Risk Factors Comparison 2025-04-15 to 2024-03-18 Form: 10-K

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An investment in shares of our common stock involves a high degree of risk. You should carefully consider the risks described below, as well as the other information in this Annual Report ~~on Form 10- K~~, including our financial statements and the related notes and " Management' s Discussion and Analysis of Financial Condition and Results of Operations " before deciding whether to purchase, hold or sell shares of our common stock. The occurrence of any of the risks described below could harm our business, financial condition, results of operations, growth prospects, and / or stock price or cause our actual results to differ materially from those contained in forward- looking statements we have made in this Annual Report ~~on Form 10- K~~ and those we may make from time to time. You should consider all of the risk factors described when evaluating our business. Risks Related to Our Business and Industry We have a limited operating history, have incurred significant net losses since our inception, and anticipate that we will continue to incur significant net losses for the foreseeable future **, and such net losses are expected to increase as we continue our clinical development of, and seek regulatory approvals for, our product candidates, tralesinidase alfa, tildacerfont, SPR202, SPR204 and any future product candidates** . We are a late- stage biopharmaceutical company founded in 2014, and our operations to date have focused primarily on raising capital, establishing and protecting our intellectual property portfolio, organizing and staffing our company, business planning, and conducting preclinical and clinical development of, and manufacturing development for, our ~~only~~ product ~~candidate~~ **candidates** ~~, tildacerfont~~ . Additionally, as an organization, we have not yet demonstrated an ability to successfully complete clinical development, obtain regulatory approvals, manufacture a commercial- scale product, or conduct sales and marketing activities necessary for successful commercialization. As we build our capabilities and expand our organization, we have not yet demonstrated an ability to overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the biopharmaceutical area. Consequently, any predictions about our future performance may not be as accurate as they would be if we had a history of successfully developing and commercializing biopharmaceutical products. Investment in biopharmaceutical product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that any potential product candidate will fail to demonstrate adequate effectiveness in the targeted indication or an acceptable safety profile, gain regulatory approval and become commercially viable. We have no products approved for commercial sale and have not generated any product revenue to date, and we continue to incur significant research and development and other expenses related to our ongoing operations. As a result, we are not profitable and have incurred significant net losses since our inception. If ~~tildacerfont is~~ **our product candidates are** not successfully developed and approved ~~in the United States, Europe, or Japan~~ , we may never generate any product revenue. For the years ended December 31, **2024 and** 2023 ~~and 2022~~ , we reported net losses of $ **53. 0 million and $** 47. 9 million ~~and $ 46. 2 million~~ , respectively. As of December 31, ~~2023~~ **2024** , we had an accumulated deficit of $ ~~197~~ **250** . ~~2~~ **3** million. We expect to continue to incur significant losses for the foreseeable future, and we expect these losses to increase as we continue our clinical development of, seek regulatory approvals for, and commercially launch **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates, if approved. We may encounter unforeseen expenses, difficulties, complications, delays, and other unknown factors that may adversely affect our business. The size of our future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenues. Our prior net losses and expected future net losses have had and will continue to have an adverse effect on our stockholders' equity and working capital. Because of the numerous risks and uncertainties associated with drug development, we are unable to accurately predict the timing or amount of increased expenses, or when, if at all, we will be able to achieve profitability. We will need substantial additional financing to develop **our** ~~tildacerfont and any future~~ product candidates and implement our operating plan. If we fail to obtain additional financing, we may be forced to delay, reduce or eliminate our product development programs or commercialization efforts. Our operations have consumed substantial amounts of cash since our inception. We expect to continue to spend substantial amounts to continue the clinical development of, and seek regulatory approval for, **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates. We will require significant additional amounts in order to prepare for commercialization, and, if approved, to launch and commercialize **tralesinidase alfa,** tildacerfont **and our other current and future product candidates** . As of December 31, ~~2023~~ **2024** , we had cash and cash equivalents of $ ~~96~~ **38** . ~~3~~ **8** million. In October 2020, we consummated our initial public offering (" IPO ") and issued 6, 900, 000 shares of common stock for net proceeds of $ 93. 4 million, after deducting underwriting discounts and commissions and offering expenses. In February 2023, we completed a private placement for net proceeds of $ 50. 9 million. In April 2023, we received a $ 15. 0 million upfront payment under the Kaken License Agreement. ~~We believe, based on our current operating plan, that our cash and cash equivalents as of December 31, 2023 will be sufficient to fund our operations and debt obligations for at least 12 months following the issuance date of our financial statements included elsewhere in this Annual Report. However, changing~~ **Changing** circumstances may cause us to consume capital significantly faster than we currently anticipate, and we may need to spend more money than currently expected because of circumstances beyond our control. ~~For example, primarily as a result of the COVID- 19 pandemic, enrollment in our Phase 2b clinical trials evaluating tildacerfont for the treatment of adult classic congenital adrenal hyperplasia (" CAH ") was delayed, extending the overall duration of the trials. We have expanded the number of trial sites worldwide to provide more recruitment capabilities in an effort to accelerate enrollment. Additionally, we have amended our clinical trial protocols to enable remote visits to mitigate any potential impacts. As a result of the extended duration of the trials, increased number of trial sites, and this home health component, the overall costs of our Phase 2b clinical trials have increased and may continue to increase in the~~

~~future.~~ We will require additional capital for the further development and commercialization of **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates and may need to raise additional funds sooner if we choose to expand more rapidly than we presently anticipate. Additional funding may not be available on acceptable terms, or at all. In addition, we may not be able to access a portion of our existing cash and cash equivalents due to market conditions. For example, on March 10, 2023, the Federal Deposit Insurance Corporation (" FDIC ") took control and was appointed receiver of Silicon Valley Bank (" SVB "). If other banks and financial institutions enter receivership or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, our ability to access our existing cash and cash equivalents may be threatened and could have a material adverse effect on our business and financial condition. Further, as a result of geopolitical and macroeconomic events, ~~including the COVID- 19 pandemic and~~ the ongoing wars in Ukraine and Israel and related sanctions, the global credit and financial markets have experienced volatility and disruptions, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates, and uncertainty about economic stability. If the equity and credit markets deteriorate, it may make any necessary debt or equity financing more difficult, more costly or more dilutive. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to significantly delay, scale back, or discontinue the development or commercialization of tildacerfont or other research and development initiatives. We also could be required to seek collaborators for ~~tildacerfont~~ **our current product candidates** and any future product candidates at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available or relinquish or license on unfavorable terms our rights to ~~tildacerfont~~ **our current product candidates** and any future product candidates in markets where we otherwise would seek to pursue development or commercialization ourselves. Any of the above events could significantly harm our business, prospects, financial condition, and results of operations and cause the price of our common stock to decline. We **do not** currently ~~depend entirely~~ **have sufficient working capital to fund our planned operations for the next twelve months and substantial doubt exists as to our ability to continue as a going concern. As of December 31, 2024, we had incurred a net loss of $ 53. 0 million and used $ 56. 0 million of cash in operations. As of December 31, 2024, we had an accumulated deficit of $ 250. 3 million and cash and cash equivalents of $ 38. 8 million. We expect to continue to generate operating losses and have significant cash outflows from operating activities for at least the next few years. Until we can generate sufficient revenue, if ever, to fund our operations, we will need to finance future cash needs through public or private equity offerings, license agreements, debt financings or restructurings, collaborations, strategic alliances and marketing or distribution arrangements, and there can be no assurance that such arrangements will be available to us** on **a timely basis** ~~the success of tildacerfont~~ , ~~which is our~~ , **or** ~~only product candidate~~ **, if available, will be available on terms acceptable to us. Without alternative financing or proceeds from other strategic alternatives, we believe, based on our current operating plan, that our cash and cash equivalents as of December 31, 2024 will be insufficient to fund our operations and debt obligations for at least twelve months following the issuance date of our financial statements included elsewhere in this Annual Report. These conditions raise substantial doubt about our ability to continue as a going concern. The perception of our ability to continue as a going concern may make it more difficult for us to obtain financing for the continuation of our operations and could result in the loss of confidence by investors and employees. If we are not able to obtain the necessary additional financing on a timely or commercially reasonable basis, we will be forced to delay or scale down some or all of our development activities (or perhaps even cease the operation of our business)** . If we are unable to **continue as a going concern, our stockholders may lose some or all of their investment in the Company. If we are unable to** advance ~~tildacerfont~~ **our product candidates** in clinical development, obtain regulatory approval, and ultimately commercialize ~~tildacerfont~~ **our product candidates** , or experience significant delays in doing so, our business will be materially harmed. ~~We currently only have one product candidate~~ **Human exposure to tralesinidase alfa has occurred in 3 clinical studies (201** , ~~tildacerfont~~ **202** , **and 401) sponsored by Allievex. Study 201 was a completed Phase 1 / 2, first- in- human, multicenter, multinational, open - label, dose- escalation study. Study 250- 202 was** ~~and~~ **an extension study** ~~our business and future success depends entirely on our ability to develop, obtain regulatory approval~~ for **patients who completed Study 201** , **and Study 401 was** ~~and~~ **an extension study** ~~then successfully commercialize, tildacerfont, which is currently in clinical development~~ for ~~adult~~ **patients who completed Study 202. Patients entered Study 201 by either completing Study 201' s Part 1 dose- escalation study, or completing Study 901, an observational study of progressive MPS IIIB symptomatology. In Studies 201 and 202, tralesinidase alfa was administered weekly by ICV infusion, and patients were evaluated in terms of neurocognitive function, behavior, sleep, quality of life (both of the patient and of the family / caregiver), MRI imaging characteristics, biochemical markers of disease burden and, in some cases, hearing. The primary objectives of these studies were to evaluate the safety and tolerability of tralesinidase alfa administered to** patients with ~~classic CAH~~ **MPS IIIB via an ICV reservoir and catheter, and to evaluate the impact of tralesinidase alfa on cognitive function defined as communication skills in patients with MPS IIIB as assessed by the raw score and age- equivalent quotient (" AEq "). Patients in Study 202 were eligible for weekly or every other week dosing after Week 96. 22 patients enrolled in Study 201 and a total of 21 patients completed the study. 20 of these patients transitioned to Study 202. Study 401 was a Phase 3B / 4 study to allow patients that completed Study 202 to continue receiving tralesinidase alfa for up to 3 additional years. The study was discontinued in October 2023 due to financial constraints of the product' s prior sponsor. Study 901 was a prospective, non- treatment study of MPS IIIB open to 1 – 10 year - old patients with cognitive developmental quotients ≥ 50 (determined by the BSID - III or KABC- II (each as defined below)) upon study entry** . This ~~may make~~ **study aimed to quantify MPS IIIB disease progression over time; to correlate changes in clinical features of the disease, in particular cognitive decline, with MRI characteristics** ~~an~~ **and** ~~investment in our company riskier than similar companies~~ **biochemical markers of disease burden; and to serve as a comparator for Studies 201 and 202. Following a screening period, patients were assessed**

every 12 weeks for up to 96 weeks. 22 patients enrolled and 20 patients matriculated into Study 201. Study 902 was a prospective, non- treatment study of MPS IIIB that ~~have multiple product candidates~~ **aimed to quantify the progression of cognitive decline** in ~~active development~~ **pediatric patients with MPS IIIB over time. The study enrolled patients regardless of age or baseline DQ. To this end, data collected from Study 902 will augment and extend data from Study 901. Data was prospectively collected from 44 patients for up to 192 weeks, with study visits occurring every 24 weeks. In Studies 201 and 202, tralesinidase alfa was shown to significantly and durably normalize HS and HS- NRE levels over a five-year period. In Study 201, tralesinidase alfa was shown to normalize liver and spleen volume, while reducing cortical grey matter volume, reflecting removal of HS deposits from these target organs. We also believe** that ~~may~~ **early intervention with tralesinidase alfa stabilizes cognitive decline in patients with MPSIIIB. In Study 201, patients with early disease, as defined by baseline cognition Bayley Scales of Infant and Toddler Development, Third Edition (" BSID-III ") or the Kaufman Assessment Battery for Children, Second Edition (" KABC- II ") Cognition AEq > 40 months or Cognitive Disease Quotient > 75, seven of ten patients (70 %) demonstrated disease stability, or no meaningful loss of cognitive function at endpoint evaluation, as defined by BSID- III / KABC- 11 cognition AEq ≥ 6 change from baseline. Three of twelve patients (25 %) with more progressed disease demonstrated disease stability at endpoint evaluation. In March 2024, in a type C meeting with the FDA, the FDA confirmed to Allievex that HS- NRE is deemed to** be ~~able to better sustain failure of~~ a ~~lead product candidate. We initiated CAHmelia- 203,~~ **biomarker reasonably likely to predict clinical benefit and could serve as** a **basis for accelerated approval. The FDA also confirmed that the completed clinical and nonclinical studies of tralesinidase alfa were sufficient for a biologics license application (BLA) submission and provided guidance around key design elements of a confirmatory Phase 3 trial (** placebo- controlled **5** ~~, double- blind Phase 2b clinical~~ **year study with a 2- year interim analysis in 14 patients), which must be initiated prior to potential accelerated approval of tralesinidase alfa. We intend to submit the BLA for tralesinidase alfa for the treatment of MPSIIIB in the first half of 2026. In May 2024, we formed a strategic partnership with HMNC to investigate the potential of tildacerfont, a potent and highly selective, oral, small- molecule antagonist of the CRF1receptor, and Cortibon, a companion diagnostic developed to identify major depressive disorder (MDD) patients most likely to benefit from CRF1receptor antagonism. Cortibon was developed using DNA samples from patients that were enrolled in a large- scale randomized controlled** trial ~~in 96 adult patients~~ **where a CRF1receptor antagonist was compared** with ~~classic CAH~~ **the standard of care (escitalopram) and placebo. Cortibon stratifies the patient sample** with ~~highly elevated levels of A4 at baseline and reported topline results in March 2024. CAHmelia- 203 enrolled 96 subjects with~~ a **sensitivity and specificity** ~~mean baseline A4 level of 1, 151 ng / dL, which is more than five times~~ above ~~the ULN. The clinical trial did not achieve the primary efficacy endpoint of change in A4 from baseline to week 12. 200mg QD of tildacerfont demonstrated a placebo- adjusted reduction from baseline in A4 of- 2. 6 % with a non- significant p- value at week 12. Compliance with study medication and glucocorticoid was low with approximately 50 % of patients reporting~~ 80 % **and post** ~~or greater compliance, which we believe resulted in lower-~~ **hoc** ~~than-expected tildacerfont exposure. Tildacerfont was generally safe and well tolerated at all doses, with no treatment- related SAEs. Most adverse events were reported as mild to moderate. As a result of not meeting the primary efficacy endpoint, we have decided to terminate the CAHmelia- 203 study. We also initiated CAHmelia- 204, a second Phase 2b clinical trial in 100 adult patients with classic CAH on mean daily dose of supraphysiologic glucocorticoids of 37 mg / day of HCe. Patients enrolled with mean A4 level at baseline of 224 ng / dL, which is approximately the ULN; 66 % of patients enrolled with androgenic control, which is defined as having A4 values below the ULN at baseline. Although we have terminated the CAHmelia- 203 trial, we believe the differentiated patient population between CAHmelia- 203 and CAHmelia- 204 supports our decision to continue with the CAHmelia- 204 trial until topline results are available. However, our belief about the differentiated patient population may be incorrect and the CAHmelia- 204 trial may similarly fail to meet its primary efficacy endpoint, which would result in significant financial and development setbacks. In addition, we are investigating tildacerfont for the treatment of classic CAH in children. We initiated CAHptain, a Phase 2 open- label clinical trial, which will utilize a sequential three cohort design, to evaluate the safety, efficacy, and pharmacokinetics of tildacerfont in children two to 17 years of age with classic CAH. Enrollment in the clinical trial was completed with 30 patients and we reported topline results in March 2024. CAHptain- 205 enrolled 30 children between two and 17 years of age with a mean baseline GC dose of 14 mg / m2 / day and mean baseline A4 level of 372 ng / dL. The study characterized the safety and pharmacokinetic profiles of tildacerfont, as well as changes in androgen levels over 12 weeks of treatment, and the ability to reduce daily GC dose upon A4 normalization. 73 % of all patients (22 of 30 patients) met the efficacy endpoint of A4 or GC reduction from baseline at 12 weeks of treatment with tildacerfont. 70 % of patients with elevated baseline A4 values (16 of 23 patients) demonstrated an A4 reduction at week 4. Tildacerfont was generally well tolerated at all doses with no treatment- related SAEs reported. Although the CAHptain- 205 clinical trial met the efficacy endpoints, the activity observed was less consistent than anticipated and without clear dose response. Preliminary pharmacokinetic~~ analysis suggests **treatment benefit** ~~that tildacerfont is cleared more rapidly in children than in adult CAH patients. It is not uncommon for children to require relatively higher doses than adults to achieve optimal exposures~~ of **a CRF1receptor antagonist** ~~drugs. While we are encouraged by the activity observed thus far at suboptimal doses~~ in **the Cortibon** ~~this Phase 2 dose- ranging study, we plan to continue to evaluate the optimal dose, with topline results from additional dose ranging cohorts anticipated in the fourth quarter of 2024. Assuming~~ positive **population** ~~results from CAHmelia- 204 and CAHptain- 205, we plan to meet with the FDA and comparable foreign regulatory authorities to outline the design of a registrational clinical program in adult and pediatric classic CAH~~ . **HMNC** ~~Additionally, by leveraging our existing Phase 1 program, which includes safety, tolerability,~~ and **Spruce will collaborate in** ~~pharmacokinetics of tildacerfont, we initiated and completed POWER,~~ a Phase 2 proof- of- concept clinical trial **called Tildacerfont as TAMARIND** ~~in polycystic ovary syndrome (" PCOS ")~~ . ~~The Phase 2 proof~~ **TAMARIND' s primary objective will be to explore efficacy of 400mg twice** ~~- of~~ **daily tildacerfont versus placebo in improving depressive symptoms in MDD patients that are Cortibon** ~~-~~

positive ~~concept clinical trial is a randomized, placebo- controlled, dose escalation trial which will evaluate the safety and efficacy of tildacerfont titrated to 200 mg QD compared to placebo at 12 weeks of treatment in subjects with PCOS and elevated adrenal androgens as measured by dehydroepiandrosterone sulfate (" DHEAS ") levels at baseline~~ . **Topline results** ~~In August 2023, we conducted an analysis of interim data~~ from **TAMARIND are anticipated** ~~20 patients (13 on tildacerfont and 7 on placebo) through the 12- week treatment period for the POWER clinical trial. The study enrolled 27 patients~~ in ~~total. The interim data from the study support target engagement and suggests that DHEAS may be reduced with tildacerfont treatment in women suffering from PCOS. Tildacerfont was well- tolerated, with a safety profile that is consistent with past studies. Most adverse events were classified as mild- moderate, balanced between treatment arms, unrelated to study drug and single event occurrences. No serious adverse reactions or dose toxicities were observed, and there~~ -- **the first half** ~~was no evidence~~ of **2026** ~~adrenal insufficiency. We plan to present the final data from the POWER clinical trial at a future medical conference~~ . The success of **tralesinidase alfa,** tildacerfont **and our other current and future product candidates** will depend on several factors, including the following: ▪ successful enrollment, site expansion and activation and patient engagement in our ongoing and planned clinical trials; ▪ successful completion of our ongoing and planned clinical trials with favorable results; ▪ acceptance by the FDA and EMA of the clinical trial design of our planned and ongoing clinical trials of **tralesinidase alfa,** tildacerfont **and our other current and future product candidates** ; ▪ demonstrating safety and efficacy to the satisfaction of applicable regulatory authorities; ▪ the outcome, timing, and cost of meeting regulatory requirements established by the FDA, the European Commission, EMA, and other comparable foreign regulatory authorities; ▪ receipt of marketing approvals from applicable regulatory authorities, including one or more **new drug applications** ~~non- disclosure agreements~~ (" NDAs ") from the FDA, and maintaining such approvals; ▪ establishing commercial manufacturing capabilities and receiving / importing commercial supplies approved by the FDA and other regulatory authorities from any future third- party manufacturer; ▪ establishing sales, marketing, and distribution capabilities and commercializing tildacerfont, if approved, whether alone or in collaboration with others; ▪ establishing and maintaining patent and trade secret protection and regulatory exclusivity for **tralesinidase alfa,** tildacerfont **and our other current and future product candidates** ; ▪ maintaining an acceptable safety profile of tildacerfont following approval; and ▪ maintaining and growing an organization of people who can develop and, if approved, commercialize, market, and sell tildacerfont to physicians, patients, healthcare payors, and others in the medical community. If we do not achieve one or more of these factors, many of which are beyond our control, in a timely manner or at all, we could experience significant delays or an inability to obtain regulatory approvals or commercialize ~~tildacerfont~~ **our product candidates** . Even if regulatory approvals are obtained, we may never be able to successfully commercialize ~~tildacerfont~~ **our product candidates** . In addition, we will need to transition at some point from a company with a development focus to a company capable of supporting commercial activities. We may not be successful in such a transition. Accordingly, we may not be able to generate sufficient revenue through the sale of tildacerfont to continue our business. **We intend to seek FDA approval of TA- ERT for MPS IIIB through the accelerated approval pathway. If we are unable to obtain accelerated approval, we may be required to conduct additional preclinical studies or clinical trials beyond the confirmatory Phase 3 trial that we currently contemplate, which could increase the expense of obtaining, and delay the receipt of, necessary marketing approval. We intend to submit a BLA seeking accelerated approval based on existing clinical data, however there can be no assurance that such submission or application will be accepted for filing by the FDA or that approval will be granted on a timely basis, or at all. For example, in March 2024, in a type C meeting with the FDA, the FDA confirmed that HS- NRE is deemed to be a biomarker reasonably likely to predict clinical benefit and could serve as a basis for accelerated approval. The FDA also confirmed that the completed clinical and nonclinical studies of tralesinidase alfa were sufficient for a biologics license application BLA submission and provided guidance around key design elements of a confirmatory trial (placebo- controlled 5- year study with a 2- year interim analysis in 14 patients), which must be initiated prior to potential accelerated approval of tralesinidase alfa. Based, in part, on these discussions, we intend to submit the BLA for tralesinidase alfa for the treatment of MPSIIIB in the first half of 2026. Failure to obtain accelerated approval would result in a longer time period to commercialization, if any, and would increase the cost of development and harm our competitive position in the marketplace.** Our clinical trials may fail to adequately demonstrate ~~the safety~~ **that our product candidates are well tolerated** and ~~efficacy of tildacerfont~~ **provide sufficient clinical benefits for patients** , which could prevent or delay regulatory approval and commercialization. Before obtaining regulatory approvals for the commercial sale of a product candidate, we must demonstrate through lengthy, complex, and expensive preclinical testing and clinical trials that a product candidate is both safe and effective for use in each target indication. Clinical trials often fail to demonstrate safety and efficacy of the product candidate studied for the target indication. Most product candidates that commence clinical trials are never approved by regulatory authorities for commercialization. We are seeking to develop treatments for ~~rare endocrine disorders~~ **MPS IIIB, MDD, congenital adrenal hyperplasia (CAH), and post- bariatric hypoglycemia (PBH). We intend to seek accelerated approval of TA- ERT** for **MPS IIIB based on existing clinical data. As a condition of seeking such approval of a BLA from the FDA, we will initiate a confirmatory Phase 3 trial,** which **must be initiated prior** ~~there is limited clinical experience, and our ongoing Phase 2b clinical trial uses novel endpoints that do not have regulatory precedent in classic CAH due~~ to **potential accelerated** ~~the lack of clinical trials in classic CAH, which add complexity to the conduct and analysis of data from our clinical trials and may delay or prevent regulatory~~ approval **of TA- ERT. We intend to submit the BLA for TA- ERT for the treatment of MPS IIIB in the first half of 2026** . Additionally, any safety concerns observed in any one of our clinical trials in our targeted indications could limit the prospects for regulatory approval of **tralesinidase alfa and** tildacerfont in other indications ~~a leading position in our focus on rare endocrine disorders~~ **.We face significant competition from other biotechnology and pharmaceutical companies** , **and our operating results will suffer if we fail to compete effectively.The biopharmaceutical industry is characterized by intense competition and rapid innovation and** our competitors may be able to develop other compounds or drugs that are able to achieve similar or better results.Our potential

competitors include major multinational pharmaceutical companies,established biotechnology companies,specialty pharmaceutical companies and universities and other research institutions.Many of our competitors have substantially greater financial,technical and other resources,such as larger research and development staff and experienced marketing and manufacturing organizations and well- established sales forces.Smaller or early- stage companies may also prove to be significant competitors,particularly through collaborative arrangements with large,established companies.Mergers and acquisitions in the biotechnology and pharmaceutical industries may result in even more resources being concentrated in our competitors.Competition may increase further as a result of advances in the commercial applicability of technologies and greater availability of capital for investment in these industries.Our competitors may succeed in developing,acquiring or licensing on an exclusive basis drug products that are more effective or less costly than **tralesinidase alfa,** tildacerfont **,SPR202 and SPR204** .We believe the key competitive factors that will affect the development and commercial success of ~~tildacerfont~~ **our product candidates** are **,among other things:• the** efficacy,safety and tolerability profile ~~,reliability,~~ **of our product candidates relative to marketed products and product candidates in development by third parties;• the time it takes for our product candidates to complete clinical development and receive marketing approval;• the** convenience of dosing ~~,~~ **;• the** price **of our product candidates,including in comparison to branded or generic competitors;• whether coverage** and **adequate levels of** reimbursement ~~.Although classic CAH is part~~ **are available under private and governmental health insurance plans,including Medicare;• effectiveness** of **promotional support and high- touch patient initiatives;• our ability to manufacture commercial quantities of our product candidates if** ~~the~~ **they receive regulatory** ~~newborn screening program in most developed countries,there are no known novel therapies that have been approved~~ **approval ;• our ability to negotiate preferential formulary status** ~~in approximately 70 years.We are aware of other companies actively developing treatments~~ for **our** ~~patients with classic CAH.Neurocrine Biosciences,Inc.is developing a CRF1 receptor antagonist and has initiated Phase 3 registrational trials in adult and pediatric classic CAH and reported positive topline results from both studies.Crinetics Pharmaceuticals,Inc.initiated a Phase 2 clinical trial in 2023 to evaluate the safety and efficacy of an oral ACTH antagonist in adults with CAH.BridgeBio Pharma,Inc.is evaluating an AAV5 gene therapy~~ product ~~candidate~~ **candidates ;and • intellectual property protection** ~~to treat classic CAH in a Phase 1 / 2 proof- of- concept clinical trial.In addition,while tildacerfont ultimately seeks to significantly reduce steroid use for patients with classic CAH,patients will continue to use their steroid regimen.As high doses of corticosteroids are the current standard of care for the treatment of classic CAH,in the United States alone,there are more than two dozen companies manufacturing steroid- based products~~ .Our commercial potential could be reduced or eliminated if our competitors develop and commercialize products that are safer,more effective,have fewer or less severe side effects,are more convenient,or are less expensive than products that we may develop **.Our competitors' drugs may be more effectively marketed and sold than any drug we may commercialize and may render our product candidates obsolete or non- competitive before we can recover the expenses of developing and commercializing any of our product candidates** .Our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours,which could result in our competitors establishing a strong market position before we are able to enter the market or make our development more complicated.We believe the key competitive factors affecting the success of ~~tildacerfont~~ **our product candidates** are likely to be efficacy,safety,and convenience ~~.Even~~ . Preclinical and clinical drug development involves a lengthy and expensive process with uncertain outcomes, and results of earlier studies and trials may not be predictive of future trial results. We may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates **. Before obtaining marketing approval from regulatory authorities for the sale of any of our product candidates, we or our collaborators must conduct extensive trials to demonstrate the safety and efficacy of the product candidates in humans** . Preclinical and clinical testing is expensive and **difficult to design and implement,** can take many years to complete, and its outcome is inherently uncertain. A failure of one or more preclinical or clinical trials can occur at any stage of testing. The results of preclinical studies and early clinical trials of **tralesinidase alfa and** tildacerfont **, and preclinical studies of SPR202 and SPR204** may not be predictive of the results of later- stage clinical trials **, and interim results of a trial do not necessarily predict final results** . Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical trials. For example, **we plan** ~~tildacerfont is still being evaluated in pediatric patients with classic CAH, and the results may not be similar~~ to **use doses** ~~the results observed~~ in **our** clinical trials **for tralesinidase alfa and tildacerfont** ~~of adult patients. In addition, we are using doses in our Phase 2b clinical trial~~ that may not be safe or efficacious doses. As such, our hypotheses of efficacy may not show the desired clinical results. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or safety profiles, notwithstanding promising results in earlier trials. Moreover, preclinical and clinical data is often susceptible to varying interpretations and analyses. We have faced significant setbacks as we conducted our two Phase 2b clinical trials **for tildacerfont** in adult patients with classic CAH, and we may continue to face such setbacks **in our other development programs** , which may delay or prevent regulatory approval of tildacerfont. For example, due to not meeting its primary efficacy endpoint, we ~~made the decision to terminate~~ **terminated** our CAHmelia- 203 trial in March 2024 and ~~will be largely dependent on~~ our ~~Phase 2b~~ CAHmelia- 204 ~~and Phase 2 CAHptain- 205 trials~~ - **trial** ~~to inform~~ **in December 2024. Additionally,** the ~~design~~ **prior sponsor** of ~~a registrational~~ **tralesinidase alfa, Allievex, discontinued** clinical **development due** ~~program in adult and pediatric classic CAH, subject~~ to **financial constraints** ~~feedback from FDA and comparable regulatory authorities~~ . Further, if patients drop out of our clinical trials, miss scheduled doses or follow- up visits, or otherwise fail to follow clinical trial protocols, the integrity of data from our clinical trials may be compromised or not accepted by the FDA or other regulatory authorities, which would represent a significant setback for the applicable program. If we encounter difficulties enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected. We may not be able to initiate or continue our clinical trials for **tralesinidase alfa,** tildacerfont and

~~any~~ **our other current and** future product candidates if we are unable to identify and enroll a sufficient number of eligible patients to participate in these trials as required by the FDA and comparable foreign regulatory authorities. Patient enrollment, a significant factor in the timing of clinical trials, is affected by many factors including the size and nature of the patient population **especially in the case of an orphan indication** , the proximity of patients to clinical sites, **competition with other organizations or our own clinical trials for clinical trial sites or patients,** the eligibility **and exclusion** criteria for the clinical trial, the design of the clinical trial, competing clinical trials, patient engagement, and clinicians' and patients' perceptions as to the potential advantages of the product candidate being studied in relation to other available therapies, including any new drugs that may be approved for the indications we are investigating. In particular, ~~each~~ **one** indication for which we are evaluating ~~tildacerfont~~ **tralesinidase alfa** is a rare ~~endocrine~~ **neurodegenerative pediatric** disorder with limited patient populations from which to draw participants in clinical trials. For example, we estimate the ~~total classic CAH~~ **MPS- IIIB** ~~populations~~ **population** ~~are approximately 20, 000 to 30, 000 people~~ in the United States **is less than 200 patients** ~~, approximately 50, 000 people in the European Union (" EU ") and approximately 145, 000 people in China~~ . We are and will be required to identify and enroll a sufficient number of patients with the disorder under investigation for our clinical trials of ~~tildacerfont~~ **tralesinidase alfa** . Potential patients may not be adequately diagnosed or identified with the disorders which we are targeting or may not meet the entry criteria for our clinical trials. Additionally, other pharmaceutical companies with more resources and greater experience in drug development and commercialization are targeting these same ~~endocrine~~ disorders and are recruiting clinical trial patients from these patient populations, which may delay or make it more difficult to fully enroll our clinical trials. ~~In addition, we have encountered difficulties in opening clinical trial sites and enrolling patients in our two Phase 2b clinical trials.~~ Our inability to enroll a sufficient number of patients for any of our current or future clinical trials would result in significant delays or may require us to abandon one or more clinical trials altogether. Any delays in the commencement or completion, or termination or suspension, of our clinical trials could result in increased costs to us, delay or limit our ability to generate revenue, and adversely affect our commercial prospects. Before we can initiate clinical trials for ~~tildacerfont~~ **our current product candidates** or any future product candidates, we must submit the results of preclinical studies to the FDA, or comparable foreign regulatory authorities, along with other information, including information about chemistry, manufacturing and controls, and our proposed clinical trial protocol, as part of an IND or similar regulatory filing under which we must receive authorization to proceed with clinical development. Before obtaining marketing approval from regulatory authorities for the sale of ~~tildacerfont~~ **our current product candidates** or any future product candidates, we must conduct extensive clinical trials to demonstrate the safety and efficacy of ~~tildacerfont~~ **our current product candidates** and any future product candidates in humans. Clinical testing is expensive, time- consuming, and uncertain as to outcome. In addition, we may rely in part on preclinical, clinical and quality data generated by clinical research organizations (" CROs ") and other third parties for regulatory submissions for ~~tildacerfont~~ **our current product candidates** and any future product candidates. While we have or will have agreements governing these third parties' services, we have limited influence over their actual performance. If these third parties do not make data available to us, or, if applicable, do not make regulatory submissions in a timely manner, in each case pursuant to our agreements with them, our development programs may be significantly delayed, and we may need to conduct additional clinical trials or collect additional data independently. In either case, our development costs would increase. We do not know whether our current or any future clinical trials will begin on time or be completed on schedule, if at all. The commencement and completion of clinical trials can be delayed for a number of reasons, including delays related to: ▪ the FDA or comparable foreign regulatory authorities' failure to accept our proposed manufacturing processes and suppliers and / or requirement to provide additional information regarding our manufacturing processes before providing marketing authorization; ▪ obtaining regulatory authorizations to commence a clinical trial or reaching a consensus with regulatory authorities on clinical trial design or implementation; ▪ any failure or delay in reaching an agreement with CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and clinical trial sites; ▪ obtaining approval from one or more institutional review boards (" IRBs ") or positive opinions from Ethics Committees (" ECs "); ▪ IRBs or ECs refusing to approve or issuing a negative opinion, suspending, varying or terminating the clinical trial at an investigational site, precluding enrollment of additional subjects, or withdrawing their approval or positive opinion of the clinical trial; ▪ changes to clinical trial protocols and related operationalization of such changes at clinical trial sites; ▪ selection of clinical endpoints that require prolonged periods of clinical observation or analysis of the resulting data; ▪ **acceptance by the FDA and EMA of the clinical trial design of our planned and ongoing clinical trials of tralesinidase alfa and tildacerfont;** ▪ sites not timely activating, delaying screening activities, or deviating from clinical trial protocols; ▪ manufacturing sufficient quantities of **tralesinidase alfa,** tildacerfont or ~~any~~ **our other current and** future product candidates or obtaining sufficient quantities of combination therapies for use in clinical trials; ▪ subjects failing to enroll or remain in our trials at the rate we expect, or failing to return for post- treatment follow- up; ▪ subjects choosing an alternative treatment for the indications for which we are developing **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates, or participating in competing clinical trials; ▪ lack of subject engagement in the clinical trials or subjects dropping out of a clinical trial; ▪ lack of adequate funding to continue the clinical trial **, such as that experienced by Allievex in relation to the continued development of tralesinidase alfa** ; ▪ subjects experiencing severe or unexpected drug- related adverse effects; ▪ occurrence of SAEs in clinical trials of the same class of agents conducted by other companies; ▪ a facility manufacturing ~~tildacerfont~~ **our product candidates** or any of its components being ordered by the FDA or comparable foreign regulatory authorities to temporarily or permanently shut down due to violations of current good manufacturing practice (" cGMP "), regulations or other applicable requirements, or infections or cross- contaminations of ~~tildacerfont~~ **our product candidates** in the manufacturing process; ▪ any changes to our manufacturing process, suppliers or formulation that may be necessary or desired; ▪ third- party vendors not performing manufacturing and distribution services in a timely manner or to sufficient quality standards; ▪ third- party clinical investigators losing the licenses or permits necessary to perform our clinical trials, not

performing our clinical trials on our anticipated schedule or consistent with the clinical trial protocol, good clinical practice (" GCP "), or other regulatory requirements; ▪ third- party contractors not performing data collection or analysis in a timely or accurate manner; ▪ third- party contractors becoming debarred or suspended or otherwise penalized by the FDA or other government or regulatory authorities for violations of regulatory requirements, in which case we may need to find a substitute contractor, and we may not be able to use some or all of the data produced by such contractors in support of our marketing applications; or ▪ the impacts of contagious disease outbreaks on our ongoing and planned clinical trials. We could also encounter delays if a clinical trial is suspended or terminated by us, by the IRBs or ECs of the institutions in which such trials are being conducted or by the FDA or comparable foreign regulatory authorities. Such authorities may impose such a suspension or termination due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA or comparable foreign regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. In addition, changes in regulatory requirements and policies may occur, and we have amended, and may need to further amend, clinical trial protocols to comply with these changes. Amendments may require us to resubmit our clinical trial protocols to competent authorities, IRBs or ECs for reexamination, which may impact the costs, timing, or successful completion of a clinical trial. Further, conducting clinical trials in foreign countries, which we are doing for tildacerfont and may do for any future product candidates, presents additional risks that may delay completion of our clinical trials. These risks include the failure of enrolled patients in foreign countries to adhere to clinical protocol as a result of differences in healthcare services or cultural customs, managing additional administrative burdens associated with foreign regulatory schemes, as well as political and economic risks relevant to such foreign countries. Moreover, principal investigators for our clinical trials may serve and have served as scientific advisors or consultants to us from time to time and receive compensation in connection with such services. Under certain circumstances, we may be required to report some of these relationships to the FDA or comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authority may conclude that a financial relationship between us and a principal investigator has created a conflict of interest or otherwise affected interpretation of the trial. The FDA or comparable foreign regulatory authority may therefore question the integrity of the data generated at the applicable clinical trial site and the utility of the clinical trial itself may be jeopardized. This could result in a delay in approval, or rejection, of our marketing applications by the FDA or comparable foreign regulatory authority, as the case may be, and may ultimately lead to the denial of marketing approval of tildacerfont. If we experience delays in the completion of, or termination of, any clinical trial of **tralesinidase alfa,** tildacerfont or ~~any~~ **our other current and** future product candidates, the commercial prospect of **tralesinidase alfa,** tildacerfont or ~~any~~ **our other current and** future product candidates will be harmed, and our ability to generate product revenue will be delayed. Moreover, any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process and jeopardize our ability to commence product sales and generate revenue. In addition, many of the factors that cause, or lead to, termination or suspension of, or a delay in the commencement or completion of, clinical trials may also ultimately lead to the denial of regulatory approval of **tralesinidase alfa,** tildacerfont or ~~any~~ **our other current and** future product candidates. Further, delays to our clinical trials that occur as a result could shorten any period during which we may have the exclusive right to commercialize **tralesinidase alfa and** tildacerfont and our competitors may be able to bring products to market before we do, and the commercial viability of **tralesinidase alfa and** tildacerfont could be significantly reduced. Any of these occurrences may harm our business, financial condition, and prospects significantly. **Tralesinidase alfa and** ~~Tildacerfont~~ **tildacerfont** ~~is~~ **are** , and ~~any~~ **our other current and** future product candidates will be, subject to extensive regulation and compliance obligations, which are costly and time- consuming, and such regulation may cause unanticipated delays or prevent the receipt of the required approvals to commercialize **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates. The clinical development, manufacturing, labeling, storage, record- keeping, advertising, promotion, import, export, marketing, and distribution of ~~tildacerfont is~~ **our product candidates** subject to extensive regulation by the FDA in the United States and by comparable foreign regulatory authorities in foreign markets. In the United States, we are not permitted to market **tralesinidase alfa,** tildacerfont ~~and~~ **or** any **other current or** future product candidates until we receive regulatory approval from the FDA. The process of obtaining regulatory approval is expensive, often takes many years following the commencement of clinical trials and can vary substantially based upon the type, complexity, and novelty of the product candidates involved, as well as the target indications and patient population. Approval policies or regulations may change, and the FDA has substantial discretion in the drug approval process, including the ability to delay, limit, or deny approval of a product candidate for many reasons. Despite the time and expense invested in clinical development of product candidates, regulatory approval is never guaranteed. Neither we nor any future collaborator is permitted to market **tralesinidase alfa,** tildacerfont ~~and~~ **or** any **other current or** future product candidates in the United States until we receive approval of an NDA **or BLA** from the FDA. Similar requirements and risks are applicable in foreign markets. We have not previously submitted an NDA **or BLA** to the FDA, or similar drug approval filings to comparable foreign authorities. Prior to obtaining approval to commercialize a product candidate in the United States or in foreign markets, we must demonstrate with substantial evidence from adequate and well- controlled clinical trials, and to the satisfaction of the FDA or comparable foreign regulatory authorities, that such product candidates are safe and effective for their intended uses. Results from non- clinical studies and clinical trials can be interpreted in different ways. Even if we believe the non- clinical or clinical data for ~~tildacerfont~~ **our product candidates** are promising, such data may not be sufficient to support approval by the FDA and comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authorities, as the case may be, may also require us to conduct additional preclinical studies or clinical trials for **tralesinidase alfa,** tildacerfont and any future product candidates either prior to or post- approval, or may object to elements of our clinical development program. **Tralesinidase alfa,** ~~Tildacerfont~~ **tildacerfont** and ~~any~~ **our other current and** future product candidates

could fail to receive regulatory approval for many reasons, including the following: ▪ serious and unexpected drug- related side effects may be experienced by participants in our clinical trials or by people using drugs similar to **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates; ▪ the population studied in the clinical trial may not be sufficiently broad or representative to assure safety in the full population for which we seek approval; ▪ the FDA or comparable foreign regulatory authorities may not accept clinical data from trials which are conducted at clinical facilities or in countries where the standard of care is potentially different from that of the United States; ▪ we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that a product candidate is safe and effective for any of its proposed indications; ▪ the results of clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval; ▪ we may be unable to demonstrate that a product candidate' s clinical and other benefits outweigh its safety risks; ▪ the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials; ▪ the data collected from clinical trials ~~of tildacerfont and any future product candidates~~ may not be sufficient to satisfy the FDA or comparable foreign regulatory authorities to support the submission of an NDA **, BLA** or other comparable submissions in foreign jurisdictions or to obtain regulatory approval in the United States or elsewhere, requiring, in the case of adult patients with classic CAH, additional clinical trials beyond our ongoing Phase 2b clinical trial prior to any such approval; ▪ the FDA or comparable foreign regulatory authorities may fail to approve the manufacturing processes or facilities of third- party manufacturers with which we contract for clinical and commercial supplies; and ▪ the approval policies or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval. Any of the above events could prevent us from achieving market approval of **tralesinidase alfa,** tildacerfont or ~~any~~ **our other current and** future product candidates and could substantially increase the costs of commercializing **tralesinidase alfa,** tildacerfont or ~~any~~ **our other current and** future product candidates. The demand for **tralesinidase alfa,** tildacerfont or any future product candidates could also be negatively impacted by any adverse effects of a competitor' s product or treatment. Of the large number of drugs in development, only a small percentage successfully complete the FDA or foreign regulatory approval processes and are commercialized. The lengthy approval process as well as the unpredictability of future clinical trial results may result in our failing to obtain regulatory approval to market tildacerfont and ~~any~~ **our other current and** future product candidates, which would significantly harm our business, financial condition, results of operations, and prospects. Even if we eventually complete clinical trials and receive approval of an NDA **, BLA** or foreign marketing application for **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates, the FDA or comparable foreign regulatory authority may grant approval contingent on the performance of costly additional clinical trials, including Phase 4 clinical trials, and / or the implementation of a risk evaluation and mitigation strategy (" REMS ") or comparable foreign strategies which may be required to ensure safe use of the drug after approval. The FDA or the comparable foreign regulatory authority also may approve a product candidate for a more limited indication or patient population than we originally requested, and the FDA or comparable foreign regulatory authority may not approve the labeling that we believe is necessary or desirable for the successful commercialization of a product. Any delay in obtaining, or inability to obtain, applicable regulatory approval would delay or prevent commercialization of that product candidate and would materially adversely impact our business and prospects. Unfavorable U. S. and global..... economic sanctions or wider military conflict. Interim, topline, and preliminary data from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data. From time to time, we may publicly disclose interim, topline, or preliminary data from our clinical trials, which is based on a preliminary analysis of then- available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. We also make assumptions, estimations, calculations, and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the interim, topline, or preliminary results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Interim ~~,~~ **data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Preliminary or** topline ~~, and preliminary~~ data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published **. Preliminary or top- line data may include, for example, data regarding a small percentage of the patients enrolled in a clinical trial, and such preliminary data should not be viewed as an indication, belief or guarantee that other patients enrolled in such clinical trial will achieve similar results or that the preliminary results from such patients will be maintained** . As a result, such data should be viewed with caution until the final data are available. Adverse differences between preliminary, interim, or topline data and final data could significantly harm our business prospects **and may cause the trading price of our common stock to fluctuate significantly** . Further, others, including regulatory authorities, may not accept or agree with our assumptions, estimates, calculations, conclusions, or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability, or commercialization of the particular product candidate or product and our company in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and you or others may not agree with what we determine is the material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular product, product candidate, or our business. If the interim, topline, or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain regulatory approval for, and commercialize, ~~tildacerfont~~ **our product candidates** and any future product candidates may be harmed, which could harm our business, operating results, prospects, or financial condition. If the

market opportunities for **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates are smaller than we believe they are, our future revenue may be adversely affected, and our business may suffer. If the size of the market opportunities in each of our target indications for ~~tildacerfont~~ **our product candidates** and any future product candidates is smaller than we anticipate, we may not be able to achieve profitability and growth. We focus our clinical development ~~of tildacerfont~~ on treatments for **neurological** ~~rare endocrine~~ disorders ~~with relatively small patient populations~~. For example, we believe that ~~tildacerfont~~ **tralesinidase alfa** has the potential to bring therapeutic benefit to patients suffering from **MPSIIIB** ~~endocrine disorders where the underlying pathophysiology supports a need to reduce excess secretion of or hyperresponsiveness to adrenocorticotropic hormone (" ACTH "), including, but not limited to, non- classic CAH and females with PCOS due to adrenal hyperandrogenism~~. Given the relatively small number of patients who have **MPSIIIB** ~~the disorders that we are targeting and intend to target with tildacerfont~~, it is critical to our ability to grow and become profitable that we continue to successfully identify patients with these ~~rare endocrine~~ disorders. In addition, our estimates of the patient populations for our target indications have been derived from a variety of sources, including scientific literature, surveys of clinics, patient foundations, and market research, and may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of these disorders. The number of patients may turn out to be lower than expected. The effort to identify patients with diseases we seek to treat is in early stages, and we cannot accurately predict the number of patients for whom treatment might be possible. For example, **due to the lack of available treatment options,** ~~while classic CAH is usually detected at birth through required~~ newborn screening programs ~~in most developed countries~~ **have not been widely adopted for the detection of MPSIIIB. As a result**, ~~new~~ patients may become increasingly difficult to identify or gain access to, which would adversely affect our results of operations and our business. In addition, the potentially addressable patient population for **MPSIIIB** ~~classic CAH~~ may be limited or may not be amenable to treatment with ~~tildacerfont~~ **tralesinidase alfa**, if approved. Further, even if we obtain significant **adoption and** market ~~share~~ **penetration** for ~~tildacerfont~~ **tralesinidase alfa** in **MPSIIIB** ~~classic CAH~~, we may never achieve profitability despite obtaining such significant market share, as other pharmaceutical companies with more resources and greater experience in drug development and commercialization are targeting this same ~~endocrine~~ disorder ~~. We may not be successful in our efforts to expand our pipeline by identifying additional indications and formulations for which to investigate tildacerfont in the future. We may expend our limited resources to pursue a particular indication or formulation for tildacerfont and fail to capitalize on product candidates, indications, or formulations that may be more profitable or for which there is a greater likelihood of success. Because we have limited financial and managerial resources, we are focused on specific indications and formulations for tildacerfont. As a result, we may fail to generate additional clinical development opportunities for tildacerfont for a number of reasons, including, tildacerfont may in certain indications, on further study, be shown to have harmful side effects, limited to no efficacy, or other characteristics that suggest it is unlikely to receive marketing approval and achieve market acceptance in such additional indications. We are conducting and plan to conduct several clinical trials for tildacerfont in parallel over the next several years, including multiple clinical trials in adult and pediatric patients with classic CAH and females with PCOS. As a result, we may forgo or delay pursuit of opportunities with other indications that could have had greater commercial potential or likelihood of success. However, we may focus on or pursue one or more of our target indications over other potential indications and such development efforts may not be successful, which would cause us to delay the clinical development and approval of tildacerfont. Furthermore, research programs to identify additional indications for tildacerfont require substantial technical, financial, and human resources. We may also pursue additional formulations for tildacerfont, including a granulate formulation or oral suspension for pediatric patients. However, we may not successfully develop these additional formulations for chemistry- related, stability- related, or other reasons. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs for specific indications may not yield any commercially viable products. Additionally, we may pursue additional in- licenses or acquisitions of development- stage assets or programs, which entails additional risk to us. Identifying, selecting and acquiring promising product candidates requires substantial technical, financial, and human resources expertise. Efforts to do so may not result in the actual acquisition or license of a particular product candidate, potentially resulting in a diversion of our management' s time and the expenditure of our resources with no resulting benefit. For example, if we are unable to identify programs that ultimately result in approved products, we may spend material amounts of our capital and other resources evaluating, acquiring and developing products that ultimately do not provide a return on our investment~~. Obtaining and maintaining regulatory approval for a product candidate in one jurisdiction does not mean that we will be successful in obtaining regulatory approval for that product candidate in other jurisdictions. Obtaining and maintaining regulatory approval for a product candidate in one jurisdiction does not guarantee that we will be able to obtain or maintain regulatory approval in any other jurisdiction, while a failure or delay in obtaining regulatory approval in one jurisdiction may have a negative effect on the regulatory approval process in others. For example, even if the FDA grants marketing approval for a product candidate, comparable regulatory authorities in foreign jurisdictions must also approve the manufacturing, marketing and promotion of the product candidate in those countries. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and greater than, those in the United States, including additional preclinical studies or clinical trials as clinical trials conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. In many jurisdictions outside the United States, including a number of countries in the EU, a product candidate must be approved for reimbursement before it can be approved for sale in that jurisdiction. In some cases, the price that we intend to charge for ~~tildacerfont~~ **our product candidates** is also subject to approval. ~~We expect to submit~~ **As with the FDA, obtaining approval of** a Marketing Authorization Application (" MAA ") ~~to the EMA for approval of tildacerfont in the EU for the treatment of classic CAH. As with the FDA, obtaining approval of an MAA~~ from the European Commission, following the related opinion of the Committee for Medicinal Products for Human Use, is a similarly lengthy and expensive process and the EMA has its own procedures for assessing product candidates. Regulatory

authorities in jurisdictions outside of the United States and the EU also have requirements for approval for product candidates with which we must comply prior to marketing in those jurisdictions. Obtaining foreign regulatory approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties and costs for us and could delay or prevent the introduction of ~~tildacerfont~~ **tralesinidase alfa** in certain countries. If we fail to comply with the regulatory requirements in international markets and / or receive applicable marketing approvals, our target market will be reduced and our ability to realize the full market potential of ~~tildacerfont~~ **tralesinidase alfa** will be harmed, which would adversely affect our business, prospects, financial condition, and results of operations. We currently have no marketing and sales organization and have yet to commercialize a product. If we are unable to establish marketing and sales capabilities or enter into agreements with third parties to market and sell **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates, we may not be able to generate product revenues. We currently do not have a commercial organization for the marketing, sales, and distribution of pharmaceutical products. To commercialize ~~tildacerfont~~ **our product candidates** and any future product candidates, we must build our marketing, sales, distribution, managerial and other non- technical capabilities or make arrangements with third parties to perform these services. We intend to build a highly specialized commercial organization to support the commercialization of ~~tildacerfont~~ **tralesinidase alfa** , if approved, in the United States. The establishment and development of our own sales force or the establishment of a contract sales force to market ~~tildacerfont~~ **our product candidates** and any future product candidates will be expensive and time- consuming and could delay any commercial launch. Moreover, we may not be able to successfully develop this capability. We will have to compete with other pharmaceutical and biotechnology companies to recruit, hire, train, and retain marketing and sales personnel. We also face competition in our search for third parties to assist us with the sales and marketing efforts ~~of tildacerfont~~ . To the extent we rely on third parties to commercialize ~~tildacerfont~~ **our product candidates** , if approved, we may have little or no control over the marketing and sales efforts of such third parties and our revenues from product sales may be lower than if we had commercialized **tralesinidase alfa and** tildacerfont and any future product candidates ourselves. In the event we are unable to develop our own marketing and sales force or collaborate with a third- party marketing and sales organization, we would not be able to commercialize ~~tildacerfont~~ **tralesinidase alfa** or any future product candidates **.** Unfavorable U.S.and global economic **and geopolitical** conditions could adversely affect our business,financial condition or results of operations.Our results of operations could be adversely affected by general conditions in the U.S.and global economies,the U.S.and global financial markets and adverse geopolitical and macroeconomic developments.U.S.and global market and economic conditions have been,and may continue to be,disrupted and volatile due to many factors,including component shortages and related supply chain challenges,outbreaks of contagious diseases ~~(such as the COVID- 19 pandemic)~~ ,the wars in Ukraine and Israel and related sanctions,recent and potential future disruptions in access to bank deposits or lending commitments due to bank failures,and increasing inflation rates and the responses by central banking authorities to control such inflation,among others.General business and economic conditions that could affect our business,financial condition or results of operations include fluctuations in economic growth,debt and equity capital markets,liquidity of the global financial markets,access to our liquidity within the U.S.banking system,the availability and cost of credit,investor and consumer confidence,and the strength of the economies in which we,our manufacturers and our suppliers operate.A severe or prolonged global economic downturn could result in a variety of risks to our business.For example,inflation rates,particularly in the United States,have increased ~~recently~~ to levels not **previously** 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 on acceptable terms,if at all.In addition,the U.S.Federal Reserve and equivalent foreign entities have 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.Risks of a prolonged global economic downturn are particularly true in Europe,which is undergoing a continued severe economic crisis.A weak or declining economy could also strain our suppliers and manufacturers,possibly resulting in supply disruption.Any of the foregoing could harm our business and we cannot anticipate all of the ways in which the current economic climate and financial market conditions could adversely impact our business.We have a banking relationship with SVB.SVB was closed on March 10,2023 by the California Department of Financial Protection and Innovation,which appointed the FDIC as receiver.On March 12,2023,the U.S.Treasury,Federal Reserve,and FDIC announced that SVB depositors will have access to all of their money starting March 13,2023.On March 27,2023,First Citizens Bank and Trust Company announced that it entered into an agreement with the FDIC to purchase out of FDIC receivership substantially all loans and certain other assets,and assume all customer deposits and certain other liabilities of Silicon Valley Bridge Bank,N.A.While we have not experienced any losses in such accounts,the recent failure of SVB potentially exposed us to significant credit risk prior to the completion by the FDIC of the resolution of SVB in a manner that fully protected all depositors.We are assessing how to prevent this exposure in the future,however,any potential future disruptions in access to bank deposits or lending commitments due to bank failures may expose us to significant credit risk.In addition,our access to funding sources and other credit arrangements in amounts adequate to finance or capitalize our current and projected future business operations could be significantly impaired by factors that affect us,the financial institutions with which we have arrangements directly,or the financial services industry or economy in general.These factors could include,among others,events such as liquidity constraints or failures,the ability to perform obligations under various types of financial,credit or liquidity agreements or arrangements,disruptions or instability in the financial services industry or financial markets,or concerns or negative expectations about the prospects for companies in the financial services industry.These factors could involve financial institutions or financial services industry companies with which we have financial or business relationships,but could also include factors involving financial markets or the financial services industry generally.Additionally,financial markets around the world experienced volatility following the recent invasion of Ukraine by Russia.In response to the invasion,the United States,United Kingdom and EU,along with others,imposed significant new sanctions and export controls against

Russia,Russian banks and certain Russian individuals and may implement additional sanctions or take further punitive actions in the future.The full economic and social impact of the sanctions imposed on Russia (as well as possible future punitive measures that may be implemented),as well as the counter measures imposed by Russia,in addition to the ongoing military conflict between Ukraine and Russia and related sanctions,which could conceivably expand into the surrounding region,remains uncertain;however,both the conflict and related sanctions have resulted and could continue to result in disruptions to trade,commerce,pricing stability,credit availability,supply chain continuity and reduced access to liquidity in both Europe and globally,and has introduced significant uncertainty into global markets.In particular,the ongoing Russia- Ukraine conflict and related sanctions has contributed to rapidly rising costs of living (driven largely by higher energy prices) in Europe and other advanced economies.Further,a weak or declining economy could strain our suppliers and manufacturers.Similarly,it is possible that the war in Israel may have similar effects.As a result,our business and results of operations may be adversely affected by the ongoing wars in Ukraine and Israel and related sanctions,particularly to the extent it escalates to involve additional countries,further **economic sanctions or wider military conflict** . We are highly dependent on our key personnel, and if we are not successful in attracting and retaining highly qualified personnel, we may not be able to successfully implement our business strategy. Our ability to compete in the highly competitive biotechnology and pharmaceuticals industries depends upon our ability to attract ~~and~~ **,** retain **, manage and motivate** highly qualified managerial, scientific, and medical personnel. ~~We are highly dependent on our~~ **If we do not succeed in attracting and retaining qualified personnel, particularly at the** management **level** , ~~scientific,~~ **it could adversely affect our ability to execute our business plan** and ~~medical personnel~~ **harm our operating results** . ~~The~~ **In particular, the** loss of the services of any of our executive officers or other key employees and our inability to find suitable replacements **in a timely manner** could potentially harm our business, prospects, financial condition or results of operations. We conduct our operations in South San Francisco, California. This region serves as the headquarters to many other biopharmaceutical companies and many academic and research institutions. Competition for skilled personnel in our market is intense and may limit our ability to hire and retain highly qualified personnel on acceptable terms or at all. To induce valuable employees to remain at our company, in addition to salary and cash incentives, we have provided stock options that vest over time. The value to employees of stock options that vest over time may be significantly affected by movements in our stock price that are beyond our control and may at any time be insufficient to counteract more lucrative offers from other companies. Despite our efforts to retain valuable employees, members of our management, scientific, and development teams may terminate their employment with us on short notice. Although we have employment agreements and / or offer letters with our key employees, these arrangements provide for at- will employment, which means that any of our employees could leave our employment at any time, with or without notice. We do not maintain " key man " insurance policies on the lives of these individuals or the lives of any of our other employees. Our success also depends on our ability to continue to attract, retain and motivate highly skilled junior, mid- level, and senior managers as well as junior, mid- level, and senior scientific and medical personnel. Many of the other biotechnology and pharmaceutical companies that we compete against for qualified personnel have greater financial and other resources, different risk profiles, and a longer history in the industry than we do. They may also provide more diverse opportunities and better chances for career advancement. Some of these characteristics are more appealing to high quality candidates than what we can offer. If we are unable to continue to attract and retain high quality personnel, the rate and success at which we can discover, develop and commercialize product candidates will be limited. Use of **tralesinidase alfa,** tildacerfont or ~~any~~ **our other current and** future product candidates could be associated with side effects, adverse events or other properties that could delay or prevent regulatory approval or result in significant negative consequences following marketing approval, if any. As is the case with biopharmaceuticals generally, it is likely that there may be side effects and adverse events associated with the use of **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates. Results of our clinical trials could reveal a high and unacceptable severity and prevalence of side effects or unexpected characteristics. Undesirable side effects caused by **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates could cause us or regulatory authorities to interrupt, delay, terminate or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other comparable foreign authorities. For example, although tildacerfont has been assessed in over ~~200~~ **400** subjects across ~~nine~~ **ten** completed clinical trials in which it has been well tolerated with no drug- related SAEs, in our proof- of- concept, dose- escalating Phase 2a clinical trial in adults with classic CAH, one patient experienced a grade one liver- related adverse event after 14 days of treatment at 1, 000mg once daily. This patient had elevated levels of alanine transaminase (" ALT ") between five and nine times the ~~upper limit of normal (" ULN ")~~ , elevations in aspartate aminotransferase (" AST ") less than five times the ULN, and no increases in bilirubin. The event resolved on its own without additional medical intervention. ~~No cases of liver enzyme elevations above three times the ULN were observed in any patient receiving total daily doses of 600mg, which is approximately three times the proposed therapeutic dose for adults with classic CAH, and below.~~ If drug- related SAEs are observed, our trials could be suspended or terminated and the FDA or comparable foreign regulatory authorities could order us to cease further development of or deny approval for tildacerfont for any or all targeted indications. ~~The drug~~ **Drug** - related side effects could affect patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims. Any of these occurrences may harm our business, financial condition, and prospects significantly. Furthermore, **if tralesinidase alfa,** ~~only adults have been treated with~~ tildacerfont ~~,~~ and **our** ~~the~~ **other current** ~~safety profile in pediatric patients is unknown~~ and ~~may be different than that observed in previous clinical trials. Results of our trials could reveal a high and unacceptable severity and prevalence of side effects. Additionally, if tildacerfont and any~~ future product candidates receive marketing approval, and we or others later identify undesirable side effects caused by such product candidate, a number of potentially significant negative consequences could result, including: ▪ we may be forced to suspend marketing of that product, or decide to remove the product form the marketplace; ▪ regulatory authorities may withdraw approvals or suspend or change their approvals of such product or place restrictions on the way it is prescribed; ▪ regulatory authorities may require additional warnings on the label or limit

access of that product to selective specialized centers with additional safety reporting and with requirements that patients be geographically close to these centers for all or part of their treatment; ▪ we may be required to create a medication guide outlining the risks of such side effects for distribution to patients; ▪ we may be required to change the way the product is administered; ▪ we could be subject to fines, injunctions, or the imposition of criminal or civil penalties; ▪ we could be sued and held liable for harm caused to patients; and ▪ the product may become less competitive, and our reputation may suffer. Any of these events could prevent us from achieving or maintaining market acceptance of **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates, if approved, and could significantly harm our business, results of operations, and prospects. If we receive regulatory approval for **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with any product. Any regulatory approvals that we receive may be subject to limitations on the approved indicated uses for which the product may be marketed or to the conditions of approval, or contain requirements for potentially costly post- marketing testing, including post- market studies or clinical trials, and surveillance to monitor safety and effectiveness. The FDA may also require us to adopt a REMS to ensure that the benefits of treatment with such product candidate outweigh the risks for each potential patient, which may include, among other things, a communication plan to health care practitioners, patient education, extensive patient monitoring, or distribution systems and processes that are highly controlled, restrictive and more costly than what is typical for the industry. We or our collaborators may also be required to adopt a REMS or engage in similar actions, such as patient education, certification of health care professionals, or specific monitoring, if we or others later identify undesirable side effects caused by any product that we develop alone or with collaborators. Comparable foreign regulatory authorities may impose similar requirements in their markets. In addition, if the FDA or a comparable foreign regulatory authority approves a product candidate, the manufacturing, quality control, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion, import, export, and recordkeeping for the approved product will be subject to extensive and ongoing regulatory requirements. The FDA and comparable foreign regulatory authorities also require submissions of safety and other post- marketing information and reports, registration, as well as continued compliance with cGMP requirements and GCP for any clinical trials that we conduct post- approval. Later discovery of previously unknown problems with a product candidate, including adverse events of unanticipated severity or frequency, or with our third- party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things: ▪ issue warning letters or untitled letters; ▪ mandate modifications to promotional materials or require us to provide corrective information to healthcare practitioners, or require other restrictions on the labeling or marketing of such products; ▪ require us to enter into a consent decree, which can include imposition of various fines, reimbursements for inspection costs, required due dates for specific actions and penalties for noncompliance; ▪ seek an injunction or impose civil or criminal penalties or monetary fines; ▪ suspend, withdraw or modify regulatory approval; ▪ suspend, terminate or modify any ongoing clinical trials; ▪ require that we conduct post- market studies; ▪ refuse to approve pending applications or supplements to applications filed by us; ▪ grant approval for narrower indications than we requested; ▪ suspend or impose restrictions on operations, including costly new manufacturing requirements; or ▪ seize or detain products, refuse to permit the import or export of products, or require us to initiate a product recall. The occurrence of any event or penalty described above may inhibit our ability to commercialize **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates and generate revenue and could require us to expend significant time and resources in response and could generate negative publicity. Advertising and promotion of any product candidate that obtains approval in the United States will be heavily scrutinized by the FDA, the U. S. Federal Trade Commission, the Department of Justice (" DOJ "), the Office of Inspector General of the U. S. Department of Health and Human Services (" HHS "), state attorneys general, members of the U. S. Congress, and the public. Additionally, advertising and promotion of any product candidate that obtains approval outside of the United States will be heavily scrutinized by comparable foreign entities and stakeholders. Violations, including actual or alleged promotion of our products for unapproved or off- label uses, are subject to enforcement letters, inquiries, and investigations, and civil and criminal sanctions by the FDA, DOJ, or comparable foreign authorities. Any actual or alleged failure to comply with labeling and promotion requirements may result in fines, warning letters, mandates to corrective information to healthcare practitioners, injunctions, or civil or criminal penalties. The policies of the FDA and other regulatory authorities, including foreign regulatory authorities, may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval for **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates **. For example, the U. S. Supreme Court' s June 2024 decision in Loper Bright Enterprises v. Raimondo overturned the longstanding Chevron doctrine, under which courts were required to give deference to regulatory agencies' reasonable interpretations of ambiguous federal statutes. The Loper decision could result in additional legal challenges to regulations and guidance issued by federal agencies, including the FDA, on which we rely. Any such legal challenges, if successful, could have a material impact on our business. Additionally, the Loper decision may result in increased regulatory uncertainty, inconsistent judicial interpretations, and other impacts to the agency rulemaking process, any of which could adversely impact our business and operations. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action or as a result of legal challenges, either in the United States or abroad** . If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability, which would adversely affect our business, prospects, financial condition, and results of operations. Changes in funding for the FDA and other government agencies, or comparable foreign regulatory authorities could hinder their ability to hire and retain key leadership and other personnel, or otherwise prevent new products and services from being developed or commercialized in a timely manner, which could negatively impact our business. The ability of the FDA or

comparable foreign regulatory authorities to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the authorities have fluctuated in recent years as a result. In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable. Disruptions at the FDA and other agencies or comparable foreign regulatory authorities may also slow the time necessary for new drugs to be reviewed and / or approved, which would adversely affect our business. For example, over the last several years, including for 35 days beginning on December 22, 2018, the U. S. government has shut down several times and certain regulatory agencies, such as the FDA, have had to furlough critical FDA employees and stop critical activities. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. If a prolonged government shutdown occurs, or if global health concerns prevent the FDA or other regulatory authorities from conducting their regular inspections, reviews, or other regulatory activities, it could significantly impact the ability of the FDA or other regulatory authorities to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Even if we obtain regulatory approval for **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current and** future product candidates, **they** ~~tildacerfont and any future product candidates~~ may not gain market acceptance among physicians, patients, healthcare payors and others in the medical community. **Tralesinidase alfa,** ~~Tildacerfont~~ **tildacerfont** and ~~any~~ **our other current and** future product candidates may not be commercially successful. The commercial success of **Tralesinidase alfa,** tildacerfont or ~~any~~ **our other current and** future product candidates, if approved, will depend significantly on the broad adoption and use of such product by physicians and patients for approved indications. The degree of market acceptance of **tralesinidase alfa,** tildacerfont or ~~any~~ **our other current and** future products, if approved, will depend on a number of factors, including: ▪ the clinical indications for which such product candidate is approved; ▪ physicians and patients considering the product as a safe and effective treatment; ▪ the potential and perceived advantages of the product over alternative treatments; ▪ the prevalence and severity of any side effects; ▪ product labeling or product insert requirements of the FDA or other regulatory authorities; ▪ limitations or warnings contained in the labeling approved by the FDA or other regulatory authorities; ▪ the timing of market introduction of the product as well as competitive products; ▪ the cost of treatment in relation to alternative treatments; ▪ the availability of coverage and adequate reimbursement by third- party payors and government authorities; ▪ the willingness of patients to pay out- of- pocket in the absence of coverage and adequate reimbursement by third- party payors and government authorities; ▪ relative convenience and ease of administration, including as compared to alternative treatments and competitive therapies; and ▪ the effectiveness of our sales and marketing efforts and those of any collaboration or distribution partner on whom we rely for sales in foreign jurisdictions. If **tralesinidase alfa,** tildacerfont ~~and~~ **or** any **other current or** future product candidate is approved but fails to achieve market acceptance among physicians, patients, healthcare payors or others in the medical community, we will not be able to generate significant revenues, which would have a material adverse effect on our business, prospects, financial condition, and results of operations. **Our commercial success also depends on coverage and adequate reimbursement by third- party payors, including government payors, which may be difficult or time- consuming to obtain, may be limited in scope and may not be obtained in all jurisdictions in which we may seek to market our product candidates.** In addition, even if **tralesinidase alfa,** tildacerfont and any **other current or** future product candidate gains acceptance, the markets for the treatment of patients with our target indications may not be as significant as we estimate. If **tralesinidase alfa,** tildacerfont and any **other current or** future product candidate is approved for marketing, and we are found to have improperly promoted off- label uses, or if physicians prescribe or use **tralesinidase alfa,** tildacerfont and any **other current or** future product candidates off- label, we may become subject to prohibitions on the sale or marketing of **tralesinidase alfa,** tildacerfont and any **other current or** future product candidates, significant fines, penalties, sanctions, or product liability claims, and our image and reputation within the industry and marketplace could be harmed. The FDA, DOJ, and comparable foreign authorities strictly regulate the marketing and promotional claims that are made about pharmaceutical products ~~, such as tildacerfont,~~ following approval. In particular, a product may not be promoted for uses or indications that are not approved by the FDA or comparable foreign authorities as reflected in the product' s approved labeling and Summary of Product Characteristics. However, if we receive marketing approval for **tralesinidase alfa,** tildacerfont and any **other current or** future product candidates, physicians can prescribe such product to their patients in a manner that is inconsistent with the approved label based on the physician' s independent medical judgement. If we are found to have promoted such off- label uses, we may receive warning letters from the FDA and comparable foreign authorities, incur penalties, and become subject to significant liability, which would materially harm our business. The federal government has levied large civil and criminal fines against companies for alleged improper promotion and has enjoined several companies from engaging in off- label promotion. If we become the target of such an investigation or prosecution based on our marketing and promotional practices, we could face similar sanctions, which would materially harm our business. In addition, management' s attention could be diverted from our business operations, significant legal expenses could be incurred, and our reputation could be damaged. The FDA and other governmental authorities, including comparable foreign authorities, have also required that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed in order to resolve enforcement actions. If we are deemed by the FDA, DOJ, or other governmental authorities, or comparable foreign regulatory authorities, to have engaged in the promotion of **tralesinidase alfa,** tildacerfont or any **other current or** future product candidate for off- label use, we could be subject to certain prohibitions or other restrictions on the sale or marketing and other operations or significant fines and penalties, and the imposition of these sanctions could also affect our reputation and position within the industry. Coverage and reimbursement may be limited or unavailable in certain market segments for **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current or** future product candidates, which could make it difficult for us to sell **tralesinidase alfa,** tildacerfont and ~~any~~ **our other current or** future product candidates profitably. Successful sales of **tralesinidase alfa,** tildacerfont and any

other current or future product candidates, if approved, depend on the availability of coverage and adequate reimbursement from third- party payors. Patients who are prescribed medicine for the treatment of their conditions generally rely on third- party payors to reimburse all or part of the costs associated with their prescription drugs. Coverage and adequate reimbursement from **U. S.** governmental healthcare programs, such as Medicare and Medicaid, or comparable foreign healthcare programs, and commercial payors is critical to new product acceptance, and we may not obtain such coverage or adequate reimbursement. Moreover, we focus our clinical development ~~of tildacerfont~~ on treatments for **serious** ~~rare endocrine~~ disorders ~~with~~ **, some of which have** relatively small patient populations. As a result, we must rely on obtaining appropriate coverage and reimbursement for these populations. Government authorities and third- party payors, such as private health insurers and health maintenance organizations, decide which drugs they will cover and the amount of reimbursement they will provide. Reimbursement by a third- party payor may depend upon a number of factors, including, but not limited to, the third- party payor' s determination that use of a product is: ▪ a covered benefit under its health plan; ▪ safe, effective, and medically necessary; ▪ appropriate for the specific patient; ▪ cost- effective; and ▪ neither experimental nor investigational. Obtaining coverage and reimbursement approval for a product from a government or other third- party payor is a time- consuming and costly process that could require us to provide to the payor supporting scientific, clinical and cost- effectiveness data for the use of our products. We may not be able to provide data sufficient to obtain coverage and adequate reimbursement. If we obtain coverage for a given product, the resulting reimbursement payment rates might not be adequate or may require co- payments that patients find unacceptably high. Patients are unlikely to use **tralesinidase alfa,** tildacerfont or any **other current or** future product candidate unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost. Additionally, the reimbursement rates and coverage amounts may be affected by the approved label for **tralesinidase alfa,** tildacerfont or any **other current or** future product candidate. If coverage and reimbursement of our future products are unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, we may be unable to achieve or sustain profitability. In addition, the market for **tralesinidase alfa,** tildacerfont and any **other current or** future product candidates will depend significantly on access to third- party payors' drug formularies or lists of medications for which third- party payors provide coverage and reimbursement. The industry competition to be included in such formularies often leads to downward pricing pressures on pharmaceutical companies. Also, third- party payors may refuse to include a particular branded drug in their formularies or otherwise restrict patient access through formulary controls or otherwise to a branded drug when a less costly generic equivalent or other alternative is available. In the United States, no uniform policy of coverage and reimbursement for drug products exists among third- party payors. Third- party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement rates, but also have their own methods and approval process apart from Medicare determinations. Therefore, coverage and reimbursement for drug products can differ significantly from payor to payor. As a result, the coverage determination process is often a time- consuming and costly process that will require us to provide scientific and clinical support for the use of **tralesinidase alfa,** tildacerfont and any **other current or** future product candidates to each payor separately, with no assurance that coverage and adequate reimbursement will be obtained. Further, coverage policies and third- party reimbursement rates may change at any time. Therefore, even if favorable coverage and reimbursement status is attained, less favorable coverage policies and reimbursement rates may be implemented in the future. We intend to seek approval to market **tralesinidase alfa and** tildacerfont in the United States and in selected foreign jurisdictions. If we obtain approval in one or more foreign jurisdictions for **tralesinidase alfa or** tildacerfont, we will be subject to rules and regulations in those jurisdictions. In some foreign countries, particularly those in the EU, the pricing of prescription pharmaceuticals and biologics is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after obtaining marketing approval for a drug candidate. In addition, market acceptance and sales of a product will depend significantly on the availability of coverage and adequate reimbursement from third- party payors for a product and may be affected by existing and future health care reform measures. **Current and** ~~Recently enacted legislation,~~ future legislation and healthcare reform measures may increase the difficulty and cost for us to obtain marketing approval for and commercialize **tralesinidase alfa,** tildacerfont and any **other current or** future product candidates and may affect the prices we may set. In the United States and some foreign jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes to the healthcare system, including cost- containment measures that may reduce or limit coverage and reimbursement for newly approved drugs and affect our ability to profitably sell any product candidates for which we obtain marketing approval. In particular, there have been and continue to be a number of initiatives at the U. S. federal and state levels that seek to reduce healthcare costs ~~and improve the quality of healthcare~~ . For example, in March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act (collectively the " Affordable Care Act "), was enacted in the United States. Among the provisions of the Affordable Care Act of importance to our potential product candidates are that it established an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic agents; expands eligibility criteria for Medicaid programs; increased the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program; created a new Medicare Part D coverage gap discount program; established a new Patient- Centered Outcomes Research Institute to oversee, identify priorities in and conduct comparative clinical effectiveness research, along with funding for such research; and established a Center for Medicare and Medicaid Innovation at the Centers for Medicare & Medicaid Services (" CMS ") to test innovative payment and service delivery models to lower Medicare and Medicaid spending. There have been executive, judicial and Congressional challenges to certain aspects of the Affordable Care Act. ~~By way of example,~~ **While Congress has not passed comprehensive repeal** legislation ~~enacted in 2017~~ , ~~informally titled~~ **several bills affecting** the **implementation of certain** ~~Tax Cuts and Jobs Act (the " Tax Act "), included a provision which repealed, effective January 1, 2019, the tax~~ **taxes under** ~~- based shared responsibility payment imposed by~~ the Affordable Care Act **have been signed into law** ~~on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to~~

~~as the " individual mandate~~ . ~~"~~ For example ~~, on June 17, 2021, the United States Supreme Court dismissed a challenge on procedural grounds that argued the Affordable Care Act is unconstitutional in its entirety because the " individual mandate " was repealed by Congress. Moreover, prior to the United Supreme Court ruling, on January 28, 2021, President Biden issued an executive order that initiated a special enrollment period for purposes of obtaining health insurance coverage through the Affordable Care Act marketplace, which began on February 15, 2021 and remained open through August 15, 2021. The executive order also instructed certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare, including among others, reexamining Medicaid demonstration projects and waiver programs that include work requirements, and policies that create unnecessary barriers to obtaining access to health insurance coverage through Medicaid or the Affordable Care Act. Further~~ , on August 16, 2022, ~~President Biden signed~~ the Inflation Reduction Act of 2022 (" IRA ") **was signed** into law, which among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in Affordable Care Act marketplaces through plan year 2025. The IRA also eliminates the " donut hole " under the Medicare Part D program beginning in 2025 by significantly lowering the beneficiary maximum out- of- pocket cost and creating a new manufacturer discount program. It is possible that the Affordable Care Act will be subject to judicial or Congressional challenges **and amendments** in the future. It is unclear how any such challenges and the healthcare reform measures of the ~~Biden~~ **second Trump** administration will impact the Affordable Care Act and our business. In addition, other legislative changes have been proposed and adopted since the Affordable Care Act was enacted. On August 2, 2011, the Budget Control Act of 2011 was signed into law, which, among other things, included reductions to Medicare payments to providers of 2 % per fiscal year, which went into effect on April 1, 2013 and, due to subsequent legislative amendments to the statute, will remain in effect until 2032, unless additional Congressional action is taken. ~~In addition, on January 2, 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, reduced Medicare payments to several providers, including hospitals, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.~~ Further, there has been heightened governmental scrutiny in the United States of pharmaceutical pricing practices in light of the rising cost of prescription drugs. Such scrutiny has resulted in several recent Presidential executive orders, congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for products. At the federal level ~~, in July 2021, the Biden administration released an executive order, " Promoting Competition in the American Economy, " with multiple provisions aimed at prescription drugs. In response to Biden' s executive order, on September 9, 2021, HHS released a Comprehensive Plan for Addressing High Drug Prices that outlines principles for drug pricing reform and sets out a variety of potential legislative policies that Congress could pursue as well as potential administrative actions HHS can take to advance these principles. In addition,~~ the IRA, among other things (i) directs HHS to negotiate the price of certain high- expenditure, single- source drugs and biologics **that have been on the market for at least 7 years** covered under Medicare and (ii) imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation. These provisions ~~will take~~ **began to** effect progressively starting in fiscal year 2023. On August ~~29~~ **15** , ~~2023~~ **2024** , HHS announced the ~~list~~ **agreed- upon reimbursement price** of the first ten drugs that **were** ~~will be~~ subject to price negotiations, although the Medicare drug price negotiation program is currently subject to legal challenges. HHS **will select up to fifteen additional drugs covered under Part D for negotiation in 2025. HHS** has and will continue to issue and update guidance as these programs are implemented. ~~It is currently unclear how the IRA will be implemented but it is likely to have a significant impact on the pharmaceutical industry.~~ In addition, in response to **an** ~~the Biden administration' s~~ October 2022 executive order, on February 14, 2023, HHS released a report outlining three new models for testing by the Center for Medicare and Medicaid Innovation which will be evaluated on their ability to lower the cost of drugs, promote accessibility, and improve quality of care. It is unclear whether the models will be utilized in any health reform measures in the future ~~. Further, on December 7, 2023, the Biden administration announced an initiative to control the price of prescription drugs through the use of march- in rights under the Bayh- Dole Act~~ . On December 8, 2023, the National Institute of Standards and Technology published for comment a Draft Interagency Guidance Framework for Considering the Exercise of March- In Rights which for the first time includes the price of a product as one factor an agency can use when deciding to exercise march- in rights. While march- in rights have not previously been exercised, it is uncertain if that will continue under the new framework. At the state level, individual states in the United States have also increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. For example, on January 5, 2024, the FDA approved Florida' s Section 804 Importation Program (" SIP ") proposal to import certain drugs from Canada for specific state healthcare programs. It is unclear how this program will be implemented, including which drugs will be chosen, and whether it will be subject to legal challenges in the United States or Canada. Other states have also submitted SIP proposals that are pending review by the FDA. Any such approved importation plans, when implemented, may result in lower drug prices for products covered by those programs. Legally mandated price controls on payment amounts by third- party payors or other restrictions could harm our business, results of operations, financial condition, and prospects. In addition, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other healthcare programs. This could reduce the ultimate demand for ~~tildacerfont~~ **our product candidates** , if approved, or put pressure on our product pricing, which could negatively affect our business, results of operations, financial condition, and prospects. We expect that other healthcare reform measures that may be adopted in the future **, particularly in light of the recent U. S. Presidential and Congressional elections,** may result in additional reductions in Medicare and other healthcare funding, more rigorous coverage criteria, new payment methodologies and additional downward pressure on the price that we receive for any approved

product. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from third- party payors. The **current Trump administration is pursuing policies to reduce regulations and expenditures across government including at HHS, the FDA, CMS and related agencies. These actions, presently directed by executive orders or memoranda from the Office of Management and Budget, may propose policy changes that create additional uncertainty for our business. These actions may include, for example, directives to reduce agency workforce, rescinding a Biden administration executive order tasking the Center for Medicare and Medicaid Innovation to consider new payment and healthcare models to limit drug spending and eliminating the Biden administration' s executive order that directed HHS to establishing an AI task force and developing a strategic plan, and directing certain federal agencies to enforce existing law regarding hospital and price plan transparency and by standardizing prices across hospitals and health plans. Additionally, in its June 2024 decision in Loper Bright Enterprises v. Raimondo, the U. S. Supreme Court overturned the longstanding Chevron doctrine, under which courts were required to give deference to regulatory agencies' reasonable interpretations of ambiguous federal statutes. The Loper Bright decision could result in additional legal challenges to current regulations and guidance issued by federal agencies applicable to our operations, including those issued by the FDA. Congress may introduce and ultimately pass health care related legislation that could impact the drug approval process and make changes to the Medicare Drug Price Negotiation Program created under the IRA. The** implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability or commercialize ~~tildacerfont~~ **our product candidates** , if approved. Moreover, in order to obtain reimbursement for our products in some European countries, including some EU Member States, we may be required to compile additional data comparing the cost- effectiveness of our products to other available therapies. The Health Technology Assessment, or HTA, of medicinal products is becoming an increasingly common part of the pricing and reimbursement procedures in some EU Member States, including those representing the larger markets. The HTA process is the procedure to assess therapeutic, economic and societal impact of a given medicinal product in the national healthcare systems of the individual country. The outcome of an HTA will often influence the pricing and reimbursement status granted to these medicinal products by the competent authorities of individual EU Member States. The extent to which pricing and reimbursement decisions are influenced by the HTA of the specific medicinal product currently varies between EU Member States. In December 2021, Regulation No 2021 / 2282 on HTA, amending Directive 2011 / 24 / EU, was adopted in the EU. This Regulation, which entered into force in January 2022, ~~will~~ **began to** apply ~~from~~ **on** January **12,** 2025 **through a phased implementation, with full implementation timelines extending to 2030** . It is intended to boost cooperation among EU Member States in assessing health technologies, including new medicinal products, and providing the basis for cooperation at EU level for joint clinical assessments in these areas. The Regulation ~~will permit~~ **permits** EU Member States to use common HTA tools, methodologies, and procedures across the EU to identify promising technologies early, and continuing voluntary cooperation in other areas. Individual EU Member States will continue to be responsible for assessing non- clinical (e. g., economic, social, ethical) aspects of health technologies, and making decisions on pricing and reimbursement. If we are unable to maintain favorable pricing and reimbursement status in EU Member States for product candidates that we may successfully develop and for which we may obtain regulatory approval, any anticipated revenue from and growth prospects for those products in the EU could be negatively affected. In addition, on April 26, 2023, the European Commission adopted a proposal for a new Directive and Regulation to revise the existing pharmaceutical legislation **and on April 10, 2024, the Parliament adopted its related position. The proposed revisions remain to be agreed and adopted by the European Council. Moreover, on December 1, 2024, a new European Commission took office. The proposal could, therefore, still be subject to revisions** . If adopted in the form proposed, the ~~recent~~ European Commission proposals to revise the existing EU laws governing authorization of medicinal products may result in a **number of changes to the regulatory framework governing medicinal product, including a** decrease in data and market exclusivity for our product candidates in the EU, if approved, among other regulatory changes. ~~A~~ **Our failure to obtain regulatory approval in international jurisdictions would prevent us from marketing our product candidates internationally. In order to market and sell our product candidates in other jurisdictions, we must obtain separate marketing approvals for those jurisdictions and comply with their numerous and varying regulatory requirements. We may not obtain foreign regulatory approvals on a timely basis, or at all. The approval procedure varies among countries and can involve additional testing. The time required to obtain approval may differ substantially from that required to obtain FDA approval. The regulatory approval process outside the United States generally includes all of the risks associated with obtaining FDA approval. In addition, in many countries outside the United States, product reimbursement approvals must be secured before regulatory authorities will approve the product for sale in that country. Obtaining foreign regulatory approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties and costs for us and could delay or prevent the introduction of our product candidates in certain countries. Further, clinical trials conducted in one country may not be accepted by regulatory authorities in other countries and regulatory approval in one country does not ensure approval in any other country, while a failure or delay in obtaining regulatory approval in one country may have a negative effect on the regulatory approval process in others. Our failure to obtain approval of our product candidates by foreign regulatory authorities may negatively impact the commercial prospects of such product candidates and our business prospects could decline. Also, if regulatory approval for our product candidates is granted, it may be later withdrawn. If we fail to comply with the regulatory requirements in international jurisdictions and receive applicable marketing approvals, our target market will be reduced and our ability to realize the full market potential for our product candidates will be harmed and our business may be adversely affected. Even if we obtain the necessary regulatory approvals, a** variety of risks associated with marketing **tralesinidase alfa,** tildacerfont and any **other current or** future product candidates internationally could materially adversely affect our business. We plan to seek regulatory approval for **tralesinidase alfa,**

tildacerfont and any **other current or** future product candidates internationally **. Even if** ~~and, accordingly,~~ we ~~expect that~~ **obtain such approvals,** we will **nevertheless** be subject to additional risks related to operating in foreign countries ~~if we obtain the necessary approvals~~ , including: ▪ differing regulatory requirements in foreign countries, including differing reimbursement, pricing and insurance regimes; ▪ the potential for so- called parallel importing, which is what happens when a local seller, faced with high or higher local prices, opts to import goods from a foreign market (with low or lower prices) rather than buying them locally; ▪ unexpected changes in tariffs, trade barriers, price and exchange controls, and other regulatory requirements; ▪ economic weakness, including inflation, or political instability in particular foreign economies and markets; ▪ compliance with tax, employment, immigration, and labor laws for employees living or traveling internationally; ▪ foreign taxes, including withholding of payroll taxes; ▪ foreign currency fluctuations, which could result in increased operating expenses and reduced revenues, and other obligations incident to doing business in another country; ▪ difficulties staffing and managing foreign operations; ▪ workforce uncertainty in countries where labor unrest is more common than in the United States; ▪ potential liability under the U. S. Foreign Corrupt Practices Act of 1977 (" FCPA ") or comparable foreign regulations; ▪ challenges enforcing our contractual and intellectual property rights, especially in those foreign countries that do not respect and protect intellectual property rights to the same extent as the United States; ▪ production shortages resulting from any events affecting raw material supply or manufacturing capabilities internationally; and ▪ business interruptions resulting from geo- political actions, including war and terrorism. These and other risks associated with our international operations may materially adversely affect our ability to attain or maintain profitable operations. If we fail to develop and commercialize additional product candidates, we may be unable to grow our business. We ~~may~~ **intend to** seek to in- license or acquire development **and commercial** - stage product candidates in ~~endocrine~~ disorders that have the potential to complement our existing portfolio **. Our current product candidates are generally in- licensed from or derived from partnerships with other pharmaceutical companies** . If we decide to pursue the development and commercialization of any additional product candidates, we may be required to invest significant resources to acquire or in- license the rights to such product candidates or to conduct drug discovery activities **and we may be unable to in- license the rights on reasonable terms if at all** . We do not currently have the necessary drug discovery personnel or expertise adequate to discover and develop an additional product candidate on our own. Any other product candidates will require additional, time- consuming development efforts, and significant financial resources, prior to commercial sale, including preclinical studies, extensive clinical trials, and approval by the FDA and applicable foreign regulatory authorities. All product candidates are prone to the risks of failure that are inherent in pharmaceutical product development, including the possibility that the product candidate will not be shown to be sufficiently safe and / or effective for approval by regulatory authorities. In addition, we may not be able to acquire, discover, or develop any additional product candidates, and any additional product candidates we may develop may not be approved, manufactured, or produced economically, successfully commercialized or widely accepted in the marketplace, or be more effective than other commercially available alternatives. Research programs to identify new product candidates require substantial technical, financial, and human resources whether or not we ultimately identify any candidates. If we are unable to develop or commercialize any other product candidates, our business and prospects will suffer . If we fail to develop tildacerfont..... expiration of the orphan drug exclusivity period . We may form or seek strategic alliances or enter into additional licensing arrangements in the future, and we may not realize the benefits of such alliances or licensing arrangements. We may form or seek strategic alliances, create joint ventures or collaborations or enter into additional licensing arrangements with third parties that we believe will complement or augment our development and commercialization efforts with respect to ~~tildacerfont~~ **our product candidates** and any future product candidates that we may develop. We intend to establish commercial partnerships outside of the United States in selected foreign markets. Any of these relationships may require us to incur non- recurring and other charges, increase our near- and long- term expenditures, issue securities that dilute our existing stockholders, or disrupt our management and business. In addition, we face significant competition in seeking appropriate strategic partners and the negotiation process is time- consuming and complex. If we license products or businesses, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate them with our existing operations and company culture. Following a strategic transaction or license, we may not achieve the revenues or cash flows that justifies such transaction. Any delays in entering into new strategic partnership agreements related to ~~tildacerfont~~ **our product candidates** could delay the development and commercialization of ~~tildacerfont~~ **our product candidates** in certain geographies for certain indications, which would harm our business prospects, financial condition, and results of operations. ~~Our failure to successfully in- license, acquire, develop, and market additional product candidates or approved products would impair our ability to grow our business. Although a substantial amount of our efforts is focused on the clinical development, potential regulatory approval and commercialization of tildacerfont, a key element of our long- term strategy is to in- license, acquire, develop, market, and commercialize a portfolio of products to treat patients with endocrine disorders. Because we do not have the necessary internal research and development capabilities, unless we build such capabilities internally, we will be dependent upon pharmaceutical companies, academic scientists, and other researchers to sell or license products or technology to us. The success of this strategy depends partly upon our ability to identify and select promising biopharmaceutical product candidates and products, negotiate licensing or acquisition agreements with their current owners, and finance these arrangements. The process of proposing, negotiating, and implementing a license or acquisition of a product candidate or approved product is lengthy and complex. Other companies, including some with substantially greater financial, marketing, sales, and other resources, may compete with us for the license or acquisition of product candidates and approved products. We have limited resources to identify and execute the acquisition or in- licensing of third- party products, businesses, and technologies and integrate them into our current infrastructure. Moreover, we may devote resources to potential acquisitions or licensing opportunities that are never completed, or we may fail to realize the anticipated benefits of such efforts. We may not be able to acquire the rights to additional product candidates on terms that we find acceptable, or at all. Further, any product candidate that we acquire may require additional development efforts prior to commercial sale, including preclinical or~~

~~clinical testing and approval by the FDA, the European Commission and other similar regulatory authorities. All product candidates are prone to risks of failure during biopharmaceutical product development, including the possibility that a product candidate will not be shown to be sufficiently safe and effective for approval by regulatory authorities. In addition, any approved products that we acquire may not be manufactured or sold profitably or achieve market acceptance.~~ We will need to grow the size of our organization, and we may experience difficulties in managing this growth. As of December 31, ~~2023~~ **2024** , we had ~~29~~ **21** employees, all of whom are full- time. As our development and commercialization plans and strategies develop, and as we transition into operating as a public company, we expect to need additional development, managerial, operational, financial, sales, marketing, and other personnel. Future growth would impose significant added responsibilities on members of management, including: ▪ identifying, recruiting, integrating, maintaining, and motivating additional employees; ▪ managing our internal development efforts effectively, including the clinical and regulatory review process for ~~tildacerfont~~ **our product candidates** and any future product candidates, while complying with our contractual obligations to contractors and other third parties; and ▪ improving our operational, financial and management controls, reporting systems and procedures. ~~In addition, in March 2024, we reported topline results from CAHmelia- 203, our placebo- controlled, double- blind Phase 2b clinical trial in adult patients with classic CAH with highly elevated levels of A4 at baseline. Additionally, we completed enrollment in CAHmelia- 204, our second Phase 2b clinical trial in adult patients with classic CAH on supraphysiologic doses of glucocorticoids with normal or near normal levels of A4 at baseline focused on glucocorticoid reduction and anticipate topline results in the third quarter of 2024. We also reported topline results from our Phase 2 open- label clinical trial in pediatric patients between two and 17 years of age with classic CAH in March 2024.~~ Our future financial performance and our ability to commercialize ~~tildacerfont~~ **our product candidates** will depend, in part, on our ability to effectively manage any future growth, and our management may also have to divert a disproportionate amount of its attention away from day- to- day activities in order to devote a substantial amount of time to managing these growth activities. To date, we have used the services of outside vendors to perform tasks including clinical trial management, manufacturing, statistics and analysis, regulatory affairs, formulation development, and other drug development functions. Our growth strategy may also entail expanding our group of contractors or consultants to implement these tasks going forward. Because we rely on numerous consultants, effectively outsourcing many key functions of our business, we will need to be able to effectively manage these consultants to ensure that they successfully carry out their contractual obligations and meet expected deadlines. However, if we are unable to effectively manage our outsourced activities or if the quality or accuracy of the services provided by consultants is compromised for any reason, our clinical trials may be extended, delayed, or terminated, and we may not be able to obtain regulatory approval for ~~tildacerfont~~ **our product candidates** and any future product candidates or otherwise advance our business. We may not be able to manage our existing consultants or find other competent outside contractors and consultants on economically reasonable terms, or at all. If we are not able to effectively expand our organization by hiring new employees and expanding our groups of consultants and contractors, we may not be able to successfully implement the tasks necessary to further develop and commercialize ~~tildacerfont~~ **our product candidates** and any future product candidates and, accordingly, may not achieve our research, development and commercialization goals. Our indebtedness to Silicon Valley Bank may limit our flexibility in operating our business and adversely affect our financial health and competitive position, and our obligations to Silicon Valley Bank are secured by substantially all of our assets, excluding our intellectual property assets. If we default on these obligations, Silicon Valley Bank could foreclose on our assets. In September 2019, we entered into a Loan and Security Agreement (the " Loan Agreement ") providing for a term loan (the " Term Loan ") with ~~Silicon Valley Bank (" SVB~~ **for** ~~"). In April 2020, we entered into a deferral agreement with SVB (the " Deferral Agreement "), whereby we and~~ **an aggregate** ~~SVB agreed to extend the repayment dates of all monthly payments of~~ principal **amount of $ 4. 5 million** ~~due and the maturity date with respect to the Term Loan by six months~~ . In March 2021, we entered into the First Amendment ~~with SVB~~ **to Loan and Security Agreement** (the " First Amendment "), which increased the aggregate principal amount of the Term Loan ~~commitment by SVB~~ to up to $ 30. 0 million **, of which $ 20. 0 million was immediately available under the first tranche (the " First Tranche ") and $ 10. 0 million was available under the second tranche through December 31, 2022 (the " Second Tranche ") subject to the completion of certain clinical or financial milestones** . In May 2022, we entered into the Second Amendment ~~with SVB~~ **to Loan and Security Agreement** (the " Second Amendment "), which amended the milestone upon which the Second Tranche commitment of $ 10. 0 million would become available ~~. As of December 31~~ , **added a liquidity covenant for** ~~2023, we had $ 3. 4 million outstanding under~~ the ~~Loan Agreement.~~ **Second Tranche and amended the interest and** ~~Repayment~~ **prepayment terms** ~~of principal commenced in January 2023~~ . Commitments available under the Second Tranche of $ 10. 0 million expired on December 31, 2022. **Repayment of principal on the First Tranche commenced in January 2023. As of December 31, 2024, we had $ 1. 8 million outstanding under the Loan Agreement. Pursuant to the First Amendment, the Term Loan will mature on January 1, 2026.** All obligations under the Term Loan are secured by a first priority lien on substantially all of our assets, excluding intellectual property assets. We have agreed with SVB not to encumber our intellectual property assets **, except as permitted under** ~~without its prior written consent unless a security interest in~~ the ~~underlying intellectual property is necessary to have a security interest in the accounts and proceeds that are part of the assets securing the Term~~ Loan **Agreement** ~~, in which case our intellectual property shall automatically be included within the assets securing the Term Loan~~ . As a result, if we default on any of our obligations under the Loan Agreement, SVB could foreclose on its security interest and liquidate some or all of the collateral, which would harm our business, financial condition, and results of operations and could require us to reduce or cease operations. In order to service this indebtedness and any additional indebtedness we may incur in the future, we need to generate cash from our operating activities. Our ability to generate cash is subject, in part, to our ability to successfully execute our business strategy, as well as general economic, financial, competitive, regulatory, and other factors beyond our control. Our business may not be able to generate sufficient cash flow from operations, and future borrowings or other financings may not be available to us in an amount sufficient to enable us to service our indebtedness and fund our other

liquidity needs. To the extent we are required to use cash from operations or the proceeds of any future financing to service our indebtedness instead of funding working capital, capital expenditures or other general corporate purposes, we will be less able to plan for, or react to, changes in our business, industry, and in the economy generally. This could place us at a competitive disadvantage compared to our competitors that have less indebtedness. The Loan Agreement contains certain covenants that limit our ability to engage in certain transactions that may be in our long- term best interest, including entering into a change in control transaction. The Loan Agreement also contains certain covenants that limit our ability to obtain additional debt financing, including incurring debt from third parties not permitted under the Loan Agreement or incurring liens or encumbrances on our property. While we have not previously breached and are currently in compliance with the covenants contained in the Loan Agreement, we may breach these covenants in the future. Our ability to comply with these covenants may be affected by events and factors beyond our control. In the event that we breach one or more covenants, SVB may choose to declare an event of default and require that we immediately repay all amounts outstanding under the Loan Agreement, terminate any commitment to extend further credit and foreclose on the collateral. In addition, if an event of default occurs under the Loan Agreement, SVB may, among other things, accelerate the Term Loan or do any acts it considers necessary or reasonable to protect its security interest in the collateral under the Term Loan. Events of default include the occurrence of a material adverse change in our business, operations, or condition (financial or otherwise). The occurrence of any of these events could have a material adverse effect on our business, financial condition, and results of operations. For a more detailed description of the terms of the Loan Agreement, see the section titled " **Item. 7** Management' s Discussion and Analysis of Financial Condition and Results of Operations — Material Agreements — Loan Agreement **with Silicon Valley Bank** " and Note 6 to our financial statements, each included elsewhere in this Annual Report ~~on Form 10- K~~ . Raising additional capital may cause dilution to our existing stockholders, restrict our operations, or require us to relinquish rights to our technologies or product candidates. We may seek additional capital through a combination of equity offerings, debt financings, strategic partnerships and alliances, and licensing arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a stockholder. The incurrence of indebtedness would result in increased fixed payment obligations and could involve certain restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire or license intellectual property rights, and other operating restrictions that could adversely impact our ability to conduct our business. If we raise additional funds through strategic partnerships and alliances and licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies or current or future product candidates, or grant licenses on terms unfavorable to us ~~price and trading volume to decline~~ .Business disruptions could seriously harm our future revenues and financial condition and increase our costs and expenses.Our operations,and those of our CROs and other contractors and consultants,could be subject to earthquakes,power shortages,telecommunications failures,water shortages,floods,hurricanes,typhoons,fires,extreme weather conditions,medical epidemics and other natural or man- made disasters or business interruptions,for which we are predominantly self- insured.The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses.We rely on third-party manufacturers to produce **tralesinidase alfa and** tildacerfont.Our ability to obtain clinical supplies of **tralesinidase alfa,** tildacerfont and any **other current or** future product candidates could be disrupted if the operations of these suppliers are affected by a man- made or natural disaster or other business interruption.Our corporate headquarters is located in California near major earthquake faults and fire zones.The ultimate impact on us,our suppliers and our general infrastructure of being located near major earthquake faults and fire zones and being consolidated in certain geographical areas is unknown,but our operations and financial condition could suffer in the event of a major earthquake,fire or other natural disaster ~~.We could~~ . Our employees, independent contractors, principal investigators, CROs, consultants, strategic partners, and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements. We are exposed to the risk that employees, independent contractors, principal investigators, CROs, consultants, and vendors may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and / or negligent conduct or disclosure of unauthorized activities to us that violates: (i) the rules of the FDA and other similar foreign regulatory bodies, including those rules that require the reporting of true, complete, and accurate information to the FDA and other similar foreign regulatory bodies; (ii) manufacturing standards; (iii) healthcare fraud and abuse laws in the United States and similar foreign fraudulent misconduct laws or (iv) laws that require the true, complete, and accurate reporting of our financial information or data. These laws may impact, among other things, our current activities with principal investigators and research subjects, as well as proposed and future sales, marketing, and education programs. In particular, the promotion, sales, and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws designed to prevent fraud, kickbacks, self- dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, structuring and commission (s), certain customer incentive programs, and other business arrangements generally. Activities subject to these laws also involve the improper use of information obtained in the course of patient recruitment for clinical trials. If we obtain regulatory approval for **tralesinidase alfa or** tildacerfont and begin commercializing those products in the United States and in Europe, our potential exposure under such laws will increase significantly, and our costs associated with compliance with such laws are also likely to increase. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant civil, criminal and administrative penalties, damages, disgorgement, monetary fines, imprisonment, possible exclusion from participation in Medicare, Medicaid and other federal or comparable foreign healthcare programs, additional reporting requirements and / or oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non- compliance with these laws, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations. Our

relationships with customers, healthcare providers and third- party payors may be subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws, health information privacy and security laws, and other comparable foreign healthcare laws and regulations. If we or our employees, independent contractors, consultants, commercial partners, or vendors violate these laws, we could face substantial penalties. Our relationships with customers, healthcare providers, and third- party payors may be subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws, health information privacy and security laws, and other healthcare laws and regulations. These laws may impact, among other things, our clinical research program, as well as our proposed and future sales, marketing, and education programs. In particular, the promotion, sales and marketing of healthcare items and services is subject to extensive laws and regulations designed to prevent fraud, kickbacks, self- dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive, and other business arrangements. We may also be subject to federal, state and foreign laws governing the privacy and security of identifiable patient information. The U. S. healthcare laws and regulations that may affect our ability to operate include, but are not limited to: ▪ the federal Anti- Kickback Statute, which prohibits, among other things, any person or entity from knowingly and willfully, offering, paying, soliciting or receiving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, the purchasing, leasing, ordering or arranging for the purchase, lease, or order of any item or service reimbursable under Medicare, Medicaid or other federal healthcare programs. The term " remuneration " has been broadly interpreted to include anything of value. Although there are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution, the exceptions and safe harbors are drawn narrowly. Practices that may be alleged to be intended to induce prescribing, purchases or recommendations, include any payments of more than fair market value, and may be subject to scrutiny if they do not qualify for an exception or safe harbor. In addition, a person or entity does not need to have actual knowledge of this statute or specific intent to violate it in order to have committed a violation. ▪ federal civil and criminal false claims laws, including the federal civil False Claims Act, and civil monetary penalty laws, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment or approval from Medicare, Medicaid, or other federal government programs that are false or fraudulent or knowingly making a false statement to improperly avoid, decrease or conceal an obligation to pay money to the federal government, including federal healthcare programs. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti- Kickback Statute constitutes a false or fraudulent claim for purposes of the federal civil False Claims Act and the civil monetary penalties statute; ▪ the federal Health Insurance Portability and Accountability Act of 1996 (" HIPAA "), which created new federal civil and criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, including private third- party payors and knowingly and willfully falsifying, concealing or covering up by any trick, scheme or device, a material fact or making any materially false, fictitious or fraudulent statements in connection with the delivery of, or payment for, healthcare benefits, items or services. Similar to the federal Anti- Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation; ▪ HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act **(" HITECH ")** , and their respective implementing regulations, which impose requirements on certain healthcare providers, health plans, and healthcare clearinghouses, known as covered entities, and their respective business associates that perform services for them that involve the use, or disclosure of, individually identifiable health information as well as their covered subcontractors; and ▪ the federal Physician Payments Sunshine Act, which requires certain manufacturers of drugs, devices, biologicals and medical supplies for which payment is available under Medicare, Medicaid or the Children' s Health Insurance Program (with certain exceptions) to report annually to CMS information related to payments or other transfers of value made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain other healthcare professionals (such as physician assistants and nurse practitioners), and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members. We may also be subject to state and foreign equivalents of each of the healthcare laws described above, among others, some of which may be broader in scope. For example, we may be subject to the following: state and foreign anti- kickback and false claims laws that may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non- governmental third party payors, including private insurers, or that apply regardless of payor; state and foreign laws that require pharmaceutical companies to comply with the pharmaceutical industry' s voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government; state and foreign laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers, marketing expenditures, or drug pricing; state and local laws requiring the registration of pharmaceutical sales and medical representatives; and state and foreign laws, such as the **EU** ~~European Union General Data Protection Regulation (" GDPR ")~~ governing the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts. Additionally, we may be subject to federal consumer protection and unfair competition laws, and equivalent foreign laws, which broadly regulate marketplace activities and activities that potentially harm consumers. Because of the breadth of these laws and the narrowness of the statutory exceptions and regulatory safe harbors available, it is possible that some of our business activities, or our arrangements with physicians, could be subject to challenge under one or more of such laws. It is not always possible to identify and deter employee misconduct or business noncompliance, and the precautions we take to detect and prevent inappropriate conduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. Efforts to ensure that our business arrangements will comply with applicable healthcare laws may involve substantial costs. It is possible

that governmental and enforcement authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law interpreting applicable fraud and abuse or other healthcare laws and regulations. If we or our employees, independent contractors, consultants, commercial partners and vendors violate these laws, we may be subject to investigations, enforcement actions and / or significant penalties, including the imposition of significant civil, criminal and administrative penalties, damages, disgorgement, monetary fines, imprisonment, possible exclusion from participation in Medicare, Medicaid and other federal or comparable foreign healthcare programs, contractual damages, public reprimands, reputational harm, diminished profits and future earnings, additional reporting requirements and / or oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non- compliance with these laws, and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations. In addition, the approval and commercialization of tildacerfont outside the United States will also likely subject us to foreign equivalents of the healthcare laws mentioned above, among other foreign laws. If our information technology systems or data, or those of third parties ~~upon which~~ **with whom** we ~~rely~~ **work** , are or were compromised, we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; and other adverse consequences. In the ordinary course of our business, we and the third parties ~~upon which~~ **with whom** we ~~rely~~ **work** collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, process) proprietary, confidential, and sensitive data, including personal data (such as health- related data including in the context of clinical trials), intellectual property, and trade secrets (collectively, sensitive data). As a result, we and the third parties ~~upon which~~ **with whom** we ~~rely~~ **work** face a variety of evolving threats, including but not limited to ransomware attacks, which could cause security incidents. Cyber- attacks, malicious internet- based activity, online and offline fraud, and other similar activities threaten the confidentiality, integrity, and availability of our sensitive data and information technology systems, and those of the third parties ~~upon which~~ **with whom** we ~~rely~~ **work** . Such threats are prevalent and continue to rise, are increasingly difficult to detect, and come from a variety of sources, including traditional computer " hackers, " threat actors, " hacktivists, " organized criminal threat actors, personnel (such as through theft or misuse), sophisticated nation states, and nation- state- supported actors. Some actors now engage and are expected to continue to engage in cyber- attacks, including without limitation nation- state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major conflicts, we and the third parties ~~upon which~~ **with whom** we ~~rely~~ **work** may be vulnerable to a heightened risk of these attacks, including retaliatory cyber- attacks, that could materially disrupt our systems and operations, supply chain, and ability to produce, sell and distribute our services. We and the third parties ~~upon which~~ **with whom** we ~~rely~~ **work** are subject to a variety of evolving threats, including but not limited to physical or electronic break- ins, social engineering attempts (including through deep fakes, **which may be increasingly more difficult to identify as fake, and** phishing and spam emails), malicious code (such as computer viruses and worms), malware (including as a result of advanced persistent **threat** intrusions), ransomware attacks, natural disasters, terrorism, war, server malfunctions, telecommunication and electrical failure, denial of service attacks (such as credential stuffing attacks), credential harvesting, personnel misconduct or error, supply- chain attacks, software bugs, attacks enhanced or facilitated by AI and other similar threats. In particular, severe ransomware attacks are becoming increasingly prevalent and can lead to significant interruptions in our operations, loss of sensitive data and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments. Remote work has become more common and has increased risks to our information technology systems and data, as more of our ~~employees~~ **personnel** utilize network connections, computers, and devices outside our premises or network, including working at home, while in transit and in public locations. Additionally, future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. Furthermore, we may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate companies into our information technology environment and security program. In addition, our relationship with the third parties ~~upon which~~ **with whom** we ~~rely~~ **work** could introduce new cybersecurity risks and vulnerabilities, including supply- chain attacks, and other threats to our business operations. We rely on third **parties** ~~- party service providers and technologies~~ to operate critical business systems to process sensitive data in a variety of contexts, including, without limitation, cloud- based infrastructure, third- party research institution collaborators and other third parties to conduct clinical trials, data center facilities, encryption and authentication technology, employee email, and other functions. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. While we may be entitled to damages if ~~our~~ **the** third ~~- party service providers~~ **parties with whom we work** fail to satisfy their privacy or security- related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award. In addition, supply- chain attacks have increased in frequency and severity, and we cannot guarantee that third parties' infrastructure in our supply chain or ~~our~~ **that of the** third ~~- party partners~~ **parties** ~~' supply chains~~ **with whom we work** have not been compromised. We **have in the past and** may **continue to** expend significant resources ~~or~~ **(including financial) and** modify our business activities (including our clinical trial activities) to try to protect against **security incidents and, as applicable, to detect, investigate, mitigate, contain and remediate** security incidents. Additionally, certain data privacy and security obligations may require us to implement and maintain specific security measures or industry- standard or reasonable security measures to protect our information technology systems and sensitive data. While we have implemented security measures designed to protect against **and recover from** security incidents, there can be no assurance that these measures will be effective. We take steps **designed** to detect **, mitigate** and remediate vulnerabilities, in our information systems (such as our hardware and / or software, including that of third parties

~~upon which~~ **with whom** we ~~rely~~ **work)** . We may not **, however,** detect **, mitigate** and remediate all such vulnerabilities including on a timely basis. Further, we may experience delays in developing and deploying remedial measures and patches designed to address identified vulnerabilities. Vulnerabilities could be exploited and result in a security incident. Any of the previously identified or similar threats **have or** could cause a security incident ~~or other interruption~~ that ~~could~~ **resulted in or** ~~result~~ **results** in unauthorized, unlawful, or accidental acquisition, modification, destruction, alteration, encryption, access to, use or disclosure of, corruption of, or loss of sensitive data or our information technology systems, or those of the third parties ~~upon~~ **with** whom we ~~rely~~ **work** . A security incident **has and** ~~or other interruption~~ could disrupt our ability (and that of third parties ~~upon~~ **with** whom we ~~rely~~ **work**) to provide our services. **In** ~~If we or~~ the **event of** ~~third parties upon which we rely experience~~ a security incident, applicable data privacy and security obligations may require us **, or we may voluntarily choose,** to notify relevant stakeholders, such as consumers, partners, collaborators, government authorities, and the media **or to take other actions, such as providing credit monitoring and identifying theft protection services** . Such disclosures ~~are~~ **and related actions can be** costly, and the disclosure or the failure to comply with such **applicable** requirements could lead to adverse consequences. ~~If we~~ **Security incidents** (or **perceived security incidents** ~~a third party upon which we rely~~) ~~experience a security incident or are perceived to have experienced a security incident~~ , ~~we~~ may ~~experience~~ **result in material** adverse consequences, such as significant liabilities, regulatory and enforcement actions (including investigations, fines, penalties, audits and inspections), reputational damage, additional reporting requirements and / or oversight, restrictions on processing sensitive data (including personal data), litigation, indemnification obligations, negative publicity, monetary fund diversions, interruptions in our operations (including availability of data), diversion of management attention, financial loss, and other harms. For example, the loss of clinical trial data from completed or ongoing clinical trials could result in delays in any regulatory approval or clearance efforts and significantly increase our costs to recover or reproduce the data, and subsequently commercialize the product. Additionally, theft of our intellectual property or proprietary business information could require substantial expenditures to remedy. ~~Additionally, the development and commercialization of tildacerfont could be delayed.~~ Furthermore, our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. Additionally, we cannot be sure that our insurance coverage will be adequate or sufficient to protect us from or to mitigate liabilities arising out of our privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims. We **and the third parties with whom we work** are subject to stringent and evolving obligations related to data privacy and security. These obligations include U. S. and foreign laws, regulations, and rules; contractual obligations; industry standards; and policies. Our **(including the third parties with whom we work)** actual or perceived failure to comply with such obligations could lead to regulatory investigations and actions (which could include civil or criminal penalties); private litigation, (including class- action....., penalties, audits and inspections, litigation (including class- action claims) and **mass** arbitration **litigation,(including class- action claims) and mass arbitration** demands;disruptions to our business operations;adverse publicity;and other adverse consequences that could negatively affect our operating results and business.We and the third parties ~~with whom~~ **upon which** we **rely** ~~work are or~~ may ~~become~~ **be** subject to federal,state,local,and foreign data privacy and security laws and regulations,as well as other rules,standards,policies and contractual or other obligations,relating to the processing of personal data,including data we collect about trial participants in connection with clinical trials.If we **or** ~~(including~~ the third parties ~~with whom~~ **upon which** we **rely** ~~work)~~ fail,or are perceived to have failed,to address or comply with any such obligations,this could result in enforcement actions that could include investigations,fines,penalties,audits and inspections, ~~litigation (including class- action claims)~~ , additional reporting requirements and / or oversight, temporary or permanent bans on all or some processing of personal data, or orders to destroy or not use personal data. In the United States, numerous federal, state, and local laws and regulations, including **, as applicable,** state data breach notification laws, state health information privacy laws, and federal and state consumer protection laws (e. g., Section 5 of the Federal Trade Commission Act) and regulations, and other laws (e. g., wiretapping laws) **,** that govern the processing of personal data ~~could~~ apply to our operations ~~or~~ **and** the operations of the third parties ~~upon which~~ **with whom** we ~~rely~~ **work** . In addition, we ~~may~~ obtain health information from third parties (including research institutions from which we obtain clinical trial data) that ~~is~~ **may be** subject to privacy and security requirements under HIPAA, as amended by HITECH. If we violate HIPAA, we may be subject to significant administrative and civil penalties. Additionally, depending on the facts and circumstances, we could be subject to criminal penalties if we knowingly obtain, use, or disclose individually identifiable health information maintained by a HIPAA- covered entity in a manner that is not authorized or permitted by HIPAA. In addition, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (“ CPRA ”) (collectively “ CCPA ”), applies to personal data of consumers, business representatives, and employees who are California residents, and requires businesses **(that are subject to the CCPA)** to provide specific disclosures in privacy notices and honor requests of such individuals to exercise certain privacy rights. The CCPA provides for fines of up to $ 7, 500 per intentional violation and allows private litigants affected by certain data breaches to recover significant statutory damages. **Numerous** ~~Although the CCPA exempts some data processed in the context of clinical trials, the CCPA increases compliance costs and potential liability with respect to~~ other ~~personal data we maintain about California residents. In addition, the CPRA expanded the CCPA' s requirements, including by adding a new right for individuals to correct their personal data and establishing a new regulatory agency to implement and enforce the law. Other~~ states ~~, such as Virginia, Colorado, Connecticut and Utah~~ have also passed comprehensive privacy laws, and similar laws are being considered in several other states, as well as at the federal and local levels. ~~While these~~ **We expect more** states ~~, like~~ **to pass similar laws in** the **future. The** CCPA ~~, also~~ **and other U. S. state comprehensive privacy laws** exempt some data processed in the context of clinical trials, **but** these developments may further complicate compliance efforts, and increase legal risk and compliance costs for us and the third parties ~~upon~~ **with** whom we ~~rely~~ **work** . Outside the United States, an increasing number of laws, regulations, and industry

standards ~~may~~ govern data privacy and security, including our processing of personal data. For example, our processing of personal data is or may become subject in certain circumstances to the **EU** GDPR **and** ~~. Each of these -- the regulations requires~~ **United Kingdom' s GDPR (" UK GDPR ") (collectively, " GDPR "). The GDPR imposes** stringent standards of data privacy and security concerning personal data and **imposes** potentially significant sanctions **for non- compliance** . For example, under **the** GDPR, companies may face temporary or definitive bans on processing of personal data and other corrective actions; fines of up to 20 million Euros under the EU GDPR ~~/~~**.** 17. 5 million pounds sterling under the UK GDPR or, in each case, 4 % of annual global revenue **,** whichever is greater; or private litigation related to processing of personal data brought by classes of data subjects or consumer protection organizations authorized at law to represent their interests. In the ordinary course of business, we ~~may~~ transfer personal data from Europe and other jurisdictions to the United States ~~or~~ **and** other countries outside Europe. Europe and other jurisdictions have enacted laws requiring data to be localized or limiting the transfer of personal data to other countries. In particular, the European Economic Area (" EEA ") and the UK have significantly restricted the transfer of personal data to the United States and other countries whose privacy laws it generally believes are inadequate. Other jurisdictions may adopt **or have already adopted** similarly stringent ~~interpretations of their~~ data localization and cross- border data transfer laws. Although there are currently various mechanisms that may be used to transfer personal data from the EEA and UK to the United States and other ' inadequate' countries in compliance with ~~GDPR~~ **law, as applicable** , such as the European Commission' s standard contractual clauses, the UK' s International Data Transfer Agreement / Addendum, and the EU- U. S. Data Privacy Framework and the UK extension thereto (which allow for transfers to relevant U. S.- based organizations who self- certify compliance and participate in the Framework and / or Extension), these mechanisms are subject to legal challenges, and there is no assurance that we can always satisfy or rely on these mechanisms to lawfully transfer personal data to the United States. If there is no lawful manner for us transfer personal data from the EEA, the UK or other jurisdictions to the United States, or if the requirements for a legally- compliant transfer are too onerous, we could face significant adverse consequences, including the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions (such as Europe) at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with certain collaborators, partners, vendors and other third parties ~~upon which~~ **with whom** we ~~rely~~ **work** , and injunctions against our processing or transferring of personal data necessary to operate our business. Additionally, companies that transfer personal data out of the EEA and UK to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activist groups. Some European regulators have ordered certain companies to suspend or permanently cease certain transfers of personal data to recipients outside the EEA for allegedly violating the EU GDPR' s cross- border data transfer limitations. **Regulators in the United States are also increasingly scrutinizing certain personal data transfers and have and may further impose personal data transfer requirements or prohibitions on cross- border personal data transfers.** In addition to data privacy and security laws, we are bound by other contractual obligations related to data privacy and security, **such as industry standards adopted by industry groups,** and our efforts to comply with such obligations may not be successful. For example, ~~patients~~ **trial participants** about whom we or the third parties ~~upon which~~ **with whom** we ~~rely~~ **work** to obtain information, as well as the ~~providers~~ **third parties with whom we work** who share this information with us, may contractually limit our ability to use and disclose the information. We also publish privacy policies and other statements regarding data privacy and security. ~~If~~ **Regulators are increasingly scrutinizing these types of policies and statements, and ff** these policies or statements are found to be deficient, lacking in transparency, deceptive, unfair, **misleading** or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators, or other adverse consequences. Obligations related to data privacy and security (and individuals' data privacy and security expectations) are quickly changing, becoming increasingly stringent, and creating uncertainty. Compliance with data privacy and security obligations **have in the past and** could require us to take on more onerous requirements in our contracts, ~~require us to~~ engage in costly compliance exercises, restrict our ability to collect, use and disclose data, or in some cases, impact our or the third parties ~~upon which~~ **with whom** we ~~rely~~ **work** ability to operate in certain jurisdictions. **Applicable data protection** ~~Each of these constantly evolving~~ laws can be subject to differing applications and interpretations which may be inconsistent or conflict among jurisdictions. ~~If we~~ **Non- compliance (** or ~~the third parties upon which we rely fail, or are~~ perceived **non- compliance)** ~~to have failed, to address or comply~~ with applicable data privacy and security obligations, ~~we~~ could ~~face~~ **result in** significant consequences, including but not limited to: government enforcement actions (e. g., investigations, fines, penalties, audits, inspections, and similar); litigation (including class- action claims) and mass arbitration demands; additional reporting requirements and / or oversight; bans on processing personal data; orders to destroy or not use personal data; and imprisonment of company officials. In particular, plaintiffs have become increasingly more active in bringing privacy- related claims against companies, including class claims and mass arbitration demands. Some of these claims allow for the recovery of statutory damages on a per violation basis, and, if viable, carry the potential for monumental statutory damages, depending on the volume of data and the number of violations. Any of these events could have a material adverse effect on our reputation, business, or financial condition, including but not limited to: loss of customers; interruptions or stoppages in our business operations (including, as relevant, clinical trials); inability to process personal data or to operate in certain jurisdictions; limited ability to develop or commercialize our products; expenditure of time and resources to defend any claim or inquiry; adverse publicity; or substantial changes to our business model or operations. If product liability lawsuits are brought against us, we may incur substantial liabilities and may be required to limit commercialization of **tralesinidase alfa,** tildacerfont and any future product candidates. We face an inherent risk of product liability as a result of the clinical testing of **tralesinidase alfa,** tildacerfont and any future product candidates and will face an even greater risk if we commercialize any products. For example, we may be sued if **tralesinidase alfa,** tildacerfont or any future product candidates causes or is perceived to cause injury or is found to be otherwise unsuitable during clinical testing, manufacturing, marketing, or sale. Any such product liability claims may include allegations of defects in manufacturing,

defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability, and a breach of warranties. Claims could also be asserted under state consumer protection acts. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of **tralesinidase alfa and** tildacerfont. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in: ▪ decreased demand for **tralesinidase alfa,** tildacerfont and any future product candidates; ▪ injury to our reputation; ▪ withdrawal of clinical trial participants; ▪ initiation of investigations by regulatory authorities; ▪ costs to defend the related litigation; ▪ a diversion of management' s time and our resources; ▪ substantial monetary awards to trial participants or patients; ▪ product recalls, withdrawals or labeling, marketing, or promotional restrictions; ▪ loss of revenue; ▪ exhaustion of any available insurance and our capital resources; ▪ the inability to commercialize **tralesinidase alfa,** tildacerfont and any future product candidates; or ▪ a decline in our share price. Our inability to obtain and retain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of products we develop. We currently carry an aggregate of up to $ 10. 0 million of product liability insurance covering our clinical trials. Although we maintain such insurance, any claim that may be brought against us could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by our insurance or that is in excess of the limits of our insurance coverage. If we determine that it is prudent to increase our product liability coverage due to the commercial launch of any approved product, we may be unable to obtain such increased coverage on acceptable terms, or at all. Our insurance policies also have various exclusions, and we may be subject to a product liability claim for which we have no coverage. We will have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts. We are subject to U. S. and certain foreign export and import controls, sanctions, embargoes, anti- corruption laws and anti- money laundering laws and regulations. Compliance with these legal standards could impair our ability to compete in domestic and international markets. We can face criminal liability and other serious consequences for violations, which can harm our business. We are subject to export control and import laws and regulations, including the U. S. Export Administration Regulations, U. S. Customs regulations, and various economic and trade sanctions regulations administered by the U. S. Treasury Department' s Office of Foreign Assets Controls, and anti- corruption and anti- money laundering laws and regulations, including the FCPA, the U. S. domestic bribery statute contained in 18 U. S. C. § 201, the U. S. Travel Act, the USA PATRIOT Act, and other state and national anti- bribery and anti- money laundering laws in the countries in which we conduct activities. Anti- corruption laws are interpreted broadly and prohibit companies and their employees, agents, clinical research organizations, contractors and other collaborators and partners from authorizing, promising, offering, providing, soliciting or receiving, directly or indirectly, improper payments or anything else of value to recipients in the public or private sector. We may engage third parties for clinical trials outside of the United States, to sell our products internationally once we enter a commercialization phase, and / or to obtain necessary permits, licenses, patent registrations and other regulatory approvals. We have direct or indirect interactions with officials and employees of government agencies or government- affiliated hospitals, universities and other organizations. We can be held liable for the corrupt or other illegal activities of our employees, agents, clinical research organizations, contractors and other collaborators and partners, even if we do not explicitly authorize or have actual knowledge of such activities. Any violations of the laws and regulations described above may result in substantial civil and criminal fines and penalties, imprisonment, the loss of export or import privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm, and other consequences. Our ability to utilize our net operating loss carryforwards and certain other tax attributes may be limited. We have incurred substantial losses during our history and do not expect to become profitable in the near future, and we may never achieve profitability. As of December 31, ~~2023~~ **2024** , after reducing net operating losses (" NOLs ") and tax credits for amounts not expected to be utilized, we had federal NOL carryforwards of approximately $ ~~118~~ **128** . ~~2~~ **1** million and state NOL carryforwards of approximately $ 123. 0 million. The federal NOL carryforwards arising in taxable years beginning prior to 2018 will begin to expire in 2036 and state NOL carryforwards will begin to expire in 2036, unless previously utilized. We also have federal and state tax credit carryforwards totaling $ ~~22~~ **32** . **3 million and $** 2 ~~million and $ 1~~ . ~~7~~ **4** million, respectively. The federal tax credit carryforwards will begin to expire in 2036, unless previously utilized. The state tax credits will not expire. Under the Tax Act, as modified by the Coronavirus Aid, Relief, and Economic Security Act (" CARES Act "), federal NOL carryforwards generated in tax years beginning after December 31, 2017 may be carried forward indefinitely but may only be used to offset 80 % of our taxable income annually. Similar rules may apply under state tax laws. Such limitations could result in the expiration of our carryforwards before they can be utilized and, if we are profitable, our future cash flows could be adversely affected due to our increased taxable income or tax liability. Our NOLs and tax credit carryforwards are subject to review and possible adjustment by the Internal Revenue Service and state tax authorities and may become subject to ~~an~~ annual limitations under Section 382 and 383 of the Internal Revenue Code of 1986, as amended. Under Section 382, certain cumulative changes in the ownership interest of significant stockholders over a rolling three- year period in excess of 50 percentage points (by value), could result in an ownership change that may limit our ability to utilize our NOL carryforwards and other tax attributes to offset future taxable income or tax liabilities. An ownership change analysis covering periods through December 31, 2023 concluded that an ownership change occurred in May 2016 and in August 2020. As a result of the ownership changes, we derecognized NOL- related deferred tax assets down to the amount expected to be realized. Our ability to use our remaining NOL carryforwards may be further limited if we experience a Section 382 ownership change as a result of future changes in our stock ownership. As of December 31, ~~2023~~ **2024** , we recorded a full valuation allowance on our net deferred tax assets **. In addition, at the state level, there may be periods during which the use of NOLs is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed. For example, California recently enacted legislation that, with certain exceptions, suspends the ability to use California net operating losses to offset California income and limits the ability to use**

California business tax credits to offset California taxes, for taxable years beginning on or after January 1, 2024 and before January 1, 2027 . Changes in tax laws or regulations that are applied adversely to us may have a material adverse effect on our business, cash flow, financial condition or results of operations. New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could adversely affect our business operations and financial performance. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to us. For example, the Tax Act **, the CARES Act and the Inflation Reduction Act of 2022** enacted many significant changes to the U. S. tax laws. Future guidance from the Internal Revenue Service and other tax authorities ~~with respect to the Tax Act~~ may affect us, and certain aspects of the **changes** ~~Tax Act~~ could be repealed or modified in future legislation ~~. For example, the CARES Act modified certain provisions of the Tax Act and the recently enacted Inflation Reduction Act of 2022 includes provisions that will impact the U. S. federal income taxation of corporations, including imposing a minimum tax on the book income of certain large corporations and an excise tax on certain corporate stock repurchases that would be imposed on the corporation repurchasing such stock~~ . In addition, it is uncertain if and to what extent various states will conform to the Tax Act, the CARES Act, the Inflation Reduction Act, or any other newly enacted federal tax legislation. Changes in corporate tax rates, the realization of net deferred tax assets relating to our operations, and the deductibility of expenses under the Tax Act, the CARES Act, the Inflation Reduction Act or future reform legislation could have a material impact on the value of our net deferred tax assets, could result in significant one- time charges, and could increase our future tax expense. Risks Related to Our Reliance on Third ~~Parties~~ **PartiesWe** ~~We~~ depend on intellectual property licensed from ~~Lilly~~ **others** , the termination of which could result in the loss of significant rights, which would harm our business. We are dependent on technology, patents, know- how, and proprietary materials, both our own and licensed from others. ~~We~~ **For example, we** entered into a license agreement with Lilly in May 2016 pursuant to which we were granted an exclusive, worldwide, royalty bearing, sublicensable license under certain technology, patent rights, know- how, and proprietary materials relating to certain CRF1 receptor antagonist compounds. Any termination of this license will result in the loss of significant rights and will restrict our ability to develop and commercialize tildacerfont **. In addition, we entered into a license agreement with BioMarin Pharmaceutical Inc. in October 2019 pursuant to which we obtained a limited exclusivity, royalty bearing, and sublicensable license to certain technology, patent rights, know- how, and proprietary materials relating to certain enzyme replacement therapy products. We entered into a license agreement with HBM Alpha Therapeutics, Inc (“ Harbour ”) in January 2025 pursuant to which we obtained a limited exclusivity, royalty bearing, and sublicensable license to certain technology, patent rights, manufacturing rights, know- how, and proprietary materials relating to certain compounds developed by Harbour. We also entered into an antibody license agreement with Twist Bioscience Corporation in December 2024, pursuant to which we obtained a license for purposes of evaluating certain antibodies for commercial development** . We are generally also subject to all of the same risks with respect to protection of intellectual property that we license, as we are for intellectual property that we own, which are described below under “ Risks Related to Our Intellectual Property. ” If we or our licensors fail to adequately protect this intellectual property, our ability to commercialize products could suffer. We rely on third parties to conduct our clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize **tralesinidase alfa,** tildacerfont **, and our other product candidates** . We currently rely on, and intend to continue relying on, third- party CROs in connection with our clinical trials for **tralesinidase alfa and** tildacerfont. We control or will control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our clinical trials is conducted in accordance with applicable protocol, legal, regulatory, and scientific standards, and our reliance on our CROs does not relieve us of our regulatory responsibilities. We and our CROs are required to comply with GCPs, which are regulations and guidelines enforced by the FDA and comparable foreign regulatory authorities for product candidates in clinical development. Regulatory authorities enforce these GCPs through periodic inspections of trial sponsors, principal investigators and trial sites. If we or any of these CROs fail to comply with applicable GCP regulations, the clinical data generated in our clinical trials may be deemed unreliable and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. Upon inspection, such regulatory authorities may determine that our clinical trials do not comply with the GCP regulations. In addition, our clinical trials must be conducted with drug product produced under cGMP regulations and will require a large number of test subjects. Our failure or any failure by our CROs to comply with these regulations or to recruit a sufficient number of patients may require us to repeat clinical trials, which would delay the regulatory approval process. Moreover, our business may be implicated if any of our CROs violates federal or state fraud and abuse or false claims laws and regulations or healthcare privacy and security laws. Our CROs are not our employees and, except for remedies available to us under our agreements with such CROs, we cannot control whether or not they devote sufficient time and resources to our ongoing preclinical, clinical and non- clinical programs. These CROs may also have relationships with other commercial entities, including our competitors, for whom they may also be conducting clinical trials or other drug development activities, which could affect their performance on our behalf. If our CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols or regulatory requirements or for other reasons, our clinical trials may be extended, suspended, varied, delayed, or terminated and we may not be able to complete development of, obtain regulatory approval for or successfully commercialize **tralesinidase alfa,** tildacerfont and any future product candidates. As a result, our financial results and the commercial prospects for **tralesinidase alfa,** tildacerfont and any future product candidates would be harmed, our costs could increase and our ability to generate revenues could be delayed. Switching or adding CROs involves substantial cost and requires extensive management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which can materially impact our ability to meet our desired clinical development timelines. Although we carefully manage our

relationships with our CROs, we may encounter challenges or delays in the future and these delays or challenges may have a material adverse impact on our business, prospects, financial condition, and results of operations. In addition, quarantines, shelter- in- place, and similar government orders, or the perception that such orders, shutdowns or other restrictions on the conduct of business operations could occur, related to infectious diseases could impact personnel at our CROs, which could disrupt our clinical timelines, which could have a material adverse impact on our business, prospects, financial condition, and results of operations. We rely completely on third parties to manufacture our preclinical and clinical drug supplies and we intend to rely on third parties to produce commercial supplies of **tralesinidase alfa,** tildacerfont and any future product candidates, if approved, and these third parties may fail to obtain and maintain regulatory approval for their facilities, fail to provide us with sufficient quantities of drug product or fail to do so at acceptable quality levels or prices. We do not currently have nor do we plan to acquire the infrastructure or capability internally to manufacture our clinical drug supplies for use in the conduct of our clinical trials, and we lack the resources and the capability to manufacture **tralesinidase alfa,** tildacerfont and any future product candidates on a clinical or commercial scale. Instead, we rely on contract manufacturers for such production. In particular, we currently rely on a single- source manufacturer for drug product, and a single- source manufacturer for drug substance. We do not currently have any long- term agreement with a manufacturer to produce raw materials, active pharmaceutical ingredients (" APIs "), and the finished products of **tralesinidase alfa,** tildacerfont or the associated packaging used in our current product format and we may rely on single source suppliers for clinical supply of API and drug ~~product~~ **products** of **tralesinidase alfa and** tildacerfont. We will need to identify and qualify a third- party manufacturer prior to commercialization of **tralesinidase alfa and** tildacerfont, and we intend to enter into agreements for commercial production with third- party suppliers. ~~As tildacerfont is intended to treat rare endocrine disorders, we will only require a low- volume of raw materials and APIs, and in some cases with single- source suppliers and manufacturers.~~ Our reliance on third- party suppliers and manufacturers, including single- source suppliers, could harm our ability to develop **tralesinidase alfa,** tildacerfont and any future product candidates or to commercialize any product candidates that are approved. Further, any delay in identifying and qualifying a manufacturer for commercial production could delay the potential commercialization of **tralesinidase alfa,** tildacerfont and any future product candidates, and, in the event that we do not have sufficient product to complete our clinical trials, it could delay such trials. The facilities used by our contract manufacturers to manufacture **tralesinidase alfa,** tildacerfont and any future product candidates must be approved by the applicable regulatory authorities, including the FDA or comparable foreign regulatory authorities, pursuant to inspections that will be conducted after an NDA **,** **BLA** or comparable foreign regulatory marketing application is submitted. We currently do not control the manufacturing process of **tralesinidase alfa or** tildacerfont and are completely dependent on our contract manufacturing partners for compliance with the FDA' s and comparable foreign regulatory authorities' cGMP requirements for manufacture of both the active drug substances and finished drug product. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications and the FDA' s and comparable foreign regulatory authorities' strict regulatory requirements, they will not be able to secure or maintain FDA or comparable foreign regulatory approval for the manufacturing facilities. In addition, we have limited control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or any other applicable regulatory authority does not approve these facilities for the manufacture of **tralesinidase alfa,** tildacerfont or any future product candidates or if it withdraws any such approval in the future, or if our suppliers or contract manufacturers decide they no longer want to supply or manufacture for us, we may need to find alternative manufacturing facilities, in which case we might not be able to identify manufacturers for clinical or commercial supply on acceptable terms, or at all, which would significantly impact our ability to develop, obtain regulatory approval for, or market **tralesinidase alfa,** tildacerfont and any future product candidates. In addition, the manufacture of pharmaceutical products is complex and requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. Manufacturers of pharmaceutical products often encounter difficulties in production, particularly in scaling up and validating initial production and absence of contamination. These problems include difficulties with production costs and yields, quality control, including stability of the product, quality assurance testing, operator error, shortages of qualified personnel, as well as compliance with strictly enforced federal, state, and foreign regulations. Furthermore, if contaminants are discovered in our supply of **tralesinidase alfa,** tildacerfont or any future product candidates or in the manufacturing facilities, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination. Any stability or other issues relating to the manufacture of **tralesinidase alfa,** tildacerfont may occur in the future. In addition, quarantines, shelter- in- place, and similar government orders, or the perception that such orders, shutdowns, or other restrictions on the conduct of business operations could occur, related to infectious diseases could impact personnel at our third- party manufacturing facilities upon which we rely, or the availability or cost of materials, which could disrupt the supply chain for our product candidates. Additionally, our manufacturers may experience manufacturing difficulties due to resource constraints or as a result of labor disputes or unstable political environments. If our manufacturers were to encounter any of these difficulties, or otherwise fail to comply with their contractual obligations, our ability to provide our product candidate to patients in clinical trials would be jeopardized. Any delay or interruption in the supply of clinical trial supplies could delay the completion of clinical trials, increase the costs associated with maintaining clinical trial programs and, depending upon the period of delay, require us to commence new clinical trials at additional expense or terminate clinical trials completely. If we or our third- party manufacturers use hazardous and biological materials in a manner that causes injury or violates applicable law, we may be liable for damages. Our research and development activities involve the controlled use of potentially hazardous substances, including chemical and biological materials, by our third- party manufacturers. Our manufacturers are subject to federal, state, and local laws and regulations in the United States governing the use, manufacture, storage, handling and disposal of medical, radioactive and hazardous materials. Although we believe that our manufacturers' procedures for using, handling, storing and disposing of these materials comply with legally prescribed standards, we cannot

completely eliminate the risk of contamination or injury resulting from medical, radioactive or hazardous materials. 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. We do not have any insurance for liabilities arising from medical radioactive or hazardous materials. Compliance with applicable environmental laws and regulations is expensive, and current or future environmental regulations may impair our research, development, and production efforts, which could harm our business, prospects, financial condition, or results of operations. **Social media platforms and AI- based platforms present new risks and challenges to our business. As social media continues to expand, it also presents us with new risks and challenges. Social media is increasingly being used to communicate information about us, our programs and the diseases our product candidates are being developed to treat. Social media practices in the biopharmaceutical industry are evolving, creating uncertainty and risk of noncompliance with regulations applicable to our business. For example, patients may use social media platforms to comment on the effectiveness of, or adverse experiences with, a product or a product candidate, which could result in reporting obligations or other consequences. Further, the accidental or intentional disclosure of non- public information by our workforce or others through media channels could lead to information loss. In addition, there is a risk of inappropriate disclosure of sensitive information or negative or inaccurate posts or comments about us, our products, or our product candidates on any social media platform. The nature of social media prevents us from having real- time control over postings about us on social media. We may not be able to reverse damage to our reputation from negative publicity or adverse information posted on social media platforms or similar mediums.** If **any of these events were to occur or we otherwise fail to comply with application regulations, we could incur liability, face restrictive regulatory actions or incur other harm to our business including quick and irreversible damage to our reputation, brand image and goodwill. Additionally, AI- based platforms are increasingly being used in the biopharmaceutical industry. The use of AI platforms by people, including our vendors, suppliers and contractors, with access to our proprietary and confidential information, including trade secrets, may continue to increase and may lead to the release of such information, which may negatively impact our company, including our ability to realize the benefit of our intellectual property. Risks Related to Our Intellectual PropertyIf** we are unable to obtain and maintain sufficient intellectual property protection for **TA- ERT, SPR202,** tildacerfont, any future product candidates, and other proprietary technologies we develop, or if the scope of the intellectual property protection obtained is not sufficiently broad, our competitors could develop and commercialize products similar or identical to ours, and our ability to successfully commercialize **TA- ERT, SPR202, and** tildacerfont, if approved, any future product candidates, and other proprietary technologies if approved, may be adversely affected. Our commercial success will depend in part on our ability to obtain and maintain a combination of patents, trade secret protection and confidentiality agreements to protect the intellectual property related to **TA- ERT, SPR202,** tildacerfont, any future product candidates, and other proprietary technologies we develop. If we are unable to obtain or maintain patent protection with respect to **TA- ERT, SPR202, and** tildacerfont, any future product candidates, and other proprietary technologies we may develop, our business, financial condition, results of operations, and prospects could be materially harmed. The patent position of biotechnology and pharmaceutical companies is highly uncertain and involves complex legal, scientific, and factual questions and has been the subject of frequent litigation in recent years. As a result, the issuance, scope, validity, enforceability, and commercial value of our patent rights are highly uncertain. Our patent applications may not result in patents being issued which protect ~~tildacerfont~~ **our product candidates** and uses thereof, any future product candidates, and other proprietary technologies we may develop or which effectively prevent others from commercializing competitive technologies and products. Further, no consistent policy regarding the breadth of claims allowed in pharmaceutical patents has emerged to date in the United States or in many jurisdictions outside of the United States. Changes in either the patent laws or interpretations of patent laws in the United States and other countries may diminish the value of our intellectual property. Accordingly, we cannot predict the breadth of claims that may be obtained or enforced in the patents that have been issued or may be issued from the applications we currently or may in the future own or license from third parties. Further, if any patents or applications we obtain or license are deemed invalid and unenforceable, our ability to commercialize or license our technology could be adversely affected. The patent application process is subject to numerous risks and uncertainties, and there can be no assurance that we or any of our actual or potential future collaborators will be successful in protecting **TA- ERT, SPR202,** tildacerfont, any future product candidates ~~,~~ and other proprietary technologies and their uses by obtaining, defending and enforcing patents. These risks and uncertainties include the following: ▪ the United States Patent and Trademark Office (" USPTO ") and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions during the patent process, the noncompliance with which can result in abandonment or lapse of a patent or patent application, and partial or complete loss of patent rights in the relevant jurisdiction; ▪ patent applications may not result in any patents being issued; ▪ patents that may be issued or in- licensed may be challenged, invalidated, modified, revoked, circumvented, found to be unenforceable, or may otherwise not provide any competitive advantage; ▪ our competitors, many of whom have substantially greater resources than we do and many of whom have made significant investments in competing technologies, may seek or may have already obtained patents that will limit, interfere with, or eliminate our ability to make, use and sell our potential product candidates and may limit, interfere with, or eliminate our ability to obtain patents related to ~~tildacerfont~~ **our product candidates** ; ▪ other parties may have or may seek to design around our claims or develop technologies that may be related or competitive to our platform, may have filed or may file patent applications and may have received or may receive patents that overlap or conflict with our patent applications and patents, either by claiming the same composition of matter, methods or formulations or by claiming subject matter that could dominate our patent position; ▪ any successful opposition to any patents owned by or licensed to us could deprive us of rights necessary for the practice of our technologies or the successful commercialization of any products or product candidates that we may develop; ▪ because patent

applications in the United States and most other countries are confidential for a period of time after filing, we cannot be certain that we or our licensors were the first to file any patent application related to ~~tildacerfont~~ **our product candidates** , any future product candidates, and other proprietary technologies and their uses; ▪ an interference proceeding can be provoked by a third party or instituted by the USPTO to determine who was the first to invent any of the subject matter covered by the patent claims of our applications for any application with an effective filing date before March 16, 2013; as such, subject matter covered in patents or patent applications that we or our licensors have filed before March 16, 2013 may be challenged and invalidated under an interference proceeding; ▪ there may be significant pressure on the U. S. government and international governmental bodies to limit the scope of patent protection both inside and outside the United States for disease treatments that prove successful, as a matter of public policy regarding worldwide health concerns; and ▪ countries other than the United States may have patent laws less favorable to patentees than those upheld by U. S. courts, allowing foreign competitors a better opportunity to create, develop, and market competing product candidates in those countries. The patent prosecution process is expensive, time-consuming, and complex, and we may not be able to file, prosecute, or maintain all necessary or desirable patent applications at a reasonable cost or in a timely manner. It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. Although we enter into non- disclosure and confidentiality agreements with parties who have access to patentable aspects of our research and development output, such as our employees, corporate collaborators, outside scientific collaborators, CROs, contract manufacturers, consultants, advisors and other third parties, any of these parties may breach such agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to seek patent protection for such output. In addition, our ability to obtain and maintain valid and enforceable patents depends on whether the differences between our inventions and the prior art allow our inventions to be patentable over the prior art. Furthermore, publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we or our licensors were the first to make the inventions claimed in any of our owned or licensed patents or pending patent applications, or that we or our licensors were the first to file for patent protection of such inventions. **Additionally, recent reforms and changes at government agencies of the United States and those of non- U. S. jurisdictions could increase the delays, uncertainties and costs surrounding the prosecution of our patent applications, and the maintenance, enforcement, or defense of our issued patents. For example, the ability of the USPTO and other applicable patent authorities to properly administer their functions is highly dependent on the levels of funding available to the agency and their ability to retain personnel and fill key leadership appointments, among various factors. Termination of employees or delays in replacing or hiring for positions could significantly impact the ability of the USPTO and other applicable patent authorities to fulfill their functions and could greatly impact our ability to timely and adequately prosecute or maintain our patent applications, and our ability to timely and adequately maintain, enforce, or defend our issued patents.** The degree of future protection for our proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. If we do not adequately protect our intellectual property and proprietary technology, competitors may be able to use **TA- ERT, SPR202,** tildacerfont, any future product candidates, and other proprietary technologies and erode or negate any competitive advantage we may have, which could have a material adverse effect on our financial condition and results of operations. For example: ▪ others may be able to make compounds that are similar to **TA- ERT, SPR202,** tildacerfont and any future product candidates but that are not covered by the claims of our patents; ▪ others may be able to make and use **TA- ERT, SPR202,** tildacerfont and any future product candidates in countries where valid enforceable patents are not obtained; ▪ we might not have been the first to make the inventions covered by our pending patent applications; ▪ we might not have been the first to file patent applications for these inventions; ▪ others may independently develop similar or alternative technologies or duplicate any of our technologies; ▪ any patents that we obtain may not provide us with any competitive advantages; ▪ we may not develop additional proprietary technologies that are patentable; ▪ our competitors might conduct research and development activities in countries where we do not have patent rights or where patent protection is weak and then use the information learned from such activities to develop competitive products for sale in our major commercial markets; ▪ we cannot ensure that any of our patents, or any of our pending patent applications, if issued, or those of our licensors, will include claims having a scope sufficient to protect our products; ▪ we cannot ensure that we will be able to successfully commercialize our products on a substantial scale, if approved, before the relevant patents that we own or license expire; ▪ others may obtain patents that cover the use or manufacture of **TA- ERT, SPR202, or** tildacerfont; or ▪ the patents of others may have an adverse effect on our business. Others have filed, and in the future are likely to file, patent applications covering products and technologies that are similar, identical or competitive to ours or important to our business. We cannot be certain that any patent application owned by a third party will not have priority over patent applications filed or in- licensed by us, or that we or our licensors will not be involved in interference, opposition or invalidity proceedings before U. S. or non- U. S. patent offices. We cannot be certain that the claims in our issued patents and pending patent applications covering **our current product candidates, including TA- ERT, SPR202, or** tildacerfont **,** or any future product candidates will be considered patentable by the USPTO, courts in the United States, or by patent offices or courts in foreign countries. Furthermore, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our intellectual property internationally. The strength of patents in the biotechnology and pharmaceutical fields involves complex legal and scientific questions and can be uncertain. The patent applications that we own or in- license may fail to result in issued patents with claims that cover ~~tildacerfont~~ **our current product candidates** and any future product candidates in the United States or in foreign countries. Even if such patents do successfully issue, third parties may challenge the ownership, validity, enforceability, or scope thereof, which may result in such patents being narrowed, invalidated, or held unenforceable. Any successful opposition to our patents could deprive us of

exclusive rights necessary for the successful commercialization of ~~tildacerfont~~ **our current product candidates** and any future product candidates. Furthermore, even if they are unchallenged, our patents may not adequately protect our intellectual property, provide exclusivity for ~~tildacerfont~~ **our current product candidates** or any future product candidates or prevent others from designing around our claims. If the breadth or strength of protection provided by the patents we hold with respect to ~~tildacerfont~~ **our current product candidates** or any future product candidates is threatened, it could dissuade companies from collaborating with us to develop, or threaten our ability to commercialize, ~~tildacerfont~~ **our current product candidates** or any future product candidates. For U. S. patent applications in which claims are entitled to a priority date before March 16, 2013, an interference proceeding can be provoked by a third party or instituted by the USPTO to determine who was the first to invent any of the subject matter covered by the patent claims of our patents or patent applications. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Our participation in an interference proceeding may fail and, even if successful, may result in substantial costs and distract our management and other employees. For U. S. patent applications containing a claim not entitled to priority before March 16, 2013, there is greater level of uncertainty in the patent law. In September 2011, the Leahy- Smith America Invents Act (" America Invents Act ") was signed into law. The America Invents Act includes a number of significant changes to U. S. patent law, including provisions that affect the way patent applications will be prosecuted and may also affect patent litigation. The USPTO is developing regulations and procedures to govern the administration of the America Invents Act, and many of the substantive changes to patent law associated with the America Invents Act, and in particular, the " first to file " provisions, were enacted on March 16, 2013. This will require us to be cognizant going forward of the time from invention to filing of a patent application and be diligent in filing patent applications, but circumstances could prevent us from promptly filing patent applications on our inventions. It remains unclear what impact the America Invents Act will have on the operation of our business. As such, the America Invents Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business and financial condition. Patent terms may be inadequate to protect our competitive position on our product candidates for an adequate amount of time. The term of any individual patent depends on applicable law in the country where the patent is granted. In the United States, provided all maintenance fees are timely paid, a patent generally has a term of 20 years from its application filing date or earliest claimed non- provisional filing date. Extensions may be available under certain circumstances, such as patent term adjustments, but the life of a patent and, correspondingly, the protection it affords is limited. Even if we or our licensors obtain patents covering our product candidates, when the terms of all patents covering a product expire, our business may become subject to competition from competitive products, including generic products. Given the amount of time required for the development, testing, and regulatory review and approval of new product candidates, patents protecting such candidates may expire before or shortly after such candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours. If we do not obtain patent term extension for ~~tildacerfont~~ **our product candidates** , our business may be materially harmed. Depending upon the timing, duration, and specifics of any FDA marketing approval of ~~tildacerfont~~ **our product candidates** , or any future product candidate we may develop, one or more of patents issuing from our U. S. patent applications may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Action of 1984 (" Hatch- Waxman Amendments "). The Hatch- Waxman Amendments permit a patent extension term (" PTE ") of up to five years as compensation for patent term lost during the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, only one patent may be extended and only those claims covering the approved drug, a method for using it or a method for manufacturing it may be extended. Similar patent term restoration provisions to compensate for commercialization delay caused by regulatory review are also available in certain foreign jurisdictions, such as in Europe under Supplemental Protection Certificate (" SPC "). If we encounter delays in our development efforts, including our clinical trials, the period of time during which we could market ~~tildacerfont~~ **our product candidates** and any future product candidates under patent protection would be reduced. Additionally, we may not receive an extension if we fail to apply within applicable deadlines, fail to apply prior to expiration of relevant patents, or otherwise fail to satisfy applicable requirements. **Additionally, administrative changes at the USPTO or other applicable patent authorities, such as reduced hiring and / or funding, may result in delays in issuance of a patent or in accrual of patent term extension, thereby reducing the amount of patent term extension that could otherwise be received. Administrative changes (e. g., at the FDA or USPTO) may also lead to delays in review and analysis of regulatory submissions or requests for patent term extension, which could result in a patent term extension not being timely granted (e. g., before the expiration of the patent) and there may be no patent eligible for extension.** Moreover, the applicable time period or the scope of patent protection afforded could be less than we **project or** request **. In addition, to the extent we wish to pursue patent term extension based on a patent that we may license from a third party in the future, we may need the cooperation of that third party. If we are unable to obtain patent term extension, or the foreign equivalent, or if the term of any such extension is less than we project or request, our competitors may obtain approval of competing products following our patent expiration, and our business, financial condition, results of operations, and prospects could be materially harmed)** . If we are unable to obtain patent term extension or restoration, or the term of any such extension is less than we request, the period during which we will have the right to exclusively market our product will be shortened and our competitors may obtain approval of competing products following our patent expiration, and our revenue could be reduced. If we fail to comply with our obligations in the agreements under which we license intellectual property rights from third parties, such as our license agreement with Lilly, **Antibody License Agreement with Twist and HBM License Agreement,** or otherwise experience disruptions to our business relationships with our licensors, we could lose license rights that are important to our business. We

are a party to ~~a~~ license ~~agreement~~ **agreements** ~~with Lilly~~ under which we are granted intellectual property rights that are important to our business and our ~~only~~ product ~~candidate~~ **candidates** ~~, tildacerfont~~ . If we fail to comply with our obligations under the license ~~agreement~~ **agreements** , or we are subject to a bankruptcy, the license ~~agreement~~ **agreements** may be terminated, in which event we would not be able to develop, commercialize or market ~~tildacerfont~~ **our product candidates. In January 2025, we entered into a Collaboration and License Agreement with HBM. Pursuant to the HBM License Agreement, we obtained an exclusive license to a specified product candidate developed by HBM in all countries outside of mainland China, Taiwan, Hong Kong, and Macau (" License "), for upfront consideration of $ 5. 0 million and the issuance to HBM of a pre- funded warrant equal to 4. 99 % of our outstanding common stock as of the date of issuance of such warrant. Furthermore, we are obligated to pay HBM up to an aggregate of $ 390. 0 million upon the achievement of certain development, regulatory, and sales milestones. In addition, we are required to pay to HBM certain mid to high- single digit tiered royalties on aggregate annual net sales of licensed products during the applicable royalty term, subject to certain customary reductions. In December 2024, we entered into the Antibody License Agreement with Twist. Pursuant to the Antibody License Agreement, we obtained a license to certain intellectual property rights related to SPR204, a monoclonal antibody antagonist, controlled by Twist. At our election, we can pay an additional fee to extend the initial term of the research license. In addition, we have the exclusive option, upon payment of a one- time, non- refundable license fee, to acquire from Twist a license, with the right to sublicense, to (a) research and develop the antibody, (b) incorporate the antibody into products (" Products "), (c) commercialize such Products, and (d) control prosecution of the licensed patents and patent applications** . Licensing of intellectual property rights is of critical importance to our business and involves complex legal, business and scientific issues. Disputes may arise between us and our licensors regarding intellectual property rights subject to a license agreement, including: ▪ the scope of rights granted under the license agreement and other interpretation- related issues; ▪ whether and the extent to which our technology and processes infringe on intellectual property rights of the licensor that are not subject to the license agreement; ▪ our right to sublicense intellectual property rights to third parties under collaborative development relationships; ▪ our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of ~~tildacerfont~~ **our product candidates** , and what activities satisfy those diligence obligations; and ▪ the ownership of inventions and know- how resulting from the joint creation or use of intellectual property by our licensors and us and our partners. Further, our current ~~licensor~~ **licensors** or any future licensor may not always act in our best interest. If disputes over intellectual property rights that we have licensed prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, our business, results of operations, financial condition, and prospects may be adversely affected. We may enter into additional licenses in the future and if we fail to comply with obligations under those agreements, we could suffer adverse consequences. We are generally also subject to all of the same risks with respect to protection of intellectual property that we license as we are for intellectual property that we own, which are described below. If we, our current ~~licensor~~ **licensors** , or any future licensor fail to adequately protect this intellectual property, our ability to commercialize ~~tildacerfont~~ **our product candidates** and any future product could be impeded. Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non- compliance with these requirements. The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment, and other similar provisions during the patent process. Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on any issued patents and / or applications are due to be paid to the USPTO and foreign patent agencies in several stages over the lifetime of the patents and / or applications. We have systems in place to remind us to pay these fees, and we employ an outside firm and rely on our outside counsel to pay these fees due to foreign patent agencies. While an inadvertent lapse may sometimes be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, our competitors might be able to enter the market with similar or identical products or technology earlier than should otherwise have been the case, which would have a material adverse effect on our business, financial condition, results of operations, and prospects. Changes in U. S. patent law could diminish the value of patents in general, thereby impairing our ability to protect ~~tildacerfont~~ **our product candidates** . As is the case with other biotechnology and pharmaceutical companies, our success is heavily dependent on intellectual property, particularly on obtaining and enforcing patents. Our patent rights may be affected by developments or uncertainty in U. S. or foreign patent statutes, patent case law, USPTO rules and regulations or the rules and regulations of foreign patent offices. Obtaining and enforcing patents in the biotechnology and pharmaceutical industry involve both technological and legal complexity, and is therefore costly, time- consuming and inherently uncertain. In addition, the United States may, at any time, enact changes to U. S. patent law and regulations, including by legislation, by regulatory rule- making, or by judicial precedent, that adversely affect the scope of patent protection available and weaken the rights of patent owners to obtain patents, enforce patent infringement and obtain injunctions and / or damages. For example, the scope of patentable subject matter under 35 U. S. C. 101 has evolved significantly over the past several years as the Court of Appeals for the Federal Circuit and the **U. S.** Supreme Court issued various opinions, and the USPTO modified its guidance for practitioners on multiple occasions. Other countries may likewise enact changes to their patent laws in ways that adversely diminish the scope of patent protection and weaken the rights of patent owners to obtain patents, enforce patent infringement, and obtain injunctions and / or damages. Further, the United States and other governments may, at any time, enact changes to law and regulation that create new avenues for challenging the validity of issued patents. For example, the America Invents Act created new administrative post- grant proceedings, including post- grant review, inter partes review, and derivation proceedings that allow third parties to challenge the validity of issued patents. This applies to all of our U. S. patents, even those issued before March 16, 2013. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in U. S. federal

courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U. S. Congress, the ~~federal~~ **U. S.** courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future. For example, the U. S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. We cannot predict how decisions by the ~~federal~~ **U. S.** courts, the U. S. Congress or the USPTO may impact the value of our patent rights. For example, the **U. S.** Supreme Court ~~of the United States~~ held in Amgen v. Sanofi (2023) that a functionally claimed genus was invalid for failing to comply with the enablement requirement of the Patent Act. **As such, our patent rights with functional claims may be vulnerable to third party challenges seeking to invalidate these claims for lacking enablement or adequate support in the specification.** In addition, the Federal ~~circuit~~ **Circuit** recently issued a decision, In re Cellect, LLC (2023) involving the interaction of patent term adjustment (" PTA "), terminal disclaimers, and obvious- type double patenting which may affect the patent term of any issued patents that rely on any PTA **. The trend of these decisions along with resulting changes in patentability requirements being implemented by the USPTO could make it increasingly difficult for us to obtain and maintain patents on our products, and could jeopardize patent term adjustment or otherwise reduce patent term, reduce the scope of, or invalidate or render unenforceable our patent rights** . Depending on future actions by the U. S. Congress, the U. S. courts, the USPTO and the relevant law- making bodies in other countries, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future. For example, in the 2013 case Assoc. for Molecular Pathology v. Myriad Genetics, Inc., the U. S. Supreme Court held that certain claims to DNA molecules are not patentable. While we do not believe that any of the patents owned or licensed by us will be found invalid based on this decision, we cannot predict how future decisions by the courts, the U. S. Congress or the USPTO may impact the value of our patents. For example, ~~The~~ **the** Inflation Reduction Act (" IRA ") passed by **the U. S.** Congress authorizes the Secretary of the Department of Health and Human Services (" HHS ") to negotiate prices directly with participating manufacturers for selected medicines covered by Medicare even if these medicines are protected by an existing patent. For small molecule medicines, the process begins seven years after initial approval by the FDA. While we do not believe that the IRA or its effects will impact our ability to obtain patents in the near future, we cannot be certain that it will not affect our patent strategy in the long term. We may not be able to protect our intellectual property rights throughout the world. Patents are of national or regional effect. Filing, prosecuting, and defending patents on ~~tildacerfont~~ **our product candidates** , any future product candidates, and other proprietary technologies we develop in all countries throughout the world would be prohibitively expensive. In addition, the laws of some foreign countries do not protect intellectual property rights in the same manner and to the same extent as laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but enforcement of such patent protection is not as strong as that in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. The requirements for patentability may differ in certain countries. For example, unlike other countries, China has a heightened requirement for patentability, and specifically requires a detailed description of medical uses of a claimed drug. In India, unlike the United States, there is no link between regulatory approval for a drug and its patent status. In addition to India, certain countries in Europe and developing countries, including China, have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, some countries limit the enforceability of patents against government agencies or government contractors. In those countries, we may have limited remedies if patents are infringed or if we are compelled to grant a license to a third party, which could materially diminish the value of those patents. This could limit our potential revenue opportunities. Accordingly, our efforts to enforce intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we own or license. 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 or pharmaceutical products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. **For example, as of June 1, 2023, European patent applications and patents may be subjected to the jurisdiction of the Unified Patent Court (the " UPC "). In 2012, the** ~~Europe~~ **European** ~~, no earlier than October~~ **Union Patent Package (the " EU Patent Package ") regulations were passed with the goal of providing a single pan- European Unitary Patent and a new European UPC for litigation involving European patents. The EU Patent Package was implemented on June** 1, ~~2022~~ **2023 . As a result** , **all** European **patents, including those issued prior to ratification of the EU Patent Package, now by default automatically fall under the jurisdiction of the UPC. European patent** applications **will** have the option, upon grant of a patent, of becoming a Unitary Patent **,** which will be subject to the jurisdiction of the **UPC. The UPC and** Unitary Patent **are** ~~Court (" UPC "). This is a~~ significant ~~change~~ **changes** in European patent practice **. It is uncertain how the UPC will impact granted European patents in the biotechnology and pharmaceutical industries. Our European patent applications, if issued, could be challenged in the UPC. During the first seven years of the UPC' s existence, the UPC legislation allows a patent owner to opt its European patents out of the jurisdiction of the UPC** . As the UPC is a new court system, there is no precedent for the court,

increasing the uncertainty of any litigation **in the UPC** . ~~In advance of June 1, 2023,~~ **As a single court system can invalidate a** European ~~applications~~ **patent, we, where applicable, may opt out of the UPC** and **as such, each European patent would need to be challenged in each individual country. We may decide to opt out future European** patents ~~had~~ **from** the ~~option to~~ **UPC, but doing so may preclude us from realizing the benefits of the UPC. Moreover, if we do not meet all of the** opt-out ~~of~~ **formalities and requirements under** the UPC **, our future European patents could remain under the jurisdiction of the UPC** . ~~We~~ **The UPC will provide our competitors with a new forum to centrally revoke our European patents, and allow for the possibility of a competitor to obtain pan- European injunctions. Such a loss of patent protection could** have **a material adverse impact on our business** ~~opted- out all company owned European applications~~ and **our ability to commercialize our technology** ~~patents from the UPC before the deadline. Also, for the licensed European applications~~ and **product candidates** ~~patents, the licensor has opted- out the licensed European applications and patents from the UPC except for EP1869049. Opted- out European applications and patents can withdraw opt- out requests and opt back in the UPC in the future. Nonetheless,~~ due ~~the uncertainty of the UPC, proceedings~~ to ~~enforce~~ **increased competition and, resultantly, on** our **financial condition, prospects and** ~~patent rights in foreign jurisdictions could result~~ **results** ~~in substantial costs and divert our efforts and attention from other aspects~~ of **operations** ~~our business, could put our patents at risk of being invalidated or interpreted narrowly, 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. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license~~ . Geo- political actions in the United States and in foreign countries could increase the uncertainties and costs surrounding the prosecution or maintenance of our patent applications or those of any current or future licensors and the maintenance, enforcement or defense of our issued patents or those of any current or future licensors. For example, the United States and foreign government actions related to Russia' s invasion of Ukraine may limit or prevent filing, prosecution and maintenance of patent applications in Russia. Government actions may also prevent maintenance of issued patents in Russia. These actions could result in abandonment or lapse of our patents or patent applications, resulting in partial or complete loss of patent rights in Russia. If such an event were to occur, it could have a material adverse effect on our business. In addition, a decree was adopted by the Russian government in March 2022, allowing Russian companies and individuals to exploit inventions owned by patentees that have citizenship or nationality in, are registered in, or have predominately primary place of business or profit- making activities in the United States and other countries that Russia has deemed unfriendly without consent or compensation. Consequently, we would not be able to prevent third parties from practicing our inventions in Russia or from selling or importing products made using our inventions in and into Russia. Accordingly, our competitive position may be impaired, and our business, financial condition, results of operations and prospects may be adversely affected. We may become subject to claims challenging the inventorship or ownership of our patents and other intellectual property. We may be subject to claims that former employees (including former employees of our licensors), collaborators or other third parties have an interest in our patents rights, trade secrets, or other intellectual property as an inventor or co- inventor. The failure to name the proper inventors on a patent application can result in the patents issuing thereon being unenforceable. For example, we may have inventorship disputes arise from conflicting views regarding the contributions of different individuals named as inventors, the effects of foreign laws where foreign nationals are involved in the development of the subject matter of the patent, conflicting obligations of third parties involved in developing ~~tildaecrfont~~ **our product candidates** or as a result of questions regarding co- ownership of potential joint inventions. Litigation may be necessary to resolve these and other claims challenging inventorship and / or ownership. Alternatively, or additionally, we may enter into agreements to clarify the scope of our rights in such intellectual property. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Such an outcome could have a material adverse effect on our business, financial condition, results of operations and prospects. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. We may not be successful in obtaining or maintaining necessary rights to product components and processes for our development pipeline through acquisitions and in- licenses. Presently we have intellectual property rights, through licenses from third parties including Lilly, related to ~~tildaecrfont~~ **our product candidates** . Because our program may require the use of additional proprietary rights held by third parties, the growth of our business will likely depend in part on our ability to acquire, in- license or use these proprietary rights. In addition, ~~tildaecrfont~~ **our product candidates** may require specific formulations to work effectively and efficiently and these rights may be held by others. We may be unable to acquire or in- license, on reasonable terms, proprietary rights related to any compositions, formulations, methods of use, processes or other intellectual property rights from third parties that we identify as being necessary for ~~tildaecrfont~~ **our product candidates** . Even if we are able to obtain a license to such proprietary rights, it may be non- exclusive, thereby giving our competitors access to the same technologies licensed to us. In that event, we may be required to expend significant time and resources to develop or license replacement technology. Where we obtain licenses from, grant licenses to, or collaborate with third parties, we may not have the right to control the preparation, filing, and prosecution of patent applications, or to maintain the patents, covering technology that we license to or from third parties in certain countries or regions. Such activities, if controlled by us, may require the input of such third parties. Such activities, if controlled by such third parties, may require the input of us. However, in either case, such third parties may not cooperate with us even where such third parties are obligated to do so. We may not align on strategies for prosecuting the relevant patent applications or maintaining the relevant patents. For example, such third- party may not cooperate with us and may decide to prosecute the patent application in a manner that is inconsistent with the best interests of our business, or fails to comply with applicable laws and regulations. The validity and enforceability of such patents or any patents that may issue from such patent applications may be affected. We may also require the cooperation of our licensors, licensees, and collaborators to enforce any licensed patent

rights, and such cooperation may not be provided. Therefore, these patents and patent applications may not be prosecuted, maintained, and / or enforced in a manner consistent with the best interests of our business, or in compliance with applicable laws and regulations, which may affect the validity and enforceability of such patents or any patents that may issue from such patent applications. Moreover, if we do obtain necessary licenses, we will likely have obligations under those licenses, including making royalty and milestone payments, and any failure to satisfy those obligations could give our licensor the right to terminate the license. Termination of a necessary license, or expiration of licensed patents or patent applications, could have a material adverse impact on our business. Our business would suffer if any such licenses terminate, if the licensors fail to abide by the terms of the license, if the licensors fail to enforce licensed patents against infringing third parties, if the licensed patents or other rights are found to be invalid or unenforceable, or if we are unable to enter into necessary licenses on acceptable terms. Furthermore, if any licenses terminate, or if the underlying patents fail to provide the intended exclusivity, competitors or other third parties may gain the freedom to seek regulatory approval of, and to market, products identical or similar to ours. Moreover, our licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing or otherwise violating the licensor' s rights. In addition, while we cannot currently determine the amount of the royalty obligations we would be required to pay on sales of future products, if any, the amounts may be significant. The amount of our future royalty obligations will depend on the technology and intellectual property we use in products that we successfully develop and commercialize, if any. Therefore, even if we successfully develop and commercialize products, we may be unable to achieve or maintain profitability. The licensing and acquisition of third- party proprietary rights is a competitive area, and companies, which may be more established, or have greater resources than we do, may also be pursuing strategies to license or acquire third- party proprietary rights that we may consider necessary or attractive in order to commercialize ~~tildacerfont~~ **our product candidates** . More established companies may have a competitive advantage over us due to their size, cash resources and greater clinical development and commercialization capabilities. For example, we may collaborate with U. S. and foreign academic institutions to accelerate our preclinical research or development under written agreements with these institutions. Typically, these institutions provide us with an option to negotiate an exclusive license to any of the institution' s proprietary rights in technology resulting from the collaboration. Regardless of such option to negotiate a license, we may be unable to negotiate a license within the specified time frame or under terms that are acceptable to us. If we are unable to do so, the institution may offer, on an exclusive basis, their proprietary rights to other parties, potentially blocking our ability to pursue our program. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us, either on reasonable terms, or at all. We also may be unable to license or acquire third- party intellectual property rights on terms that would allow us to make an appropriate return on our investment, or at all. If we are unable to successfully obtain rights to required third- party intellectual property rights on commercially reasonable terms, our ability to commercialize our products, and our business, financial condition, and prospects for growth, could suffer. Third- party claims alleging intellectual property infringement may prevent or delay our drug discovery and development efforts. Our success depends in part on our avoiding infringement of the patents and proprietary rights of third parties. There is a substantial amount of litigation, both within and outside the United States, involving patents and other intellectual property rights in the biotechnology and pharmaceutical industries, as well as administrative proceedings for challenging patents, including inter partes review, interference and reexamination proceedings before the USPTO, or oppositions and other comparable proceedings in foreign jurisdictions. The America Invents Act introduced new procedures including inter partes review and post grant review. The implementation of these procedures brings uncertainty to the possibility of challenges to our patents in the future and the outcome of such challenges. Numerous U. S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing ~~tildacerfont~~ **our product candidates** . As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our activities related to ~~tildacerfont~~ **our product candidates** may give rise to claims of infringement of the patent rights of others. The pharmaceutical and biotechnology industries have produced a proliferation of patents, and it is not always clear to industry participants, including us, which patents cover various types of products or methods of use. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. We cannot assure you that any of our current or future product candidates will not infringe existing or future patents. We may not be aware of patents that have already issued that a third party might assert are infringed by one of our current or future product candidates. ~~Nevertheless, we are not aware of any issued patents that will prevent us from marketing tildacerfont.~~ Third parties may assert that we are employing their proprietary technology without authorization. There may be third- party patents of which we are currently unaware with claims to materials, formulations, methods of manufacture or methods for treatment related to the use or manufacture of ~~tildacerfont~~ **our product candidates** . Because patent applications can take many years to issue and may be confidential for 18 months or more after filing, there may be currently pending third- party patent applications which may later result in issued patents that ~~tildacerfont~~ **our product candidates** , any future product candidates, and other proprietary technologies may infringe, or which such third parties claim are infringed by the use of our technologies. Parties making claims against us for infringement or misappropriation of their intellectual property rights may seek and obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize ~~tildacerfont~~ **our product candidates** or future product candidates. Defense of these claims, regardless of their merit, could involve substantial expenses and could be a substantial diversion of management and other employee resources from our business. If we collaborate with third parties in the development of technology in the future, our collaborators may not properly maintain or defend our intellectual property rights or may use our proprietary information in such a way as to invite litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to litigation or potential liability. Further, collaborators may infringe the intellectual property rights of third parties, which may expose us to litigation and potential liability. In the future, we may agree to indemnify our commercial collaborators against certain intellectual property infringement claims brought by third parties . Any claims of patent infringement asserted..... from

developing, manufacturing or selling tildacerfont . We do not always conduct independent reviews of pending patent applications of and patents issued to third parties. We cannot be certain that any of our or our licensors' patent searches or analyses, including but not limited to the identification of relevant patents, analysis of the scope of relevant patent claims or determination of the expiration of relevant patents, are complete or thorough, nor can we be certain that we have identified each and every third- party patent and pending application in the United States, Europe and elsewhere that is relevant to or necessary for the commercialization of our product candidates in any jurisdiction, because: ▪ some patent applications in the United States may be maintained in secrecy until the patents are issued; ▪ patent applications in the United States and elsewhere can be pending for many years before issuance, or unintentionally abandoned patents or applications can be revived; ▪ pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our technologies, ~~tildacerfont~~ **our product candidates** , and any future product candidates or the use of ~~tildacerfont~~ **our technologies, our product candidates,** and any future product candidates; ▪ identification of third- party patent rights that may be relevant to our technology is difficult because patent searching is imperfect due to differences in terminology among patents, incomplete databases, and the difficulty in assessing the meaning of patent claims; ▪ patent applications in the United States are typically not published until 18 months after the priority date; and ▪ publications in the scientific literature often lag behind actual discoveries. Furthermore, the scope of a patent claim is determined by an interpretation of the law, the written disclosure in a patent and the patent' s prosecution history and can involve other factors such as expert opinion. Our interpretation of the relevance or the scope of claims in a patent or a pending application may be incorrect, which may negatively impact our ability to market our products. Further, we may incorrectly determine that our technologies, products, or product candidates are not covered by a third- party patent or may incorrectly predict whether a third party' s pending patent application will issue with claims of relevant scope. Our determination of the expiration date of any patent in the United States or internationally that we consider relevant may be incorrect, which may negatively impact our ability to develop and market our products or product candidates. Our competitors may have filed, and may in the future file, patent applications covering technology similar to ours, and others may have or obtain patents or proprietary rights that could limit our ability to make, use, sell, offer for sale or import ~~tildacerfont~~ **our product candidates** and future approved products or impair our competitive position. Numerous third- party U. S. and foreign issued patents and pending patent applications exist in the fields in which we are developing product candidates. There may be third- party patents or patent applications with claims to materials, formulations, methods of manufacture or methods for treatment related to the use or manufacture of ~~tildacerfont~~ **our product candidates** . Any such patent application may have priority over our patent applications, which could further require us to obtain rights to issued patents covering such technologies. If another party has filed a U. S. patent application on inventions similar to ours, we may have to participate in an interference proceeding declared by the USPTO to determine priority of invention in the United States. The costs of these proceedings could be substantial, and it is possible that such efforts would be unsuccessful if, unbeknownst to us, the other party had independently arrived at the same or similar invention prior to our own invention, resulting in a loss of our U. S. patent position with respect to such inventions. Other countries have similar laws that permit secrecy of patent applications and may be entitled to priority over our applications in such jurisdictions. ~~Some~~ **Any claims** of ~~our competitors may~~ **patent infringement asserted by third parties would** be ~~able to sustain~~ **time- consuming and could: • result in costly litigation; • divert** the ~~divert the~~ time and attention of our technical personnel and management; ~~•~~ • cause development delays; ~~•~~ • prevent us from commercializing ~~tildacerfont~~ **our product candidates** or any future product candidates until the asserted patent expires or is finally held invalid,unenforceable,or not infringed in a court of law; ~~•~~ • require us to develop non- infringing technology,which may not be possible on a cost- effective basis; ~~•~~ • require us to pay damages to the party whose intellectual property rights we may be found to be infringing,which may include treble damages if we are found to have been willfully infringing such intellectual property; ~~•~~ • require us to pay the attorney' s fees and costs of ~~complex patent~~ litigation **to** ~~more effectively than we can because they~~ **the** ~~have substantially greater resources. In addition, any uncertainties resulting from the initiation~~ **party whose intellectual property rights we may be found to be willfully infringing;** and ~~continuation of any litigation could have a material adverse effect~~ **/ or • require us to enter into royalty or license agreements, which may not be available** on **commercially reasonable terms,** ~~our~~ **or at all** ~~ability to raise the funds necessary to continue our operations~~ . ~~If a~~ **Although no** third party ~~prevails in~~ **has asserted** a **claim of** patent infringement ~~lawsuit~~ against us **as of the date of this prospectus** , ~~we~~ **others** may **hold proprietary rights that could prevent our product candidates from being marketed. For example, we are aware of issued patents that claim a method of treatment based upon a general mode of action. While we believe that these patents are difficult to enforce and that we would** have **valid defenses** to ~~stop making~~ **these claims of patent infringement, we cannot be certain that we would prevail in any dispute, and we cannot be certain how** ~~and~~ **an** ~~selling the infringing~~ **adverse determination would affect our business. It is possible that a third party may assert a claim of patent infringement directed at any of our** product **candidates. Any patent- related legal action against us claiming damages and seeking to enjoin commercial activities relating to our products** , ~~pay substantial~~ **treatment indications, or processes could subject us to significant liability for** damages, including treble damages ~~and attorneys' fees~~ if we ~~are found~~ **were determined** to ~~be~~ willfully ~~infringing~~ **infringe** ~~a third party' s patents~~ , **and require us to** obtain **a** ~~one or more licenses~~ **license to manufacture** ~~from third parties, pay royalties or redesign our~~ **or** ~~infringing~~ **market our** ~~products~~ **product candidates** ~~, which may be impossible or require substantial time and monetary expenditure~~ . We cannot predict whether any such license would be available at all or whether it would be available on commercially reasonable terms. Furthermore, even in the absence of litigation, we may need to obtain licenses from third parties to advance our research or allow commercialization of ~~tildacerfont~~ **our product candidates** . We may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, if at all. In that event, we would be unable to further develop and commercialize ~~tildacerfont~~ **our product candidates** , which could harm our business significantly. Even if we were able to obtain a license, the rights may be nonexclusive, which may give our competitors access to the same intellectual property **. Defense of these claims, regardless of their merit, would involve**

substantial litigation expense and would be a substantial diversion of employee resources from our business. We cannot predict whether we would prevail in any such actions or that any license required under any of these patents would be made available on commercially acceptable terms, if at all. Moreover, even if we or our future strategic partners were able to obtain a license, the rights may be nonexclusive, which could result in our competitors gaining access to the same intellectual property. In addition, we cannot be certain that we could redesign our product candidates, treatment indications, or processes to avoid infringement, if necessary. Accordingly, an adverse determination in a judicial or administrative proceeding, or the failure to obtain necessary licenses, could prevent us from developing and commercializing our product candidates, which could harm our business, financial condition and operating results. In addition, intellectual property litigation, regardless of its outcome, may cause negative publicity and could prohibit us from marketing or otherwise commercializing our product candidates and technology. Parties making claims against us may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation or administrative proceedings, there is a risk that some of our confidential information could be compromised by disclosure. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have material adverse effect on our ability to raise additional funds or otherwise have a material adverse effect on our business, results of operations, financial condition and prospects. We may in the future pursue invalidity proceedings with respect to third- party patents. The outcome following legal assertions of invalidity is unpredictable. Additionally, we may be subject to claims of patent infringement during those proceedings, and delays caused by the federal agencies may increase the time period that we are subject to such claims. For example, administrative changes, including reduced personnel and budgets experienced by the Patent and Trial Appeal Board, could further delay our ability to timely challenge any such patents. Even if resolved in our favor, these legal proceedings may cause us to incur significant expenses, and could distract our technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such proceedings adequately. Some of these third parties may be able to sustain the costs of such proceedings more effectively than we can because of their greater financial resources. Uncertainties resulting from the initiation and continuation of patent proceedings could compromise our ability to compete in the marketplace. If we do not prevail in the patent proceedings the third parties may assert a claim of patent infringement directed at our product candidates . We may be subject to claims that we have wrongfully hired an employee from a competitor or that we or our employees **or consultants** have wrongfully used or disclosed alleged confidential information or trade secrets of their former employers. As is common in the biotechnology and pharmaceutical industries, in addition to our employees, we engage the services of consultants to assist us in the development of **our** ~~tildacerfont, any future~~ product candidates ~~,~~ and other proprietary technologies. Many of these consultants, and many of our employees, were previously employed at, or may have previously provided or may be currently providing consulting services to, other pharmaceutical companies including our competitors or potential competitors. ~~We~~ **Some of these employees executed proprietary rights, non-disclosure and non- competition agreements in connection with such previous employment. Although we try to ensure that our employees do not use the proprietary information or know- how of others in their work for us, we** may become subject to claims that we, our employees or a consultant inadvertently or otherwise used or disclosed trade secrets or other information proprietary to their former employers or their former or current clients. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel **or sustain damage** , which could adversely affect our business. **Such intellectual property rights could be awarded to a third party, and we could be required to obtain a license from such third party to commercialize our technology or products. Such a license may not be available on commercially reasonable terms or at all.** Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to our management team and other employees. **Issued** ~~We may be involved in lawsuits to protect or enforce our~~ patents **covering** ~~or~~ **our product candidates** ~~the patents of our licensors, which could be expensive, time- consuming, and unsuccessful. Further, our issued patents~~ could be found invalid or unenforceable if challenged in court **or before administrative bodies in the United States or abroad. Our patents or pending patent applications** , ~~and~~ **or the patents or pending patent applications that** we **license,** may ~~incur substantial costs as a~~ **be challenged in the courts or administrative bodies in the United States and other foreign jurisdictions. Such proceedings to challenges in enforceability or validity could** result **in the revocation** of ~~litigation~~ **, cancellation of or amendment to** ~~or~~ **our owned and in- licensed patents in such a way that they no longer cover our product candidates. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to the validity question, for example, we cannot be certain that** ~~other~~ **there** ~~proceedings relating to~~ **is no invalidating prior art, of which we or our licensing partners and the** patent **examiner were unaware during prosecution. If a third party were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part,** and **perhaps all, of** ~~other~~ **the** ~~intellectual property rights~~ **patent protection on our product candidates. Such a loss of patent protection would have a material adverse impact on our business, financial condition, results of operations and prospects** . Third parties including competitors may infringe, misappropriate or otherwise violate our patents, patents that may issue to us in the future, or the patents of our licensors that are licensed to us. To counter infringement or unauthorized use, we may need to or choose to file infringement claims, which can be expensive and time- consuming. We may not be able to prevent, alone or with our licensors, infringement, misappropriation, or other violation of our intellectual property, particularly in countries where

the laws may not protect those rights as fully as in the United States. If we choose to go to court to stop another party from using the inventions claimed in our patents, that individual or company has the right to ask the court to rule that such patents are invalid, unenforceable, or should not be enforced against that third party for any number of reasons. In patent litigation in the United States, defendant counterclaims alleging invalidity and / or unenforceability are commonplace. Grounds for a validity challenge include an alleged failure to meet any of several statutory requirements for patentability, including, but not limited to, lack of novelty, obviousness, lack of written description, indefiniteness, or non- enablement. Grounds for an unenforceability assertion could include an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO or made a misleading statement during prosecution, i. e., committed inequitable conduct. Third parties may also raise similar claims before the USPTO, even outside the context of litigation ~~. For~~ - **or** ~~example~~ **infringement. Such mechanisms could include re- examination** , ~~in May 2021, Neurocrine filed a petition requesting the USPTO to institute an administrative proceeding involving the~~ post- grant review **, inter partes review, derivation proceedings, and equivalent proceedings in foreign jurisdictions (e. g., opposition proceedings). For example, we are currently a party to Requests for Director Review from a Final Written Decision in two post- grant reviews** of **U. S.** ~~the patentability of United States~~ Patent **Nos.** 10, 849, 908 ~~. In December~~ **B2 and 11, 007,** ~~2021~~ - **201 B2** , **a** ~~the USPTO denied Neurocrine' s request for~~ post- grant review ~~. In January 2022, Neurocrine requested a rehearing~~ of **U. S. Patent No. 12, 115, 166 B2, an opposition proceeding with the European Patent Office with respect to EP Patent No. 3, 678, 649, and a Revocation Proceeding with respect to EP Patent No. 3, 678, 649. We may be subject to new or additional third- party pre- issuance submission of prior art to** the USPTO **or become involved in** ~~' s decision to deny the~~ **other** post- grant review **procedures, derivations, reexaminations, or inter partes** ~~and also filed a request that the Procedural Opinion Panel (" POP ")~~ review ~~the case. Additionally, in February 2022, Neurocrine filed a petition requesting the USPTO to institute an administrative proceeding~~ **proceedings** ~~involving~~ **, in** the ~~post- grant review of the patentability of~~ United States **or oppositions or similar proceedings in foreign jurisdictions, challenging our** ~~Patent~~ **patent rights** ~~11, 007, 201~~ . **The legal threshold** ~~In September 2022, the USPTO denied Neurocrine' s request~~ for **initiating such proceedings may be low** ~~post- grant review. In October 2022~~ , **so** ~~Neurocrine requested a rehearing of the USPTO' s decision to deny the post- grant review and also filed a request~~ that **even proceedings with** ~~the POP review the case. In July 2023, the USPTO dismissed the rehearing and POP requests and granted sua sponte Director Review of the Board' s decisions. In August 2023, the USPTO issued~~ a ~~Director Review decision addressing the standards~~ **low probability of success might be initiated. An adverse determination in any such challenges may result in loss of exclusivity** ~~for~~ - **or** ~~inherent anticipation and written description and remanded~~ **in patent claims being narrowed, invalidated,** ~~for~~ - **or** ~~a new decision about institution~~ **held unenforceable, in whole or in part, which could limit our ability to stop others** from **using or commercializing** ~~the Board. In December 2023, the Board instituted post- grant review. Similar~~ **similar** ~~mechanisms for~~ - **or identical technology** ~~challenging the validity~~ and **products** ~~enforceability of a patent exist in foreign patent offices and courts and may result in the revocation~~ , ~~cancellation, or amendment of any foreign patents we or our~~ - **or limit** ~~licensors hold now or in the future. The outcome following legal assertions of invalidity and unenforceability is unpredictable, and prior art could render our patents or those~~ -- **the duration** ~~of our licensors invalid. If a defendant were to prevail on a legal assertion of invalidity and / or unenforceability, we would lose at least part, and perhaps all,~~ of the patent protection ~~on such~~ **of our technology and** ~~product~~ **products** ~~candidate. Such a loss of patent protection would have a material adverse impact on our business~~ . Interference or derivation proceedings provoked by third parties or brought by us or declared by the USPTO may be necessary to determine the priority of inventions with respect to our patents or patent applications or those of our licensors. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms or at all, or if a non- exclusive license is offered and our competitors gain access to the same technology. Our defense of litigation or interference proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees. In addition, the uncertainties associated with litigation could have a material adverse effect on our ability to raise the funds necessary to continue our clinical trials, continue our research programs, license necessary technology from third parties, or enter into development or manufacturing partnerships that would help us bring ~~tildaecrfont and~~ any future product candidates to market. Even if resolved in our favor, litigation or other legal proceedings relating to our intellectual property rights may cause us to incur significant expenses and could distract our technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions, or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing, or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could compromise our ability to compete in the marketplace. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. **Intellectual property litigation or administrative proceedings are very costly and time- consuming and could interfere with our ability to sell and market our products. Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise the funds necessary to continue our operations.** Our ability to enforce our patent rights depends on our ability to detect infringement. It may be difficult to detect infringers who do not advertise the components or methods that are used in connection with their products and services.

Moreover, it may be difficult or impossible to obtain evidence of infringement in a competitor' s or potential competitor' s product or service. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded if we were to prevail may not be commercially meaningful. Because of the expense and uncertainty of litigation, we may not be in a position to enforce our intellectual property rights against third parties. Because of the expense and uncertainty of litigation, we may conclude that even if a third party is infringing our issued patent, any patents that may be issued as a result of our pending or future patent applications or other intellectual property rights, the risk- adjusted cost of bringing and enforcing such a claim or action may be too high or not in the best interest of our company or our stockholders. In such cases, we may decide that the more prudent course of action is to simply monitor the situation or initiate or seek some other non- litigious action or solution. If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed. Our reliance on third parties requires us to share our trade secrets, which increases the possibility that a competitor will discover them or that our trade secrets will be misappropriated or disclosed. ~~We~~ **In addition to seeking patents for some of our technology and products, we also** rely on trade secrets ~~to protect our~~ **, including unpatented know- how, technology and other** proprietary ~~technologies~~ **information, to maintain our competitive position** , especially where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. We rely in part on confidentiality agreements with our employees, consultants, outside scientific collaborators, sponsored researchers, and other advisors, and inventions agreements with employees, consultants, and advisors, to protect our trade secrets and other proprietary information. In addition to contractual measures, we try to protect the confidential nature of our proprietary information using commonly accepted physical and technological security measures. Despite these efforts, we cannot provide any assurances that all such agreements have been duly executed, and these agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, others may independently discover our trade secrets and proprietary information. For example, the FDA, as part of its Transparency Initiative, is currently considering whether to make additional information publicly available on a routine basis, including information that we may consider to be trade secrets or other proprietary information, and it is not clear at the present time how the FDA' s disclosure policies may change in the future, if at all. Costly and time- consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive business position. In addition, such security measures may not provide adequate protection for our proprietary information, for example, in the case of misappropriation of a trade secret by an employee, consultant, customer, or third party with authorized access. Our security measures may not prevent an employee, consultant or customer from misappropriating our trade secrets and providing them to a competitor, and recourse we take against such misconduct may not provide an adequate remedy to protect our interests fully. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective. Unauthorized parties may also attempt to copy or reverse engineer certain aspects of our products that we consider proprietary. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time- consuming, and the outcome is unpredictable. Even though we use commonly accepted security measures, the criteria for protection of trade secrets can vary among different jurisdictions. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time- consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. Moreover, third parties may still obtain this information or may come upon this or similar information independently, and we would have no right to prevent them from using that technology or information to compete with us. Trade secrets will over time be disseminated within the industry through independent development, the publication of journal articles, and the movement of personnel skilled in the art from company to company or academic to industry scientific positions. Though our agreements with third parties typically restrict the ability of our advisors, employees, collaborators, licensors, suppliers, third- party contractors, and consultants to publish data potentially relating to our trade secrets, our agreements may contain certain limited publication rights. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent such competitor from using that technology or information to compete with us, which could harm our competitive position. Because from time to time we expect to rely on third parties in the development, manufacture, and distribution of our products and provision of our services, we must, at times, share trade secrets with them. Despite employing the contractual and other security precautions described above, the need to share trade secrets increases the risk that such trade secrets become known by our competitors, are inadvertently incorporated into the technology of others, or are disclosed or used in violation of these agreements. If any of these events occurs or if we otherwise lose protection for our trade secrets, the value of this information may be greatly reduced and our competitive position would be harmed. If we do not apply for patent protection prior to such publication or if we cannot otherwise maintain the confidentiality of our proprietary technology and other confidential information, then our ability to obtain patent protection or to protect our trade secret information may be jeopardized. If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected. Our future trademarks or trade names may be unable to be obtained, challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition among potential partners or customers in our markets of interest. At times, competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. We may license our trademarks and trade names to third parties, such as distributors. Though these license agreements may provide guidelines for how our trademarks

and trade names may be used, a breach of these agreements or misuse of our trademarks and tradenames by our licensees may jeopardize our rights in or diminish the goodwill associated with our trademarks and trade names. Our efforts to enforce or protect our proprietary rights related to trademarks, trade names, trade secrets, domain names, copyrights, or other intellectual property may be ineffective and could result in substantial costs and diversion of resources and could adversely affect our financial condition or results of operations. Moreover, any name we have proposed to use with ~~tildacerfont~~ **our product candidates** in the United States must be approved by the FDA, regardless of whether we have registered it, or applied to register it, as a trademark. The FDA typically conducts a review of proposed product names, including an evaluation of potential for confusion with other product names. If the FDA (or an equivalent administrative body in a foreign jurisdiction) objects to any of our proposed proprietary product names, it may be required to expend significant additional resources in an effort to identify a suitable substitute name that would qualify under applicable trademark laws, not infringe the existing rights of third parties, and be acceptable to the FDA. Similar requirements exist in Europe. Furthermore, in many countries, owning and maintaining a trademark registration may not provide an adequate defense against a subsequent infringement claim asserted by the owner of a senior trademark. At times, competitors or other third parties may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. If we assert trademark infringement claims, a court may determine that the marks we have asserted are invalid or unenforceable, or that the party against whom we have asserted trademark infringement has superior rights to the marks in question. In this case, we could ultimately be forced to cease use of such trademarks. Any collaboration arrangements that we may enter into in the future may not be successful, which could adversely affect our ability to develop and commercialize our products. Any future collaborations that we enter into may not be successful. The success of our collaboration arrangements **, including our Collaboration and License Agreement with HBM Alpha Therapeutics, and Antibody License Agreement with Twist Bioscience Corporation,** will depend heavily on the efforts and activities of our collaborators. Collaborations are subject to numerous risks, which may include that: ▪ collaborators have significant discretion in determining the efforts and resources that they will apply to collaborations; ▪ collaborators may not pursue development and commercialization of our products or may elect not to continue or renew development or commercialization programs based on trial or test results, changes in their strategic focus due to the acquisition of competitive products, availability of funding, or other external factors, such as a business combination that diverts resources or creates competing priorities; ▪ collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with ~~tildacerfont~~ **our product candidates** and any future product candidates; ▪ a collaborator with marketing, manufacturing, and distribution rights to one or more products may not commit sufficient resources to or otherwise not perform satisfactorily in carrying out these activities; ▪ we could grant exclusive rights to our collaborators that would prevent us from collaborating with others; ▪ collaborators may not properly maintain or defend our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability; ▪ disputes may arise between us and a collaborator that causes the delay or termination of the research, development, or commercialization of our current or future products or that results in costly litigation or arbitration that diverts management attention and resources; ▪ collaborations may be terminated, and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable current or future products; ▪ collaborators may own or co- own intellectual property covering our products that results from our collaborating with them, and in such cases, we would not have the exclusive right to develop or commercialize such intellectual property; ▪ we may not be able to obtain intellectual property rights in technologies or products resulting from the collaboration; under certain situations, the collaborators may provide us with an option to negotiate a license to such developed technologies or products, however, we may not be able to negotiate such license; and ▪ a collaborator' s sales and marketing activities or other operations may not be in compliance with applicable laws resulting in civil or criminal proceedings. Risks Related to Ownership of Our Common ~~Stock~~ **StockIf we fail to meet all applicable requirements of the Nasdaq Capital Market (" Nasdaq") and Nasdaq determines to delist our common stock, the delisting could adversely affect the market liquidity of our common stock and the market price of our common stock could decrease. On April 26, 2024, we received a letter from Nasdaq Listing Qualifications, notifying us that, for the previous 30 consecutive business day period prior to the date of the letter, the closing bid price for our common stock was below $ 1. 00. In accordance with Listing Rule 5810 (c) (3) (A) we were provided an initial period of 180 calendar days, or until October 23, 2024, to regain compliance with Nasdaq' s bid price requirement. On October 10, 2024, we applied to transfer our listing from the Nasdaq Global Select Market to the Nasdaq Capital Market (the " Transfer "). On October 24, 2024, Nasdaq Listing Qualifications notified us that the Transfer was approved, effective October 28, 2024, and that, in connection with the Transfer, we were eligible for an additional 180 calendar day period, or until April 21, 2025 (the " Extended Compliance Date "), to regain compliance with the minimum closing bid price requirement. If, at any time before the Extended Compliance Date, the bid price for our common stock closes at $ 1. 00 or more for a minimum of 10 consecutive business days (the " Minimum Bid Price Requirement "), we will regain compliance with the bid price requirement, unless Nasdaq Listing Qualifications staff exercise their discretion to extend this 10- day period pursuant to Nasdaq rules. In connection with obtaining approval for the Transfer, we notified Nasdaq Listing Qualifications in writing of our intention to regain compliance with the Minimum Bid Price Requirement by effecting a reverse stock split, if necessary. We can provide no assurance that any action taken by us to restore compliance with Nasdaq' s Minimum Bid Price Requirement would prevent our common stock from dropping below the Nasdaq Minimum Bid Price Requirement or prevent future non- compliance with the listing requirements of Nasdaq Listing Qualifications. If we are unable to satisfy the Nasdaq Listing Qualifications criteria for continued listing, our common**

stock would be subject to delisting. Should our common stock be delisted from Nasdaq, we can provide no assurance that we will be able to re- list our common stock on a national securities exchange or that there will be an active market for these securities on the OTC market. A delisting of our common stock could negatively impact us by, among other things, reducing the liquidity and market price of our common stock; reducing the number of investors willing to hold or acquire our common stock, which could negatively impact our ability to raise equity financing; decreasing the amount of news and analyst coverage of us; resulting in a determination that the common stock is a " penny stock " which would require brokers trading in the common stock to adhere to more stringent rules, possibly resulting in a reduced level of trading activity in the secondary trading market for shares of common stock; limiting our ability to issue additional securities or obtain additional financing in the future; and impairing our ability to provide equity incentives to our employees. In addition, delisting from Nasdaq may negatively impact our reputation and, consequently, our business. An active, liquid and orderly trading market for our common stock may not be sustained. Prior to the closing of our IPO in October 2020, there was no public market for shares of our common stock. An active trading market for our shares may not be sustained. You may not be able to sell your shares quickly or at the market price if trading in shares of our common stock is not active. As a result of these and other factors, you may be unable to resell your shares of our common stock. Further, an inactive market may also impair our ability to raise capital by selling shares of our common stock and may impair our ability to enter into strategic partnerships or acquire companies or products by using our shares of common stock as consideration. The trading price of our common stock **has been, and** may **continue to** be volatile, and you could lose all or part of your investment. The trading price of our common stock **has been, and** is likely **to continue** to be highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control, including limited trading volume. For example, the closing price of our common stock from January 1, ~~2023 to March 14,~~ 2024 **to April 11, 2025** has ranged from a low of $ 0. ~~81~~ **27** to a high of $ 5. 49. ~~In addition to the factors discussed in this " Risk Factors " section and elsewhere in this Annual Report on Form 10- K, these~~ **These** factors include: ▪ the commencement, enrollment or results of our ongoing and planned clinical trials of **tralesinidase alfa,** tildacerfont or any future clinical trials we may conduct of **tralesinidase alfa,** tildacerfont and any future product candidates, or changes in the development status of tildacerfont **, tralesinidase alfa** and any future product candidates; ▪ acceptance by the FDA and EMA of **the** ~~data from our Phase 2b~~ clinical trial **design of** ~~or~~ **our** ~~any future~~ **planned and ongoing** clinical trials ~~we conduct~~ **of tralesinidase alfa and tildacerfont** ; ▪ any delay in our regulatory filings for **tralesinidase alfa,** tildacerfont and any future product candidates and any adverse development or perceived adverse development with respect to the applicable regulatory authority' s review of such filings, including without limitation the FDA' s issuance of a " refusal to file " letter or a request for additional information; ▪ adverse results or delays in clinical trials as a result of outbreaks of contagious diseases ~~(such as the COVID- 19 pandemic)~~ , patient engagement, protocol amendments or otherwise; ▪ our decision to initiate a clinical trial, not to initiate a clinical trial, or to terminate an existing clinical trial; ▪ adverse regulatory decisions, including failure to receive regulatory approval for **tralesinidase alfa,** tildacerfont and any future product candidates; ▪ changes in laws or regulations applicable to **tralesinidase alfa,** tildacerfont and any future product candidates, including but not limited to clinical trial requirements for approvals; ▪ the failure to obtain coverage and adequate reimbursement of **tralesinidase alfa,** tildacerfont and any future product candidates, if approved; ▪ changes ~~on~~ **in** the structure of healthcare payment systems; ▪ adverse developments concerning our manufacturers; ▪ our inability to obtain adequate product supply for any approved drug product or inability to do so at acceptable prices; ▪ our inability to establish collaborations if needed; ▪ our failure to commercialize **tralesinidase alfa,** tildacerfont and any future product candidates ~~; ▪ additions or departures of key scientific or executive management personnel~~ ; ▪ unanticipated serious safety concerns related to the use of **tralesinidase alfa,** tildacerfont and any future product candidates; ▪ introduction of new products or services offered by us or our competitors, or the release or publication of clinical trial results from competing product candidates; ▪ announcements of significant acquisitions, strategic partnerships, joint ventures, or capital commitments by us or our competitors; ▪ our ability to effectively manage our growth; ▪ the size and growth, if any, of the markets for ~~classic CAH in adult and pediatric patients and females with PCOS~~ **MPS- IIIB (Sanfilippo Syndrome Type B), major depressive disorder** , and other ~~rare endocrine~~ disorders that we may target; ▪ actual or anticipated variations in quarterly or annual operating results; ▪ our cash position; ▪ our failure to meet the estimates and projections of the investment community or that we may otherwise provide to the public; ▪ publication of research reports about us or our industry or positive or negative recommendations or withdrawal of research coverage by securities analysts; ▪ ~~changes~~ **fluctuations** in the market ~~valuations~~ **valuation** of ~~similar~~ companies **perceived by investors to be comparable to us** ; ▪ overall performance of the equity markets; ▪ issuances of debt or equity securities; ▪ sales of our common stock by us **,** ~~or~~ **our insiders** ~~our~~ **or our other** stockholders in the future **; ▪ share price and volume fluctuations attributable to inconsistent trading volume levels of our shares** ; ▪ trading volume of our common stock; ▪ changes in accounting practices; ▪ ineffectiveness of our internal controls; ▪ disputes or other developments relating to proprietary rights, including patents, litigation matters, and our ability to obtain patent protection for our technologies; ▪ significant lawsuits, including patent or stockholder litigation; ▪ geopolitical and macroeconomic conditions, including relating to contagious disease outbreaks, the ongoing wars in Ukraine and Israel, and recent and potential future disruptions in access to bank deposits or lending commitments due to bank failures; and ▪ other events or factors **discussed in this " Risk Factors " section and elsewhere in this Annual Report** , many of which are beyond our control. In addition, the stock market in general, and biopharmaceutical companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the market price of our common stock, regardless of our actual operating performance **. The realization of any of the above risks or any of a broad range of other risks, including those described in this " Risk Factors " section, could have a dramatic and negative impact on the market price of our common stock. We could be subject to securities class action litigation** . In the past, securities class action litigation has often been instituted against companies following periods of volatility in the

market price of a company' s securities. This type of litigation,..... decline in the market price of its securities. This risk is especially relevant for us because biopharmaceutical companies have experienced significant stock price volatility in recent years. **This type of** ~~If we face such~~ litigation, ~~it~~ **if instituted,** could result in substantial costs and a diversion of management' s attention and resources, which could harm our business **, operating results or financial condition** . **If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline. The trading market for our common stock depends in part on the research and reports that securities or industry analysts publish about us or our business. If one or more of the analysts who covers us downgrades our stock or publishes inaccurate or unfavorable research about our business, our stock price may decline. If one or more of these analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our stock could decrease, which might cause our stock price and trading volume to decline. We do not intend to pay dividends on our common stock so any returns will be limited to the value of our stock. We have never declared or paid any cash dividend on our common stock. We currently anticipate that we will retain future earnings for the development, operation, and expansion of our business and do not anticipate declaring or paying any cash dividends for the foreseeable future. In addition, pursuant to the Loan Agreement, we are prohibited from paying cash dividends without the prior written consent of SVB, and future debt instruments may materially restrict our ability to pay dividends on our common stock. Any return to stockholders would therefore be limited to the appreciation, if any, of their stock. Our principal stockholders and management own a significant percentage of our stock and are able to exert significant control over matters subject to stockholder approval. Our executive officers and directors, combined with our stockholders who own more than 5 % of our outstanding capital stock, beneficially own shares representing a significant percentage of our common stock. Therefore, these stockholders have the ability to influence us through this ownership position. These stockholders may be able to determine all matters requiring stockholder approval. For example, these stockholders may be able to control elections of directors, amendments of our organizational documents, or approval of any merger, sale of assets, or other major corporate transaction. This may prevent or discourage unsolicited acquisition proposals or offers for our common stock that you may feel are in your best interest as one of our stockholders. We are an emerging growth company and a smaller reporting company, and the reduced reporting requirements applicable to emerging growth companies and smaller reporting companies may make our common stock less attractive to investors. We are an " emerging growth company " as defined in the JOBS Act. For as long as we continue to be an emerging growth company, we may take advantage of certain exemptions from various public company reporting requirements, including being permitted to provide only two years of audited financial statements, in addition to any required financial statements with correspondingly reduced " Management' s Discussion and Analysis of Financial Condition and Results of Operations " disclosure in this Annual Report, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We may take advantage of these exemptions until December 31, 2025, or until we are no longer an emerging growth company, whichever is earlier. We will cease to be an emerging growth company prior to the end of such five- year period if certain earlier events occur, including if we become a " large accelerated filer " as defined in Rule 12b- 2 under the Exchange Act, our annual gross revenues exceed $ 1. 235 billion or we issue more than $ 1. 0 billion of non- convertible debt in any three- year period. Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to use this extended transition period under the JOBS Act until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. We are also a " smaller reporting company " as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company, which would allow us to take advantage of many of the same exemptions available to emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act of 2002 (" Sarbanes- Oxley Act "), and reduced disclosure obligations regarding executive compensation. We will be able to take advantage of these scaled disclosures for so long as our voting and non- voting common stock held by non- affiliates is less than $ 250. 0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $ 100. 0 million during the most recently completed fiscal year and our voting and non- voting common stock held by non- affiliates is less than $ 700. 0 million measured on the last business day of our second fiscal quarter. Investors may find our common stock less attractive because we may rely on these 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. As a result of being a public company, we are obligated to develop and maintain proper and effective internal control over financial reporting, and any failure to maintain the adequacy of these internal controls may adversely affect investor confidence in our company and, as a result, the value of our common stock. We are subject to the reporting requirements of the Exchange Act, the Sarbanes- Oxley Act, and the rules and regulations of Nasdaq. The Sarbanes- Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal controls over financial reporting. We must perform system and process evaluation and testing of our internal controls over financial reporting to allow management to report on the effectiveness of our internal controls over financial reporting in this Annual Report, as required by Section 404 of the Sarbanes- Oxley Act. This will require that we incur substantial additional professional fees and internal costs to expand our accounting and finance functions and that we expend significant management efforts. Prior to our IPO, we have never been required to test our internal controls within a specified period, and, as a result, we may experience difficulty in meeting these reporting requirements in a timely manner. We**

may discover weaknesses in our system of internal financial and accounting controls and procedures that could result in a material misstatement of our financial statements. Our internal control over financial reporting will not prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system' s objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected. If we are not able to comply with the requirements of Section 404 of the Sarbanes- Oxley Act in a timely manner, or if we are unable to maintain proper and effective internal controls, we may not be able to produce timely and accurate financial statements. If that were to happen, the market price of our stock could decline and we could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. We have incurred and will continue to incur significant increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives. As a public company, we have incurred and will continue to incur significant legal, accounting, and other expenses that we did not incur as a private company. We are subject to the reporting requirements of the Exchange Act, which require, among other things, that we file with the SEC annual, quarterly, and current reports with respect to our business and financial condition. In addition, the Sarbanes- Oxley Act, as well as rules subsequently adopted by the SEC and Nasdaq to implement provisions of the Sarbanes- Oxley Act, impose significant requirements on public companies, including requiring establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. Further, in July 2010, the Dodd- Frank Wall Street Reform and Consumer Protection Act (" Dodd- Frank Act ") was enacted. There are significant corporate governance and executive compensation related provisions in the Dodd- Frank Act that require the SEC to adopt additional rules and regulations in these areas such as " say on pay " and proxy access. Emerging growth companies and smaller reporting companies are exempted from certain of these requirements, but we may be required to implement these requirements sooner than budgeted or planned and thereby incur unexpected expenses. Stockholder activism, the current political environment and the current high level of government intervention and regulatory reform may lead to substantial new regulations and disclosure obligations, which may lead to additional compliance costs and impact the manner in which we operate our business in ways we cannot currently anticipate. We expect the rules and regulations applicable to public companies to continue to substantially increase our legal and financial compliance costs and to make some activities more time- consuming and costly. If these requirements divert the attention of our management and personnel from other business concerns, they could have a material adverse effect on our business, financial condition, and results of operations. The increased costs will decrease our net income or increase our net loss, and may require us to reduce costs in other areas of our business. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance and we may be required to incur substantial costs to maintain the same or similar coverage. We cannot predict or estimate the amount or timing of additional costs we may incur to respond to these requirements. The impact of these requirements could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as executive officers. Sales of a substantial number of shares of our common stock in the public market could cause our stock price to fall. Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock. As of December 31, 2024, there were 42, 231, 285 shares of our common stock outstanding. In addition, shares of common stock that are either subject to outstanding options or reserved for future issuance under our employee benefit plans will become eligible for sale in the public market to the extent permitted by the provisions of various vesting schedules, Rule 144 and Rule 701 under the Securities Act of 1933, as amended (" Securities Act "). If these additional shares of common stock are sold, or if it is perceived that they will be sold, in the public market, the trading price of our common stock could decline. In February 2023, we entered into a securities purchase agreement with several institutional and accredited investors, including holders of more than 5 % of our total common stock outstanding on the date of the securities purchase agreement, pursuant to which we issued and sold 16, 116, 000 shares of common stock, pre- funded warrants to purchase 800, 000 shares of common stock, and warrants to purchase 12, 687, 000 shares of common stock. All of the pre- funded warrants have been exercised. Pursuant to the securities purchase agreement, we have registered for resale such securities. If these additional shares of common stock, and the shares of common stock issued or issuable pursuant to such pre- funded warrants and warrants, are resold, or if it is perceived that they will be resold, in the public market, the trading price of our common stock could decline. Further, certain holders of shares of our common stock are entitled to rights with respect to the registration of their shares under the Securities Act. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act, except for shares held by affiliates, as defined in Rule 144 under the Securities Act. Any sales of securities by these stockholders could have a material adverse effect on the trading price of our common stock. Future sales and issuances of our common stock or rights to purchase common stock, including pursuant to the Shelf Registration, Sales Agreement and our equity incentive plans, could result in additional dilution of the percentage ownership of our stockholders and could cause our stock price to fall. We expect that we will need significant additional capital in the future to continue our planned operations, including conducting clinical trials, commercialization efforts, expanded research and development activities, and costs associated with operating a public company. To raise capital, we may sell common stock, convertible securities or other equity securities in one or more transactions at prices and in a manner we determine from time to time. For example, in February 2022 we filed a registration statement on Form S- 3, as amended, declared effective in February 2022, covering the sale of up to $ 200. 0 million of our securities (the " Shelf

Registration "), which expired February 2025. Further, in February 2022, we entered into an Open Market Sales AgreementSM (the " Sales Agreement ") with Jefferies, LLC (" Jefferies "), pursuant to which we could have sold shares of common stock having an aggregate offering price of up to $ 21. 0 million under the Shelf Registration through Jefferies acting as the sales agent and / or principal. The Shelf Registration expired in February 2025, and no further sales may be made under the Sales Agreement. Prior to the expiration of the Shelf Registration, we did not issue any shares of common stock pursuant to the Sales Agreement. In addition, in February 2023, we entered into a securities purchase agreement with several institutional and accredited investors, including holders of more than 5 % of our total common stock outstanding on the date of the securities purchase agreement, pursuant to which we issued and sold 16, 116, 000 shares of common stock, pre- funded warrants to purchase 800, 000 shares of common stock, all of which have been exercised, and warrants to purchase 12, 687, 000 shares of common stock. If we sell additional shares of common stock, convertible securities or other equity securities, investors may be materially diluted by subsequent sales. Such sales may also result in material dilution to our existing stockholders, and new investors could gain rights, preferences and privileges senior to the holders of our common stock. Pursuant to our 2020 Plan, our management is authorized to grant stock options and other stock awards to our employees, directors and consultants. Additionally, the number of shares of our common stock reserved for issuance under our 2020 Plan will automatically increase on January 1 of each year continuing through and including January 1, 2030, by 5 % of the total number of shares of our capital stock outstanding on December 31 of the preceding calendar year, or a lesser number of shares determined by our board of directors. In addition, pursuant to our 2020 Employee Stock Purchase Plan, the number of shares of our common stock reserved for issuance will automatically increase on January 1 of each calendar year continuing through January 1, 2030, by the lesser of (i) 1 % of the total number of shares of our common stock outstanding on the last day of the calendar month before the date of the automatic increase, and (ii) 441, 280 shares; provided that before the date of any such increase, our board of directors may determine that such increase will be less than the amount set forth in clauses (i) and (ii). Unless our board of directors elects not to increase the number of shares available for future grant each year, our stockholders may experience additional dilution, which could cause our stock price to fall. Anti- takeover provisions under our charter documents and Delaware law could delay or prevent a change of control which could limit the market price of our common stock and may prevent or frustrate attempts by our stockholders to replace or remove our current management. Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that could delay or prevent a change of control of our company or changes in our board of directors that our stockholders might consider favorable. Some of these provisions include: ▪ a board of directors divided into three classes serving staggered three- year terms, such that not all members of the board will be elected at one time; ▪ a prohibition on stockholder action through written consent, which requires that all stockholder actions be taken at a meeting of our stockholders; ▪ a requirement that special meetings of stockholders be called only by the chairman of the board of directors, the chief executive officer, the president, or by a majority of the total number of authorized directors; ▪ advance notice requirements for stockholder proposals and nominations for election to our board of directors; ▪ a requirement that no member of our board of directors may be removed from office by our stockholders except for cause and, in addition to any other vote required by law, upon the approval of not less than two- thirds of all outstanding shares of our voting stock then entitled to vote in the election of directors; ▪ a requirement of approval of not less than two- thirds of all outstanding shares of our voting stock to amend any bylaws by stockholder action or to amend specific provisions of our certificate of incorporation; and ▪ the authority of the board of directors to issue preferred stock on terms determined by the board of directors without stockholder approval and which preferred stock may include rights superior to the rights of the holders of common stock. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporate Law, which may prohibit certain business combinations with stockholders owning 15 % or more of our outstanding voting stock. These anti- takeover provisions and other provisions in our amended and restated certificate of incorporation and amended and restated bylaws could make it more difficult for stockholders or potential acquirors to obtain control of our board of directors or initiate actions that are opposed by the then- current board of directors and could also delay or impede a merger, tender offer, or proxy contest involving our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing or cause us to take other corporate actions you desire. Any delay or prevention of a change of control transaction or changes in our board of directors could cause the market price of our common stock to decline. Our amended and restated certificate of incorporation and amended and restated bylaws provide that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and 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 amended and restated certificate of incorporation and amended and restated bylaws provide that the Court of Chancery of the State of Delaware (and any appellate court therefrom) is the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative claim or cause of action brought on our behalf; (ii) any claim or cause of action for breach of a fiduciary duty owed by any of our current or former directors, officers, or other employees to us or our stockholders; (iii) any claim or cause of action against us or any of our current or former directors, officers, or other employees, arising out of or pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws; (iv) any claim or cause of action seeking to interpret, apply, enforce, or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws (in each case as may be amended from time to time); (v) any claim or cause of action as to which the Delaware General Corporation Law confers jurisdiction to the Court of Chancery of the State of Delaware;

and (vi) any claim or cause of action against us or any of our current or former directors, officers, or other employees governed by the internal affairs doctrine, in all cases to the fullest extent permitted by law and subject to the court' s having personal jurisdiction over the indispensable parties named as defendants. These provisions would not apply to claims or causes of action brought to enforce a duty or liability created by the Securities Act and the Exchange Act. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation and our amended and restated bylaws further provide that, to the fullest extent permitted by law, the federal district courts of the United States of America is the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation and our amended and restated bylaws. This may require significant additional costs associated with resolving such action in other jurisdictions and the provisions may not be enforced by a court in those other jurisdictions. 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, officers, or other employees and may discourage these types of lawsuits. Furthermore, the enforceability of similar choice of forum provisions in other companies' certificates of incorporation or bylaws has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. If a court were to find either exclusive forum provision contained in our amended and restated certificate of incorporation or amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving such action in other jurisdictions, all of which could seriously harm our business.