

Risk Factors Comparison 2025-04-30 to 2024-04-26 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

Investors should carefully consider the risks described below before deciding whether to invest in our securities. If any of the following risks actually occur, our business, financial condition or results of operations could be adversely affected. In such case, the trading price of our common stock could decline and you could lose all or part of your investment. Our actual results could differ materially from those anticipated in the forward- looking statements made throughout this Annual Report a result of different factors, including the risks we face described below. Risks Relating to our Financial Position and Capital Requirements

We ~~To date, we have not generated , significant revenue and we do not anticipate generating , significant revenue in the near future. To date, we have not generated significant revenue from our business and substantially all a significant portion~~ of our revenue has been revenue from lines of business in which we are no longer engaged. For the ~~year~~ **years** ended December 31, **2024 and** 2023, we had a net loss ~~losses~~ of approximately \$ **34.3 and \$** 46.8 million and our revenue was primarily derived from one order of ANTHIM @, **respectively** and prior to that our revenue was primarily derived from grant revenue that Pelican has received from CPRIT and a small amount of revenue from a research funding agreement. We do not anticipate generating any significant revenue from the provision of CDMO services for several years as we are a new entrant into that line of business. Even if we generate revenue from the provision of services, which is not anticipated for several years, if at all, there can be no assurance that we will be profitable. **Establishing** In addition, we have entered into a new line of business, the provision of contract development and manufacturing services and no assurance can be given that we will be able to generate significant revenue as a contract development and manufacturing organization (“CDMO”) or that we will be able to consummate our business strategy and plans. Financial, technological, market, or other limitations may force us to modify, alter, significantly delay, or significantly impede the implementation of such plans. The operation of the manufacturing facility required us to incur significant expenses before ~~we realize~~ any revenue **was realized** from ~~such the~~ facility. We have insufficient results for investors to use to identify historical trends. Investors should consider our prospects in light of the risk, expenses and difficulties we will encounter as an early- stage company. Our revenue and income potential is unproven and our business model is continually evolving. We are subject to the risks inherent to the operation of a new business enterprise and cannot assure you that we will be able to successfully address these risks. **We** ~~If we do not generate sufficient revenue from operations, we will~~ need to raise additional capital to support our long- term business plans and our failure to obtain funding when needed may force us to delay, reduce , or eliminate our development programs or commercialization efforts. During the year ended December 31, ~~2023~~ **2024** , our operating activities used net cash of approximately \$ **26.0 million and as of December 31, 2024, our cash and cash equivalents and short- term investments were approximately \$ 1.2 million. During the year ended December 31, 2023, our operating activities used net cash of approximately \$** 31.5 million and as of December 31, 2023 , our cash and cash equivalents and short- term investments were approximately \$ 2.4 million. ~~During the year ended December 31, 2022, our operating activities used net cash of approximately \$ 5.7 million and as of December 31, 2022 our cash and cash equivalents and short- term investments were approximately \$ 44.3 million. We have experienced significant losses since inception and have a significant accumulated deficit. As of December 31, 2023, 2024, our accumulated deficit totaled was \$ 287.2 million and as of December 31, 2023, our accumulated deficit was \$ 254.4 million and as of December 31, 2022, our accumulated deficit totaled \$ 209.2 million on a consolidated basis. We expect to incur additional operating losses in the future and therefore expect our cumulative losses to increase. We do not expect to derive significant revenue from our CDMO services until we expand our customer base. In addition, we expect our expenses to increase due to the operation of the manufacturing facility in San Antonio, TX. Our current cash is anticipated to be sufficient to fund operations only through April late May, 2024~~ **2025** . **We expect that we will need additional future financing which may not be available on acceptable terms, if at all. Unless we generate significant revenue from operations in the next few weeks, we will** need to raise additional capital to fund our operations and we cannot be certain that funding will be available to us on acceptable terms on a timely basis, or at all . **Unless our revenue increases from past historical revenue, our current cash and cash equivalents, including proceeds from our recent completed public offerings and debt issuances, is anticipated to be sufficient to fund operations through April 2025** . To meet our financing needs, we are considering multiple alternatives, including, but not limited to, additional equity financings, which we expect will include sales of common stock, debt financings, equipment sale leasebacks, and / or funding from partnerships or collaborations. Our ability to raise capital through the sale of securities may be limited by our inability to utilize a registration statement on Form S- 3 to raise capital **until April 2026** due to the late filing of ~~this our~~ Annual Report **on Form 10- K for the fiscal year ended December 31, 2024 (the “ 2024 Annual Report ”), which date may be extended if the filing of our Quarterly Report on Form 10- Q for the fiscal quarter ended March 31, 2025 (the “ March 2025 Quarterly Report ”) or certain other filings are not timely filed,** and various rules of the ~~SEC NYSE American~~ that place limits on the number and dollar amount of securities that we may sell . **In addition, our current outstanding debt holders have a right to require us to use 25 % of any proceeds received from each future financing to repay their loans** . To the extent that we raise additional funds by issuing equity securities, our stockholders may experience significant dilution. Any debt financing, if available, may involve restrictive covenants **(such as those in our current debt financing)** that may impact our ability to conduct our business. **We expect that** ~~If we fail to raise additional funds on acceptable terms, we may be unable to continue to maintain our listing~~ **common stock will be delisted from trading** on the NYSE American **and therefore we will be limited in the types of financings we can effect** . If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we have to restructure the company including a work force

reduction, or initiate steps to cease operations or liquidate our assets. ~~We have a limited operating history in our current lines of business. In 2022, we entered into a new line of business, the provision of contract development and manufacturing services and no assurance can be given that we will be able to generate significant revenue as a CDMO or that we will be able to consummate our business strategy and plans. Financial, technological, market, or other limitations may force us to modify, alter, significantly delay, or significantly impede the implementation of such plans. The operation of the manufacturing facility required us to incur significant expenses before we realize any revenue from such facility. We have insufficient results for investors to use to identify historical trends. Investors should consider our prospects in light of the risk, expenses and difficulties we will encounter as an early-stage company. Our revenue and income potential is unproven and our business model is continually evolving. We are subject to the risks inherent to the operation of a new business enterprise and cannot assure you that we will be able to successfully address these risks. Our consolidated financial statements have been prepared assuming that we will continue as a going concern. We have an accumulated deficit of \$ 254.287.42 million as of December 31, 2023-2024 and a net loss of approximately \$ 46.34.83 million for the year ended December 31, 2023-2024 and have not generated significant revenue or positive cash flows from operations. We expect to incur significant expenses and continued losses from operations for the foreseeable future. We expect our expenses to increase in connection with our ongoing activities, particularly as we ramp up operations in our in-house bioanalytic, process development and manufacturing facility in San Antonio, TX. Our audited financial statements for the fiscal year ended December 31, 2023-2024 were prepared under the assumption that we will continue as a going concern; however, we have incurred significant losses from operations to date and we expect our expenses to increase in connection with our ongoing activities. These factors raise substantial doubt about our ability to continue as a going concern for one year after the financial statements are issued. Our auditors- auditor also included an explanatory paragraph in its report on our financial statements as of and for the year ended December 31, 2023-2024 with respect to this uncertainty. There can be no assurance that funding will be available on acceptable terms on a timely basis, or at all. The various ways that 15that we could raise capital carry potential risks. Any additional sources of financing will likely involve the issuance of our equity securities, which will have a dilutive effect on our stockholders. Any debt financing, if available, may involve restrictive covenants that may impact our ability to conduct our business. If we raise funds through collaborations and licensing arrangements, we might be required to relinquish significant rights to our technologies or tests or grant licenses on terms that are not favorable to us. If we do not succeed in raising additional funds on acceptable terms or at all, we may be unable to develop any new product candidates that we acquire. As such, we cannot conclude that such plans will be effectively implemented within one year after the date that the financial statements included in this Annual Report are filed with the SEC and there is uncertainty regarding our ability to maintain liquidity sufficient to operate our business effectively, which raises substantial doubt about our ability to continue as a going concern. 14We-We have incurred net losses every year since our inception and expect to continue to incur increased expenses and generate operating losses and experience negative cash flows and it is uncertain whether we will achieve profitability. For the years ended December 31, 2024 and 2023 and 2022, we incurred a net loss of \$ 34.3 million and \$ 46.8 million and \$ 43.9 million, respectively. We have an accumulated deficit of \$ 254.287.42 million through December 31, 2023-2024. We expect to continue to incur operating losses until such time, if ever, as we are able to achieve sufficient levels of revenue from operations. As stated above, we do not anticipate generating significant revenue from sales of our products for several years or from our manufacturing facility until such time as it is fully operational and operating at full capacity. Our ability to achieve profitability will depend on us successfully scaling up as a CDMO and, market acceptance of our services, and our capacity to develop, introduce and sell our services to our targeted markets. Furthermore, there can be no assurance that we generate sufficient revenue from manufacturing services to support the expenses anticipated to be incurred by the manufacturing facility. Accordingly, the extent of future losses and the time required to achieve profitability, if ever, cannot be predicted at this point. Even if we succeed in generating revenue as a CDMO, we expect to incur substantial losses for the foreseeable future and may never become profitable. We also expect to continue to incur significant operating expenses and anticipate that our expenses will increase substantially in the foreseeable future as we : • implement additional internal systems and infrastructure ; • devote resources to constructing a facility for the further development of bioanalytics, process development and biomanufacturing activities; and • hire additional personnel. We also expect to experience negative cash flows for the foreseeable future as we fund our operating losses. As a result, we will need to generate significant revenues or raise additional financing in order to achieve and maintain profitability. We may not be able to generate these revenues or achieve profitability in the future. Our failure to achieve or maintain profitability would likely negatively impact the value of our securities and financing activities. If we do not raise capital or successfully engage a strategic partner in the near term, we may be required to delay, reduce, or terminate some or all of our operations, sell some of our assets, cease operations, liquidate our assets or reorganize the Company, or a combination of the foregoing. We identified face risks related to the restatement of our previously issued financial statements for the quarters ended June 30, 2022 and September 30, 2022. As previously disclosed, we reached a determination to restate our unaudited consolidated financial statements included in the quarterly reporting periods during fiscal year 2022, consisting of June 30, 2022 and September 30, 2022 and that such interim financial statements should no longer be relied upon. As a result, we have incurred unanticipated costs for accounting and legal fees in connection with or related to the restatement, and have become subject to a number of additional risks and uncertainties, which may affect investor confidence in the accuracy of our financial disclosures and may raise reputational issues for our business. we expect to continue to face many of the risks and challenges related to the restatement, including the following: • we may fail to remediate material weaknesses in our internal control over financial reporting and other material weaknesses we cannot provide assurances that these weaknesses may will be effectively remediated identified in the future, which would adversely affect the accuracy and timing of our- or financial reporting; • the processes undertaken to effect the restatement may not have been adequate to identify and correct all errors in our historical financial statements and, as a result, we may discover additional errors and our financial statements remain subject to the risk of future restatement; • the incurrence of restatement-related expenses; and • diversion of~~

management and other human resources attention from the operation of our business. We cannot assure that all of the risks and challenges described above will be eliminated and that lost business opportunities can be recaptured or that general reputational harm will not persist. If one or more of the foregoing risks or challenges persist, our business, operations and financial condition are likely to be materially and adversely affected.

We identified a material weakness in our internal control over financial reporting and determined that our disclosure controls and procedures were ineffective as of June 30, 2022 and September 30, 2022 as well as of December 31, 2022. As a result, we restated our quarterly financial results for the periods ending June 30, 2022 and September 30, 2022. This material weakness continues to exist as of December 31, 2023. In the future, we may identify additional material weaknesses **will** or otherwise fail to maintain an effective system of internal control over financial reporting or adequate disclosure controls and procedures, which may result in material errors in our financial statements or cause us to fail to meet our period reporting obligations. Management and our Audit Committee, in consultation with BDO USA P. C. (“BDO”), our independent registered public accounting firm, determined that our previously issued interim financial statements filed on the Form 10-Q, as of June 30, 2022, and for the three and six months ended June 30, 2022 and three and nine months ended September 30, 2022 should no **not** longer be relied upon **occur in the future**. Our management is responsible for establishing and maintaining adequate internal control over financial reporting and for evaluating and reporting on the effectiveness of our system of internal control. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with accounting principles generally accepted in the United States of America. As a public company, we are required to comply with the Sarbanes-Oxley Act and other rules that govern public companies. In particular, we are required to certify our compliance with Section 404 of the Sarbanes-Oxley Act, which requires us to furnish annually a report by management on the effectiveness of our internal control over financial reporting. **We have identified** Management has concluded that in light of the errors described above, a material weakness **weaknesses** in our internal controls **control** over financial reporting existed and management’s assessment of the effectiveness of our disclosure controls and procedures as of June 30, 2022 and September 30, 2022 set forth in its Quarterly Reports on Form 10-Q for the quarters ended June 30, 2022 and September 30, 2022 had to be modified to include a material weakness in its controls over financial reporting. The material weakness identified relates to the ineffective design of management review controls over the computation and disclosure of income taxes. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company’s annual or interim financial statements will not be prevented or detected on a timely basis. The existence of one or more material weaknesses precludes a conclusion by management that our disclosure controls and procedures and internal control over financial reporting are effective. **The material weaknesses identified to date include (i) ineffective information technology general controls in the areas of user access and segregation of duties; (ii) ineffective design of management review controls over the computation of disclosure of income taxes; and (iii) the ineffective design and impementaion of controls around process development revenue recognition.** As a result of the **16th** material weakness **weaknesses**, we believe that our internal control over financial reporting was not effective and our disclosure controls and procedures were not effective for the **Non-Reliance Periods the year ended December 31, 2024 and the quarter ended March 31, 2025**. In preparing our audited financial statements for the fiscal year ended December 31, **2023-2024 and unaudited financial statements for the quarter ended March 31, 2025**, we determined that the material **weakness weaknesses** still **exists-exist** in the Company’s internal controls over financial reporting and our disclosure controls were ineffective. Management is committed to the remediation of the material **weakness weaknesses**. Management is actively engaged in the implementation of remediation efforts. **We will be required to expend time and resources to further improve our internal controls over financial reporting. However, we cannot assure you that our internal control over financial reporting**, as described above **modified, will enable us to address the identify or avoid material weakness weaknesses in**. **If we are not able to comply with the requirements future. Our current controls and any new controls that we develop may become inadequate because of changes in conditions in the Sarbanes-Oxley Act or our if we are unable business, including increased complexity resulting from our international expansion. Further, weaknesses in our disclosure controls or our internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting could also adversely affect**, we may not be able to produce timely and accurate financial statements or guarantee that information required to be disclosed by us in the **results of management** reports that we file with the SEC, is recorded, processed, summarized, and **independent registered public accounting firm audits** reported within the time periods specified in SEC rules and forms. **Any failure of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures, and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the market price of our common stock. If we are not able to comply with the requirements of the Sarbanes-Oxley Act or if we are unable to maintain effective internal control over financial reporting, we may not be able to produce timely and accurate financial statements or guarantee that information required to be disclosed by us in the reports that we file with the SEC, is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms. Any failure of our internal control over financial reporting** or disclosure controls and procedures could cause our investors to lose confidence in our publicly reported information, cause the market price of our stock to decline, expose us to sanctions or investigations by the SEC or other regulatory authorities, or impact our results of operations. **Certain of our convertible notes have restrictive covenants that prohibit us from engaging in certain financing activities. The 9 % senior secured convertible notes that we issued on**

December 6, 2024 (the “December 2024 Secured Convertible Notes”) in the aggregate principal amount of \$ 13, 388, 889 to certain institutional investors contain, and any future indebtedness agreements may contain, certain covenants that restrict our ability to finance future operations or capital needs, restrict certain of our expenditures or restrict us from engaging in other business activities. The December 2024 Secured Convertible Notes prohibit us and our subsidiaries from incurring any new indebtedness and they also provide that while the December 2024 Secured Convertible Notes remain outstanding, we are required to maintain a net monthly cash burn of not more than \$ 1, 800, 000, calculated on an average trailing- three- month basis, decreasing by increments of \$ 500, 000 every three months. As of the date of this filing, we are in compliance with these restrictive covenants in the December 2024 Secured Convertible Notes, but there is no assurance that we will be able to remain in compliance with such covenants in the future. Any failure to comply with these restrictive covenants could result in a declaration of default under the December 2024 Secured Convertible Notes by the holders thereof, which would likely have a material adverse effect on our business operations. Certain of our convertible notes are secured by our assets and the assets of our subsidiaries, and a default thereunder could result in us losing the pledged assets. The December 2024 Secured Convertible Notes bear interest at a rate of 9 % per annum payable in cash on the first business day of each fiscal quarter beginning January 2, 2025 and mature on December 6, 2027, unless prior thereto there is an event of default, including the failure of Jeffrey Wolf to remain as our Chief Executive Officer. There is no assurance that we will generate sufficient revenue or raise sufficient capital to be able to make the required interest payments under the December 2024 Secured Convertible Notes. We and each of our domestic subsidiaries granted security interests in all of our assets, including, without limitation, deposit accounts, cash, equipment, contract rights, general intangibles and certain pledged securities, to secure our obligations under the December 2024 Secured Convertible Notes. We and each of our domestic subsidiaries have also guaranteed our obligations under the December 2024 Secured Convertible Notes and as 17surety for repayment thereof. The holders of the December 2024 Secured Convertible Notes have not demanded payment or declared a default, however, as of April 30, 2025, we have failed to satisfy the first two quarterly payments on January 2, 2025 and April 1, 2025. Unless waived, this payment default or any other default on any obligations owed under the December 2024 Secured Convertible Notes, including the affirmative and negative covenants contained therein, could result in our assets being foreclosed upon or require us to redeem the notes. Any action to proceed against our assets would likely have a serious disruptive effect on our business operations. We may be unable to attract a satisfactory strategic alternative. On February 26, 2025, we announced that we had engaged Alliance Global Partners to assist in exploring strategic alternatives. There can be no assurance that this process will result in any transaction or other strategic change or as to the timing of any such potential agreement or transaction.

Risks Related to Our Company We have a limited operating history conducting commercial development of bioanalytics, process development and manufacturing activities. **In 2022, which may limit the ability we entered into a new line of investors to make business, the provision of contract development and manufacturing services and to informed investment decision.** To date, we have limited experience manufacturing products for third parties **not generated significant revenue as a CDMO and no assurance can be given that ourselves.** Because of the numerous risks and uncertainties associated with development and manufacturing, **we are will be unable-- able to predict if generate significant revenue as a CDMO or that we will be successful in providing such services to ourselves or third parties.** Our ability to generate this revenue will depend, in part, on our ability to attract and maintain customers **for our development, manufacturing and technology transfer services** and on the amount spent by the customers on such services. If our facility fails to attract customers and operate at sufficient capacity, our margins will suffer, and we may not be able to fund the costs we incur to operate it. Our bioanalytics, process development **and-- and** biomanufacturing activities will also depend, in part, on our ability to attract and retain an appropriately skilled and sufficient workforce to operate our development and manufacturing facility and our ability to comply with various quality standards and environmental, health and safety laws and regulations. **We have insufficient results for investors to use to identify historical trends. Investors should consider our prospects in light of the risk, expenses and difficulties we will encounter as an early- stage company. Our revenue and income potential is unproven and our business model is continually evolving. We are subject to the risks inherent to the operation of a new business enterprise and cannot assure you that we will be able to successfully address these risks.** We depend on spending and demand from our customers for our contract **development and manufacturing and development services** and any reduction in spending or demand could have a material adverse effect on our business. The amount that our customers spend on the development and manufacturing of their products or product candidates, particularly the amount our customers choose to spend on outsourcing these services to us, substantially impacts our revenue **and profitability.** The outcomes of our customers’ research, development and marketing also significantly influence the amount that our customers choose to spend on our services and offerings. Our customers determine the amounts that they will spend on our services based upon, among other things, the clinical and market success of their products, available resources, access to capital and their need to develop new products which, in turn, depend upon a number of other factors, including their competitors’ research, development and product initiatives and the anticipated market for any new products, as well as clinical and reimbursement scenarios for specific products and therapeutic areas. Further, increasing consolidation in the pharmaceutical industry may impact such spending, particularly in the event that any of our customers choose to develop or acquire integrated manufacturing operations. Any reduction in customer spending on biologics development and related services as a result of these and other factors could have a material adverse effect on our business, financial condition, and results of operations. Available resources, the need to develop new products, and consolidation in the industries in which our customers operate may have an impact on such spending. Our customers finance their research and development spending from private and public sources. A reduction in spending by our customers, which may be influenced by the recent sharp downturn in available private and public funding for small and emerging biotechnology companies, could have a material adverse effect on our business, financial condition, and results of

operations. If our customers are not successful in attaining or retaining product sales due to market conditions, reimbursement issues, or other factors, our results of operations may be materially adversely affected. ~~To~~ **18** To date, our revenues have come from a limited number of customers, ~~making us dependent on those few customers.~~ For the year ended December 31, **2023** ~~2024~~, substantially all of our revenue was derived from a limited number of customers. Though we continue to expand our customer base, we remain dependent on a limited number of customers for a substantial majority of our revenues. For the year ended December 31, **2023** ~~2024~~, revenue from two ~~customers~~ **customers** accounted for **85-53** % of total revenue **of \$ 6. 2 million**. For the year ended December 31, **2022** ~~2023~~, revenue from ~~one two customer~~ **customers** accounted for **94-82** % of total revenue **of \$ 7. 0 million**. One customer accounted for **36-37** % **and 70** % of our **total** revenue for the fiscal ~~year~~ **years** ended December 31, **2024** ~~and~~ **2023**, ~~and is migrating~~ **respectively. This customer migrated** to a larger CDMO for commercial manufacture of their product **during 2024**. The loss of, or a significant reduction of business from, any of our primary customers will have a material adverse effect on our business, financial condition, and results of operation unless we are able to replace such customers with other primary customers. We generally do not have long- term CDMO customer contracts ~~and our backlog cannot be relied upon as a future indicator of revenues.~~ We generally do not have long- term contracts with our CDMO customers, and existing contracts and purchase commitments may be canceled under certain circumstances. As a result, we are exposed to market and competitive price pressures on every order, and our agreements with customers do not provide assurance of future revenues. Our customers are not required to make minimum purchases and, in certain circumstances, may cease using our services at any time without penalty. Our backlog should not be relied on as a measure of anticipated demand or future revenue, because the orders constituting our backlog may be subject to changes in delivery schedules or cancellation without significant penalty to the customer. Any reductions, cancellations or deferrals in customer orders would negatively impact our business. All of our manufacturing services are conducted at our facility situated in San Antonio, Texas, which increases our exposure to significant disruption to our business as a result of unforeseeable developments in a single geographic area. We operate one manufacturing facility in one location, San Antonio, Texas. It is possible that we could experience prolonged periods of reduced production due to unforeseen catastrophic events occurring in or around our facilities. It is ~~also~~ **also** possible that operations could be disrupted due to other unforeseen circumstances such as power outages, explosions, fires, floods, earthquakes or accidents. As a result, we may be unable to shift manufacturing capabilities to alternate locations, accept materials from suppliers, meet customer shipment needs or address other severe consequences that may be encountered, and we may suffer damage to our reputation. Our financial condition and results of our operations could be materially adversely affected were such events to occur. The operations of our business and our suppliers' ~~business~~ **businesses** could ~~also~~ be subject to business interruptions. Our business and the business of the raw material suppliers could be materially and adversely affected by the risks, or the public perception of the risks, related to a pandemic or other health crisis, such as the outbreak of novel coronavirus (COVID- 19). A significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect our planned operations. Such events could result in the complete or partial closure of our manufacturing facilities. In addition, it could impact economies and financial markets, resulting in an economic downturn that could impact our ability to raise capital or slow down potential partnering relationships. We rely on third parties to supply most of the necessary raw materials and supplies for the products we manufacture on behalf of our customers and our inability to obtain such raw materials or supplies may adversely impact our business, financial condition, and results of operations. Our operations require various raw materials, including proprietary media, resins, buffers, and filters, in addition to numerous additional raw materials supplied primarily by third parties. We or our customers specify the raw materials and other items required to manufacture their product and, in some cases, specify the suppliers from whom we must purchase these raw materials. In certain instances, the raw materials and other items can only be supplied by a limited number of suppliers and, in some cases, a single source, or in limited quantities. If third- party suppliers do not supply raw materials or other items on a timely basis, it may cause a manufacturing run to be delayed or canceled which would adversely impact our financial condition and results of operations. Additionally, we do not have long- term supply contracts with any of our ~~single~~ **19** ~~single~~ source suppliers. If we experience difficulties acquiring sufficient quantities of required materials or products from our existing suppliers, or if our suppliers are found to be non- compliant with the FDA' s quality system regulation, CGMPs or other applicable laws or regulations, we would be required to find alternative suppliers. If our primary suppliers become unable or unwilling to perform, any resulting delays or interruptions in the supply of raw materials required to support our manufacturing of CGMP pharmaceutical- grade products would ultimately delay our manufacture of products for our customers, which could materially and adversely affect our financial condition and operating results. Furthermore, third- party suppliers may fail to provide us with raw materials and other items that meet the qualifications and specifications required by us or our customers. If third- party suppliers are not able to provide us with raw materials that meet our or our customers' specifications on a timely basis, we may be unable to manufacture their product or it could prevent us from delivering products to our customers within required timeframes. Any such delay in delivering our products may create liability for us to our customers for breach of contract or cause us to experience order cancellations and loss of customers. In the event that we manufacture products with inferior quality components and raw materials, we may become subject to product liability claims caused by defective raw materials or components from a third- party supplier or from a customer, or our customer may be required to recall its products from the market. Our manufacturing services are highly complex, and if we are unable to provide quality and timely services to our customers, our business could suffer. The manufacturing services we offer are highly complex, due in part to strict regulatory requirements. A failure of our quality control systems in our facility could cause problems to arise in connection with facility operations for a variety of reasons, including equipment malfunction, viral contamination, failure to follow specific manufacturing instructions, protocols and standard operating procedures, problems with raw materials or environmental factors. Such problems could affect production of a single manufacturing run or a series of runs, requiring the destruction of products, or could halt manufacturing operations altogether. In addition, our failure to meet required quality standards may result in our

failure to timely deliver products to our customers which, in turn, could damage our reputation for quality and service. Any such incident could, among other things, lead to increased costs, lost revenue, reimbursement to customers for lost drug substance, damage to and possibly termination of existing customer relationships, time and expense spent investigating the cause and, depending on the cause, similar losses with respect to other manufacturing runs. With respect to our ~~18~~**commercial** manufacturing, if problems are not discovered before the product is released to the market, we may be subject to regulatory actions, including product recalls, product seizures, injunctions to halt manufacture and distribution, restrictions on our operations, civil sanctions, including monetary sanctions, and criminal actions. In addition, such issues could subject us to litigation, the cost of which could be significant. ~~We~~ **Our revenues and profitability** are dependent upon our customers' ability to receive and maintain regulatory approval for their product candidates ~~which negatively impact our revenues and profitability~~. Our success depends upon the regulatory approval of the products we manufacture. As such, if our customers experience a delay in, or failure to receive, approval for any of their product candidates or fail to maintain regulatory approval of their products and we are not able to manufacture these products, our revenue and profitability ~~could~~ **will** be adversely affected. Additionally, if the FDA or a comparable foreign regulatory authority does not approve of our facilities for the manufacture of a customer product or if it withdraws such approval in the future, our customers ~~may~~ **will likely** choose to identify alternative manufacturing facilities and / or relationships, which could significantly impact our ability to expand our manufacturing capacity and capabilities and achieve profitability. ~~Our~~ **Our** business is dependent upon the demand for our services by our customers. ~~Our business is dependent upon the amount of money our customers choose to spend on development and manufacturing services. A decrease in the budget of our customers for spending on development and manufacturing services will negatively impact our revenue and profitability. Early stage customers may be forced to delay or cancel our services in an effort to conserve cash which could have a material adverse effect on our revenues and profitability. In addition, the outcomes of our customers' research, development and marketing also significantly influence the amount that our customers choose to spend on our services and offerings. Further, increasing consolidation in the pharmaceutical industry may impact such spending, particularly in the event that any of our customers choose to develop or acquire integrated manufacturing operations. Any reduction in customer spending on biologics development and related services as a result of these and other factors could have a material adverse effect on our business, financial condition, and results of operations. If we use~~ **of** hazardous and biological materials ~~could result in us being~~ **could result in us being** a manner that causes injury or violates applicable law, we may be liable for damages. Our contract manufacturing operations involve the controlled use of hazardous materials and chemicals. We are subject to federal, state and local laws and regulations in the United States governing the use, manufacture, storage, handling and disposal of hazardous materials and chemicals. Although we believe that our procedures for using, handling, storing and disposing of these materials comply with legally prescribed standards, we may incur significant additional costs to comply with applicable laws in the future. Also, even if we are in compliance with applicable laws, we cannot completely eliminate the risk of contamination or injury resulting from hazardous materials or chemicals. As a result of any such contamination or injury, we may incur liability or local, city, state or federal authorities may curtail the use of these materials and interrupt our business operations. In the event of an accident, we could be held liable for damages or penalized with fines, and the liability could exceed our resources. Compliance with applicable environmental laws and regulations is expensive, and current or future environmental regulations may impair our contract manufacturing operations, which could materially harm our business, financial condition and results of operations ~~If our acquired intangible assets become..... which could adversely affect our operating results~~. Certain members of our management team serve as executive officers of the entity that owns Elusys Therapeutics, which may give rise to potential conflicts of interest. Our Chief Executive Officer and Chief Financial Officer are also officers and / or directors of the entity that owns Elusys Therapeutics. Accordingly, there may be possible conflicts of interest if we should perform manufacturing services for such entity as well as with respect to allocation of time. **It may be difficult to enforce a judgment of a U. S. court against one of our directors who resides outside of the U. S., or to serve process on such director. One of our directors resides outside of the United States and most of the assets of this individual are located outside of the United States. Therefore, a judgment obtained against such director, may not be collectible in the United States and may not be enforced by a court outside of the United States. It also may be difficult for you to effect service of process on this person in the United States. Additionally, courts outside of the United States might not enforce judgments rendered in the United States, which may make it difficult to collect on judgments rendered against our non- U. S. director. We may incur substantial liabilities in connection with our CDMO services. We perform CDMO services for third parties in our facility in San Antonio, TX. We could incur liabilities in the performance of these services, including liabilities for damage to materials supplied to us. If any of the products or services we develop are used in clinical trials, clinical trial liability claims may be filed against us for damages suffered by clinical trial subjects or their families. If we cannot successfully defend ourselves against such claims, we may incur substantial liabilities which could impact our ability to continue as a going concern**. Risks Related to Regulatory Approval and Commercialization Failure to comply with existing and future regulatory requirements for our CDMO could adversely affect our business, financial condition, and results of operations. Our industry is highly regulated. We are required to comply with the regulatory requirements of various local, state, provincial, national and international regulatory bodies having jurisdiction in the countries or localities in which we manufacture products or in which our customers' products are distributed. In particular, our CDMO is subject to laws and regulations concerning development, testing, manufacturing processes, equipment and facilities, including compliance with CGMPs, import and export, and product registration and listing, among other things. As a result, our facility is subject to regulation by the FDA, as well as regulatory bodies of other jurisdictions where our customers have marketing approval for their products including, but not limited to, the EMA, ANVISA and / or Health Canada, depending on the countries in which our customers market and sell the products we manufacture on their behalf. It is possible that compliance with new regulatory requirements could impose significant compliance costs on us. Such costs could have a material adverse effect on our business, financial condition and results of operations. ~~These~~ **These**

regulatory requirements impact many aspects of our operations, including manufacturing, developing, storage, distribution, import and export and record keeping related to customers' products. Noncompliance with any applicable regulatory requirements can result in government refusal to approve: (i) facilities for testing or manufacturing products or (ii) products for commercialization. The FDA and other regulatory agencies can delay, limit or deny approval for many reasons, including: 20 • changes to the regulatory approval process, including new data requirements for product candidates in those jurisdictions, including the United States, in which our customers may be seeking approval; • that a customer's product candidate may not be deemed to be safe or effective; • the inability of the regulatory agency to provide timely responses as a result of its resource constraints; and • that the manufacturing processes or facilities may not meet the applicable requirements. In addition, if new legislation or regulations are enacted or existing legislation or regulations are amended or are interpreted or enforced differently, we may be required to obtain additional approvals or operate according to different manufacturing or operating standards. This may require a change in our development and manufacturing techniques or additional capital investments in our facilities. Any related costs may be significant. If we fail to comply with applicable regulatory requirements in the future, then we may be subject to warning letters and / or civil or criminal penalties and fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, restrictions on the import and export of the products we manufacture, debarment, exclusion, disgorgement of profits, operating restrictions and criminal prosecution and the loss of contracts and resulting revenue losses. Inspections by regulatory authorities that identify any deficiencies could result in remedial actions, production stoppages or facility closure, which would disrupt the manufacturing process and supply of product to our customers. In addition, such failure to comply could expose us to contractual and product liability claims, including claims by customers for reimbursement for lost or damaged active pharmaceutical ingredients or recall or other corrective actions, the cost of which could be significant. In addition, certain products we manufacture must undergo pre-clinical and clinical evaluations relating to product safety and efficacy before they are approved as commercial therapeutic products. The regulatory authorities having jurisdiction in the countries in which our customers intend to market their products may delay or put on hold clinical trials or delay approval of a product or determine that the product is not approvable. The FDA or other regulatory agencies can delay approval of a drug if our manufacturing facility, including any newly commissioned facility, is not able to demonstrate compliance with CGMPs, pass other aspects of pre-approval inspections or properly scale up to produce commercial supplies. The FDA and comparable government authorities having jurisdiction in the countries in which we or our customers intend to market their products have the authority to withdraw product approval or suspend manufacture if there are significant problems with raw materials or supplies, quality control and assurance or the product we manufacture is adulterated or misbranded. If our manufacturing facilities and services are not in compliance with FDA and comparable government authorities, we may be unable to obtain or maintain the necessary approvals to continue manufacturing products for our customers, which would materially adversely affect our financial condition and results of operations. We may be exposed to liability claims associated with the use of biological and hazardous materials and chemicals. Our research and development activities and CDMO services we provide may involve the controlled use of biological and hazardous materials and chemicals. Although we believe that our safety procedures for using, storing, handling and disposing of these materials comply with federal, state and local laws and regulations, we cannot completely eliminate the risk of accidental injury or contamination from these materials. We currently operate a facility in Texas where we perform contract services for third parties that could involve the use of biological and hazardous materials and chemicals. In the event of such an accident, we could be held liable for any resulting damages and any liability could materially adversely affect our business, financial condition and results of operations. In addition, the federal, state and local laws and regulations governing the use, manufacture, storage, handling and disposal of hazardous or radioactive materials and waste products may require us to incur substantial compliance costs that could materially adversely affect our business, financial condition and results of operations. 21 We may incur substantial liabilities and may be required to limit commercialization of our products in response to product liability lawsuits. The testing and marketing of drug and biological product candidates entail an inherent risk of product liability. Product liability claims might be brought against us by consumers, health care providers or others selling or otherwise coming into contact with our products. In our facility in San Antonio we perform CDMO services for third parties. We could incur liability in the performance of these services, including liability for damage to materials supplied to us. If any of the products or services we develop are used in clinical trials, clinical trial liability claims may be filed against us for damages suffered by clinical trial subjects or their families. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our products which could impact our ability to continue as a going concern. Our inability to obtain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of pharmaceutical products we develop, alone or with collaborators. In addition, regardless of merit or eventual outcome, product liability claims may result in: • decreased demand for any approved product candidates; • impairment of our business reputation; • withdrawal of clinical trial participants; • costs of related litigation; • distraction of management's attention; • substantial monetary awards to patients or other claimants; • loss of revenues; and • the inability to successfully commercialize any approved drug candidates. Uncertainty regarding health care reform and declining general economic or business conditions may have a negative impact on our business. Continuing concerns over U. S. health care reform legislation and energy costs, geopolitical issues, the availability and cost of credit and government stimulus programs in the United States and other countries have contributed to increased volatility and diminished expectations for the global economy. If the economic climate does not improve or continues to be uncertain, our business, as well as the financial condition of our customers and suppliers, could be adversely affected, resulting in a negative impact on our business, financial condition and results of operations. We rely extensively on our information technology systems and are vulnerable to damage and interruption. We rely on our information technology systems and infrastructure to process transactions, summarize results and manage our business, including maintaining client and supplier information. Additionally, we utilize third parties, including

cloud providers, to store, transfer and process data. Our information technology systems, as well as the systems of our suppliers and other partners, whose systems we do not control, are vulnerable to outages and an increasing risk of continually evolving deliberate intrusions to gain access to company sensitive information. Likewise, data security incidents and breaches by employees and others with or without permitted access to our systems pose a risk that sensitive data may be exposed to unauthorized persons or to the public. A cyber-attack or other significant disruption involving our information technology systems, or those of our vendors, suppliers and other partners, could also result in disruptions in critical systems, corruption or loss of data and theft of data, funds or intellectual property. We may be unable to prevent outages or security breaches in our systems. We remain potentially vulnerable to additional known or yet unknown threats as, in some instances, we, our suppliers and our other partners may be unaware of an incident or its magnitude and effects. We also face the risk that we expose our vendors or partners to cybersecurity attacks. Any or all of the foregoing could adversely affect our results of operations and our business reputation. ~~22~~Any failure to maintain the security of information relating to our customers, employees and suppliers ; ~~whether as a result of cybersecurity attacks or otherwise~~, could expose us to litigation, government enforcement actions and costly response measures, and could disrupt our operations and harm our reputation. In connection with the sales and marketing of our ~~products and~~ services, we may from time to time transmit confidential information. We also have access to, collect or maintain private or confidential information regarding ~~our clinical trials and the patients enrolled therein~~, employees , and suppliers, as well as our business. Cyberattacks are rapidly evolving and becoming increasingly sophisticated . ~~In addition, if we manufacturer biodefense products sold to the U. S. government, such as ANTHIM, we will have access to highly confidential government information.~~ It is possible that computer hackers and others might compromise our security measures, or security measures of those parties that we do business with now or in the future and obtain the personal information of patients in our clinical trials, vendors, employees and suppliers or our business information. A security breach of any kind, including physical or electronic break- ins, computer viruses and attacks by hackers, employees or others, could expose us to risks of data loss, litigation, government enforcement actions, regulatory penalties and costly response measures, and could seriously disrupt our operations. Any resulting negative publicity could significantly harm our reputation, which could cause us to lose market share and have an adverse effect on our results of operations. ~~Our~~ **22Our** operating results may be adversely affected by fluctuations in foreign currency exchange rates and restrictions on the deployment of cash across global operations. Although we report operating results in U. S. dollars, if we engage in sales of products internationally, our revenues and expenses are or will be denominated in currencies other than the U. S. dollar, particularly in Europe. Fluctuations in foreign currency exchange rates can have a number of adverse effects on us. Because our consolidated financial statements are presented in U. S. dollars, we will be required to translate revenues, expenses and income, as well as assets and liabilities, into U. S. dollars at exchange rates in effect during or at the end of each reporting period. Therefore, changes in the value of the U. S. dollar against other currencies will affect revenues, income from operations, other income (expense), net and the value of balance sheet items originally denominated in other currencies. There is no guarantee that our financial results will not be adversely affected by currency exchange rate fluctuations. In addition, in some countries we could be subject to strict restrictions on the movement of cash and the exchange of foreign currencies, which could limit our ability to use these funds across our global operations. We could be adversely affected by violations of ~~the~~ U. S. Foreign Corrupt Practices Act (“FCPA”) and ~~other~~ worldwide anti- bribery laws. The FCPA and anti- bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business or other commercial advantage. Our policies mandate compliance with these anti- bribery laws, which often carry substantial penalties, including criminal and civil fines, potential loss of export licenses, possible suspension of the ability to do business with the federal government, denial of government reimbursement for products and exclusion from participation in government health care programs. We may operate in jurisdictions that have experienced governmental and private sector corruption to some degree, and, in certain circumstances, strict compliance with anti- bribery laws may conflict with certain local customs and practices. We cannot assure you that the internal control policies and procedures always will protect us from reckless or other inappropriate acts committed by affiliates, employees or agents. Violations of these laws, or allegations of such violations, could have a material adverse effect on our business, financial position and results of operations. **Risks Related to Intellectual Property**We have limited protection for our intellectual property, which could impact our competitive position. We intend to rely on a combination of common law copyright, patent, trademark, and trade secret laws and measures to protect our proprietary information and technology. We may be unable to prevent unauthorized use of such information and technology. Patent, trademark and copyright protections may be limited, and enforcement could be too costly to be effective. It may also be possible for unauthorized third parties to copy aspects of, or otherwise obtain and use, our proprietary information without authorization, including, but not limited to, product design, software, customer and ~~23~~~~prospective~~ **prospective** customer lists, trade secrets, copyrights, patents and other proprietary rights and materials. Other parties can use and register confusingly similar business, product and service names, as well as domain names, which could divert customers, resulting in a material adverse effect on our business, operating results and financial condition. Intellectual property rights may also be unavailable or limited in some foreign countries, which could make it easier for competitors to capture market share. Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement of our proprietary rights generally. Many countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. **We do not currently own any patents.** If we fail to successfully enforce our intellectual property rights, our competitive position could suffer, which could harm our operating results. Competitors may challenge the validity or scope of our intellectual property rights we may obtain. We may be required to spend significant resources to monitor and police our intellectual property rights. We may not be able to detect infringement and our competitive position may be harmed.

Proceedings to enforce our rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications **23 applications** at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. In addition, competitors may design around our technology or develop competing technologies. **We Our technology, our products or our development efforts** may be found to infringe upon third- party intellectual property rights **of others**. Third parties may in the future assert claims or initiate litigation related to their patent, copyright, trademark and other intellectual property rights in technology that is important to us. The asserted claims and / or litigation could include claims against us, our suppliers alleging infringement of intellectual property rights with respect to our proprietary rights. Regardless of the merit of the claims, they could be time consuming, result in costly litigation and diversion of technical and management personnel, or require us to develop a non- infringing technology or enter into license agreements. We have not undertaken an exhaustive search to discover any third party intellectual patent rights, which might be infringed by commercialization of the product candidates described herein. Although we are not currently aware of any such third- party intellectual patent rights, it is possible that such rights currently exist or might be obtained in the future. In the event that a third party controls such rights and we are unable to obtain a license to such rights on commercially reasonable terms, we may not be able to sell or continue to develop our products, and may be liable for damages for such infringement. We cannot assure you that licenses will be available on acceptable terms, if at all. Furthermore, because of the potential for significant damage awards, which are not necessarily predictable, it is not unusual to find even arguably unmeritorious claims resulting in large settlements. If any infringement or other intellectual property claim made against us by any third party is successful, or if we fail to develop non- infringing technology or license the proprietary rights on commercially reasonable terms and conditions, our business, operating results and financial condition could be materially adversely affected. If our products, methods, processes and other technologies infringe the proprietary rights of other parties, we could incur substantial costs and we may have to: • obtain licenses, which may not be available on commercially reasonable terms, if at all; • abandon an infringing drug or therapy candidate; • redesign our products or processes to avoid infringement; • stop using the subject matter claimed in the patents held by others; • pay damages; or • defend litigation or administrative proceedings which may be costly whether we win or lose, and which could result in a substantial diversion of our financial and management resources. **24 General --- General Risk Factors Changes Factors Our failure to meet the continued listing requirements of the NYSE American has resulted in suspension of trading on the NYSE American and is expected to result in a de- listing of our common stock. Our shares of common stock are currently suspended from trading on the NYSE American and are currently trading on the OTC Markets Pink Limited exchange; however, they remain listed on the NYSE American. On April 21, 2025, we received notice from the NYSE Regulation that it had suspended trading of our common stock and determined to commence proceedings to delist our common stock from the NYSE American as a result of its determination that we are no longer suitable for listing pursuant to Section 1003 (f) (v) of the NYSE American Company Guide due to the low selling price of our common stock. We had a right to a review of the staff' s determination to delist our common stock by the Listings Qualifications Panel of the Committee for Review of the Board of Directors of the NYSE American. Although we were entitled to request a review of the staff' s determination to delist our common stock and appeal its determination, we determined not to appeal the staff' s determination and therefore we expect that the NYSE American will apply to the Securities and Exchange Commission to delist our common stock in the next few days. Although we have filed an application to list our common stock on the Nasdaq, we do not currently meet the initial listing requirements of the Nasdaq and there can be no assurance that we will meet the in initial listing requirements of the Nasdaq. On April 16, 2025, we received a notice (the " Notice ") from the NYSE Regulation (the" Notice") stating that we are not in compliance with the continued listing standards of the NYSE American LLC (the" Exchange") under the timely filing 24criteria included in Section 1007 of the NYSE American Company Guide (the" Company Guide") because we failed to timely file our Annual Report on Form 10- K for the year ended December 31, 2024 (the" Delinquent Report"), which was due to be filed with the Securities and Exchange Commission (the" SEC") no later than April 15, 2025. We believe that the filing of thos Annual Report on Form 10- K for the year ended December 31, 2024 will satisfy the late filing notification; however, it will not satisfy our other deficiencies. Our shares of common stock are currently listed on the NYSE American. On June 14, 2024, we received notice from the NYSE Regulation that it had suspended trading of our common stock on the NYSE American and determined to commence proceedings to delist our common stock from the NYSE American as a result of its determination that we are no longer suitable for listing pursuant to Section 1003 (f) (v) of the NYSE American Company Guide due to the low selling price of our common stock. Our common stock began trading on the OTC Markets system on June 17, 2024. On July 17, 2024, we effected a reverse stock split at a ratio of 1- for- 200, to increase the selling price of our common stock in order to regain compliance with the requirements and policies of the NYSE American. On July 29, 2024, the NYSE American notified us that it had withdrawn its delisting determination and the trading suspension of our common stock on the NYSE American was lifted on August 2, 2024 because the NYSE Regulation staff determined that our common stock was at the time trading above the threshold of low selling price issues as further defined by Section 1003 (f) (v) of the NYSE American Company Guide. In addition, on April 17, 2024, we received an official notice of noncompliance from NYSE Regulation stating that we were not in compliance with the NYSE American continued listing standards under the timely filing criteria included in Section 1007 of the NYSE American Company Guide due to the failure to timely file our 2023 Annual Report by the filing due date of April 16, 2024. On May 21, 2024, we received an official notice of noncompliance from NYSE Regulation stating that we were not in compliance with NYSE American continued listing standards under the timely filing criteria included in Section 1007 of the NYSE American Company Guide due to the failure to timely file our March 2024 Quarterly Report by the filing due date of May 16, 2024. Upon the filing of the 2023**

Annual Report and the March 2024 Quarterly Report we received a notice that we had cured the filing delinquency. If our appeal is not successful, NYSE American will take steps to de-list our common stock. There can be no assurance given that our appeal will be successful or that we will be able to continue to satisfy our continued listing requirements and maintain the listing of our common stock on the NYSE American going forward. Future delisting of our common stock from the NYSE American is expected to adversely affect our business, financial condition, and liquidity. The future delisting of our common stock from the NYSE American will likely adversely affect our ability to attract new investors, reduce the liquidity of our outstanding shares of common stock, reduce our ability to raise additional capital, reduce the price at which its common stock trades, result in negative publicity and increase the transaction costs inherent in trading such shares with overall negative effects for our stockholders. If our common stock is delisted it would be subject to rules that impose additional sales practice requirements on broker-dealers who sell our securities. The additional burdens imposed upon broker-dealers by these requirements could discourage broker-dealers from effecting transactions in our common stock. This would adversely affect the ability of investors to trade our common stock and would adversely affect the value of our common stock. In such case, our stockholders' ability to trade or obtain quotations of the market value of our common stock would be severely limited because of lower trading volumes and transaction delays. These factors could contribute to lower prices and larger spreads in the bid and ask prices of these securities. There can be no assurance that our common stock, if delisted from the NYSE American, would be listed on a national securities exchange. Delisting from the NYSE American will also result in negative publicity, adversely affect the market liquidity of our common stock, decrease securities analysts' coverage of us or diminish investor, supplier and employee confidence. Further, when our common stock is delisted from NYSE American, our Common Stock will cease to be recognized as a covered security, and we will be subject to additional regulation in each state in which we offer our securities. If stockholders' equity or market values of our Common Stock, our Common Stock could be delisted. In addition, our stock could become a "penny stock," which will make trading of our common stock more difficult. In addition, delisting of our common stock could deter broker-dealers from making a market in or otherwise seeking or generating interest in our common stock and might deter certain institutions and persons from investing in our securities at all. For these reasons and others, delisting is expected to adversely affect our business, financial condition and liquidity.

25 We rely extensively on our information technology systems and are vulnerable to damage and interruption. We rely on our information technology systems and infrastructure to process transactions, summarize results and manage our business, including maintaining client and supplier information. Additionally, we utilize third parties, including cloud providers, to store, transfer and process data. Our information technology systems, as well as the systems of our suppliers and other partners, whose systems we do not control, are vulnerable to outages and an increasing risk of continually evolving deliberate intrusions to gain access to company sensitive information. Likewise, data security incidents and breaches by employees and others with or without permitted access to our systems pose a risk that sensitive data may be exposed to unauthorized persons or to the public. A cyber-attack or other significant disruption involving our information technology systems, or those of our vendors, suppliers and other partners, could also result in disruptions in critical systems, corruption or loss of data and theft of data, funds or intellectual property. We may be unable to prevent outages or security breaches in our systems. We remain potentially vulnerable to additional known or yet unknown threats as, in some instances, we, our suppliers and our other partners may be unaware of an incident or its magnitude and effects. We also face the risk that we expose our vendors or partners to cybersecurity attacks. Any or all of the foregoing could adversely affect our results of operations and our business reputation.

Changes in general economic conditions, geopolitical conditions, domestic and foreign trade policies, including tariff and customs regulations, monetary policies and other factors beyond our control may adversely impact our business and operating results. Our operations and performance depend on global, regional and U. S. economic and geopolitical conditions. General worldwide economic conditions have experienced significant instability in recent years including the recent global economic uncertainty and financial market conditions. Russia's invasion and military attacks on Ukraine have triggered significant sanctions from U. S. and European leaders and financial markets around the world experienced volatility following the invasion of Ukraine by Russia in February 2022. Resulting changes in U. S. trade policy could trigger retaliatory actions by Russia, its allies and other affected countries, including China, resulting in a "trade war." Furthermore, if other countries, including the U. S., become further involved in the conflict, we could face significant adverse effects to our business and financial condition. In addition, the global macroeconomic environment could be negatively affected by, among other things, instability in global economic markets, increased U. S. trade tariffs and trade disputes with other countries, instability in the global credit markets, supply chain weaknesses, instability in the geopolitical environment as a result of the withdrawal of the United Kingdom from the European Union, the war in the Middle East and other political tensions, and foreign governmental debt concerns. Such challenges have caused, and may continue to cause, uncertainty and instability in local economies and in global financial markets.

Changes in U. S. or international social, political, regulatory and economic conditions or in laws and policies governing trade, manufacturing, development and investment in the countries where we currently conduct our business could adversely affect our business, reputation, financial condition and results of operations. Changes or proposed changes in U. S. or other countries' trade policies may result in restrictions and economic disincentives on international trade. The U. S. government has recently imposed, or is currently considering imposing, tariffs on certain trade partners. Tariffs, economic sanctions and other changes in U. S. trade policy have in the past and could in the future trigger retaliatory actions by affected countries, and certain foreign governments have instituted or are considering imposing retaliatory measures on certain U. S. goods. Further, any emerging protectionist or nationalist trends (whether regulatory- or consumer- driven) either in the United States or in other countries could affect the trade environment. Our business, like many other corporations, would be impacted by changes to the trade policies of the

United States and foreign countries (including governmental action related to tariffs, international trade agreements, or economic sanctions). Such changes have the potential to adversely impact the U. S. economy or certain sectors thereof, the global economy, and our industry, and as a result, could have a material adverse effect on our business, financial condition and results of operations

The uncertain financial markets, disruptions in supply chains, mobility restraints, and changing priorities as well as volatile asset values could impact our business in the future. The COVID- 19 outbreak and government measures taken in response to the pandemic have also had a significant impact, both direct and indirect, on businesses and commerce, as worker shortages have occurred; supply chains have been disrupted; facilities and production have been suspended; and demand for certain goods and services, such as medical services and supplies, have spiked, while demand for other goods and services, such as travel, have fallen. A resurgence of COVID 19, or other pandemics or epidemics could have an adverse effect on our business and operations are uncertain. ~~Further~~ **26Further**, although we have not experienced any material adverse effects on our business due to increasing inflation, it has raised operating costs for many businesses and, in the future, could impact demand or pricing manufacturing of our drug candidates or services providers, foreign exchange rates or employee wages. Inflation rates, particularly in the United States and United Kingdom, have increased recently to levels not seen in years, and increased inflation may result in increases in our operating costs (including our labor costs), reduced liquidity and limits on our ability to access credit or otherwise raise capital. In addition, the Federal Reserve has raised, and may again raise, interest rates in response to concerns about inflation, which coupled with reduced government spending and volatility in financial markets may have the effect of further increasing economic uncertainty and heightening these risks. Actual events involving reduced or limited liquidity, defaults, non- performance or other adverse developments that affect financial institutions or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds, have in the past and may in the future lead to market- wide liquidity problems. ~~For example, on March 10, 2023, Silicon Valley Bank was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation as receiver. Although we did not have any cash or cash equivalent balances on deposit with Silicon Valley Bank, uncertainty and liquidity concerns in the broader financial services industry remain and the failure of Silicon Valley Bank and its potential near- and long- term effects on the biotechnology industry and its participants such as our vendors, suppliers, and investors, may also adversely affect our operations and stock price.~~ We are actively monitoring the effects these disruptions and increasing inflation could have on our operations. These conditions make it extremely difficult for us to accurately forecast and plan future business activities. These conditions make it extremely difficult for us to accurately forecast and plan future business activities. In addition, the outbreak of a pandemic could disrupt our operations due to absenteeism by infected or ill members of management or other employees, or absenteeism by members of management and other employees who elect not to come to work due to the illness affecting others in our office or laboratory facilities, or due to quarantines. Pandemics could also impact members of our Board of Directors resulting in absenteeism from meetings of the directors or committees of directors, and making it more difficult to convene the quorums of the full Board of Directors or its committees needed to conduct meetings for the management of our affairs. ~~25~~ **We** ~~We~~ may not successfully effect our intended expansion, which would harm our business prospects. Our success will depend upon the expansion of our operations and the effective management of our growth, which will place a significant strain on our management, and on our administrative, operational and financial resources. To manage this growth, we must expand our facilities; augment our operational, financial and management systems; and hire and train additional qualified personnel. If we are unable to manage our growth effectively, our business would be harmed. Our stock price has fluctuated in the past, has recently been volatile and may be volatile in the future ~~, and as a result, investors in our common stock could incur substantial losses and our ability to raise funds may be impacted.~~ Our stock price has fluctuated in the past, has recently been volatile and may be volatile in the future. On December ~~19-18~~, **2023-2024**, the reported low sale price of our common stock was \$ 0. ~~258-295~~ per share and the reported high sales price was \$ ~~1-89~~, **29-94** per share on January ~~24-5~~, **2023-2024**. For comparison purposes, on December ~~29-31~~, **2023-2024**, the price of our common stock closed at \$ 0. ~~44-33~~ per share. We may incur rapid and substantial decreases in our stock price in the foreseeable future that are unrelated to our operating performance or prospects. The stock market generally and the market for biotechnology and pharmaceutical companies in particular has experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, investors may experience losses on their investment in our common stock. The market price for our common stock may be influenced by many factors, including the following: ● investor reaction to our business strategy; ● the success of competitive products or technologies; ● our continued compliance with the listing standards of the NYSE American; ● regulatory or legal developments in the United States and other countries, especially changes in laws or regulations applicable to our products; ● actions taken by regulatory agencies with respect to the products we manufacture, manufacturing process ; ● variations in our financial results or those of companies that are perceived to be similar to us; ● the success of our efforts to acquire or in- license additional products or product candidates; ● developments concerning our collaborations or partners; **27** ● developments or disputes concerning patents or other proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our products; ● our ability to generate revenue from our CDMO facility; ● our ability or inability to raise additional capital and the terms on which we raise it; ● declines in the market prices of stocks generally; ● trading volume of our common stock; ● sales of our common stock by us or our stockholders; ● general economic, industry and market conditions; and ● other events or factors, including those resulting from such events, or the prospect of such events, including war, terrorism and other international conflicts, such as the Russian invasion of Ukraine, and the Israeli conflict, public health issues including health epidemics or pandemics, and natural disasters such as fire, hurricanes, earthquakes, tornados or other adverse weather and climate conditions, whether occurring in the United States or elsewhere, could disrupt our operations, disrupt the operations of our suppliers or result in political or economic instability. These broad market and industry factors may seriously harm the market price of our common stock, regardless of our operating performance. Since the stock price of our common stock has fluctuated in the past, has been recently volatile and may

be volatile in the future, investors in our common stock could incur substantial losses. In the past, following periods of volatility in the market, securities class-action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management's attention and resources, which could materially and adversely affect our business, financial condition, results of operations and growth prospects. ~~There~~ **There** can be no guarantee that our stock price will remain at current prices or that future sales of our common stock will not be at prices lower than those sold to investors. ~~We~~ We rely on key executive officers and scientific and medical advisors, and their knowledge of our business and technical expertise would be difficult to replace. We are highly dependent on our principal scientific, regulatory and medical advisors and our chief executive officer. Other than a \$ 2.0 million insurance policy we hold on the life of Jeffrey Wolf, we do not have "key person" life insurance policies for any of our officers or advisors. The loss of the technical knowledge, management and industry expertise of any of our key personnel could result in delays in product development, loss of customers and sales and diversion of management resources, which could adversely affect our operating results. If we are unable to hire additional qualified personnel, our ability to grow our business may be harmed. We will need to hire additional qualified personnel with expertise in ~~preclinical~~ **analytical development, formulation** and **manufacturing** ~~clinical research~~, government regulation, ~~formulation and manufacturing~~, sales and marketing, and accounting and ~~financing~~ **finance**. ~~Over the next 12 months, we expect to hire additional new employees in Texas.~~ We compete for qualified individuals with numerous biopharmaceutical companies, universities, and other research institutions. Competition for such individuals is intense, and we cannot be certain that our search for such personnel will be successful. Attracting and retaining qualified personnel will be critical to our success. We are a smaller reporting company, and we cannot be certain if the reduced reporting requirements applicable to smaller reporting companies will make our common stock less attractive to investors. We are a smaller reporting company under Rule 12b-2 of the Exchange Act. For as long as we continue to be a smaller reporting company, we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not smaller reporting companies, including reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. We cannot predict if investors will find our common stock less attractive because we may rely on smaller reporting company exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock, and our stock price may be more volatile. There can be no assurance that we will be able to comply with the applicable regulations in a timely manner, if at all. ~~Our failure to meet the continued listing requirements of the NYSE American LLC (the "NYSE American") could result in a de-listing of our common stock. Our shares of common stock are currently listed on the NYSE American. On April 17, 2024, we received an official notice of noncompliance (the "NYSE American Notice") from NYSE Regulation stating that we are not in compliance with NYSE American continued listing standards (the "Filing Delinquency Notification") under the timely filing criteria included in Section 1007 of the NYSE American Company Guide (the "Company Guide") due to the failure to timely file this Annual Report on Form 10-K (the "Delinquent Report") by the filing due date of April 16, 2024 (the "Filing Delinquency"). We believe that upon the filing of this Annual Report on Form 10-K we will have cured the Filing Delinquency, however there can be no assurance that we will continue to comply with the NYSE American continued listing requirements. If we fail to satisfy the continued listing requirements of the NYSE American, such as the corporate governance requirements, minimum bid price requirement or the minimum stockholder's equity requirement, NYSE American may take steps to de-list our common stock. In determining whether to afford a company a cure period prior to commencing suspension or delisting procedures, the NYSE American does analyze all relevant facts including any past history of late filings. Any de-listing would likely have a negative effect on the price of our common stock and would impair stockholders' ability to sell or purchase their common stock when they wish to do so. There can be no assurance given that we will be able to continue to satisfy our continued listing requirements and maintain the listing of our common stock on the NYSE American going forward. The~~ **28** ~~The~~ possible issuance of common stock subject to **convertible debt**, options, restricted stock units and warrants may dilute the interests of stockholders. As of April ~~26-30~~ **30**, 2024 ~~2025~~, awards for ~~6, 220, 623~~ **62, 167** shares of common stock are outstanding under our equity compensation plans and ~~1-191~~ **952** ~~243, 504~~ shares of common stock remain available for grants under the plans. To the extent that outstanding stock options and warrants are exercised, or additional securities are issued, dilution to the interests of our stockholders may occur. **In addition, if the outstanding balance of convertible debt were to be converted into common stock, there would be a significant number of shares of common stock issued.** Moreover, the terms upon which we will be able to obtain additional equity capital may be adversely affected since ~~27~~ ~~the~~ **the** holders of the outstanding options can be expected to exercise them at a time when we would, in all likelihood, be able to obtain any needed capital on terms more favorable to us than those provided in such outstanding options. We have additional securities available for issuance, which, if issued, could adversely affect the rights of the holders of our common stock. Our certificate of incorporation authorizes the issuance of 250, 000, 000 shares of our common stock and 10, 000, 000 shares of preferred stock. In certain circumstances, the common stock, as well as the awards available for issuance under the incentive plans, can be issued by our Board of Directors, without stockholder approval. Any future issuances of such stock would further dilute the percentage ownership of us held by holders of preferred stock and common stock. Our Board of Directors is authorized to create and issue from time to time, only with stockholder approval, up to an aggregate of 10, 000, 000 shares of preferred stock of which 8, 212, 500 have been designated. The authority to designate preferred stock may be used to issue series of preferred stock, or rights to acquire preferred stock, that could dilute the interest of, or impair the voting power of, holders of the common stock or could also be used as a method of determining, delaying or preventing a change of control. ~~We have never paid dividends and have no plans to pay dividends in the future. Holders of shares of our common stock are entitled to receive such dividends as may be declared by our Board of Directors. To date, we have paid no cash dividends on our shares of our preferred or common stock and we do not expect to pay cash dividends in the foreseeable future. We intend to retain future earnings, if any, to provide funds for operations of our business. Therefore, any return investors in our preferred or common stock may have will be in the form of appreciation, if any, in the~~

~~market value of their shares of common stock.~~ Certain provisions of the **Delaware** General Corporation Law ~~of the State of Delaware~~, our bylaws and stockholder rights plan may have anti- takeover effects that may make an acquisition of our company ~~by another company~~ more difficult. We are subject to the provisions of Section 203 of the General Corporation Law of the State of Delaware, which prohibits a Delaware corporation from engaging in any business combination, including mergers and asset sales, with an interested stockholder (generally, a 15 % or greater stockholder) for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. The operation of Section 203 may have anti- takeover effects, which could delay, defer or prevent a takeover attempt that a holder of our common stock might consider in its best interest. Certain provisions of our bylaws including the ability of our Board of Directors to fill vacancies on our Board of Directors and advance notice requirements for stockholder proposals and nominations may prevent or frustrate attempts by our stockholders to replace or remove our management. In addition, the Rights issued pursuant to our stockholder rights plan that we implemented, if not redeemed or suspended, could result in the dilution of the stock ownership of a potential hostile acquirer, likely preventing acquisitions that have not been approved by our Board of Directors and therefore discouraging, delaying or preventing a change in control that stockholders may consider favorable. Our **second** amended and restated bylaws provide that the Court of Chancery of the State of Delaware will be the exclusive forum for certain types of state actions that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees. Our **second** amended and restated bylaws provide that, unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the exclusive forum for (i) any derivative action or proceeding brought on behalf of us, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, or other employees to us or our stockholders, (iii) any action arising pursuant to any provision of the DGCL or our certificate of incorporation or bylaws (as either may be amended from time to time), or (iv) any action asserting a claim governed by the internal affairs doctrine, except, in each case for claims arising under the Securities Act, the Exchange Act, or other federal securities laws for which there is exclusive federal or concurrent federal and state jurisdiction. ~~These 29~~ **These** exclusive- forum provisions may limit a stockholder' s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, employees, control persons, underwriters, or agents, which may discourage ~~28~~ **lawsuits** ~~lawsuits~~ against us and our directors, employees, control persons, underwriters, or agents. Additionally, a court could determine that the exclusive forum provision is unenforceable, and our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. If a court were to find these provisions of our **second** amended and restated bylaws inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition, or results of operations. Future sales of our common stock by our existing stockholders could cause our stock price to decline. On April ~~26-30~~, **2024-2025**, we had ~~36-12~~, **031-387**, ~~964-712~~ shares of our common stock outstanding, all of which are currently eligible for sale in the public market, subject, in certain circumstances to the volume, manner of sale and other limitations under Rule 144 promulgated under the Securities Act. It is conceivable that stockholders may wish to sell some or all of their shares. If our stockholders sell substantial amounts of our common stock in the public market at the same time, the market price of our common stock could decrease significantly due to an imbalance in the supply and demand of our common stock. Even if they do not actually sell the stock, the perception in the public market that our stockholders might sell significant shares of our common stock could also depress the market price of our common stock. A decline in the price of shares of our common stock might impede our ability to raise capital through the issuance of additional shares of our common stock or other equity securities, and may cause stockholders to lose part or all of their investment in our shares of common stock. Our shares of common stock are from time to time thinly traded, so stockholders may be unable to sell at or near ask prices or at all ~~if they need to sell shares to raise money or otherwise desire to liquidate their shares~~. Our common stock has from time to time been " thinly- traded, " meaning that the number of persons interested in purchasing our common stock at or near ask prices at any given time may be relatively small or non- existent. This situation is attributable to a number of factors, including the fact that we are a small company that is relatively unknown to stock analysts, stock brokers, institutional investors and others in the investment community that generate or influence sales volume, and that even if we came to the attention of such persons, they tend to be risk- averse and would be reluctant to follow an unproven company such as ours or purchase or recommend the purchase of our shares until such time as we became more seasoned and viable. As a consequence, there may be periods of several days or more when trading activity in our shares is minimal or non- existent, as compared to a seasoned issuer that has a large and steady volume of trading activity that will generally support continuous sales without an adverse effect on share price. We cannot give stockholders any assurance that a broader or more active public trading market for our common shares will develop or be sustained, or that current trading levels will be sustained. ~~The shares of common stock offered under any at the market offering that we may engage in, and investors who buy shares at different times will likely pay different prices. Investors who purchase shares that are sold under at the market offerings at different times will likely pay different prices, and so may experience different outcomes in their investment results. We will have discretion, subject to market demand, to vary the timing, prices, and numbers of shares sold, and there is no minimum or maximum sales price. Investors may experience declines in the value of their shares as a result of share sales made at prices lower than the prices they paid.~~ Reports published by securities or industry analysts, including projections in those reports that exceed our actual results, could adversely affect our common stock price and trading volume. Securities research analysts, including those affiliated with our underwriters from prior offerings, establish and publish their own periodic projections for our business. These projections may vary widely from one another and may not accurately predict the results we actually achieve. Our stock price may decline if our actual results do not match securities research analysts' projections. Similarly, if one or more of the analysts who writes reports on us downgrades our stock or publishes inaccurate or unfavorable research about our business or if one or more of these analysts ceases coverage of our company or fails to publish reports on us

regularly, our stock price or trading volume could decline. 29While-- While we expect securities research analyst coverage to continue going forward, if no securities or industry analysts cover us, the trading price for our stock and the trading volume could be adversely affected. Item 1B. Unresolved Staff CommentsNone. Item 1C. CybersecurityWe maintain a cyber risk management program designed to identify, assess, manage, mitigate, and respond to cybersecuritv threats. The underlying processes and controls of our cyber risk management program incorporate recognized best practices and standards for cybersecuritv and information technology, including the National Institute of Standards and Technology (“NIST”) Cybersecuritv Framework (“CSF”). We have an annual assessment performed by a third-party specialist of our cyber risk management program against the NIST CSF. The annual risk assessment identifies, quantifies, and categorizes material cyber risks. In addition, we, in conjunction with the third-party cyber risk management specialists, develop a risk mitigation plan to address such risks, and where necessary, remediate potential vulnerabilities identified through the annual assessment process. In addition, we maintain policies over areas such as information security, access on / offboarding, and access and account management, to help govern the processes put in place by management designed to protect our IT assets, data, and services from threats and vulnerabilities. We partner with industry recognized cybersecuritv providers leveraging third-party technology and expertise. These cybersecuritv partners, including consultants and other third-party service providers, are a key part of our cybersecuritv risk management strategy and infrastructure and provide services including, maintenance of an IT assets inventory, periodic vulnerability scanning, identity access management controls including restricted access of privileged accounts, network integrity safeguarded by employing web-based software, including endpoint protection, endpoint detection and response, and remote monitoring management on all devices, industry-standard encryption protocols, critical data backups, infrastructure maintenance, incident response, cybersecuritv strategy, and cyber risk advisory, assessment and remediation. Our management team, in conjunction with third-party information technology (“IT”) and cybersecuritv service providers, is responsible for oversight and administration of our cyber risk management program, and for informing senior management and other relevant stakeholders regarding the prevention, detection, mitigation, and remediation of cybersecuritv incidents. Scorpivs Holdings’ management team has prior experience selecting, deploying, and overseeing cybersecuritv technologies, initiatives, and processes directly or via selection of strategic third-party partners, and relies on threat intelligence as well as other information obtained from governmental, public, or private sources, including external consultants engaged by us for strategic cyber risk management, advisory and decision making. Our Audit Committee also provides oversight of risks from cybersecuritv threats. As part of its review of the adequacy of our system of internal controls over financial reporting and disclosure controls and procedures, the Audit Committee is specifically responsible for reviewing the adequacy of our computerized information system controls and security-related thereof. The cybersecuritv stakeholders, including member (s) of management assigned with cybersecuritv oversight responsibility and / or third-party consultants providing cyber risk services brief the Audit Committee on cyber vulnerabilities identified through the risk management process, the effectiveness of our cyber risk management program, and the emerging threat landscape and new cyber risks on at least an annual basis. This includes updates on our processes to prevent, detect, and mitigate cybersecuritv incidents. In addition, cybersecuritv risks are reviewed by our Board of Directors at least annually, as part of our corporate risk oversight processes. We face risks from cybersecuritv threats that could have a material adverse effect on our business, financial condition, results of operations, cash flows or reputation. We acknowledge that the risk of cyber incident is prevalent in the current threat landscape and that a future cyber incident may occur in the normal course of its business. However, prior cybersecuritv incidents have not had a material adverse effect on our business, financial condition, results of operations, or cash flows. We proactively seek to detect and investigate unauthorized attempts and attacks against our IT assets, data, and services, and to prevent their occurrence and recurrence where practicable through changes or updates to internal-30