Risk Factors Comparison 2025-03-25 to 2024-03-28 Form: 10-K

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Careful consideration should be given to the following risk factors, in addition to the other information set forth in this Annual Report and in other documents that we file with the SEC, in evaluating the Company and our business. Investing in our Class A Ordinary Shares involves a high degree of risk. If any of the following risks and uncertainties actually occurs, our business, prospects, financial condition and results of operations could be materially and adversely affected. The risks described below are not intended to be exhaustive and are not the only risks that we face. New risk factors can emerge from time to time, and it is not possible to predict the impact that any factor or combination of factors may have on our business, prospects, financial condition and results of operations. Risks Related to Our Limited Operating History, Financial Position ~~,~~ and Capital Requirements We have a limited operating history, have not initiated, conducted, or completed any clinical trials, and have not taken a product through to commercialization. We are a clinical- stage company with limited operating history. To be cash flow positive and viable, we must develop (alone or in partnership (s)) and eventually commercialize (alone or in partnership (s)) a product or products with significant market potential. This will require us to be successful in a range of challenging activities, including establishing our business model and key third- party relationships; completing preclinical studies and clinical trials of our product candidates; obtaining marketing approval for product candidates; manufacturing, marketing and selling those products for which we (either alone or in partnership (s)) may obtain marketing approval; satisfying any post- marketing requirements; and otherwise monetizing products, for example by licensing or selling assets or the Company. Our products are not approved for commercial sale. Since our inception in January 2022, we have incurred significant operating losses and have utilized substantial resources to in- license and plan for development of the ZB Assets, organize and staff our company, and provide other general and administrative support. We have not conducted or completed clinical trials, including global late- stage clinical trials. As is widespread practice in the life sciences industry, we will engage third- party clinical trial organizations to conduct preclinical and clinical trials. We cannot be certain that our planned preclinical and clinical trials will begin or be completed on time or at all. Furthermore, we cannot be certain whether our planned preclinical studies and clinical trials will be on budget or have significant cost overruns. We cannot predict whether product candidates will have the desired activity in the clinical trials or whether any side effects will be tolerable. In addition, we have not yet demonstrated an ability to obtain marketing approvals, manufacture a product to commercial scale, or arrange for a third party to do so on our behalf, or conduct sales, marketing and distribution activities necessary for successful product commercialization. Our ability to generate revenue depends on a number of factors, including, but not limited to, our ability to arrange for third- party contractors to, do the following with respect to our product candidates: ● timely file and gain acceptance of investigational new drug applications to commence planned clinical trials or future clinical trials; ● timely initiate preclinical studies and clinical trials; ● timely enroll patients in clinical trials; ● successfully complete all safety and efficacy studies (preclinical and clinical) required to obtain U. S. and foreign regulatory ~~approva~~ **approval** ; ● run additional clinical trials or other studies beyond those planned to support the approval and commercialization; ● identify appropriate human doses for clinical trials and commercial products; ● successfully manage the prevalence, duration, and severity of potential side effects or other safety issues, if any; ● obtain a positive readout from the clinical trials regarding therapeutic activity; ● successfully demonstrate safety and efficacy to the satisfaction of the FDA, EMA, or similar foreign regulatory; ● obtain the timely receipt of necessary marketing approvals from the FDA, EMA, and similar foreign regulatory authorities; ● manufacture sufficient volume and quality of clinical trial materials to enable the completion of our planned clinical trials; ● establish manufacturing capabilities or make arrangements with third- party manufacturers for future clinical supply and commercial manufacturing; ● launch commercial sales of our products, if and when approved, whether alone or in collaboration with others; ● obtain and maintain acceptance of the products, if and when approved, by patients, the medical community, and third- party payors; ● position our products to effectively compete with other therapies; ● obtain and maintain coverage and reimbursement for our products; ● maintain a continued acceptable safety profile following approval; ● obtain and maintain regulatory exclusivity; ● obtain and maintain patent and trade secret protection; **and** ● enforce and defend our intellectual property rights and claims. Furthermore, third parties may allege that they have intellectual property rights that ~~would~~ **could** block our commercial activities and we may need to seek a license, which may not be available or may not be available at a reasonable price. We may also have a contractual dispute, such as a dispute related to patent inventorship or ownership, which may take significant resources, including the management team' s time, to resolve. ~~38Due~~ -- **Due** to the uncertainties and risks associated with these activities, we are unable to accurately and precisely predict the timing and amount of revenues, if any, the extent of any further losses or if or when we might achieve profitability. Consequently, any predictions we make about our future success or viability may not be as accurate as they could be if we had a longer operating history or track record of relative success. We may never succeed in these activities and, even if we succeed in commercializing the ZB Assets, we may never generate revenue that is significant enough to justify the investment in development, achieve profitability or otherwise successfully monetize product candidates. If we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis and we may continue to incur substantial research and development and other expenditures to develop and market additional product candidates. Our failure to become and remain profitable or otherwise successfully monetize the products could decrease the value of our shares and impair our ability to raise capital, reduce or eliminate our research and development efforts, or prevent the expansion of our business, or discontinue our operations. Further, we may encounter unexpected expenses, challenges and complications from known and unknown factors such as a global pandemic. We have incurred losses since inception, and we expect to incur significant losses for the foreseeable future and may

not be able to achieve or sustain profitability in the future. We have not generated any revenue from the ZB Assets and may never generate revenue or become profitable. Investment in biopharmaceutical product development is a highly speculative undertaking and entails substantial upfront costs and capital expenditures over a multi- year timeframe, and ultimately involve a risk that any product candidate will fail to demonstrate adequate efficacy or an acceptable safety profile, gain regulatory approval or become commercially viable. We have no products approved for commercial sale, we have not generated any revenue to date, and we continue to incur research and development and other expenses related to our ongoing operations. We do not expect to generate product revenue unless or until we successfully complete clinical development and obtain regulatory approval from the FDA, EMA and similar foreign regulatory authorities of, and then successfully commercialize, the ZB Assets in one or more indications in one or more territories. We may never succeed in these activities and, even if we do, may never generate revenues that are significant enough to achieve profitability. If we are unable to raise further capital in the near- term, or partner with third parties that fund all or the vast majority of our costs and capital expenditures, then we may be unable to continue operations. We do not expect to generate sufficient revenue through any means to fully fund our operations in the ~~near~~ **40near** - term. We cannot assure you that any additional financing that we are able to raise would not have a dilutive impact on your ownership interest in the Company. We have incurred net loss of $ ~~60~~ **52** . 4 million for the fiscal year ended December 31, ~~2023~~ **2024** . We expect to continue to incur significant losses for the foreseeable future. Even after finding a means to fund the foreseeable, and unforeseeable, costs to develop our product candidates, thereafter, the progress of our development, and the clinical results achieved, will affect, positively or negatively, the value of our company and accordingly our ability to raise capital. Favorable results may increase the value of the company, increasing our ability to raise capital. Unfavorable results are likely to decrease the value of the company and could impair our ability to raise more capital, which is necessary to maintain our research and development efforts, expand our business and / or continue our operations. A decline in the value of our company could also cause you to lose all or part of your investment. Our recurring losses from operations and financial condition could raise substantial doubt about our ability to continue. We expect to fund our operations from existing proceeds as well as through the future sale of equity, debt, borrowing under credit facilities or through potential collaborations with other companies or other strategic transactions. If we need to raise additional capital and are unable to do so, we could be forced to delay, reduce, suspend or cease our research and development programs or any future commercialization efforts, which would have a negative impact on our business, prospects, operating results and financial condition. In the future, in our own required quarterly assessments, we may conclude that there is a going concern, and future reports from our independent registered public accounting firm may also contain statements expressing substantial doubt about our ability to continue. ~~39If~~ **If** we are unable to raise capital when needed, or on acceptable terms, we may be forced to delay, reduce and / or eliminate one or more of our development programs or future commercialization efforts. We expect our expenses to increase in connection with our ongoing activities, particularly as we conduct clinical trials of, and seek marketing approval from the FDA, EMA, and similar foreign regulatory authorities for, the ZB Assets. Even if one or more of the ZB Assets are approved for commercial sale, we anticipate incurring costs associated with sales, marketing, manufacturing and distribution activities to launch the ZB Assets. Our expenses could increase beyond expectations if we are required by the FDA, EMA or other regulatory agencies to perform preclinical studies or clinical trials in addition to those that we currently anticipate. Because the design and outcome of our planned and anticipated clinical trials are highly uncertain, we cannot reasonably estimate the actual amount of funding that will be necessary to successfully complete the development and commercialization of the ZB Assets. Our future capital requirements depend on many factors, including factors that are not within our control. Based on our current operating plan, we believe our existing cash, cash equivalents and short- term marketable securities, will be sufficient to fund our operations through ~~2026~~ **2027** . This estimate is based on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. We do not have any committed external sources of funds and adequate additional financing may not be available to us on acceptable terms, or at all. We may be required to seek additional funds sooner than planned through public or private equity offerings, debt financing, collaborations and licensing arrangements or other sources. Such financing may dilute our shareholders or the failure to obtain such financing may restrict our operating activities. 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 may include liquidation or other preferences and anti- dilution protections that adversely affect your rights as a shareholder. Debt financing may result in the imposition of debt covenants, increased fixed payment obligations or other restrictions that may affect our business. If we raise additional funds through upfront payments or milestone payments pursuant to future collaborations with third parties, we may have to relinquish valuable rights to the ZB Assets, or grant licenses on terms that are not favorable to us. Our ability to raise additional capital may be adversely impacted by potential worsening global economic and political conditions and volatility in the credit and financial markets in the United States and worldwide. Our failure to raise capital as and when needed or on acceptable terms would have a negative impact on our financial condition and our ability to pursue our business strategy, and we may have to delay, reduce the scope of, suspend or eliminate one or more of our research- stage programs, clinical trials or future commercialization efforts. ~~Our~~ **41Our** business relies on certain rights licensed from Pfizer and Lilly that can be terminated in certain circumstances. If we breach the agreements, or if we are unable to satisfy our obligations under which we license rights to the ZB Assets, we could lose the ability to develop and commercialize one or more of the ZB Assets. Our ability to develop and commercialize the ZB Assets is dependent on the use of certain intellectual property and regulatory rights licensed to us from Pfizer (for **crebankitug** ~~ZB- 168~~) and Lilly (for torudokimab and tibulizumab). The licenses set forth certain terms and conditions for maintaining the licenses. In the event that the terms and conditions are not met or we become insolvent or bankrupt, the licenses may be terminated and we will no longer be able to develop and commercialize one or more of the ZB Assets. See " Business — License Agreements — Lilly- Z33 License " and " Business — License Agreements — Lilly- ZB17 License "; " Business — License Agreements — Pfizer Agreement ". Further, a wholly owned Pfizer subsidiary is the owner of certain intellectual property licensed to us from Pfizer for **crebankitug** ~~ZB- 168~~ . The confirmatory three- way

license agreement provides Pfizer the necessary rights to give effect to the Pfizer License. See " Business — License Agreements — Pfizer Agreement **.** " If there is any dispute with Pfizer or Lilly regarding our rights under the Pfizer Agreement or the Lilly Licenses, including if we are unable to meet our milestone obligations or become insolvent or bankrupt, our ability to develop and commercialize one or more of the ZB Assets may be adversely affected. Any uncured, material breach by us under the Pfizer Agreement or the Lilly Licenses could result in our loss of exclusive rights to one or more of the ZB Assets and may lead to a complete termination of our product development efforts for one or more of the ZB Assets. Due to the significant resources required for the development of the ZB Assets, we must prioritize the pursuit of treatments for certain indications. We may expend our limited resources to pursue a particular indication and fail to capitalize on indications that may be more profitable or for which there is a greater likelihood of success. We intend to develop treatments for patients with serious immune system disorders. Due to financial or other constraints, we may be required to limit the scope of our development plans. In the event that we are required to limit our development plans for one or more of the ZB Assets, we may be unable to initiate clinical trials with the same scope that we otherwise intended to pursue, or the geographies in which we initiate such trials. ~~40Our~~ -- **Our** decisions concerning the allocation of research, development, collaboration, management, and financial resources toward particular indications may not lead to the development of any viable commercial product and may divert resources away from other opportunities (including other indications) that later prove to have greater commercial potential or a greater likelihood of success. Even if the primary endpoints of such trials are met for one or more of the ZB Assets, there is no guarantee that such findings will justify initiation of Phase 3 trials. Even if the ZB Assets successfully conclude Phase 3 and other necessary clinical trials, and thereafter receive (s) marketing approval, they may not achieve market acceptance or commercial success. If we do not accurately evaluate the commercial potential or target market for the ZB Assets, we may relinquish valuable rights through future collaboration, licensing, or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights. We may make incorrect determinations regarding the viability or market potential of the ZB Assets or misread trends in our industry. Finally, our contractual obligations to make milestone payments to Pfizer and Lilly may impact our ability to fund the development of one or more of the ZB Assets. We may in the future license additional assets, which may require us to expend additional resources and raise additional capital. We may execute additional transactions to add to our pipeline. We have not yet entered into any agreements for any such in- licensing transactions. In the event that we do enter into any additional in- license agreements, it is likely that we will need to expend additional resources and raise additional capital. The ability to do so, to some extent, is subject to market, economic, financial, competitive, legislative, and regulatory factors as well as other factors that are beyond our control. There can be no assurance that our business will generate cash flow from operations, or that additional capital will be available to us, in amounts sufficient to enable us to fund our needs. Risks Related to Anticipated Timing for Initiation, Enrollment, and Completion of Any Planned or Future Clinical TrialsWe may not be able to initiate clinical trials if drug product is not timely available at clinical trial sites. We may not be able to initiate **clinical trials if drug product is not timely available at clinical trial sites. We may not be able to initiate** or continue clinical trials for our product candidates if we are unable to locate and enroll a sufficient number of eligible participants to participate in these trials to ~~conclusion~~ **conclude** as required by the FDA or foreign regulatory authorities. Additionally, certain ~~clinical~~ **42clinical** trials for our product candidates may be focused on indications with relatively small patient populations, which may further limit enrollment of eligible participants or may result in slower enrollment than we anticipate. The eligibility criteria of our clinical trials, once established, may further limit the pool of available trial participants. Participant enrollment is a significant factor in the timing of clinical trials, and the timing of our clinical trials depends, in part, on the speed at which we can recruit participants. Participant enrollment and retention in clinical trials depends on many factors, including the size and nature of the patient population, the severity of the disease under investigation, the nature of the trial protocol, the existing body of safety and efficacy data for the product candidate, the number and nature of competing treatments and ongoing clinical trials of competing therapies for the same indication, the proximity of participants to clinical sites, the eligibility criteria for the trial, the ability to adequately monitor participants during a clinical trial, clinicians' and participants' perceptions as to the potential advantages of the product candidate being studied, and the risk that participants will drop out of a trial before completing all site visits. There are limited patient pools from which to draw in order to complete our clinical trials in a timely and cost- effective manner, ~~particulraly~~ **particularly** for any rare diseases we are pursuing. Furthermore, a number of factors could delay or prevent potential participants from participating in our clinical trials. For example, our efforts to build relationships with health care providers or patient communities may not succeed, which could result in delays in participant enrollment in our clinical trials. Delays or failures in planned participant enrollment or retention may result in increased costs, program delays or both, which could have a harmful effect on our ability to develop our product candidates, or could render further development impossible. In addition, natural disasters or public health epidemics may delay or prevent participants from enrolling or from receiving treatment in accordance with the protocol and the required timelines, which could delay our clinical trials, or prevent us or our partners from completing our clinical trials at all, and harm our ability to obtain approval. Further, if participants 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. In addition, we may rely on CROs and clinical trial sites to ensure proper and timely conduct of our clinical trials and, while we intend to enter into agreements governing their services, we will be limited in our ability to compel their actual performance. ~~41Risks~~ -- **Risks** Related to the Clinical Development and Commercialization of Our Product **CandidatesWe** ~~CandidatesStatements included in this annual report on Form 10- K concerning clinical trials of the ZB Assets have not been reviewed, furnished or endorsed by Pfizer or Lilly, and Pfizer and Lilly have not certified and do not certify any information included herein. We~~ have never successfully completed the regulatory approval process for any product candidates and we may be unable to do so for any product candidates we develop. We have not yet demonstrated our ability to obtain regulatory approvals or arrange for a third party to do so on our

behalf. If we are required to conduct additional preclinical studies or clinical trials of the ZB Assets beyond those that we currently contemplate, if we are unable to successfully complete preclinical studies or clinical trials of the ZB Assets, or if the corresponding results are not positive or are only modestly positive or if there are safety concerns, we may: ● be delayed in obtaining regulatory approval from the FDA, EMA or other regulatory authorities for our product candidates; ● not obtain regulatory approval at all and lose our right and ability under our license from Pfizer to further develop and commercialize the ZB Assets; ● obtain regulatory approval for indications or patient populations that are not as broad as intended or desired; ● continue to be subject to post- marketing testing requirements from the FDA, EMA or other regulatory authorities; or ● have the product removed from the market after obtaining regulatory approval. We are substantially dependent on the success of the ZB Assets, and our anticipated clinical trials of the ZB Assets may not be successful. Our future success is substantially dependent on our ability to successfully develop the ZB Assets for future marketing approval, and then successful commercialization. In 2015, **crebankitug** ~~ZB- 168-~~was placed on clinical hold (an order issued by the United States FDA to the sponsor of an investigational new drug application to delay or to suspend a clinical investigation) due to concern regarding IL- 7Rα expression on certain cell types ~~within-~~ **43within** the lung and " insufficient information to address the potential risk that RN168 treatment poses to the respiratory system in humans. " The clinical hold was not the result of any adverse events or safety findings emerging from the ongoing clinical studies. Pfizer' s response to the clinical hold included conducting additional non- clinical experiments, a review of IL- 7Rα expression in the lung, and proposed pulmonary monitoring plans for future clinical trials, and a detailed assessment of adverse events in the clinical trials conducted to date. The clinical hold was lifted in 2016 with the following conditions / requirements: before enrolling children in studies with **crebankitug** ~~ZB- 168-~~, data should be submitted supporting that the potential benefits justify the potential risks. We have subsequently received FDA written responses in September 2023, to our pre- IND application, acknowledging that the completed non- clinical studies appear reasonable to support moving forward to a phase 2 study in alopecia areata. The ZB Assets will require additional clinical development, evaluation of clinical, preclinical and manufacturing activities, marketing approval in multiple jurisdictions, substantial investment, and significant marketing efforts before we generate any revenues from product sales. We are not permitted to market or promote the ZB Assets before we receive marketing approval from the FDA, EMA and comparable foreign regulatory authorities, and we may never receive such marketing approvals. The success of the ZB Assets will depend on a variety of factors. We do not have complete control over many of these factors, including certain aspects of clinical development and the regulatory submission process, the manufacturing, marketing, distribution and sales efforts of any third parties with whom we choose to collaborate in the future. Accordingly, we cannot assure you that we will ever be able to generate revenue through the sale of the ZB Assets, even if approved. If we are not successful in commercializing the ZB Assets, or are significantly delayed in doing so, our business will be materially harmed. ~~42We-~~ **We** may find it difficult to enroll patients in our clinical trials. If we experience delays or difficulties in the enrollment of patients in clinical trials, our successful completion of clinical trials, our receipt of marketing approvals could be delayed or prevented. We may not be able to initiate or continue clinical trials for the ZB Assets if we are unable to locate and enroll a sufficient number of eligible patients to participate in trials. Patient enrollment may be affected by various factors, including if our competitors have ongoing clinical trials for product candidates that are under development for the same indications as the ZB Assets, and patients instead enroll in such clinical trials. Our inability to enroll a sufficient number of patients would result in significant delays in completing clinical trials or receipt of marketing approvals and increased development costs or may require us to abandon one or more clinical trials altogether. The results of preclinical studies and early clinical trials of the ZB Assets may not be predictive of the success of our later clinical trials, and the results of our clinical trials may not satisfy the requirements of the FDA, EMA, or other foreign regulatory authorities. We will be required to demonstrate with substantial evidence through well- controlled clinical trials that the ZB Assets are safe and effective before we can seek marketing approval. Demonstrations of efficacy or an acceptable safety profile in prior preclinical studies of the ZB Assets do not mean that future clinical trials will yield the same results, and the translational work that we need to conduct may fail. For instance, we do not know whether the ZB Assets will perform in future preclinical studies or clinical trials as the ZB Assets have performed in preclinical studies and early clinical trials conducted by Pfizer and / or Lilly, as applicable. The ZB Assets may fail to demonstrate in later- stage clinical trials sufficient safety and efficacy to the satisfaction of the FDA, EMA, and other foreign regulatory authorities despite having progressed through preclinical studies and earlier stage clinical trials. Regulatory authorities may also limit the scope of later- stage trials until we have demonstrated satisfactory safety or efficacy results in preclinical studies or earlier- stage trials, which could prevent us from conducting the clinical trials we currently anticipate. There is no guarantee that the FDA, EMA, and other foreign regulatory authorities will consider the data obtained from prior trials sufficient to allow us to initiate clinical trials within the timelines we anticipate, or at all. Even if we are able to initiate our planned clinical trial on schedule, there is no guarantee that we will be able to complete such trial on the timelines we anticipate or that such trial will produce positive results. Any limitation on our ability to conduct clinical trials could delay or prevent regulatory approval or limit the size of the patient population that can be treated by the ZB Assets, if approved. Preclinical and clinical development involves a lengthy and expensive process with uncertain outcomes, and results of earlier studies and trials may not be predictive of future clinical trial results. Our clinical trials may not be conducted as planned or completed on schedule, if at all, and a failure of one or more clinical trials can occur at any stage. The outcome of preclinical studies and early- stage clinical trials may not be predictive of the success of later clinical trials, and the outcome of preclinical studies and early- stage clinical trials for a product candidate for a particular indication may not be predictive of the success of preclinical studies and early- stage clinical trials for the same product candidate for a different ~~indication-~~ **44indication** . Unexpectedly favorable results for the standard of care in any Phase 2 or Phase 3 trial could lead to unfavorable comparisons to the ZB Assets. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain marketing approval of their product candidates. ~~43We-~~ **We** cannot guarantee that any clinical trials

will be initiated or conducted as planned or completed on schedule, if at all. We also cannot be sure that submission of an ~~investigational new drug application (“~~ IND ~~”)~~ or similar application will result in the FDA, EMA, or other regulatory authority, as applicable, allowing clinical trials to begin in a timely manner, if at all. Moreover, even if these trials begin, issues may arise that could cause regulatory authorities to suspend or terminate such clinical trials. Events that may prevent successful or timely initiation or completion of clinical trials include: inability to generate timely or sufficient preclinical, toxicology or other in vivo or in vitro data to support the initiation or continuation of clinical trials; delays in reaching a consensus with regulatory authorities on study design or implementation of the clinical trials; delays or failure in obtaining regulatory authorization to commence a trial; delays in reaching agreement on acceptable terms with prospective ~~contract research organizations (“~~ 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; delays in identifying, recruiting and training suitable clinical investigators; delays in obtaining required institutional review board (“ IRB ”) approval at each clinical trial site; failure to requalify drug substance or drug product for use in clinical trials; failure to demonstrate comparability of drug substance or drug product for regulatory authorization; delays in manufacturing, testing, releasing, validating or importing / exporting sufficient stable quantities of the ZB Assets for use in clinical trials, or the inability to do any of the foregoing; failure by our CROs, other third parties or us to adhere to clinical trial protocols; failure to perform in accordance with the FDA’ s or any other regulatory authority’ s ~~good clinical practice requirements (“~~ GCPs ~~”)~~ or applicable regulatory guidelines in other countries; changes to the clinical trial protocols; clinical sites deviating from trial protocol or dropping out of a trial; changes in regulatory requirements and guidance that require amending or submitting new clinical protocols; selection of clinical endpoints that require prolonged periods of observation or analyses of resulting data; transfer of manufacturing processes to larger- scale facilities operated by a contract manufacturing organization (“ CMO ”) and delays or failure by our CMOs or us to make any necessary changes to such manufacturing process; delays or failure in completing technology transfer for the ZB Assets; delays or failure in obtaining or releasing drug substance or drug product from licensors or third parties; licensors or third parties being unwilling or unable to perform quality control testing of drug substance or drug product; licensors or third parties being unwilling or unable to provide a right of reference to preclinical, manufacturing or clinical data for the ZB Assets; and licensors or third parties being unwilling or unable to satisfy their contractual obligations to us. We could also encounter delays if a clinical trial is suspended or terminated by us, by the IRBs of the institutions in which such clinical trials are being conducted, by the Data Safety Monitoring Board, if any, for such clinical trial or by the FDA or other regulatory authorities. Such authorities may suspend or terminate a clinical trial due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical trial protocols, inspection of the clinical trial operations or trial site by the FDA, EMA, or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from the ZB Assets, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. If we are required to conduct additional clinical trials or other testing of the ZB Assets beyond those that we currently contemplate, if we are unable to successfully complete clinical trials of the ZB Assets, if the results of these trials are not positive or are only moderately positive or if there are safety concerns, our business and results of operations may be adversely affected and we may incur significant additional costs. Preliminary, interim data from our clinical trials that we announce or publish may change as more patient data become available and are subject to audit and verification procedures. From time to time, we may publicly disclose preliminary data from our preclinical studies and clinical trials, which are 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. We might also make assumptions, estimations, calculations and conclusions as part of our analyses of these data without the opportunity to fully and carefully evaluate complete data. As a result, the 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 or subsequently made subject to audit and verification procedures. From time to time, we may also disclose interim data from our preclinical studies and clinical trials. Interim data 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 or as patients from our clinical trials continue other treatments. Further, others, including regulatory agencies, 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 ZB Assets and our company in general. In addition, the information we choose to publicly disclose regarding a particular preclinical study or clinical trial ~~is~~ **45is** based on what is typically extensive information, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure. If the preliminary or interim data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, the ZB Assets may be harmed, which could harm our business, operating results, prospects or financial condition. ~~44We~~ **We** may develop the ZB Assets in combination with other therapies, which exposes us to additional risks related to other agents or active pharmaceutical or biological ingredients used in combination with our product candidates. In the future, we may develop the ZB Assets to be used with one or more approved therapies. Even if any product candidate we develop were to receive marketing approval or be commercialized for use in combination with other existing therapies, we would continue to be subject to the risks that the FDA or other regulatory authorities could revoke approval of the therapy used in combination with our product candidates or that safety, efficacy, intellectual property, manufacturing or supply issues could arise with these existing therapies. This could result in our own products being removed from the market or being less successful commercially. If the FDA or other regulatory authorities revoke their approval of these other therapies or revoke their approval of, or if safety, efficacy, manufacturing or supply issues arise with, the therapies we choose to evaluate in combination with any product candidate we develop, we may be unable to obtain approval. We may also evaluate our future product candidates in combination

with one or more other therapies that have not yet been approved for marketing by the FDA or other regulatory authorities. We will not be able to market any product candidate we develop in combination with any such unapproved therapies that do not ultimately obtain marketing approval. In addition, unapproved therapies face the same risks described with respect to our product candidates, including the potential for serious adverse effects, delays in clinical trials and lack of FDA approval. The ZB Assets may have a safety profile that could prevent regulatory approval, marketing approval or market acceptance, or limit commercial potential. Patients in previous trials for the ZB Assets experienced adverse events. If the ZB Assets are associated with undesirable side effects or have unexpected characteristics in preclinical studies or clinical trials when used alone or in combination with other approved products or INDs, we may need to interrupt, delay or abandon development or limit development to more narrow uses or subpopulations in which such potential undesirable side effects or other characteristics may be less prevalent, less severe or more acceptable from a risk- benefit perspective. Treatment- related side effects could also affect patient recruitment or the ability of enrolled patients to complete the trials or result in potential product liability claims. Any of these occurrences may prevent us from achieving or maintaining market acceptance of the ZB Assets and may adversely affect our business, financial condition and prospects significantly. Additionally, if the ZB Assets receive marketing approval, we or others may later identify undesirable side effects or adverse events caused by the ZB Assets. In such cases, regulatory authorities may suspend, limit or withdraw approvals of or seek an injunction against their manufacture or distribution, require additional warnings on the label, including " boxed " warnings, or issue safety alerts, require press releases or other communications containing warnings or other safety information, require us to change the way the ZB Assets is administered or conduct additional clinical trials or post- approval studies, require us to create a risk evaluation and mitigation strategy (" REMS ") which could include a medication guide outlining the risks of such side effects for distribution to patients or impose fines, injunctions or criminal penalties. We could also be sued and held liable for harm caused to patients, and our reputation may suffer. Any of these events could prevent us from achieving or maintaining market acceptance of the ZB Assets, if approved, and could seriously harm our business. The ZB Assets are protein therapeutics and thus carry the risk of provoking immune responses. For example, the formation of anti- drug antibodies (" ADA ") were observed in the majority of patients who were dosed with **crebankitug** ~~ZB- 168~~ in a phase 1b trial in T1D mellitus, including 54. 5 % of patients who developed neutralizing ADA. Although these ADAs did not appear to affect drug concentrations based on visual inspection, there can be no assurance that ADAs will not develop in future studies that may reduce exposure or lead to adverse safety events. The development of ADA could also trigger hypersensitivity reactions that manifest as serious adverse events for the ZB Assets, including but not limited to anaphylaxis. If patients experience adverse events, including anaphylaxis, our trials could be delayed or stopped and our development programs may be halted entirely if this is observed during clinical development. Even if ADAs are not detected in early clinical trials, they may be detected after product launch and may significantly reduce the commercial potential or even result in the product being pulled from the market. ~~Risks~~ **46Risks** Related to our Dependence on Third Parties or Their ActionsWe intend to rely on third parties to conduct, supervise, and monitor our preclinical studies and clinical trials, and if those third parties perform in an unsatisfactory manner, it may harm our business. ~~45We~~ **We** do not currently have the ability to independently conduct preclinical studies or clinical trials required to develop our product candidates. We intend to rely on CROs, clinical trial sites, and other third parties to ensure the proper and timely conduct of our preclinical studies and clinical trials, and we expect to have limited influence over their actual performance. We intend to rely upon CROs and others to monitor, manage, and report data for our clinical trials, which includes biostatistical analysis and programming. Our reliance on the CROs and others will not relieve us of our regulatory responsibilities. We, our CROs, and other third parties we might engage will be required to comply with ~~good laboratory practices (~~ GLPs ~~)~~ and GCPs, which are regulations and guidelines enforced by the FDA and comparable foreign regulatory authorities in the form of International Conference on Harmonization guidelines for any of our product candidates that are in preclinical and clinical development. The regulatory authorities enforce GCPs through periodic inspections of trial sponsors, principal investigators, and clinical trial sites. Although we will rely on CROs and others to conduct GCP- compliant clinical trials, we remain responsible for ensuring that each of our GLP preclinical studies and clinical trials is conducted in accordance with our investigational plan and protocol and applicable laws and regulations, and our reliance on the CROs and others does not relieve us of our regulatory responsibilities. If we, CROs and other third parties we engage fail to comply with GCPs, 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 for approval. Accordingly, if our CROs or others fail to comply with these regulations or fail to recruit a sufficient number of participants, we may be required to repeat clinical trials, which would delay the regulatory approval process. While we will have agreements governing their activities, CROs and other third parties we engage will not be our employees, and we will not control whether or not they devote sufficient time and resources to our programs. These CROs and others may also have relationships with other commercial entities, including our competitors, for whom they may also be conducting clinical trials, or other product development activities which could harm our business. We face the risk of potential unauthorized disclosure or misappropriation of our intellectual property by CROs and others, which may reduce our trade secret protection and allow our potential competitors to access and exploit our proprietary technology. In addition, certain of our agreements with CROs or other third parties provide for monetary and other limitations on their liability. If our CROs do not successfully carry out their contractual duties or obligations, fail to meet expected deadlines, 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 any other reasons, our clinical trials may be extended, delayed or terminated, and we may not be able to obtain regulatory approval for, or successfully commercialize our product candidates. If our relationships with any CROs terminate, we may not be able to enter into arrangements with alternative CROs or do so on commercially reasonable terms. Switching or adding additional CROs involves substantial cost and requires 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 negatively impact our ability to meet our desired clinical development

timelines. Though we intend to carefully manage our relationships with our CROs, there can be no assurance that we will not encounter challenges or delays in the future or that these delays or challenges will not have a negative impact on our business, financial condition, and prospects. In addition, investigators for our clinical trials may serve 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. The FDA may conclude that a financial relationship between us and an investigator has created a conflict of interest or otherwise affected interpretation of the trial. The FDA 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 and may ultimately lead to the denial of product approval. We do not have our own manufacturing capabilities and will rely on third parties to produce clinical and commercial supplies of our product candidates. Reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or such quantities at an acceptable cost. We have no or limited experience in drug formulation or manufacturing as a company, and we do not own or operate, and we do not expect to own or operate, facilities for drug manufacturing, storage and distribution, or testing. We will be dependent on third parties to manufacture the clinical supplies of our product candidates. ~~46Further~~ **47Further** , we also will rely on third- party manufacturers to supply us with sufficient quantities of our product candidates, to be used, if approved, for commercialization. We do not have long- term supply agreements or commitments with a manufacturer to produce raw materials, active pharmaceutical ingredients or the finished products of our product candidates or the associated packaging. Furthermore, the raw materials for our product candidates are sourced, in some cases, from a single- source supplier. If we were to experience an unexpected loss of supply of any of our product candidates or any of our future product candidates for any reason, whether as a result of manufacturing, supply or storage issues or otherwise, we could experience delays, disruptions, suspensions or terminations of, or be required to restart or repeat, any pending or ongoing clinical trials. For example, adverse macroeconomic or geopolitical developments such as a health epidemic or pandemic, or the ongoing conflicts in Ukraine and the Middle East, could impact our ability to procure sufficient supplies for the development of our products and product candidates. Any significant delay in the supply of a product candidate, or the raw material components thereof, for an ongoing clinical trial due to the need to replace a third- party manufacturer could considerably delay completion of our clinical trials, product testing and potential regulatory approval of our product candidates. Our reliance on third- party manufacturers entails various risks, some of which we would not be subject to if we manufactured product candidates ourselves, including: ● inability to meet our drug specifications and quality requirements consistently; ● delay or inability to procure or expand sufficient manufacturing capacity; ● issues related to scale- up of manufacturing; ● costs and validation of new equipment and facilities required for scale- up; ● failure to comply with cGMP or similar foreign standards; ● inability to negotiate manufacturing agreements with third parties under commercially reasonable terms, if at all; ● termination or nonrenewal of manufacturing agreements with third parties in a manner or at a time that is costly or damaging to us; ● reliance on single sources for drug components or finished drug product; ● lack of qualified backup suppliers for components or finished drug product purchased from a sole or single source supplier; ● misappropriation of proprietary information, including our trade secrets and know- how; ● the mislabeling of clinical supplies, potentially resulting, e. g., in the wrong dose amounts being supplied or study drug or placebo not being properly identified; ● clinical supplies not being delivered to clinical sites on time, leading to clinical trial interruptions; ● operations of our third- party manufacturers or suppliers being disrupted by conditions unrelated to our business or operations, including the bankruptcy of the manufacturer or supplier; and ● carrier disruptions or increased costs that are beyond our control. ~~47We~~ **48We** do not have complete control over all aspects of the manufacturing process of, and are dependent on, our contract manufacturing partners for compliance with cGMP regulations for manufacturing both active drug substances and finished drug products. Third- party manufacturers may not be able to comply with cGMP regulations or similar regulatory requirements outside of the United States. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or others, they will not be able to secure and / or maintain marketing approval for their manufacturing facilities. In addition, we do not have control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or a foreign regulatory authority does not approve these facilities for the manufacture of our product candidates or if it withdraws any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain marketing approval for or market our product candidates, if approved. Our failure, or the failure of our third- party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of product candidates or drugs, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our product candidates or drugs and harm our business and results of operations. Our current and anticipated future dependence upon others for the manufacture of our product candidates or drugs may adversely affect our future profit margins and our ability to commercialize any product candidates that receive marketing approval on a timely and competitive basis. **There is inherent risk, based on the complex relationships among the United States and the countries in which we conduct our business, that political, diplomatic and national security factors could lead to global trade restrictions and changes in trade policies and regulations that may adversely affect our business and operations.** Risks Related to Our Intellectual PropertyOur business relies on certain licensing rights from Pfizer for **crebankitug** ~~ZB- 168~~ that can be terminated in certain circumstances. If we breach the agreement, or if we are unable to satisfy our obligations under which we license rights to torudokimab from Pfizer, we could lose the ability to develop and commercialize **crebankitug** ~~ZB- 168~~ . We are party to a license agreement with Pfizer under which we were granted rights to certain patents, know- how and technology that are important and necessary to our business, including for **crebankitug** ~~ZB- 168~~ . Our rights to use these patents and employ the inventions claimed therein, as well as the exploitation of licensed technology and know- how, are subject to the continuation of, and our compliance with, the terms of our

license agreement. Our license agreement with Pfizer imposes upon us various diligence, payment and other obligations, including as described in the section entitled " Business — License Agreements — Pfizer Agreement. " If we fail to comply with any of our obligations under the Pfizer Agreement, or we are subject to a bankruptcy or dissolution, Pfizer may have the right to terminate the license agreement, in which event we would not be able to market any **crebankitug** ~~ZB- 168~~ product. We are heavily reliant upon the license from Pfizer to certain patent rights that are important or necessary to the development of **crebankitug** ~~ZB- 168~~. Pfizer retains all rights not expressly granted by the license as well as retaining rights to make, have made, use and import **crebankitug** ~~ZB- 168~~ or any products containing **crebankitug** ~~ZB- 168~~ for all internal research, development and regulatory purposes, except that Pfizer does not have the right to conduct clinical trials to develop **crebankitug** ~~ZB- 168~~ or any products containing **crebankitug** ~~ZB- 168~~. We are responsible for filing, prosecuting (including in connection with any reexaminations, oppositions and the like) and maintaining the licensed patent rights and to provide Pfizer a reasonable opportunity to review and comment on proposed submissions to any patent office and reasonably consider any comments provided by Pfizer. We must notify Pfizer prior to permitting any patent right to go abandoned. Pfizer may then choose at its option to continue prosecution or maintenance of said patent right and the license granted to us will become nonexclusive as to that right. The patents and patent applications licensed by Pfizer were not drafted by us or our attorneys, and we have not controlled or had any input into the prosecution of these patents and patent applications. We cannot be certain that drafting or prosecution of those patents and patent applications were conducted in compliance with applicable laws and regulations or will result in valid and enforceable patents. Pursuant to the Pfizer Agreement, we are required to prepare a development plan and use Commercially Reasonable Efforts (as that term is defined in the Pfizer Agreement) to develop and seek regulatory approval for **crebankitug** ~~ZB- 168~~ in several countries and then to commercialize each product where regulatory approval is obtained. If we fail to comply with the obligations under our license ~~agreement~~ **49agreement**, or if we use the licensed intellectual property in an unauthorized manner, we may be required to pay damages and Pfizer may have the right to terminate the license. If our license agreement is terminated, we may not be able to develop, manufacture, market or sell the product candidate covered by our agreement and those being tested or approved in combination with such product. Such an occurrence could materially adversely affect the value of the product candidate being developed under any such agreement. ~~48Pursuant~~ -- **Pursuant** to the Pfizer Agreement, we have the first right, but not the obligation, to enforce the licensed patents at our expense. Without Pfizer' s consent, we may not settle any such initiated litigation that would (i) adversely affect the validity, enforceability or scope of any of the licensed patent rights, (ii) give rise to liability of Pfizer or its Affiliates, (iii) admit non-infringement of any licensed patent rights, or (iv) otherwise impair Pfizer' s rights in any licensed technology or the license agreement. If we decide not to enforce the licensed patents, our licensor has the option to enforce them and may determine not to pursue litigation against other companies that are infringing these patents, or may pursue such litigation less aggressively than is desirable. Without protection for the intellectual property we license, other companies might be able to offer substantially identical products for sale, which could adversely affect our competitive business position and harm our business prospects. Our business relies on certain licensing rights from Lilly for torudokimab that can be terminated in certain circumstances. If we breach the agreement, or if we are unable to satisfy our obligations under which we license rights to torudokimab from Lilly, we could lose the ability to develop and commercialize torudokimab. Our ability to continue to develop and commercialize torudokimab is dependent on the use of certain intellectual property that is licensed to us from Lilly. The license sets forth certain terms and condition for maintaining the license. In the event that the terms and conditions are not met or we become insolvent or bankrupt, the license may be terminated and we will no longer be able to develop and commercialize torudokimab. The Lilly- Z33 License Agreement imposes upon us various diligence, payment and other obligations, as described in the section entitled " Business — License Agreements — Lilly- Z33 License **.** " ~~.~~If we fail to comply with any of our obligations under the Lilly- Z33 License, Lilly may have the right to terminate the license agreement, in which event we would not be able to market any torudokimab product. If there is any dispute with Lilly regarding our rights under the Lilly- Z33 License, including if we are unable to meet our milestone obligations or become insolvent or bankrupt, our ability to develop and commercialize torudokimab may be adversely affected. Any uncured, material breach by us under the Lilly- Z33 License could result in our loss of exclusive rights to torudokimab and may lead to a complete termination of our product development efforts for torudokimab. Our business relies on certain licensing rights from Lilly for tibulizumab that can be terminated in certain circumstances. If we breach the agreement, or if we are unable to satisfy our obligations under which we license rights to tibulizumab from Lilly, we could lose the ability to develop and commercialize tibulizumab. Our ability to continue to develop and commercialize tibulizumab is dependent on the use of certain intellectual property that is licensed to us from Lilly. The license sets forth certain terms and conditions for maintaining the license. In the event that the terms and conditions are not met or we become insolvent or bankrupt, the license may be terminated and we will no longer be able to develop and commercialize tibulizumab. Our license agreement with Lilly for tibulizumab imposes upon us various diligence, payment and other obligations, as described in the section entitled " Business — License Agreements — Lilly- ZB17 License. " If we fail to comply with any of our obligations under the Lilly- ZB17 License, Lilly may have the right to terminate the license agreement, in which event we would not be able to market any tibulizumab product. If there is any dispute with Lilly regarding our rights under the Lilly- ZB17 License, including if we are unable to meet our milestone obligations or become insolvent or bankrupt, our ability to develop and commercialize tibulizumab may be adversely affected. Any uncured, material breach by us under the Lilly- ZB17 License could result in our loss of exclusive rights to tibulizumab and may lead to a complete termination of our product development efforts for tibulizumab. ~~Intellectual~~ **50Intellectual** property disputes may impact our business and / or our ability to develop and commercialize the ZB AssetsDisputes may arise regarding intellectual property subject to, and any of our rights and obligations under, any license or other strategic agreement, including: ● the scope of rights granted under the license agreement and other interpretation- related issues; ~~49~~ ● the extent to which our technology and processes infringe, misappropriate or violate the intellectual property of the licensor that is not subject to the license agreement; ● our diligence

obligations under the license agreement and what activities satisfy those diligence obligations; ● the sublicensing of patent and other rights to third parties under any such agreement or collaborative relationships; ● the inventorship and ownership of inventions and know- how resulting from the joint creation or use of intellectual property by our licensors and us and our partners; and ● the priority of invention of patented technology. In addition, the agreements under which we license intellectual property or technology to or from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology or increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Moreover, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected product candidate. Our business also would suffer if any current or future 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. 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, misappropriating or otherwise violating the licensor' s rights. In addition, if we are unable to successfully obtain rights to required third- party intellectual property rights or maintain the existing intellectual property rights we have, we may have to seek alternative options, such as developing new product candidates with design- around technologies, which may require more time and investment, or abandon development of the relevant research programs or product candidates and our business, financial condition, results of operations and prospects could suffer. Our ability to protect our patents and other proprietary rights is uncertain, exposing us to the possible loss of competitive advantage. Our success depends in large part on our ability to obtain and maintain patent protection for the ZB Assets and their uses, components, formulations, methods of manufacturing and methods of treatment, as well as our ability to operate without infringing on or violating the proprietary rights of others. We have licensed rights, including composition of matter patent families, related to the ZB Assets. Licensing assets from third parties involves technical and scientific due diligence to assess the opportunity, the strength of the intellectual property protection for the asset and the ability to commercialize the asset. This due diligence is usually conducted over a relatively short period of time. It can be difficult to identify all the issues relevant to the assessment. Failure to identify all the relevant issues can impact negatively on the value of the asset. Our intellectual property strategy is, where appropriate, to file new patent applications on inventions, including improvements to existing products / candidates and processes to improve our competitive edge or to improve business opportunities. We continually assess and refine our intellectual property strategy to ensure appropriate protection and rights are secured. Thus, we may be able to file patent applications in the United States and abroad related to our novel discoveries and technologies, for example new uses / methods of treatment, new formulations and improvements to manufacturing methods, that are important to our business, as opportunities arise. ~~Identifying~~ **51Identifying** and seeking patent protection is expensive and time consuming and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost, in a timely manner or in all jurisdictions where protection may be commercially advantageous, or we may financially not be able to protect our proprietary rights at all. Despite our efforts to protect our proprietary rights, unauthorized parties may be able to obtain and use information we regard as proprietary. Where possible, we seek to file for patent protection in commercial jurisdictions relevant to the product or technology; however, this is assessed on a case- by- case basis. ~~50The~~ -- **The** patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our future patent applications may not result in patents being issued which protect our technology or product candidates or which do not effectively prevent others from commercializing competitive technologies and product candidates. The patent examination process may require us or our licensors to narrow the scope of the claims of our or our licensors' pending and future patent applications, which may limit the scope of patent protection that may be obtained. We cannot assure you that all of the potentially relevant prior art relating to our patents and patent applications has been found. If such prior art exists, it can invalidate a patent or prevent a patent application or certain patent claims from being issued. The issuance of a patent does not ensure that it is valid or enforceable. Therefore, even if we are issued a patent, it may not be valid or enforceable against third parties. Issued patents may be challenged, narrowed, invalidated or circumvented. In addition, court decisions may introduce uncertainty in the enforceability or scope of patents owned by pharmaceutical and biotechnology companies. Thus, any of our patents, including patents that we may rely on to protect our market for approved products, may be held invalid or unenforceable by a court. Because patent applications in the United States, Europe and many other jurisdictions are typically not published until 18 months after filing, and because publications of discoveries in scientific literature lag behind actual discoveries, we cannot be certain that we or our licensors were the first to make the inventions claimed in our issued patents or future patent applications, or that we or our licensors were the first to file for protection of the corresponding inventions. As a result, we may not be able to obtain or maintain protection for certain inventions. Such patent protection may be of insufficient scope to achieve our business objectives. In addition, the issuance of a patent does not necessarily give us the right to practice the patented invention. Third parties may have blocking patents that prevent marketing of our products or working our own technology. We endeavor to identify early third- party patents and patent applications which may be block a product or technology, to minimize this risk. However, relevant patents or patent applications may be overlooked or missed, which may in turn impact our ability to commercialize the ZB Assets. The term of a patent depends upon the laws of the country in which it is issued. In most jurisdictions, including the United States, Europe, China and Japan, the basic patent term is 20 years from the earliest filing date of a non- provisional patent application, subject to the payment of renewal fees. Some jurisdictions, including the United States, Europe and Japan, provide for up to an additional five years as a

patent term extension for therapeutic products that require marketing approval. The requirements for this supplementary protection are set by the relevant authorities in the given jurisdiction. Products approved before the expiry of the basic patent term may benefit from such a patent term extension. It is our strategy to apply for such supplementary protection, where possible. In addition to patent protection, statutory provisions in the United States, Europe and other jurisdictions may provide a period of clinical data exclusivity which may be followed by an additional period of market exclusivity to compensate for the time required for regulatory approval of our product candidates. Once the relevant criteria are satisfied, the protection applies. The length of protection depends on the jurisdiction and may also depend on the type of therapy. Third parties may seek to market " similar " versions of our approved products, if any. Alternatively, third parties may seek approval to market their own products, similar or otherwise, that compete with our products. We may not be able to block the commercialization of these products, which may erode our commercial position in the marketplace. If disputes over intellectual property and other rights that we have licensed, own in the future or co- own in the future prevent or impair our ability to maintain our licensing or exclusivity arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected product candidate. **52We have** ~~We enjoy only~~ limited geographical protection with respect to our licensed patents and may not be able to protect our intellectual property rights throughout the world. We may not be able to protect our intellectual property rights throughout the world and the legal systems in certain countries may not favor enforcement or protection of patents, trade secrets and other intellectual property. Filing, prosecuting and defending patents worldwide can be prohibitively expensive and our intellectual property rights in some foreign jurisdictions may be less extensive than those in the United States. ~~51The~~ **The** life of a patent and the protection it affords is limited. For example, in the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest ~~US~~ **U. S.** non- provisional filing date. In Europe, the expiration of an invention patent is 20 years from its filing date. Certain ~~US~~ **U. S.** patents have a longer patent term pursuant to patent term adjustment (35 U. S. C. § 154 (b)). Our competitors may operate in countries where we do not have patent protection and can freely use our technologies and discoveries. For example, we may lack patent protection or pending patent applications in manufacturing countries such as China, India, and Singapore. Even if patents are granted, they may be difficult to enforce in certain countries, for example, in China. Many countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. If we or any of our licensors is forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired, and our business and financial condition may be adversely affected. Many countries also limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patent. 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 if we fail to comply with these requirements. Periodic maintenance and annuity fees on any issued patent are due to be paid to the ~~United States Patent and Trademark Office (" USPTO ")~~ and foreign patent agencies over the lifetime of a patent. In addition, the USPTO and other foreign patent agencies require compliance with a number of procedural, documentary, and other similar provisions during the patent application process. While an inadvertent failure to make payment of fees or to comply with such provisions can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which such non- payment or non- compliance will result in the abandonment or lapse of the patent or patent application, and the partial or complete loss of patent rights in the relevant jurisdiction. Non- compliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official actions within prescribed time limits, and non- payment of fees and failure to properly legalize and submit formal documents within prescribed time limits. If we or our licensors fail to maintain the patents and patent applications covering our product candidates or if we or our licensors otherwise allow our patents or patent applications to be abandoned or lapse, our competitors might be able to enter the market, which would hurt our competitive position and could impair our ability to successfully commercialize our product candidates. Issued patents covering one or more of our product candidates could be found invalid or unenforceable. Any issued patents that we may license or own covering the ZB Assets could be narrowed or found invalid or unenforceable if challenged in court or before administrative bodies in the United States or abroad, including the USPTO. We may be subject to claims challenging the inventorship, validity, or enforceability of our patents and / or other intellectual property. Finally, changes in ~~US~~ **U. S.** patent law, or laws in other countries, could diminish the value of patents in general, thereby impairing our ability to protect the ZB Assets. Further, if we encounter delays in our clinical trials or delays in obtaining regulatory approval, the period of time during which we could market the ZB Assets under patent protection would be reduced. Thus, the patents that we own and license may not afford us any meaningful competitive advantage. Moreover, we or our licensors may be subject to a third- party pre- issuance submission of prior art to the USPTO or become involved in opposition, derivation, revocation, reexamination, inter partes review, post- grant review or interference proceedings. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology or the ZB Assets and compete directly with us, or result in our inability to manufacture or commercialize drugs without infringing third- party patent rights. If the breadth or strength of protection provided by our patents and ~~patent~~ **53patent** applications is threatened, regardless of the outcome, it could dissuade companies from collaborating with us to license, develop or commercialize the ZB Assets. ~~52We~~ **We** may not be able to maintain or enforce trade secret protection for our product candidatesIn addition to seeking patents, we may also rely on trade secrets, including unpatented know- how, technology and other proprietary information, to maintain our competitive position. Any disclosure, either intentional or unintentional, by our employees, the employees of third parties with whom we share our facilities or third- party consultants and vendors that we engage to perform research, clinical trials or manufacturing activities, or misappropriation by third parties (such as through a cybersecurity breach) of our trade secrets or proprietary information could enable competitors to duplicate or surpass our technological achievements, thus eroding our competitive position. In order to

protect our proprietary technology and processes, we rely in part on confidentiality agreements with our collaborators, employees, consultants, outside scientific collaborators and sponsored researchers and other advisors. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorized disclosure. We may need to share our proprietary information, including trade secrets, with future business partners, collaborators, contractors and others located in countries at heightened risk of theft of trade secrets, including through direct intrusion by private parties or foreign actors and those affiliated with or controlled by state actors. In addition, while we undertake efforts to protect trade secrets and other confidential information from disclosure, others may independently discover trade secrets and proprietary information, and in such cases, we may not be able to assert any trade secret rights against such party. 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. We may be subject to damages resulting from claims that we or our employees have wrongfully used or disclosed confidential information of our competitors or are in breach of non- competition or non- solicitation agreements with our competitors. As is common in the biotechnology and pharmaceutical industries, we employ individuals and engage the services of consultants who previously worked for other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although no claims against us are currently pending, we may be subject to claims that these employees or we have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers, or that our consultants have used or disclosed trade secrets or other proprietary information of 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. Even if we are successful in defending against such claims, litigation or other legal proceedings relating to intellectual property claims 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 Class A Ordinary Shares. This type of litigation or proceeding could substantially increase our operating losses and reduce our resources available for development activities. We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can. Uncertainties resulting from the initiation and continuation of patent litigation or other intellectual property related proceedings could adversely affect our ability to compete in the marketplace. Patent terms may not protect our competitive position with respect to the ZB Assets for an adequate amount of time. The life of a patent, and the protection it affords, is limited. Once patents covering the ZB Assets have expired, we may be open to competition from competitive products, including generics or biosimilars. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our licensed and owned 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 in the United States under the Hatch- Waxman Act and in foreign countries under similar legislation, our business may be materially harmed. In the United States, the patent term of a patent that covers an FDA- approved drug may be eligible for limited patent term extension, which permits patent term restoration as compensation for the patent term lost during the FDA regulatory review process. The Drug Price Competition and Patent Term Restoration Act of 1984, also known as the Hatch- Waxman Act, permits a patent term extension of up to five years beyond the expiration of the patent. The length of the patent term extension is related to the length of time the drug is under regulatory review. However, a patent extension cannot extend the remaining term of a patent beyond a total of 14 years ~~from~~ **54from** the date of product approval, only one patent applicable to an approved drug may be extended and only those claims covering the approved ~~drugor~~ -- **drug or** its use it may be extended. Similar provisions are available in Europe and certain other non- United States jurisdictions to extend the term of a patent that covers an approved drug. ~~53If~~ **If** and when the ZB Assets receive FDA approval, we expect to apply for patent term extension on patents covering those ZB Assets, there is no guarantee that the applicable authorities will agree with our assessment of whether such extension should be granted, and even if granted, the length of such extension. We may not be granted patent term extension either in the United States or in any foreign country because of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents or otherwise failing to satisfy applicable requirements. Moreover, the term of extension, as well as the scope of patent protection during any such extension, afforded by the governmental authority could be less than we request. If we are unable to obtain any patent term extension or the term of any such extension is less than we request, our competitors may obtain approval of competing products following the expiration of our patent rights, and our business, financial condition, results of operations and prospects could be materially harmed. It is possible that we will not obtain patent term extension ~~under the Hatch- Waxman Act~~ for a U. S. patent covering one or more of the ZB Assets even where that patent is eligible for patent term extension, or if we obtain such an extension, it may be for a shorter period than we had sought. There are ~~detailed rules and~~ requirements regarding the patents that may be submitted to the FDA for listing in the Licensed Biological Products with Reference Product Exclusivity and Biosimilarity or Interchangeability Evaluations (also known as the " Purple Book "), **an** ~~a searchable,~~ online database that contains information about biological products ~~, including biosimilar and interchangeable biological products, licensed (~~ approved ~~)~~ by the FDA under the ~~Public Health Service (PHS~~ **PHSA** ~~) Act~~. We may be unable to obtain patents covering those ZB Assets that contain one or more claims that satisfy the requirements for listing in the Purple Book. Even if we submit a patent for listing in the Purple Book, the FDA may decline to list the patent, or a manufacturer of biosimilar or ~~interchangable~~ **interchangeable** drugs may challenge the listing. If the ZB Assets are approved and patents covering the ZB Assets are not listed in the Purple Book, a manufacturer of biosimilar or ~~interchangablable~~ **interchangeable** drugs would not have to provide advance notice to us of any

abbreviated new drug application filed with the FDA to obtain permission to sell a biosimilar or ~~interchangable~~ **interchangeable** version of either of the ZB Assets. Changes to patent laws in the United States and other jurisdictions could diminish the value of patents in general, thereby impairing our ability to protect the ZB Assets. Changes in either the patent laws or interpretation of patent laws in the United States, including patent reform legislation such as the Leahy- Smith America Invents Act (the " Leahy- Smith Act ") could increase the uncertainties and costs surrounding the prosecution of our future owned and in- licensed patent applications and the maintenance, enforcement or defense of our owned and in- licensed patents. The Leahy- Smith Act includes a number of significant changes to United States patent law. These changes include provisions that affect the way patent applications are prosecuted, redefine prior art, provide more efficient and cost- effective avenues for competitors to challenge the validity of patents, and enable third- party submission of prior art to the USPTO during patent prosecution and additional procedures to challenge the validity of a patent at USPTO- administered post- grant proceedings, including post- grant review, inter partes review, and derivation proceedings. Assuming that other requirements for patentability are met, prior to March 2013, in the United States, the first to invent the claimed invention was entitled to the patent, while outside the United States, the first to file a patent application was entitled to the patent. After March 2013, under the Leahy- Smith Act, the United States transitioned to a first- to- file system in which, assuming that the other statutory requirements for patentability are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third party was the first to invent the claimed invention. As such, the Leahy- Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our patents, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, the patent positions of companies in the development and commercialization of biologics and pharmaceuticals are particularly uncertain. Recent ~~US~~ **U. S.** Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and altered the rights of patent owners in certain situations. This combination of events has created uncertainty with respect to the validity and enforceability of patents once obtained. Depending on future legislation by the ~~US~~ **U. S.** Congress, decisions by the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could have a material adverse effect on our patent rights and our ability to protect, defend and enforce our patent rights in the future. For example, in the case Amgen v. Sanofi, the Supreme Court held broad functional antibody claims invalid for lack of enablement. Similarly, in the case Juno v. Kite, the Federal Circuit held genus claims directed to CAR- T cells invalid for lack of written description for failing to provide disclosure commensurate with the scope of the claims. While we do not believe that any of the patents licensed or owned by us will be found wholly invalid based on these decisions, we cannot predict how future decisions by the courts, Congress or the USPTO ~~may~~ **55may** impact the value of our patents. Similarly, changes in the patent laws of other jurisdictions could adversely affect our ability to obtain and effectively enforce our patent rights, which would have a material adverse effect on our business and financial condition. ~~54We~~ **In Europe, a new unitary patent system came into effect on June 1, 2023. Under the unitary patent system, European patent applications and patents may be subjected to the jurisdiction of the Unified Patent Court (UPC). European 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. As the UPC is a new court system, there is no precedent for the court, increasing the uncertainty of any litigation. Patents that remain under the jurisdiction of the UPC will be potentially vulnerable to a single UPC- based revocation challenge that, if successful, could invalidate the patent in all countries who are signatories to the UPC. We cannot predict with certainty the long-term effects of any potential changes. We** may not identify relevant third- party patents or may incorrectly interpret the relevance, scope or expiration of a third- party patent, which might adversely affect our ability to develop and market the ZB Assets. We cannot guarantee that any of our patent searches or analyses, including the identification of relevant third- party patents, the scope of said patent claims or the expiration of relevant patents, are complete, accurate or thorough, nor can we be certain that we have identified each and every third- party patent and pending application in the United States and abroad that is relevant to or necessary for the commercialization of the ZB Assets. 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. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect. Our determination of the expiration date of any patent that we consider relevant may be incorrect. Our failure to identify and correctly interpret relevant patents may negatively impact our ability to develop and market the ZB Assets. In addition, 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 many foreign jurisdictions are typically not published until 18 months after filing, and publications in the scientific literature often lag behind actual discoveries, we cannot be certain that others have not filed patent applications for technology covered by our patents or our pending applications, or that we were the first to invent the technology. Our competitors may have filed, and may in the future file, patent applications covering the ZB Assets or technology similar to ours. Any such patent application may have priority over our patent applications or patents, which could require us to obtain rights to patents covering such technologies. We may be subject to claims challenging the inventorship of our patents and other intellectual property. We generally enter into confidentiality and intellectual property assignment agreements with our employees, consultants, and contractors. These agreements generally provide that inventions conceived by the party in the course of rendering services to us will be our exclusive property. However, those agreements may not be honored and may not effectively assign intellectual property rights to us. Moreover, there may be some circumstances where we are unable to negotiate such ownership rights. We may be subject to claims that former employees, collaborators or other third parties have an interest in our patents 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. Inventorship disputes may 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 the ZB Assets or as a result of

questions regarding co- ownership of potential joint inventions. Arbitration or 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. Even if we are successful in defending against such claims, arbitration or litigation could result in substantial costs and be a distraction to management and other employees. We may be subject to patent infringement claims or may need to file claims to protect our intellectual property, which could result in substantial costs and liability and prevent us from commercializing the ZB Assets. Because the intellectual property landscape in the biotechnology industry is rapidly evolving and is interdisciplinary, it is difficult to conclusively assess our freedom to operate without infringing on or violating third- party rights. If a third party successfully brings a claim against us, we may be required to pay substantial damages, be forced to abandon the ZB Assets and / or seek a license from the patent holder. In addition, any intellectual property claims (e. g., patent infringement or trade secret theft) brought against us, whether or not successful, may cause us to incur significant legal expenses and divert the attention of our management and key personnel ~~from~~ **56from** other business concerns. We cannot be certain that patents owned or licensed by us will not be challenged by others in the course of litigation. Some of our competitors may be able to sustain the costs of complex intellectual property litigation more effectively than we can. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise funds at a particular market price. ~~55Competitors --~~ **Competitors** may infringe or otherwise violate our patents, trademarks, copyrights or other intellectual property. To counter infringement or other violations, we may be required to file claims, which can be expensive and time- consuming. Any such claims could provoke these parties to assert counterclaims against us, including claims alleging that we infringe their patents or other intellectual property rights. In addition, in a patent infringement proceeding, a court or administrative body may decide that one or more of the patents we assert is invalid or unenforceable, in whole or in part, construe the patent' s claims narrowly or refuse to prevent the other party from using the technology at issue on the grounds that our patents do not cover the technology. Similarly, if we assert trademark infringement claims, a court or administrative body 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 such a case, we could ultimately be forced to cease use of such marks. In any intellectual property litigation, even if we are successful, any award of monetary damages or other remedy we receive may not be sufficient. Further, we may be required to protect our patents through procedures created to challenge the validity of a patent at the USPTO. An adverse determination in any such submission or proceeding could reduce the scope or enforceability of, or invalidate, our patent rights, which could adversely affect our competitive position. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in United States 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, if any of the ZB Assets is found to infringe the intellectual property rights of third parties, these third parties may assert infringement claims against our future licensees and other parties with whom we have business relationships and we may be required to indemnify those parties for any damages they suffer as a result of these claims, which may require us to initiate or defend protracted and costly litigation on behalf of licensees and other parties regardless of the merits of such claims. If any of these claims succeed, we may be forced to pay damages on behalf of those parties or may be required to obtain a license. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation or other legal proceedings relating to our intellectual property rights, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation or other proceedings. Our license from Pfizer is subject to retained rights. Pfizer retains certain rights under its license agreement with us, including (a) the right to make, have made, use and import the underlying technology for all internal research, development and regulatory purposes; provided, that Pfizer shall not have the right to conduct clinical trials to develop the underlying technology in the treatment, diagnosis or prevention of diseases in humans, (b) the right to use the licensed patent rights and know- how for purposes other than those exclusively license to us under the Pfizer Agreement and (c) the rights that have been provided by Pfizer to (i) a reagent supplier to make or sell the underlying technology or (ii) a non- commercial entity to use the underlying technology, in each case in the form of non- cGMP samples of the underlying technology in milligram quantities solely as a research reagent. Pfizer may also use for any purpose information in non- tangible form which may be retained by persons who have had access to **crebankitug** ~~ZB- 168~~ and the licensed know- how, including ideas, concepts or techniques contained therein. It is difficult to monitor whether Pfizer limits its use of the technology to these uses, and we could incur substantial expenses to enforce our rights to our licensed technology in the event of misuse. Our licenses from Lilly are subject to retained rights. Lilly retains certain rights under its license agreement with us, including the right to use the underlying technology for internal research, development and regulatory purposes. It is difficult to monitor whether Lilly limits its use of the technology to these uses, and we could incur substantial expenses to enforce our rights to our licensed technology in the event of misuse. ~~56We~~ **57We** may not be able to effectively secure first- tier technologies when competing against other companies or investors. Our future success may require that we acquire patent rights and know- how to new or complementary technologies. However, we compete with a substantial number of other companies that may also compete for technologies we desire. In addition, many venture capital firms and other institutional investors, as well as other biotechnology companies, invest in companies seeking to commercialize various types of emerging technologies. Many of these companies have greater financial, scientific and commercial resources than us. Therefore, we may not be able to secure the technologies we desire. Furthermore, should any commercial undertaking by us prove to be successful, there can be no assurance competitors with greater financial resources will not offer competitive products and / or technologies. Numerous factors may limit any potential competitive advantage provided by our intellectual property rights. The degree of future

protection afforded by our intellectual property rights, whether licensed or owned, is uncertain because intellectual property rights have limitations, and may not adequately protect our business, provide a barrier to entry against our competitors or potential competitors, or permit us to maintain our competitive advantage. Moreover, if a third party has intellectual property rights that cover the practice of our technology, we may not be able to fully exercise or extract value from our intellectual property rights. The factors that may limit any potential competitive advantage provided by our intellectual property rights include: ● pending patent applications that we may file or license may not lead to issued patents; ● patents, should they issue, that we own or license, may not provide us with any competitive advantages, or may be challenged and held invalid or unenforceable; ● others may be able to develop and / or practice technology that is similar to our technology or aspects of our technology but that is not covered by the claims of any of our owned or in- licensed patents, should any such patents issue; ● third parties may compete with us in jurisdictions where we do not pursue and obtain patent protection; ● we (or our licensor) might not have been the first to make the inventions covered by a pending patent application that we own or license; ● we (or our licensor) might not have been the first to file patent applications covering a particular invention; ● others may independently develop similar or alternative technologies without infringing our intellectual property rights; ● we may not be able to obtain and / or maintain necessary licenses on reasonable terms or at all; ● third parties may assert an ownership interest in our intellectual property and, if successful, such disputes may preclude us from exercising exclusive rights, or any rights at all, over that intellectual property; ● we may not be able to maintain the confidentiality of our trade secrets or other proprietary information; ● we may not develop or in- license additional proprietary technologies that are patentable; and ● the patents of others may have an adverse effect on our business. ● Should any of these events occur, they could significantly harm our business and results of operation. ~~57If~~ **58If** approved, our product candidates that are regulated as biologics may face competition from biosimilars or ~~interchangables~~ **interchangeables** approved through an abbreviated regulatory pathway. The ~~Biologics Price Competition and Innovation Act of 2009, or~~ BPCIA ~~,~~ was enacted as part of the ACA to establish an abbreviated pathway for the approval of biosimilar and interchangeable biological products. The regulatory pathway establishes legal authority for the FDA to review and approve biosimilar biologics, including the possible designation of a biosimilar as " interchangeable " based on its similarity to an approved biologic. Under the BPCIA, a reference biological product is granted 12 years of data exclusivity from the time of first licensure of the product, and the FDA will not accept an application for a biosimilar or interchangeable product based on the reference biological product until four years after the date of first licensure of the reference product. In addition, the approval of a biosimilar product may not be made effective by the FDA until 12 years from the date on which the reference product was first licensed. During this 12- year period of exclusivity, another company may still develop and receive approval of a competing biologic, so long as their ~~biologics license application (" BLA ")~~ does not rely on the reference product, sponsor' s data or submit the application as a biosimilar application. **Any** ~~The law is complex and is still being interpreted and implemented by the FDA. As a result, its ultimate impact, implementation, and meaning are subject to uncertainty, and any~~ new policies or processes adopted by the FDA could have a material adverse effect on the future commercial prospects for our biological products. We believe that if any of the ZB Assets is approved in the United States as a biological product under a BLA it would qualify for the 12- year period of exclusivity. However, there is a risk that this exclusivity could be shortened due to congressional action or otherwise, or that the FDA will not consider the subject product candidate to be a reference product for competing products, potentially creating the opportunity for biosimilar competition sooner than anticipated. Moreover, the extent to which a biosimilar, once approved, will be substituted for any one of the reference products in a way that is similar to traditional generic substitution for non- biological products ~~is not yet clear, and~~ will depend on a number of marketplace and regulatory factors that are still developing. The approval of a biosimilar or interchangeable of our product candidates could have a material adverse impact on our business due to increased competition and pricing pressure. Risks Related to Regulatory and Legal ComplianceThe regulatory approval processes of the FDA, EMA, and other foreign regulatory authorities are complex, time- consuming and inherently unpredictable. If we are not able to obtain, or if there are delays in obtaining, required regulatory approvals for the ZB Assets, we may not be able to commercialize, or may be delayed in commercializing, the ZB Assets, and our ability to generate revenue will be materially impaired. The process of obtaining regulatory approvals in the ~~United States~~ **U. S.** , **E. U.** ~~European Union (" EU "),~~ and other jurisdictions is complex, expensive and typically takes many years following commencement of clinical trials, if approval is obtained at all, and can vary substantially based upon a variety of factors, including the type, complexity and novelty of the product candidates involved. We cannot commercialize the ZB Assets without first obtaining regulatory approval from the FDA in the United States and comparable foreign regulatory authorities outside of the United States. Before obtaining regulatory approvals for the commercial sale of the ZB Assets, we must demonstrate through complex and expensive preclinical studies and clinical trials that the ZB Assets are both safe and effective for each targeted indication. Securing regulatory approval also requires the submission of information about the drug manufacturing process to, and inspection of manufacturing facilities by, the relevant regulatory authorities. Further, the ZB Assets may not be effective, may be only moderately effective or may prove to have undesirable or unintended side effects, toxicities or other characteristics that may preclude our obtaining marketing approval. The FDA, EMA, and comparable foreign regulatory authorities have discretion in the approval process and may refuse to accept any application or may decide that our data are insufficient for approval and require additional preclinical, clinical or other data. Any of the ZB Assets could be delayed in receiving, or fail to receive, regulatory approval for many reasons, including: the FDA, EMA, or comparable foreign regulatory authorities may disagree with the design or implementation of our clinical trials; we may be unable to demonstrate to the satisfaction of the FDA, EMA, or comparable foreign regulatory authorities that is the ZB Assets are safe and effective for their proposed indications; the results of clinical trials may not meet the level of statistical significance required by the FDA, EMA, or comparable foreign regulatory authorities for approval; serious and unexpected drug- related side effects may be experienced by participants in our clinical trials or by individuals using products similar to the ZB Assets; we may be unable to demonstrate that the clinical and other benefits of the ZB Assets outweigh their safety risks; the

FDA, EMA 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 the ZB Assets may not be acceptable or sufficient to support the submission of a BLA or other submission or to obtain regulatory approval in the United States or elsewhere, and we may be required to conduct additional clinical trials; the FDA, EMA, or the applicable foreign regulatory authority may disagree regarding the formulation, labeling and / or the specifications of the ZB Assets; the FDA, EMA, or comparable foreign regulatory authorities may fail to approve the manufacturing processes or facilities of third- party manufacturers with which we contract for clinical or commercial supplies; and the approval policies or regulations of the ~~58FDA~~ -- **FDA** , EMA, or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval. Further, the approval requirements for the ZB Assets are likely to vary by jurisdiction such that success in one jurisdiction is not necessarily predicative of success elsewhere. ~~Of~~ **59Of** the large number of products in development, only a small percentage successfully complete the FDA, EMA, 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 the ZB Assets, which would significantly harm our business, results of operations and prospects. If we were to obtain approval, regulatory authorities may approve the ZB Assets for fewer or more limited indications than we request, including failing to approve the most commercially promising indications, may grant approval contingent on the performance of costly post- marketing clinical trials, or may approve the ZB Assets with a label that does not include the labeling claims necessary or desirable for the successful commercialization of the ZB Assets. If we are not able to obtain, or if there are delays in obtaining, required regulatory approvals for the ZB Assets, we may not be able to commercialize, or may be delayed in commercializing, the ZB Assets and our ability to generate revenue could be materially impaired. We will be subject to extensive 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 the ZB Assets. Any regulatory approvals that we may receive for the ZB Assets will require the submission of reports to regulatory authorities and surveillance to monitor the safety and efficacy of the ZB Assets, may contain significant limitations related to use restrictions for specified age groups, warnings, precautions or contraindications, and may include burdensome post- approval study or risk management requirements. In addition, if the FDA, EMA, or comparable foreign regulatory authorities approve the ZB Assets, the ZB Assets and the activities associated with their respective development and commercialization, including their design, testing, manufacture, safety, efficacy, recordkeeping, labeling, storage, approval, advertising, promotion, sale, distribution, import and export will be subject to comprehensive regulation by the FDA, EMA, and comparable foreign regulatory authorities. These requirements include submissions of safety and other post- marketing information and reports, registration, as well as ongoing compliance with current good manufacturing practices (“ cGMPs ”) and GCPs for any clinical trials that we conduct following approval. In addition, manufacturers of drug products and their facilities are subject to continual review and periodic, unannounced inspections by the FDA, EMA, and other regulatory authorities for compliance with cGMPs. If we or a regulatory authority discover previously unknown problems with the ZB Assets, such as adverse events of unanticipated severity or frequency, or problems with the facilities where the ZB Assets are manufactured, a regulatory authority may impose restrictions on the ZB Assets, the manufacturing facility or us, including requiring recall or withdrawal of the ZB Assets from the market or suspension of manufacturing, restrictions on our ability to conduct clinical trials, including full or partial clinical holds on ongoing or planned trials, restrictions on the manufacturing process, warning or untitled letters, civil and criminal penalties, injunctions, product seizures, detentions or import bans, voluntary or mandatory publicity requirements and imposition of restrictions on operations, including costly new manufacturing requirements. The occurrence of any event or penalty described herein may inhibit our ability to commercialize the ZB Assets and generate revenue and could require us to expend significant time and resources to respond and could generate negative publicity. The FDA’ s, EMA’ s and other regulatory comparable authorities’ policies may change and additional government regulations may be enacted that could prevent, limit, delay, increase the cost or risks of obtaining regulatory approval of our product candidates, including if as a result new or more costly or difficult to achieve clinical trial or manufacturing quality requirements are imposed. 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 regulatory approval that we may have obtained, which would adversely affect our business, prospects and ability to achieve or sustain profitability. Due to unfavorable pricing regulations and / or third- party coverage and reimbursement policies, we may not be able to offer the ZB Assets at competitive prices which would seriously harm our business. ~~Our ability to successfully commercialize~~ **Sales of our product candidates in** the ~~ZB Assets also~~ **United States, if approved,** will depend **,** in part **,** on the extent to which ~~reimbursement~~ **such products** will be **covered by** ~~available from government health administration authorities, private health insurers and other organizations. Government authorities and other~~ third- party payors, such as ~~private~~ **government** health ~~insurers~~ **care programs, commercial insurance** and **managed** ~~health~~ **healthcare** ~~maintenance~~ organizations ~~, decide which medications they~~ **. These third- party payors are increasingly limiting coverage and / or reducing reimbursements for medical products and services. A third- party payor’ s decision to provide coverage for a drug product does not imply that an adequate reimbursement rate** will **be approved. Further, one** ~~pay~~ **payor ’ s determination to provide coverage** for **a drug product does not ensure that other payors will also provide coverage for the drug product. Coverage policies** and ~~establish~~ **third- party payor** reimbursement **rates may change at any time. In addition, the U. S. government, state legislatures and foreign governments have continued implementing cost- containment programs, including price controls, restrictions on reimbursement and requirements for substitution of generic products. Adoption of price controls and cost- containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit 60our net revenue and results. Decreases in third- party payor reimbursement or a decision by a third- party payor to not cover any of our product candidates, if approved, could have a material adverse effect on our sales, results of operations and**

financial condition. If we are unable to obtain adequate levels **of reimbursement, our ability to successfully market and sell any product candidates if approved will be harmed** . ~~59The~~ -- **The** FDA, EMA and other regulatory agencies actively enforce the laws and regulations prohibiting the promotion of off- label uses. If one or more of the ZB Assets is approved and we are found to have improperly promoted off- label uses, we may become subject to significant liability. If we cannot successfully manage the promotion of the ZB Assets, if approved, we could become subject to significant liability, which would materially adversely affect our business and financial condition. Our employees, independent contractors, consultants, commercial collaborators, principal investigators, CROs, suppliers and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements. We are exposed to the risk that our employees, independent contractors, consultants, commercial collaborators, principal investigators, CROs, suppliers and vendors acting for or on our behalf may engage in misconduct or other improper activities. We have adopted a Code of Conduct applicable to all employees of the Company, but it is not always possible to identify and deter misconduct by these parties and the precautions we take to detect and prevent this activity 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 comply with these laws or regulations. Our business operations and current and future arrangements with investigators, healthcare professionals, consultants, third- party payors, patient organizations and customers will be subject to applicable healthcare regulatory laws, which could expose us to penalties. Our business operations and current and future arrangements with investigators, healthcare professionals, consultants, third- party payors, patient organizations and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations. These laws may constrain the business or financial arrangements and relationships through which we conduct our operations, including how we research, market, sell and distribute the ZB Assets, if approved. See the section titled " Business — Government Regulation " for a more detailed description of the laws that may affect our ability to operate. Ensuring that our internal operations and future business arrangements with third parties comply with applicable healthcare laws and regulations will involve substantial costs. Healthcare providers, physicians and third- party payors play a primary role in the recommendation and prescription of any product candidates for which we obtain regulatory approval. Our future arrangements with third- party payors may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we market, sell and distribute any product candidates for which we obtain regulatory approval. The size of the potential market for the ZB Assets is difficult to estimate and, if any of our assumptions are inaccurate, the actual markets for our product candidates may be smaller than our estimates. Our current and future target patient populations are based on our beliefs and estimates regarding the incidence or prevalence of certain types of the indications that may be addressable by the ZB Assets, which is derived from a variety of sources, including scientific literature and surveys of clinics. Our estimations may prove to be incorrect and the number of potential patients may turn out to be lower than expected. The total addressable market opportunity for our product candidates will ultimately depend upon a number of factors including the diagnosis and treatment criteria included in the final label, if approved for sale in specified indications, acceptance by the medical community, patient access, the success of competing therapies and product pricing and reimbursement. Even if we obtain significant market share for our product candidates, because the potential target populations could be small, we may never achieve profitability without obtaining regulatory approval for additional indications. **61Certain current and future relationships with customers and third party payors as well as certain of our business operations may be subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws, health information privacy and information security laws and other privacy and information security laws. If we are unable to comply, or have not fully complied or are perceived to have not fully complied, with such laws, we could face significant penalties, including criminal sanctions, civil penalties, contractual damages, reputational harm and diminished profits and future earnings. Our operations may be directly, or indirectly through our relationships with customers, third party payors, healthcare providers, and others subject to various federal and state fraud and abuse laws, including, without limitation, the federal Anti- Kickback Statute and the federal False Claims Act. These laws may impact, among other things, our proposed sales, marketing and education programs. The laws and regulations that may affect our ability to operate include, but may not be limited to: ● the federal Anti- Kickback Statute, which prohibits, among other things, persons and entities from knowingly and willfully soliciting, receiving, offering or paying remuneration, directly or indirectly, to induce, or in return for, either the referral of an individual, or the purchase or recommendation of an item or service for which payment may be made under a federal healthcare program, such as the Medicare and Medicaid programs; ● federal civil and criminal false claims laws, including the 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 to the federal government, including Medicare or Medicaid, that are false or fraudulent; ● the federal Health Insurance Portability and Accountability Act of 1996 (" HIPAA"), which created additional federal criminal statutes that prohibit, among other things, executing a scheme to defraud any healthcare benefit program and making false statements relating to healthcare matters; ● HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (" HITECH") and its implementing regulations, which also imposes certain obligations, including mandatory contractual terms, with respect to safeguarding the privacy and security of individually identifiable health information of covered entities subject to the rule, such as health plans, healthcare clearinghouses and certain healthcare providers, as well as their business associates, independent contractors of a covered entity that perform certain services involving the use or disclosure of individually identifiable health information on their behalf and their subcontractors that use, disclose, access, or otherwise process individually identifiable health information, and their covered subcontractors; ● the federal Physician Payments Sunshine Act, which requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children' s Health Insurance Program, with specific**

exceptions, to report annually to the Centers for Medicare & Medicaid Services (" CMS") information related to payments or other transfers of value made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), other healthcare professionals (such as physician assistants and nurse practitioners), and teaching hospitals, and further requires applicable manufacturers and applicable group purchasing organizations to report annually to CMS ownership and investment interests held by physicians and their immediate family members; and • state and foreign law equivalents of each of the above federal laws, such as: anti- kickback and false claims laws which may apply to items or services reimbursed by any third party payor, including commercial insurers; state laws that require pharmaceutical companies to comply with the pharmaceutical industry' s voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government; state laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; state laws that require the reporting of information related to drug pricing; and state and local laws that require the registration of pharmaceutical sales representatives, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. If our operations are found to be in violation (or perceived to be in violation) of any of the laws described above or any other governmental regulations that apply to us, we may be subject to penalties, including, without limitation, litigation, significant civil, criminal and administrative penalties, damages, fines, possible exclusion from Medicare, Medicaid and other government healthcare programs, disgorgement, imprisonment, 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 or restructuring of our operations, any of which could adversely affect our ability to operate our business, including interrupting or stopping clinical trials, and our results of operations. Ensuring that our business 62arrangements with third parties comply with applicable healthcare laws and regulations, including building out a compliance program, will likely be costly. Healthcare legislative and regulatory reform discourse and potential or enacted measures may have a material adverse impact on our business and results of operations and legislative or political discussions surrounding the desire for and implementation of pricing reforms may adversely impact our business. In the United States and some foreign jurisdictions, there have been, and continue to be, several legislative and regulatory changes and proposed changes regarding healthcare systems that could prevent or delay marketing approval of product candidates, restrict or regulate post- approval activities, and affect our ability to profitably sell any product candidates for which we obtain marketing approval. ~~60Payors --~~ **Payors** , whether domestic or foreign, or governmental or private, are developing increasingly sophisticated methods of controlling healthcare costs and those methods are not always specifically adapted for new technologies. In both the United States and certain foreign jurisdictions, there have been a number of legislative and regulatory changes that could impact our ability to sell our products profitably. In particular, in 2010, the Patient Protection and ~~Affordable Care Act (" ~~ACA ~~") ~~was enacted, which, among other things, subjected biologic products to potential competition by lower- cost biosimilars; addressed a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected; increased the minimum Medicaid rebates owed by most manufacturers under the Medicaid Drug Rebate Program; extended the Medicaid Drug Rebate program to utilization of prescriptions of individuals enrolled in Medicaid managed care organizations; subjected manufacturers to new annual fees and taxes for certain branded prescription drugs; created a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer point- of- sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer' s outpatient drugs to be covered under Medicare Part D; and provided incentives to programs that increase the federal government' s comparative effectiveness research. There has been heightened governmental scrutiny recently over the manner in which drug manufacturers set prices for their marketed products, which have resulted in several U. S. presidential executive orders, Congressional inquiries, proposed and enacted federal and state legislation, and other regulatory actions designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, reform government program reimbursement methodologies for drug products, and otherwise reduce drug prices. For example, the Inflation Reduction Act of 2022 (" IRA "), among other things, (1) extends enhanced subsidies for individuals purchasing health insurance coverage through plan year 2025 in the Patient Protection and **ACA** ~~Affordable Care Act, as amended by the Health Care and Education Reconciliation Act,~~ marketplaces, (2) eliminates the " donut hole " under the Medicare Part D program beginning in 2025 by significantly lowering the beneficiary maximum out- of- pocket cost and through a newly established manufacturer discount program, (3) directs HHS to negotiate the price of certain single- source drugs ~~and biologics~~ covered under Medicare **that have been on the market for at least 7 years** and (4) imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation. ~~The~~ **These** ~~IRA~~ **provisions began to take effect progressively in fiscal year 2023. On August 15, 2024, HHS announced the agreed- upon price of the first ten drugs that were subject to price negotiations, although the Medicare Drug Price Negotiation Program is currently subject to legal challenges. On January 17, 2025, HHS selected fifteen additional products covered under Part D for price negotiation in 2025. Each year thereafter more Part B and Part D products will become subject to the Medicare Drug Price Negotiation Program. Further, on December 7, 2023,** ~~and~~ **an initiative** ~~related federal actions are likely~~ to **control the price of prescription drugs through the use of march- in rights under the Bayh- Dole Act was announced. 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 ~~a significant impact on~~ **not previously been exercised, it is uncertain if that will continue under** the ~~pharmaceutical industry~~ **new framework** . At the state level, legislatures have 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. We cannot predict what healthcare reform initiatives may be adopted in the future **, particularly in light of the recent change in administration** . We expect that these and other healthcare reform measures that may be adopted may result in more rigorous coverage criteria and in additional downward pressure on the price that we receive for any approved product. Reform measures that result in decreased physician reimbursement may adversely affect our business. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our product candidates. ~~Since~~ **63Since** its enactment, there have been numerous judicial, administrative, executive, and legislative challenges to certain aspects of the ACA. It is unclear how other healthcare reform measures of the ~~Biden~~ **current U. S. federal government administration** or future administrations or other efforts, if any, to amend or challenge the ACA, will impact our business **. There have been judicial and Congressional challenges and amendments to certain aspects of the ACA. For example, on August 16, 2022, the IRA was signed into law, which among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in ACA 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 by creating a new manufacturer discount program. It is possible that the ACA will be subject to judicial or Congressional challenges in the future. It is unclear how such challenges and healthcare reform measures of the current U. S. federal government administration will impact the ACA** . Other legislative changes have been proposed and adopted ~~in the United States~~ since the ACA was enacted. **These changes include aggregate reductions to Medicare payments to providers of 2 % per fiscal year pursuant to the Budget Control Act of 2011, which began in 2013 and, due to subsequent legislative amendments to the statute, including the Infrastructure Investment and Jobs Act, will remain in effect until 2032 unless additional Congressional action is taken.** Additionally, **on March 11, 2021,** ~~there has been increasing legislative and enforcement interest in~~ **the American Rescue Plan Act of 2021 was signed into law, which eliminates** the **statutory Medicaid** ~~United States with respect to specialty~~ drug **rebate cap** ~~pricing practices. Specifically~~ , **previously set at 100 % of a** ~~there have been several recent U. S. Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to~~ drug ~~pricing, reduce the cost of prescription drugs under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. 61At a federal level, President Biden signed an Executive Order on July 9, 2021 affirming the administration~~ ' s **average manufacturer** ~~policy to (i) support legislative reforms that would lower the prices~~ **price** ~~of prescription drug and biologics~~ , **for single source** ~~including by allowing Medicare to negotiate drug prices, by imposing inflation caps,~~ and **innovator multiple source** ~~, by supporting the development and market entry of lower- cost generic~~ drugs ~~and biosimilars; and (ii) support the enactment of a public health insurance option. Among other things~~ , ~~the Executive Order also directs the U. S. Department of Health and Human Services (" HHS ") to provide a report on actions to combat excessive pricing of prescription drugs, enhance the domestic drug supply chain, reduce the price that the Federal government pays for drugs, and address price gouging in the industry; and directs the FDA to work with states and Indian Tribes that propose to develop section 804 Importation Programs in accordance with the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, and the FDA' s implementing regulations. The FDA released such implementing regulations on September 24, 2020, which went into effect on November 30, 2020, providing guidance for states to build and submit importation plans for drugs from Canada. On September 25, 2020, the HHS' s Centers for Medicare & Medicaid Services (" CMS ") stated that drugs imported by states under this rule will not be eligible for federal rebates under Section 1927 of the Social Security Act and manufacturers would not report these drugs for " best price " or Average Manufacturer Price purposes. Since these drugs are not considered covered outpatient drugs, CMS further stated it will not publish a National Average Drug Acquisition Cost for these drugs. If implemented, importation of drugs from Canada may materially and adversely affect the price we receive for any of our product candidates. Further, on November 20, 2020, CMS issued an Interim Final Rule implementing the Most Favored Nation, or MFN, Model under which Medicare Part B reimbursement rates would have been calculated for certain drugs and biologicals based on the lowest price drug manufacturers receive in Organization for Economic Cooperation and Development (" OECD ") countries with a similar gross domestic product per capita. However, the MFN rule was immediately challenged in federal courts and on August 6, 2021 CMS announced a proposed rule to rescind it. Additionally, on December 2, 2020, HHS published a regulation removing safe harbor protection for price reductions from pharmaceutical manufacturers to plan sponsors under Part D, either directly or through pharmacy benefit managers, unless the price reduction is required by law. The rule also creates a new safe harbor for price reductions reflected at the point- of- sale, as well as a safe harbor for certain fixed fee arrangements between pharmacy benefit managers and manufacturers. On November 30, 2020, HHS published a regulation removing safe harbor protection for price reductions from pharmaceutical manufacturers to plan sponsors under Part D, either directly or through pharmacy benefit managers, unless the price reduction is required by law. The rule also creates a new safe harbor for price reductions reflected at the point- of- sale, as well as a safe harbor for certain fixed fee arrangements between pharmacy benefit managers and manufacturers. In response to litigation, the Biden administration agreed to delay the~~ effective ~~date of the rule until~~ January 1, ~~2023~~ **2024** ~~. Further, implementation of these changes and new safe harbors for point- of- sale reductions in price for prescription pharmaceutical products and pharmacy benefit manager service fees are currently under review by the Biden administration and may be amended or repealed. Although a number of these and other proposed measures may require authorization through additional legislation to become effective, and the Biden administration may reverse or otherwise change these measures, both the Biden administration and Congress have indicated that it will continue to seek new legislative measures to control drug costs. The effect of these legislative and executive activities on~~

~~our business model and operations is currently unclear~~ . At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical 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. If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on the success of our business. We and our external partners are subject to complex environmental, health and safety laws and regulations, including those governing laboratory procedures, the handling, use, storage, treatment and disposal of hazardous materials and wastes, and the rehabilitation of contaminated sites. Our operations, including those performed by our external partners, may involve the use of hazardous and flammable materials, including chemicals and biological and radioactive materials. In addition, we and / or our external partners may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or commercialization efforts. Failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions. ~~62We~~ **We** are subject to laws and regulations related to privacy, data protection, information security and consumer protection across different markets where we conduct our business. Our actual or perceived failure to comply with such obligations could harm our business. We are subject to laws and regulations related to, among other things, privacy, data protection, information security and consumer protection across different markets where we conduct our business. Such laws and regulations are constantly evolving and changing and are likely to remain uncertain for the foreseeable future. Our actual or perceived failure to comply with such obligations could have an adverse effect on our business, operating results and financial operations. Complying with these numerous, complex, and often changing regulations is expensive and difficult, and failure to comply with any privacy laws or data security laws or any security incident or breach involving the potential or actual misappropriation, loss or other unauthorized processing, use or disclosure of sensitive or confidential patient, consumer or other personal information, whether by us, one of our collaborators or another third party, could adversely affect our business, financial condition, and results of operations, including but not limited to investigation costs, material fines and penalties, compensatory, special, punitive, and statutory damages, litigation, consent orders regarding our privacy and security practices, requirements that we provide notices, credit monitoring services, and / or credit restoration services or other relevant services to impacted individuals, adverse actions against our licenses to do business, reputational damage and injunctive relief. European data collection is also governed by restrictive regulations governing the use, processing and cross- border transfer of personal information. The collection, use, storage, disclosure, transfer, or other processing of personal data regarding individuals in Europe, including personal health data, is subject to the ~~EU~~ **E. U.** General Data Protection Regulation (“ GDPR ”) **and similar requirements in the United Kingdom (“ UK GDPR ”) (hereinafter the GDPR and UK GDPR are collectively referred to as “ GDPR ”)** , which ~~imposes~~ **impose** strict requirements for processing the personal data of individuals within the ~~European Economic Area (the “~~ EEA ~~”)~~ , such as Norway, Iceland ~~and~~ **,** Liechtenstein **and the United Kingdom** . The GDPR is directly applicable in each ~~EU~~ **E. U.** member state and is extended to the EEA **, while the UK GDPR applies 64to the United Kingdom of Great Britain and Northern Ireland** . The GDPR is wide- ranging in scope and imposes numerous requirements on companies that process personal data, including requirements relating to processing health and other sensitive data, obtaining consent of the individuals to whom the personal data relates, providing information to individuals regarding data processing activities, implementing safeguards to protect the security and confidentiality of personal data, providing notification of data breaches, and taking certain measures when engaging third- party processors. The GDPR implements more stringent operational requirements than its predecessor legislation. Compliance with the GDPR will be a rigorous and time- intensive process that may increase our cost of doing business or require us to change our business practices, and despite those efforts, there is a risk that we may be subject to fines and penalties, litigation, and reputational harm in connection with our European activities. For example, the GDPR applies extraterritorially, requires us to make more detailed disclosures to data subjects, requires disclosure of the legal basis on which we can process personal data, makes it harder for us to obtain valid consent for collecting and processing personal data (including data from clinical trials), requires the appointment of data protection officers, such as when sensitive personal data, such as health data, is processed on a large scale, provides more robust rights for data subjects, including far reaching information rights and the right to erasure, introduces mandatory data breach notification through the ~~EU~~ **E. U.** , imposes additional obligations on us when contracting with service providers and requires us to adopt appropriate privacy governance, including policies, procedures, training, and data audit. The GDPR provides that ~~EU~~ **E. U.** member states and EEA countries may establish their own laws and regulations that go beyond the GDPR in certain areas, such as regarding the mandatory appointment of data protection officers or further limiting the processing of personal data, including genetic, biometric, or health data, which could limit our ability to use and share personal data or could cause our costs to increase. Among other requirements, the GDPR regulates transfers of personal data subject to the GDPR to third countries that have not been found to provide adequate protection to such personal data, including the United States **. In particular** , ~~and~~ the ~~efficacy~~ **EEA** and ~~longevity of current~~ **the UK have significantly restricted the** transfer **of personal data to** ~~mechanisms between the EU and~~ the United States ~~remains uncertain~~ **and other countries whose privacy laws it generally believes are inadequate** . **Other jurisdictions may adopt** ~~For~~ **or** ~~example~~ **have already adopted similarly stringent data localization and cross- border data transfer laws. In the ordinary course of business** , ~~in 2016,~~ **we transfer personal data from Europe and** ~~the~~ **other** ~~EU and~~ **jurisdictions to** the United States ~~agreed~~ **or other countries. Europe and other jurisdictions have enacted laws requiring data** to ~~a~~ **be localized or limiting the** transfer ~~framework for~~ **of personal** data **to other countries. Although there are currently various mechanisms that may be used to** ~~transferred~~ --- **transfer personal data** from the ~~EU~~ **EEA and UK** to the United States **in compliance with law** , **such** ~~called the Privacy Shield, but the Privacy Shield was~~ **as** ~~invalidated in July 2020 by~~ the **EEA** ~~Court of Justice of the European Union (“ CJEU ”). While the CJEU upheld the adequacy of the~~ standard contractual clauses **, the UK’ s International Data**

Transfer Agreement / Addendum, and the EU- U. S. Data Privacy Framework and the UK extension thereto (~~a standard~~ **which allows** ~~form~~ - **for** ~~of contract approved by the European Commission as~~ **transfers to relevant U. S.- based organizations who self- certify compliance** ~~an~~ **and** ~~adequate~~ **participate in the Framework), these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer** personal data **to the United States. If there is no lawful manner for us to** transfer **personal** ~~mechanism, and potential alternative to the Privacy Shield), it made clear that reliance on them alone may not necessarily be sufficient in all circumstances. Use of the standard contractual clauses must now be assessed on a case- by- case basis taking into account the legal regime applicable in the destination country, in particular applicable surveillance laws and rights of individuals and additional measures and / or contractual provisions may need to be put in place, however, the nature of these additional measures is currently uncertain. After Brexit the United Kingdom is also a third country from an EU perspective, but the EU Commission adopted adequacy decisions for the United Kingdom on June 28, 2021 largely permitting the free flow of~~ data from the ~~EU~~ **EEA, the UK or other jurisdictions** to the United **States** ~~Kingdom. However~~ , **or if the requirements** for ~~the first time, the adequacy decisions include~~ a ~~so~~ **legally** - **compliant transfer are too onerous** ~~called " sunset clause " and~~ , ~~therefore~~ **we could face significant adverse consequences** , ~~will automatically expire~~ **including the interruption or degradation of** ~~four~~ - **our** ~~years after~~ **operations, the need to relocate part of or all of our business or data processing activities to** ~~their~~ - **other** ~~entry into force~~ **jurisdictions (such as Europe) at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business** . ~~63We~~ **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. We** cannot assure you that our third- party service providers with access to our or our customers', suppliers', trial patients' and employees' personally identifiable and other sensitive or confidential information will not breach contractual obligations imposed by us, or that they will not experience data security breaches or attempts thereof, which could have a corresponding effect on our business, including putting us in breach of our obligations under privacy laws and regulations and / or which could in turn adversely affect our business, results of operations, and financial condition. We cannot assure you that our contractual measures and our own privacy and security- related safeguards will protect us from the risks associated with the third- party processing, use, storage, and transmission of such information. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, and prospects. ~~We do not have a compliance program in place consistent with Federal agencies' guidances on corporate compliance programs. We have not established a formal compliance function with the independence and resources that Federal regulators would expect of established corporate compliance programs. We are in the process of developing policies and procedures for compliance training, auditing, and monitoring activities. We have not established a dedicated Chief Compliance Officer. Accordingly, risks associated with regulatory schemes described herein may arise undetected and unmitigated by corporate leadership. Furthermore, any potential enforcement action for regulatory violations might result in compliance obligations in addition to fines, penalties, or administrative actions (e. g., U. S. Department of Justice monitorships or U. S. Department of Health and Human Services, Office of Inspector General Corporate Integrity Agreements).~~ Risks Related to Our Business Operations, Employee Matters, and Managing GrowthWe are dependent on our key personnel and anticipate hiring ~~new~~ **additional** key personnel. If we are not successful in attracting and retaining qualified personnel, including consultants, we may not be able to successfully implement our business strategy. Our ability to compete in the highly competitive biotechnology and pharmaceutical industries depends upon our ability to attract and retain qualified managerial, scientific and medical personnel. We are dependent on our managerial, scientific and medical personnel, including our Chief Executive Officer, Chief Operating Officer, Chief Medical Officer, Chief Financial Officer and Chief ~~Scientific~~ **Technology** Officer. If we do not succeed in attracting and retaining qualified personnel, it could materially adversely affect our business, financial condition and results of operations. We could in the future have difficulty attracting and retaining experienced personnel and may be required to expend significant financial resources in our employee recruitment and retention efforts. We have relied upon and ~~plan~~ **65plan** to continue to rely upon third parties, including consultants, to act in management roles for the Company. While we have agreements with such third parties, we do not have the same ability to influence their time commitment to the Company as we would if they were employees. Furthermore, we are dependent on our ability to attract, hire, relocate and retain qualified managerial, scientific and medical personnel from various jurisdictions. Therefore, immigration requirements may have a significant influence on our human resources planning. Immigration applications can take several months or more to be finalized. If we are unable to complete the requisite visa applications, either as a result of changing requirements or otherwise, our ability to successfully implement our business strategy could suffer, which could have a material adverse effect on our business, financial condition, results of operations and prospects. We rely on third parties, including consultants, independent clinical investigators and CROs to conduct and sponsor some of the clinical trials of our product candidates. Any failure by a third party to meet its obligations with respect to the clinical development of our product candidates may delay or impair our ability to obtain regulatory approval for our product candidates. We have relied upon and plan to continue to rely upon third parties, including independent clinical investigators, academic partners, medical institutions, regulatory affairs consultants and third- party CROs, to conduct our preclinical studies and clinical trials, including in some instances sponsoring such clinical trials, and to engage with regulatory authorities and monitor and manage data for our ongoing preclinical and clinical programs. While we have, or will have, agreements governing the activities of such third parties, we will control only certain aspects of their activities and have limited influence over their actual performance. Any of these third parties may terminate their engagements with us under certain circumstances. We may not be able to enter into alternative arrangements or do so on commercially reasonable terms. In addition, there is a natural transition period when a new contract research organization begins work. As a result, delays would likely occur, which could negatively impact our ability to meet our

expected clinical development timelines and harm our business, financial condition and prospects. ~~64We~~ **We** remain responsible for ensuring that each of our preclinical studies and clinical trials is conducted in accordance with the applicable protocol and legal, regulatory and scientific standards, and our reliance on these third parties does not relieve us of our regulatory responsibilities. We and our third- party contractors and CROs are required to comply with GCP requirements, which are regulations and guidelines enforced by the FDA, the Competent Authorities of the Member States of the EEA and other regulatory authorities for all of our products in clinical development. Regulatory authorities enforce these GCP requirements through periodic inspections of trial sponsors, principal investigators and trial sites. If we fail to exercise adequate oversight over any of our academic partners or CROs or if we or any of our academic partners or CROs do not successfully carry out their contractual duties or obligations, fail to meet expected deadlines, 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 any other reasons, the clinical data generated in our clinical trials may be deemed unreliable and the FDA, the EMA or other regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that upon a regulatory inspection of us, our academic partners or our CROs or other third parties performing services in connection with our clinical trials, such regulatory authority will determine that any of our clinical trials complies with GCP regulations. In addition, our clinical trials must be conducted with product produced under applicable cGMP regulations. Our failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process. Furthermore, the third parties conducting clinical trials on our behalf are not our employees, and except for remedies available to us under our agreements with such contractors, we cannot control whether or not they devote sufficient time, skill and resources to our ongoing development programs. These contractors 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 impede their ability to devote appropriate time to our clinical programs. If these third parties, including clinical investigators, do not successfully carry out their contractual duties, meet expected deadlines or conduct our clinical trials in accordance with regulatory requirements or our stated protocols, we may not be able to obtain, or may be delayed in obtaining, marketing approvals for our product candidates. If that occurs, we will not be able to, or may be delayed in our efforts to, successfully commercialize our product candidates. In addition, with respect to investigator- sponsored trials that may be conducted, we do not control the design or conduct of these trials, and it is possible that the FDA or EMA will not view these investigator- sponsored trials as providing adequate support for future clinical trials or market approval, whether controlled by us or third parties, for any one or more reasons, including elements of the design or execution of the trials or safety concerns or other trial results. We expect that such arrangements will provide us certain information rights with respect to the investigator- sponsored trials, including the ability to obtain a license to obtain access to use and reference the data, including for our own regulatory submissions, resulting from the investigator- sponsored trials. However, we do not have control over the timing and reporting of the data from investigator- sponsored trials, nor do we own the data from the investigator- sponsored trials. If we are unable to confirm or replicate the results from the investigator- sponsored trials or if negative results are ~~obtained~~ **66obtained** , we would likely be further delayed or prevented from advancing further clinical development. Further, if investigators or institutions breach their obligations with respect to the clinical development of our product candidates, or if the data proves to be inadequate compared to the firsthand knowledge we might have gained had the investigator- sponsored trials been sponsored and conducted by us, then our ability to design and conduct any future clinical trials ourselves may be adversely affected. Additionally, the FDA or EMA may disagree with the sufficiency of our right of reference to the preclinical, manufacturing or clinical data generated by these investigator- sponsored trials, or our interpretation of preclinical, manufacturing or clinical data from these investigator- sponsored trials. If so, the FDA or EMA may require us to obtain and submit additional preclinical, manufacturing, or clinical data. In order to successfully implement our plans and strategies, we will need to grow the size of our organization and we may experience difficulties in managing this growth. We expect to experience significant growth in the number of our employees and / or number of consultants as well as the scope of our operations, particularly in the areas of drug development, clinical operations, regulatory affairs and, potentially, others. To manage our anticipated future growth, we must continue to implement and develop our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional qualified personnel. Due to our limited financial resources and the limited experience of our management team in managing a company with such anticipated growth, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. ~~65Our~~ -- **Our** internal computer systems, or those of any of ~~our~~ **the third parties with whom we work (including** CROs, manufacturers, other contractors or consultants or potential future collaborators, may fail or suffer security or data privacy breaches or other unauthorized or improper access to, use of, or destruction of our proprietary or confidential data, employee data or personal data, which could result in additional costs, loss of revenue, significant liabilities, harm to our brand and material disruption of our operations. Despite the implementation of security measures in an effort to protect systems that store our information, given their size and complexity and the increasing amounts of information maintained on our internal information technology systems and those of ~~our~~ **the** third- ~~party~~ **parties with whom we work, such as** CROs, other contractors (including sites performing our clinical trials) and consultants, these systems are potentially vulnerable to breakdown or other damage or interruption from service interruptions, system malfunction, natural disasters, terrorism, war and telecommunication and electrical failures, as well as security breaches from inadvertent or intentional actions by our employees, contractors, consultants, business partners and / or other third parties, or from cyber- attacks by malicious third parties **(including traditional computer " hackers, " threat actors, " hacktivists, " organized criminal threat actors, sophisticated nation states, and nation- state supported actors)** , which may compromise our system infrastructure or lead to the loss, destruction, alteration or dissemination of, or damage to, our data **. Such cyber- attacks may include, but are not limited to, social- engineering attacks (including through deep fakes, which are increasingly more difficult to identify as fake, and phishing attacks), malicious code (such as viruses and worms), malware (including as a**

result of advanced persistent threat intrusions), denial- of- service attacks, credential stuffing attacks, credential harvesting, ransomware attacks, supply- chain attacks, software bugs, server malfunctions, software or hardware failures, loss of data or other information technology assets, adware, 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, ability to provide our products or services, 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. We rely on third parties to operate critical business systems to process sensitive information in a variety of contexts. 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. If the third parties with whom we work experience a security incident or other interruption, we could experience adverse consequences. While we may be entitled to damages if the third 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 that of the third parties with whom we work have not been compromised . To the extent that any disruption or security breach were to result in a loss, destruction, unavailability, alteration or dissemination of, or damage to, our data or applications, or for it to be believed or reported that any of these occurred, we could incur liability and reputational damage and the development and commercialization of the ZB Assets could be delayed **.. For example, we have been the target of unsuccessful phishing attempts in the past, and expect such attempts will continue in the future. A security incident or other interruption could disrupt our ability (and that of third parties with whom we work) to provide our services. 67Our 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** . Further, our insurance policies may not be adequate to compensate us for the potential losses arising from any such disruption in, or failure or security breach of, our systems or third- party systems where information important to our business operations or commercial development is stored **. In addition to experiencing a security incident, third parties may gather, collect, or infer sensitive information about us from public sources, data brokers, or other means that reveals competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position. Applicable data privacy and security obligations may require us, or we may voluntarily choose, to notify relevant stakeholders, including affected individuals, customers, regulators, and investors, of security incidents, or to take other actions, such as providing credit monitoring and identity theft protection services. Such disclosures 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 (or a third party with whom we work) experience a security incident or are perceived to have experienced a security incident, we may experience material adverse consequences, such as government enforcement actions (for example, investigations, fines, penalties, audits, and inspections); additional reporting requirements and / or oversight; restrictions on processing sensitive information (including personal data); litigation (including class claims); indemnification obligations; negative publicity; reputational harm; monetary fund diversions; diversion of management attention; interruptions in our operations (including availability of data); financial loss; and other similar harms** . We currently rely, and plan to rely in the future, on third parties to conduct and support our preclinical studies and clinical trials. If these third parties do not properly and successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval of or commercialize the ZB Assets. We plan to utilize and depend upon independent investigators and collaborators, such as medical institutions, CROs, CDMOs and strategic partners, to conduct and support our preclinical studies and clinical trials under agreements with us. We will rely heavily on these third parties over the course of our preclinical studies and clinical trials, and we control only certain aspects of their activities. As a result, we will have less direct control over the conduct, timing and completion of these preclinical studies and clinical trials and the management of data developed through preclinical studies and clinical trials than would be the case if we were relying entirely upon our own staff. Nevertheless, we are responsible for ensuring that each of our studies and trials is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards, and our reliance on these third parties does not relieve us of our regulatory responsibilities. We and our third- party contractors and CROs are required to comply with GCP regulations, which are regulations and guidelines enforced by the FDA and comparable foreign regulatory authorities for product candidates in clinical development. If we or any of these third parties fail to comply with applicable GCP regulations, the clinical data generated in our clinical trials may be deemed unreliable and the FDA, EMA, or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials comply with GCP regulations, even if responsibilities have been outlined in agreements with external partners, such as CROs. In addition, our clinical trials must be conducted with product produced under cGMP regulations. Our failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process. Moreover, our business may be implicated if any of these third parties violates federal or state fraud and abuse or false claims laws and regulations or healthcare privacy and security laws. Any third parties conducting our clinical trials will not be our employees and, except for remedies available to us under our agreements with such third parties, we cannot control whether they devote sufficient time and resources to the ZB Assets. These third parties may also have relationships with other commercial entities, including our competitors, for whom they may also be conducting clinical trials or other product development activities, which could affect their performance on our behalf. If these third parties 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, delayed or terminated and we may not be able to complete development of, obtain regulatory approval of or successfully commercialize the ZB Assets. ~~66We~~ **68We** intend to rely on third parties to manufacture the ZB Assets. There can be no assurance that we will successfully negotiate future agreements with third- party manufacturers for the ZB Assets on acceptable terms or at all. Our business could be adversely affected if the third- party manufacturers are unable to produce the ZB Assets, fail to provide us with sufficient quantities of the ZB Assets or fail to do so at acceptable quality levels or prices. We do not currently own or operate any facility that may be used to manufacture the ZB Assets (including any drug substance or finished drug product) and must rely on CDMOs to produce them for us. We have not yet validated the commercial scale and may not be able to do so for the ZB Assets for approval. For tibulizumab, we do not currently own any cGMP compliant drug product and will not be able to conduct any clinical trials until we do. There can be no assurance that we will successfully negotiate agreements with CDMOs to manufacture future ZB Assets on acceptable terms or at all. We have not participated in the manufacturing process of, and are completely dependent on, our contract manufacturing partners for manufacture of the ZB Assets and for compliance with cGMP requirements and any other regulatory requirements of the FDA or other regulatory authorities for the manufacture of the ZB Assets. If our partners do not successfully carry out their contractual duties, meet expected deadlines, or manufacture the ZB Assets in accordance with regulatory requirements, or if there are disagreements between us and our CDMO, we will not be able to complete, or may be delayed in completing, the clinical trials required to support approval of the ZB Assets or the FDA, EMA or other regulatory agencies may refuse to accept our clinical or preclinical data. If the FDA, EMA, or a comparable foreign regulatory authority does not approve these facilities for the manufacture of the ZB Assets or if it withdraws any approval in the future, we may need to find alternative manufacturing facilities, which would require the incurrence of significant additional costs and materially and adversely affect our ability to develop, obtain regulatory approval for or market the ZB Assets, if approved. Similarly, our failure, or the failure of our CDMOs, to comply with applicable regulations could result in sanctions being imposed on us, including fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of the ZB Assets, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of the ZB Assets and harm our business and results of operations. Moreover, if any CDMO on which we will rely are unable to produce the ZB Assets at all, or fail to manufacture quantities of the ZB Assets at quality levels necessary to meet our clinical requirements, or regulatory requirements at a scale sufficient to meet anticipated demand, and at a cost that allows us to continue development and to achieve profitability, our business, financial condition and prospects could be materially and adversely affected. Our business could be similarly affected by business disruptions to our third- party providers with potential impacts on our future revenue and financial condition and our costs and expenses. If any CDMOs we contract with are unable to meet our timelines or cost and quantity demands, we may need to find additional CDMOs and negotiate new manufacturing agreements. We may also incur substantial fees if we contract with a CDMO to access a cell- line and may incur substantial fees if we ultimately decide not to use that cell- line or that CDMO for the manufacturing of the ZB Assets and need to obtain resources elsewhere. Each of these risks could delay or prevent the commencement as well as the completion of our clinical trials or the approval of the ZB Assets by the FDA, including by causing us to have to rerun clinical studies, which would result in higher costs and could adversely impact the commercialization of the ZB Assets. In addition, some third party CDMOs have intellectual property, such as patents and / or know- how for which they require an annual fee, milestones and / or royalties. These financial obligations increase the overall cost of goods and can reduce profitability or reduce the valuation of the product. We have such agreements in place, and may need additional agreements in the future. We may, in the future, form or seek collaborations or strategic alliances or enter into licensing arrangements, and we may not realize the benefits of such collaborations, alliances or licensing arrangements. We may, in the future, form or seek strategic alliances, create joint ventures or collaborations, or enter into licensing arrangements with third parties that we believe will complement or augment our development and commercialization efforts with respect to the ZB Assets and / or the Company more broadly. Any of these relationships may require us to increase our near and long- term expenditures, issue securities that dilute our existing shareholders or disrupt our management and business. ~~67In~~ **69In** addition, we face significant competition in seeking appropriate strategic partners and the negotiation process is time- consuming and complex. Moreover, we may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our product candidates because they may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view our product candidates as having the requisite potential to demonstrate safety and efficacy and obtain marketing approval. Further, collaborations involving our product candidates are subject to numerous risks, which may include the following: ● collaborators have significant discretion in determining the efforts and resources that they will apply to a collaboration; ● collaborators may not pursue development and commercialization of our product candidates or may elect not to continue or renew development or commercialization of our product candidates based on clinical trial 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 may delay clinical trials, provide insufficient funding for a clinical trial, stop a clinical trial, abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing; ● collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our product candidates; ● a collaborator with marketing and distribution rights to one or more products may not commit sufficient resources to their marketing and distribution; ● collaborators may not properly protect our intellectual property or proprietary information 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 cause the delay or termination of the research, development or commercialization of our product candidates, or that result 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 product candidate; and ● collaborators may own or co- own intellectual property covering our product candidates that results from our collaborating with them, and in such cases, we would not have the exclusive right to such intellectual property or may require a license from the collaborator for such intellectual property in order to commercialize the product candidate and / or discourage generic competition. As a result, if we enter into future collaboration agreements and strategic partnerships or license our product candidates, 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, which could delay our timelines or otherwise adversely affect our business. We also cannot be certain that, following a strategic transaction or license, we will achieve the revenue or specific net income that justifies such transaction. Furthermore, if conflicts arise between our future corporate or academic collaborators or strategic partners and us, the other party may act in a manner adverse to us and could limit our ability to implement our strategies. Any delays in entering into future collaborations or strategic partnership agreements related to our product candidates could delay the development and commercialization of our product candidates in certain geographies for certain indications, which would harm our business prospects, financial condition and results of operations. ~~68The~~ **70The** increasing use of social media platforms presents new risks and challenges. Social media is increasingly being used to communicate about our clinical development programs and the diseases our therapeutics are being developed to treat, and we intend to utilize appropriate social media in connection with our commercialization efforts following approval of our product candidates, if any. Social media practices in the biotechnology and biopharmaceutical industry continue to evolve and regulations and regulatory guidance relating to such use are evolving and not always clear. This evolution creates uncertainty and risk of noncompliance with regulations applicable to our business, resulting in potential regulatory actions against us, along with the potential for litigation related to off- label marketing or other prohibited activities and heightened scrutiny by the FDA, the SEC and other regulators. For example, patients may use social media channels to comment on their experience in an ongoing blinded clinical trial or to report an alleged adverse event. If such disclosures occur, there is a risk that trial enrollment may be adversely impacted, that we may fail to monitor and comply with applicable adverse event reporting obligations or that we may not be able to defend our business or the public' s legitimate interests in the face of the political and market pressures generated by social media due to restrictions on what we may say about our product candidates. There is also a risk of inappropriate disclosure of sensitive information or negative or inaccurate posts or comments about us on any social networking website. In addition, we may encounter attacks on social media regarding our company, management, product candidate or products. If any of these events were to occur or we otherwise fail to comply with applicable regulations, we could incur liability, face regulatory actions or incur other harm to our business. Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud. As a public company, we are subject to the periodic reporting requirements of the Exchange Act. We designed our disclosure controls and procedures to reasonably assure that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures or internal controls and procedures, no matter how well- conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision- making can be faulty, and that breakdowns can occur because of simple error or mistake. For example, we could fail to recognize actual or potential conflicts arising from the relationship or arrangement that our directors or executive officers have with another company. Our directors or executive officers could inadvertently fail to disclose a new relationship or arrangement causing us to fail to make a required related party transaction disclosure. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected. We may identify material weaknesses in our internal control over financial reporting in the future or fail to maintain an effective system of internal control over financial reporting, which may result in material misstatements of our consolidated financial statements or cause us to fail to meet periodic reporting obligations. As a public company, ~~Zura is~~ **we are** required to comply with SEC rules that implement Section 404 of the Sarbanes- Oxley Act and make an ongoing, formal assessment of the effectiveness of our internal controls over financial reporting. We cannot assure you that the measures we have taken to date, and actions we may take in the future, will prevent or avoid control deficiencies that could lead to material weaknesses in our internal control over financial reporting in the future. Our current controls, and any new controls that we develop, may become inadequate because of changes in conditions in our business. Further, deficiencies in our disclosure controls and internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. We have performed a formal evaluation of our internal control over financial reporting under the supervision and with the participation of management, including our principal executive officer and principal financial officer, as required by Section 404 of the Sarbanes- Oxley Act. We have not engaged an independent registered public accounting firm to perform an audit of our internal control over financial reporting as of any balance sheet date or for any period reported in our financial statements. We **are** ~~will be~~ required to evaluate and disclose changes made in our internal controls and procedures on a quarterly basis. Failure to comply with the Sarbanes- Oxley Act could potentially subject us to sanctions or investigations by the SEC, the applicable stock exchange or other regulatory authorities, which would require additional financial and management resources. ~~69If~~ **71If** we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired, which may adversely affect investor confidence in Zura and, as a result, the market price of our ordinary shares. As a public company, we are required to comply with the requirements of the Sarbanes- Oxley Act of 2002, or the Sarbanes- Oxley Act, including, among

other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We continue to develop and refine our disclosure controls and other procedures that are designed to ensure that information we are required to disclose in the reports that we will file with the SEC are recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the ~~Securities~~ Exchange Act ~~of 1934, as amended, or the Exchange Act~~ , is accumulated and communicated to our management, including our principal executive and financial officers. **In order** ~~We must continue~~ to **maintain and** improve **the effectiveness of** our **disclosure controls and procedures and** internal control over financial reporting **, we have expended, and anticipate that we will continue to expend, significant resources, including dedicated to internal resources** . We ~~are currently required~~ **may also need** to ~~make~~ **engage outside consultants and adopt** a ~~formal~~ **detailed work plan to** ~~assessment~~ ~~----~~ **assess** ~~of~~ **and document** the ~~effectiveness~~ **adequacy** of our internal control over financial reporting. **If any of** ~~To achieve compliance with~~ these **new** ~~requirements within the prescribed time period, we will be engaging in a process to document and evaluate our~~ ~~-~~ **or improved** ~~internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of our internal control over financial reporting, validate through testing that~~ controls ~~are functioning~~ **and systems do not perform** as **expected, we may experience material weaknesses in our** ~~documented and implement a continuous reporting and improvement process for internal control~~ **controls** ~~over financial reporting. There is a risk that we will not be able to conclude, within the prescribed time period or at all, that our internal control over financial reporting is effective as required by Section 404 of the Sarbanes- Oxley Act~~ . Moreover, our testing, or the subsequent testing by our independent registered public accounting firm, may reveal additional deficiencies in our internal control over financial reporting that are deemed to be material weaknesses. Any failure to implement and maintain effective disclosure controls and procedures and internal control over financial reporting, including the identification of one or more material weaknesses, could cause investors to lose confidence in the accuracy and completeness of our financial statements and reports, which would likely adversely affect the market price of our ordinary shares. In addition, we could be subject to sanctions or investigations by the stock exchange on which our ordinary shares are listed, the SEC and other regulatory authorities. Increasing regulatory focus on privacy and security issues and expanding laws and regulatory requirements could impact our business models and expose us to increased liability. We are subject to global data protection, privacy and security laws, regulations and codes of conduct that relate to our business activities, which may include sensitive, confidential, and personal information. These laws, regulations and codes are inconsistent across jurisdictions and are subject to evolving and differing (sometimes conflicting) interpretations. Government officials and regulators, privacy advocates and class action attorneys are increasingly scrutinizing how companies collect, process, use, store, share and transmit personal data. This scrutiny can result in new and shifting interpretations of existing laws, thereby further impacting our business. For example, the ~~General Data Protection Regulation (“~~ GDPR ~~”)~~ in the European Economic Area, and the United Kingdom continues to be interpreted by European and ~~UK~~ **U. K.** courts in novel ways leading to shifting requirements, country specific differences in application and uncertain enforcement priorities **. Under the GDPR, companies face temporary or definitive bans on data processing 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** . More recently enacted laws **globally** ~~, such as the Personal Information Protection Law in China~~ , and new and emerging state laws in the United States on privacy, data and related technologies, such as the California Consumer Privacy Act **(“ CCPA ”)** , the California Privacy Rights Act, the Colorado Privacy Act and the Virginia Consumer Data Protection Act, as well as industry self- regulatory codes and regulatory requirements, create new privacy and security compliance obligations and expand the scope of potential liability, either jointly or severally with our customers and suppliers **. For example, the CCPA applies to personal data of consumers, business representatives, and employees who are California residents, and requires businesses to provide specific disclosures in privacy notices and honor requests of such individuals to exercise certain privacy rights. The CCPA provides for fines and allows private litigants affected by certain data breaches to recover significant statutory damages** . As a security example, pursuant to the U. S. Securities and Exchange Commission’ s Rules on Cybersecurity Risk Management, Strategy, Governance, and Incident Disclosure we are required to make certain disclosures related to material cybersecurity incidents and the reasonably likely impact of such an incident on Form 8- K and will be required to make certain other cybersecurity disclosures on Form 10- K. Determining whether a cybersecurity incident is notifiable or reportable may not be straightforward and any such mandatory disclosures could be costly and lead to negative publicity, loss of customer confidence in the effectiveness of our security measures, diversion of management’ s attention and governmental investigations. **We publish privacy policies and other statements, such as statements related to compliance with certain certifications or self- regulatory principles, concerning data privacy, and security. 72Regulators in the United States are increasingly scrutinizing these statements, and if these policies, materials 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.** ~~70While~~ ~~--~~ **While** we ~~have invested~~ **made certain investments** in readiness to comply with applicable requirements, the dynamic and evolving nature of these laws, regulations and codes, as well as their interpretation by regulators and courts, may affect our ability to implement our business models effectively and to adequately address disclosure requirements. These laws, regulations and codes may also impact our innovation and business drivers and may force us to bear the burden of more obligations. Perception of our practices, products, services or solutions, even if unfounded, as a violation of individual privacy, data protection rights or cybersecurity requirements, subjects us to public criticism, lawsuits **(including class- action claims), government enforcement actions (e. g., fines, penalties, audits, inspections** , investigations **, audits), additional reporting requirements and / or oversight, bans or restrictions on**

processing personal data (including clinical trial data), orders to destroy or not use personal data (including clinical trial data) , claims and other proceedings by regulators, industry groups or other third parties, all of which could disrupt or adversely impact our business and reputation and expose us to increased liability, fines and other punitive measures including **interruptions or stoppages in our business operations (including clinical trials), inability to process personal data in certain jurisdictions,** prohibition on sales of our products, services or solutions, restrictive judicial orders and disgorgement of data. We face substantial competition, which may result in others discovering, developing, licensing or commercializing products before or more successfully than we do. We face substantial competition from major pharmaceutical companies and biotechnology companies worldwide. Many of our competitors have significantly greater financial, technical and human resources. Smaller and early- stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. As a result, our competitors may discover, develop, license or commercialize products before or more successfully than we do. Furthermore, pharmaceutical companies that develop and / or market products for the indications we are pursuing are likely to represent substantial competition. These include companies actively developing and / or marketing IL- 7R inhibitors (such as Q32 Bio Inc. and OSE Immunotherapeutics SA); as well as TSLPR inhibitors (such as Upstream Bio, Inc.), IL- 33 inhibitors (such as Regeneron / Sanofi and AstraZeneca), ST2 inhibitors (such as Roche / Genentech), IL- 17A inhibitors (such as MoonLake, Novartis, and Acelryin), and BAFF inhibitors (such as GSK). The above mechanisms may be of potential therapeutic use in one or more of the indications we plan to pursue in the Phase 2 program. If the ZB Assets do not offer sustainable advantages over competing products, we may otherwise not be able to successfully compete against current and future competitors. Our competitors may obtain regulatory approval of their products more rapidly than we may or may obtain patent protection or other intellectual property rights that limit our ability to develop or commercialize the ZB Assets. Our competitors may also develop drugs that are more effective, more convenient, more widely used or less costly or have a better safety profile than the ZB Assets and these competitors may also be more successful than us in manufacturing and marketing their products. Furthermore, we also face competition more broadly across the market for existing cost- effective and reimbursable treatments for T- cell and B- cell mediated diseases, autoimmune diseases, and inflammatory diseases. The ZB Assets, if approved, may compete with these existing drug and other therapies but may not be competitive with them in price. We expect that if the ZB Assets are approved, they will be priced at a significant premium over generic, including branded generic, products. As a result, obtaining market acceptance of, and gaining significant share of the market for the ZB Assets will pose challenges. Public health crises such as pandemics or similar outbreaks have affected and could continue to seriously and adversely affect our preclinical studies and anticipated clinical trials, business, financial condition and results of operations. As a result of pandemics, related " shelter in place " orders and other public health guidance measures, we may experience disruptions that could seriously harm our business. Potential disruptions include but are not limited to: delays or difficulties in enrolling patients in, initiating or expanding our clinical trials, including delays or difficulties with clinical site initiation and recruiting clinical site investigators and clinical site staff; increased rates of patients withdrawing from our clinical trials following enrollment as a result of contracting ~~COVID- 19 or other~~ health conditions or being forced to quarantine; interruption of key clinical trial activities, such as clinical trial site data monitoring and efficacy, safety and translational data collection, processing and analyses, due to limitations on travel imposed; recommendations by federal, state or local governments, employers and others or interruptions of clinical trial subject visits, which may impact the collection and integrity of subject data and clinical trial endpoints; diversion of healthcare resources away from the conduct of clinical trials, including the diversion of hospitals serving as our clinical trial sites and hospital staff supporting the conduct of our ~~clinical~~ **73clinical** trials; delays or disruptions in preclinical experiments and IND- enabling studies due to restrictions of on-site staff and unforeseen circumstances at CROs and vendors; interruption or delays in the operations of the FDA, EMA, and comparable foreign regulatory authorities including delays in receiving approval from local regulatory authorities to initiate our planned clinical trials; interruption of, or delays in receiving, supplies of the ZB Assets due to staffing shortages, raw materials shortages, production slowdowns or stoppages and disruptions in delivery systems; and limitations on employee or other resources that would otherwise be focused on the conduct of our clinical trials and preclinical work, including because of sickness of employees or their families, the desire of employees to avoid travel or contact with large groups of people, an increased reliance on working from home, school closures or mass transit disruptions. ~~71Pandemics~~ **Pandemics** and other public health guided measures may also affect the ability of the FDA, EMA, and other regulatory authorities to perform routine functions. If global health concerns prevent the FDA, EMA, or other regulatory authorities from conducting their regular inspections, reviews or other regulatory activities, it could significantly impact the ability of the FDA, EMA, or other regulatory authorities to timely review and process our regulatory submissions, which could have a material adverse effect on our business. The extent to which pandemics evolve may affect our clinical trials, business, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted, such as the duration of the pandemic, new or continued travel restrictions and actions to contain the outbreak or treat its impact, such as social distancing and quarantines or lock- downs, business closures or business disruptions. Future developments in these and other areas present material uncertainty and risk with respect to our clinical trials, business, financial condition and results of operations. Pandemics and other similar disruptions may also have the effect of heightening many of the other risks described in this " Risk Factors " section. Our business, operations, financial position, and clinical development plans and timelines could be materially adversely affected by international conflict. Our financial position and operations may be materially and adversely affected by international conflicts, including military action (e. g., in Ukraine and Israel) and economic sanctions imposed by certain governments. These conflicts may impact our ability to carry out clinical development activities in certain countries or regions. As our ability to continue to operate will be dependent on raising debt and equity finance, any adverse impact to those markets as a result of international conflict, including due to increased market volatility, decreased availability in third- party financing and / or a deterioration in the terms on which it is available (if at all), could negatively impact our business, operations or

financial position. The extent of any potential impact is not yet determinable, however. Third- party manufacturers in other countries may be subject to U. S. legislation or investigations, including the proposed BIOSECURE Act, sanctions, trade restrictions, and other foreign regulatory requirements, which could increase the cost or reduce the supply of material available to us, delay the procurement or supply of such material, delay or impact clinical trials, and could adversely affect our financial condition and business prospects. **For example, the current U. S. federal government administration has recently proposed tariffs on certain U. S. imports, and China and other countries have responded with and / or threatened retaliatory tariffs on certain U. S. exports.** We ~~currently rely~~ **cannot predict what effects these tariffs and potential additional tariffs will have** on **our business, including in the context of escalating trade tensions. However, these tariffs and other trade restrictions could increase our operating costs, reduce our gross margins or otherwise negatively impact our financial results.** WuXi Biologics (~~Shanghai~~ **WuXi, PRC**) ~~as~~ **has** ~~the~~ **historically been our** sole supplier of torudokimab. ~~Accordingly~~ **We have moved our existing product from WuXi to the U. K. When we require additional product** , **we may find a new manufacturing facility for torudokimab.** ~~there~~ **There** is a risk that supplies of torudokimab may be significantly delayed by, or may become unavailable as a result of **finding a new** ~~manufacturing~~ **manufacturer** , ~~equipment, process, regulatory,~~ or business- related issues affecting ~~that company~~ **WuXi Biologics, including manufacturing, equipment, process or regulatory issues** . ~~We~~ **If we continue to have product manufactured at WuXi Biologics, we** may also face additional manufacturing and supply- chain risks due to the regulatory and political structure of the PRC, or as a result of the international relationship with the PRC, including but not limited to ~~potential~~ sanctions **and tariffs** imposed by the U. S. government on WuXi. Although currently there has been no impact on our ability to obtain supply of torudokimab, ~~and we are developing risk mitigation plans to strengthen our supply chain by moving certain activities outside of WuXi Biologies' Chinese facilities,~~ there can be no assurance that operations would not be impacted in the future with a negative impact on the supply of, or use of, torudokimab. ~~Risks~~ **74Risks** Related to Ownership of Our Class A Ordinary SharesThe market price of our securities may be volatile and may decline in the future. Since the consummation of the Business Combination, the market value of our securities has fluctuated. Future fluctuations in the price of our securities could contribute to the loss of all or part of a shareholder' s investment. The market prices for securities of biotechnology and pharmaceutical companies have historically been highly volatile, and the market has from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. If an active market for our securities continues, the market price of our ordinary shares may fluctuate significantly in response to numerous factors, some of which are beyond our control, such as: ● our ability to commercialize the ZB Assets, if approved; ● the status and cost of our marketing commitments for the ZB Assets; ● announcements regarding results of any clinical trials relating to our product candidates; ~~72~~ ● unanticipated serious safety concerns related to the use of the ZB Assets; ● adverse regulatory decisions; ● changes in laws or regulations applicable to the ZB Assets, including but not limited to clinical trial requirements for approvals; ● legal disputes or other developments relating to proprietary rights, including patents, litigation matters and our ability to obtain patent protection for the ZB Assets, government investigations and the results of any proceedings or lawsuits, including, but not limited to, patent or shareholder litigation; ● our decision to initiate a clinical trial, not initiate a clinical trial or to terminate an existing clinical trial; ● our dependence on third parties; ● announcements of the introduction of new products by our competitors; ● market conditions and trends in the pharmaceutical and biotechnology sectors; ● announcements concerning product development results or intellectual property rights of others; ● future issuances of ordinary shares or other securities; ● the recruitment or departure of key personnel; ● failure to meet or exceed any financial guidance or expectations regarding product development milestones that we may provide to the public; ● actual or anticipated variations in quarterly operating results; ● our failure to meet or exceed the estimates and projections of the investment community; ● overall performance of the equity markets and other factors that may be unrelated to our operating performance or the operating performance of our competitors, including changes in market valuations of similar companies; ● announcements of significant acquisitions, strategic partnerships, joint ventures or capital commitments by us or our competitors; **75** ● changes in financial estimates by us or by any securities analysts who might cover our shares; ● fluctuation of the market values of any of our potential strategic investments; ● issuances of debt or equity securities; ● compliance with our contractual obligations **;** ● sales of Zura Class A Ordinary Shares by us or our shareholders in the future; ● trading volume of Zura Class A Ordinary Shares; ● ineffectiveness of our internal controls; ● publication of research reports about us or our industry or positive or negative recommendations or withdrawal of research coverage by securities analysts; ~~73~~ ● general political and economic conditions; ● effects of natural or man- made catastrophic events; ● effects of public health crises, pandemics and epidemics; and ● other events or factors, many of which are beyond our control. Further, the equity markets in general have recently experienced extreme price and volume fluctuations. Continued market fluctuations could result in extreme volatility in the price of Zura Class A Ordinary Shares, which could cause a decline in the value of ~~our~~ **Zura Class A** ~~ordinary~~ **Ordinary** ~~shares~~ **Shares** . Price volatility of Zura Class A Ordinary Shares might worsen if the trading volume ~~oftsour~~ **of Zura Class A** ~~ordinary~~ **Ordinary** ~~shares~~ **Shares** is low. In the past, shareholders have initiated class action lawsuits against pharmaceutical and biotechnology companies following periods of volatility in the market prices of these companies' share. Such litigation, if instituted against Zura, could cause it to incur substantial costs and divert management' s attention and resources ~~fromour~~ **from our** business. The realization of any of the above risks or any of a broad range of other risks, including those described in these " Risk Factors, " could have a dramatic and material adverse impact on the market price of Zura Class A Ordinary Shares. We have not paid cash dividends in the past and we ~~does~~ **do** not expect to pay cash dividends in the foreseeable future. Any return on investment may be limited to the capital appreciation, if any, of Zura Class A Ordinary ~~Share~~ **Shares** . We have not paid cash dividends on our **Class A** ~~ordinary~~ **Ordinary** ~~shares~~ **Shares** and we ~~does~~ **do** not anticipate paying cash dividends on our **Class A** ~~ordinary~~ **Ordinary** ~~shares~~ **Shares** in the foreseeable future. The payment of dividends on our ~~capital~~ shares will depend on **our ability to comply with relevant legal requirements as well as** our earnings, financial condition and other business and economic factors affecting us at such time as the **Zura** ~~board~~ **Board** ~~of~~

~~directors~~ may consider relevant. Since we do not intend to pay dividends, a shareholder' s ability to receive a return on such shareholder' s investment will depend on any future appreciation in the market value of our **Class A** ~~ordinary~~ **Ordinary** ~~shares~~ **Shares** . There is no guarantee that Zura Class A Ordinary Shares will appreciate or even maintain the price at which our shareholders have purchased it. Future sales **and /** ~~of a substantial number of Zura Class A Ordinary Shares may cause the price of our~~ **or** ~~ordinary shares to decline. If~~ **issuances of our securities could result in additional dilution of the percentage ownership of** our existing shareholders ~~sell, or indicate an intention to sell, substantial amounts of the Zura Class A Ordinary Shares, the trading price of the Zura Class A Ordinary Shares could decline and it could impair our ability to raise capital through the sale of additional equity securities. The Zura shareholders and certain directors and equity holders of JATT, including the Sponsor, are subject to lock- up provisions that restrict their ability to transfer Zura Class A Ordinary Shares or any security convertible into or exercisable or exchanged for Zura Class A Ordinary Shares until 6 months, 12 months and 24 months, as applicable, from the Effective Time, subject to certain exceptions. Sales and issuances of our Class A Ordinary Shares and future exercise of warrants or registration rights, could result in additional dilution of the percentage ownership of our shareholders~~ and could cause our share price to fall. If we **or any of our existing shareholders** sell our Class A Ordinary Shares, 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 shareholders, and new investors could gain rights, preferences, and privileges senior to existing holders of our **securities** ~~Class A Ordinary Shares~~ . Sales of a substantial number ~~of shares~~ of our Class A Ordinary Shares in the public market, including the resale of the Class A Ordinary Shares held by our shareholders, could occur at any time. These sales, or the perception in the market that the holders of a large number of Class A Ordinary Shares intend to sell shares, could reduce the market price of our Class A Ordinary Shares. ~~Of the 43, 593, 678 Class A Ordinary Shares outstanding as of March 26, 2024, an aggregate of 4, 162, 969 shares are currently subject to various restrictions on transfer until March 20, 2025. These shares will become eligible for public sale on March 21, 2025.~~ Pursuant to our Amended and Restated Registration and ~~Stockholder~~ **Shareholder** Rights Agreement, dated March 20, 2023, by and among us and the shareholders party thereto (the " **A & R** Registration ~~Rights~~ **76Rights** Agreement "), certain shareholders are entitled to have a registration statement kept effective for a prolonged period of time such that registered resales of their Class A Ordinary Shares can be made. ~~74Pursuant~~ -- **Pursuant** to our obligations under the **A & R** Registration Rights Agreement, we ~~have~~ filed a **resale shelf** registration statement, which the SEC declared effective on September 14, 2023, ~~to include 30~~ **as amended (the " Resale Registration Statement ")** , **covering the resale of up to an aggregate of** ~~251~~ **21** , ~~124~~ **248, 364** Class A Ordinary Shares, ~~5~~ **3** , ~~910~~ **782** , 000 **2023 Pre- Funded** ~~warrants~~ **Warrants (as defined herein)** ~~to purchase our Class A Ordinary Shares,~~ and ~~16~~ **3** , ~~591~~ **782** , ~~996~~ **000** Class A Ordinary Shares issuable upon **the** exercise of **the 2023 Pre- Funded** ~~warrants~~ **Warrants** . ~~After it is effective and until~~ **Until** such time that it is no longer effective, the **Resale** ~~registration~~ **Registration** ~~statement~~ **Statement** ~~registering such securities will permit~~ **permits** the resale of these shares **for a significant period of time, the precise duration of which cannot be predicted** . The resale, or expected or potential resale, of a substantial number of shares of our Class A Ordinary Shares in the public market could adversely affect the market price for our Class A Ordinary Shares and make it more difficult for you to sell your holdings at times and prices that you determine are appropriate ~~. Furthermore, we expect that, because there is a large number of shares being registered pursuant to the registration statement initially filed with the SEC on June 14, 2023 and declared effective on September 14, 2023, the Selling Securityholders thereunder will continue to offer the securities covered thereby for a significant period of time, the precise duration of which cannot be predicted~~ . Accordingly, the adverse market and price pressures resulting from an offering pursuant to the registration statement may continue for an extended period of time. In addition, **we currently have on file with the SEC a shelf registration statement on Form S- 3 which allows us to offer and sell our ordinary shares, preference shares, debt securities, warrants and** ~~our~~ **or units from time to time pursuant to one or more offerings at prices and terms to be determined at the time of sale. In September 2024, we entered into a Sales Agreement (the " Sales Agreement ") with Leerink Partners (" Leerink "), pursuant to which, from time to time, we may offer and sell through Leerink up to $ 125. 0 million of Zura** Class A Ordinary Shares ~~is also subject~~ **registered under the shelf registration statement pursuant** to ~~potential dilution~~ **one or more " at the market " offerings.** ~~from~~ **From time to time** ~~the exercise of warrants and stock options~~ , ~~the issuance of~~ **we have issued and sold Zura** Class A Ordinary Shares pursuant to **this agreement** ~~the vesting of restricted stock units,~~ and ~~issuance~~ **as** of **the date of this filing, we have $ 114. 0 million of Zura** Class A Ordinary Shares **remaining available** ~~in connection with future equity and or for sale under the convertible debt financings.~~ Sales **Agreement. Sales** of **Zura** ~~substantial numbers of such shares in the public market, including the resale of the~~ Class A Ordinary Shares ~~held by our shareholders,~~ **under the Sales Agreement with Leerink** could ~~adversely affect the market price of~~ **be subject to business, economic** ~~our~~ **or competitive uncertainties and contingencies, many of which may be beyond our control, and which could cause actual results from the sale of Zura** Class A Ordinary Shares ~~,~~ **to differ materially from expectations. To** the ~~impact of which~~ **extent additional capital** is ~~increased~~ **raised through the sale and issuance of shares or other securities convertible into shares, the ownership interest of our shareholders will be diluted. Future issuances of Zura Class A Ordinary Shares or other equity securities, or the perception that such sales may occur, could adversely affect the trading price of Zura Class A Ordinary Shares and impair our ability to raise capital through future offerings of shares or equity securities. No prediction can be made** as **to** the ~~value~~ **effect, if any, that future sales** of **Zura Class A Ordinary Shares** ~~our~~ **or** ~~stock~~ **the availability of Zura Class A Ordinary Shares for future sales will have on the trading** price ~~increases~~ **of our shares** . If certain holders of our Class A Ordinary Shares sell a significant portion of their securities, it may negatively impact the market price of the shares of our Class A Ordinary Shares and such holders still may receive significant proceeds. As of the date of this ~~annual~~ **Annual** ~~report~~ **Report** ~~on Form 10- K~~ , the market price of our Class A Ordinary Shares is below $ 10. 00 per share, which was the price per unit sold in the initial public offering of our predecessor, JATT, and the per- share price of the 2, 009, 950 JATT Class A Ordinary Shares it sold to certain investors in connection with our Business Combination in a private placement for an aggregate amount of $ 20,

099, 500 (the " PIPE Financing "). However, certain of our shareholders who hold shares of our Class A Ordinary Shares that were (i) originally purchased by JATT' s sponsor, JATT Ventures, L. P, in a private placement prior to JATT' s initial public offering at an effective purchase price of $ 0. 007 per share (the " Founder Shares ") or (ii) originally issued by JATT in a private placement in connection with certain forward purchase agreement and backstop arrangement (the " FPA Shares ") between JATT and certain investors at an effective purchase price of $ 6. 32, may nonetheless be inclined to sell such Founder Shares or FPA Shares as they were originally purchased at an effective price significantly less than $ 10. 00 per share. The currently outstanding 3, 450, 000 Founder Shares were purchased at an effective price of $ 0. 007 per share. Holders of the FPA Shares obtained (i) an aggregate of 3, 000, 000 Class A Ordinary Shares at **a** purchase price of $ 10 **. 00** per share for $ 30, 000, 000; an aggregate of 1, 301, 633 Class A Ordinary Shares at purchase price of $ 10. 00 per share for $ 13, 016, 330 as public share redemptions were greater than 90 % at the time of the Business Combination (backstop redemption); and (iii) an additional 2, 500, 000 Class A Ordinary Shares at no additional cost in consideration for the holders entering into the latest amendment to the forward purchase agreements JATT and the holders entered into on August 5, 2021, as amended and restated on January 27, 2022 and as amended on March 8, 2023, resulting in an effective purchase price for the currently outstanding 6, 801, 633 FPA Shares of approximately $ 6. 32 per share. Accordingly, holders of the Founder Shares and FPA Shares could sell their securities at a per- share price that is less than $ 10. 00 and still realize a significant profit from the sale of those securities that could not be realized by our other shareholders. The public securityholders may not experience a similar rate of return on the securities they purchase due to differences in the purchase prices and the current trading price. ~~The~~ **77The** Founder Shares are currently subject to restrictions on transfer under applicable lock- up agreements; however, these restrictions are due to expire on March 20, 2025, resulting in these shares becoming eligible for public sale on March 21, 2025 **pursuant to the Resale Registration Statement** , if ~~they are registered under the~~ **then** ~~Securities Act~~ **in effect** , or if they qualify for an exemption from registration under the Securities Act. ~~Pursuant to our Registration Rights Agreement, certain of our stockholders, including holders of the Founder Shares, were entitled to registration rights with the securities being registered pursuant to the registration statement initially filed with the SEC on June 14, 2023 and declared effective on September 14, 2023.~~ Our operating results **have and** may **continue to** fluctuate significantly. We expect our operating results to be subject to quarterly, and possibly annual, fluctuations. Our net loss and other operating results will be affected by numerous factors, including: ● variations in the level of expenses related to our development programs; ● the addition or termination of clinical trials; ~~75~~ ● any intellectual property infringement lawsuit in which we may become involved; ● regulatory developments affecting the ZB Assets, regulatory approvals, and the level of underlying demand for such products and purchasing patterns; and ● our execution of any collaborative, licensing or similar arrangements, and the timing of payments we may make or receive under these arrangements. If our quarterly or annual operating results fall below the expectations of investors or securities analysts, the price of our ordinary shares could decline substantially. Furthermore, any quarterly or annual fluctuations in our operating results may, in turn, cause the price of our ordinary shares to fluctuate substantially. If securities or industry analysts do not publish research or reports about our business, or if they issue an adverse opinion regarding our share, our share price and trading volume could decline. The trading market for Zura Class A Ordinary Shares will be influenced by the research and reports that industry or securities analysts publish about us or our business. We do not currently have and may never obtain research coverage by securities and industry analysts. Since we became public through a merger, securities analysts of major brokerage firms may not provide coverage of us since there is no incentive to brokerage firms to recommend the purchase of our ordinary shares. If no or few securities or industry analysts commence coverage of us, the trading price for our shares would be negatively impacted. In the event we obtain securities or industry analyst coverage, if any of the analysts who cover it issues an adverse opinion regarding us, our business model, our intellectual property or our share performance, or if our clinical trials and operating results fail to meet the expectations of analysts, our share price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our share price or trading volume to decline. Raising additional capital may cause dilution to our existing shareholders, restrict our operations or require it to relinquish rights to the ZB Assets. We may issue additional equity securities to fund future expansion and pursuant to equity incentive or employee benefit plans. It may also issue additional equity for other purposes. These securities may have the same rights as Zura Class A Ordinary Shares or, alternatively, may have dividend, liquidation or other preferences to Zura Class A Ordinary Shares. The issuance of additional equity securities will dilute the holdings of existing shareholders and may reduce the share price of Zura Class A Ordinary Shares. Pursuant to the **EIP** ~~Equity Incentive Plan~~ , which became effective the day prior to the Closing, we are authorized to grant equity awards to our employees, directors and consultants. In addition, pursuant to the **2023 Employee Stock Purchase Plan (" ESPP ")** , which ~~will become~~ **became** effective the day prior to the Closing, ~~We~~ **we** are authorized to sell shares to our employees. ~~A~~ **As of December 31, 2024, a** total of 9, 594, 213 and 4, 029, 898 Zura Class A Ordinary Shares have been reserved for future issuance under the **EIP** ~~Equity Incentive Plan~~ and the ESPP, respectively. In addition, the ~~Equity Incentive Plan~~ **EIP and ESPP** ~~provides~~ **provide** for annual automatic increases in the number of shares reserved thereunder **on January 1st of each year** , ~~beginning~~ **unless our board of directors, or the appropriate committee thereof, elects not to increase the number of shares underlying the EIP and ESPP each year. Accordingly,** on January 1, ~~2024~~ **2025 , the shares reserved for future issuances under each of the EIP and ESPP were increased by 3, 264, 877 shares** . As a result of such annual increases, our shareholders may experience additional dilution, which could cause the price of Zura Class A Ordinary Shares to fall. ~~If~~ **78If** we raise additional funds through collaboration, licensing or other similar arrangements, we may have to relinquish valuable rights to the ZB Assets, or grant licenses on terms unfavorable to us. If adequate funds are not available, our ability to achieve profitability or to respond to competitive pressures would be significantly limited and we may be required to delay, significantly curtail or eliminate the development of the product candidates. **If** ~~Our principal shareholders, directors and executive officers own a significant percentage of our capital shares, and have significant influence over our management. Our directors, executive officers, holders~~

~~of 5 % or more of our capital shares and their respective affiliates beneficially own, in the aggregate, approximately 99. 4 % of our issued and outstanding voting shares. This concentration of voting power may make it less likely that any other holder of Zura Class A Ordinary Shares will be able to affect the way we are managed and could delay or prevent an acquisition on terms that other shareholders may desire. This could prevent transactions in which shareholders might otherwise recover a premium for their shares over current market prices. See above for additional information regarding our influence and control. See " Security Ownership of Certain Principal Shareholders " for information regarding the ownership of our outstanding shares by our directors, executive officers, and current beneficial owners of 5 % or more of our voting securities and their respective affiliates. 76If~~ our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our operating results could fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our **Class A** ~~ordinary~~ **Ordinary** ~~shares~~ **Shares** . The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in our financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. If our assumptions change or if actual circumstances differ from our assumptions, our operating results may be adversely affected and could fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of Zura Class A Ordinary Shares. Anti- takeover provisions in the MAA and under Cayman Islands law could make an acquisition, which may be beneficial to our shareholders, more difficult and may prevent attempts by our shareholders to replace or remove our current management. The MAA and the Cayman Islands Companies Act contain provisions that could make it more difficult for a third party to acquire us, even if doing so might be beneficial to our shareholders. Among other things, these provisions: ● allow the Zura Board to authorize the issuance of ~~undesignated~~ preference shares, the terms of which may be established and the shares of which may be issued without shareholder approval, and which may include ~~supermajority voting~~ **such preferred** , **deferred** ~~special approval, dividend,~~ or other rights or ~~preferences superior~~ **restrictions, whether in regard** to **voting, dividends or** ~~the~~ **other distributions, return of capital or other** rights ~~of other shareholders~~ ; ● provide that directors may only be removed (a) for cause by the vote of a majority of the other directors then in office or (b) by the affirmative vote of holders of at least ~~662 / 3 % in~~ **two- thirds of the total** voting power of all the then- outstanding Zura Class A Ordinary Shares entitled to vote thereon, voting together as a single class; ● prohibit shareholder action by written resolution; ● provide that extraordinary general meetings may only be called by or at the direction of (a) the Chairman of the Zura Board, the Zura Board or the Chief Executive Officer or (b) members holding not less than 10 % in par value of the issued shares which as at the date of the requisition for a meeting carry the right to vote at general meetings; ● provide that any alteration, amendment or repeal, in whole or in part, of any provision of the MAA by our shareholders will require the affirmative vote of the holders of at least ~~662 / 3 % in~~ **two- thirds of the total** voting power of all the then- outstanding shares of the Zura Class A Ordinary Shares entitled to vote thereon, voting together as a single class; and ● establish advance notice requirements for ~~nominations for elections~~ **appointment of directors** to the Zura Board and for proposing matters that can be acted upon by shareholders at ~~shareholder~~ **general** meetings. These anti- takeover provisions and other provisions in the MAA and Cayman Islands law could make it more difficult for shareholders or potential acquirors to obtain control of the Zura Board or initiate actions that are opposed by our then- current board of directors and could also delay or impede a merger, tender offer or proxy contest involving us. The existence of these provisions could negatively affect the price of our Class A Ordinary Shares and limit opportunities for a shareholder to realize value in a corporate transaction. ~~For information regarding these and other provisions, see the section titled " Description of Zura Securities. "~~ In addition, if prospective takeovers are not consummated for any reason, we may experience negative reactions from the financial markets, including negative impacts on the price of our Class A Ordinary Shares. ~~77The~~ **79The** MAA designate the Cayman Islands as the exclusive forum for certain litigation that may be initiated by our shareholders and the federal district courts of the United States as the exclusive forum for litigation arising under the Securities Act, which could limit our shareholders' ability to obtain a favorable judicial forum for disputes with us. Pursuant to the MAA, unless we contest in writing to the selection of an alternative forum, the Courts of the Cayman Islands and any appellate court therefrom, will, to the fullest extent permitted by law, be the sole and exclusive forum for any claim or dispute arising out of or in connection with the MAA or otherwise relating to each shareholder' s shareholding in Zura, including but not limited to (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers or other employees to us or our shareholders; (iii) any action asserting a claim ~~against~~ arising pursuant to any provision of the Cayman Islands Companies Act, or the MAA; (iv) any action asserting a claim against us governed by the " internal affairs doctrine, " (as such concept is recognized under the laws of the United States of America); provided that, for the avoidance of doubt, the foregoing forum selection provision will not apply to claims arising under the Securities Act, the Exchange Act or any other claim for which the federal district courts are, as a matter of the laws of the United States, the sole and exclusive forum for determination of such a claim. The forum selection provisions in the MAA may have the effect of discouraging lawsuits against our directors and officers. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings and there is uncertainty as to whether a court would enforce such provisions. In addition, investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. If the enforceability of our forum selection provisions were to be challenged, it may incur additional costs associated with resolving such challenge. While we currently has no basis to expect any such challenge would be successful, if a court were to find its forum selection provisions to be inapplicable or unenforceable with respect to one or more of these specified types of actions or proceedings, we may incur additional costs associated with having to litigate in other jurisdictions, which could result in a diversion of the time and resources of our employees, management and **Zura** ~~board~~ **Board**

~~of directors~~, and could have an adverse effect on our business, financial condition and results of operations. We are an emerging growth company, and it cannot be certain if the reduced reporting requirements applicable to emerging growth companies will make our **securities** ~~ordinary shares~~ 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 exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act, reduced disclosure obligations regarding executive compensation in periodic reports and proxy statements and exemptions from the requirements of holding nonbinding advisory shareholder votes on executive compensation and shareholder approval of any golden parachute payments not previously approved. We cannot predict if investors will find our ordinary shares less attractive because we may rely on these exemptions. If some investors find Zura Class A Ordinary Shares less attractive as a result, there may be a less active trading market for Zura Class A Ordinary Shares and our share price may be more volatile. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the closing of the IPO, (b) in which it has total annual gross revenue of at least $ 1. ~~07~~ **235** billion, or (c) in which it is deemed to be a large accelerated filer, which requires the market value of our ordinary shares that is held by non- affiliates to exceed $ 700 million as of the last business day of the second fiscal quarter of such year, and (2) the date on which we have issued more than $ 1 billion in non- convertible debt during the prior 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 irrevocably elected not to avail itself of this exemption from new or revised accounting standards and, therefore, will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. As a result, changes in rules of U. S. generally accepted accounting principles or their interpretation, the adoption of new guidance or the application of existing guidance to changes in our business could significantly affect our business, financial condition and results of operations. Additionally, we are a " smaller reporting company " as defined in Item 10 (f) (1) of Regulation S- K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. ~~78We~~ **80We have and** will **continue to** incur increased costs as a result of operating as a public company, and our management will devote substantial time to related compliance initiatives. As a public company, we **have and** will **continue to** incur significant legal, accounting and other expenses that Legacy Zura did not incur as a private company, and these expenses may increase even more after it is no longer an " emerging growth company. " we are subject to the reporting requirements of the Exchange Act, the Sarbanes- Oxley Act, the Dodd- Frank Wall Street Reform and Consumer Protection Act (the " Dodd- Frank Act "), as well as rules and regulations adopted, and to be adopted, by the SEC and Nasdaq. Our management and other personnel will need to **continue to** devote a substantial amount of time to these compliance initiatives. Moreover, we expect these rules and regulations to substantially increase legal and financial compliance costs and to make some activities more time- consuming and costly, which will increase operating expenses. For example, we expect these rules and regulations to make it more difficult and more expensive to obtain directors' and officers' liability insurance and we may be required to incur substantial costs to maintain sufficient coverage. We cannot predict or estimate the amount or timing of additional costs it may incur to respond to these requirements. The impact of these requirements could also make it more difficult to attract and retain qualified persons to serve on the Zura Board, Zura Board committees or as executive officers. Advocacy efforts by shareholders and third parties may also prompt additional changes in governance and reporting requirements, which could further increase costs. In addition, we are implementing an enterprise resource planning (" ERP ") system. The ERP system is intended to combine and streamline the management of our financial, accounting, human resources, sales and marketing and other functions, enabling it to manage operations and track performance more effectively. Any disruptions or difficulties in implementing or using the ERP system could adversely affect our controls and harm our business, financial condition and results of operations, including our ability to forecast and collect receivables. Moreover, such disruption or difficulties could result in unanticipated costs and diversion of management attention. As a public company, we are required to incur additional costs and obligations in order to comply with SEC rules that implement Section 404 of the Sarbanes- Oxley Act. Under these rules, we are required to make a formal assessment of the effectiveness of our internal control over financial reporting. To achieve compliance with Section 404 within the prescribed period, we are engaging in a process to document and evaluate internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of our internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are designed and operating effectively, and implement a continuous reporting and improvement process for internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation to meet the detailed standards under the rules. During the course of testing, our management may identify material weaknesses or deficiencies which may not be remedied in time to meet the deadline imposed by the Sarbanes- Oxley Act. See above for additional information regarding a previously identified material weakness. These reporting and other obligations place significant demands on our management and administrative and operational resources, including accounting resources. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of

our management' s time and attention from revenue- generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and there could be a material adverse effect on our business, financial condition and results of operations. ~~Our~~ **A** failure to meet Nasdaq' s continued listing requirements could result in a delisting of ordinary shares. In order to continue to maintain the listing of our securities on Nasdaq, we **are** ~~will be~~ required to demonstrate ongoing compliance with Nasdaq' s continued listing requirements. If we fail to satisfy Nasdaq' s continued listing requirements, such as the minimum number of round- lot shareholders, the minimum dollar value of the public float, the total minimum capital, the corporate governance requirements or the minimum closing bid price requirement, Nasdaq may or take steps to delist Zura Class A Ordinary Shares. We cannot assure you that we will be able to meet all continued listing requirements. ~~79In~~ **81In** the event of a delisting, we can provide no assurance that any action taken to restore compliance with listing requirements would allow our ordinary shares to become listed again, stabilize the market price or improve the liquidity of our ordinary shares, prevent our ordinary shares from dropping below the Nasdaq minimum bid price requirement or prevent future non- compliance with Nasdaq' s listing requirements. ~~The Warrants may never be in the money, and therefore we may not receive cash proceeds from the exercise of warrants. The terms of the Warrants may be amended -- outstanding Warrants approve of such amendment. The Warrants were issued in registered form under the Warrant Agreement between Continental, as warrant agent, and JATT. The Warrant Agreement provides that the terms of the Warrants to cure any ambiguity or correct any defective provision or correct any mistake, but requires the approval by the holders of a majority of the then- outstanding Warrants to make any change that adversely affects the interests of the registered holders of Warrants. Accordingly, we may amend the terms of the Warrants in a manner adverse to a holder if holders of a majority of the then- outstanding Warrants approve of such amendment. Although our ability to amend the terms of the Warrants with the consent of majority of the then- outstanding Warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the Warrants, convert the Warrants into cash, shorten the exercise period, or~~ **We believe that we were a PFIC for U. S. federal income tax purposes for** ~~they -~~ **the taxable year** ~~may expire worthless and therefore we may not receive cash proceeds from the exercise of warrants. The terms of the Warrants may be amended --~~ **ended December 31, 2024, which could result** in ~~a manner~~ adverse **U. S. federal income tax consequences** to ~~a holder if~~ **U. S. holders Holders . If** ~~of a majority of the then -~~ **the Company is treated** ~~- outstanding Warrants approve of such amendment. The Warrants were issued in registered form under the Warrant Agreement between Continental,~~ as **a PFIC within** ~~warrant agent, and JATT. The Warrant Agreement provides that~~ the ~~terms~~ **meaning** of **Section 1297** ~~the Warrants may be amended without the consent~~ of **the Code for** any **taxable year (or portion thereof) during which a U. S.** ~~holder~~ **Holder (as defined below)** ~~to cure any ambiguity or correct any defective provision or correct any mistake, but requires the approval by the holders --~~ **holds** ~~of a majority of the then- outstanding Warrants to make any change that adversely affects the interests of the registered holders of Warrants. Accordingly, we may amend the terms of the Warrants in a manner adverse to a holder if holders of a majority of the then- outstanding Warrants approve of such amendment. Although our ability to amend the terms of the Warrants with the consent of majority of the then- outstanding Warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the Warrants, convert the Warrants into cash, shorten the exercise period, or~~ **our** ~~decrease the number of Zura~~ Class A Ordinary Shares **(regardless** ~~purchasable upon exercise~~ of **whether** ~~a Warrant. The exercise of the Warrants, and any proceeds we may receive from their --~~ **the** ~~exercise~~ **Company remains a PFIC for subsequent taxable years)** , ~~are highly dependent~~ **certain adverse U. S. federal income tax consequences, such as taxation at the highest marginal ordinary income tax rates** on ~~the price of~~ **capital gains and on certain actual** ~~our -~~ **or deemed distributions, and interest charges on certain taxes treated as deferred, may apply to such U. S. Holder and such U. S. Holder might be subject to additional reporting requirements. Under certain circumstances, certain elections may be available to U. S. Holders of** Class A Ordinary Shares **to mitigate some of the adverse tax consequences resulting from PFIC treatment. Based on the nature of our activities and the composition of our income and assets, we believe we were a PFIC for the taxable year ended December 31, 2024. Additionally, the Company may be a PFIC in the current taxable year or in any subsequent taxable year. The determination of whether we are a PFIC is a fact- intensive determination made on** ~~and -~~ **an annual basis** ~~the spread between the exercise price of the Warrant~~ and the **applicable law is subject to varying interpretation. In particular, the characterization of our assets as active or passive may depend in part on our current and intended future business plans, which are subject to change. In addition, the total value of our assets for PFIC testing purposes may be determined in part by reference to the market** price of our Class A Ordinary Shares **from** ~~at the~~ time ~~of exercise. For example,~~ to **time, which may fluctuate considerably. Under** the ~~extent that~~ **income test, our status as a PFIC depends on** the ~~price~~ **composition** of **our income which will depend on the transactions we enter into in the future and our corporate structure. The composition of our income and assets is also affected by how, and how quickly, we spend the cash we raise in any offering. Accordingly, our U. S. counsel expresses no opinion with respect to our PFIC status. If the Company were determined to be a PFIC, you may be unable to make certain advantageous elections with respect to** ~~our~~ **your ownership of the** Class A Ordinary Shares ~~exceeds $ 11. 50 per share~~ **that could mitigate some of the adverse consequences of the Company' s PFIC status** , ~~it~~ **or making such elections retroactively could have adverse tax consequences to you. The Company** is ~~more likely~~ **not representing to you, and there can be no assurance,** that **the Company** ~~holders of our Public Warrants and Private Placement Warrants~~ will ~~exercise~~ **or will not be treated as a PFIC for any past, current, or future taxable year. The Company has not sought and will not seek any rulings from the IRS or any opinion from any tax advisor as to such tax treatment. If we determine that we are a PFIC for any taxable year, upon written request by a U. S. Holder, we will endeavor to provide or make available to such U. S. Holder such information as the IRS may require to enable the U. S. Holder to make and maintain a " qualified electing fund " election, but there can be no assurance that we will timely provide such required information. U. S. Holders should consult with, and rely solely upon,** their ~~warrants. If~~ **tax advisors to determine the application of the PFIC rules to** ~~the~~ **them** ~~price~~ **and any resultant tax consequences. For purposes of this discussion, a " U. S. Holder " is a holder who, for U. S. federal income tax purposes, is a beneficial owner** of our Class A Ordinary Shares **and** is ~~less than $ 11. 50 per share~~ **(1) a citizen or individual resident of the United States; (2) a corporation** , ~~it~~ **or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (3) an estate, the income of which** is ~~unlikely~~ **subject to U. S. federal income taxation regardless of its source; or (4) a trust** that ~~such holders will exercise~~ **(a) is subject to** ~~their --~~ **the primary supervision** ~~warrants. As~~ of ~~March 26, 2024,~~ **a U. S. court and** the ~~closing price~~ **control of one or more " United States persons " (within the meaning of Section 7701 (a) (30) of the Code) or (b) has a valid election in effect to be treated as a United States person for U. S. federal income tax purposes. If**

a United States person is treated as owning at least 10 % of our Class A Ordinary Shares ~~was $ 2. 26 per share. There can be no assurance that all of our Warrants will be in the money prior to their expiration. Our Public Warrants under certain conditions~~ , **such holder may be subject to adverse U. S. federal income tax consequences. If a U. S. person is treated** as **owning (directly** ~~described in the warrant agreement~~ , **indirectly** ~~are redeemable by the Company at a price of $ 0. 01 per warrant or on a cashless basis. Our Private Placement Warrants are not redeemable so long as they are held by the initial stockholders or permitted transferees and are exercisable on a cashless basis. Our Pre- Funded Warrants are not redeemable and are exercisable on a cashless basis. As such, it is possible that we may never generate any cash proceeds from the exercise of our~~ - **or constructively)** ~~Warrants. Accordingly, as of the date of this annual report on Form 10- K, we have neither included nor intend to include any potential cash proceeds from the exercise of our Warrants in our short- term or long- term liquidity projections. We will continue evaluate the probability of warrant exercise over the life of our Warrants and the merit of including potential cash proceeds from the exercise thereof in our liquidity projections. Nevertheless, we believe our existing cash and cash equivalents will be sufficient to fund our operations for~~ at least **10 %** ~~the next 12 months from the date~~ of ~~this annual report. However, our liquidity assumptions may prove to be incorrect, and we could utilize our available financial resources sooner than we currently expect. Our future capital requirements and the adequacy of available funds will depend on many factors, including those set forth under " Risk Factors " elsewhere in this annual report. We may redeem any unexpired Warrants prior to their exercise at a time that is disadvantageous to you, thereby making the Warrants worthless. We have the ability to redeem outstanding Warrants of legacy JATT at any time after they~~ - **the value or voting** ~~become exercisable and prior to their expiration, at a price of $ 0. 01 per~~ **power** ~~Warrant, provided that the closing price~~ of ~~Zura~~ **our** Class A Ordinary Shares ~~equals~~ **, such U. S. person may be treated as a " United States shareholder " with respect to each " controlled foreign corporation " in** ~~or~~ **our group** ~~exceeds $ 18. 00 per share~~ (**if any). We generally will be classified** as ~~adjusted~~ **a controlled foreign corporation if such United States shareholders own (directly, indirectly** ~~for~~ - **or constructively** ~~share subdivisions, share dividends, rights issuances, subdivisions, reorganizations, recapitalizations and the like~~) **more** ~~on each of 20 trading days within any 30- trading- day period commencing after the Warrants become exercisable and ending on the third trading day prior to the date on which notice of redemption is given. If and when the Warrants become redeemable by Zura, We may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. Redemption of the outstanding Warrants could force the holders thereof to: (i) exercise such Warrants and pay the exercise price therefor at a time when it may be disadvantageous for a holder to do so; (ii) sell such Warrants at the then- current market price when a holder might otherwise wish to hold such Warrants; or (iii) accept the nominal redemption price that, at the time the outstanding Warrants are called for redemption, is likely to be substantially less~~ than **50 % of** the ~~market~~ value ~~of such Warrants. In addition, we may redeem the Warrants at any time after they become exercisable and prior to their expiration for~~ - **or** ~~a number~~ **voting power** of ~~Zura~~ **our** Class A Ordinary Shares ~~determined based~~ **. Additionally, under certain " downward attribution " rules, because our group includes U. S. subsidiaries, our** ~~on non the fair market value~~ - **U. S. subsidiaries could be treated as controlled foreign corporations (regardless** of ~~Zura Class~~ **whether we are treated as a controlled foreign corporation).** A **United States shareholder** ~~Ordinary Share. The value received upon exercise~~ of ~~the Warrants (1) may be less than the value the holders would have received if they had exercised their Warrants at~~ a ~~later time where the underlying~~ **controlled foreign corporation may be required to report annually and include in its U. S. taxable income its pro rata** share **of " Subpart F income, " tested income** ~~price is higher and (2) may not compensate the holders~~ for ~~the value of the Warrants~~ **" global intangible low- taxed income " purposes and investments in U** . ~~80~~ **S. property by controlled foreign corporations, regardless of whether we make any distributions. Subpart F income generally includes dividends, interest, rents, royalties, gains from the sale of securities and income from certain transactions with related parties, and " global intangible low- taxed income " 82**