Korlym), information technology and software service providers, law and accounting firms, clinical research organizations and consultants who are subject to, or may become subject to, pandemic- related controls. If these third parties cannot perform the services we require in~~

~~a timely way and we cannot successfully implement replacements or workarounds, our business, results of operations and financial condition could be harmed. COVID- 19 has made it difficult to grow our commercial business. Many physicians have reduced the frequency of patient office visits and barred office visits by third parties, including our clinical specialists and medical science liaisons. In addition, many patients have postponed visits to their physicians or testing at clinical laboratories or imaging centers. These precautions have made it harder for physicians to identify patients who may benefit from Korlym, begin their treatment, arrive at an optimum dose and maintain their patients' regimens. We cannot predict the duration of these impacts on our business or how severe future impacts may be, including supply- chain disruptions and inflationary impacts. If physicians do not prescribe Korlym to new patients or have difficulty increasing a patient' s Korlym dose to its optimal level, or if patients already receiving Korlym discontinue treatment, our revenue will be unlikely to grow and may~~ decline. The marketing exclusivity provided by Korlym' s orphan drug designation expired in February 2019, which means other companies may now seek to introduce generic equivalents of Korlym for Korlym' s approved indication, provided such parties receive FDA approval and can show that they would not infringe our applicable patents or that those patents are invalid or unenforceable. If our patents are successfully challenged and a generic version of Korlym becomes available, our sales of Korlym tablets and their price could decline rapidly and significantly, which would reduce our revenue and materially harm our results of operations and financial position. Competition from a generic version of Korlym may also cause our revenue to be materially less than the public guidance we have provided, which would likely cause the price of our common stock to decline. Legal action to enforce or defend intellectual property rights is complex, costly and involves significant commitments of management time. There can be no assurance of a successful outcome. We have sued Teva in Federal District Court with respect to ~~their~~ **its** proposed generic versions of Korlym. ~~In November~~ **On December 29,** ~~2020~~ **2023** , the ~~PTAB ruled~~ **Court issued a ruling in that case finding that Teva' s generic product would not infringe the patents we have asserted** against Teva ~~in a challenge Teva had brought~~ **. We have appealed that decision** to ~~one of our patents, a ruling which~~ the Federal Circuit Court of Appeals **, but** ~~has affirmed. We had also sued Sun and Hikma with respect to their~~ **there can be no assurance** ~~proposed generic version of Korlym, although we settled those lawsuits in June 2021 and December 2022, respectively. The terms of~~ our **appeal will be successful** ~~settlement with Sun and Hikma are subject to customary review by the Federal Trade Commission and Department of Justice~~ . ~~Please see " Part I, Item 3, Legal Proceedings. "~~ Because Teva has received FDA approval, ~~Teva may choose~~ **it has been able, since August 2020,** to ~~begin marketing~~ --- **market** its generic product ~~at any time~~ , notwithstanding our ongoing litigation. ~~We would seek a~~ **Teva has announced the launch of its generic product. If its launch is successful, it may materially harm** ~~court~~ -- **our results** ~~order stopping such a course~~ of ~~action~~ **operations and financial condition** , ~~but~~ even if ~~we were to prevail~~ **our on- going appeal is successful** and Teva were **required** to withdraw its product and pay us damages **. We had also sued Sun and Hikma with respect to** ~~the~~ **their proposed** ~~temporary availability of a~~ generic ~~version~~ **versions** of Korlym ~~might~~ **, although we settled those lawsuits in June 2021 and December 2022, respectively. The terms of these settlements permit entry by Sun and Hikma, with customary restrictions, following the start of sales of Teva' s generic product. Market entry by Sun or Hikma could** materially harm our results of operations and financial condition **, even if our on- going appeal is successful and they were required to withdraw its product and pay us damages. Please see " Part I, Item 3, Legal Proceedings " for additional details** . It is likely that other companies will seek FDA approval to market a generic version of Korlym. While we will vigorously protect our intellectual property, there can be no assurance our efforts will be successful. Natural disasters, some possibly related to..... from disasters or other business interruptions. Other companies offer ~~or are attempting to develop~~ different medications to treat patients with Cushing' s syndrome. The availability of competing treatments could limit our revenue from Korlym. Since 2012, a medication owned by the Italian pharmaceutical company Recordati- S. p. A., the somatostatin analogue Signifor ® (pasireotide) Injection, has been marketed in both the United States and the EU for adult patients with Cushing' s disease (a subset of Cushing' s syndrome). On March 6, 2020, the FDA granted Recordati approval to market another cortisol synthesis inhibitor, Isturisa ® (osilodrostat) tablets, to treat patients with Cushing' s disease. Osilodrostat is approved in the EU for the treatment of patients with Cushing' s syndrome. On December 30, 2021, Xeris received FDA approval to market the cortisol synthesis inhibitor Recorlev ® (levoketoconazole) to treat patients with Cushing' s syndrome in the United States. Levoketoconazole is an enantiomer of the generic anti- fungal medication, ketoconazole, that is prescribed off- label to treat patients with Cushing' s syndrome. Osilodrostat and levoketoconazole have been designated orphan drugs in both the EU and the United States. Physician preference for any of these medications, or for the off- label use of generic medications such as ketoconazole, to treat patients with Cushing' s syndrome could reduce our revenue materially and harm our results of operations, which would cause our stock price to decline. The commercial success of Korlym depends on the availability of acceptable pricing and adequate insurance coverage and reimbursement. Government payers, including Medicare, Medicaid and the Veterans Administration, as well as private insurers and health maintenance organizations, are increasingly attempting to contain healthcare costs by limiting reimbursement for medicines. In many foreign markets, drug prices and the profitability of prescription medications are subject to government control. In the United States, we expect that there will continue to be federal and state proposals for similar controls. Also, the trends toward managed health care in the United States and recent laws and legislation intended to increase the public visibility of drug prices and reduce the cost of government and private insurance programs could significantly influence the purchase of health care services and products and may result in lower prices for Korlym. If government or private payers cease to provide adequate and timely coverage, pricing and reimbursement for Korlym, physicians may not prescribe the medication and patients may not purchase it, even if it is prescribed, or the price we receive may be reduced, which would reduce our revenue. In the United States, there have been and continue to be legislative initiatives to contain healthcare costs. The Patient Protection and Affordable Care Act (" ACA ") which was passed in 2010, substantially changed the way health care is financed by both governmental and private insurers. The ~~Inflation Reduction Act of 2022, or~~ IRA ~~,~~ introduced some of the most significant changes to Medicare payment for prescription drugs since the ACA. Among its many provisions, the IRA

requires the Secretary of the U. S. Department of Health and Human Services (" HHS ") to negotiate Medicare prices for selected drugs and biologicals, including both physician- administered products covered under Medicare' s Part B benefit and self- administered drugs covered under the Part D benefit. Each year, the Secretary will select for price negotiation a specified number of negotiation- eligible drugs with the highest total Part B or D expenditures over a preceding 12- month period. To be eligible for price negotiation a drug must have been on the market for at least seven years without generic competition. Orphan drugs indicated for only one rare disease or condition and drugs with less than $ 200 million in annual Medicare expenditures are exempt from the negotiation program. For the first two years of the program, 2026 and 2027, only Part D drugs are eligible. The Secretary will publish the negotiated price, known as the " Maximum Fair Price " ~~, or~~ **(“** MFP **”)** , for each of the selected products. Manufacturers of selected drugs would be required to offer the drug for Medicare recipients at the MFP. Manufacturers who fail to negotiate or offer the MFP can face significant civil money penalties or excise tax liability on sales of that drug. Depending on the share of Medicare spending each year that is attributed to Korlym or any other drug candidate that we develop and whether or not those drugs become eligible for Medicare negotiation, those drugs and our revenue may be adversely impacted by this provision. The IRA also establishes an inflation rebate program that requires manufacturers to pay rebates to the Medicare program if any of the medications they provide Medicare recipients increase in price faster than the rate of inflation. The Part D inflation rebate provision went into effect on October 1, 2022. Although manufacturers are generally familiar with inflation rebates under the Medicaid program, where they have existed for decades, the IRA represents the first time that inflation rebates have been extended to the Medicare program. Beginning in 2025, the IRA will also shift a significant portion of the Medicare beneficiary costs from the government and beneficiaries to manufacturers. We anticipate that this provision will significantly limit the revenue ~~Corcept~~ **we** ~~receives~~ **receive** and may materially reduce our revenue and profits **. We make grants to independent charitable foundations that help financially needy patients with their premium, co- pay, and co- insurance obligations with respect to their Cushing' s syndrome treatment, whether that treatment includes Korlym or not. There has been enhanced scrutiny of company- sponsored patient assistance programs, including insurance premium and co- pay assistance programs and donations to third- party charities that provide such assistance. As a result of this scrutiny, these assistance programs and charities may decide to reduce or eliminate entirely the assistance they provide to patients, which could result in fewer patients receiving the financial support they need to cover the cost of their Cushing' s syndrome care, including the cost of medication, which may include Korlym** . There continues to be federal and state initiatives to contain healthcare costs, in part informed by the current atmosphere of mounting criticism of prescription drug costs in the United States. We expect governmental oversight and scrutiny of pharmaceutical companies will continue to increase and there will continue to be proposals to change the healthcare system in ways that could harm our ability to sell Korlym profitably. We anticipate that the United States Congress, state legislatures, and regulators may implement healthcare policies intended to curb healthcare costs, such as federal and state controls on reimbursement for drugs (including under Medicare and commercial health plans), new or increased requirements to pay prescription drug rebates and penalties to government health care programs and policies that require drug companies to disclose and justify the prices they charge. ~~Recently enacted laws and the regulations and policies implementing them, as well as other healthcare- related measures that may be adopted in the future, could materially reduce our Korlym revenues and our ability to develop and commercialize our product candidates.~~ We depend on vendors to manufacture Korlym' s active ingredient, form it into tablets, package it and dispense it to patients. We also depend on vendors to manufacture the active pharmaceutical ingredient (" API ") and capsules or tablets for our product candidates. If our suppliers become unable or unwilling to perform these functions and we cannot transfer these activities to replacement vendors in a timely manner, our business will be harmed. **In** ~~A single third- party manufacturer, Produits Chimiques Auxiliaires et de Synthese SA (" PCAS "), supplies~~ the ~~API~~ **event any of our vendors fails to perform its contractual obligations to us or is materially impaired** in **its performance, we may experience disruptions and delays in our supply chain and our ability to deliver** Korlym ~~. Two other third- party manufacturers are approved~~ to **patients** ~~produce and bottle Korlym tablets. The current term of our agreement with PCAS continues until December 31~~ , ~~2023~~ **which would adversely affect our business, results of operations and financial position** . **Our** ~~We use a~~ single specialty pharmacy, Optime, ~~to dispense~~ **dispenses** Korlym and ~~perform~~ **performs** related pharmacy **and** ~~operations,~~ patient support ~~and related~~ services, including the collection of payments from insurers representing approximately 99 percent of our revenue. If Optime does not adhere to its agreements with payers **or does not continue to meet regulatory requirements concerning pharmacy operations** , it may not be able to collect some or all of the payments due to us **. In addition, if Optime becomes unable or unwilling to perform its obligations under our agreement, we may not be able to dispense Korlym in a timely manner to some or all of our patients** . Our agreement with Optime extends to March 31, 2024, subject to customary termination provisions, including the right of Optime to terminate in the event of a material breach by us that we do not cure in a reasonable period of time after receiving written notice. In addition, we may terminate the agreement for convenience. ~~In the event any of our vendors fails to perform its contractual obligations to us or is materially impaired in its performance by the COVID- 19 pandemic or for any other reason, we may experience disruptions and delays in our supply chain and our ability to deliver Korlym to patients, which would adversely affect our business, results of operations and financial position.~~ The facilities used by our vendors to manufacture and package the API and drug product for Korlym and our product candidates **and distribute them to hospitals, clinics and patients,** must be approved by **government regulators** ~~the FDA and,~~ in ~~some cases,~~ the **United States,** ~~European~~ **Europe,** ~~Medicines Agency (" EMA ") or the Medicines~~ and **elsewhere** ~~Healthcare products Regulatory Agency (" MHRA ")~~ . We do not control the activities of these vendors, including whether they maintain adequate quality control and hire qualified personnel. We are dependent on them for compliance with the regulatory requirements known as current good manufacturing practices (" cGMPs "). If our vendors cannot manufacture material that conforms to our specifications and the strict requirements of the FDA or others, they will not be able to maintain regulatory authorizations for their facilities and we could be prohibited from using the API or drug product they have provided. If the FDA, **European**

Medicines Agency (“ EMA **”)** , **the Medicines and Healthcare products Regulatory Agency (“** MHRA **”)** or other regulatory authorities withdraw regulatory authorizations of these facilities, we may need to find alternative vendors or facilities, which would be time- consuming, complex and expensive and could significantly hamper our ability to develop, obtain regulatory approval for and market our products. Sanctions could be imposed on us, including fines, injunctions, civil penalties, refusal of regulators to approve our product candidates, delays, suspensions or withdrawals of approvals, seizures or recalls of products, operating restrictions and criminal prosecutions, any of which could harm our business. The unfavorable public perception of mifepristone may limit our ability to sell Korlym. The active ingredient in Korlym, mifepristone, is approved by the FDA in another drug for the termination of early pregnancy. On June 24, 2022, the United States Supreme Court published its decision in the case of Dobbs v. Jackson Women’ s Health Organization (“ Dobbs ”), which overturned Roe v. Wade, the 1973 Supreme Court decision establishing a woman’ s right to terminate her pregnancy, subject to certain limitations. Dobbs has stimulated many states to enact laws making abortion illegal in virtually every circumstance, including during early pregnancy. More laws banning or heavily restricting termination of pregnancy may be adopted and existing laws may be made more restrictive. **Two highly publicized cases regarding mifepristone have been filed in the U. S. since the Dobbs decision, one of which seeks to invalidate the FDA’ s approval of mifepristone and the other of which seeks to uphold the FDA’ s approval in certain jurisdictions. On April 7, 2023, the United States District Court for the Northern District of Texas, Amarillo Division, issued a preliminary injunction blocking the FDA’ s approval of mifepristone. This ruling has been stayed and will have no effect until the U. S. Supreme Court hears the case, which it is expected to do in 2024. The ultimate outcome is uncertain.** Heightened public perception of mifepristone as an abortifacient may draw the attention of hostile state government officials or political activists to Korlym – even though Korlym is not approved for the termination of pregnancy, we do not promote it for that use and we have taken measures to minimize the chance that it will accidentally be prescribed to a pregnant woman. In addition, physicians and patients may choose not to use Korlym as a treatment for Cushing’ s syndrome simply to avoid the risk of terminating a pregnancy. **Natural disasters,some possibly related to** ~~.A resurgence of COVID- 19 or~~ the ~~widespread occurrence~~ **increasing effects** of ~~another deadly illness~~ **climate change,** could **damage** ~~adversely affect our~~ - **or** ~~business~~ **destroy clinical trial sites** , **our office spaces,the residences of our employees or the facilities or residences of our vendors,contractors or consultants,which could significantly harm our** operations ~~and financial results.The COVID- 19 pandemic made it difficult to grow our commercial business and slowed the pace of some of our clinical trials~~ .We are ~~also~~ vulnerable to natural disasters,including earthquakes,fires,hurricanes,floods,blizzards and the extended periods of extreme heat,cold and precipitation made more frequent and severe by global warming.For example,our headquarters are in the San Francisco Bay Area,which experiences earthquakes,wildfires and flooding.Our specialty pharmacy,tablet manufacturers and warehouses are in areas subject to hurricanes and tornadoes.All our activities,as well as the activities of our vendors,consultants,clinical investigators,patients,physicians and regulators,are subject to the risks posed by global warming.The loss of life,property damage and disruptions to electrical power distribution,communications,travel and shipping caused by natural disasters could make it difficult or impossible to conduct our commercial activities or complete our drug discovery activities or clinical trials.Patients may be unwilling or unable to travel to clinical trial sites,for example,or clinical materials or data may be lost.Our insurance,if available at all,would likely be insufficient to cover losses resulting from disasters or other business interruptions. We may not have adequate insurance to cover our exposure to product liability claims. We may be subject to product liability or other claims based on allegations that Korlym or one of our product candidates has harmed a patient. Such a claim may damage our reputation by raising questions about Korlym or our product candidates’ safety and could prevent or interfere with product development or commercialization. Less common adverse effects of a pharmaceutical product are sometimes not known until long after the product is approved for marketing. Because the active ingredient in Korlym is used to terminate pregnancy, clinicians using Korlym in clinical trials and physicians prescribing the medicine to women must take strict precautions to ensure that it is not administered to pregnant women. Failure to observe these precautions could result in significant product liability claims. Our insurance may not fully cover our potential product liabilities. Inability to obtain adequate insurance coverage could ~~inhibit~~ **delay** development of our product candidates or result in significant uninsured liability. Defending a lawsuit could be costly and divert management from productive activities. If we are unable to maintain regulatory approval of Korlym or if we fail to comply with other requirements, we will be unable to generate revenue and may be subject to penalties. We are subject to oversight by the FDA and other regulatory authorities in the United States and elsewhere with respect to our research, testing, manufacturing, labeling, distribution, adverse event reporting, storage, advertising, promotion, recordkeeping and sales and marketing activities. These requirements include submissions of safety information, annual updates on manufacturing activities and continued compliance with FDA regulations, including cGMPs, good laboratory practices and good clinical practices (“ GCPs ”). The FDA enforces these regulations through inspections of us and the laboratories, manufacturers and clinical sites we use. Foreign regulatory authorities have comparable requirements and enforcement mechanisms. Discovery of previously unknown problems with a product or product candidate, such as adverse events of unanticipated severity or frequency or deficiencies in manufacturing processes or management, as well as failure to comply with FDA or other U. S. or foreign regulatory requirements, may subject us to substantial civil and criminal penalties, injunctions, holds on clinical trials, product seizure, refusal to permit the import or export of products, restrictions on product marketing, withdrawal of the product from the market, product recalls, total or partial suspension of production, refusal to approve pending new drug applications (“ NDAs ”) or supplemental NDAs, and suspension or revocation of product approvals. We may be subject to civil or criminal penalties if our marketing of Korlym violates FDA regulations or health care fraud and abuse laws. We are subject to FDA regulations governing the promotion and sale of medications. Although physicians are permitted to prescribe drugs for any indication they choose, manufacturers may only promote products for their FDA- approved use. All other uses are referred to as “ off- label, ” manufacturers are prohibited from engaging in any ~~of~~ “ off- label ” promotion. In the United States, we market Korlym to treat hyperglycemia secondary to hypercortisolism in adult patients with

endogenous Cushing' s syndrome who have type 2 diabetes mellitus or glucose intolerance and for whom surgery has failed or is not an option. Among other activities, we provide promotional materials and training programs to physicians covering the use of Korlym for this indication. The FDA may change its policies or enact new regulations at any time that may restrict our ability to promote our products, which could adversely impact our business. If the FDA were to determine that we engaged in off- label promotion, the FDA could require us to change our practices and subject us to regulatory enforcement actions, including issuance of a public " warning letter, " untitled letter, injunction, seizure, civil fine or criminal penalties. Other federal or state enforcement authorities might act if they believe that the alleged improper promotion led to the submission and payment of claims for an unapproved use, which could result in significant fines or penalties under other statutory authorities, such as laws prohibiting false claims for reimbursement. Even if it is determined that we are not in violation of these laws, we may receive negative publicity, incur significant expenses and be forced to devote management time to defending our position. In addition to laws prohibiting off- label promotion, we are also subject to federal and state healthcare fraud and abuse laws and regulations designed to prevent fraud, kickbacks, self- dealing and other abusive practices. The United States healthcare laws and regulations that may affect our ability to operate include, but are not limited to: • the federal Anti- Kickback Statute, which prohibits, among other things, knowingly and willfully soliciting, receiving, offering or paying remuneration, directly or indirectly, in exchange for or to induce either the referral of an individual for, or the purchase, order or recommendation of, any good or service for which payment may be made under federal health care programs such as Medicare and Medicaid. And, although we structure our applicable business arrangements in accordance with the safe harbors, it is difficult to determine exactly how the law will be applied in specific circumstances. Accordingly, it is possible that certain practices of ours may be challenged under the federal Anti- Kickback Statute. From a liability perspective, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation; • federal false claims laws, including, without limitation, the False Claims Act, which prohibit any person from knowingly presenting, or causing to be presented, a false claim for payment to the federal government, or knowingly making, or causing to be made, a false statement to get a false claim paid. The federal False Claims Act is unique in that it allows private individuals (whistleblowers) to bring actions on behalf of the federal government via qui tam actions. Importantly, under the False Claims Act the government may assert that a claim including items or services resulting from a violation of the federal Anti- Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act; • the federal Civil Monetary Penalties law, which prohibits, among other things, offering or transferring remuneration to a federal healthcare beneficiary that a person knows or should know is likely to influence the beneficiary' s decision to order or receive items or services reimbursable by the government from a particular provider or supplier; • HIPAA, which created federal criminal laws that prohibit executing a scheme to defraud any health care benefit program or making false statements relating to health care matters; similar to the federal Anti- Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation; • federal " sunshine " laws, including the federal Physician Payment Sunshine Act (or sometimes referred to as the Open PaymentsTM Program), that require transparency regarding financial arrangements with health care providers, such as the reporting and disclosure requirements imposed by the ACA on drug manufacturers regarding any " transfer of value " made or distributed to physicians, certain non- physician practitioners, teaching hospitals, and ownership or investment interests held by physicians and their immediate family members; • federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers; ~~and~~ • state law equivalents of each of the above federal laws, such as anti- kickback and false claims laws which may apply to items or services reimbursed by any third- party payer, including commercial insurers; state laws that require pharmaceutical companies to comply with the pharmaceutical industry' s voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers; and • state laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures and pricing information. The risk of being found in violation of these laws and regulations is increased by the fact that many of them have not been definitively interpreted by regulatory authorities or the courts and their provisions are open to a variety of interpretations. Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available under them, it is possible that some of our business activities, including our relationships with physicians and other healthcare providers (some of whom recommend, purchase and / or prescribe our products) and the manner in which we promote our products, could be subject to challenge and scrutiny. We are also exposed to the risk that our employees, independent contractors, principal investigators, consultants, vendors, distributors and contract research organizations (" CROs ") may engage in fraudulent or other illegal activity. Although we have policies and procedures prohibiting such activity, it is not always possible to identify and deter misconduct and the precautions we take may not be effective in controlling unknown risks or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with applicable laws and regulations. In November 2021, we received a records subpoena from the United States Attorney' s Office for the District of New Jersey (the " NJ USAO ") seeking information relating to the sale and promotion of Korlym, our relationships with and payments to health care professionals who can prescribe or recommend Korlym and prior authorizations and reimbursement for Korlym. The NJ USAO has informed us that it is investigating whether any criminal or civil violations by us occurred in connection with the matters referenced in the subpoena. It has also informed us that it does not currently consider us a defendant but rather an entity whose conduct is within the scope of the government' s investigation. We are cooperating with the investigation. Please see " Part I, Item 3, Legal Proceedings ~~.~~ " **for additional details.** If we are found in violation of any of the laws described above or any other government regulations, we may be subject to civil and criminal penalties, damages, fines, exclusion from governmental health care programs, a corporate integrity agreement or other agreement to resolve allegations of non- compliance, individual imprisonment, and the curtailment or restructuring of our operations, any of which could adversely affect our financial results and ability to operate **. Our efforts to**

discover, develop and commercialize our product candidates may not succeed. Clinical drug development is lengthy, expensive and often unsuccessful. Results of early studies and trials are often not predictive of later trial results. Failure can occur at any time. Even if we deem that our product candidates' clinical trial results demonstrate safety and efficacy, regulatory authorities may not agree. Failure to obtain or maintain regulatory approvals for our product candidates would prevent us from commercializing them . Clinical development is costly, time- consuming and unpredictable. Positive data from clinical trials are susceptible to varying interpretations, which could delay, limit or prevent regulatory approval. The results from early clinical trials are often not predictive of results in later clinical trials. Product candidates may fail to show the desired safety and efficacy traits despite having produced positive results in preclinical studies and initial clinical trials. Many companies have suffered significant setbacks in late- stage clinical trials due to lack of efficacy or unanticipated or unexpectedly severe adverse events. Our current clinical trials may prove inadequate to support marketing approvals. Even trials that generate positive results may have to be confirmed in much larger, more expensive and lengthier trials before we could seek regulatory approval. Clinical trials may take longer to complete, cost more than expected and fail for many reasons, including: • failure to show efficacy or acceptable safety; • slow patient enrollment or delayed activation of clinical trial sites ~~due to the COVID- 19 pandemic or other factors~~ ; • delays obtaining regulatory permission to start a trial, changes to the size or design of a trial or changes in regulatory requirements for a trial already underway; • inability to secure acceptable terms with vendors and an appropriate number of clinical trial sites; • delays or inability to obtain institutional review board (“ IRB ”) approval at prospective trial sites; • failure of patients or investigators to comply with the clinical trial protocol; • unforeseen safety issues; and • negative findings of inspections of clinical sites or manufacturing operations by us, the FDA or other authorities. A trial may also be suspended or terminated by us, the trial’ s data safety monitoring board, the IRBs governing the sites where the trial is being conducted or the FDA for many reasons, including failure to comply with regulatory requirements or clinical protocols, negative findings in an inspection of our clinical trial operations or trial sites by the FDA or other authorities, unforeseen safety issues, failure to demonstrate a benefit or changes in government regulations. ~~Disruptions caused by the COVID- 19 pandemic increase the likelihood of delays in initiating or completing our planned and ongoing clinical trials, thereby increasing their costs. Please see the risk factor, “ The COVID- 19 pandemic has lengthened the time it takes to initiate and advance some of our clinical trials. ”~~ During the development of a product candidate, we may decide, or the FDA or other regulatory authorities may require us, to conduct more pre- clinical or clinical studies or to change the size or design of a trial already underway, thereby delaying or preventing the completion of development and increase its cost. Even if we conduct the clinical trials and supportive studies that we consider appropriate and the results are positive, we may not receive regulatory approval. Following regulatory approval, there are significant risks to its commercial success, such as development of competing products by other companies or the reluctance of physicians to prescribe it ~~. We conduct clinical trials at sites in the United States, Canada, Europe and Israel. In the United States, Canada and Europe, authorities have imposed significant public health restrictions of varying degrees of severity which are likely to persist as long as COVID- 19 public health concerns remain. In addition, physicians, patients and medical institutions have changed their behavior in an attempt to reduce the risk of infection, which makes clinical trials more expensive, time- consuming and risky to initiate and conduct. Some of the sites where we are conducting clinical trials have, from time- to- time, stopped enrolling new patients or reduced the frequency with which enrolled patients see their physicians. Some clinical sites have temporarily stopped initiating new trials. Many patients are reluctant to participate in procedures required by our clinical trial protocols because they fear infection. In general, COVID- 19 has slowed the pace of our clinical trials, including our studies in Cushing’ s syndrome. Studies of diseases perceived to be acutely life- threatening, such as our Phase 2 trial in women with platinum- resistant ovarian cancer, did not experience delay or disruption. We may continue to experience disruptions from the COVID- 19 pandemic, which could have a material adverse impact on our clinical trial plans and timelines, including: • delays in enrolling patients or the loss of enrolled patients due to COVID- 19 related restrictions; • delays in clinical site initiation, including difficulties in recruiting clinical investigators and staff; • delays in receiving authorizations from local regulatory authorities and internal review boards to initiate clinical trials or amend existing protocols; • delays in clinical sites receiving necessary supplies and materials due to interruptions in local and global shipping; • changes in local regulations that require us to change the ways in which our clinical trials are conducted, which may result in unexpected costs or cause us to suspend or discontinue a trial in the affected jurisdiction; • diversion of healthcare resources, including facilities, supplies and staff, away from the conduct of clinical trials; • interruption of key clinical trial activities, such as clinical trial site monitoring, patient visits and follow- up, study procedures and data collection, that could affect the integrity of clinical trial data, due to limitations on travel; • the infection of patients enrolled in our clinical trials with COVID- 19, which could affect the results of the clinical trial, including by increasing the number of observed adverse events or by causing patients to drop out of the study; • patient discontinuations due to fear of infection with COVID- 19 or public health restrictions implemented by clinical trial sites which make trial participation more time consuming or difficult; • interruptions or delays in preclinical studies due to restricted or limited operations at laboratory facilities; • delays in necessary interactions with local regulators, ethics committees and other third parties and contractors due to limitations in employee resources or the furlough of government employees; and • limitations caused by the sickness of our employees or their families or the desire of employees to avoid contact with large groups of people. The extent to which the COVID- 19 pandemic affects our business, preclinical studies and clinical trials will depend on future developments, which are highly uncertain and cannot be predicted with confidence~~ . Third- party clinical investigators and clinical sites enroll patients and CROs manage many of our trials and perform data collection and analysis. Although we control only certain aspects of these third parties’ activities, we are responsible for ensuring that every study adheres to its protocol and meets regulatory and scientific standards. If any of our vendors does not perform its duties or meet expected deadlines or fails to adhere to applicable GCPs, or if the quality or accuracy of the data it produces is compromised, affected clinical trials may be extended, delayed or terminated and we may be unable to obtain approval for our product candidates. Outside parties may have staffing difficulties, may undergo changes in priorities or may

become financially distressed, adversely affecting their willingness or ability to conduct our clinical trials. Problems with the timeliness or quality of the work of a CRO may lead us to seek to terminate the relationship and use an alternative service provider. However, making this change may be costly and may delay our trials, and it may be challenging to find a replacement organization that can conduct our trials in an acceptable manner and at an acceptable cost. Failure of our manufacturing vendors to perform their duties or comply with cGMPs may require us to recall drug product or repeat clinical trials, which would delay regulatory approval. If our agreements with any of these vendors terminate, we may not be able to enter into alternative arrangements in a timely manner or on reasonable terms. Our ability to physically inspect our vendors and clinical sites **was** ~~has been~~ limited by ~~the~~ COVID- 19 pandemic **- related** and associated public health restrictions, which ~~increases~~ **increased** the risk that failures to meet applicable requirements **went** ~~will go~~ undetected **. We may be unable to obtain or maintain regulatory approvals for our product or product candidates, which would prevent us from commercializing our product candidates** . We cannot sell a product without the approval of the FDA or comparable foreign regulatory authority. Obtaining such approval is difficult, uncertain, lengthy and expensive. Failure can occur at any stage. In order to receive FDA approval for a new drug, we must demonstrate to the FDA' s satisfaction that the new drug is safe and effective for its intended use and that our manufacturing processes comply with cGMPs. Our inability or the inability of our vendors to comply with applicable FDA and other regulatory requirements can result in delays in or denials of new product approvals, warning letters, untitled letters, fines, consent decrees restricting or suspending manufacturing operations, injunctions, civil penalties, recall or seizure of products, total or partial suspension of product sales and criminal prosecution. We may seek to commercialize our products in international markets, which would require us to receive a marketing authorization and, in many cases, pricing approval, from the appropriate regulatory authorities. Approval procedures vary between countries and can require additional pre- clinical or clinical studies. Obtaining approval may take longer than it does in the United States. Although approval by the FDA does not ensure approval by regulatory authorities in other countries, and approval by one foreign regulatory authority does not ensure approval by others, failure or delay in obtaining regulatory approval in one country may have a negative effect on the regulatory process in others. Any of these or other regulatory actions could materially harm our business and financial condition. If we receive regulatory approval for a product candidate, we will be subject to ongoing requirements and oversight by the FDA and other regulatory authorities, such as continued safety and other reporting requirements and possibly post- approval marketing restrictions and additional costly clinical trials. If we are not able to maintain regulatory compliance, we may be required to stop development of a product candidate or to stop selling a product that has already been approved. We may also be subject to product recalls or seizures. Future governmental action or changes in regulatory authority policy or personnel may also result in delays or rejection of pending or anticipated product approvals. **Our products and product candidates may cause undesirable side effects that halt their clinical development, prevent their regulatory approval, limit their commercial potential or cause us significant liability.** Patients in clinical trials report changes in their health, including new illnesses, injuries and discomforts, to their study doctor. Often, it is not possible to determine whether or not these conditions were caused by the drug candidate being studied or something else. As we test our product candidates in larger, longer and more extensive clinical trials, or as use of them becomes more widespread if we receive regulatory approval, patients may report serious adverse events that did not occur or went undetected in previous trials. Many times, serious side effects are only detected in large- scale, Phase 3 clinical trials or following commercial approval. Adverse events reported in clinical trials can slow or stop patient recruitment, prevent enrolled patients from completing a trial and could give rise to liability claims. Regulatory authorities could respond to reported adverse events by interrupting or halting our clinical trials or limiting the scope of, delaying or denying marketing approval. If we elect, or are required by authorities, to delay, suspend or terminate a clinical trial or commercialization efforts, the commercial prospects of the affected product candidates or products may be harmed and our ability to generate product revenues from them may be delayed or eliminated. If one of our product candidates receives marketing approval, and we or others later identify undesirable side effects or adverse events, potentially significant negative consequences could result, including but not limited to: • regulatory authorities may suspend, limit or withdraw approvals of such product; • regulatory authorities may require additional warnings on the label, including " boxed " warnings, or issue safety alerts and other safety information about the product; • we may be required to change the way the product is administered or conduct additional studies or clinical trials; • we may be required to create a Risk Evaluation and Mitigation Strategy, which could include a medication guide outlining the risks of such side effects for distribution to patients, a communication plan for healthcare providers and / or other elements to assure safe use; • the product may become less competitive; • we may be subject to fines, injunctions or the imposition of criminal penalties; and • we could be sued and held liable for harm caused to patients ~~;~~ **.** Any of these events could seriously harm our business. Risks Related to our Capital Needs and Financial Results We may need additional capital to fund our operations or for strategic reasons. Such capital may not be available on acceptable terms or at all. We are dependent on revenue from the sale of Korlym and our cash reserves to fund our commercial operations and development programs. If Korlym revenue declines significantly, we may need to curtail our operations or raise funds to support our plans. We may also choose to raise funds for strategic reasons. We cannot be certain funding will be available on acceptable terms or at all. Equity financing would cause dilution, debt financing may involve restrictive covenants. Neither type of financing may be available to us on attractive terms or at all. If we obtain funds through collaborations with other companies, we may have to relinquish rights to one or more of our product candidates. If our revenue declines and our cash reserves are depleted, and if adequate funds are not available from other sources, we may have to delay, reduce the scope of, or eliminate one or more of our development programs. Patents are uncertain, involve complex legal and factual questions and are frequently the subject of litigation. The patents issued or licensed to us may be challenged at any time. Competitors may take actions we believe infringe our intellectual property, causing us to take legal action to defend our rights. Intellectual property litigation is lengthy, expensive and requires significant management attention. Outcomes are uncertain. If we do not protect our intellectual property, competitors may erode our competitive advantage. Please see " Part I, Item 3, Legal Proceedings ~~.~~ " **for additional**

information. Our patent applications may not result in issued patents and patents issued to us may be challenged, invalidated, held unenforceable or circumvented. Our patents may not prevent third parties from producing competing products. The foreign countries where we may someday operate may not protect our intellectual property to the extent the laws of the United States do. If we fail to obtain adequate patent protection in other countries, others may produce products in those countries based on our technology. We cannot assure investors that a liquid trading market for our common stock will exist at any particular time. As a result, holders of our common stock may not be able to sell shares quickly or at the current market price. During the 52- week period ended February ~~21~~ **6** , ~~2023~~ **2024** , our average daily trading volume was approximately ~~736~~ **902** , ~~105~~ **095** shares and the intra- day sales prices per share of our common stock on The Nasdaq Stock Market ranged from $ 17. ~~19~~ **86** to $ ~~30~~ **34** . ~~14~~ **28** . As of February ~~21~~ **6** , ~~2023~~ **2024** , our officers, directors and principal stockholders beneficially owned approximately ~~19~~ **20** percent of our common stock. Our stock price can experience extreme price and volume fluctuations that are unrelated or disproportionate to our operating performance or prospects. Securities class action lawsuits are often instituted against companies following periods of stock market volatility. Such litigation is costly and diverts management' s attention from productive efforts. Factors that may cause the price of our common stock to fluctuate rapidly and widely include: • actual or anticipated variations in our operating results or changes to any public guidance we have provided; • actual or anticipated timing and results of our clinical trials; • ~~changes in the expected or~~ actual ~~timing of our~~ - **or anticipated regulatory approvals** ~~competitors' development programs; • general market and economic conditions, including the effects~~ of **our product candidates** ~~the COVID- 19 pandemic~~ ; • disputes or other developments relating to our intellectual property, including developments in ~~ANDA~~ **Abbreviated New Drug Application** litigation **; • changes in laws or regulations applicable to the pricing, availability of insurance reimbursement, or approved uses of Korlym, our product candidates or our competitors' products** ; • short- selling of our common stock, the publication of speculative opinions about our business or other market manipulation activities that are intended to lower our stock price or increase its volatility; • changes in estimates or recommendations by securities analysts or the failure of our performance to meet the published expectations of those analysts or public guidance we have provided; • **purchases of our common stock pursuant to our Stock Repurchase Program or changes to that program; • general market and economic conditions, including the effects of the COVID- 19 pandemic; • changes in the expected or** actual **timing of** ~~or~~ **our** ~~anticipated regulatory~~ **competitors' development programs and the** ~~approvals~~ - **approval** of ~~our product candidates or~~ competing products; • purchases or sales of our common stock by our officers, directors or stockholders ~~; • changes in laws or regulations applicable to Korlym, our product candidates or our competitors' products~~ ; • technological innovations by us, our collaborators or our competitors; • conditions in the pharmaceutical industry, including the market valuations of companies similar to ours; • additions or departures of key personnel; • announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures, collaborations or capital commitments; and • additional financing activities. The guidance we provide as to our expected revenue is only an estimate of what we believe is realizable at the time we give such guidance. It is difficult to predict our revenue and our actual results may vary materially from our guidance ~~. The effect on our business of the COVID- 19 pandemic is difficult to forecast~~ . In addition, the rate of physician adoption of Korlym and the actions of government and private payers is uncertain. We may experience competition from generic versions of Korlym, which our public revenue guidance does not anticipate. We may not meet our financial guidance or other investor expectations for other reasons, including those arising from the risks and uncertainties described in this report and in our other public filings and public statements. Research analysts publish estimates of our future revenue and earnings based on their own analysis. The revenue guidance we provide may be one factor they consider when determining their estimates. General Risk Factors We need to increase the size of our organization and may experience difficulties in managing growth. Our commercial and research and development efforts are constrained by our limited administrative, operational and management resources. To date, we have relied on a small management team. Growth will impose significant added responsibilities on members of management, including the need to recruit and retain additional employees. Our financial performance and ability to compete will depend on our ability to manage growth effectively. To that end, we must: • manage our sales and marketing efforts, clinical trials, research and manufacturing activities effectively; • hire more management, clinical development, administrative and sales and marketing personnel; and • continue to develop our administrative systems and controls. Failure to accomplish any of these tasks ~~, which are more difficult during the COVID- 19 pandemic,~~ could harm our business. If we lose key personnel or are unable to attract more skilled personnel, we may be unable to pursue our product development and commercialization goals. Our ability to operate successfully and manage growth depends upon hiring and retaining skilled managerial, scientific, sales, marketing and financial personnel. The job market for qualified personnel is intensely competitive and turnover rates have reached record highs within our industry and the geographical areas from which we recruit. We depend on the principal members of our management and scientific staff. Any officer or employee may terminate his or her relationship with us at any time and work for a competitor. We do not have employment insurance covering any of our personnel. The loss of key individuals could delay our research, development and commercialization efforts. We are subject to government regulation and other legal obligations relating to privacy and data protection. Compliance with these requirements is complex and costly. Failure to comply could materially harm our business. We and our partners are subject to federal, state and foreign laws and regulations concerning data privacy and security, including HIPAA and the EU General Data Protection Regulation **(** ~~, or~~ the **"** GDPR **")** . These and other regulatory frameworks are evolving rapidly as new rules are enacted and existing ones updated and made more stringent. In the United States, numerous federal and state laws and regulations, including state data breach notification laws, state health information privacy, laws, and federal and state consumer protection laws and regulations (e. g., Section 5 of the Federal Trade Commission Act), that govern the collection, use, disclosure, and protection of health- related and other personal information could apply to our operations or the operations of our partners. In addition, we may obtain health information from third parties (including research institutions from which we obtain clinical trial data) that are subject to privacy and security requirements under HIPAA. Depending on the

facts and circumstances, we could be subject to criminal penalties if we knowingly obtain, use, or disclose individually identifiable health information maintained by a HIPAA- covered entity in a manner that is not authorized or permitted by HIPAA. Even when HIPAA does not apply, according to the Federal Trade Commission (the " FTC "), violating consumers' privacy or failing to take appropriate steps to keep consumers' personal information secure may constitute unfair acts or practices in or affecting commerce in violation of Section 5 (a) of the Federal Trade Commission Act. The FTC expects a company' s data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Individually identifiable health information is considered sensitive data that merits stronger safeguards. In 2022, the FTC also began a rulemaking proceeding to develop additional data privacy rules and requirements, which may add additional complexity to compliance obligations going forward. In addition, certain state laws govern the privacy and security of health information in certain circumstances, some of which are more stringent than HIPAA and many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. Failure to comply with these laws, where applicable, can result in the imposition of significant civil and / or criminal penalties and private litigation. For example, the California Confidentiality of Medical Information Act imposes restrictive requirements regulating the use and disclosure of health information and other personally identifiable information. Further, the California Consumer Privacy Act, or the CCPA, which took effect on January 1, 2020, created individual privacy rights for California consumers and increased the privacy and security obligations of entities handling certain personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. The CCPA may increase our compliance costs and potential liability. Further, the California Privacy Rights Act, or CPRA, revised and expanded the CCPA, adding additional data protection obligations on covered businesses, including additional consumer rights processes, limitations on data uses, new audit requirements for higher risk data, and opt outs for certain uses of sensitive data. It also created a new California data protection agency authorized to issue substantive regulations and could result in increased privacy and information security enforcement. The CPRA is in full effect as of January 1, 2023, and similar laws passed in Virginia, Colorado, Connecticut and Utah **have taken effect and other states have passed similar laws that** will take effect ~~starting~~ in **or after** ~~2023~~ **2024** . As a result, additional compliance investment and potential business process changes may be required. In the event that we are subject to or affected by HIPAA, the CCPA, the CPRA or other domestic privacy and data protection laws, any liability from failure to comply with the requirements of these laws could adversely affect our financial condition. Additional legislation proposed at the federal level and in other states, along with increased regulatory action, reflect a trend toward more stringent privacy legislation in the United States. Outside the United States, many jurisdictions have or are in the process of enacting sweeping data privacy regulatory regimes. In Europe, the GDPR took effect in 2018, and is imposing stringent requirements for controllers and processors of personal data of individuals within the EEA, particularly with respect to clinical trials. The GDPR provides that EEA member states may make their own further laws and regulations limiting the processing of health data, which could limit our ability to use and share personal data or could cause our costs to increase and harm our business and financial condition. In addition, the GDPR increases the scrutiny that clinical trial sites located in the EEA should apply to transfers of personal data from such sites to countries that are considered to lack an adequate level of data protection, such as the United States. Recent legal developments have added complexity and compliance uncertainty regarding certain transfers of information from the EEA to the United States. Following EU court decisions, updated standard contractual clauses (" SCCs ") were adopted to account for these judicial decisions, imposing new requirements on data transfers. The revised SCCs must be used for relevant new data transfers from September 27, 2021, and existing SCC arrangements were required to be migrated by December 27, 2022. There is some uncertainty around whether the revised clauses can be used for all types of data transfers, particularly whether they can be relied on for data transfers to non- EEA entities subject to the GDPR. As supervisory authorities issue further guidance on personal data export mechanisms, including circumstances where the SCCs cannot be used, and / or start taking enforcement action, we could suffer additional costs, complaints and / or regulatory investigations or fines, and / or if we are otherwise unable to transfer personal data between and among countries and regions in which we operate, it could affect the manner in which we provide our services, the geographical location or segregation of our relevant systems and operations, and could adversely affect our financial results. The GDPR imposes substantial fines for breaches of data protection requirements, which can be up to four percent of global revenue for the preceding financial year or € 20 million, whichever is greater, and it also confers a private right of action on data subjects for breaches of data protection requirements. Compliance with European data protection laws is a rigorous and time intensive process that may increase our cost of doing business, and despite those efforts, there is a risk that we may be subject to fines and penalties, litigation and reputational harm in connection with our European activities. From January 1, 2021, we have had to comply with the GDPR and separately the United Kingdom GDPR, which, together with the amended United Kingdom Data Protection Act 2018, retains the GDPR in United Kingdom national law, each regime having the ability to fine up to the greater of € 20 million / £ 17. 5 million or 4 ~~%~~ **percent** of global turnover. It is unclear how United Kingdom data protection laws and regulations will develop in the medium to longer term and these changes may lead to additional costs and increase our overall risk exposure. On June 28, 2021, the EC adopted an adequacy decision in favor of the United Kingdom, enabling data transfers from EU member states to the United Kingdom without additional safeguards. However, the United Kingdom adequacy decision will automatically expire in June 2025 unless the EC renews or extends that decision and remains under review by the Commission during this period. Complying with U. S. and foreign privacy and security laws and regulations is complex and costly. Failure to comply by us or our vendors could subject us to litigation, government enforcement actions and substantial penalties and fines, which could harm our business. We store valuable confidential information relating to our business, patients and employees on our computer networks and on the networks of our vendors. In addition, we rely heavily on internet technology, including video conference, teleconference and file- sharing services, to conduct business. Despite our security measures, our networks and the networks of

our vendors are at risk of break- ins, installation of malware or ransomware, denial- of- service attacks, data theft and other forms of malfeasance by persons seeking to commit fraud or theft, which could result in unauthorized access to, and / or misuse of, our clinical data or other confidential information, including confidential information relating to our patients or employees. **We** ~~COVID- 19~~ may continue to increase our cybersecurity risks, due to our reliance on internet technology and the number of our employees that are working remotely, which may create additional opportunities for cybercriminals to exploit vulnerabilities. We and our vendors have experienced data breaches, theft, " phishing " attacks and other unauthorized access to confidential data and information ~~. Russia' s invasion of Ukraine or another war of international dispute may cause an increase in the number and severity of such malicious incidents~~ . There can be no assurance that our cybersecurity systems and processes will prevent unauthorized access in the future that causes serious harm to us, our patients or employees. We may also experience security breaches that remain undetected for an extended period. Disruptions or security breaches that result in the disclosure of confidential or proprietary information could cause us to incur liability and delay or otherwise harm our research, development and commercialization efforts. We may be liable for losses suffered by patients or employees or other individuals whose confidential information is stolen as a result of a breach of the security of the systems that we or third parties and our vendors store this information on, and any such liability could be material. Even if we are not liable for such losses, any breach of these systems could expose us to material costs in notifying affected individuals, as well as regulatory fines or penalties. In addition, any breach of these systems could disrupt our normal business operations and expose us to reputational damage and harm our business, operating results and financial condition. Any insurance we maintain against the risk of this type of loss may not be sufficient to cover actual losses or may not apply to the circumstances relating to any particular loss. Changes in federal, state and local tax laws may reduce our net earnings. Our earnings are subject to federal, state and local taxes. We offset a portion of our earnings using net operating losses and our taxes using research and development tax credits, which reduces the amount of tax we pay. Some jurisdictions require that we pay taxes or fees calculated as a percentage of sales, payroll expense, or other indicia of our activities. Please see " Part IV, Item 15, Notes to Consolidated Financial Statements – Income Taxes. " ~~Certain provisions of the recently enacted Inflation Reduction Act of 2022, effective January 1, 2023, including a 1 % excise tax on share repurchases and a 15 % corporate alternative minimum tax, may impact our income tax expense, profitability and capital allocation decisions.~~ Changes to existing tax laws could materially increase the amounts we pay, which would reduce our after tax net income. ~~We may face competition from companies with greater financial, technical and marketing resources than our own. The pharmaceutical industry is competitive and subject to rapid technological change. Our potential competitors include large pharmaceutical companies and innovative biotechnology companies, many of which have greater clinical, marketing and sales resources than our own and may develop and commercialize medications that are superior to and less expensive than ours, which could negatively affect our financial results and the prospects of our product candidates.~~ Research analysts may not continue to provide or initiate coverage of our common stock or may issue negative reports. The market for our common stock may be affected by the reports financial analysts publish about us. If any of the analysts covering us downgrades or discontinues coverage of our stock, the price of our common stock could decline rapidly and significantly. Paucity of research coverage may also adversely affect our stock price **. Acquisition of Corcept shares through our stock repurchase program will reduce our cash reserves. In January 2024, our Board of Directors authorized the repurchase of up to $ 200 million of our common stock pursuant to the Stock Repurchase Program. The Stock Repurchase Program does not require us to acquire any specific number of shares and it may be modified, suspended or discontinued at any time without notice. It is possible that other uses of our capital would have been more advantageous or that our future capital requirements increase unexpectedly. By reducing our cash balance, our repurchases of common stock could hamper our ability to execute our plans, meet financial obligations or access financing** . Sale of a substantial number of shares of our common stock may cause its price to decline. Sales of a substantial number of shares of our stock in the public market could reduce its price. As additional shares of our stock become available for public resale, whether by the exercise of stock options by employees or directors or because of an equity financing by us, the supply of our stock will increase, which could cause its price to fall. Substantially all of our outstanding shares are eligible for sale, subject to applicable volume and certain other resale restrictions. Changes in laws and regulations may significantly increase our costs or reduce our revenue, which could harm our financial results. New laws and regulations, as well as changes to existing laws and regulations, including statutes and regulations concerning taxes and the development, approval, marketing and pricing of medications, the provisions of the ACA requiring the reporting of aggregate spending related to health care professionals, the provisions of the Sarbanes- Oxley Act of 2002, the Dodd Frank Act of 2010 and rules adopted by the SEC and by The Nasdaq Stock Market have and will likely continue to increase our cost of doing business and divert management' s attention from revenue- generating activities. ~~We may fail to comply with our public company obligations, including securities laws and regulations. Such compliance is costly and requires significant management attention. The federal securities laws and regulations, including the corporate governance and other requirements of the Sarbanes- Oxley Act of 2002 and the governance and other requirements of the Dodd Frank Act of 2010, impose complex and continually changing regulatory requirements on our operations and reporting. These developing requirements will continue to increase our compliance costs. Section 404 of the Sarbanes- Oxley Act of 2002 requires that we evaluate the effectiveness of, and provide a management report with respect to, our internal controls over financial reporting. It also requires that the independent registered public accounting firm auditing our consolidated financial statements must attest to and report on the effectiveness of our internal controls over financial reporting. If we are unable to complete the required assessment and report or if our independent registered public accounting firm is unable to issue an unqualified opinion as to the effectiveness of our internal control over financial reporting, investors could lose confidence in our financial reporting and our stock price would likely decline.~~ Anti- takeover provisions in our charter and bylaws and under Delaware law may make an acquisition of us or a change in our management more expensive or difficult, even if an acquisition or a management change would be beneficial to our stockholders. Provisions in our charter and bylaws may delay or prevent an acquisition of us or a change in our management.

Some of these provisions allow us to issue preferred stock without any vote or further action by the stockholders, require advance notification of stockholder proposals and nominations of candidates for election as directors and prohibit stockholders from acting by written consent. In addition, a supermajority vote of stockholders is required to amend our bylaws. Our bylaws provide that special meetings of the stockholders may be called only by our Chairman, President or the Board of Directors and that the authorized number of directors may be changed only by resolution of the Board of Directors. These provisions may prevent or delay a change in our Board of Directors or our management, which our Board of Directors appoints. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law. Section 203 may prohibit large stockholders, in particular those owning 15 percent or more of our outstanding voting stock, from merging or combining with us. These provisions in our charter and bylaws and under Delaware law could reduce the price that investors would be willing to pay for shares of our common stock. Our officers, directors and principal stockholders, acting as a group, could significantly influence corporate actions. As of February ~~21~~ **6**, ~~2023~~ **2024**, our officers and directors beneficially owned approximately ~~19~~ **20** percent of our common stock. Acting together, these stockholders could significantly influence any matter requiring approval by our stockholders, including the election of directors and the approval of mergers or other business combinations. The interests of this group may not always coincide with our interests or the interests of other stockholders and may prevent or delay a change in control. This significant concentration of share ownership may adversely affect the trading price of our common stock because many investors perceive disadvantages to owning stock in companies with controlling stockholders. We have in the past and may in the future be subject to short selling strategies that may drive down the market price of our common stock. Short sellers have in the past and may attempt in the future to drive down the market price of our common stock. Short selling is the practice of selling securities that the seller does not own but may have borrowed with the intention of buying identical securities back at a later date. The short seller hopes to profit from a decline in the value of the securities between the time the securities are borrowed and the time they are replaced. As it is in the short seller' s best interests for the price of the stock to decline, many short sellers (sometime known as " disclosed shorts ") publish, or arrange for the publication of, negative opinions regarding the relevant issuer and its business prospects to create negative market momentum. Although traditionally these disclosed shorts were limited in their ability to access mainstream business media or to otherwise create negative market rumors, the rise of the Internet and technological advancements regarding document creation, videotaping and publication by weblog (" blogging ") have allowed many disclosed shorts to publicly attack a company' s credibility, strategy and veracity by means of so- called " research reports " that mimic the type of investment analysis performed by large Wall Street firms and independent research analysts. These short attacks have, in the past, led to selling of shares in the market. Further, these short seller publications are not regulated by any governmental, self- regulatory organization or other official authority in the U. S. and they are not subject to certification requirements imposed by the SEC. Accordingly, the opinions they express may be based on distortions, omissions or fabrications. Companies that are subject to unfavorable allegations, even if untrue, may have to expend a significant amount of resources to investigate such allegations and / or defend themselves, including shareholder suits against the company that may be prompted by such allegations. We may in the future be the subject of shareholder suits that we believe were prompted by allegations made by short sellers.